TOGETHER CREATING TOMORROW

Quarterly Report September 2017



Directors' Report

The Board of Directors of UBL Fund Managers Limited is pleased to present to you the reports of its UBL Liquidity Plus Fund (ULPF), UBL Money Market Fund (UMMF), UBL Government Securities Fund (UGSF), UBL Growth and Income Fund (UGIF), UBL Stock Advantage Fund (USF), UBL Income opportunity Fund (UIOF), UBL Gold Fund (UGF) UBL Asset Allocation Fund (UAAF), UBL Capital Protected Fund III (UCPF-III) and UBL Conservative Allocation Plan (UCONAP) for the three-month ended September, 30. 2017.

Economy & Money Market Review – 1QFY18

Notwithstanding concerns on the external account and rising political uncertainty, Pakistan's macroeconomic indicators continue to depict a healthy trend. Initial impressions suggest that FY18 GDP growth is likely to remain strong at above 5% as corroborated by robust LSM numbers (up 13% YoY in July), a pick-up in agriculture sector, especially major crops, strong private sector credit off-take for both working capital and fixed investment, significant improvement in energy supply and rising imports of machinery and petroleum products. Further, benign inflation, better security situation, developments under CPEC and PSDP related activities and QoQ improvements in the twin deficits position provide a favorable backdrop for higher and sustained GDP growth over the rest of the fiscal year.

The headline inflation during 1QFY18 remained well contained, rising by 3.4%YoY during the quarter. Therefore, State Bank of Pakistan (SBP), in its latest monetary policy review meeting, decided to keep policy rate unchanged at 5.75% stating that it expects headline inflation to remain well below FY18 target of 6%. Following fiscal profligacy in the last quarter, fiscal deficit sizably shrunk to 0.9% of GDP in 1QFY18, driven by robust revenue growth and measured rise in expenditures. On the external front, though 2MFY18 current account deficit clocked in at USD 2.6bn against USD 1.3bn SPLY, current account deficit for Aug 2017 came in at USD 550mn, a sharp decline relative to USD2bn in the previous month.

Going forward, we expect an improvement in monthly current account deficit run rate, aided by a pick-up in exports, upcoming RDs on non-essential imports and a more prudent fiscal stance by the government vis-à-vis last year. Notwithstanding the above, in order to sustain the current high GDP growth rate along with macroeconomic stability, the government will have to undertake tough structural reforms to address the perennial twin deficits issue on a permanent basis.

During 1QFY18, yields on T-Bills for 3M, 6M and 12M tenor mainly remained unchanged, while yields on 3year, 5-year and 10-year bonds increased by 45bps, 56bps and 13bps respectively, indicating that investors expect some rise in inflation and interest rates going forward. During the quarter, the government raised PKR 4.2tm through T-bills and PKR 771bn through PIBs. Until Dec17, the government has planned to raise PKR 3.6tm through T-bills auctions and PKR 200bn through PIB auction.

Stock Market Review – 1QFY18

The local bourse underwent significant correction in 1QFY18 as captured in 8.93% decline in the benchmark KSE-100 Index during the quarter. A host of factors such as country's worsening political landscape post disqualification of a sitting PM, accompanying macroeconomic policy uncertainty, toughening US stance on Pakistan, a lackluster earnings season, some adverse corporate developments (HBL penalty, Mari SPO, NBP pension decision), rising challenges on the external and fiscal accounts and heavy foreign selling explain dismal PSX performance during the aforesaid period.

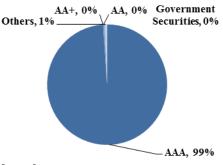
UBL LIQUIDITY PLUS FUND (ULPF)

UBL Liquidity Plus Fund (ULPF) is an open-end Money Market Fund with investment objective to provide attractive daily returns while maintaining comparatively high liquidity. ULPF yielded 5.38% p.a. thus outperforming benchmark by 20bps during 1QFY18. Major exposure was maintained in cash. Overall, net assets increased considerably from PKR 4,082mn in Jun'17 to PKR 5,798mn in Sep'17. The weighted average maturity of the fund stood at ~ 1 day at the end of 1QFY18 maintaining high liquidity.

	ULPF	Benchmark
1QFY18 Return:	5.38%	5.18%
Standard Deviation (12m Rolling):	0.97%	0.05%
Sharpe Ratio (12m Rolling):	0.34	(15.62)

Asset Allocation (% of Total Assets)	Jul'17	Aug'17	Sep'17
Placements with Banks	0%	0%	0%
Placements with DFIs	0%	0%	0%
Placements with NBFCs	0%	0%	0%
Reverse Repo	0%	0%	0%
T-Bills	0%	22%	0%
PIBs	0%	0%	0%
Cash	99%	78%	99%
Others	1%	0%	1%
Leverage	0%	0%	0%

ULPF-Portfolio Quality



ULPF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
ULPF (p.a)	5.38%	5.42%	6.28%	6.48%	7.15%	8.74%
Benchmark	5.18%	5.21%	5.24%	5.82%	6.74%	8.05%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 81.428 million for the Quarter ended September 30, 2017 which mainly includes markup / interest income on bank balances, placements and government securities. After accounting for the expenses of PKR 14.476 million, the Fund managed to earn a net income of PKR 66.951 million. The net assets of the Fund were PKR 5,798 million as at September 30, 2017 representing the net asset value of PKR 102.0216 per unit.

JCR-VIS Credit Rating Company Limited (JCR-VIS) has maintained the fund stability rating of AA (f) to the Fund.

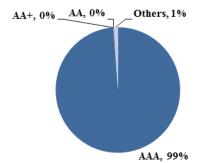
UBL MONEY MARKET FUND (UMMF)

The objective of UBL Money Market Fund is to generate competitive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors. During the period under review, UMMF generated a return of 4.71% p.a. The Fund Manager maintained a high-quality liquid portfolio during the period with major allocation in cash. The weighted average time to maturity of the fund stood at ~1 day at the end of 1QFY18.

	UMMF	Benchmark
1QFY18 Return:	4.71%	5.18%
Standard Deviation (12m Rolling):	0.72%	0.05%
Sharpe Ratio (12m Rolling):	(0.85)	(15.64)

Asset Allocation (% of Total Assets)	Jul'17	Aug'17	Sep'17
Placements with Banks	0%	0%	0%
Placements with DFIs	0%	0%	0%
PIB	0%	0%	0%
GOP Ijarah Sukuk	0%	0%	0%
T-Bills	0%	0%	0%
Cash	98%	99%	99%
Others	2%	1%	1%
Leverage	Nil	Nil	Nil

UMMF - Portfolio Quality



UMMF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UMMF (p.a)	4.71%	4.83%	5.34%	5.86%	6.71%	8.22%
Benchmark	5.18%	5.21%	5.24%	6.15%	7.47%	8.90%

Returns are annualized using the Morningstar Methodology

During the period, the Fund earned total income of PKR 12.607 million for the Quarter ended September 30, 2017 which mainly includes markup / interest income on bank balances and government securities. After accounting for the expenses of PKR 3.449 million, the Fund managed to earn a net income of PKR 9.158 million. The net assets of the Fund were PKR 1,034.640 million as at September 30, 2017 representing the net asset value of PKR 101.6379 per unit.

JCR-VIS Credit Rating Company Limited (JCR-VIS) has maintained AA (f) rating to the Fund.

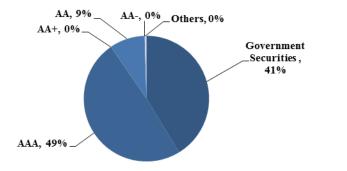
UBL GOVERNMENT SECURITIES FUND (UGSF)

The objective of the fund is to generate a competitive return with minimum risk, by investing primarily in Government Securities. UBL Government Securities Fund posted a return of 4.08% p.a. during 1QFY18. The fund manager maintained major portfolio exposure to Cash and T-Bills 53% and 41%, respectively. The weighted average maturity of fund was reduced to 0.18 years at the end of 1QFY18.

	UGSF	Benchmark
1QFY18 Return:	4.08%	6.00%
Standard Deviation (12m Rolling):	0.23%	0.04%
Sharpe Ratio (12m Rolling):	(5.72)	0.70

Asset Allocation (% of Total Assets)	Jul'17	Aug'17	Sep'17
Placements with banks	0%	9%	5%
PIB	0%	0%	0%
GOP Ijarah Sukuk	19%	17%	0%
Reverse Repo	0%	0%	0%
T-Bills	54%	65%	41%
Cash	27%	6%	53%
Others	0%	2%	0%
Leverage	Nil	Nil	Nil

UGSF - Portfolio Quality



UGSF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UGSF (p.a)	4.08%	4.75%	4.62%	9.06%	8.87%	9.60%
Benchmark	6.00%	6.00%	5.98%	6.30%	7.27%	7.92%

Returns are annualized using the Morningstar Methodology

During the period, the Fund earned total income of PKR 45.566 million for the Quarter ended September 30, 2017 which mainly includes markup / interest income on bank balances, placements, term deposits and government securities. After accounting for the expenses of PKR 12.875 million, the Fund managed to earn a net income of PKR 32.691 million. The net assets of the Fund were PKR 3,169.633 million as at September 30, 2017 representing the net asset value of PKR 106.6631 per unit.

JCR-VIS Credit Rating Company Limited (JCR-VIS) has assigned A (f) rating to the Fund.

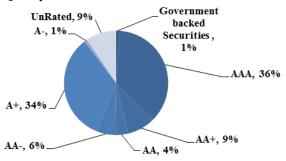
UNITED GROWTH & INCOME FUND (UGIF)

UGIF is an open-end Aggressive Fixed Income Fund, investing in medium to long-term fixed income instruments as well as short-tenor money market instruments and seeks to generate superior, long-term, risk-adjusted returns while preserving capital over the long-term. UGIF posted a return of 4.03% p.a during 1QFY18. The fund maintained 51% allocation in Cash while 23% and 13% exposure was maintained in TFC/Sukuk and Placements with Banks, respectively.

	UGIF	Benchmark
1QFY18 Return:	4.03%	6.21%
Standard Deviation (12m Rolling):	0.85%	0.03%
Sharpe Ratio (12m Rolling):	(1.23)	6.91

Asset Allocation (% of Total Assets)	Jul'17	Aug'17	Sep'17
Term Finance Certificates/ Sukuks	21%	24%	23%
Commercial Paper	4%	4%	4%
Placements with DFIs	0%	0%	0%
Placements with Banks	5%	13%	13%
Cash	35%	37%	51%
T-Bills	0%	4%	0%
PIBs	0%	0%	0%
GOP Ijarah Sukuk	5%	5%	0%
Spread Transaction	3%	1%	0%
MTS Exposure	4%	4%	1%
Others	22%	8%	9%

UGIF Portfolio Quality



UGIF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UGIF (p.a)	4.03%	5.05%	4.91%	9.97%	11.94%	6.35%
Benchmark	6.21%	6.21%	6.18%	7.16%	8.20%	10.24%

Returns are annualized using the Morningstar Methodology

During the period, the Fund earned total income of PKR 78.347 million for the Quarter ended September 30, 2017 which mainly includes markup / interest income on bank balances, placements and government securities. After accounting for the expenses of PKR 28.755 million, the Fund managed to earn a net income of PKR 49.592 million. The net assets of the Fund were PKR 4,842.902 million as at September 30, 2017 representing the net asset value of PKR 85.7421 per unit.

JCR-VIS Credit Rating Company Limited (JCR-VIS) maintained A (f) fund stability rating of the Fund.

UNITED STOCK ADVANTAGE FUND (USF)

USF is an open-end Equity Fund, investing primarily in equities listed on the KSE. The Fund seeks to maximize total return and outperform its benchmark by investing in a combination of securities offering long term capital gains and dividend yield potential.

USF generated a negative return of 9.56% during 1QFY18. During the period under review, the exposure in Equities was concentrated in Commercial Banks (16%), Oil & Gas (12%), and Cement (10%) sectors at the end of quarter.

	USF	Benchmark
1QFY18 Return:	-9.56%	-8.93%
Standard Deviation (12m Rolling):	17.33%	16.99%
Sharpe Ratio (12m Rolling):	0.19	(0.08)

Asset Allocation (% of Total Assets)	Jul'17	Aug'17	Sep'17
Equities	84%	84%	85%
International Investments	0%	0%	0%
Cash	15%	15%	14%
Others	1%	1%	1%
Leverage	Nil	Nil	Nil

USF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
USF	-9.56%	-9.96%	9.20%	58.56%	200.83%	409.65%
Benchmark	-8.93%	-11.93%	4.61%	36.75%	147.73%	241.07%

Returns are on absolute basis

The Fund incurred a net loss of PKR 792.527 million for the for the Quarter ended September 30, 2017 (including an unrealized loss of PKR 731.233 million on revaluation of investments) as compared to a net gain of PKR 337.131 million (including an unrealized gain of PKR 169.242 million on revaluation of investments) during the same period last year. The capital loss from the sale of securities amounted to PKR 79.469 million (September 30, 2016: capital gain amounting to PKR 142.406 million) and dividend income amounting to PKR 62.216 million (September 30, 2016: PKR 34.223 million). As at September 30, 2017, net assets of the Fund were PKR 6,884.888 million representing the net asset value of PKR 68.94 per unit.

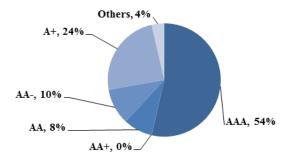
UBL INCOME OPPORTUNITY FUND (UIOF)

The Objective of UBL Income Opportunity Fund is to provide a competitive rate of return to its investors by investing in quality TFCs / Sukuk, Government Securities, Bank Deposits, and short and long term debt instruments. UIOF posted a return of 2.92% p.a during 1QFY18. The fund maintained 52% allocation in Cash while 25% and 20% exposure was maintained in TFC/Sukuk and Placements with Banks, respectively.

	UIOF	Benchmark
1QFY18 Return:	2.92%	6.03%
Standard Deviation (12m Rolling):	0.28%	0.03%
Sharpe Ratio (12m Rolling):	(6.52)	1.74

Asset Allocation (% of Total Assets)	Jul'17	Aug'17	Sep'17
Term Finance Certificates / Sukuks	20%	23%	25%
Placements with Banks	0%	18%	20%
Placements with NBFCs	0%	0%	0%
PIBs	0%	0%	0%
GOP Ijarah Sukuk	0%	0%	0%
T-Bills	0%	0%	0%
Cash	77%	55%	52%
Others	4%	3%	4%
Leverage	Nil	Nil	Nil

UIOF Portfolio Quality



UIOF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UIOF (p.a)	2.92%	3.49%	4.14%	7.28%	-	7.39%
Benchmark	6.03%	6.03%	6.01%	6.80%	-	7.44%

Returns are annualized using the Morningstar Methodology

The Fund earned total income of PKR 2.383 million for the Quarter ended September 30, 2017 which mainly includes markup / interest income on bank balances and debt securities. After accounting for the expenses of PKR 1.197 million, the Fund managed to earn a net income of PKR 1.186 million. The net assets of the Fund were PKR 148.552 million as at September 30, 2017 representing the net asset value of PKR 110.7747 per unit.

JCR-VIS Credit Rating Company Limited (JCR-VIS) has assigned fund stability rating of A- (f) to the fund.

UBL GOLD FUND (UGF)

UBL Gold Fund's aim is to provide unit-holders exposure to gold as an asset class by investing significant portion of fund's net assets in gold-based instruments, while investing the remaining portion in high-rated money market instruments. The UGF came to a close due to expulsion of seed capital from the fund. The fund generated a return of negative 2.89% since inception.

	UGF	Benchmark
1QFY18 Return:	-0.09%	1.74%
Standard Deviation (12m Rolling):	10.47%	8.15%
Sharpe Ratio (12m Rolling):	(0.97)	(0.94)

Asset Allocation (% of Total Assets)	May'17	Jun'17	Jul'17
Gold	73%	83%	0%
T-Bills	0%	0%	0%
Cash	9%	12%	3%
Others	18%	5%	97%
Leverage	Nil	Nil	Nil

*The negative 'others' position represents liabilities for the futures contracts, and these are fully funded by a combination of t-bills and cash assets of the fund.

UGF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UGF	0.66%	5.70%	-4.28%	6.27%	-	-2.89%
Benchmark	0.60%	4.04%	-1.70%	10.36%	-	-7.80%

Returns are on absolute basis

The Fund suffered net loss of PKR 8,000 for quarter ended September 30. The capital loss on sale/maturity of future gold contracts amounted to PKR 56,000. On August 01, 2017 Fund has been revoked.

UBL Asset Allocation Fund (UAAF)

The investment objective of the Fund is to earn competitive return by investing in various asset classes/instruments based on the market outlook. At end of 1QFY18, the fund manager maintained major exposure in Cash of around 58% while the exposure in local equity market stood around 36%. The fund generated a negative return of 3.31% during the quarter. At the end of 1QFY18, net assets stood at PKR 2,736mn. Majority of the Fund's equity exposure was concentrated in Commercial Banks (6.5%) and Oil & Gas Exploration Companies (5.6%) sectors at the end of quarter.

	UAAF	Benchmark
1QFY18 Return:	-3.31%	2.04%
Standard Deviation (12m Rolling):	7.10%	0.63%
Sharpe Ratio (12m Rolling):	0.21	3.79

Asset Allocation (% of Total Assets)	Jul'17	Aug'17	Sep'17
Equities	34%	35%	36%
T-bills	52%	52%	0%
PIBs	0%	0%	0%
TFC	6%	6%	6%
Placements with banks	0%	0%	0%
Cash	7%	6%	58%
Others	1%	1%	1%
Leverage	Nil	Nil	Nil

UAAF vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UAAF	-3.31%	-2.41%	7.42%	47.38%	-	73.12%
Benchmark	2.04%	4.11%	8.34%	31.87%	-	52.99%

Returns are on absolute basis

The Fund incurred a net loss of PKR 97.809 million for the Quarter ended September 30, 2017 (including an unrealized loss of PKR 109.718 million on revaluation of investments) as compared to a net income of PKR 70.531 million (including an unrealized gain of PKR 1.914 million on revaluation of investments) during the same

period last year. The capital loss from the sale of securities amounted to PKR 12.248 million (September 30, 2016: capital gain amounting to PKR 35.118 million) and dividend income amounting to PKR 10.318 million (September 30, 2016: PKR 6.499 million). As at September 30, 2017, net assets of the Fund were PKR 2,735.968 million representing the net asset value of PKR 130.32 per unit.

UBL Capital Protected Fund - III (UCPF-III)

The investment objective of UBL Capital Protected Fund -III (UCPF-III) is to protect the principal investment of the investors upon maturity by placing a significant portion of the Trust-Property as TDR with a minimum AA-rated Bank, and remaining in equity market provide investors with better returns. The fund posted a negative return of 1.47% for the quarter. At the end of 1QFY18, major allocation was with Placements with banks at 84% while 11% allocated in Equities.

	UCPF-III	Benchmark
1QFY18 Return:	-1.47%	-0.35%
Standard Deviation (12m Rolling):	n/a	n/a
Sharpe Ratio (12m Rolling):	n/a	n/a

Asset Allocation (% of Total Assets)	Jul'17	Aug'17	Sep'17
Placements with banks	83%	84%	84%
Equities	13%	11%	11%
T-bills	0%	0%	0%
Spread Transactions	0%	0%	0%
Others	4%	4%	5%
Cash	0%	0%	0%
Leverage	Nil	Nil	Nil

UCPF-III vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UCPF-III	-1.47%	-0.18%	-	-	-	0.22%
Benchmark	-0.35%	0.03%	-	-	-	0.22%

Returns are on absolute basis

The Fund incurred net loss of PKR 6.389 million for the Quarter ended September 30, 2017 (including an unrealized loss of PKR 10.995 million on revaluation of investments). The capital loss from the sale of securities amounted to PKR 0.22 million and dividend income amounting to PKR 0.579 million. As at September 30, 2017, net assets of the Fund were PKR 420.230 million representing the net asset value of PKR 98.69 per unit.

UBL Conservative Allocation Plan (UCONAP)

The objective is to generate stable returns while maintaining high liquidity by investing in Money Market Funds. This fund was launched on 28 Sep' 2017. The fund is categorized under fund of fund Scheme. In the 1QFY18, major allocation of fund was with UBL Liquidity Plus Fund. The fund has posted a return of 1.60% p.a during 1QFY18 while net assets for the fund stood at PKR 100mn.

	UCONAP	Benchmark
1QFY18 Return:	1.60%	4.20%
Standard Deviation (12m Rolling):	n/a	n/a
Sharpe Ratio (12m Rolling):	n/a	n/a

Asset Allocation (% of Total Assets)	Jul'17	Aug'17	Sep'17
UBL Liquidity Plus Fund	0%	0%	100%
UBL Money Market Fund	0%	0%	0%
Others	0%	0%	0%
Cash	0%	0%	0%
Leverage	Nil	Nil	Nil

UCONAP vs. Benchmark

	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
UCONAP	-	-	-	-	-	1.60%
Benchmark	-	-	-	-	-	4.20%

Returns are annualized using the Morningstar Methodology

The Fund managed to earn a net income of PKR 8,727 for the Quarter ended September 30, 2017 (including an unrealized gain of PKR 15,592 on revaluation of investments). As at September 30, 2017, net assets of the Fund were PKR 100.0087 million representing the net asset value of PKR 100.0087 per unit

Future Outlook

We believe the economy is set to continue on a higher growth path during FY18, with real GDP growth likely to come in excess of 5%. Inflationary pressures are also expected to remain at bay due to contained global commodity prices. Further, the corrective policy measures on the external and fiscal front should help in arresting the worsening twin deficits situation and bring stability to overall economy. However, major risks to this thesis include any further deterioration in political stability, weakening security situation, lack of interest from GoP to improve overall macro-economic stability and sharp rebound in international oil prices leading to inflationary, fiscal and external pressures.

PSX currently trades at a PE of \sim 8.1x offering a steep discount of \sim 46% to regional peers, with a dividend yield of \sim 5.4% compared to \sim 2.5% on average offer in the Asia-Pacific region. At current levels benchmark KSE-100 index offers an earnings yield of \sim 12.3%, a \sim 610bps premium over comparable government paper. Notwithstanding short-term hiccups leading up the election year, we see current market level as highly attractive and expect the benchmark index to post healthy double-digit return over the next 12 months.

Acknowledgements

We would like to thank our valued unit holders for their confidence and trust in UBL Fund Managers Limited. In addition, we would like to acknowledge the Securities and Exchange Commission of Pakistan, State Bank of Pakistan, the Pakistan Mercantile Exchange and Central Depository Company of Pakistan Limited (Trustee) for their continued support, guidance and cooperation. The Board also likes to take this opportunity to express its appreciation to the employees for their dedication, commitment, enthusiasm and hard work.

FOR & ON BEHALF OF THE BOARD

Yasir Qadri CHIEF EXECUTIVE

Karachi, Dated: 27 October 2017

ڈ ا**ئر یکٹرز کی آئزہ رپورٹ**

يوبى ايل فنڈ زمنيجرزلميٹڈ كے بورڈ آف ڈائر يكٹرزنہايت مسرت كے ساتھ آپ كو30 ستمبر 2017 كوختم ہونے والى سەمابى كے ليے يوبى ايل كيك يُدْينْ پلس فنڈ (ULPF)، يوبى ايل منى ماركيٹ فنڈ (UMMF)، يوبى ايل گورنمنٹ سيكيو رثيز فنڈ (UGSF)، يوبى ايل گروتھا ينڈ انكم فنڈ (UGIF)، يوبى ايل اسٹا كىلا يد فنڈ (USF)، يوبى ايل انكم آپر چيونى فنڈ (UIOF)، يوبى ايل گولڈ فنڈ (UGF)، يوبى ايل كيسن فنڈ (UAAF)، يوبى ايل كين كيس فنڈ (UCPF) اير و ايلوكيشن پلان (UCONAP) كى رپورٹس پیش كرتے ہيں۔

معاشی اور منی مار کیٹ کا∎ ئزہ۔مالی سال 2018 کی پہلی ششماہی (1QFY18)

آ ﷺ بڑھتے ہوئے، ہمیں کرنٹ اکاؤنٹ خسارے کے ماہاندریٹ میں بہتری کی توقع ہے، ج∎ برآ مدات میں اضافے، غیر ضروری اشیاء کی درآ مدات پر ڈیوٹیوں اور گز نﷺ برس حکومت کی جانب سے زیادہ قابل بھروسہ موقف سے سپورٹ حاصل ہوگ ۔ اس ■ باوجود، اعلیٰ اقتصادی ایتحکام اور موجودہ اعلیٰ شرح نمو ∰ ترقی کی شرح البر ترارر کھنے کے لیے حکومت کو تخت اصلاحا ■ نافذ کرنی چاہئے سے تا کہ دوہر بے خسارے کے مسئلے کو مستقل بنیا د پر حل کیا جاستے۔

1QFY18 کے دوران، 3ماہ،6ماہ اور 12ماہ کی مدت کے ٹی بلز کی پیداوار میں کسی بھی قسم کی کوئی تبدیلی واقع نہیں ہوئی، جبکہ 3 سال، 5 سال اور 10 سال کی مدت والے بانڈر: ■ بالتر تیب 56bps، 45bps اور 13bps اضافہ ہواجوا ■ بات کی نشاند ہی ■ تا ہے کہ ہر ما بیکارافراطِ زرمیں اضافہ متوقع رکھتے ہیں اورانٹر سٹ ریٹ بھی بڑھیں گے۔اس سہ ماہی کے دوران، حکومت نے ٹی بلز کے ذریعے 4.2 ٹریلین روپے اور PIBs کے ذریعے 177 بلین روپے کمائے۔17 دسم تک ہے کہ ٹی بلز کے ذریعے 3.6 ٹریلین روپے اور PIB نیلام عام کے ذریعے 200 بلین روپے کمائے۔17 دسمبر تک ،حکومت نے منصوبہ بندی کی ہمیں یقین ہے کہ کم شرح سود، تیل کی کم قیمتوں، دافر فاریکس ذ∎ مرا در بینکوں کی جانب سے خی شعبوں کو گیڈٹ کی فراہمی کے سبب 2HFY17 میں معاشی بحالی ﷺ یہ بہتر ی ک جانب بڑھے گی۔ چیک پاکستان معاشی راہداری کے سلسلے میں حکومت کی جانب سے کیے جانے دا ہتا ریخ ساز معاہدے اور **ا** انانی کے پر دجیکٹس کھڑ تی کے لیے کیے گئے دعدوں سے انفرا اسٹر کچر میں سرمایہ کاری کے بڑھانے میں مدد ملے گی۔ا∎تر قیاتی اقدامات کی پاکستانی معیشت کی پائیدارتر تی کے لیے این کھڑ

اسٹاك ماركيٹ كا 🛯 ئزہ:

1QFY18 کے دوران، کے ایس ای 100 انڈیکس میں 8.93 فیصد کمی واقع ہوئی جس کی وجدا سٹاک ایکیچینج کی کارکرد ﷺ پر اثر انداز ہونے والے متعدد عوامل ہیں، جن میں ملکی سیاسی صورتحال میں آنے وا∎بدترین تبدیلی ،موجودہ وزیر اعظم ﷺ ناا، ملی ،مائیکر واکنا مﷺ پالیسی کی غیریقینی صورتحال، امریکہ کی جانب سے پاکستان کودھمکیاں، آمدنی میں کمی ، بعض کاروباروں میں منفی عناصر (HBL پینیٹی، Mari SPO، این بی پی کا پنشن فیصلہ)،مالیاتی اور بیرونی اکاؤنٹس میں ہوئی مشکل سے اور بھاری غیر ملکی فروخت شامل ہیں۔

يوبى ايل كمايد ثى پلس فند (ULPF):

یوبی ایل کی یڈٹی پلس فنڈ ایک او پن اینڈ نن مارکیٹ فنڈ ہے، جس کا سرما بیکاری کا مقصار یا دہ کی یڈیٹی برقر ارر کھتے ہوئے روزانہ کا بنیا د پرکشش منافع مہیا کرنا ہوتا ہے۔ ULPF نے 1QFY18 کے دوران 5.38 فیصد منافع یا اوراس طرح اپنے بینچ مارک سے 20bps بہتر کا رکردگی دکھائی۔فنڈ کا زیادہ ترایک پیووژ رکیش میں رکھا گیا۔مجموعی طور پر فنڈ کے مجموع انثاث جون 2017 میں 4,082 ملین روپے سے دائل بڑھتے ہوئے ستمبر 2017 میں 5,798 ملین روپے تک جاپنچے فنڈ کی اوسط میچور ٹی کی مدت 1QFY18 کے اختیام تک 1 ہو پر موجود تھی۔

	ULPF	بينج مارك
1QFY18 میں منافع	5.38%	5.18%
معیاری انحراف(12ماہ کے دوران)	0.97%	0.05%
Sharpe تناسب(12ماہ کےدوران)	0.34	(15.62)

ستمبر 2017	اگست 2017	بولائی 2017	ايسىيە ايلوكىشن (ئۇنلايسىيىس كا%)
10%	0%	0%	بینکوں میں رکھوائے
0%	0%	0%	DFIs میں رکھوائے
0%	0%	0%	NBFCs میں رکھوائے
0%	0%	0%	ريورس ريپو
0%	22%	0%	ڻي بلز
0%	0%	0%	PIBs
99%	78%	99%	کیش
1%	0%	1%	د يگر
0%	0%	0%	ليوريخ

ULPF- يورث فوليوكوالش

ULPF vs. Benchmark

ابتداءت	5سال	3سال	1 سال	ol6	نثين ما ہ	
8.74%	7.15%	6.48%	6.28%	5.42%	5.38%	ULPF (سالانه)
8.05%	6.74%	5.82%	5.24%	5.21%	5.18%	بینچ مارک
				بنیاد پرکیا گیاہے۔	Morningstar	منافع كاتعينMethodology

30 ستمبر 2017 کوختم ہونے والی سہ ماہی کے دوران فنڈ کی ٹوٹل آمد نی 81.428 ملین روپے رہی ،جس میں اہم طور پر مارک اپ/ بینک بیلند کے پرانٹرسٹ انکم، کیسمنٹس اور گورنمنٹ سیکیو رٹیز شامل ہیں۔14.476 ملین روب اخراجات نکالنے کے بعد، فنڈ کی نیٹ انکم 66.951 ملین روپے رہی۔30 ستمبر 2017 تک فنڈ کے نیٹ اثاثہ جات 5,789 ملین روپ رہے جو کہ فی یونٹ نیٹ ایسیٹ ویلیو 102.0216 روپ خلا ہر کرتے ہیں۔

جتی آر۔وی آئی ایس کیڈٹر یٹنگ کمپنی کمیٹڈ نے فنڈ کی اسٹیبٹی ریٹنگ (AA(f مختص کی ہے۔

يوبي ايل منى ماركيث فند (UMMF):

یوبی ایل منی مارکیٹ فنڈ کا مقصد کم خطرات کے حامل پورٹ فولیو میں موجود کے برقر ارر کھتے ہوئے مسابقتی منافع کے نا سے تا کہا پنے سرما بیکاروں کی با قائدہ آمد نی اور آسان لک ٹیڈیٹی مہیا کی جاسکے رز رہا ئزہ مدت کے دوران ، UMMF نے 4.71 فیصد منافع کے یا ہے۔فنڈ منیجر نے کیش میں ایلوکیشن کے ذریعے ہائی کوالٹی کیوکڈ پورٹ فولیو کو قرار رکھا۔10FY18 کے اختیام تک فنڈ کی میچورٹی کی مدت 1 پی پر موجود ہے۔

	UMMF	بینچ مارک
1QFY18 میں منافع	4.71%	5.18%
معیاری انحراف(12ماہ کے دوران)	0.72%	0.05%
Sharpe تناسب(12ماہ کےدوران)	(0.85)	(15.64)

ستمبر 2017	اگست2017	بولائی 2017	ايسىيە ايلوكىشن (نۇڭلايسىيىس كا%)
9%	0%	0%	بینک میں رکھوائے
0%	0%	0%	DFIs میں رکھوائے
0%	0%	0%	PIB
0%	0%	0%	GoP اجارہ سکوک
0%	0%	0%	ٹی بلز
99%	99%	98%	کیش
1%	1%	2%	ويگر
Nil	Nil	Nil	ليوريخ

UMMF_ پورٹ فوليوكوالش

UMMF vs. Benchmark

ابتداءت	5 سال	3سال	1 سال	016	تثين ما ہ	
8.22%	6.71%	5.86%	5.34%	4.83%	4.71%	UMMF (سالانه)
8.90%	7.47%	6.15%	5.24%	5.21%	5.18%	بينچ بارک
منافع کانعینMorningstar Methodology کا بنیاد پرکیا گیا ہے۔						

30 ستمبر 2017 کوختم ہونے والی سہ ماہی کے دوران فنڈ کی ٹوٹل انکم 12.607 ملین روپے رہی جس میں اہم طور پر مارک اپ/ بینک بیلند پی پرانٹر سٹ انکم اور گورنمنٹ سیکیور ٹیز شامل ہیں۔3.449 ملین روب اخراجات نکالنے کے بعد فنڈ کی خالص آمد نی 9.158 ملین روپے رہی -30 ستمبر 2017 تک فنڈ کے بیٹ اثاثہ جات 1,034.640 ملین روپے رہے جو کہ فی شیئر نیٹ ایسیٹ ویلیو 101.6379 روپے خاہر کرتے ہیں۔

جتی آر۔ دی آئی ایس کیڈٹر بٹنگ کمپنی لمیٹڈنے فنڈ ریٹنگ (AA(f) برقر اررکھی ہے۔

یوبی ایل گورنمنٹ سیکور ٹیز (UGSF): اس فنڈ کا مقصد کم از کم خطرات کے ساتھ گورنمنٹ سیکیو رٹیز میں سرمایہ کاری کرتے ہوئے مسابقتی منافع پیدا کرنا ہے۔ یوبی ایل گورنمنٹ سیکیو رٹیز فنڈ نے 1QFY18 کے دوران4.08 فیصد منافع ∎یا۔ فنڈ منیجرز نے پورٹ فو لیوا کیسپوژ رکیش اور ٹی بلز تی بالتر تیب 53 فیصد اور 41 فیصل برقر اررکھا۔ 1QFY18 کے اختنا م تک فنڈ کی میچور ٹی ک اوسط مدت کم ہوکر 0.18 سال ہوگئی۔

UGSF	بینچ مارک
4.08%	6.00%
0.23%	0.04%
(5.72)	0.70
	4.08% 0.23%

ستمبر 2017	اگست2017	<i>بو</i> لائى 2017	ايسييف ايلوكيشن (نوٹل ايسيٹس كا%)
5%	9%	0%	بینکوں میں رکھوائے
0%	0%	0%	PIB
0%	17%	19%	GOPاجارہ صکوک
0%	0%	0%	ريورس ريپو
41%	65%	54%	ڻي بلز
53%	6%	27%	کیش
0%	2%	0%	ويكر
Nil	Nil	Nil	ليوريخ

UGSF_پورٹ فوليوكوالٹ

UGSF vs. Benchmark

	تين ما د	016	1سال	3سال	5-مال	ابتداءت
UGSF(سالانہ)	4.08%	4.75%	4.62%	9.06%	8.87%	9.60%
بينچ بارک	6.00%	6.00%	5.98%	6.30%	7.27%	7.92%
منافع كانغينthodology	Morningstar I	بنیاد پرکیا گیاہے۔				

30 تمبر 2017 کوختم ہونے والی مدت کے دوران ، فنڈ کی نیٹ آمدنی 45.566 ملین روپے رہی جس میں اہم طور پر مارک اپ/ بینک بیلنس سے حاصل انٹر سٹ انکم ، ٹر ڈپازٹس اورگورنمنٹ سیکیو رٹیز شامل ہیں۔12.875 ملین رو بے اخراجات نکالنے کے بعد فنڈ کی نیٹ آمدنی 32.691 ملین روپے رہی۔30 ستمبر 2017 تک ، فنڈ کے نیٹ اثاثہ جات3,169.63 ملین رو بے پر موجود ہیں جو کہ فی یونٹ نیٹ ایسیٹ ویلیو 106.6631 روپے خاہر کرتے ہیں۔

جتی آر۔وی آئی ایس یڈٹ ریٹنگ تمپنی لمیٹڈ نے فنڈ ریٹنگ (A(f) برقر اررکھی ہے۔

يونا يَسْرُكُروتها يند انكم فند (UGIF)

یہ ایک او پن اینڈا گمریسوفکسڈ انکم فنڈ ہے، جو درمیا یا تاطویل المدت فکسڈ انکم انسٹر ومنٹس میں سرما یہ کاری کے ساتھ ساتھ صفح خصر المدت منی مارکیٹ انسٹر ومنٹس میں بھی سرما یہ کاری تاہے۔ یہ سرمائے کوطویل المدت تک محفوظ رکھتے ہوئے سب سے بہترین ، طویل المدت اور کم خطرات کا حامل منافع کمانے کے مواقع تلاش تتاہے۔ 1QFY18 کے دوران فنڈ کا منافع %4.03 فیصدر ہا۔ فنڈ نے ایلوکیشن کوکیش میں 31 فیصد ، کیش میں 23 فیصد اور ایف ٹی سی اسکوک اور بینک پلیسمنٹ میں 12 فیصلہ ارتکام گھ

	UGIF	بينج مارك
1QFY18 یس منافع	11.58%	6.11%
معیاری انحراف(12ماہ کےدوران)	2.41%	0.26%
Sharpe تناسب(12ماہ کےدوران)	2.85	1.09

ستمبر 2017	اگست2017	<i>بو</i> لائى2017	ايسىيە ايلوكىشن (ئۇنلايسىيىس كا%)
23%	24%	21%	_ط رم فنانس
4%	4%	4%	کمرشل پیپر
0%	0%	0%	DFIs میں رکھوائے
13%	13%	5%	بینکوں میں رکھوائے
51%	37%	35%	كيش
0%	4%	0%	ٹی _ بلز
0%	0%	0%	پىتىنى
0%	5%	5%	GoPاجارہ صکوک
0%	1%	3%	استع يذرانز يكشن
1%	4%	4%	ایم ٹی ایس ایکسپوژ ر
9%	8%	22%	ويگر

UGSF_يور فوليوكوالش

UGIF vs. Benchmark

ابتداءسے	5 سال	3سال	1 سال	ol6	تلين ما ه	
6.35%	11.94%	9.97%	4.91%	5.05%	4.03%	UGIF (سالانه)
10.24%	8.20%	7.16%	6.18%	6.21%	6.21%	بینچ بینچ مارک
				M کا بنیاد پر کیا گیا ہے۔	lorningstar Met	منافع كاتعينhodology

30 تتمبر 2017 کوختم ہونے والی سہ ماہی کے دوران، فنڈ کی ٹوٹل انکم 78.347 ملین روپے رہی، جس میں اہم طور پر مارک اپ/بینک بیلند پر پرانٹر سٹ انکم، پلیسمنٹ اور گورنمنٹ سیکیو رٹیز شامل ہیں۔28.755 ملین روب اخراجات نکا لنے کے بعد فنڈ کی نیٹ انکم 49.592 ملین روپے رہی۔30 ستمبر 2017 تک فنڈ کے نیٹ اثا شرجات 4,842.902 ملین روپے رہے جو کہ فی شیئر نیٹ ایسیٹ ویلیو 25.742 روپے خاہر کرتے ہیں۔

جتی آر۔وی آئی ایس کیڈٹر ریٹنگ کمپنی لمیٹڈ نے فنڈ کی ریٹنگ (A(f) مختص کی ہے۔

يونا يُتْداستاك الدوانين فند (USF):

USF اوپن اینڈا یکویٹی فنڈ ہے، جوبنیا دی طور پر KSE میں درج ایکویٹیز میں سرما بیکاری 🖬 ہے۔ فنڈ ممکنہ متوقع طویل المدت کیپٹل گیننر اورڈ یڈیڈ پیش کرنے والی سیکور ٹیز کے مجموعے میں سرما بیکاری کرتے ہوئے زیادہ سے زیادہ ٹوٹل منافع اوراپنے ہدف سے بہتر کار کردگی دکھانے کے مواقع تلاش 🖬 اہے۔ 1QFY18 کے دوران فنڈ نے منفی 9.56 فیصد منافع لیا۔ زیر 🖬 کزہ مدت کے اخترا م تک فنڈ نے ایلوکیشن کو کر شل پیپر (16%) ، آکل اینڈ گیس (12%) اور سیمنٹ (10%) کے شعبوں میں بر قرار رکھا۔

	USF	بینچ مارک
1HFY17 میں منافع	-9.56%	-8.93%
معیاری انحراف(12 ماہ کے دوران)	17.33%	16.99%
Sharpe تناسب(12ماہ کے دوران)	0.19	(0.08)

ايسىيە ايلوكىش (ئۈڭل ايسىيىس كا%)	جولائی 2017	اگست2017	ستمبر 2017
ايكيو بثييز	84%	84%	85%
مبین الاقوا می سر ماییرکاریا ^ن	0%	0%	0%
کیش	15%	15%	14%
ويگر	1%	1%	1%
ليوريخ	Nil	Nil	Nil

USF vs. Benchmark

ابتداءسے	5 سال	3-بال	1 سال	ol6	تين ماه	
409.65%	200.83%	58.56%	9.20%	-9.96%	-9.56%	USF (سالانه)
241.07%	147.73%	36.75%	4.61%	-11.93%	-8.93%	بینچ بینچ مارک
					abs پرکیا گیاہے۔	منافع كانغينsolute basis

30 تتمبر 2017 تک ختم ہونے والی سہ ماہی کے دوران فنڈ کی نیٹ انکم 792.527 ملین رو پے رہی (بشمول سر ما یکاریوں کی ری و یلیویشن پر ہونے والا 731.233 ملین روپ (unrealized loss) جبکہ گزشتہ سال اسی مدت کے دوران 337.131 ملین روپ خالص نقصان (بشمول سر ما یکاریوں کی ری ویلیویشن پر ہونے والا 169.242 ملین روپ (unrealized gain) جبکہ گزشتہ سال اسی مدت کے دوران 131.331 ملین روپ خالص نقصان (بشمول سر ما یک 142.403 ملین روپ کا کیپٹل (unrealized gain) ریکارڈ کیا گیا تھا۔ سیکیو رٹیز کی فروخت سے 79.469 ملین روپ کا کیپٹل 100 (30 ستمبر 2016) 142.406 ملین روپ کا کیپٹل (unrealized gain) اور 2016 کی گیا تھا۔ سیکیو رٹیز کی فروخت سے 140.690 ملین روپ کا کیپٹل 100 (30 ستمبر 2016) 142.406 ملین روپ کا کیپٹل (use) اور 2016 کا ملین روپ مالیت کی ڈیڈیڈ انکم (30 ستمبر 2016) کا دی کی ملین روپ)۔ 30

يوبى ايل أكم آبر چيونى فند (UIOF):

یوبی ایل آپر چیونی فند کا مقصد معیاری TCFs /صکوک، گورنمنٹ سیکیو رٹیز ، بینکو ڈپازٹس،طویل اور مختصر المدت ڈیپٹ انسٹر ومنٹس میں سرماییکاری کے ذریعے اپنے سرماییہ کاروں کو مسابقتی منافع مہیا کرنا ہے۔1QFY18 کے دوران فنڈنے 2.92 فیصد منافع کیا یا۔فنڈنے ایلوکیشن کو %52 کیش، %25 ٹی ایف سی/صکوک اور %20 بینکوں میں رکھوائے جا کے پر برقر اررکھا۔

	بینچ مارک	UIOF	
	6.03%	2.92%	1QFY18 يس منافع
	0.03%	0.28%	معیاری انحراف(12ماہ کے دوران)
	1.74	(6.52)	Sharpe تناسب(12ماہ کےدوران)
ستمبر 2017	اگست2017	<i>بو</i> لائي 2017	ايسيب ايلوكيشن (ثوثل ايسييس كا%)
25%	23%	20%	ٹرم فنانس شریفکیٹ/ سکوکس
20%	18%	0%	بینیک میں رکھوائے
0%	0%	0%	NBFCs میں رکھوائے
0%	0%	0%	PIBs
0%	0%	0%	GoPاجارہ سکوک
0%	0%	0%	ڻي بلز
52%	55%	77%	کیش
4%	3%	4%	ويكر
Nil	Nil	Nil	ليوريخ

UIOF_ يورث فوليوكوالش

UIOF vs. Benchmark

ابتداءسے	5سال	3سال	1 سال	<i>o</i> l6	تين ماه	
7.39%	-	7.28%	4.14%	3.49%	2.92%	UIOF (سالانه)
7.44%	-	6.80%	6.01%	6.03%	6.03%	بینچ مارک بینچ مارک
				بنیاد پرکیا گیاہے۔	Morningstar	منافع كانغينMethodology

30 ستمبر 2017 کوختم ہونے والی سہ ماہی کے دوران فنڈ کی ٹوٹل انکم 2.383 ملین روپے رہی، جس میں اہم طور پر مارک اپ ابینک بیلند کے پرانٹر سٹ انکم اور ڈیبٹ سیکیو رٹیز شامل ہیں۔1.197 ملین روب اخراجات نکالنے کے بعد فنڈ کی نیٹ انکم 148.552 ملین روپے رہی۔30 ستمبر 2017 تک فنڈ کے نیٹ کا نذجات 148.552 ملین روپ رہے جو کہ فی شیئر نیٹ ایسیٹ ویلیو 110.7747 روپ خلاہر کرتے ہیں۔

جتی آر۔ دی آئی ایس کیڈٹر بٹنگ کمپنی کمپنی کمیٹر نے فنڈ کی اسٹیبلٹی ریٹنگ (h)-A مختص کی ہے۔

يوبي ايل گولد فند (UGF):

یوبی ایل گولڈ فنڈ کا مقصد یونٹ ہولڈرز کی سرما بیکاری کو گو لی پر پنی ایسیٹ کلاسز میں مختص کرنا ہے ، اس سلسلے میں سرما بیکاری کا ایک بڑا حصہ گولڈانسٹر دمنٹس میں لل یا تا ہے جبکہ بقیہ حصہ کو زیادہ منافع دینے والی منی مارکیٹ میں سرما بیکاری کی جاتی ہے۔ اس فنڈ کا بنیادی سرما بیکاری کے ختم ہونے کے سبب فنڈ کو ختم کیا جارہا ہے۔ فنڈ 🎞 تا وقت آغاز منفی 2.89 فیصد منافع لیا ہے۔

	UGF	بینچ مارک
1HFY17 میں منافع	-0.09%	1.74%
معیاری انحراف(12 ماہ کے دوران)	10.47%	8.15%
Sharpe تناسب(12ماہ کے دوران)	(0.97)	(0.94)

ستمبر 2017	اگست2017	<i>بو</i> لائی 2017	ايسيب ايلوكيشن (ٹوٹل ايسيٹس كا%)
0%	83%	73%	<i>گ</i> ولٹر
0%	0%	0%	ڻي بلز
3%	12%	9%	کیش
97%	5%	18%	ويكر *
Nil	Nil	Nil	ليوريج
رده ہے۔	س کامشتر کهطور برفند کر	ے، ٹی بلز اور کیش ایسی ^ٹ	* منفی " دیگر " مستقبل کے معاہدوں کے واجبات کوخلا ہر کرتا ہے، یہ فنڈ

UGF vs. Benchmark

ابتداءت	5سال	3سال	1 سال	016	تلين ماه	
-2.89%	-	6.27%	-4.28%	5.70%	0.66%	UGF (سالانه)
-7.80%	-	10.36%	-1.70%	4.04%	0.60%	بینچ بینچ مارک
					ab پرکیا گیاہے۔	منافع كالغينsolute basis

30 ستمبرتک ختم ہونے والی مدت کے دوران فنڈ کا نیٹ نقصان 8,000 روپے رہا۔ مستقبل کے گولڈ معاہدوں کی فروخت/میچورٹی سے کیپٹل 56,000، loss روپے ہے۔ کیم اگست 2017 کو فنڈ منقطع کا دیا گیا۔

يوبى ايل ايسيك ايلوكيش فند (UAAF):

اس فنڈ کا مقصد مارکیٹ کی صورتحا میں اندازے کے مطابق متعددا یسیٹس کلاسوں/انسٹر ومنٹس میں مسابقتی منافع کے لیے سرمایہ کاری کرنا ہے۔1QFY18 کے اختمام تک، فنڈ منیجرنے ایلوکیشن کاا کیسپوژر 58 فیصد کیش اور 36 فیصد مقامی ایکویٹی مارکیٹ میں برقر اررکھا۔ اس سہ ماہی کے دوران فنڈ نے منفی 3.31 فیصد منافع کے ایر 1QFY17 کے اختمام تک فنڈ کے بیٹ اثاثہ جات 2,736 ملین رو سے پر موجود ہیں۔فنڈ زکی اکثریت کا ایسپوژر کم شل بیکوں (%6.5) اور آکل اینڈ کیس ایکسپلوریشن کمپنیوں (%5.6) پر مرکوز رکھا گیا۔

	UAAF	بینچ مارک
1QFY18 میں منافع	-3.31%	2.04%
معیاری انحراف(12 ماہ کے دوران)	7.10%	0.63%
Sharpe تناسب(12ماہ کے دوران)	0.21	3.79

ستمبر 2017	اگست 2017	<i>بو</i> لائی 2017	ايسىيە ايلوكىشن (نۇڭ ايسىيىس كا%)
36%	35%	34%	ا يكيو يثيبز
0%	52%	52%	ٹی بلز
0%	0%	0%	PIBs
6%	6%	6%	TFC
0%	0%	0%	بینکوں میں رکھوائے
58%	6%	7%	کیش
1%	1%	1%	ويگر
Nil	Nil	Nil	Leverage

UAAF vs. Benchmark

ابتداءسے	5 سال	3-مال	1 سال	<i>o</i> l6	تثين ما ہ	
73.12%	-	47.38%	7.42%	-2.41%	-3.31%	UAAF (سالانه)
52.99%	-	31.87%	8.34%	4.11%	2.04%	بینچ مارک بینچ مارک
					ab پرکیا گیاہے۔	منافع كالغينsolute basis

یوبی ایل کیپٹ پروٹیکڈ فنڈ - ۱۱۱ (UCPF-۱۱۱): اس فنڈ کا مقصد سرمایہ کار کی پڑیپل انویسٹمنٹ کو تحفوظ ∎نا ہے، اس سلسلے میں فنڈ کا بڑا حصہ ٹرسٹ پراپر ٹی جیسے TDR کے اندر کم از کم - AAریڈنگ کے حامل بینک میں جبکہ ∎یا ایکویٹی مارکیٹ میں انویسٹ کیا ∎ تا سے تا کہ سرمایہ کارکو بہتر منافع مہیا کیا جائے۔ اس سہ ماہی کے دوران فنڈ کا منافع منفی 1.47 فیصدر ہا۔ 10FY18 کے اختسام تک، فنڈ مذہبرز نے ایلوکیشن کو بینک پلیسمنٹ (84%) اورا یکویٹیز (11%) میں برقر اردکھا۔

	بینچ مارک	UCPF-III	
	-0.35%	-1.47%	1QFY18 میں منافع
	n/a	n/a	معیاری انحراف(12ماہ کے دوران)
	n/a	n/a	Sharpe تناسب(12ماہ کےدوران)
		,	
ستمبر 2017	اگست 2017	<i>بو</i> لائی 2017	ايسىيە ايلوكىشن (ئۇڭل ايسىيىس كا%)
84%	84%	83%	بینکوں میں رکھوائے
11%	11%	13%	ا يكويثيز
0%	0%	0%	ڻي بلز
0%	0%	0%	استعيد رانز يكشنز
4%	4%	4%	ويگر
0%	0%	0%	کیش میش
Nil	Nil	Nil	Leverage

UCPF-III vs. Benchmark

تلين ماه 6.	<i>o</i> l6	1سال	3سال	5 سال	ابتداءت
% -1.47% (<i>:</i> :	-0.18%	-	-	-	0.22%
% -0.35%	0.03%	-	-	-	0.22%
absolute k پرکیا گیا ہے۔					

30 تتمبر 2017 کوختم ہونے والی مدت کے دوران فنڈ کا نیٹ نقصان 6.389 ملین روپے (بشمول سرما یہ کاریوں کی ری ویلیویشن پر ہونے والا 10.995 ملین روپے کا unrealized loss) رہا۔ سیکیو رٹیز کی فروخت سے ہونے والا 0.22 ملین روپے کا کیپٹل نقصان اور 0.579 ملین روپے کی ڈیڈنڈ آ مدنی۔ 30 ستمبر 2017 تک فنڈ سے نیٹ اثا شرجات 420.230 ملین روسے پر موجود ہیں جو کہ فی یونٹ نیٹ ایسیٹ ویلیو 98.69 روپے کوخا ہر کرتے ہیں۔

يوبى ايل كنزرويوايلوكيش پلان (UNONAP):

اس فنڈ کا مقصد نمی مارکیٹ میں سرمایہ کاری کے ساتھ اعلیٰ معیاری لیکوئڈ یے برقر ارر کھتے ہوئے متحکم منافع کا حصول ہے۔اس فنڈ کا آغاز 28 ستمبر 2017 کو کیا گیا۔اس فنڈ کا " فنڈ آف فنڈ اسکیم " کی کیٹیگری میں رکھا گیا ہے۔1QFY18 میں فنڈ کو زیادہ تر ایلوکیشن یو بی ایل لیکوئڈ پٹی پلس فنڈ میں کی گئی۔اس فنڈ نے 1QFY18 کے اختنا م تک 1.60 فیصد منافع کے یا جبکہ فنڈ کے اثاثہ جات 100 ملین رو_۔ پر موجود ہیں۔

		بینچ مارک	UCONAP		
		-0.35%	-1.47%		1QFY18 يس منافع
		n/a	n/a		معیاریانحراف(12ماہ کےدوران)
		n/a	n/a		Sharpe تناسب(12ماہ کےدوران)
	ستمبر 2017	اگست 2017	<i>بو</i> لائی 2017		ايسيب ايلوكيشن (نومل ايسينس كا%)
	100%	0%	0%		يوبى ايل كيكوئد يٹى پلس فنڈ
	0%	0%	0%		يوبي ايل منى ماركيٹ فنڈ
	0%	0%	0%		دیگر
	0%	0%	0%		کیش
	Nil	Nil	Nil		Leverage
					UCONAP vs. Benchmark
ابتداءسے	5سال	3سال	1سال	o l 6	نثين ماه
1.60%	-	-	-	-	UCONAP (سالانه)
4.20%	-	-	-	-	بينچ مارک -
			-4	Mo پرکیا گیاہے	منافع کانغینrning Star Methodology

متنقبل کے خدوخال:

ہمیں یقین ہے کہ مالی سال 2018 میں معیشت تیز رفتاری سے ترقی کی منازل طے کرتے ہوئے 5 فیصد سے زیادہ شرح نموکا ہدف پورا کرےگی۔عالمی کے پراشیائے خوردونوش میں اتار چڑھاؤ کے سبب افراط زرکی شرح میں کی بیشی کا امکان ہے۔ بید بید کہ، بیرونی اور مالیاتی اکا وُنٹس میں درست پالیسی اصلاحات کے نفاذ سے مجموعی طور پر معیشت میں دوہر بے خسارے کا مسئلہ کل ہو سکے گا۔تا ہم سیاسی عدم استحکام، امن وآ مان کی خراب صورتحال، مائیکروا کنا مک استحکام کی میں اور ایک کے جانب سے عدم دلچ کی اور عالمی کے پر تیل کی قیتوں سے افراط زر، مالیاتی اور بیرو کی دافر وال اش کی خراب صورتحال، مائیکر واکنا مک استحکام کو بہتر بنانے کے لیے حکومت کی جانب سے عدم دلچیں اور

فی الوقت پاکستان اسٹاک ایمیچینج PE 28.18 کے PE پر تجارت کرتے ہوئے مقامی سرما بیکاروں کو 5.4 فیصد ممان فع کے ساتھ 46 فیصد اسٹیپ ڈ سکاؤنٹ مہیا کررہی ہے جس کے مقابلے میں ایشیاء پیفک خطے کلا ندر 2.5 فیصد منا لگ دیل تاہے۔موجودہ 100 KSE انڈیکس کے بینچ مارک پر 12.3 فیصد منافع ، گورنمنٹ پیپر کے موازنے میں 610bps پر میم - ان سب کے ساتھ، ہم موجودہ مارکیٹ کونہایت پر شش دیکھتے ہیں اورتو قع رکھتے ہیں کہ بینچ مارک انڈیکس دو ہند سو پر شمتل منافع آئندہ 12 ماہ میں ماین کرے گا۔

اظہارِتشکر:

ہم اپنے معزز یونٹ ہولڈرز کے شکر گزار میں جنہوں نے ہمیشہ یو بی ایل فنڈ نیجرز کمیت پر یقین اور اعتاد کیا۔ ہم سیکیو رٹیز اینڈ ایکچینی کمیشن آ ٹ پا کستان ، اسٹیٹ بینک آ ٹ پا کستان ، شریع پڈ دائز رمی بورڈ اور سینٹر لاڈیاز ٹری کمپنی آ ٹ پا کستان کمیٹڈ ٹرش) کی جانب سے ان کی مسلسل حمایت ، راہنمائی اور تعاون کو تسلیم کرتے ہیں۔ اس مو گ پر بورڈ تہہ دل سے اپنے ملاز مین کا انتقل محنت اور عزم کے ساتھ خدمات انجام دین پر شکر بیاد انکتا ہے۔

بورڈ کے لیے اور جانب سے

ياسرقادری چيف ايگزيکٹوآ فيسر

كراچى: 27 الكبر 2017

ULPF

UBL Liquidity Plus Fund

INVESTMENT OBJECTIVE

ULPF is an open-end Money Market Fund, investing in a diversified portfolio of low risk assets. The Fund seeks to provide attractive daily returns while maintaining comparatively high liquidity.

Management Company	UBL Fund Managers Limited
Management Company	
Trustee	Central Depository Company of Pakistan Limited
	99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal,
	Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited
	(for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	BDO Ebrahim & Co., Chartered Accountants
Bankers	United Bank Limited
	Bank Alfalah Limited
	MCB- Global
	Faysal Bank Limited
	Samba Bank
	Allied Bank Limited
	Habib Bank Limited Islamic Banking
	Sindh Bank Limited
	Zarai Taraqiati Bank Limited
	Habib Metropolitan Bank Limited
	Askari Bank Limited
	Meezan Bank Limited
Management Co Dating	
Management Co.Rating	AM2++ (JCR-VIS)
Fund Rating	AA (f) (JCR-VIS)
i unu maung	

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at September 30, 2017

		(Un-audited) September 30, 2017	(Audited) June 30, 2017
	Note	(Rupees i	
Assets			
Bank Balances	4	5,827,445	4,179,845
Investments	5	-	-
Profit Receivable		24,399	21,443
Advance Income Tax	6	4,214	1,944
Deposits, prepayments and other receivables		12,594	54,397
Total assets		5,868,652	4,257,629
Liabilities			
Payable to UBL Fund Managers Limited - Management Company		4,448	2,676
Payable to Central Depository Company of Management Company - Trustee		435	320
Payable to Securities and Exchange Commission of Pakistan		952	2,490
Accrued expenses and other liabilities	7	64,762	169,900
Total liabilities		70,597	175,386
Net assets		5,798,055	4,082,243
Unit holders' funds (as per the statement attached)		5,798,055	4,082,243
Contingencies and commitments	8		
		(Num	bers)
Number of units in issue		56,831,638	40,545,329
		(Rup	ees)
Net assets value per unit		102.0216	100.6834

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)



--SD--Chief Financial Officer



CONDENSED INTERIM INCOME STATEMENT (Un-Audited)

For the period ended September 30, 2017

	Quarter ended		ended
	:	September 30, S	eptember 30
		2017	2016
	Note	(Rupees	in '000)
Income			
Mark-up / interest income		81,332	64,203
Gain/ (Loss) on sale of government securities - net		96	(764)
Unrealised diminution on remeasurement of investments classified as financial asset at fair value through profit or loss - net			(07)
		81,428	(27)
Total income		81,428	63,412
Expenses			
Remuneration of UBL Fund Managers Limited -			
Management Company		8,098	9,641
Sales tax on remuneration of Management Company		1,053	1,253
Remuneration of Central Depository Company of Pakistan Limited - Trustee		1,289	1,031
Annual fee to the SECP		952	723
Bank charges		103	38
Auditors' remuneration		206	340
Brokerage and settlement expenses		61	74
Allocated expenses	9	1,269	964
Fees and subscription		74	89
Other expense		30	-
Total operating expenses		13,134	14,153
Net income for the quarter from operating activities		68,294	49,259
Element of loss and capital losses included in the			
prices of units sold less those in units redeemed - net		-	(5,783)
1			(-))
Provision for Sindh Workers' Welfare Fund	7.1	(1,342)	-
Net income for the quarter before taxation		66,951	43,476
Taxation	10	-	-
Net income for the quarter after taxation		66,951	43,476
Allocation of net income for the quarter			
Income already paid on units redeemed		(24,967)	-
		41,984	43,476
Accounting income for the quarter available for distribution :			
- Relating to capital gains		60	(792)
- Excluding capital gains		41,924	44,267
		41,984	43,476
Earnings per unit	12		

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-Audited)

For the period ended September 30, 2017

		Quarte	r ended	
		September 30,	September 30,	
		2017	2016	
	Note	(Rupees	in '000)	
Net income for the quarter after taxation		66,951	43,476	
Other comprehensive income				
Items that may be reclassified subsequently to income statement		-	-	
Items that will not be reclassified subsequently to income statement		-	-	
Total comprehensive income for the quarter		66,951	43,476	

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)



Chief Financial Officer

CONDENSED INTERIM CASH FLOW STATEMENT

For the period ended September 30, 2017

September 30,September 30,September 30,September 30,September 30,September 30,2016CASH FLOWS FROM OPERATING ACTIVITIES66,95143,476Adjustments for: Mark-op / interest income(81,332)(64,203)Juncalised diminution on re-measurement of investments classified as financial assets at fair value through profit and loss - net (060)764Jennet of Loss and capital Losses included in the prices of units cold ense in units refeemed - net96(143,914)Jurcensec) / decrease in assets96(143,123)(144,123)Investments96(143,124)(143,124)Deposits and other needvables96(143,123)(143,123)Jurcenses / Instructures finabilities96(143,124)(143,123)Payable to Central Depository Company of Management Company - Trustee115(15)Jurcense in lassits(104,138)(104,138)(8,136)Jurcense in labilities(104,138)(2,438)(2,438)Payable to Central Depository Company of Management Company - Trustee(104,138)(2,438)Jurcense in labilities(104,138)(2,538)(2,538)Accrued expenses and other labilities(2,25,548)(2,65,541)(2,836)Accrued expenses and other labilities(104,178)(2,538)(2,538)Mark-up / interest income received733,76(2,265,148)(2,265,148)Accrued expenses and other labilities(104,178)(2,265,148)(2,265,148)Cash and cash equivalents at legimining of the quarter5,82		Quarte	Quarter ended				
CASH FLOWS FROM OPERATING. ACTIVITIES Not income for the quarter 66.951 43.476 Adjustments for: Mark-up / interest income (81,332) (04,203) (14,213) (14,203) (14,213) (14,203) (14,213		September 30,	September 30,				
CASH FLOWS FROM OPERATING ACTIVITIES Net income for the quarter 66.951 43.476 Adjustiments for: (64.203) (64.203) Unrealised diminution on re-measurement of investments 21 (66.951 22 (Glain / LGs on sale of government scerifies - net (96) 764 Element of Loss and capital Losses include in the 21 (64.203) (14.477) (Increase) / decrease in assets (14.477) (14.153) (14.39.14) Deposits and other receivables 96 (14.39.14) (14.39.14) Operational Contract Company 1772 (2.445) (2.455) Payable to Securities and Exchange Commission of Pakistan (SECP) (15.388) (16.318) (28.386) Annual fee payable to Securities (16.3178) (2.455) (2.538) (2.538) Anti-up / interest income received (16.3178) (2.455) (2.538) (2.538) Anti-up / interest income received (16.3178) (2.65538) (16.3178) (2.65538) Anti-up / interest income received (16.3178) (2.65538) (16.3178) (2.65538) Anti-up / interest income received (16.318) (16.31		2017	2016				
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Adjustments for: (64,203) Mark-up / interest income (64,203) Uhrealised difinitution on ro-measurement of investments 27 (Gain) / Loss on sale of government securities - net (96) Element of Loss and capital Losses included in the 5,783 prices of units sold less those in units redeemed - net (81,428) (Increase) / decrease in assets (14,477) Investments 96 Deposits and other receivables 96 (143,123) (143,123) (decrease) / Increase in liabilities 39,629 Payable to UBL-Pund Managers Limited - Management Company 1,772 Payable to UBL-Pund Managers Limited - Management Company 1,172 Payable to UBL-Pund Managers Limited - Management Company 1,15 Payable to UBL-Pund Managers Limited - Management Company 1,15 Payable to UBL-Pund Managers Limited - Management Company 1,15 Payable to UBL-Pund Managers Limited - Management Company 1,172 Payable to gainst purchase of investments 1,613 Accrued express and other liabilities 1,053 Accrued express and other liabilities 3,603,466 Accrued spremerated from financing activities <t< th=""><th></th><th></th><th></th></t<>							
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Unrealised diminution on re-measurement of investments 27 (Cain) / Loss as alsed government securities - net 96 (Edmin) / Loss and capital Losses included in the 5,783 prices of units sold less those in units redeemed - net 6(14,277) (Idmin) / Loss and capital Losses included in the 5,783 (Increase) / decrease in assets 96 Investments 96 Deposits and other receivables 96 (Ida) / Loss (Company / Ida) 99 Payable to CIRI. Fund Managers Limited - Management Company 1,772 Payable to Central Depository Company of Management Company - Trustee 115 Annual fee payable to Securities and Exchange Commission of Pakistan (SECP) (14,5138) Payable to Central Depository Company of Management Company - Trustee 115 Accrued expenses and other liabilities (105,138) (Id) / TSP (2,836) Accrued expenses and other liabilities (104,789) (Id) / TSP (2,685,414) (Id) rappent against redemption of units	Adjustments for:						
classified as financial assets at fair value through profit and loss - net<	Mark-up / interest income	(81,332)	(64,203)				
(Gain) / Loss on sale of government securities - net (96) 764 Element of Loss and capital Losses included in the 5.783 prices of units sold less those in units redeemed - net (81,428) (57,629) (Increase) / decrease in assets (14,477) (14,153) Investments 96 (143,914) Deposits and other receivables 96 (143,123) (decrease) / Increase in liabilities 96 (143,123) Payable to UBC. Fund Managers Limited - Management Company - Trustee 115 (5) Annual fee payable to Securities and Exchange Commission of Pakistan (SECP) (1538) (3,197) Payable to Securities and Exchange Commission of Pakistan (SECP) (105,138) (28,386) Accrued expenses and other liabilities (104,789) (25,538) Mark-up / interest income received 78,376 90,266 Net cash used in operating activities (1,361) (92,549) CASH FLOWS FROM FINANCING ACTIVITIES 1648,861 918,052 Net increase in cash and cash equivalents 1,647,600 825,504 Cash and cash equivalents at end of the quarter 5,827,445 2,800,880 Net increase in cash and cash equivalents at end	Unrealised diminution on re-measurement of investments						
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Cash and cash equivalents at end of the quarter5,827,4452,800,880CASH AND CASH EQUIVALENTSBank BalancesTerm deposit receipts-340,000	-						
CASH AND CASH EQUIVALENTSBank Balances5,827,445Term deposit receipts-340,000							
Bank Balances 5,827,445 2,460,880 Term deposit receipts	Cash and cash equivalents at end of the quarter	5,827,445	2,800,880				
Term deposit receipts 340,000	CASH AND CASH EQUIVALENTS						
	Bank Balances	5,827,445	2,460,880				
5,827,445 2,800,880	Term deposit receipts	<u> </u>	340,000				
		5,827,445	2,800,880				

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS

For the period ended September 30, 2017

Quarter er	Quarter ended			
September 30,	September 30,			
2017	2016			
(Rupees in '000)				
Net assets at the beginning of the period4,082,243	2,501,908			
[Rs 100.6834 (June 30, 2016: Rs 100.5229) per unit]				
Issue of 46,246,947 units (2016: 174,526,046 units) 4,740,139	3,603,466			
Redemption of 29,960,638 units (2016: 37,987,469 units) (3,091,278)	(2,685,414)			
1,648,861	918,052			
5,731,104	3,419,961			
Element of Loss and capital Losses included in prices				
of units sold less those in units redeemed - net -	5,783			
Gain/ (Loss) on sale of investments - net 96	(764)			
Unrealised diminution on re-measurement of investments	(, , , ,			
classified as financial assets at fair value through profit and loss - net -	(27)			
Other income for the quarter 66,855	44,267			
66,951	43,476			
Net assets at the end of the quarter5,798,055	3,469,219			
Net assets value per unit 102.0216	101.7986			
Undistributed income brought forward comprising of:				
- Realised gain 80,087	75,020			
- Unrealised loss	(1,443)			
Undistributed income brought forward - Net80,087	73,577			
Accounting income for the quarter available for distribution 41,984	43,476			
- Relating to capital gains 60	(792)			
- Excluding capital gains 41,924	44,267			
	44,207			
Undistributed income carried forward - Net 122,071	117,053			
Undistributed income carried forward comprising of:				
- Realised gain 122,071	117,080			
- Unrealised loss	(27)			
122,071				
	117,053			

For UBL Fund Managers Limited (Management Company)

5.1

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Liquidity Plus Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-end mutual fund. It was constituted under the Trust Deed, dated May 07, 2009 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited (as the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.

The Fund is a money market scheme and units of the Fund are listed on the Pakistan Stock Exchange Limited (formerly: Islamabad Stock Exchange Limited merged / integrated with KSE and LSE on January 11, 2016. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund at the option of the unit holder. The Fund is categorised as an open-ended money market scheme in accordance with Circular 7 of 2009 issued by the SECP.

The principal activity of the Fund is to seek and provide attractive daily returns while maintaining comparatively high liquidity by investing in diversified portfolio of low risk assets.

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

2 BASIS OF PRESENTATION

Statement of Compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The approved accounting standards comprise of such International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the "NBFC Regulations") and the directives issued by the SECP Wherever the requirements of the Trust Deed, the NBFC Regulations or the directives issued by the SECP finance.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2017.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2017.

The Companies Act, 2017 was enacted on May 30, 2017 and came into force at once. Subsequently, the Securities and Exchange Commission of Pakistan has notified through Circular No. 23 dated October 04, 2017 in continuation of Circular No. 17 of 2017 dated July 20, 2017 that companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance). Hence these interim financial statements are prepared in accordance with the Ordinance.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies, methods of computation adopted in the preparation of this condensed interim financial information, significant judgements in applying the accounting policies and key sources of estimation uncertainty are same as those applied in the preparation of the financial statements of the Fund as at June 30, 2017, except as disclosed in paragraphs 3.2.

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.2 The SECP vide its statutory notification (S.R.O) no. 756(1)/2017 dated August 03, 2017 has amended the NBFC Regulations. The amendments define 'Element of Income included in the unit price' as also specifies the accounting treatment for the said income / (loss). The amendments also introduced changes in the schedule V of NBFC regulations, resulting in certain changes / modifications in the presentation of Income Statement and Statement of Movement in reserves or unit holders' fund. As clarified by MUFAP, the amendment is applicable for accounting period beginning on July 01, 2017. Pursuant to above SRO, management has changed its accounting policy whereby element of income / loss and capital gains / losses in prices of units issued less those in units redeemed' during the year, previously transferred to the 'income statement' has now been taken to unit holders' fund. The above change has been applied from July 01, 2017 as clarified by MUFAP, therefore the comparative information have not been restated.

3.3 The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended June 30, 2017.

4	BANK BALANCES		Note	(Un-audited) September 30, 2017 (Rupees i	(Audited) June 30, 2017 n '000)
4.1	Savings accounts Current accounts	4.1		5,827,445 - 5,827,445	4,179,841 4 4,179,845
			Note	(Un-audited) September 30, 2017 (Rupees i	(Audited) June 30, 2017 n '000)

5 INVESTMENTS

Government securities designated at fair value through Profit or Loss

- Market Treasury Bills

5.1 Designated at fair value through profit or loss- Government Securities

	At the beginning of the quarter 	Acquired during the quarter No. of P	-		Market value as at September 30, 2017 (Rupees i	Market value as at June 30, 2017 n '000)	% of investment
Market Treasury Bills							
3 months	-	45,570	45,570	-	-	-	-
	<u> </u>	45,570	45,570	-	-	-	-

6 ADVANCE TAX

The income of the fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance 2001 (ITO 2001). Further the fund is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding of tax under section 150, 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.1L- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the Income Tax Ordinance, 2001 from Commissioner Inland Revenue (CIR). During the period, prior to receiving tax exemption certificate from CIR various withholding agents have deducted advance tax under section 33 of ITO 2001. The management is confident that the same shall be refunded after filing Income Tax Return for Tax Year 2017.

7 ACCRUED EXPENSES AND OTHER LIABILITIES

7.1 Provision for Workers' Welfare Fund (WWF)

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes / Mutual Funds (CISs) whose income exceeded Rs.500,000 in a tax year were brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever was higher.

The amendments introduced in the WWF Ordinance were challenged in various High Courts of Pakistan. The Honorable Lahore High Court (LHC) and the Honorable Sindh High Court (SHC) arrived at different conclusions in respect of the validity of the amendments made through the Finance Act in relation to the WWF. Both the decisions of the LHC and the SHC were challenged in the Honorable Supreme Court of Pakistan (SCP). During the period, the SCP passed a judgment on November 10, 2016, declaring the insertion of amendments introduced through Finance Act, 2008 pertaining to WWF as unlawful for the reason that the WWF is not in the nature of tax and therefore, could not be introduced through money bill under the Constitution. Subsequently the Federal Board of Revenue (FBR) has filed a review petition in the SCP against the said judgment, which is pending adjudication.

As a consequence of the 18th amendment to the Constitution, levy for the WWF was also introduced by the Government of Sindh through the Sindh Workers Welfare Fund (SWWF) Act 2014 enacted on May, 2015. SWWF Act 2014, requires every Industrial Establishment located in the province of Sindh and having total income of Rs.500,000 or more in any year of account on after the date of closing of account on or after December 31, 2013, to pay two percent of its total income declared to SWWF. The Mutual Funds Association of Pakistan (MUFAP), believes that Mutual Funds are not liable to pay SWWF for the reason that the Mutual Funds are investments vehicle. However, the Sindh Revenue Board has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution.

In view of the above developments regarding the applicability of Federal and Sindh WWF on Mutual Funds, the MUFAP obtained a legal opinion on these matters and based on such legal advice, which also stated that even if a review petition is filed by any party, such petition can only be based on very limited grounds and the chances of any major change in the SCP judgement are very limited, has recommended to all its members on January 12, 2017 the following:

i) The provision against the Federal WWF held by the Mutual Funds till June 30, 2015 should be reversed on January 12, 2017; and

ii) Provision against Sindh WWF, on prudent basis, should be made from the date of enactment of the Sindh WWF Act, 2014 (i.e. May 21, 2015) with effect from January 12, 2017.

The above decisions were communicated to SECP and the Pakistan Stock Exchange Limited on January 12, 2017. In response to the aforementioned letter SECP vide its letter dated February 1, 2017 advised MUFAP that the adjustments relating to the above should be made prospectively and adequate disclosure shall be made in the financial statements of Mutual Funds. Accordingly, the Fund has recorded these adjustments in its books of account on January 12, 2017.

The Fund has maintained provisions against Sindh Workers' Welfare Fund liability of Rs. 4.9845 million, if the same were not made the NAV per unit would be higher by Rs. 0.09.

7.2 Provision for indirect taxes and duties

This includes provision for indirect duties and taxes amounting to Rs. 55.835 million. As fully disclosed in note 13.1 of the annual audited financial statements of the fund for the year ended June 30, 2017, on June 30, 2016, the Honorable Sindh High Court of Pakistan had passed a Judgment that after the 18th amendment in the Constitution of Pakistan, the Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of FED after July 01, 2011 is ultra vires to the Constitution of Pakistan. On September 23, 2016, the Federal Board of Revenue (FBR) filed an appeal in the Honorable Supreme Court of Pakistan (SCP) against above judgement, which is pending adjudication. Pending the adjudication in the SCP, the Management Company, as a matter of abundant caution, has maintained full provision for FED agregating to Rs. 55.835 million. Had the provision not been made, the net asset value per unit of the Fund as at September 30, 2017 would have been higher by Rs. 0.97 per unit (June 30, 2017; Rs. 1.3661 per unit).

8 CONTINGENCIES AND COMMITMENTS

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

9 Allocated Expenses

As per regulation 60(3)(s) of amended NBFC Regulations dated November 25, 2015 fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly the Management Company has charged 0.1% of the average annual net assets.

10 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in cash. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

The management intends to distribute through cash at least 90% of the Fund's net accounting income by the year-end to the unit holders. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

11 TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by Securities and Exchange Commission of Pakistan the Total Expense Ratio of the Fund is 0.29% as on September 30, 2017 and this includes 0.07% representing Government Levy, Worker's Welfare Fund and SECP Fee.

12 EARNINGS PER UNIT

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

13 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Other

Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Pvt.)Limited (Subsidary of the Management Company), entities under common management or directorships, Central Depository Company of Pakistan Limited (Trustee) and the Directors and Officers of Management Company.

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of Non Banking Finance Companies Rules, 2003, Non Banking Finance Companies and Notified Entities Regulations, 2008 and the Trust Deed respectively.

Other transactions with the related parties / connected persons have been carried out at agreed / commercial terms.

Details of transaction with the related parties and balances with them at the period end are as follows :

	Management Company	Companies	Trustee	Funds under Common Management	Directors and Key Executives	Connected persons / related parties
			(Rupe	es in '000)		
				ed 30 September 2		
Transactions during the period						
Profit on savings accounts	-	1,745	-		-	-
Bank charges	-	21	-	-	-	-
Units issued	120,000	-	-	100,000	400	1,225,000
Units redeemed Remuneration	40,000 9,151		- 1,289	-	375	-
	1,269		1,289	-	-	-
Allocated Expenses	1,209		- 3	-	-	-
CDS Expense	-			-	-	-
Transactions during the period		For tl	he period ende	ed 30 September 2	2016	
		572				
Profit on savings accounts Bank charges	-	18	-	-	-	-
Units issued	-	- 10	-	_	- 175	1,900,000
Units redeemed	-	-	-	_	175	1,506,930
Purchase of securities	-	2,974,662	-	14,933	170	1,500,950
Sale of securities	_	-	-	1,903,772	_	_
Remuneration	10,894	-	1,031		-	-
Allocated Expense	964	-	-	-	-	-
CDS Expense	-	-	2	-	-	-
						Other
	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Connected persons / related parties
	Company	Companies	(Rupe	Common Management ees in '000)	Key Executives	persons / related parties
	Company	Companies	(Rupe	Common Management	Key Executives	persons / related parties
Balances held	Company	Companies	(Rupe	Common Management ees in '000)	Key Executives	persons / related parties
<u>Balances held</u> Units held (in Units '000)	Company	Companies	(Rupe	Common Management ees in '000)	Key Executives	persons / related parties
	Company	Companies	(Rupe As at 30 S	Common Management ees in '000) September 2017	Key Executives	persons / related parties
Units held (in Units '000) Units held (in Rupees '000) Bank balances	Company 787	Companies	(Rupe As at 30 S - - - -	Common Management ees in '000) September 2017 981	Key Executives	persons / related parties 12,016
Units held (in Units '000) Units held (in Rupees '000) Bank balances Deposits	Company 787 80,293 -	Companies 	(Rupe As at 30 S - - - 100	Common Management ees in '000) September 2017 981	Key Executives 	persons / related parties 12,016
Units held (in Units '000) Units held (in Rupees '000) Bank balances Deposits Remuneration payable	Company 787 80,293 - 3,105	Companies 225 22,955 - -	As at 30 S - - - 100 435	Common Management ees in '000) September 2017 981	Key Executives 	persons / related parties 12,016
Units held (in Units '000) Units held (in Rupees '000) Bank balances Deposits Remuneration payable Other payables	Company 787 80,293 - - 3,105 74	Companies 225 22,955 - - -	(Rupe As at 30 S - - - 100	Common Management ees in '000) September 2017 981	Key Executives 	persons / related parties 12,016
Units held (in Units '000) Units held (in Rupees '000) Bank balances Deposits Remuneration payable Other payables Profit recievable	Company 787 80,293 - 3,105 74 -	Companies 225 22,955 - - 1,546	As at 30 S - - - 100 435	Common Management ees in '000) September 2017 981	Key Executives 	persons / related parties 12,016
Units held (in Units '000) Units held (in Rupees '000) Bank balances Deposits Remuneration payable Other payables	Company 787 80,293 - - 3,105 74	Companies 225 22,955 - - -	As at 30 S - - - 100 435	Common Management ees in '000) September 2017 981	Key Executives 	persons / related parties 12,016
Units held (in Units '000) Units held (in Rupees '000) Bank balances Deposits Remuneration payable Other payables Profit recievable Allocated expenses payable	Company 787 80,293 - 3,105 74 -	Companies 225 22,955 - - - 1,546 -	(Rupe As at 30 S - - - 100 435 - - -	Common Management ees in '000) September 2017 981	Key Executives 44 4,514 - - - - - -	persons / related parties 12,016 1,225,932 - - - - - - - -
Units held (in Units '000) Units held (in Rupees '000) Bank balances Deposits Remuneration payable Other payables Profit recievable	Company 787 80,293 - 3,105 74 -	Companies 225 22,955 - - - 1,546 -	(Rupe As at 30 S - - - 100 435 - - -	Common Management september 2017 981 100,046 - - - - - - -	Key Executives 44 4,514 - - - - - -	persons / related parties 12,016 1,225,932 - - - - - - - -
Units held (in Units '000) Units held (in Rupees '000) Bank balances Deposits Remuneration payable Other payables Profit recievable Allocated expenses payable	Company 787 80,293 - 3,105 74 -	Companies 225 22,955 - - - 1,546 -	(Rupe As at 30 S - - - 100 435 - - -	Common Management september 2017 981 100,046 - - - - - - -	Key Executives 44 4,514 - - - - - -	persons / related parties 12,016 1,225,932 - - - - - - - -
Units held (in Units '000) Units held (in Rupees '000) Bank balances Deposits Remuneration payable Other payables Profit recievable Allocated expenses payable	Company 787 80,293 - 3,105 74 - 1,269 	Companies 225 22,955 - - 1,546 -	(Rupe As at 30 S - - - 100 435 - - -	Common Management september 2017 981 100,046 - - - - - - -	Key Executives 44 4,514 - - - - - -	persons / related parties 12,016 1,225,932 - - - - - - -
Units held (in Units '000) Units held (in Rupees '000) Bank balances Deposits Remuneration payable Other payables Profit recievable Allocated expenses payable Balances held Units held (in Units '000)	Company 787 80,293 - - 3,105 74 - 1,269 	Companies 225 22,955 - - 1,546 - 1,190	(Rupe As at 30 S - - - 100 435 - - -	Common Management september 2017 981 100,046 - - - - - - -	Key Executives 44 4,514 - - - - - - - - - - - - - -	persons / related parties 12,016 1,225,932 - - - - - - - - - - - - - - - - - - -
Units held (in Units '000) Units held (in Rupees '000) Bank balances Deposits Remuneration payable Other payables Profit recievable Allocated expenses payable Balances held Units held (in Units '000) Units held (in Rupees '000)	Company 787 80,293 - 3,105 74 - 1,269 -	Companies 225 22,955 - - 1,546 - - 1,190 119,813	(Rupe As at 30 \$ - - 100 435 - - - - - - - - - - - - - - 100	Common Management september 2017 981 100,046 - - - - - - -	Key Executives 44 4,514 - - - - - - - - - - - - - - - - - - -	persons / related parties 12,016 1,225,932 - - - - - - - - - - - - - - - - - - -
Units held (in Units '000) Units held (in Rupees '000) Bank balances Deposits Remuneration payable Other payables Profit recievable Allocated expenses payable Balances held Units held (in Units '000) Units held (in Rupees '000) Bank balances	Company 80,293 - - 3,105 74 - 1,269 - - - - - -	Companies 225 22,955 - - 1,546 - 1,190 119,813 156,665	As at 30 \$ - - - 100 435 - - - - - - - - - - - - - - - - - - -	Common Management september 2017 981 100,046 - - - - - - -	Key Executives 44 4,514 - - - - - - - - - - - - - - - - - - -	persons / related parties 12,016 1,225,932 - - - - - - - - - - - - - - - - - - -
Units held (in Units '000) Units held (in Rupees '000) Bank balances Deposits Remuneration payable Other payables Profit recievable Allocated expenses payable Balances held Units held (in Units '000) Units held (in Rupees '000) Bank balances Deposits	Company 787 80,293 - 3,105 74 - 1,269 -	Companies 225 22,955 - - 1,546 - - 1,190 119,813 156,665 - - -	(Rupe As at 30 \$ - - 100 435 - - - - - - - - - - - - - - 100	Common Management september 2017 981 100,046 - - - - - - -	Key Executives 44 4,514 - - - - - - - - - - - - - - - - - - -	persons / related parties 12,016 1,225,932 - - - - - - - - - - - - - - - - - - -
Units held (in Units '000) Units held (in Rupees '000) Bank balances Deposits Remuneration payable Other payables Profit recievable Allocated expenses payable Balances held Units held (in Units '000) Units held (in Units '000) Bank balances Deposits Remuneration payable	Company 787 80,293 - 3,105 74 - 1,269 -	Companies 225 22,955 - - 1,546 - 1,190 119,813 156,665 -	(Rupe As at 30 \$ - - 100 435 - - - - - - - - - - - - - - 100	Common Management september 2017 981 100,046 - - - - - - -	Key Executives 44 4,514 - - - - - - - - - - - - - - - - - - -	persons / related parties 12,016 1,225,932 - - - - - - - - - - - - - - - - - - -

14 Fair value of financial instruments										
		Fair value	Available	Loops and	Other			Fair V	alue	
		through profit and loss	for sale	Loans and receivables	Financial Assets	Total	Level 1	Level 2	Level 3	Total
September 30, 2017								(Rupees in '000)	·	
Financial assets measured at fair value Government Securities		-	-	-	-	-	-	-	-	
Financial assets not										
measured at fair value Cash and cash equivalents Term deposit receipts	14.1	-	-	-	5,827,445	5,827,445	-	-	5,827,445	5,827,445
Trade and other receivables		-	-	-	41,208	41,208	-	-	41,208	41,208
Total			-	-	5,868,653	5,868,653	-	-	5,868,653	5,868,653
		Fair value			Other			Fair V	alue	
		through profit and loss	Available for sale	Loans and receivables	Financial Liabilities	Total	Level 1	Level 2	Level 3	Total
September 30, 2017								(Rupees in '000)		
Financial liabilites not measured at fair value	14.1									
Payable to UBL Fund Managers Limited - Management Company		-	-	-	4,448	4,448	-	4,448	-	4,448
Payable to Central Depository Company of Pakistan - Trustee		-	-	-	435	435	-	435 4,601	-	435 4,601
Accrued expenses and other liabilities Total		<u> </u>			4,601	4,601		9,484	<u> </u>	9,484
					,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	3,101				3,101
		-							-	
		Fair value through profit and loss	Available for sale	Loans and receivables	Other Financial Assets	Total	Level 1	Fair Va	alue Level 3	Total
June 30, 2017								(Rupees in '000)		
Financial assets measured at fair value										
Government Securities			-	-		-	-	-	-	
	14.1	-	-	-	-	-	-	-	-	
Government Securities Financial assets not measured at fair value Cash and cash equivalents	14.1		-	-	4,179,845	- 4,179,845	-		4,179,845	- 4,179,845
Government Securities Financial assets not measured at fair value	14.1		-	-	- 77,784	- 77,784	-	-	- 77,784	- 77,784
Government Securities Financial assets not measured at fair value Cash and cash equivalents Term deposit receipts	14.1	-	- - -	- - -	-	-	-	-	=	-
Government Securities Financial assets not measured at fair value Cash and cash equivalents Term deposit receipts Trade and other receivables	14.1	- - - - 	- - - -	-	- 77,784 4,257,629	- 77,784			77,784 4,257,629	- 77,784
Government Securities Financial assets not measured at fair value Cash and cash equivalents Term deposit receipts Trade and other receivables	14.1	Fair value through profit and loss	- - - - - - - - - - - - - - - - - - -	-	- 77,784	- 77,784	- - - - - - - - - - - - - - - - - - -		77,784 4,257,629	- 77,784
Government Securities Financial assets not measured at fair value Cash and cash equivalents Term deposit receipts Trade and other receivables	14.1	through profit		- - Loans and	- 77,784 4,257,629 Other Financial	77,784 4,257,629		Fair V	77,784 4,257,629 alue	77,784 4,257,629
Government Securities Financial assets not measured at fair value Cash and cash equivalents Term deposit receipts Trade and other receivables Total	14.1	through profit		- - Loans and	- 77,784 4,257,629 Other Financial	77,784 4,257,629		Fair V Level 2	77,784 4,257,629 alue	77,784 4,257,629
Government Securities Financial assets not measured at fair value Cash and cash equivalents Term deposit receipts Trade and other receivables Total June 30, 2017 Financial liabilites not measured at fair value Payable to UBL Fund Managers Limited - Management Company		through profit		- - Loans and	77,784 4,257,629 Other Financial Liabilities 2,440	- 77,784 4,257,629 Total		Fair V. Level 2 (Rupees in '000)	77,784 4,257,629 alue	- 77,784 4,257,629 Total
Government Securities Financial assets not measured at fair value Cash and cash equivalents Term deposit receipts Trade and other receivables Total June 30, 2017 Financial liabilites not measured at fair value Payable to UBL Fund Managers Limited - Management Company Payable to Central Depository Company of Pakistan - Trustee		through profit		- - Loans and	77.784 4,257,629 Other Financial Liabilities 2,440 320	- 77,784 4,257,629 Total 2,440 320	Level 1 - -	Fair V. Level 2 (Rupees in '000) 2,440 320	77.784 4.257.629 alue Level 3	77,784 4,257,629 Total 2,440 320
Government Securities Financial assets not measured at fair value Cash and cash equivalents Term deposit receipts Trade and other receivables Total June 30, 2017 Financial liabilites not measured at fair value Payable to UBL Fund Managers Limited - Management Company		through profit		- - Loans and	77,784 4,257,629 Other Financial Liabilities 2,440	- 77,784 4,257,629 Total		Fair V. Level 2 (Rupees in '000)	77,784 4,257,629 alue	- 77,784 4,257,629 Total

14.1 The Fund has not disclosed the fair values for these 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.

15 DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on October 27, 2017.

16 GENERAL

This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.

For UBL Fund Managers Limited (Management Company)

UMMF

UBL Money Market Fund

INVESTMENT OBJECTIVE

The objective of UBL Money Market Fund is to generate competitive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors by investing a major chunk of the portfolio in short term government securities.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited
	(for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	KPMG Taseer Hadi & Co., Chartered Accountants
Bankers	United Bank Limited Bank Alfalah Limited MCB- Global Faysal Bank Limited Samba Bank Allied Bank Limited Habib Bank Limited Islamic Banking Sindh Bank Limited Islamic Banking Sindh Bank Limited Zarai Taraqiati Bank Limited Habib Metropolitan Bank Limited Askari Bank Limited Meezan Bank Limited
Management Co.Rating	AM2++(JCR-VIS)
Fund Rating	AA (f) (JCR-VIS)

UBL Money Market Fund Condensed Interim Statement of Assets and Liabilities As at 30 September 2017

	Note	(Un-audited) Sep 30, 2017 (Rupees	(Audited) June 30, 2017 in '000)
ASSETS			
Bank Balances	4	1,045,766	885,801
Investments	5	-	-
Mark-up / interest receivable		6,103	5,872
Advance Income Tax	6	876	509
Deposits, prepayments and other receivables		3,738	2,122
TOTAL ASSETS		1,056,483	894,304
LIABILITIES			
Payable to the UBL Fund Managers - Management Company		1,634	1,310
Payable to the Central Depository Company of Pakistan Limited - Trustee		163	162
Payable to Securities and Exchange Commission of Pakistan		145	507
Accrued and other liabilities	7	19,901	16,085
TOTAL LIABILITIES		21,843	18,064
NET ASSETS		1,034,640	876,240
STATEMENT OF MOVEMENT IN UNIT HOLDER'S FUND (ATTACHED)		1,034,640	876,240
Contingencies and Commitments	8		
		(Number	of Units)
NUMBER OF UNITS IN ISSUE		10,179,668	8,721,753
		(Ruj	pees)
NET ASSET VALUE PER UNIT – RUPEES		101.6379	100.4661

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For UBL Fund Managers Limited (Management Company)

--SD--

Chief Executive Officer

--SD--

--SD--

Chief Financial Officer

Director

UBL Money Market Fund Condensed Interim Income Statement (Unaudited) For the quarter ended 30 September 2017

	Note	Quarter e	ended
		Sep 30 2017	Sep 30, 2016
		(Rupees in '000)
Income			
Financial income		12,591	14,126
Gain / (Loss) on sale of investments - net		16	(759)
Unrealized diminution on revaluation of investments			
classified as 'at fair value through profit or loss'		<u> </u>	(27)
Total income		12,607	13,340
Expenses			
Remuneration of the Management Company		1,932	2,067
Sales tax on management fee		251	269
Remuneration of the Trustee		327	343
Annual fee to SECP		145	155
Bank and other charges		146	29
Auditors' remuneration		171	263
Fees and subscription Legal and professional charges		61 30	68
Other expenses		9	- 23
Allocated Expenses	9	193	207
	I	3,265	3,424
Element of loss and capital losses included in prices of			
units sold less those in units redeemed - net		-	(1,537)
Provision for Sindh Workers' Welfare Fund	7.1	(184)	-
Net income for the quarter ended before taxation		9,158	8,379
Taxation	10	<u> </u>	
Net income for the quarter after taxation		9,158	8,379
Allocation of net income for the quarter			
Income already paid on units redeemed		(2,439)	-
		6,719	8,379
Net income for the quarter available for distribution		0,/17	0,319
Excluding capital gains		6,707	8,452
Including capital gains / (losses)		12	(74)
		6,719	8,379
		0,/17	0,379
Earning per unit	15		

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For UBL Fund Managers Limited (Management Company)

--SD--Chief Financial Officer --SD--Director UBL Money Market Fund Condensed Interim Statement of Comprehensive Income (Unaudited) For the quarter ended 30 September 2017

	Quarter	r ended
	September 30, 2017 (Rupees	September 30, 2016 5 in '000)
Net income for the quarter	9,158	8,379
Other comprehensive income		
Items that may be reclassified subsequently to income statement		-
Items that will not be reclassified subsequently to income statement		-
Total comprehensive income for the quarter ended	9,158	8,379

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For UBL Fund Managers Limited (Management Company)

--SD--Chief Executive Officer --SD--

--SD--Director

_

Chief Financial Officer

UBL Money Market Fund Condensed Interim Cash Flow Statement (Unaudited) For the quarter ended 30 September 2017

	Note	Quarte	r ended
		September 30,	September 30,
		2017 (Rupees	2016 in '000)
CASH FLOWS FROM OPERATING ACTIVITIES		(Kupees	m 000)
Net income for the period		9,158	8,379
Adjustments Financial income		(12 501)	(14.120)
Element of loss and capital losses included in prices of units sold less those in units		(12,591)	(14,126)
redeemed - net		_	1,537
Unrealised appreciation of investments classified as 'designated at fair value			1,557
through profit or loss'		-	27
(Loss) / gain on sale of government securities - net		(16)	759
Net Cash used in operating activities before working capital changes		(12,607)	(11,803)
Decrease / (increase) in assets		(3,449)	(3,424)
Investments		16	321,033
Deposits, prepayments and other receivables		(1,616)	14
Deposito, preparimento and other recervables		(1,600)	321,047
		.,,,,	,
(Decrease) / increase in liabilities			гт
Payable to the Management Company		324	(453)
Payable to the Trustee		1	(21)
Payable to Securities and Exchange Commission of Pakistan Payable against purchase of investment		(362)	(534)
Accrued and other liabilities		3,816	(210,620) 417
		3,779	(211,211)
		5,117	(211,211)
Mark-up / interest received during the quarter		12,360	48,329
Advance Tax Paid		(367)	
Net cash generated from operating activities		10,723	154,741
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from issuance of units		864,013	856,737
Payments against redemption of units		(714,771)	(1,480,295)
Net cash generated from / (used in) financing activities		149,242	(623,558)
Net cash increase / (decrease) in cash and cash equivalents		159,965	(468,817)
Cash and cash equivalents at beginning of the quarter		885,801	809,430
Cash and cash equivalents at quarter end		1,045,766	340,613
CASH AND CASH EQUIVALENTS Bank balances		1,045,766	275,613
Term deposit receipts		1,040,700	65,000
		1,045,766	340,613
		,,	,,

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For UBL Fund Managers Limited

(Management Company)

--SD--Chief Financial Officer UBL Money Market Fund Condensed Interim Statement of Movement in Unit holders' Fund (Unaudited) For the quarter ended 30 September 2017

	Quarter period ended		
	30 Sep	30 Sep	
	2017	2016	
	(Rupees in	n '000)	
Net assets at the beginning of the quarter	876,240	1,298,800	
[Rs.100.4661 (June 30, 2016: Rs.100.4353) per unit]			
Amount received on issuance of 8,548,088 units (Sep 30, 2016: 8,499,599 units)	864,013	856,737	
Amount paid on redemption of 7,090,173 units (Sep 30, 2016: 14,692,864 units)	(714,771)	(1,480,295)	
	149,242	(623,558)	
	1,025,482	675,241	
Element of loss and capital losses included in prices			
of units sold less those in units redeemed - net	-	1,537	
Unrealized diminution on revaluation of investments			
as 'at fair value through profit or loss'	-	(27)	
Loss on sale of investments – net	16	(759)	
Other loss for the quarter	9,142	9,164	
	9,158	8,379	
Net assets as at quarter ended	1,034,640	685,158	
Net assets value per unit	101.6379	101.6788	
Undistributed income brought forward comprising of:			
- Realised gain	6,473	6,068	
- Unrealised gain	-	143	
Undistributed income brought forward - Net	6,473	6,211	
Accounting income for the quarter available for distribution	6,719	8,379	
- Relating to capital gains	6,707	8,452	
- Excluding capital gains	12	(74)	
Undistributed income carried forward - Net	13,192	14,590	
Undistributed income carried forward comprising of:			
- Realised loss	13,192	14,617	
- Unrealised loss	<u> </u>	(27)	
	13,192	14,590	

For UBL Fund Managers Limited (Management Company)

--SD--

--SD---

Chief Executive Officer

Chief Financial Officer

Director

UBL Money Market Fund Notes to the Condensed Interim Financial Information (Unaudited) For the quarter ended 30 September 2017

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 UBL Money Market Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) as an open-end mutual fund. It was constituted under a Trust Deed dated 10 August 2010 executed between UBL Fund Managers Limited (a wholly owned subsidiary of United Bank Limited), as the Management Company and Central Depository Company of Pakistan Limited, as the trustee. The Trust Deed has also been approved by the SECP. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.

The Fund is an open ended mutual fund and is listed on the Pakistan Stock Exchange (formerly Islamabad Stock Exchange (Guarantee) Limited). Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund at the option of the unit holder. The Fund was initially categorized as income scheme & effective from May 23, 2014 recategorized as Money Market Fund.

The principal activity of the Fund is to generate competitive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors by investing more than 50% of portfolio in short term Government securities.

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

2 BASIS OF PREPARATION

- 2.1 This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The approved accounting standards comprise of such International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the "NBFC Regulations") and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRS, the requirements Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRS, the requirements Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRS, the requirements Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRS, the requirements Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP mevail.
- 2.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2017.

The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2017, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the nine months ended September 30, 2016.

2.3 In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2017.

The Companies Act, 2017 was enacted on May 30, 2017 and came into force at once. Subsequently, the Securities and Exchange Commission of Pakistan has notified through Circular No. 23 dated October 04, 2017 in continuation of Circular No. 17 of 2017 dated July 20, 2017 that companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance). Hence these interim financial statements are prepared in accordance with the Ordinance.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

- 3.1 The accounting policies, methods of computation adopted in the preparation of this condensed interim financial information, significant judgements in applying the accounting policies and key sources of estimation uncertainty are same as those applied in the preparation of the financial statements of the Fund as at June 30, 2017, except as disclosed in paragraphs 3.3
- 3.2 The preparation of this condensed interim financial information in conformity with the approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 3.3 The SECP vide its statutory notification (S.R.O) no. 756(I)/2017 dated August 03, 2017 has amended the NBFC Regulations. The amendments define 'Element of Income included in the unit price' as also specifies the accounting treatment for the said income / (loss). The amendments also introduced changes in the schedule V of NBFC regulations, resulting in certain changes / modifications in the presentation of Income Statement and Statement of Movement in reserves or unit holders' fund. As clarified by MUFAP, the amendment is applicable for accounting period beginning on July 01, 2017. Pursuant to above SRO, management has changed its accounting policy whereby element of income / loss and capital gains / losses in prices of units issued less those in units redeemed' during the year, previously transferred to the 'income statement' has now been taken to unit holders' fund. The above change has been applied from July 01, 2017 as clarified by MUFAP, therefore the comparative information have not been restated
- 3.4 The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended June 30, 2017.

		Note	(Un-audited) 30 September 2017	(Audited) 30 June 2017
4.	BANK BALANCES		(Rupees i	n '000)
	Profit and loss sharing accounts Current accounts	4.1	1,045,666 <u>100</u> 1,045,766	885,702 99 885,801

4.1 Profit rates on these profit and loss sharing accounts range between 4.0% and 6.75% (June 30, 2017: 3.75% and 6.2%) per annum.

5 INVESTMENTS

Designated at fair value through profit or loss - Government Securities - Market Treasury Bills

30-Sep	30-Jun
2017	2017
(Rupees	in '000)

51

5.1 Market Treasury Bills -Carrying Sold / Carrying Purchased As at 30 value as at Percentage As at 01 matured value as at Percentage of Note during the September 30 of total July 2017 during the 30 June net assets 2017 September quarter investment 2017 quarter 2017 (Number of holdings) ------- (Rupees in '000) -----Treasury Bills - 3 months 5.300 5.300

Total as of September 30,2017

6 ADVANCE INCOME TAX

The income of the fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance 2001 (ITO 2001). Further the fund-is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding of tax under section 233 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II-66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the Income Tax Ordinance, 2001 from Commissioner Inland Revenue (CIR). During the period, prior to receiving tax exemption certificate(s) from CIR various withholding agents have deducted advance tax under section 233 of ITO 2001. The management is confident that the same shall be refunded after filing Income Tax Return for Tax Year 2017.

5,300

5,300

7. ACCRUED EXPENSES AND OTHER LIABILITIES

7.1 Provision for Sindh Workers' Welfare Fund (SWWF)

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes / Mutual Funds (CISs) whose income exceeded Rs.500,000 in a tax year were brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever was higher.

The amendments introduced in the WWF Ordinance were challenged in various High Courts of Pakistan. The Honorable Lahore High Court (LHC) and the Honorable Sindh High Court (SHC) arrived at different conclusions in respect of the validity of the amendments made through the Finance Act in relation to the WWF. Both the decisions of the LHC and the SHC were challenged in the Honorable Supreme Court of Pakistan (SCP). During the period, the SCP passed a judgment on November 10, 2016, declaring the insertion of amendments introduced through Finance Act, 2008 pertaining to WWF as unlawful for the reason that the WWF is not in the nature of tax and therefore, could not be introduced through money bill under the Constitution. Subsequently the Federal Board of Revenue (FBR) has filed a review petition in the SCP against the said judgment, which is pending adjudication.

In view of the above developments regarding the applicability of Federal and Sindh WWF on Mutual Funds, the MUFAP obtained a legal opinion on these matters and based on such legal advice, which also stated that even if a review petition is filed by any party, such petition can only be based on very limited grounds and the chances of any major change in the SCP judgement are very limited, has recommended to all its members on January 12, 2017 the following:

i) The provision against the Federal WWF held by the Mutual Funds till June 30, 2015 should be reversed on January 12, 2017; and

ii) Provision against Sindh WWF, on prudent basis, should be made from the date of enactment of the Sindh WWF Act, 2014 (i.e. May 21, 2015) with effect from January 12, 2017.

The above decisions were communicated to SECP and the Pakistan Stock Exchange Limited on January 12, 2017. In response to the aforementioned letter SECP vide its letter dated February 1, 2017 advised MUFAP that the adjustments relating to the above should be made prospectively and adequate disclosure shall be made in the financial statements of Mutual Funds. Accordingly, the Fund has recorded these adjustments in its books of account on January 12, 2017.

The Fund has maintained provisions against Sindh Workers' Welfare Fund liability of Rs. 1.518 million, if the same were not made the NAV per unit would be higher by Rs.

7.2 Provision for indirect taxes and duties

This includes provision for indirect duties and taxes amounting to Rs. 9.112 million. As fully disclosed in note 13.1 of the annual audited financial statements of the fund for the year ended June 30, 2017, on June 30, 2016, the Honorable Sindh High Court of Pakistan had passed a Judgment that after the 18th amendment in the Constitution of Pakistan, the Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of FED after July 01, 2011 is ultra vires to the Constitution of Pakistan. On September 23, 2016, the Federal Board of Revenue (FBR) filed an appeal in the Honorable Supreme Court of Pakistan (SCP) against above judgement, which is pending adjudication. Pending the adjudication in the SCP, the Management Company, as a matter of abundant caution, has maintained full provision for FED aggregating to Rs. 9.112 million. Had the provision not been made, the net asset value per unit of the Fund as at Sentember 30. 2017 would have been higher by Rs. 0.90 ner unit (June 30. 2017: Rs. 1.0890 ner unit).

8 CONTINGENCIES AND COMMITMENTS

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

9 Allocated Expenses

As per regulation 60(3)(s) of the amended NBFC Regulations dated November 25, 2015, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund.

10. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in cash. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

The management intends to distribute through cash at least 90% of the Fund's net accounting income by the year-end to the unit holders. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

11 TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by SECP, the Total Expense Ratio of the Fund is 0.45% as onSeptember 30, 2017 and this includes 0.08% representing government levy, Sindh Worker's Welfare Fund and SECP fee.

12 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties comprise of United Bank Limited (holding Company of Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Financial' Services (Private) Limited, entities under common management or directorships, Central Depository Company of Pakistan Limited (Trustee) and the Directors and Officers of Management Company.

Remuneration of the management Company and the trustee is determined in accordance with the provision of Non banking and finance Companies Rules ,2003,Non banking Finance Companies and Notified Entities regulations,2008 and the Trust deed respectively.

Details of transactions with the related parties and balances with them at the quarter end are as follows:

	Management Company	Associated Companies	Trustee	Funds under common Management	Directors and Key Executives	Other connected persons / related parties
			(Rupees	in '000)		
		Fo	the quarter ende	d 30 September 2	2017	
Transactions during the quarter			*			
Profit on PLS savings accounts	-	73	-	-	-	-
Bank charges	-	20	-	-	-	-
Units issued	-	-	-	-	-	250,000
Units redeemed	-	-	-	-	-	-
Remuneration	1,932	-	327	-	-	-
CDS Expense	-	-	2	-	-	-
Allocated Expenses	193	-	-	-	-	-
		For	the quarter ende	d, 30 September	2016	
Transactions during the quarter						
Profit on savings accounts	-	205	-	-	-	6,712
Bank charges	-	-	-	-	-	-
Units issued	-	-	-	-	-	-
Units redeemed	-	-	-	-	-	-
Purchase of securities	-	298,610	-	-	-	-
Sale of securities	2,336	-	343	1,187,425	-	-
Remuneration for the period	-		-	-	-	-
Dividend paid to units holders	-	-	-		-	-
CDS Expenses	-	-	1		-	-
Allocated expenses	207	-	-		-	-
N			As at 30 Sep	tember 2017		
Balances held		101			0.00	
Units held (number of units in '000)	-	181	-	-	0.09	2,470
Units held (in Rupees '000)	-	18,396	-	-	9	251,036
Bank balances	-	6,419	-	-	-	-
Profit receivable on savings account	-	12	- 100	-	-	-
Deposits	- 878		100	-	-	-
Remuneration payable Sales load payable	676 543	- 277	-	-	-	-
Other payables	20	211	-	-	-	-
Allocated expenses payable	193	-	-	-	-	-
Balances held			As at 30.	June 2017		
Units held (number of units in '000)	-	181	-	-	0.09	3,908
Units held (in Rupees '000)	-	18,184	-	-	8,740	392,622
Remuneration Payable	953	-	162	-	-	-
Sales load and other Payable	89	-	-	-	-	-
Payable against allocated expense	144	-	-	-	-	-
Profit receivable	-	153	-	-	-	-

13 Fair value of financial instruments

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

		Fair value through profit and	Available for sale	Loans and receivables	Other Financial Assets	Total	Level 1	Level 2	Level 3	Total
Sentember 20, 2017		loss	ļ		1135013			(5		
September 30, 2017 Financial assets								(Rupees	s in '000)	
measured at fair value										
Investment in Government Securities		_	_	_	_	_			_	_
intestileit in ootenilleit beelines										
Financial assets not										
measured at fair value	13.1									
Cash and cash equivalents		-	-	-	1,045,766	1,045,766			1,045,766	1,045,766
Trade and other receivables		-	-	-	6,103	6,103	-	-	6,103	6,103
		-	-	-	1,051,869	1,051,869	-		1,051,869	1,051,869
September 30, 2017				Carrying amo	unt			Fai	ir value	
		Fair value			Other					
		through	Available	Loans and	Financial	Total	Level 1	Level 2	Level 3	Total
		profit and	for sale	receivables	Liabilities	Total	Level I	Level 2	Level 5	Totai
		loss			Liubilities					
Financial liabilites not measured at fair value	13.1							(Rupees	s in '000)	
						1 (24		1 (24		1.01
Payable to UBL Fund Managers Limited - Management Company		-	-	-	1,634	1,634	-	1,634	•	1,634
Payable to Central Depository Company of Pakistan - Trustee		-	-	-	163	163	-	163	-	163
Accrued expenses and other liabilities			•	-	20,035	20,035	-	20,035	•	20,035
Total		-	-	-	21,831	21,831	-	21,831		21,831
				<i>a</i> .						
		Fair value	1	Carrying amo	unt			Fai	ir value	
		through	Available	Loans and	Other					
		profit and	for sale	receivables	Financial	Total	Level 1	Level 2	Level 3	Total
		loss	for suic	receivables	Assets					
June 30, 2017										
Financial assets										
measured at fair value										
Investment in Government Securities		-	-	-	-	-	-	-	-	-
Financial assets not measured	13.1									
at fair value										
Cash and cash equivalents		-	-	-	885,801	885,801	-	-	885,801	2,657,403
Trade and other receivables		-	-	-	8,503	8,503	-	-	8,503	25,509
					894,304	894,304	-	-	894,304	2,682,912
September 30, 2017				Carrying amo	unt			Fai	ir value	
		Fair value			Other					
		through	Available	Loans and	Financial	Total	Level 1	Level 2	Level 3	Total
		profit and	for sale	receivables	Linkilition		1			

Payable to UBL Fund Managers Limited - Management Company 1,310 1,310 1,310 1,310 Payable to Central Depository Company of Pakistan - Trustee 162 162 162 162 Accrued expenses and other liabilities 5,251 5,251 5,251 5,251 6,723 6,723 6,723 6,723 6,723

Liabilities

(Rupees in '000)

profit and

loss

13.1

Financial liabilites not measured at fair value

13.1 The Fund has not disclosed the fair values for these 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.

14 GENERAL

This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.

15 EARNINGS PER UNIT

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

16 DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on October 27, 2017.

For UBL Fund Managers Limited (Management Company)

--SD--

--SD---

--SD--

Chief Executive Officer

Chief Financial Officer

Director

UGSF

UBL Government Securities Fund

INVESTMENT OBJECTIVE

The objective of the fund is to generate a competitive return with minimum risk, by investing primarly in Government Securities.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	BDO Ebrahim & Co., Chartered Accountants
Bankers	United Bank Limited Bank Alfalah Limited NIB Bank Limited MCB Bank Limited Faysal Bank Limited Allied Bank Limited Habib Bank Limited Islamic Banking Habib Metropolitan Bank Limited JS Bank Limited Meezan Bank Limited Samba Bank Limited Sindh Bank Limited Askari Bank Limited
Management Co.Rating	AM2++ (JCR-VIS)
Fund Rating	A(f) (JCR-VIS)

UBL GOVERNMENT SECURITIES FUND CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at September 30, 2017

	Note	(Unaudited) September 30, 2017 (Rupees in '000)	(Audited) June 30, 2017
ASSETS			
Bank balances	4	2,929,725	1,141,088
Investments	5	2,276,788	2,309,209
Term Deposit Receipts	6	285,001	-
Mark up / interest receivable		5,685	8,709
Prepayments and other receivables		16,895	11,238
Advance Income Tax	7	2,102	1,508
TOTAL ASSETS		5,516,196	3,471,752
LIABILITIES		4,012	4.691
Payable to UBL Fund Managers Limited - Management Company		4,012	,
Payable to Central Depository Company of Pakistan Limited - Trustee			341
Payable to Securities and Exchange Commission of Pakistan		616	7,926
Payable against purchase of investment		2,270,240	-
Accrued expenses and other liabilities	8	71,404	119,612
TOTAL LIABILITIES		2,346,563	132,570
NET ASSETS		3,169,633	3,339,182
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		3,169,633	3,339,182
CONTINGENCIES & COMMITMENTS	9	(Number)	
NUMBER OF UNITS IN ISSUE		29,716,310	31,622,643
		(Rupees)	
NET ASSETS VALUE PER UNIT		106.6631	105.5946

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited

(Management Company)

Quarterly Report September 2017 - UBL Government Securities Fund UBL GOVERNMENT SECURITIES FUND CONDENSED INTERIM INCOME STATEMENT For the quarter ended September 30, 2017 (un-audited)

		Quarter ended		
		September 30,	September 30,	
		2017	2016	
	Note	(Rupees in	'000)	
Income				
Financial income		50,337	260,089	
Unrealised appreciation / (dimunition) on investments)	,	
classified as 'at fair value through profit and loss'- net		4	(6,287)	
Loss on sale of securities - net		(4,853)	(16,573)	
Other Income		76	28	
Total income		45,564	237,257	
Expenses				
Remuneration of UBL Fund Managers Limited - Management Company		8,247	39,944	
Sindh Sales tax on Management Company's remuneration		1,072	5,193	
Allocated expenses	10	822	3,874	
Remuneration of Central Depository Company-Trustee		910	3,352	
Annual fee of Securities and Exchange Commission of Pakistan		616	2,905	
Auditors' remuneration		121	162	
Brokerage expenses		200	247	
Amortization of preliminary expenses and floatation cost		-	63	
Bank charges		130	48	
Legal and professional fees		30	-	
Other expenses		71	14	
Total expenses		12,219	55,802	
Net income from operating activities		33,345	181,455	
Element of income / (loss) and capital gains / (losses)				
included in prices of units issued less those				
in units redeemed - net		-	407	
Provision for Sindh Worker's Welfare Fund	8.1	(656)	-	
Net income for the quarter before taxation		32,689	181,862	
Taxation	11	-	-	
Net income for the quarter after taxation		32,689	181,862	
Allocation of net income for the quarter				
Income already Paid on units redeemed		(3,367)	-	
Net Income for the quarter available for distribution		29,322	181,862	
Relating to capital Loss		(4,350)	(22,860)	
Excluding capital gain		33,672	204,722	
		29,322	181,862	
Earnings per unit	13			

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

UBL GOVERNMENT SECURITIES FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the quarter ended September 30, 2017 (un-audited)

	Quarter ended		
	September 30,	September 30,	
	2017	2016	
	(Rupees in	· '000)	
Net income for the quarter	32,689	181,862	
Other comprehensive income			
Items that may be reclassified subsequently to income statement	-	-	
Items that will not be reclassified subsequently to income statement	-	-	
Total comprehensive income for the quarter	32,689	181,862	
Total comprehensive income for the quality	32,009	101,002	

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--Chief Executive Officer --SD--Chief Financial Officer --SD--Director

UBL GOVERNMENT SECURITIES FUND CONDENSED INTERIM CASH FLOW STATEMENT For the quarter ended September 30, 2017 (un-audited)

	Quarter	ended
	September 30,	September 30,
	2017	2016
	(Rupees in	'000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter	32,689	181,862
Adjustments for:		
Financial income	(50,337)	(260,089)
Unrealised (appreciation) / dimunition on investments classified as 'at fair value through profit and loss'- net	(4)	6,287
Gain on sale of government securities - net	4,853	16,573
Amortization of preliminary expenses	-	63
Provision for Sindh Workers' Welfare Fund	656	-
Element of income and capital gains included in prices of units sold		
less those in units redeemed - net	-	(407)
	(44,832)	(237,573)
Net cash used in operations before working capital changes	(12,143)	(55,711)
Working capital changes		
(Increase) / decrease in assets		
Investments - net	27,572	(4,524,366)
Prepayment and other receivables	(5,657)	65,943
Advance Tax	(594)	-
	21,320	(4,458,423)
Increase / (decrease) in liabilities		·
Payable to UBL Fund Managers Limited - Management Company	(679)	(8,712)
Payable to Central Depository Company of Pakistan Limited - Trustee	(50)	199
Annual fee payable to Securities and Exchange Commission of Pakistan	(7,310)	(6,735)
Accrued expenses and other liabilities	(48,864)	(11,872)
Payable against purchase of investment	2,270,240	-
	2,213,337	(27,120)
Mark-up / interest income received	53,361	604,032
Net cash flows generated from/(used) in operating activities	2,275,875	(3,937,222)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt from issuance of units	474,539	5,273,652
Payments against redemption of units	(676,778)	(3,966,932)
Net cash flows (used in) / generated from financing activities	(202,239)	1,306,720
Net increase / (decrease) in cash and cash equivalents	2,073,637	(2,630,501)
Cash and cash equivalents at beginning of the quarter	1 1/1 000	2 500 500
Cash and cash equivalents at end of the quarter	<u>1,141,088</u> 3,214,725	3,522,522 892,020
		072,020
CASH AND CASH EQUIVALENTS		
Bank balances	2,929,725	892,020
Term Deposit Receipts	285,001	-
	3,214,725	892,020

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

UBL GOVERNMENT SECURITIES FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND For the quarter ended September 30, 2017 (un-audited)

	Quarter ended		
	September 30,	September 30,	
	2017	2016	
	(Rupees in	n '000)	
Net assets at beginning of the quarter	3,339,182	13,976,144	
Issue of 4,470,971 units (2016: 49,745,302 units)	474,539	5,273,652	
Redemption of 6,377,304 units (2016: 37,360,847 units)	(676,778)	(3,966,932)	
	(202,239)	1,306,720	
	3,136,943	15,282,864	
Element of income and capital gains in prices of			
units sold less those in units redeemed - net	-	(407)	
Loss on sale of investments - net	(4,853)	(16,573)	
Unrealised appreciation / (dimunition) on re-measurement of investments			
classified as financial assets at fair value through profit and loss - net	4	(6,287)	
Other income for the quarter- net	37,539	204,722	
Net income for the period less distribution	32,689	181,862	
Net assets at end of the quarter	3,169,633	15,464,318	
	(Rupees in		
Net asset value per unit at the beginning of the period	105.5946	105.4801	
Net asset value per unit at the end of the period	106.6631	106.7353	
Undistributed income brought forward comprises of:			
Realised gain	201,669	118,965	
Unrealised gain	5,047	84,126	
Total undistributed income brought forward	206,716	203,091	
Income available for distribution:	29,322	181,862	
Relating to capital gains	(4,350)	(22,860)	
Excluding capital gains	33,672	204,722	
	29,322	181,862	
Undistributed income carried forward	236,038	566,815	
Undistributed income brought forward comprises of:			
Realised gain	236,035	573,102	
Unrealised gain / (loss)	230,035	(6,287)	
6 6 (1000)		(0,201)	
Total undistributed income carried forward	236,038	566,815	

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

UBL GOVERNMENT SECURITIES FUND CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES As at September 30, 2017

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Government Securities Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-ended mutual fund. It was constituted under the Trust Deed, dated May 19, 2011 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the repealed Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited (CDC) as the Truste. The Trust Deed has also been approved by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at the 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi, Pakistan.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.

The Fund is an income scheme and units of the Fund are listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund at the option of the unit holder. The Fund is categorised as an open-ended income scheme in accordance with Circular No. 7 of 2009 issued by the SECP.

The objective of the Fund is to generate a competitive return with minimum risk, by investing primarily in Government Securities. The weighted average time to maturity of the Fund's investment shall not exceed 4 years and this shall apply to Government Securities. This is intended to reduce risk while providing competitive returns and maintaining liquidity.

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

2 BASIS OF PRESENTATION

Statement of Compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The approved accounting standards comprise of such International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard

34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial

statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2017.

The Companies Act, 2017 was enacted on May 30, 2017 and came into force at once. Subsequently, the Securities and Exchange Commission of Pakistan has notified through Circular No. 23 dated October 04, 2017 in continuation of Circular No. 17 of 2017 dated July 20, 2017 that companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance). Hence these interim financial statements are prepared in accordance with the Ordinance.

The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2017, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the Quarter ended September 30, 2017.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2017.

3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES, ASSUMPTIONS AND CHANGES THEREIN

3.1 The accounting policies, methods of computation adopted in the preparation of this condensed interim financial information, significant judgements in applying the accounting policies and key sources of estimation uncertainty are same as those applied in the preparation of the financial statements of the Fund as at June 30, 2017, except as disclosed in paragraphs 3.2.

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

- 3.2 The SECP vide its statutory notification (S.R.O) no. 756(I)/2017 dated August 03, 2017 has amended the NBFC Regulations. The amendments define 'Element of Income included in the unit price' as also specifies the accounting treatment for the said income/loss. The amendments also introduced changes in the schedule V of
- 3.3 The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended June 30, 2017.

4.	BANK BALANCES		(Unaudited)	(Audited)
			September 30,	June 30
			2017	2017
			(Rupees i	n '000)
	Profit and loss sharing Saving Account	4.1	2,929,725	1,141,088

4.1 Profit rates on these Profit and loss sharing Saving Accounts range between 3.75% to 6.60% (30 June 2017: 3.75% to 6.60%) per annum.

5. INVESTMENTS	(Unaudited)	(Audited)
	September 30,	June 30,
	2017	2017
	(Rupees i	n '000)
Government securities designated at fair value through profit or loss		

GOP Ijarah Sukuk	5.1.1	6,494	644,288
Pakistan Investment Bonds	5.1.2	-	122,650
Market Treasury Bills	5.1.3	2,270,293	1,542,271
		2.276.788	2.309.209

5.1 At fair value through profit or loss - Government Securities

(face value of Rs. 100,000 each)

	Note	As at 01 July 2017	Purchased during the quarter	Sold / matured during the quarter	As at 30 September 2017	Market value on 30 September 2017 (Unaudited)	Market value on 30 June 2017 (Audited)	Percentage of total investment
		(N	umber of holdin	gs)			(Rupees in '000) -	
GOP Ijara Sukuk								
GOP Ijara - XVII	5.1.1	6,400	-	6,335	65	6,494	644,288	0.30%
Pakistan Investment Bonds								
- 10 Years	5.1.2	1,000	-	1,000	-	-	122,650	0.00%
Treasury Bills -								
- 3 Months	5.1.3	15,600	68,880	61,480	23,000	2,270,293	1,542,271	99.70%
- 1 Year	5.1.4	550	-	550	-	-	-	0.00%
						2,276,788	2,309,209	100%

5.1.1 The Face Value of GOP Ijara amounted to Rs. 6.5 million (June 2017 : 640 million) carrying purchase yield 5.2360% per annum.

5.1.3 The Face Value of MTBs amounted to Rs.2,300 million (June 30, 2017: Rs 1,560 million) carrying purchase yield ranging from 5.9800% to 5.9825% per annum.

6.1 These carry interest at the rate 5.95% per annum and will mature on October 09, 2017.

7. ADVANCE INCOME TAX

The income of the fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance 2001 (ITO 2001). Further the funds are is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding of tax under section 150, 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the Income Tax Ordinance, 2001 from Commissioner Inland Revenue (CIR). During the period period, prior to receiving tax exemption certificate(s) from CIR various withholding agents have deducted advance tax under section 150, 150A and 151 of ITO 2001. The management is confident that the same shall be refunded after filing Income Tax Return for Tax Year 2017.have filed refund application of same and is confident that the same shall be refunded.

8. ACCRUED EXPENSES AND OTHER LIABILITIES

8.1 Provision for Workers' Welfare Fund (WWF)

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all

Collective Investment Schemes / Mutual Funds (CISs) whose income exceeded Rs.500,000 in a tax year were brought within the scope of the WWF Ordinance, thus

rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever was higher.

The amendments introduced in the WWF Ordinance were challenged in various High Courts of Pakistan. The Honorable Lahore High Court (LHC) and the Honorable Sindh High Court (SHC) arrived at different conclusions in respect of the validity of the amendments made through the Finance Act in relation to the WWF. Both the decisions of the LHC and the SHC were challenged in the Honorable Supreme Court of Pakistan (SCP). During the period, the SCP passed a judgment on November 10, 2016, declaring the insertion of amendments introduced through Finance Act, 2008 pertaining to WWF as unlawful for the reason that the WWF is not in the nature of tax and therefore, could not be introduced through money bill under the Constitution. The Federal Board of Revenue (FBR) has filed a review petition in the SCP against the said judgment, which is pending adjudication.

As a consequence of the 18th amendment to the Constitution, levy for the WWF was also introduced by the Government of Sindh through the Sindh Workers Welfare Fund (SWWF) Act 2014 enacted on May, 2015. SWWF Act 2014, requires every Industrial Establishment located in the province of Sindh and having total income of Rs.500,000 or more in any year of account commencing on or after the date of closing of account on or after December 31, 2013, to pay two percent of its total income declared to SWWF. The Mutual Funds Association of Pakistan (MUFAP), believes that Mutual Funds are not liable to pay SWWF for the reason that the Mutual Funds are investments vehicle. However, the Sindh Revenue Board has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution.

In view of the above developments regarding the applicability of Federal and Sindh WWF on Mutual Funds, the MUFAP obtained a legal opinion on these matters

and based on such legal advice, which also stated that even if a review petition is filed by any party, such petition can only be based on very limited grounds and the

chances of any major change in the SCP judgement are very limited, has recommended to all its members on January 12, 2017 the following:

i) The provision against the Federal WWF held by the Mutual Funds till June 30, 2015 should be reversed on January 12, 2017; and

ii) Provision against Sindh WWF, on prudent basis, should be made from the date of enactment of the Sindh WWF Act, 2014 (i.e. May 21, 2015) with effect from January 12, 2017.

The above decisions were communicated to SECP and the Pakistan Stock Exchange Limited on January 12, 2017. In response to the aforementioned letter SECP vide its letter dated February 1, 2017 advised MUFAP that the adjustments relating to the above should be made prospectively and adequate disclosure shall be made in the **financial statements of Mutual** Funds. Accordingly, the Fund has recorded these adjustments in its books of account on January 12, 2017.

The effect of the above SWWF adjustment, if had not been made, would resulted in increase in the net assets value per unit by Re.0.51 per unit.

8.2 Provision for indirect taxes and duties

This includes provision for indirect duties and taxes amounting to Rs. 52.56 million. As fully disclosed in note 15.1 of the annual financial statements of the fund for the year ended June 30, 2017, the Management Company, as a matter of abundant caution has not reversed the provision of Federal Excise Duty. However, subsequent to June 30, 2016 the Federal Board of Revenue have filed an appeal with Honorable Supreme Court of Pakistan against the Judgment passed by Honorable Sindh High Court of Pakistan, which is pending adjudication.

Had the provision not been retained, the net asset value per unit of the Fund would have been higher by Re 1.77 per unit (June 30, 2017: Re. 1.667 per unit).

Furthermore, after the promulgation of Finance Act 2017 FED is no longer applicable to Collective Investment Scheme with effect from July 01, 2016.

9 CONTINGENCIES AND COMMITMENTS

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

10. ALLOCATED EXPENSES

As per regulation 60(3)(s) of the amended NBFC Regulations dated November 25, 2015, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund.

11. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed in the form of cash amongst the unit holders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than realized and unrealized capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11 of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The management intends to distribute in the form of cash at least 90% of the income earned by the year end by this Fund to the unit holders, accordingly no provision has been made in these condensed interim financial statements.

12. TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by Securities and Exchange Commission of Pakistan the Total Expense Ratio of the Fund is 0.40% as on September 30, 2017 and this includes 0.08% representing Government Levy, Worker's Welfare Fund and SECP Fee.

13. EARNINGS PER UNIT

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

14. TRANSACTIONS WITH CONNECTED PERSONS/RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (holding Company of Management Company), UBL Fund Managers Limited (Management Company), Al Ameen Islamic Financial Services (Pvt) Limited (Subsidiary of management company), entities under common management or directorships, Central Depository company of Pakistan Limited (Trustee) and the Directors and Officers of Management Company.

Remuneration of the management company and the trustee is determined in accordance with the provision of Non Banking Finance Companies Rules, 2003, Non Banking Finance Companies and Notified Entities regulations, 2008 and the Trust Deed respectively.

Other transactions with the related parties / connected persons have been carried out at agreed / commercial terms.

Details of transaction with the related parties and balances with them at the period end are as follows;

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties	
	(Rupees in '000)						
		For t	he quarter end	led 30 September 2	017		
Transactions during the period							
		224					
Profit on savings accounts	-	336	-	-	-	-	
Bank charges	-	76	-	-	-	-	
Units issued	-	-	-	-	3	10,171	
Units redeemed	-	-	-	-	-	15,219	
Purchase of securities	-	246,600	-	-	-	-	
Sale of securities	-	-	-	•	-	-	
Remuneration for period	8,248	-	910	-	-	-	
Allocated Expense	822	-	-	-	-	-	
	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties	
			(Rı	ıpees in '000)			
		For t	he quarter end	led 30 September 2	016		
Transactions during the period							
		1 102					
Profit on savings accounts	-	4,493	-	-	-		
Bank charges	-	18	-	-	-		
Units issued	20,000	26,113	-	-	1,653		
Units redeemed	-	51,455	-	-	2,630		
Purchase of securities	-	2,104.00	-	2,828,837	-		
Sale of securities	-	1,625,380	-	-	-		
Remuneration for period	45,137	-	3,352	-	-		
Allocated Expense	3,874	-	-	-	-		

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
			(Ru	ipees in '000)		
			As at 3	0 September 2017-		
Balances held						
Units held (number of units in '000)	2,459	0	-	-	1	3,990
Units held (Rupees in '000)	262,268	0	-	-	107	425,538
Bank balances	-	3,359	-	-	-	-
Remuneration payable	2,994	-	291	-	-	-
Sales load payable	55	-	-	-	-	-
Other payables	-	211	-	-	-	-
Conversion charges payable	141	-	-	-	-	-
Allocated Expenses Payable	822	-	-	-	-	-
Profit recievable	-	64	-	-	-	-
	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
			(Rı	ipees in '000)		
			As a	nt 30 June 2017		
Balances held						
Units held (in Units '000)	2,459	-	-		1	3,990
Units held (in Rupees '000)	259,641	-	-		102	421,276
Bank balances *	35,075	-	-		-	-
Remuneration payable	3,648	-	341		-	-
Sales load payable	219	131	-		-	-
Conversion charges payable	136	-	-		-	-
Allocated expenses payable	688	-	-		-	-

15. FINANCIAL INSTRUMENTS

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

		Carrying	Fair Value			
	Note	Amount	Level 1	Level 2	Level 3	Total
September 30, 2017				(Rupees in '000)	
Financial assets						
measured at fair value						
Government Securities		2,276,788	-	2,276,788	-	2,276,788
Financial assets not						
measured at fair value						
Cash and cash equivalents	15.1	3,214,725	-	-	-	-
Trade and other receivables	15.2	24,682	-	-	-	-
Total		5,516,195	-	2,276,788		2,276,788

	Carrying	Fair Value	'air Value		
	Amount	Level 1	Level 2	Level 3	Total
			(Rupees in '000) -		
June 30, 2017					
Financial assets					
measured at fair value					
Government Securities	2,309,209	-	2,309,209	-	2,309,209
Financial assets not					
measured at fair value					
Cash and cash equivalents	1,141,088	-	-	-	-
Other receivables	11,174	-	-		-
Total	3,461,471	-	2,309,209		2,309,209

15.1 The Fund has not disclosed the fair values for these financial assets, because their carrying amounts are reasonable approximation of fair value.

15.2. The Fund has not disclosed the fair values for these financial liabilities, because their carrying amounts are reasonable approximation of fair value.

16. DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on October 27, 2017.

17. GENERAL

This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--Chief Executive Officer --SD--Chief Financial Officer --SD--Director

UIOF

UBL Income Opportunity Fund

INVESTMENT OBJECTIVE

The Objective of UBL Income Opportunity Fund is to provide a competitive rate of return to its investors by investing in quality TFCs / Sukuk, Government Securities, Bank Deposits, and short and long term debt instruments.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	Ernst & Young Ford Rhodes Sidat Hyder & Co.
Bankers	United Bank Limited Bank Alfalah Limited Faysal Bank Limited Tameer MicroFinance Bank Allied Bank Limited Khushhali Bank Ltd. JS Bank Limited. MCB Bank Limited Samba Bank Limited Habib Bank Limited Sindh Bank Limited Zarai Taraqiati Bank Limited
Management Co.Rating	AM2++ (JCR-VIS)
Fund Rating	A minus (JCR-VIS)

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at September 30, 2017

	Note	(Un-audited) September, 30 2017 (Rupees in	(Audited) June 30, 2017 1 '000)
Assets			
Bank Balances	4	78,252	144,616
Term Deposit Receipt	5	30,000	144,010
Investments	6	37,923	31,197
Accrued Mark-Up		1,062	1,402
Deposits and Prepayments		4,063	4,008
Advanced Income Tax	7	225	225
Preliminary Expenses and Floatation Costs		125	190
Total Assets		151,650	181,638
Liabilities Payable to UBL Fund Managers Limited - Management Company Payable to Central Depository Company of Pakistan - Trustee Annual Fee Payable to Securities and Exchange Commission of Pakistan Accrued Expenses and Other Liabilities Total Liabilities Net Assets Unit Holders' Funds (as per statement attached)	8	225 25 30 2,818 3,098 148,552 148,552	281 31 167 3,793 4,272 177,366 177,366
Contingencies and Commitments	15		
Number of Units in Issue		(Num) 1,341,028	ber) 1,612,776
Number of omits in issue		1,541,040	1,012,770
		(Rup	ees)
Net Assets Value Per Unit		110.7747	109.9753

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

SD Chief Financial Officer SD Director

UBL INCOME OPPORTUNITY FUND CONDENSED INTERIM INCOME STATEMENT (Unaudited)

For the quarter ended September 30, 2017

For the quarter ended September 30, 2017		Quarter ended	
			September, 30
		2017	2016
	Note	(Rupees in	n '000)
Income			
Financial income		2,638	4,247
Gain on sale of securities - net		-	105
Unrealised loss in the value of investment 'at fair value			
through profit or loss		(269)	(334)
Other Income		14	-
Total income		2,383	4,018
Expenses			
Remuneration to UBL Fund Managers Limited - Management Company		609	758
Sales tax on Remuneration to Management Company		79	99
Remuneration to the Trustee including SST		78	115
Annual fee - Securities and Exchange Commission of Pakistan		30	45
Auditors' Remuneration		84	125
Brokerage and Settlement Charges		140	57
Amortisation of preliminary expenses		64	64
Listing fee including SECP supervisory fee		7	11
Bank charges		16	7
Other expenses		66	18
Total operating expenses		1,173	1,299
Operating income for the quarter		1,210	2,719
Element of gain and capital gains			
included in prices of units issued			539
Provision for Sindh Workers' Welfare Fund	8	(24)	-
Net income for the quarter before taxation		1,186	3,258
Taxation	10	-	-
Net income for the quarter after taxation		1,186	3,258
			<u> </u>
Allocation of net gain/(loss) for the quarter			
Income already paid on units redeemed		(155)	-
Net gain for the quarter available for distribution		1,031	3,258
Relating to Capital gains		-	-
Including Capital gains		1,031	-
		1,031	-
Earning per unit	11	i	

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

Earning per unit

SD **Chief Financial Officer** 11

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

For the quarter ended September 30, 2017

	Quarter ended		
	September, 30	September, 30	
	2017	2016	
	(Rupees	in '000)	
Net income for the quarter after taxation	1,186	3,258	
Other comprehensive income	-	-	
Items that may be reclassified subsequently to income statement	-	-	
Items that will not be reclassified subsequently to income statement	-	-	
Total comprehensive income for the quarter	1,186	3,258	

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

SD Chief Executive Officer SD Chief Financial Officer SD Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

For the quarter ended September 30, 2017

	Quarte	r ended
	September, 30	September, 30
	2017	2016
	(Rupees	in '000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the quarter	1,186	3,258
Adjustments for:		
Financial income	(2,638)	(4,247)
(Gain) on redemption / sale of securities - net	-	(105)
Unrealised loss in the value of investment 'at fair value through profit or loss'	269	334
Amortisation of preliminary expenses	64	64
Element of loss/(gain) and capital losses/(gains) included in prices of issues less those in		
units redeemed - net		(539)
	(2,305)	(4,493)
Net cash used in operations before working capital changes	(1,119)	(1,235)
Working capital changes		
(Increase)/decrease in assets		
Investments	(6,995)	3.685
TDR	(30,000)	,
Deposits and prepayments	(55)	2,486
	(37,050)	6,171
(Decrease) / increase in liabilities		,
Payable to the Management Company	(56)	160
Remuneration payable to the Trustee	(6)	16
Payable to Securities and Exchange Commission of Pakistan	(137)	(68)
Accrued and other liabilities	(975)	(1,153)
	(1,174)	(1,045)
Mark-up / interest income received	2,978	2,402
Net cash flows used in from operating activities	(36,365)	6,294
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	9,128	165,839
Payments against redemption of units	(39,127)	(79,762)
Net cash flows used in financing activities	(30,000)	86,077
Net increase in cash and cash equivalent during the quarter	(66,364)	92,370
Cash and cash equivalents at beginning of the quarter	144,616	91,512
	78,252	183,882

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

SD Chief Financial Officer

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (Un-Audited)

For the quarter ended September 30, 2017

	Quarter ended		
	September, 30	September, 30	
	2017	2016	
	(Rupees	in '000)	
Net assets at the beginning of the quarter	177,366	166,195	
[Rs 109.9753 (June 30, 2016: Rs 109.7889) per unit]	,		
Cash received on Issuance of 82,618 units (2016: 1,498,177 units)	9,128	165,839	
Cash paid/payable on Redemption of 354,366 units (2016: 719,068 units)	(39,127)	(79,762)	
	(30,000)	86,077	
	147,367	252,272	
Element of (loss) / gain and capital (losses) / gains			
included in prices of units issued		(539)	
Gain on redemption / sale of securities - net	-	105	
Unrealised loss in the value of investment 'at fair value			
through profit or loss	(269)	(334)	
Other net income for the quarter	1,455	3,487	
	1,186	3,258	
Net assets at the end of the quarter	148,552.25	254,991	
	(Ruj	pees)	
Net assets value per unit as at beginning of the quarter	109.9753	109.7889	
Net assets value per unit as at end of the quarter	<u> </u>	111.2100	
Undistributed income brought forward comprising of:			
- Realised income	9,892	9,304	
- Unrealised income	442	727	
	10,334	10,031	
Net gain for the quarter available for distribution			
Relating to capital gains	-	105	
Excluding capital gains	1,031	3,153	
Undistributed income carried forward:	11.365	13,289	
Undistributed income carried forward comprising of:			
- Realised income	11,634	13,623	
- Unrealised income/(loss)	(269)	(334)	
	11.365	13,289	

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

SD Chief Financial Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the quarter ended September 30, 2017

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 UBL Income Opportunity Fund (formerly UBL Financial Sector Bond Fund) (the Fund') was established under a Trust Deed executed between UBL Funds Managers Limited, (wholly owned subsidiary company of United Bank Limited) as its Management Company and Central Depository Company of Pakistan Limited, as its Trustee. The Trust Deed was executed on 01 January 2013 and the Fund was authorized by the Securities and Exchange Commission of Pakistan (SECP) on 13 February 2013 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The registered office of the Management Company is situated at 4th Floor STSM Building, Beaumont Road, Civil Lines Karachi, with effect from April 06, 2016.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003.

The Fund is an open ended mutual fund listed on Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders. The Fund commenced its operations from 29 March 2013.

The objective of UBL Income Opportunity Fund (formerly UBL Financial Sector Bond Fund) (UIOF) is to provide a competitive rate of return to its investors by investing in quality TFC's/Sukuks issued by Financial Sector Institutions, Government Securities, Bank Deposits and short term money market.

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

2. BASIS OF PRESENTATION

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The approved accounting standards comprise of such International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the "NBFC Regulations") and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRS, the requirements of the Trust Deed, the NBFC Rules, the Rules, the NBFC Rules, the Rules, t

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2017.

The Companies Act, 2017 was enacted on May 30, 2017 and came into force at once. Subsequently, the Securities and Exchange Commission of Pakistan has notified through Circular No. 23 dated October 04, 2017 in continuation of Circular No. 17 of 2017 dated July 20, 2017 that companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (The Ordinance). Hence these interim financial statements are prepared in accordance with the Ordinance.

The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2017, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the three months ended September 30, 2016.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2017.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

- 3.1 The accounting policies, methods of computation adopted in the preparation of this condensed interim financial information, significant judgements in applying the accounting policies and key sources of estimation uncertainty are same as those applied in the preparation of the financial statements of the Fund as at June 30, 2017, except as disclosed in paragraphs 3.3
- 3.2 The preparation of this condensed interim financial information in conformity with the approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 3.3 The SECP vide its statutory notification (S.R.O) no. 756(I)/2017 dated August 03, 2017 has amended the NBFC Regulations. The amendments define 'Element of Income included in the unit price' as also specifies the accounting treatment for the said income / (loss). The amendments also introduced changes in the schedule V of NBFC regulations, resulting in certain changes / modifications in the presentation of Income Statement and Statement of Movement in reserves or unit holders' fund. As clarified by MUFAP, the amendment is applicable for accounting period beginning on July 01, 2017. Pursuant to above SRO, management has changed its accounting policy whereby element of income / loss and capital gains / losses in prices of units issued less those in units redeemed' during the year, previously transferred to the 'income statement' has now been taken to unit holders' fund. The above change has been applied from July 01, 2017 as clarified by MUFAP, therefore the comparative information have not been restated.
- 3.4 The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended June 30, 2017.

			(Un-audited)	(Audited)
		Note	September, 30	June 30,
			2017	2017
4.	BANK BALANCES		(Rupees in	'000)
	PLS Saving Accounts	4.1	78,252	144,616

4.1 Profit rates on these bank accounts range between 3.75% to 6.25% per annum (June 30, 2017: 3.75% to 7.25%)

5	Term Deposit Receipt	Note	(Un-audited) September, 30 2,017 (Rupees in	(Audited) June 30, 2,017 '000)
5.1	Term Deposit Receipt Profit rates on this TDR is 6.5% per annum		<u>30,000</u> <u>30,000</u>	
6	INVESTMENTS	Note	(Un-audited) September, 30 2017 (Rupees i	(Audited) June 30, 2017 n '000)
	Designated at fair value through profit or loss			
	- Investment in debt securities	5.1	37,923 37,923	31,197 31,197

6.1 Designated at fair value through profit or loss - Investment in debt securities (Term Finance Certificates of Rs. 5000 each unless stated otherwise)

Name of Security	As at 01 July 2017	Purchased during the period	period	As at 30 September 2017	Carrying Value as at 30 September 2017	Market Value as at 30 September 2017	2017	Percentage of total investments	
Commercial Banks									
Bank Al Habib TFC (18-04-16)	2,000	-	-	2,000	10,151	10,079	10,151	26.58%	6.78%
Habib Bank Limited TFC (19-02-2016)	150	-	-	150	15,031	14,844	15,031	39.14%	9.99%
Standard Chartered Bank TFC (29-06-12)	1,200	1,400	-	2,600	13,010	13,000	6,015	34.28%	8.75%
					38,192	37,923	31,197	100.00%	25.53%

The cost of total debt securities at fair value through profit or loss is Rs. 37.97million (30 June 2016 : Rs. 16.01 million)

6.1.1 Significant terms and conditions of term finance certificates outstanding as at 30 September 2017 are as follows:

Name of securities	Remaining principal per security (Rupees)	Mark-up rate (per annum)	Issue date	Maturity date
Bank Al Habib TFC (17-03-16)	4,997	KIBOR 6M + 0.75%	18-Apr-16	18-Apr-26
Standard Chartered Bank TFC (29-06-12)	5,000	KIBOR 6M + 0.75%	29-Jun-12	29-Jun-22
Habib Bank Limited TFC (19-02-2016)	99,940	KIBOR 6M + 0.50%	19-Feb-16	19-Feb-26

	Quarte	r ended
	September, 30 2017	September, 30, 2016
6.1.2 Net unrealised depreciation on re-measurement of investments	(Unaudited)	(Unaudited)
classified as 'at fair value through profit or loss'	(Rs. in '000)	(Rs. in '000)
Market value of investments	37,923	31,197
Less: Carrying value of investments	(38,192)	(31,531)
	(269)	(334)
Disclosure of Excess/ Less Exposure as at Sep 30, 2017		
Name of Investment % of N	A Limit	Excess
Bank - Sector 25.53	% 25%	0.53%
TDR - Zarai Taraqiati Bank 10.10	% 10%	0.10%
TDR - JS Bank Limited 10.10	% 10%	0.10%

7 ADVANCED INCOME TAX

The income of the fund is exempt from tax under clause 99 of Part I of the Second schedule of the Income Tax Ordinance 2001 (ITO 2001). Further the fund is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding of tax under section150, 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the Income Tax Ordinance, 2001 from Commissioner Inland Revenue (CIR). During the period, prior to receiving tax exemption certificate from CIR various withholding agents have deducted advance tax under section 151 of ITO 2001. The management is confident that the same shall be refunded after filing Income Tax Return for Tax Year 2017.

8 ACCRUED EXPENSES & OTHER LIABILITIES

8.1 Provision for Workers' Welfare Fund (WWF)

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes / Mutual Funds (CISs) whose income exceeded Rs.500,000 in a tax year were brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever was higher.

The amendments introduced in the WWF Ordinance were challenged in various High Courts of Pakistan. The Honorable Lahore High Court (LHC) and the Honorable Sindh High Court (SHC) arrived at different conclusions in respect of the validity of the amendments made through the Finance Act in relation to the WWF. Both the decisions of the LHC and the SHC were challenged in the Honorable Supreme Court of Pakistan (SCP). During the period, the SCP passed a judgment on November 10, 2016, declaring the insertion of amendments introduced through Finance Act, 2008 pertaining to WWF as unlawful for the reason that the WWF is not in the nature of tax and therefore, could not be introduced through money bill under the Constitution. Subsequently the Federal Board of Revenue (FBR) has filed a review petition in the SCP against the said judgment, which is pending adjudication.

As a consequence of the 18th amendment to the Constitution, levy for the WWF was also introduced by the Government of Sindh through the Sindh Workers Welfare Fund (SWWF) Act 2014 enacted on May, 2015. SWWF Act 2014, requires every Industrial Establishment located in the province of Sindh and having total income of Rs.500,000 or more in any year of account commencing on or after the date of closing of account on or after December 31, 2013, to pay two percent of its total income declared to SWWF. The Mutual Funds Association of Pakistan (MUFAP), believes that Mutual Funds are not liable to pay SWWF for the reason that the Mutual Funds are investments vehicle. However, the Sindh Revenue Board has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution.

In view of the above developments regarding the applicability of Federal and Sindh WWF on Mutual Funds, the MUFAP obtained a legal opinion on these matters and based on such legal advice, which also stated that even if a review petition is filed by any party, such petition can only be based on very limited grounds and the chances of any major change in the SCP judgement are very limited, has recommended to all its members on January 12, 2017 the following:

i) The provision against the Federal WWF held by the Mutual Funds till June 30, 2015 should be reversed on January 12, 2017; and

ii) Provision against Sindh WWF, on prudent basis, should be made from the date of enactment of the Sindh WWF Act, 2014 (i.e. May 21, 2015) with effect from January 12, 2017.

The above decisions were communicated to SECP and the Pakistan Stock Exchange Limited on January 12, 2017. In response to the aforementioned letter SECP vide its letter dated February 1, 2017 advised MUFAP that the adjustments relating to the above should be made prospectively and adequate disclosure shall be made in the financial statements of Mutual Funds. Accordingly, the Fund has recorded these adjustments in its books of account on January 12, 2017.

The effect of the above Sindh WWF adjustments, if had not been made, would resulted in increase in the net assets value per unit by Re. 0.29 per unit.

8.2 Provision for indirect taxes and duties

This includes provision for indirect duties and taxes amounting to Rs. 1.596 million. As fully disclosed in note 15.1 of the annual financial statements of the Fund for the year ended June 30, 2016, the Management Company, as a matter of abundant caution has not reversed the provision of Federal Excise Duty (FED). However, subsequent to June 30, 2016 the Federal Board of Revenue have filed an appeal with Honorable Supreme Court of Pakistan against the Judgment passed by Honorable Sindh High Court of Pakistan, which is pending adjudication.

Had the provision not been retained, the net asset value per unit of the Fund would have been higher by Re. 1.19 (1.07%) per unit (June 30, 2017: Re. 0.99 (0.90%) per unit).

Furthermore, after the promulgation of Finance Act 2017 FED is no longer applicable to Collective Investment Scheme with effect from July 01, 2016.

10 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in cash. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The management intends to distribute through cash at least 90% of the Fund's net accounting income by the year-end to the unit holders. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

11 EARNING PER UNIT

Earnings per unit has not been disclosed as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

12 TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by SECP, the Total Expense Ratio of the Fund is 0.74% as on September 30, 2017 and this includes 0.09% representing government levy, Worker's Welfare Fund and SECP fee.

13 TRANSACTIONS WITH CONNECTED PERSONS/ RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Ltd (the Management Company), Al-Ameen Financial Services (Private) Limited (subsidiary of the Management Company), entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the fund and the directors and officer of the management company and unit holders holding more than 10% units of the Fund.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of Non Banking Finance Companies Rules, 2003, Non Banking Finance Companies and Notified Entities Regulations, 2008 and the Trust Deed respectively. Other transactions with related parties / connected persons have been carried out at agreed / commercial terms.

Insolution CompanyInsolution CompaniesTrusteeManagementDirectors and Rey ExecutivesCommercial persons / related partiesTransactions during the quarter ended 30 September 2017
ended 30 September 2017 Profit on savings accounts - 32 -
Profit on savings accounts - 32 -
Bank charges - 4 - <t< td=""></t<>
Bank charges - 4 - <t< td=""></t<>
Units issued - <t< td=""></t<>
Units redeemed - - - 7,935 Remuneration (inclusive of SST) 688 - 78 - - - Allocated expense - - - - - - - Custody charges - - 4 - - - - Balances held as at 30 September 2017 - - 4 - - - - Units held (in Units '000) - - - - - 926 Units held (in Rupees '000) - - - - 102,577 Bank balances - 1,025 - - - -
Remuneration (inclusive of SST) 688 - 78 -
Allocated expense -
Annotated expense - - 4 -
Provide a state Provide a state </td
Units held (in Units '000) - - - - 926 Units held (in Rupees '000) - - - - 102,577 Bank balances - 1,025 - - - - -
Units held (in Rupees '000) - - - - 102,577 Bank balances - 1,025 - - - - -
Units held (in Rupees '000) - - - - 102,577 Bank balances - 1,025 - - - - -
Bank balances - 1,025
Remuneration payable 225 - 25
Other payables
Profit receivable - 11
Transactions during the quarter
ended 30 September 2016 Profit on savings accounts - 1.441
Units issued 42,000
Sale of securities
Remuneration 857 - 115
Custody charges 2
Balances held as at 30 June 2017
Units held (in Units '000) 999
Units held (in Rupees '000) 109,865
Bank balances - 1,870
Remuneration payable 275 - 31
Sales load & other payables 6
Profit receivable - 7
Other Receivables from Management Company 71

Details of transaction with the related parties and balances with them at the quarter end are as follows;

14 Fair value of financial instruments

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

On-balance sheet financial instruments

30 September 2017		Carrying amount					Fair Value			
	Fair value through profit & loss		receivables	Other Financial Assets	Total Rupees in '000)	Level 1	Level 2	Level 3	Total	
Financial assets measured at fair value				(Kupees in 000) -					
Term Finance Certificates	37,923	-	-		37,923	-	37,923	-	37,923	
Pakistan Investment Bonds	- 37,923	-	-	-	37,923	-	- 37,923	-	- 37,923	
Financial assets not measured at fair value										
Balances with banks			78,252		78,252		_	_	_	
Term Deposit Finance	-	-	30,000		30,000					
Profit receivables	-	-	1,062		1,062		-		-	
Security deposits, advances and other receivables	-	-	4,063		4,063		-			
			113,377	-	113,377					
		Carrying amount					Fair	Value		
	Fair value	Available for	Loans &	Other	Total	Level 1	Level 2	Level 3	Total	
Financial liabilites not measured at fair value	through profit & loss	sale	receivables	Financial Liabilities						
					(Rupees in '000)					
Payable to UBL Fund Managers Limited - Management Company	-	-	-	225	225	-	-	-	-	
Payable to Central Depository Company of Pakistan - Trustee	-	-	-	25	25	-	-	-	-	
Accrued Expenses and Other Liabilities	-	-	•	457	457		•		<u> </u>	
		-	-	707	707					
30 June 2017		Ca	urrying amount			Fair Value		Value		
	Fair value through profit & loss	Available for sale	Loans & receivables	Other Financial Assets	Total	Level 1	Level 2	Level 3	Total	
Financial assets measured at fair value					(Rupees in '000)					
	21.107				21.107		21.107		21.107	
Investment in debt securities	31,197 31,197	-	-	-	31,197 31,197	-	31,197 31,197	-	31,197 31,197	
	51,177				51,177		51,177		51,177	
Financial assets not measured at fair value										
Balances with banks	-	-	144,616	-	144,616	-	-	-	-	
Profit receivables	-	-	1,402	-	1,402	-	-	-	-	
		-	146,018	-	146,018	-	-	-	-	
	Carrying amount						Fair			
	Fair value through profit	Available for sale	Loans & receivables	Other Financial	Total	Level 1	Level 2	Level 3	Total	
Financial liabilites not measured at fair value	& loss	Suic	recertables	Liabilities						
					(Rupees in '000)					
Payable to UBL Fund Managers Limited - Management Company	-	-	-	281	281	-	-	-	-	
Payable to Central Depository Company of Pakistan - Trustee	-	-	-	31	31	-	-	-	-	
Accrued Expenses and Other Liabilities		-	-	1,831	1,831	-	-	-	-	
	-	-	-	2,143	2,143	-	-	-	-	

The Fund has not disclosed the fair values for these 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.

15 CONTINGENCIES AND COMMITMENTS

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

16 DATE OF AUTHORISATION FOR ISSUE

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

17 GENERAL

17.1 This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.

For UBL Fund Managers Limited (Management Company)

UGIF

UBL Growth and Income Fund (Formerly United Growth & Income Fund)

INVESTMENT OBJECTIVE

UGIF is an open-end Aggressive Fixed Income Fund, investing in medium to long-term fixed income instruments as well as short-tenor money market instruments and seeks to generate superior, long-term, risk-adjusted returns while preserving capital over the long-term.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	Ernst & Young Ford Rhodes Sidat Hyder & Company,, Chartered Accountants
Bankers	United Bank Limited Allied Bank Limited Bank Alfalah Limited Faysal Bank Limited Habib Bank Limited JS Bank Limited Khushhali Bank Ltd. MCB Bank Limited Samba Bank Limited Silk Bank Limited Silk Bank Limited Sindh Bank Limited Telenor Microfinance Bank Limited (Formerly Tameer Microfinance Bank) The Bank of Punjab Zarai Taraqiati Bank Limited
Management Co.Rating	AM2++ (JCR-VIS)
Fund Rating	A(f) (JCR-VIS)

UBL GROWTH AND INCOME FUND (Formerly United Growth & Income Fund)

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at September 30, 2017

	Note	(Un-audited) September 30, 2017 (Rupees in '00	(Audited) June 30, 2017		
Assets	THOLE	(Rupees in W	,0)		
Bank balances	4	2,490,340	2,891,184		
Term deposit receipt	5	615,000	260,000		
Investments	6	1,368,302	1,867,615		
Fair value of derivative asset		-	2,090		
Receiveable against settlement of spread transactions		43,012	98,942		
Receiveable against margin trading system	6.11	44,072	358,681		
Profit receiveable		31,379	26,822		
Advances, deposits, Prepayments and other receiveable		297,540	263,147		
Advance income tax	7	2,936	2,984		
Placements	8	-	-		
Property held for sale	9	-	-		
Total assets		4,892,581	5,771,465		
Liabilities					
Payable to the Management Company		7,997	8,381		
Payable to Central Depository Company of Pakistan					
Limited - Trustee		577	484		
Payable to Securities and Exchange Commission					
of Pakistan		935	3,187		
Accrued expenses and other payables	11	40,170	52,142		
Total liabilities		49,679	64,194		
Net assets		4,842,902	5,707,271		
Unit holders' funds (as per statement attached)		4,842,902	5,707,271		
Cint noncers funds (as per statement attached)		-,0+2,702	5,707,271		
Contingencies and commitments	17				
		(Num)	bers)		
Number of units in issue (face value of units is Rs. 100 each)		56,482,170	67,229,227		
		(Rupees)			
Net assets value per unit		85.7421	84.8927		

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--Director

UBL GROWTH AND INCOME FUND (Formerly United Growth & Income Fund)

CONDENSED INTERIM INCOME STATEMENT (un-audited)

For the quarter ended September 30, 2017

		Quarter E	Inded
		September 30,	September 30,
	Note	2017 (Bungas in	2016
Income	Note	(Rupees in	000)
Financial income		73,783	39,980
Net gain on investments designated at		,	
fair value through profit or loss		·	
- Net capital gain on sale and redemption of investments		4,230	1,944
 Net unrealised (loss) / gain revaluation of investments 		(014)	(1.066)
revaluation of investments		(914) 3,316	(1,966) (22)
Net capital gain on sale and redemption of		5,510	(22)
investments classified as available-for-sale		-	781
Reversal / (Provision) - net		-	6,140
Other Income		1,248	18
Total (Loss) / Income		78,347	46,897
Expenses			
Remuneration to the Management Company		18,708	8,801
Sales tax on management fee		2,432	1,144
Remuneration to the Trustee (Inclusive of Sales Tax)		1,432	806
Annual fee to Securities and		0.25	
Exchange Commission of Pakistan Bank charges		935 85	440 31
Auditors' remuneration		121	260
Legal and professional charges		30	-
Brokerage		1,221	30
Custody and settlement charges		1,479	25
Listing fee & others (Inclusive of SECP Supervosiry fee)		68	84
Allocated Expenses	13	1,247	587
Total expenses		27,758	12,208
Net operating income for the quarter		50,589	34,689
Element of gain / (loss) and capital gains / (losses) included in			
prices of units issued less those in units			
redeemed - net		-	15,545
Provision for Sindh Workers' Welfare Fund	11.1	997	-
Net income for the quarter before taxation		49,592	50,234
-			
Taxation	10	-	-
Net income for the quarter after taxation		49,592	50,234
			· · · · · ·
Allocation of net (loss) / income for the quarter:			
-Income already paid on Units redeemed		(4,559)	-
Accounting income available for distribution carried to distribution account:			
-Relating to capital gains		3,011	
-Excluding capital gains		42,022	50,234
		45,033	50,234
Earnings per Unit	14		
	14		

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--Chief Financial Officer --SD--Director

Quarterly Report September 2017 - UBL Growth & Income Fund

UBL GROWTH AND INCOME FUND (Formerly United Growth & Income Fund) CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (un-audited)

For the quarter ended September 30, 2017

	Quarte	r Ended
	September 30,	September 30,
	2017	2016
	(Rupees	in '000)
Net income for the quarter available for distribution	49,592	50,234
Other comprehensive income		
Unrealised (dimunition) / appreciation on revaluation		
of investments classified as 'available-for-sale' - net	(763)	23,664
Total comprehensive income for the quarter	48,829	73,898

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

-- SD --

-- SD --

-- SD --

Chief Executive Officer

Chief Financial Officer

Director

UBL GROWTH AND INCOME FUND (Formerly United Growth & Income Fund) CONDENSED INTERIM CASH FLOW STATEMENT (un-audited)

For the quarter ended September 30, 2017

	Septem	oer 30,
	September 30, 2017	September 30, 2016
	(Rupees	in '000)
CASH FLOWS FROM OPERATING ACTIVITIES		
	49,592	50,234
Net income for the quarter		
Adjustments for:		
Financial income	(75,031)	(39,980)
Net (gain)/ loss on investments designated at fair value through profit or loss	(3,316)	22
Net capital (gain) on sale and redemption of investments classified as available-for-sale	-	(781)
(Rreversal) - net	-	(6,140)
Element of (gain) / loss and capital (gains) / losses included in		
prices of units issued less those in units redeemed - net	-	(15,545)
	(78,347)	(62,424)
(Increase) / decrease in assets		
Investments	503,956	(1,080,836)
Receiveable against settlement of spread transactions	55,930	-
Receiveable against margin tradign system	314,609	-
Advances, deposits, Prepayments and other receiveable	(34,393)	(772)
Advance income tax	48	208
	840,150	(1,081,400)
(Decrease) / Increase in liabilities		
Payable to the Management Company	(384)	291
Payable to Central Depository Company of Pakistan	93	76
Payable to Securities and Exchange Commission of Pakitan	(2,252)	(976)
Accrued expenses and other payables	(11,972)	(5,842)
	(14,515)	(6,451)
Mark-up / interest income received	70,474	15,380
Net cash (used in) / generated from operating activities	867,354	(1,084,661)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	804,560	1,498,341
Payments against redemption of units	(1,717,758)	(578,764)
Net cash flow from (used in) financing activities	(913,198)	919,577
Net (decrease) in cash and cash equivalents	(45,844)	(165,084
Cash and cash equivalents at the beginning of the quarter	3,151,184	887,280
Cash and cash equivalents at the end of the quarter	3,105,340	722,196
CASH AND CASH EQUIVALENTS		
Bank balances	2,490,340	722,196
Term deposit receipt	615,000	-
	3,105,340	722,196

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--

Chief Executive Officer

--SD--Chief Financial Officer --SD--Director

UBL GROWTH AND INCOME FUND (Formerly United Growth & Income Fund) CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

For the quarter ended September 30, 2017 (un-audited)

	Quarter E	nded
	September 30,	September 30,
	2017	2016
	(Rupees in	· '000)
Net assets at beginning of the quarter Rs. 84.8927 per unit (2016: Rs. 84.8042 per unit)	5,707,271	1,735,198
January of 0,422,791 units (2016, 17,276,206 units)	804,560	1,498,341
Issue of 9,433,781 units (2016: 17,376,306 units)	· · · · · · · · · · · · · · · · · · ·	
Redemption of 20,180,838 units (2016: 6,716,077 units)	(1,717,758) (913,198)	(578,765) 919,576
	4,794,073	2,654,774
Element of loss and capital losses included in the prices of	4,794,075	2,034,774
units issued less those in units redeemed - net	_	(15,545)
units issued iess those in units redecided - net	-	(15,545)
(Loss) / Gain on sale of investments - net	4,230	23,664
Unrealised (dimunition) / appreciation on re-measurement of investments		
classified as financial assets at fair value through profit or loss - net	(914)	1,944
elassified as infancial assets at fair value through profit of 1055 - net	()14)	1,744
Unrealised appreciation on revaluation of investments		
classified as 'available-for-sale' - net	(763)	-
	(100)	
Other income/(loss) for the quarter	46,276	48,290
	48,829	73,898
Net assets at end of the quarter	4,842,902	2,713,127
Net assets value per unit	85.7421	87.1787
Undistributed income brought forward comprising of:		
- Realised gain / (loss)	(491,263)	(485,217)
- Unrealised gain	14,166	4,130
Undistributed income brought forward - Net	(477,097)	(481,087)
Accounting (loss) / income for the quarter available for distribution	45,033	50,234
- Relating to capital gains	3,011	-
- Excluding capital gains	42,022	50,234
	,	0 0,20 1
Undistributed income carried forward - Net	(432,064)	(430,853)
Undistributed income carried forward comprising of:		
- Realised gain	(431,150)	(428,887)
- Unrealised (loss) / gain	(914)	(1,966)
	(432,064)	(430,853)

The annexed notes from 1 to 19 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--

--SD--Chief Financial Officer --SD--

Director

Chief Executive Officer

UBL GROWTH AND INCOME FUND (Formerly United Growth & Income Fund) NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (un-audited)

For the quarter ended September 30, 2017 (un-audited)

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Growth & Income Fund (Formerly United Growth & Income Fund) (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and was approved as an open-end mutual fund by the Securities and Exchange Commission of Pakistan (SECP). It was constituted under the Trust Deed, dated 21 December 2004 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited (CDC) as the Trustee.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through certificate of registration issued by SECP. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beamount road, Civil lines, Karachi.

The Fund is an aggressive fixed income scheme and units of the Fund are listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. The units of the fund can be transferred to / from other funds managed by the Management Company and can also be redeemed by surrendering to the fund.

As per the offering document, the Fund shall invest in a diversified portfolio of government securities, investment grade term finance certificates (TFCs), rated corporate debts, certificates of investments (COIs), marginal trading system (MTS), spread transactions (including spread on equity transactions) and other money market instruments.

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

JCR - VIS Credit Rating Company has reaffirmed management quality rating of AM2++ (stable outlook) to the management company as at December 30, 2016.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The approved accounting standards comprise of such International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the "NBFC Regulations") and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBF

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2017.

The Companies Act, 2017 was enacted on May 30, 2017 and came into force at once. Subsequently, the Securities and Exchange Commission of Pakistan has notified through Circular No. 23 dated October 04, 2017 in continuation of Circular No. 17 of 2017 dated July 20, 2017 that companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance). Hence these interim financial statements are prepared in accordance with the Ordinance.

The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2017, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of rash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the quarter ended September 30, 2016.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2017.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies, methods of computation adopted in the preparation of this condensed interim financial information, significant judgements in applying the accounting policies and key sources of estimation uncertainty are same as those applied in the preparation of the financial statements of the Fund as at June 30, 2017, except as disclosed in paragraph 3.2

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

- 3.2 The SECP vide its statutory notification (S.R.O) no. 756(I)/2017 dated August 03, 2017 has amended the NBFC Regulations. The amendments define Element of Income included in the unit price' as also specifies the accounting treatment for the said income/(loss). The amendments also introduced changes in the schedule V of NBFC regulations, resulting in certain changes / modifications in the presentation of Income Statement and Statement of Movement in reserves or unit holders' fund. As clarified by MUFAP, the amendment is applicable for accounting period beginning on July 01, 2017. Pursuant to aforementioned SRO, management has changed its accounting policy whereby element of income / (loss) and capital gains / (losses) in prices of units issued less those in units redeemed' during the year, previously transferred to the 'income statement' has now been taken to unit holders' fund. The above change has been applied from July 01, 2017 as clarified by MUFAP, therefore the comparative information have not been restated.
- 3.3 The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended June 30, 2017.

. BANK BALANCES		September 30, 2017	June 30, 2017
		(Rupees	in '000')
Current Accounts		50	50
PLS saving accounts	4.1	2,490,340	2,891,134
		2,490,390	2,891,184

4.1 These carry profit rates ranging from 3.75% to 7.0% (30 June 2017: 3.75% to 7.25%) per annum.

5. TERM DEPOSIT RECEIPT

4.

6.

	Commercial banks	5.1	615,000	260,000
5.1	It carries profit rate of 6.50% per annum and will mature on 28 November 2017.		615,000	260,000
			(Un-audited) September 30, 2017	(Audited) June 30, 2017
	INVESTMENTS		(Rupees	in '000')
	Designated at fair value through profit or loss			
	- Investments in debt securities			
	- Quoted	6.1	237,924	233,511
	- Unquoted	6.1	886,437	671,364
	- Government securities	6.2	-	251,675
	- Quoted equity securities (spread transactions)	6.3	-	470,160
			1,124,361	1,626,710
	- Pre-IPO placements	6.4	-	-
			1,124,361	1,626,710
	Available-for-sale			
	- Preference shares	6.6	-	-
	- Quoted equity security	6.7	44,895	45,658
	- Commercial paper	6.8	199,046	195,247
			243,941	240,905
			1,368,302	1,867,615

6.1 Designated at fair value through profit or loss - Investment in debt securities (term finance certificates and sukuk certificates of Rs.5,000 each, unless otherwise stated)

Name of Investee Company		As at 01 July 2017	Purchased / acquired during the quarter	Sold / matured during the quarter	Written off during the quarter	As at 30 September 2017	Carrying value as at 30 September 2017	Market value as at 30 September 2017	Market value as at 30 June 2017	Percentage of total investment	Percentage of net assets
			(N	umber of certif	icates)		(1	Rupees in '000)			
<u>Quoted</u>											
Textile composite Azgard Nine Limited - TFC (20-09-05)	6.5.2	1,000	-	-	-	1,000	-	-	-	-	-
Commercial banks											
NIB Bank Limited - TFC (20-06-14)		21,300	-	-	-	21,300	107,818	106,909	107,818	5.72%	1.87%
Bank Alfalah Limited - TFC (20-02-13)		10,100	-	-	-	10,100	51,848	51,623	51,859	2.76%	0.90%
Soneri Bank Limited - TFC (08-07-15)		13,000	-	-	-	13,000	66,830	66,409	66,843	3.56%	1.16%
							226,496	224,941	226,520	12.04%	3.93%
Fertilizer Engro Corporation Limited - Sukuk (10-07-14) 3	years	890	-	890	-	-	-	-	4,474	-	-
Power generation and distribution K-Electric Limited - TFC (13-08-12) 5 years		500	-	500	-	-	-		2,517	-	
Total quoted securities							226,496	224,941	233,511		
Unquoted											
Textile composite Azgard Nine Limited - PP (04-12-07)	6.5.2	7,000	-	-	-	7,000	-	-	-	-	-
Household goods New Allied Electronics Industries Limited											
- TFC (15-05-07) New Allied Electronics Industries Limited -	6.5.3	18,000	-	-	-	18,000	-	-	-	-	-
Sukuk - (03-12-07)	6.5.3	10,000	-	-	-	10,000	-	-	-	-	-
							-	-	-	-	-
Commercial banks											
Bank Al-Habib Limited - TFC (17-03-16)		37,200	-	24,000	-	13,200	67,012	66,551	188,805	3.56%	1.17%
JS Bank Limited - TFC (14-12-16)		48,000	-	-	-	48,000	241,713	241,632	241,713	12.94%	4.23%
Standard Chartered Bank - TFC (29-06-12)		8,300	-	-	-	8,300	41,604	41,500	41,604	2.22%	0.73%
Habib Bank Limited - TFC (19-02-16)*		500	2,322	-	-	2,822	281,509	279,265	50,105	14.95%	4.89%
							631,838	628,948	522,227	33.67%	11.02%
Fertilizer Engro Fertilizer Limited - Sukuk (09-07-14)		3,600	-	-	-	3,600	13,020	12,983	14,880	0.70%	0.23%
Investment Banks Jahangir Siddiqui & Company Ltd TFC (18-07	-2017)	-	30,000	-	-	30,000	150,000	153,156	-	8.20%	2.68%

Name of Investee Company	As at 01 July 2017	Purchased / acquired during the quarter	Sold / matured during the quarter	Written off during the quarter	As at 30 September 2017	Carrying value as at 30 September 2017	Market value as at 30 September 2017	Market value as at 30 June 2017	Percentage of total investment	Percentage of net assets
		(N	umber of certifi	icates)		(Rupees in '000)			
Chemical Ghani Gases Limited - Sukuk (02-02-17)*	500	-	-	-	500	46,292	46,280	48,396	2.48%	0.81%
Electricity WAPDA - TFC (27-09-13)	20,000	-	-	-	20,000	57,629	58,053	64,832	3.11%	1.02%
Leasing companies Security Leasing Corporation Limited - Sukuk (19-09-07) – II	5,000	-	-	-	5,000	-	-	-	-	
Cable and electrical goods TPL Trakker Limited - Sukuk (13-04-16) **	20	-	20	-		-		21,029	-	
Total unquoted securities						898,779	899,420	671,364	39.96%	13.08%
						1,125,275	1,124,361	904,875	39.96%	13.08%
* The nominal value of these TFCs and Sukuks are Rs. 100,000 each.										

** The nominal value of these Sukuks are Rs. 1,000,000 each.

6.2 Designated at fair value through profit or loss - Government securities (face value of Rs. 100,000 each)

Name of security	Note	As at 01 July 2017	Purchased during the quarter	Sold / matured during the quarter	As at 30 September 2017	Carrying value as at 30 September 2017	Market value as at 30 September 2017	Market value as at 30 June 2017	Percentage of total investment	Percentage of net assets
Treasury Bills - 3 months			(Number 17,940	(17,940)	 -		(Rupees in '000) - -		-	_
Ijarah Sukuk		2,500		(2,500)	-	-	-	251,675	-	-
		y		()/		<u> </u>		251,675		-

6.3 Quoted equity securities (spread transactions)

6.3.1 Quoted equity securities

Name of investee company	As at 1 July 2017	Purchased during the quarter	Bonus / right issue during the quarter		As at 30 September 2017	Cost / Carrying value as at 30 September 2017	Market value as at 30 September 2017	Appreciation / (Diminution) as at 30 September 2017	Market value as percentage of net assets	Market value as percentage of total investments	Par value as percentage of issued capital of the investee company
		(Num	ber of shares)			(Rupee	s in '000)				
Unless stated otherwise, the holdings are in ordinal	ry shares of Rs. 10	each.									
Insurance Adamjee Insurance Company Limited	-	4,000	-	4,000	-	-	-	-	-	-	-
Engineering											
Amreli Steels Limited	-	2,000	-	2,000	-	-	-	-	-	-	-
International Steels Limited	80,000	545,000	-	625,000	-	-	-	-	-	-	-
						-	-	-	-		<u> </u>

Technology and communication - <td< th=""><th>Name of investee company</th><th>As at 1 July 2017</th><th>Purchased during the quarter</th><th>Bonus / right issue during the quarter</th><th>Sold during the quarter</th><th>As at 30 September 2017</th><th>Cost / Carrying value as at 30 September 2017</th><th>Market value as at 30 September 2017</th><th>Appreciation / (Diminution) as at 30 September 2017</th><th>Market value as percentage of net assets</th><th>Market value as percentage of total investments</th><th>Par value as percentage of issued capital of the investee company</th></td<>	Name of investee company	As at 1 July 2017	Purchased during the quarter	Bonus / right issue during the quarter	Sold during the quarter	As at 30 September 2017	Cost / Carrying value as at 30 September 2017	Market value as at 30 September 2017	Appreciation / (Diminution) as at 30 September 2017	Market value as percentage of net assets	Market value as percentage of total investments	Par value as percentage of issued capital of the investee company
Pack Bake Dational and Pack Data Data Data Data Data Data Data Dat			(Num	ber of shares)			(Rupee	s in '000)	-			· · · · · ·
Th T ask lained1.088,00 <th< td=""><td>0</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></th<>	0											
Pertilizer Ingo Composition latified 42,000 119,000 161,000 -		719,000		-	, ,	-	-	-	-	-	-	-
Image 11000 11000 101000 101000 101000 101000 101000 101000 101000 101000 101000 101000 1010000 1010000 1010000 101000000 1010000000000000000000000000000000000	TPL Trakker Limited	-	1,068,000	-	1,068,000	-			-		-	
Image 11000 11000 101000 101000 101000 101000 101000 101000 101000 101000 101000 101000 1010000 1010000 1010000 101000000 1010000000000000000000000000000000000	Fertilizer									- <u>-</u>		
Enge Corporation Limited3.5000.0000.35000.0000.00000.00000.0000Fauip Fernitzer Company Limited2.500124.000147.5000.00000.00000.00000.0000Fauip Fernitzer Company Limited3.2000124.000147.5000.0000 <td></td> <td>42.000</td> <td>119,000</td> <td>-</td> <td>161,000</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td>		42.000	119,000	-	161,000	-	-	-	-	-	-	-
Fairms Ferritizer Company Limited \cdot <	0	,	60,000	-	63,500	-	-	-	-	-	-	-
Fugi Fertilizer Romany Limited 2,500 14,7500 -			2,500	-	2,500	-	-	-	-	-	-	-
Technology and communication . <td< td=""><td></td><td>23,500</td><td>124,000</td><td>-</td><td>147,500</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td></td<>		23,500	124,000	-	147,500	-	-	-	-	-	-	-
Pakisan Linited	Fauji Fertilizer Company Limited	332,000	22,000	-	354,000	-	-	-	-	-	-	-
Pakisan Linited							-	-	-	-	-	
TRG Pakistan Limited .	Technology and communication											
Ower generation and distribution . <	Pakistan Telecommunication Company Limited	-	-	-	-	-	-	-	-	-	-	-
Power generation and distribution K-Electric Limited* 1,383,000 2,726,000 4,109,000 -	TRG Pakistan Limited	-	-	-	-	-			-		-	
K-Electric Limited* 1,383.000 2,725.000 - 4,109.000 -								<u> </u>	-		-	
Hab Power Company Limited 16,000 23,500 - 39,500 - <td></td> <td></td> <td>2 52 6 000</td> <td></td> <td>4 4 00 000</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>			2 52 6 000		4 4 00 000							
Kot Addu Power Company Limited 4,000 3,500 - 7,500 -<				-		-	-	-	-	-	-	-
Cement - <td></td> <td></td> <td></td> <td>-</td> <td>,</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td>				-	,	-	-	-	-	-	-	-
Cenent I <td>Kot Addu Power Company Limited</td> <td>4,000</td> <td>3,500</td> <td>-</td> <td>7,500</td> <td>-</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	Kot Addu Power Company Limited	4,000	3,500	-	7,500	-						
Cherat Company Limited - <td>Comment</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>-</td> <td></td>	Comment										-	
D.G. Khan Cement Company Limited 126,500 57,000 - 183,500 -							_	_	_			
Fauji Cement Company Limited 192,500 189,000 - 381,500 - <t< td=""><td></td><td></td><td>57.000</td><td>_</td><td>183 500</td><td>_</td><td>-</td><td>-</td><td>-</td><td></td><td>_</td><td></td></t<>			57.000	_	183 500	_	-	-	-		_	
Maple Leaf Cement Factory Limited 80,500 90,500 171,000 -				_	,	_	-	-	-		_	_
Pioneer Cement LimitedII <t< td=""><td></td><td>,</td><td></td><td>-</td><td></td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>-</td><td>_</td></t<>		,		-		-	-	-	-	-	-	_
Power Cement Limited 31,000 140,000 - 171,000 -				-		-	-	-	-	-	-	-
Refinery -<		31.000	140,000	-	171,000	-	-	-	-	-	-	-
Attock Refinery Limited 209,000 265,000 474,000 - </td <td></td> <td>-</td> <td></td>											-	
Attock Refinery Limited 209,000 265,000 474,000 - </td <td>Refinery</td> <td></td>	Refinery											
Askari Bank Limited 111,500 168,500 - 280,000 -	Attock Refinery Limited	209,000	265,000	-	474,000	-	-	-	-	-	-	-
Askari Bank Limited 111,500 168,500 - 280,000 -												
Bank Alfalah Limited 35,000 40,500 - 75,500 -		111 500	168 500	_	280.000	_	_	_	_			
Bank of Punjab Limited 1,137,000 9,824,000 - 10,961,000 - <				-		-	-	-	-	-	-	-
Faysal Bank Limited 36,500 10,500 - 47,000 -				-		-	-	-	-	-	-	-
Habib Bank Limited - 500 - 500 - <td></td> <td></td> <td></td> <td>_</td> <td></td> <td>_</td> <td>_</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td>				_		_	_	-	-	-	-	-
MCB Bank Limited - <td>-</td> <td>,</td> <td></td> <td>_</td> <td>,</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td></td>	-	,		_	,	-	-	-	-	-	-	
National Bank of Pakistan 48,000 - 84,000		-		-		-	-	-	-	-	-	-
		48.000	36.000	-	84,000	-	-	-	-	-	-	-
		.0,000	2 5,000		,					·		<u> </u>

Name of investee company	As at 1 July 2017	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at 30 September 2017	Cost / Carrying value as at 30 September 2017	Market value as at 30 September 2017	Appreciation / (Diminution) as at 30 September 2017	Market value as percentage of net assets	Market value as percentage of total investments	Par value as percentage of issued capital of the investee company
		(Num	ber of shares)			(Rupee	s in '000)	-			
Oil and gas marketing companies											
Pakistan State Oil Company Limited	238,500	350,000	-	588,500	-	-	-	-	-	-	-
						-	-	-	-	-	-
Food and personal care products						-	-	-	-	-	-
Engro Foods Limited	107,000	172,000	-	279,000	-	-	-	-	-	-	-
						-	-	-	-	-	-
Oil and gas exploration companies						-	-	-	-	-	-
Oil and Gas Development Company	445,000	71,000	-	516,000	-	-	-	-	-	-	-
Pakistan Oilfields Limited	-	-	-	-	-	-	-	-	-	-	-
Pakistan Petroleum Limited	-	2,000	-	2,000	-	-	-	-		-	-
						-	-				-
Textile composite											
Nishat (Chunian) Limited	112,500	101,500	-	214,000	-	-	-	-	-	-	-
Nishat Mills Limited	115,500	102,500	-	218,000	-	-	-	-	-	-	-
Pakistan Petroleum Limited	-	-	-	-	-	-	-	-	-	-	-
										-	
Total - 30 September 2017						<u> </u>		<u> </u>		<u> </u>	<u> </u>
Total - 30 June 2017						472,090	470,160	(1,930)	18.85%	25.17%	0.79%

* Par value of Rs. 3.5 each

6.3.1.1 The investment in equity securities represents spread transactions entered into by the Fund. The Fund purchases equity securities in ready settlement market and sells the securities in future settlement market on the same day, resulting in spread income / (loss) due to difference in ready and future stock prices.

Pre-IPO placements	Note	30 September	30 June
		2017	2017
		(Rupees in	n '000)
Dewan Cement Limited	6.4.1	83,611	83,611
Provision		(83,611)	(83,611)
		-	-
	Dewan Cement Limited	Dewan Cement Limited 6.4.1	2017 (Rupees in Dewan Cement Limited 6.4.1 83,611

6.4.1 This represents Pre-IPO disbursement to Dewan Cement Limited (the company) made on 14 January 2008, at a profit rate of 6 month KIBOR plus 2% per annum on the date of disbursement i.e. 12.04% per annum. As per the requirement of the Trust Deed, the IPO was to take place within 270 days of the initial disbursement. However, the company has not yet arranged the IPO. The Management Company decided to suspend mark-up on this investment from 29 October 2008 and has recorded full provision against this investment (including principal and interest) in accordance with the Circular No. 01 of 2009 (as amended by circular 33 of 2012), issued by SECP. Till 30 September 2017, the company has paid Rs. 30.55 million.

6.5 Available-for-sale - Investment in debt securities

(Term Finance Certificates and sukuk certificates of Rs.5,000 each)

Name of Investee Company	Note	As at 01 July 2017	Purchased during the qaurter	Sold / matured during the quarter	Written off during the quarter	As at 30 September2 017	Carrying value as at 30 September 2017	Market value as at 30 September 2017	Market value as at 30 June 2017	Percentage of total investment	Percentage of net assets
			(Nun	nber of certifi	cates)		(Rupees in '000)			
Quoted											
Textile composite Azgard Nine Limited - TFC (20-09-05) Azgard Nine Limited - TFC (17-05-10)	6.5.1 6.5.1	21,150 10,000	-	-	-	21,150 10,000	- - -	- - -	-	- - -	- -
Investment banks Trust Investment Bank Limited - TFC (04-07-08)	6.5.6	23,877	-	-	-	23,877			-		-
Total quoted securities							-	-	-	-	-

Name of Investee Company	Note	As at 01 July 2017	Purchased during the qaurter	Sold / matured during the quarter	Written off during the quarter	As at 30 September2 017	Carrying value as at 30 September 2017	Market value as at 30 September 2017	Market value as at 30 June 2017	Percentage of total investment	Percentage of net assets
			(Nun	ber of certifi	cates)		(Rupees in '000)			
Unquoted											
Household goods											
New Allied Electronics Industries - TFC (15-05-07)	6.5.3	13,000	-	-	-	13,000	-	-	-	-	-
Chemicals											
Agritech Limited - PP (14-01-08)	6.5.8	147,000	-	-	-	147,000	-	-	-	-	-
Agritech Limited - PP (30-11-07)	6.5.8	58,000	-	-	-	58,000	-	-	-	-	-
Agritech Limited - Sukuk (06-08-08)	6.5.8	3,800	-	-	-	3,800	-	-	-	-	-
Agritech Limited - Sukuk (01-07-11)	6.5.8	36,267	-	-	-	36,267	-	-	-	-	-
							-	-	-	-	-
Textile composite							·	·		u	
Azgard Nine Limited - PP (04-12-07)	6.5.1	33,000	-	-	-	33,000	-	-	-	-	-
Azgard Nine Limited - (28-06-12) - [Zero											
Coupon]	6.5.10	20,476	-	-	-	20,476	-	-	-	-	-
.							-	-	-	-	-
Leasing companies											
Security Leasing Corporation Limited -	655	15 000				15 000					
Sukuk (19-09-07) - II Security Lessing Comparation Limited	6.5.5	15,000	-	-	-	15,000	-	-	-	-	-
Security Leasing Corporation Limited - PP (28-03-06)	6.5.11	19,000				19,000	_				
- FF (28-03-00)	0.5.11	19,000	-	-	-	19,000	-	-		-	
							-	-	-	-	-
Total unquoted securities							-	-	-	-	
Total available for sale debt securities											

6.5.1 This represents investment aggregating to Rs. 111.04 million. These term finance certificates have been declared non-performing by MUFAP since 19 May 2010 and no interest is being accrued thereafter. Accordingly, these have been fully provided by the Fund.

On 12 April 2012, a share transfer and debt swap agreement was entered into between the Financial Institutions and Azgard Nine Limited (the issuer), whereby the issuer agreed to transfer its entire holding in Agritech Limited to the existing lenders / creditors, including the Term Finance Certificate (TFC) holders at the agreed settlement price of Rs. 35 per share, in partial settlement of the outstanding principal / redemption obligations. As part of the above stated arrangement, the Fund had received 5,084,430 ordinary shares of Agritech Limited against the partial settlement of its outstanding exposure (refer note 7.8).

As per the terms of the Share Transfer and Debt Swap Agreement, Agritech Limited shares shall be held by the respective trustees for the TFC issues in their name for and on behalf of the TFC Holders who shall be the beneficial owners of the subjected shares in proportion to their holdings.

The Trustees for the TFC issue are authorized pursuant to shareholders investors agreement to hold the said ordinary shares for and on behalf of TFC holders for a period of five years from the date of transfer. During the lock in period of five years, shares can be sold to an outside buyer subject to a prior written approval of the investors, however, no such approval is required for inter financier sale.

6.5.2 This represents investment aggregating to Rs.11.472 million. These term finance certificates were classified as non-performing by MUFAP on 13 June 2011 and fully provided by the management in accordance with Circular 1 of 2009 (as amended by circular 33 of 2012) and no further interest has been accrued thereafter.

During the year the Fund recovered 0.718 million from the issuer of security. Further, these Term Finance Certificates were disposed off at an amount of Rs. 2.92 million.

- 6.5.3 This represents investment aggregating to Rs. 66.16 million against which the investee company had not made payments at the contractual dates in the year ended 30 June 2009. As of the balance sheet date, the above Sukuks are classified as non-performing by MUFAP. Accordingly the management has provided for the said sukuk certificates in full in accordance with Circular 1 of 2009 (as amended by circular 33 of 2012) and no further interest has been accrued thereafter.
- 6.5.4 In 2014, Security Leasing Corporation Limited (SLCL) defaulted in the payments due on 19 July 2014 as per revised restructuring agreement schedule and accordingly the exposure of the Fund in sukkuk certificates was fully provided as per the requirement of SECP Circular 33 of 2012.

Further SLCL requested vide letter dated 7 April 2016 for full and final settlement of its outstanding exposure at 10% of its face value. During the year, consent was received from majority financiers (cumulatively holding 58% of total outstanding amount) on the proposed terms of SLCL, the Fund received an amount of Rs. 3.081 million representing 10% of outstanding principal amount.

- 6.5.5 This represents investment aggregating to Rs. 22.09 million. In 2012, Security Leasing Corporation Limited entered into revised restructuring agreement with Sukuk holders (effective from 30 November 2012) and the security was accordingly classified as performing by MUFAP. However, the issuer defaulted in the payments due on 19 July 2014 as per revised repayment schedule and accordingly the exposure of the Fund in sukkuk certificates was fully provided as per the requirement of SECP Circular 33 of 2012.
- 6.5.6 This represents investment aggregating to Rs. 44.499 million. These term finance certificates were classified as non performing debt security on default of coupon payment by its issuer due on 04 July 2012. In accordance with the circular 33 of 2012 issued by SECP, the Fund has recognised full provision against the principal and suspended further accrual of mark-up there against.
- 6.5.7 This represents investment aggregating to Rs. 10.958 million. The issuer defaulted in payment of mark-up due on 7 December 2013 as per revised restructuring terms. Accordingly, the Fund recognised full provision against the principal and mark-up in accordance with circular 33 of 2012.

During the year, the above investment was disposed off at an amount of Rs. 1.455 million.

6.5.8 This represents investment aggregating to Rs. 865.688 million against which the investee company had not made payments at the contractual date. Consequently, the term finance certificates and sukuks were classified as non performing by MUFAP on 29 June 2010 and 23 August 2010 respectively in accordance with Circular 1 of 2009, mark-up income subsequently was suspended thereafter.

In 2011, a restructuring agreement was signed between Agritech Limited and the Investment Agent of the term finance certificates and sukuks, whereby, certain terms included in the original trust deed were amended including the repayment period. However, the investee company defaulted on the payment due on the restructured date. Accordingly, the management has provided for the said term finance certificates and sukuks in accordance with circular 33 of 2012 issued by SECP.

During the year, a part of the investment was disposed off at an amount of Rs. 21.483 million.

- 6.5.9 This represents investment in additional certificates issued by the company against overdue profit upto 31 July 2011 on the term finance certificates. The Fund maintains full provision against the said investment.
- 6.5.10 These zero coupon privately placed term finance certificates (PPTFCs) were issued against the interest receivable on TFCs of Azgard Nine Limited. As these PPTFCs were issued against the mark-up outstanding on non performing securities therefore are carried at nil value in the books of the Fund. These PPTFCs are to be redeemed in seven equal semi-annual instalments starting from 31 March 2014 and will mature on 31 March 2017. These PPTFCs have been classified as Non Performing Asset by MUFAP on 07 December 2012.
- 6.5.11 This represents investments aggregating to Rs. 10.261 million. In 2011, Security Leasing Corporation Limited entered into revised restructuring agreement with Sukuk holders (effective from 29 February 2012) and accordingly the security was classified as performing by MUFAP. However, the issuer defaulted in the payments due on 29 July 2014 as per revised repayment schedule and accordingly the exposure of the Fund in sukuk certificates was fully provided as per the requirement of SECP Circular 33 of 2012.

5 Provision for impairment	30 September 2017	30 June 2017
	(Rupees i	in '000)
Designated at fair value through profit or loss - quoted		
Azgard Nine Limited - (20-09-05)	1,026	1,02
Designated at fair value through profit or loss - unquoted		
New Allied Electronics Industries - (15-05-07)	18,094	18,09
New Allied Electronics Industries - Sukuk (03-12-07)	35,000	35,00
Azgard Nine Limited - (04-12-07)	10,579	10,57
Security Leasing Corporation Limited - Sukuk (19-09-07) - II	5,577	5,57
	69,250	69,25
Available-for-sale debt securities - quoted		
Azgard Nine Limited - (20-09-05)	21,702	21,70
Azgard Nine Limited - (17-05-10)	27,863	27,80
Trust Investment Bank Limited - (04-07-08)	44,499	44,49
	94,064	94,0
Available-for-sale debt securities - unquoted		
New Allied Electronics Industries - (15-05-07)	13,068	13,00
Agritech Limited - (14-01-08)	558,988	558,9
Agritech Limited - (30-11-07)	254,223	254,22
Agritech Limited - Sukuk (06-08-08)	14,453	14,4
Azgard Nine Limited - (04-12-07)	49,870	49,8
Security Leasing Corporation Limited - Sukuk (19-09-07) - II	16,451	16,4
Security Leasing Corporation Limited - PP TFC (28-03-06)	10,261	10,2
	917,314	917,3
	1,081,654	1,081,65
	1,001,054	1,081

6.6 Investment in preference shares

Name of security	Note	As at 01 July 2017	Purchased during the year	Sold during the year	As at 30 September 2017	Carrying value as at 30 September 2017	Carrying value as at 30 June 2017	Percentage of total investment	Percentage of net assets
			(Nun	nber of shares)		(Rupees in	'000)		
Quoted									
Azgard Nine Limited	6.6.1	200,000	-	-	200,000	-	-	-	-
						-	-	-	-

6.6.1 These represent cumulative, non-voting, convertible and redeemable preference shares having a face value of Rs.10 each and carrying a profit rate of 8.95% per annum. These were due for redemption on 30 September 2009 but due to default by the Company, management has made full provision of Rs. 0.85 million against the outstanding amount.

6.7 Quoted equity security (Ordinary shares having face value of Rs. 10 each)

Name of security	Note	As at 01 July 2017	Acquired / bonus shares received during the year	Disposed off during the year	As at 30 September 2017	Market value As at 30 September 2017	Market value As at 30 June 2017	Percentage of total investment	Percentage of net assets	Percentage of investee capital
			(Number	of shares)		(Rupees in	'000)			
Chemicals Agritech Limited	6.7.1	5,084,430	-	-	5,084,430	44,895	45,658	3.28%	0.93%	1.30%
Cost of available for Impairment Cost of available for	1	1 2		t		59,335 (19,931) 39,404	59,335 (19,931) 39,404			
Closing surplus on r	evaluatio	on of investments				5,491	6,254			

6.7.1 This represents shares received in partial settlement against TFCs of Azgard Nine Limited. As per Circular 07 of 2009 an 'aggressive fixed income scheme' shall not invest in the equity securities, however, SECP vide its letter dated 16 January 2012 allowed exemption from this restriction in respect of shares of Agritech Limited and has instructed to value these shares as per applicable International Accounting Standards (IAS). Accordingly, the Fund has recorded the shares at prevailing market price.

6.8	Commercial paper	30 September 2017	30 June 2017
		(Rupees in	. '000)
	JS Global Capital Limited	99,200	97,289
	Pak Electron Limited	99,846	97,958
		199,046	195,247

6.8.1 The nominal value of each instrument is Rs.100 million.

6.8.2 Significant terms and conditions of commercial paper outstanding as at 30 September 2017 are as follows:

Name of securities	Yield	Issue date	Maturity date
JS Global Capital Limited	7.91%	11-May-17	07-Nov-17
Pak Electron Limited	7.88%	12-Jan-17	09-Oct-17

6.9 Circular No. 16 dated 07 July 2010 issued by the SECP requires details of investments not compliant with the investment criteria specified for the category assigned to open-end collective investment schemes or the investment requirements of the constitutive documents of the Fund to be disclosed in the annual accounts of the Fund. The table below gives the details of such non compliant investments.

Type of investment investment	Value of investment before provision	Provision held / net impairment made	Value of investment after provision	% of net assets	% of gross assets
		(Rupees in '000)			
Preference shares	850	(850)	-	-	-
Quoted shares	64,826	(19,931)	44,895	0.93%	0.92%
Real estate	12,000	(12,000)	-	-	-
per issue) as at 30 June 2017		Exposure type	% of Issue	Limit	Excess
(04-07-08)		Per issue	19.90%	10%	9.90%
		Per issue	19.30%	10%	9.30%
nited - PP (28-03-06)		Per issue	19.00%	10%	9.00%
- (15-05-07)		Per issue	17.20%	10%	7.20%
nited - Sukuk (19-09-07)		Per issue	13.30%	10%	3.30%
		Per issue	11.40%	10%	1.40%
	investment Preference shares Quoted shares Real estate per issue) as at 30 June 2017 (04-07-08) hited - PP (28-03-06) - (15-05-07)	investment investment before provision	investment before net impairment provision net impairment made	investment investment before provision net impairment made investment after provision Preference shares 850 (850) - Quoted shares 64,826 (19,931) 44,895 Real estate 12,000 (12,000) - per issue) as at 30 June 2017 Exposure type % of Issue (04-07-08) Per issue 19,30% nited - PP (28-03-06) Per issue 19,00% - (15-05-07) Per issue 17,20% nited - Sukuk (19-09-07) Per issue 13,30%	investment investment before provision net impairment made investment after provision Preference shares 850 (850) - - Quoted shares 64,826 (19,931) 44,895 0.93% Real estate 12,000 (12,000) - - per issue) as at 30 June 2017 Exposure type % of Issue Limit (04-07-08) Per issue 19,90% 10% per issue) as at 30 June 2017 Exposure type % of Issue Limit (04-07-08) Per issue 19,90% 10% (04-07-08) Per issue 19,30% 10% (04-07-08) Per issue 19,30% 10% (15-05-07) Per issue 19,00% 10% (15-05-07) Per issue 13,30% 10%

6.10 Significant terms and conditions of debt securities held as at 30 September 2017 are as follows:

Name	Mark-up rate per annum	Maturity	Secured / unsecured	Details of security	Rating
Quoted					
Textile composite Azgard Nine Limited (20-09-05)	6 months KIBOR + 240 bps	20 September 2012	Secured	First pari passu charge on the present and future fixed assets of the company (excluding Land & Building) with 25% margin in favour of the Trustee.	None
Azgard Nine Limited (17-05-10)	1 year KIBOR + 100 bps (from 1 to 12 months)+100 bps	18 May 2013	Secured	First Pari Passu charge of upto 125% of the instrument over fixed assets of the company.	None
Commercial banks					
NIB Bank Ltd-TFC (20-06-14)	6 months KIBOR+ 115 bps	19 June 2022	Unsecured	-	A+
Bank Alfalah Ltd-TFC (20-02-13)	6 months KIBOR+ 125 bps	20 February 2021	Unsecured	-	AA-
Soneri Bank Limited - TFC (08-07-15)	6 months KIBOR+ 135 bps	08 July 2023	Unsecured	-	A+

Name	Mark-up rate per annum	Maturity	Secured / unsecured	Details of security	Rating
Fertilizer					
Engro Corporation - Sukuk (10-07-14)	13% fixed	11 July 2017	Secured	Subordinated floating charge created to ensure the investors have a claim on the present and future fixed assets of Engro after the claim of the senior debt provider is settled.	AA+
Investment banks					
Trust Investment Bank Limited (04-07-08)	6 months KIBOR+ 185 bps	04 July 2013	Unsecured	-	None
Power generation and distribution					
K-Electric Limited TFC (13-08-12) 5 years	15.50% Fixed	19 March 2019	Secured	The issue will be secured by First Pari Passu Charge and repaid from the receivables under the consumer bill collections from: a) Specific 250 (carved out) Corporate Customers - Approx. PKR 900m/quarter b) Excess collection proceeds from specific 495 Corporate Customers being utilized for payments of all long term lenders under Collection Account held with UBL.	AA+
Unquoted					
Textile composite					
Azgard Nine Limited (4-12-07)	6 months KIBOR + 225 bps	04 December 2014	Secured	Ranking charge over present and future fixed assets. The ranking charge shall ensure the investors have a claim on fixed assets of ANL after the claim of the Senige Debt provider(a) is satisfied	None
Household Goods				the Senior Debt provider(s) is settled.	
New Allied Electronics Industries (Private) Limited (15-05-07)	3 months KIBOR + 300 bps	15 May 2011	Secured	Charge over stocks and receivables of the company created by way of hypothecation with a 25% margin. Mortgage deed over property (F-14 and F-15, Clifton) having a cushion of PKR 600 Million.	Withdraw
New Allied Electronics Industries (Private) Limited (NAEIL) - Sukuk (3-12-07)	3 months KIBOR+ 220 bps	03 December 2012	Secured	Ranking charge over all present and future fixed assets of NAEIL amounting to PKR 300 million.	Withdraw
Commercial banks					
Bank Al-Habib Limited - TFC (17-03-16)	7.29 % + Credit spread 1.36%	17 March 2016	Unsecured	-	AA
JS Bank Limited - TFC (14-12-16)	6 months KIBOR + 140 bps	14 December 2023	Unsecured	-	A+
Standard Chartered Bank - TFC (29-06-12)	6 month KIBOR + 75 bps	29 June 2022	Unsecured	-	AAA
Habib Bank Limited - TFC (19-02-16)	6 month KIBOR + 50 bps	19 February 2026	Unsecured	-	AAA
Fertilizer					
Engro Fertilizer Limited - Sukuk (09-07-14) Chemical	6 months KIBOR + 175 bps	19 July 2019	Secured	Subordinated floating charge created to ensure the investors have a claim on the present and future fixed assets of Engro after the claim of the senior debt provider is settled.	AA-
			_		
Ghani Gases Limited - Sukuk (03-02-17)	3 months KIBOR + 100 bps	2 February 2023	Secured	First pari passu charge over present and future fixed assets of the Company inclusive of a 20% Margin. The charge will be ranking at first, to be upgraded to first parri passu charge within 120 days.	A

Name	Mark-up rate per annum	Maturity	Secured / unsecured	Details of security	Rating
Agritech Limited (Formerly Pak American Fertilizers Limited) II – PP (14-01-08)	6 months KIBOR+ 175 bps	14 January 2015	Secured	Ranking pari passu charge over all present and future fixed assets of Agritech Limited amounting to issue Amount plus 25% margin. (To be upgraded, within ninety days from the date of issue, to First pari passu charge over all present and future fixed assets of Agritech Limited, covering the issue Amount along with applicable margin).	None
Agritech Limited (Formerly Pak American Fertilizers Limited) Sukuk (06-08-08)	6 months KIBOR+ 200 bps	06 August 2015	Secured	The Issue is to be secured by First Pari Passu Charge on the Company's present and future fixed assets equivalent to the Issue amount along with a 25% margin.	None
Agritech Limited (Formerly Pak American Fertilizers Limited) Sukuk (30-11-07)	6 months KIBOR+ 175 bps	29 November 2014	Secured	First ranking pari passu charge over all present and future fixed assets of Agritech Limited amounting to Issue Amount plus 25% margin.	None
Agritech Limited (Formerly Pak American Fertilizers Limited) - Sukuk (1-07-11)	11% fixed rate	28 April 2017	Unsecured	-	None
Electricity					
WAPDA - TFC (27-09-13)	6 month KIBOR + 100 bps	14 October 2021	Secured	Unconditional and irrevocable first demand guarantee of the President of Islamic Republic of Pakistan covering issue amount and profit payments; first charge on unencumbered WAPDA assets with 25% margin under sukuk arrangement. The assets will be decided in consultation with WAPDA will include but not limited to the Mangla / Terbela Turbines; and exclusive lien over debt payment account for the benefit of the investors.	Government guaranteed
Leasing companies					
Security Leasing Corporation Limited - Sukuk (19-09-07)	Nil	19 January 2022	Secured	First charge over specific leased assets and associated lease receivables with 25% security margin.	None
Cable and electrical goods					
TPL Trakker Limited - Sukuk (13-04-16)	1 year KIBOR + 300 bps	13 April 2021	Secured	Ranking charge worth of Rs. 625million on current and fixed assets (including existing and future assets).	A+

6.11 RECEIVABLE AGAINST MARGIN TRADING SYSTEM

This represents the amount receivable under the margin trading of eligible quoted equity securities which are to be settled within maximum 60 days. The balance carries mark-up ranging from 7.0% to 14.25% (2017: 7.5% to 13.99%) per annum.

7. ADVANCE INCOME TAX

The income of the fund is exempt under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance 2001 and funds are exempt under clause 47(B) of ITO 2001 from withholding of tax under section 150, 151 and 233 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated 12 May 2015, made it mandatory to obtain exemption certificates under section 159(1) of the Income Tax Ordinance, 2001 from Commissioner Inland Revenue. During the year various withholding agents have deducted advance tax under section 151 of the Income Tax Ordinance, 2001. The management is confident that the same shall be refunded after filing return for Tax Year 2018.

8. PLACEMENT

Leasing company - unsecured	8.1	49,430	49,430
Provision for impairment		(49,430)	(49,430)
		-	-

8.1 This represents placement with a Leasing Company (the company). The Fund entered into a restructuring agreement with the company on 29 June 2012 whereby the outstanding amount was settled partly through transfer of 13 memberships of a club aggregating to Rs. 23.050 million (subsequently disposed off) whereas the remaining amount would be paid in 368 weekly instalments of Rs. 204,167 which commenced from 1 February 2012. As per the said agreement, no interest is payable on the outstanding balance by the company. The company defaulted on the weekly payment due on 7 July 2014. Accordingly, provision has been recorded against the remaining principal amount.

9. PROPERTY - HELD FOR SALE

Property - held for sale	9.1	12,000	12,000
Less : Provision for diminution in value of property		(12,000)	(12,000)
		_	_

9.1 This represents property acquired in a partial settlement of a placement with the leasing company under the settlement agreement dated 12 July 2012. The Securities and Exchange Commission of Pakistan vide its letter no. SCD/AMCW/MF/JD-VS/UGIF/324/2011 has provided 'no objection' for this settlement transaction. The Fund was required to dispose of the property within one year of the acquisition which has been further extended untill June 30, 2018 by SECP vide its letter no. SCD/AMCW/UBLFML/96/2017 dated October 10, 2017. However, as the management is facing difficulty in seeking buyer for the property at reasonable prices in present condition, it has recorded full provision against the carrying value of the property.

10. TAXATION

The Fund's income is exempt from Income Tax as per clause 99 of part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed in the form cash amongst the unit holders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealized capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11 of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The management has distributed at least 90% of the income earned by the Fund to the unit holders, accordingly no provision has been made in these financial statements.

11. ACCRUED EXPENSES AND OTHER LIABILITIES

11.1 PROVISION FOR SINDH WORKERS WELFARE FUND

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes / Mutual Funds (CISs) whose income exceeded Rs.500,000 in a tax year were brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever was higher.

The amendments introduced in the WWF Ordinance were challenged in various High Courts of Pakistan. The Honorable Lahore High Court (LHC) and the Honorable Sindh High Court (SHC) arrived at different conclusions in respect of the validity of the amendments made through the Finance Act in relation to the WWF. Both the decisions of the LHC and the SHC were challenged in the Honorable Supreme Court of Pakistan (SCP). During the period, the SCP passed a judgment on November 10, 2016, declaring the insertion of amendments introduced through Finance Act, 2008 pertaining to WWF as unlawful for the reason that the WWF is not in the nature of tax and therefore, could not be introduced through money bill under the Constitution. Subsequently the Federal Board of Revenue (FBR) has filed a review petition in the SCP against the said judgment, which is pending adjudication.

As a consequence of the 18th amendment to the Constitution, levy for the WWF was also introduced by the Government of Sindh through the Sindh Workers Welfare Fund (SWWF) Act 2014 enacted on May, 2015. SWWF Act 2014, requires every Industrial Establishment located in the province of Sindh and having total income of Rs.500,000 or more in any year of account commencing on or after the date of closing of account on or after December 31, 2013, to pay two percent of its total income declared to SWWF. The Mutual Funds Association of Pakistan (MUFAP), believes that Mutual Funds are not liable to pay SWWF for the reason that the Mutual Funds are investments vehicle. However, the Sindh Revenue Board has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution.

In view of the above developments regarding the applicability of Federal and Sindh WWF on Mutual Funds, the MUFAP obtained a legal opinion on these matters and based on such legal advice, which also stated that even if a review petition is filed by any party, such petition can only be based on very limited grounds and the chances of any major change in the SCP judgement are very limited, has recommended to all its members on January 12, 2017 the following:

i) The provision against the Federal WWF held by the Mutual Funds till June 30, 2015 should be reversed on January 12, 2017; and

ii) Provision against Sindh WWF, on prudent basis, should be made from the date of enactment of the Sindh WWF Act, 2014 (i.e. May 21, 2015) with effect from January 12, 2017.

The above decisions were communicated to SECP and the Pakistan Stock Exchange Limited on January 12, 2017. In response to the aforementioned letter SECP vide its letter dated February 1, 2017 advised MUFAP that the adjustments relating to the above should be made prospectively and adequate disclosure shall be made in the financial statements of Mutual Funds. Accordingly, the Fund has recorded these adjustments in its books of account on January 12, 2017.

The Fund has maintained provisions against Sindh Workers' Welfare Fund liability of Rs. 8.098 million, if the same were not made the NAV per unit would be higher by Rs. 0.14.

11.2 PROVISION FOR INDIRECT TAXES AND DUTIES

This includes provision for indirect duties and taxes amounting to Rs. 24.359 million. As fully disclosed in note 17.1 of the annual audited financial statements of the fund for the year ended June 30, 2017, on June 30, 2016, the Honorable Sindh High Court of Pakistan had passed a Judgment that after the 18th amendment in the Constitution of Pakistan, the Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of FED after July 01, 2011 is ultra vires to the Constitution of Pakistan. On September 23, 2016, the Federal Board of Revenue (FBR) filed an appeal in the Honorable Supreme Court of Pakistan (SCP) against above judgement, which is pending adjudication. Pending the adjudication in the SCP, the Management Company, as a matter of abundant caution, has maintained full provision for FED aggregating to Rs. 24.359 million. Had the provision not been made, the net asset value per unit of the Fund as at September 30, 2017 would have been higher by Rs. 0.43 per unit (June 30, 2017: Rs. 0.36 per unit).

12. TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by Securities and Exchange Commission of Pakistan the Total Expense Ratio of the Fund is 0.58% as on September 30, 2017 and this includes 0.09% representing Government Levy, Sindh Worker's Welfare Fund and SECP Fee.

13. ALLOCATED EXPENSES

As per regulation 60(3)(s) of the amended NBFC Regulations dated November 25, 2015, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund.

14 EARNINGS PER UNIT

Earnings per unit has not been disclosed as in the opinion of the Management Company, determination of the cumulative weighted average number of outstanding units is not practicable.

15. TRANSACTIONS WITH CONNECTED PERSONS/ RELATED PARTIES

- 15.1 Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Ltd (Management Company), Al-Ameen Financial Services (Private) Limited (subsidiary of Management Company), Entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the fund and he directors and officer of the management company and unit holders holding more than 10% units of the Fund.
- 15.2 Transactions with connected persons are in the normal course of business, at agreed / contracted rates.
- 15.3 Remuneration to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Rules, the NBFC regulations and the Trust Deed respectively.
- 15.4 Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

15.1 Details of transactions with related parties / connected persons and balances with them at the quarter end, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
			(Rupees	in '000)		
Transactions during the quarter		For	the quarter ende	d 30 Septmeber 2	017	
Transactions during the quarter						
Profit on savings accounts	-	5,123	-	-	-	-
Bank charges	-	12	-	-	-	-
Units issued	50,000	-	-	-	-	116,710
Units redeemed	-	-	-	-	2,257	96,166
Purchase of securities	-	-	-	-	-	-
Sale of securities	-	-	-	-	-	-
Remuneration (including sales tax)	21,140	-	1,432	-	-	-
Allocated expenses	1,247	-	- 329	-		-
CDS expesne	-	-	329	-	-	-
Balances held			As at 30 Sep	tember 2017		
Units held (number of units in '000)	5,644	3,064	-	-	49	7,638
Units held (amount in '000)	483,928	262,714	-	-	4,201	654,898
Bank balances		314,248	-	-	.,_01	
Deposits	-		100	-	-	-
Remuneration payable	6,554	-	577	-	-	-
Other payables	18	-	-	-	-	-
Sales load and conversion charges payable	178	-	-	-	-	-
Allocated expenses	1,247	-	-	-	-	-
Profit receivable - bank balances	-	1,821	-	-	-	-
CDS fee payable	-	-	127	-	-	-
	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
		Fo				
Transform during the superior		10	a the quarter ender	1 50 Septileber 201		
Transactions during the quarter						
Profit on savings accounts	-	4,841	-	-	-	-
Bank charges	-	5	-	-	-	-
Units issued	78,000	133,887	-	-	21,717	-
Units redeemed	-					
Purchase of securities		247,494	-	-	4,244	-
	-	- 247,494	-	247,427	-	-
Sale of securities	-		-	247,427 -	-	-
Sale of securities Remuneration (including sales tax)	9,945	,		247,427 - -	- - -	
Sale of securities Remuneration (including sales tax) Allocated Expenses	- 9,945 587		- 806 -	247,427 -	-	-
Sale of securities Remuneration (including sales tax)	9,945		-	247,427 - - -		-
Sale of securities Remuneration (including sales tax) Allocated Expenses	- 9,945 587 -		- 806 - 2	247,427 - - -		-
Sale of securities Remuneration (including sales tax) Allocated Expenses CDS expense Balances held	- 9,945 587 -		- 806 - 2	247,427 - - -	- - - -	
Sale of securities Remuneration (including sales tax) Allocated Expenses CDS expense	- 9,945 587 -	- - - -	- 806 - 2	247,427 - - -		- - - - - - - - - - - - - - - - - - -
Sale of securities Remuneration (including sales tax) Allocated Expenses CDS expense Balances held. Units held (number of units in '000)	- 9,945 587 - - 2,475		- 806 - 2 As at 30 J	247,427 - - -	- - - 76	7,597
Sale of securities Remuneration (including sales tax) Allocated Expenses CDS expense <u>Balances held</u> Units held (number of units in '000) Units held (amount in '000) Bank balances	- 9,945 587 - - 2,475	- - - - 13,215 1,121,850	- 806 - 2 As at 30 J 	247,427 - - -	- - - 76	7,597
Sale of securities Remuneration (including sales tax) Allocated Expenses CDS expense <u>Balances held</u> Units held (number of units in '000) Units held (amount in '000) Bank balances	9,945 587 - 2,475 210,131 -	- - - - 13,215 1,121,850	- 806 - 2 As at 30 J - - -	247,427 - - -	- - - - 76 6,427 -	7,597 644,936 -
Sale of securities Remuneration (including sales tax) Allocated Expenses CDS expense Balances held Units held (number of units in '000) Units held (amount in '000) Bank balances Deposits	9,945 587 - 2,475 210,131 -	- - - - 13,215 1,121,850	- 806 - 2 As at 30 J - 100	247,427 - - -	- - - - 76 6,427 -	7,597 644,936 -
Sale of securities Remuneration (including sales tax) Allocated Expenses CDS expense Balances held Units held (number of units in '000) Units held (amount in '000) Bank balances Deposits Remuneration payable Other payables	9,945 587 - 2,475 210,131 - 7,296	- - - - 13,215 1,121,850	- 806 - 2 As at 30 J - 100	247,427 - - -	- - - - 76 6,427 -	7,597 644,936 -
Sale of securities Remuneration (including sales tax) Allocated Expenses CDS expense Balances held Units held (number of units in '000) Units held (amount in '000) Bank balances Deposits Remuneration payable	- 9,945 587 - - 2,475 210,131 - - 7,296 57	- - - - 13,215 1,121,850	- 806 - 2 As at 30 J - 100	247,427 - - -	- - - - 76 6,427 -	7,597 644,936 -
Sale of securities Remuneration (including sales tax) Allocated Expenses CDS expense Balances held Units held (number of units in '000) Units held (amount in '000) Bank balances Deposits Remuneration payable Other payables Sales load and conversion charges payable	- 9,945 587 - - 2,475 210,131 - - 7,296 57 126	13,215 1,121,850 169,204	- 806 - 2 As at 30 J - 100	247,427 - - -	- - - - 76 6,427 -	7,597 644,936 -

16. FINANCIAL INSTRUMENTS

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

30 September 2017				Carrying amoun				Fair		
		Fair value through profit and loss	Available for sale	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					(Rupees in '000)				
Investments in debt securities		1,124,361		-		1,124,361	237,924	886,437	-	1,124,361
Government securities		-, ,,			-	-, ,		-		-, ,
Quoted equity securities		-	44,895	-	-	44,895	44,895	-	-	44,895
Derivative asset				-	-	-	-	-		-
		1,124,361	44,895	<u> </u>	-	1,169,256	282,819	886,437	-	1,169,256
Financial assets not measured at fair value	16.1									
Bank balances	10.1			2,490,340	_	2,490,340				
Pre-IPO placement			-	-,		-,				
Term deposit receipt				615,000		615,000				
Commercial paper		_	199,046	-		199,046				
Receivable against settlement of spread transactions			-	43,012	_	43,012				
Receivable against seriement of spread transactions Receivable against margin trading system				44,072	_	44,072				
Profits receivable		-	-	31,379		31,379				
Advances, deposits, prepayments, and			-	,	-	,				
other receivables				297,540		297,540				
oner receivables		-	199,046	3,521,343		3,720,389				
Financial liabilities not measured at fair value	16.1									
Develop to the Manual Community					7,997	7,997				
Payable to the Management Company		-	-	-	1,551	1,551				
Payable to Central Depository Company of Pakistan Limited - Trustee					577	577				
				-	40,170	40,170				
Accrued expenses and other payables					48,744	48,744				
<u>30 June 2017</u>		n · · ·		Carrying amount		m - 1	x	Fair		T . 1
		Fair value	Available	Loans and	Other	Total	Level 1	Level 2	Level 3	Total
		through	for	receivables	financial					
		profit and loss	sale		liabilities					
TH					((Rupees in '000)				
Financial assets measured at fair value										
Financial assets measured at fair value Investments in debt securities		904,875		-		904,875	233,511	671,364	-	904,875
		251,675			 - -	904,875 251,675	233,511	671,364 251,675		251,675
Investments in debt securities Government securities Quoted equity security		251,675 470,160	- - 45,658	- - -	-	904,875 251,675 515,818	233,511 - 515,818	671,364		251,675 515,818
Investments in debt securities Government securities		251,675 470,160 2,090	45,658		-	904,875 251,675 515,818 2,090	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090
Investments in debt securities Government securities Quoted equity security		251,675 470,160		- - - - -	-	904,875 251,675 515,818	233,511 - 515,818	671,364 251,675	- - - - -	251,675 515,818
Investments in debt securities Government securities Quoted equity security	16.1	251,675 470,160 2,090	45,658		-	904,875 251,675 515,818 2,090 1,674,458	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090
Investments in debt securities Government securities Quoted equity security Derivative asset	16.1	251,675 470,160 2,090	45,658		-	904,875 251,675 515,818 2,090	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090
Investments in debt securities Government securities Quoted equity security Derivative asset Financial assets not measured at fair value	16.1	251,675 470,160 2,090	45,658		-	904,875 251,675 515,818 2,090 1,674,458	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090
Investments in debt securities Government securities Quoted equity security Derivative asset Financial assets not measured at fair value Bank balances	16.1	251,675 470,160 2,090	45,658	2,891,184	-	904,875 251,675 515,818 2,090 1,674,458 2,891,184	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090
Investments in debt securities Government securities Quoted equity security Derivative asset Financial assets not measured at fair value Bank balances Pre-IPO placement	16.1	251,675 470,160 2,090	45,658	2,891,184	-	904,875 251,675 515,818 2,090 1,674,458 2,891,184	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090
Investments in debt securities Government securities Quoted equity security Derivative asset Financial assets not measured at fair value Bank balances Pre-IPO placement Term deposit receipt	16.1	251,675 470,160 2,090	45,658 - - 45,658 - - - -	2,891,184 - 260,000	-	904,875 251,675 515,818 2,090 1,674,458 2,891,184 - 260,000	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090
Investments in debt securities Government securities Quoted equity security Derivative asset Financial assets not measured at fair value Bank balances Pre-IPO placement Term deposit receipt Commercial paper	16.1	251,675 470,160 2,090	45,658 - - 45,658 - - - -	2,891,184 - 260,000 195,247	-	904,875 251,675 515,818 2,090 1,674,458 2,891,184 - 260,000 195,247	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090
Investments in debt securities Government securities Quoted equity security Derivative asset Financial assets not measured at fair value Bank balances Pre-IPO placement Term deposit receipt Commercial paper Receivable against settlement of spread transactions	16.1	251,675 470,160 2,090	45,658 - - 45,658 - - - -	2,891,184 - 260,000 195,247 98,942	-	904,875 251,675 515,818 2,090 1.674,458 2,891,184 - 260,000 195,247 98,942	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090
Investments in debt securities Government securities Quoted equity security Derivative asset Financial assets not measured at fair value Bank balances Pre-IPO placement Term deposit receipt Commercial paper Receivable against settlement of spread transactions Receivable against margin trading system	16.1	251,675 470,160 2,090	45,658 - - 45,658 - - - -	2,891,184 - 260,000 195,247 98,942 358,681	-	904,875 251,675 515,818 2,090 1,674,458 2,891,184 - 260,000 195,247 98,942 358,681	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090
Investments in debt securities Government securities Quoted equity security Derivative asset Financial assets not measured at fair value Bank balances Pre-IPO placement Term deposit receipt Commercial paper Receivable against margin trading system Profits receivable	16.1	251,675 470,160 2,090 1,628,800 - - - - - - - - - - - - - - - - - -	45,658 - - 45,658 - - - -	2,891,184 - 260,000 195,247 98,942 358,681 26,822 263,147	- - - - - - - - - - - - - - - - - - -	904,875 251,675 515,818 2,090 1,674,458 2,891,184 - 260,000 195,247 98,942 358,681 26,822 263,147	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090
Investments in debt securities Government securities Quoted equity security Derivative asset Financial assets not measured at fair value Bank balances Pre-IPO placement Term deposit receipt Commercial paper Receivable against settlement of spread transactions Receivable against margin trading system Profits receivable Advances, deposits, prepayments, and	16.1	251,675 470,160 2,090	45,658 - - 45,658 - - - -	2,891,184 - 260,000 195,247 98,942 358,681 26,822	-	904,875 251,675 515,818 2,090 1,674,458 2,891,184 - 260,000 195,247 98,942 358,681 26,822	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090
Investments in debt securities Government securities Quoted equity security Derivative asset Financial assets not measured at fair value Bank balances Pre-IPO placement Term deposit receipt Commercial paper Receivable against settlement of spread transactions Receivable against margin trading system Profits receivable Advances, deposits, prepayments, and	16.1	251,675 470,160 2,090 1,628,800 - - - - - - - - - - - - - - - - - -	45,658 - - 45,658 - - - -	2,891,184 - 260,000 195,247 98,942 358,681 26,822 263,147	- - - - - - - - - - - - - - - - - - -	904,875 251,675 515,818 2,090 1,674,458 2,891,184 - 260,000 195,247 98,942 358,681 26,822 263,147	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090
Investments in debt securities Government securities Quoted equity security Derivative asset Financial assets not measured at fair value Bank balances Pre-IPO placement Term deposit receipt Commercial paper Receivable against settlement of spread transactions Receivable against margin trading system Profits receivable Advances, deposits, prepayments, and other receivables Financial liabilities not measured at fair value Payable to the Management Company		251,675 470,160 2,090 1,628,800 - - - - - - - - - - - - - - - - - -	45,658 - - 45,658 - - - -	2,891,184 - 260,000 195,247 98,942 358,681 26,822 263,147	- - - - - - - - - - - - - - - - - - -	904,875 251,675 515,818 2,090 1,674,458 2,891,184 - 260,000 195,247 98,942 358,681 26,822 263,147	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090
Investments in debt securities Government securities Quoted equity security Derivative asset Financial assets not measured at fair value Bank balances Pre-IPO placement Term deposit receipt Commercial paper Receivable against sturgent rading system Profits receivable Advances, deposits, prepayments, and other receivables Financial liabilities not measured at fair value Payable to the Management Company Payable to Central Depository		251,675 470,160 2,090 1,628,800 - - - - - - - - - - - - - - - - - -	45,658 - - 45,658 - - - -	2,891,184 - 260,000 195,247 98,942 358,681 26,822 263,147	- - - - - - - - - - - - - - - - - - -	904,875 251,675 515,818 2,990 1,674,458 2,891,184 - 260,000 195,247 98,942 358,681 26,822 263,147 4,094,023 8,381	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090
Investments in debt securities Government securities Quoted equity security Derivative asset Financial assets not measured at fair value Bank balances Pre-IPO placement Term deposit receipt Commercial paper Receivable against settlement of spread transactions Receivable against margin trading system Profits receivable Advances, deposits, prepayments, and other receivables Financial liabilities not measured at fair value Payable to the Management Company Payable to Central Depository Company of Pakistan Limited - Trustee		251,675 470,160 2,090 1,628,800 - - - - - - - - - - - - - - - - - -	45,658 - - 45,658 - - - -	2,891,184 - 260,000 195,247 98,942 358,681 26,822 263,147 4,094,023	- - - - - - - - - - - - - - - - - - -	904,875 251,675 515,818 2,990 1,674,458 2,891,184 - 260,000 195,247 98,942 358,681 26,822 263,147 4,094,023 8,381 484	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090
Investments in debt securities Government securities Quoted equity security Derivative asset Financial assets not measured at fair value Bank balances Pre-IPO placement Term deposit receipt Commercial paper Receivable against margin trading system Profits receivable Advances, deposits, prepayments, and other receivables Financial liabilities not measured at fair value Payable to the Management Company Payable to Central Depository		251,675 470,160 2,090 1,628,800 - - - - - - - - - - - - - - - - - -	45,658 - - 45,658 - - - -	2,891,184 - 260,000 195,247 98,942 358,681 26,822 263,147	- - - - - - - - - - - - - - - - - - -	904,875 251,675 515,818 2,990 1,674,458 2,891,184 - 260,000 195,247 98,942 358,681 26,822 263,147 4,094,023 8,381	233,511 - 515,818 2,090	671,364 251,675 - -	-	251,675 515,818 2,090

16.1 The Fund has not disclosed the fair values for these 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.

17. CONTINGENCIES AND COMMITMENTS

17.1 Contingencies

There was no contingency and commitment outstanding as at September 30, 2017.

17.2 Commitments	30 September 30 June 2017 2017	
	(Rupees in '000)	
Derivative future stock contracts	- 470,16	0

18. CREDIT RATING

The Management Company has been rated as AM2++ on 30 December 2016 by JCR-VIS. The Fund has been rated as A(f) by JCR-VIS on 10 March 2017

19. GENERAL

19.1 CORRESPONDING FIGURES

Prior year's figures have been rearranged / reclassified wherever necessary for better presentation and comparison. However, there were no material reclassifications to report.

19.2 DATE OF AUTHORISATION FOR ISSUE

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

19.3 This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.

For UBL Fund Managers Limited (Management Company)

--SD--

Chief Executive Officer

--SD--Chief Financial Officer --SD--

Director

UAAF

UBL Asset Allocation Fund

INVESTMENT OBJECTIVE

The investment objective of the Fund is to earn competitive return by investing in various asset classes/ instruments based on the market outlook.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	KPMG Taseer Hadi & Co., Chartered Accountants
Bankers	United Bank Limited Allied Bank Limited Bank Alfalah Limited Habib Bank Limited MCB Bank Limited Samba Bank Limited Sindh Bank Limited Zarai Taraqiati Bank Limited
Management Co.Rating	AM2++ (JCR-VIS)

UBL ASSET ALLOCATION FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at September 30, 2017

		(Un-audited) September 30, 2017	(Audited) June 30, 2017
	Note	(Rupees in	'000)
Assets		,	
Bank balances	4	1,598,374	1,364,025
Term Deposit receipt	5	-	250,000
Investments	6	1,142,330	1,028,541
Dividend receiveable		8,226	1,478
Profit receiveable		5,949	9,720
Deposits and other receiveable		9,724	15,946
Advance income tax	7	1,267	1,202
Preliminary expenses and floatation costs		178	229
Total assets		2,766,048	2,671,141
Liabilities			
Payable to the Management Company		9,030	6,825
Payable to Central Depository Company of Pakistan		,	,
Limited - Trustee		344	350
Payable to Securities and Exchange Commission			
of Pakistan		648	2,283
Accrued expenses and other payables	11	20,058	26,763
Total liabilities		30,080	36,221
Net assets		2,735,968	2,634,920
Unit holders' funds (as per statement attached)		2,735,968	2,634,920
Contingencies and commitments	12		
			nbers)
Number of units in issue (face value of units is Rs. 100 each)		20,994,090	19,550,460
		(Ru	pees)
Net assets value per unit		130.32	134.78
			1570

The annexed notes from 1 to 18 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--

Chief Executive Officer

--SD--Chief Financial Officer

--SD--

Director

UBL ASSET ALLOCATION FUND

CONDENSED INTERIM INCOME STATEMENT (un-audited)

For the quarter ended September 30, 2017

		Quarter Ended		
	-	September 30,	September 30,	
	NX /	2017	2016	
Income	Note	(Rupees in	'000)	
Financial income	Г	27,393	25,817	
Net capital gain on redemption and sale of investments		(12,248)	35,118	
Dividend income		10,318	6,499	
Net unrealised gain on revaluation of investments		10,510	0,477	
classified as 'at fair value through profit or loss'		(109,718)	1,914	
Other income		197	-	
Total (loss) / income	L	(84,058)	69,348	
Expenses	г			
Remuneration of the Management Company		6,818	5,292	
Sindh Sales tax on the Management Company's remuneration		886	688	
Allocation expenses	8	682	529	
Allocated selling and marketing expenses	9	2,728	-	
Remuneration of the Central Depository Company of Pakistan Limited - Trustee		1,043	883	
Annual fee of Securities and Exchange Commission of Pakistan		648	503	
Auditors' remuneration		121	97	
Legal and professional charges		30	-	
Brokerage expenses		492	1,062	
Amortisation of preliminary expenses and floatation costs		50	48	
Bank charges		26	9	
Listing fees		7	6	
Other expenses	L	220	-	
Total expenses		13,751	9,117	
Net operating (loss) / income for the quarter	-	(97,809)	60,231	
Element of gain / (loss) and capital gains / (losses) included in				
prices of units issued less those in units				
redeemed - net	0	-	10,282	
Provision for Sindh Workers' Welfare Fund	10	-	-	
Net (loss) / income for the quarter before taxation	-	(97,809)	70,513	
Taxation	13			
			-	
Net (loss) / income for the quarter after taxation	=	(97,809)	70,513	
Allocation of net (loss) / income for the quarter:				
-Income already paid on Units redeemed		(12)	-	
Accounting income available for distribution carried to distribution account:				
Accounting income available for distribution carried to distribution account.			37,032	
	Г	-		
-Relating to capital gains	[-		
	[-	33,481	
-Relating to capital gains	[(97,797)		

Earnings per Unit

14

The annexed notes from 1 to 18 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--Chief Executive Officer

--SD--Chief Financial Officer

Quarterly Report September 2017 - UBL Asset Allocation Fund

UBL ASSET ALLOCATION FUND CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (un-audited)

For the quarter ended September 30, 2017

	Quarter Ended	
	September 30,	September 30,
	2017	2016
	(Rupees in '000)	
Net (loss) / income for the quarter	(97,809)	70,513
Other comprehensive income		
Items that may be reclassified subsequently to income statement		
Unrealised appreciation on revaluation of investments		
classified as 'available-for-sale' - net	2,111	
Items that will not be reclassified subsequently to income statement		
Total comprehensive (loss) / income for the quarter	(95,698)	70,513

The annexed notes from 1 to 18 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--**Chief Executive Officer**

--SD--**Chief Financial Officer**

--SD--Director

UBL ASSET ALLOCATION FUND

$\label{eq:condensed} \textbf{CONDENSED INTERIM CASH FLOW STATEMENTS} \hspace{0.1 cm} \textbf{(un-audited)}$

For the quarter ended September 30, 2017

For the quarter ended September 30, 2017	Quarter	Ouarter Ended	
	September 30, 2017	September 30, 2016	
	(Rupees	in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (loss) / income for the quarter before taxation	(97,809)	70,513	
Adjustments for non-cash and other items:			
Financial income	(27,590)	(25,817)	
Net capital gain on sale of investment	12,248	(35,118)	
Dividend income	(10,318)	(6,499)	
Net unrealised gain on revaluation of investments classified as 'at fair value through profit or loss'	109,718	(1,914)	
Amortisation of preliminary expenses and floatation costs	51	48	
Net element of (income) / loss and capital (gains)/ losses included in prices of			
units issued less those in units redeemed	-	(10,282)	
	84,109	(79,582)	
Net cash used in operations before working capital changes	(13,700)	(9,069)	
Working capital changes			
Decrease / (increase) in assets			
Investments	(233,644)	(655,637)	
Term Deposit Receipt	250,000	-	
Deposits and other receiveable	6,222	(743)	
Advance tax	(65)	-	
	22,513	(656,380)	
Increase / (decrease) in liabilities			
Payable to the Management Company	2,205	(896)	
Payable to Central Depository Company of Pakistan - Trustee	(6)	26	
Payable to Securities and Exchange Commission of Pakistan	(1,635)	(1,114)	
Accrued and other payables	(6,705)	1,879	
	(6,141)	(105)	
Profits received	31,361	37,063	
Net cash flows generated from / (used in) operating activities	34,033	(628,491)	
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of units	473,961	641,852	
Payments on redemption of units	(277,215)	(161,392)	
Dividend received	3,570	1,812	
Net cash flows generated from financing activities	200,316	482,272	
Net increase / (decrease) in cash and cash equivalents	234,349	(146,219)	
Cash and cash equivalents at beginning of the quarter	1,364,025	573,858	
Cash and cash equivalents at end of the quarter	1,598,374	427,639	
CASH AND CASH EQUIVALENTS			
Bank balances	1,598,374	573,858	
	1,598,374	573,858	

The annexed notes from 1 to 18 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--

Chief Financial Officer

UBL ASSET ALLOCATION FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

For the quarter ended September 30, 2017

	Quarter Ended		
	September 30,	September 30,	
	2017	2016	
	(Rupees in '	(Rupees in '000)	
Net assets at begining of the quarter	2,634,920	1,826,109	
Rs. 134.78 per unit (2016: Rs. 127.90 per unit)			
Issue of 3,545,469 units (2016: 5,055,557 units)	473,961	641,852	
Redemption of 2,101,839 units (2016: 1,266,478 units)	(277,215)	(161,392)	
I, I, I, I, I, I,	196,746	480,460	
	2,831,666	2,306,569	
Element of loss and capital losses included in the prices of			
units issued less those in units redeemed - net	-	(10,282)	
	,		
(Loss) / Gain on sale of investments - net	(12,248)	35,118	
Unrealised (dimunition) / appreciation on re-measurement of investments	(100 - 10)		
classified as financial assets at fair value through profit or loss - net	(109,718)	1,914	
Unrealized approximation on reveluation of investments			
Unrealised appreciation on revaluation of investments classified as 'available-for-sale' - net	2,111		
classified as available-tor-sale - net	2,111	_	
Net (loss) for the quarter available for distribution:			
Relating to capital loss	_	-	
Excluding capital gains	_	-	
Other income / (loss) for the quarter	24,157	33,481	
	(95,698)	70,513	
Net assets at end of the quarter	2,735,968	2,366,800	
	120.22	107.00	
Net assets value per unit	130.32	127.90	
Undistributed income brought forward comprising of:			
- Realised gain / (loss)	409,093	166,973	
- Unrealised gain	61,622	94,793	
Undistributed income brought forward - Net	470,715	261,766	
Accounting (loss) / income for the quarter available for distribution	(97,797)	70,513	
- Relating to capital gains	1	37,032	
- Excluding capital gains	-	33,481	
- Excluding capital gains		55,481	
Undistributed income carried forward - Net	372,918	332,279	
	0.2,910	,/	
Undistributed income carried forward comprising of:			
- Realised gain	482,636	330,365	
- Unrealised (loss) / gain	(109,718)	1,914	
-	372,918	332,279	

The annexed notes from 1 to 18 form an integral part of these condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--

Chief Executive Officer

--SD--

--SD--Director

Chief Financial Officer

UBL ASSET ALLOCATION FUND NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (un-audited)

For the quarter ended September 30, 2017

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Asset Allocation Fund (the Fund) was established under the Non Banking Finance Companies (Establishment & Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and was approved as an open end mutual fund by the Securities and Exchange Commission of Pakistan. It was constituted under a Trust Deed, dated 29 May 2013 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company and Central Depository Company of Pakistan Limited ("CDC") as the Trustee.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through certificate of registration issued by SECP. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines Karachi,

The Fund is an open end mutual fund and units of the fund are listed on the Pakistan Stock Exchange Limited. The units of the Fund can be transferred to/from other funds managed by the Management Company and can also be redeemed by surrendering to the Fund. The units of the Fund were initially offered to the public (IPO) on 19 August 2013 The Fund commenced its operations from 20 August 2013.

The policy of the Fund is to invest in a diversified portfolio of shares of listed companies, spread transactions and other money market instruments. Under circular 07 dated 6 March 2009 issued by the SECP, the Fund has been categorised by the Management Company as an Asset Allocation Fund.

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

JCR - VIS Credit Rating Company has reaffirmed management quality rating of AM2++ (stable outlook) to the management company as at December 30, 2016.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The approved accounting standards comprise of such International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the "NBFC Regulations") and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBF

'The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2017.

The Companies Act, 2017 was enacted on May 30, 2017 and came into force at once. Subsequently, the Securities and Exchange Commission of Pakistan has notified through Circular No. 23 dated October 04, 2017 in continuation of Circular No. 17 of 2017 dated July 20, 2017 that companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance). Hence these interim financial statements are prepared in accordance with the Ordinance.

The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2017, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the quarter ended September 30, 2016.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2017.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies, methods of computation adopted in the preparation of this condensed interim financial information, significant judgements in applying the accounting policies and key sources of estimation uncertainty are same as those applied in the preparation of the financial statements of the Fund as at June 30, 2017, except as disclosed in paragraph 3.2

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

- 3.2 The SECP vide its statutory notification (S.R.O) no. 756(I)/2017 dated August 03, 2017 has amended the NBFC Regulations. The amendments define 'Element of Income included in the unit price' as also specifies the accounting treatment for the said income/(loss). The amendments also introduced changes in the schedule V of NBFC regulations, resulting in certain changes / modifications in the presentation of Income Statement and Statement of Movement in reserves or unit holders' fund. As clarified by MUFAP, the amendment is applicable for accounting period beginning on July 01, 2017. Pursuant to aforementioned SRO, management has changed its accounting policy whereby element of income / (loss) and capital gains / (losses) in prices of units issued less those in units redeemed' during the year, previously transferred to the 'income statement' has now been taken to unit holders' fund. The above change has been applied from July 01, 2017 as clarified by MUFAP, therefore the comparative information have not been restated.
- 3.3 The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended June 30, 2017.

		Note	(Unaudited) September 30, 2017	(Audited) June 30, 2017
4	BANK BALANCES			
	In local currency - Profit and loss sharing accounts	4.1	1,598,374	1,364,025
			1,598,374	1,364,025

4.1 These accounts carry profit rates ranging between 3.75% to 6.75% per annum (June 30, 2017: 4.00% to 6.75% per annum).

5	TERM DEPOSIT RECEIPT	Note	30 September 2017 (Rupees in	30 June 2017 '000)
	Commercial bank		<u> </u>	250,000
6	INVESTMENTS			
	Designated at fair value through profit or loss			
	- Debt securities	6.1	158,961	6,483
	Quoted equity securities			
	- Held for tranding	6.3	896,272	1,022,058
	- Avialablee for sale	6.4	87,097	-
			983,369	1,022,058
			1,142,330	1,028,541

6.1 Debt securities - designated at fair value through profit or loss (Term Finance Certificates of Rs. 5000 each unless stated otherwise)

Name of Security	Note	As at 01 July 2017	Purchased during the quarter	Sold / matured during the quarter	As at 30 September 2017	Carrying value as at 30 September 2017	Market value as at 30 September 2017	Market value as at 30 June 2017	Percentage of total investments	Percentage of net assets
			(Num	ber of certificates)			(Rupees in '000)			
<u>Unquoted</u>										
Electricity										
WAPDA-TFC -(27-9-13)	6.1.1 & 6.1.2	2,000	-	-	2,000	5,769	5,805	6,483	0.5%	0.21%
Jahangir Siddiqui and Corporation Limited - (19-07-2017)	6.1.3 & 6.1.4	-	30,000	-	30,000	150,000	153,156	-	13.4%	5.60%
						155,769	158,961	6,483	13.9%	5.81%

6.1.1 The outstanding principal is Rs. 2.857 million (30 June 2017 is Rs. 3.214 million). The term finance certificate carries mark-up at the rate of 6 months KIBOR + 1% per annum and will mature in September 2021.

6.1.2 The cost of these investments is Rs. 5.714 million (30 June 2017: Rs. 6.429 million).

6.1.3 The outstanding principal is Rs. 5 million (30 June 2017 is Nil). The term finance certificate carries mark-up at the rate of 6 months KIBOR + 1.40% per annum and will mature in July 2022.

6.1.4 The cost of these investments is Rs. 150 million (30 June 2017: Rs. Nil).

6.2 Government securities - designated at fair value through profit or loss

	Yield	Maturity up to	As at 01 July 2017	Purchased during the quarter	Sold / matured during the quarter	As at 30 September 2017	Cost / carrying value as at 30 September 2017	Market value as at 30 September 2017	Market value as at 30 June 2017	Percentage of total investments	Percentage of net assets
				(Num	ber of Holdings)			(Rupees in '000)			
Treasury Bills - 3 months	-	-		33,640	(33,640)	-	-	-	-	0%	0%
							-	-		0%	0%

6.3 Quoted equity securities - 'held for trading'

Ordinary shares have a face value of Rs. 10/- each.

	As at 01 July 2017	Purchased during quarter	Bonus / right issue during the quarter	Sold during the As quarter	at 30 Septemeber 2017	Cost / carrying value as at 30 September 2017	Market value as at 30 September 2017	Appreciation / (diminution)	As percentage of total investments	As percentage of net assets	Paid up capital of investee company (with face value of investment)
Sectors / Companies			(Number of sha	ares)			(Rupees in '000)				
Sectors / Companies											
Oil & Gas Exploration Companies											
Mari Petroleum Company Limited	45,730	-	-	-	45,730	72,054	68,824	(3,230)	6.02%	2.52%	0.04%
Pakistan State Oil Company Limited	77,600	15,000		-	92,600	36,670	40,907	4,237	3.58%	1.50%	0.03%
Oil and Gas Development Company Limited	194,200	49,400	-	-	243,600	34,498	36,209	1,711	3.17%	1.32%	0.01%
Pakistan Petroleum Limited	211,400	1,600	-	-	213,000	31,574	37,209	5,635	3.26%	1.36%	0.01%
						174,796	183,149	8,353	16.03%	6.70%	0.09%
POWER GENERATION & DISTRIBUTION											
Hub Power Company Limited	270,300	135,000	-	-	405,300	46,619	45,317	(1,302)	3.97%	1.66%	0.04%
K-Electric Limited *	1,300,000	-	-	-	1,300,000	8,970	9,152	182	0.80%	0.33%	0.00%
						55,589	54,469	(1,120)	4.77%	1.99%	0.04%
AUTOMOBILE AND PARTS											
Indus Motor Company Limited	7,000	-	-	-	7,000	12,555	12,046	(509)	1.05%	0.44%	0.01%
Honda Atlas Cars (Pakistan) Limited	31,600	_	-	-	31,600	27,419	17,048	(10,371)		0.62%	0.02%
Pak Suzuki Motor Company Limited	31,850	_	-	6,500	25,350	19,782	11,602	(8,180)	1.02%	0.42%	0.03%
That Limited	48,300	_	-	2,500	45,800	27,756	25,240	(2,516)	2.21%	0.92%	0.11%
Agriauto Industries Limited	47,600	_	-	2,000	47,600	20,558	14,994	(5,564)	1.31%	0.55%	0.33%
- grado Industrios Etimola	17,000				17,000	108,070	80,930	(27,140)	7.08%	2.95%	0.50%
INVESTMENT BANKS/INVESTMENT COMPAN	IES/SECUDITIES	COMPANIES									
Pakistan Stock Exchange Limited	524,833	-	-	524,000	833	21	19	(2)	0.00%	0.00%	0.00%
INDUSTRIAL METAL & MINING											
Amreli Steels Limited	111,500	18,600	-	-	130,100	15,346	13,266	(2,080)	1.16%	0.48%	0.04%
Mughal Iron & Steel Industries	123,000		-	17,000	106,000	8,557	6,065	(2,492)	0.53%	0.22%	0.04%
Ittefaq Iron Industries Limited	365,896	152,000	-	194,000	323,896	10,166	8,062	(2,104)		0.29%	0.25%
Aisha Steel Limited	488,900		-		488,900	9,944	9,216	(728)	0.81%	0.34%	0.06%
	,				,	44,013	36,609	(7,404)	3.21%	1.33%	0.39%
PHARMACEUTICALS											
The Searl Company Limited (6.3.1)	28,435			1,500	26,935	13,790	10,880	(2,910)	0.95%	0.40%	0.02%
Highnoon Laboratories Limited (6.3.1)	42,952	-	-	1,500	42,952	26,900	21,635	(5,265)	1.89%	0.40%	0.02%
riginion Laboratories Enlitted (0.5.1)	42,752	-	-	-	42,752	40,690	32,515	(8,175)	2.84%	1.19%	0.19%

	As at 01 July 2017	Purchased during quarter	Bonus / right issue during the quarter	Sold during the As quarter	at 30 Septemeber 2017	Cost / carrying value as at 30 September 2017	Market value as at 30 September 2017	Appreciation / (diminution)	As percentage of total investments	As percentage of net assets	Paid up capital of investee company (with face value of investment)
			(Number of sh	ares)			(Rupees in '000)				
CHEMICALS	1 42 000	44.000			197 000	50.005	56.020	(2.995)	4.08%	2.08%	0.040/
Engro Corporation Limited	143,800	44,000 120.000	-	-	187,800	59,805	56,920	(2,885)	4.98% 4.24%	2.08% 1.77%	0.04%
Engro Fertilizers Limited ICI Pakistan Limited	650,000	.,	-	-	770,000	42,756	48,441	5,685			
	25,700 788,000	84,000	-	-	25,700	28,130 31,615	23,480 29,134	(4,650)	2.06% 2.55%	0.86% 1.06%	0.03% 0.13%
Engro Polymer & Chemicals Limited	/88,000	84,000	-	-	872,000			(2,481)		5.77%	
CONSTRUCTION AND MATERIAL						162,306	157,975	(4,331)	13.83%	5.//%	0.26%
Attock Cement Pakistan Limited	42,000	-		13,200	28,800	8,717	5,817	(2,900)	0.51%	0.21%	0.03%
Cherat Cement Company Limited	112,000	50,000	-	13,200	162,000	26,817	19,437	(7,380)	1.70%	0.21%	0.05%
Kohat Cement Company Limited		79,000		-	79,000	16,435	11,847	(4,588)	-	0.43%	0.05%
Pioneer Cement Limited	-	52,400	_	-	52,400	5,169	4,713	(4,566)	_	0.17%	0.02%
D.G Khan Cement Company Limited (6.3.2)	174,900		_	46,000	128,900	27,476	18,930	(8,546)	1.66%	0.69%	0.03%
Lucky Cement Limited	58,200	15,000	_	-	73,200	57,709	41,371	(16,338)	3.62%	1.51%	0.02%
Eacky Comon Emilia	50,200	10,000			75,200	142,323	102,115	(40,208)	7.49%	3.72%	0.24%
TEXTILE							;	(10,200)			
Nishat Mills Limited	286,000	-	-	14,000	272,000	43,162	39,467	(3,695)	3.45%	1.44%	0.08%
Gul Ahmed Textile Mills Limited	432,000	-	-	165,000	267,000	10,942	10,477	(465)	0.92%	0.38%	0.07%
Nishat Chunian Limited	270,000	59,500	-	-	329,500	16,969	17,964	995	1.57%	0.66%	0.14%
						71,073	67,908	(3,165)	5.94%	2.48%	0.29%
FOOD & PERSONAL CARE PRODUCT											
Al Shaheer Corporation Limited	243,500	-	-	-	243,500	9,767	7,699	(2,068)	0.67%	0.28%	0.17%
GLASS & CERAMICS											
Tariq Glass Industries Limited	218,000	-	-	-	218,000	24,146	22,921	(1,225)	2.01%	0.84%	0.30%
CABLE AND ELECTRICAL GOODS											0.040/
Pak Elektron Limited	205,000	-	-	-	205,000	22,616	15,570	(7,046)	1.36%	0.57%	0.04%
INSURANCE											
Adamjee Insurance Limited	294,500			294,500					0.00%	0.00%	0.00%
Adamjee institutiee Elitited	274,300	-	-	274,300	-		-	-	0.00%	0.00%	0.00%

	As at 01 July 2017	Purchased during quarter	Bonus / right issue during the quarter	Sold during the A quarter	as at 30 Septemeber 2017	Cost / carrying value as at 30 September 2017	Market value as at 30 September 2017	Appreciation / (diminution)	As percentage of total investments	As percentage of net assets	Paid up capital of investee company (with face value of investment)
			(Number of s	hares)			(Rupees in '000)				
BANKS											
Habib Bank Limited	101,300	73,000	-	4,700	169,600	42,245	30,657	(11,588)	2.68%	1.12%	0.019
Allied Bank Limited	495,000	-	-	50,000	445,000	39,881	38,933	(948)	3.41%	1.42%	0.049
Arif Habib Limited	246,500		-	246,500	-	-	-	-	0.00%	0.00%	0.009
Bank Alfalah Limited	150,000	150,000		140,000	160,000	6,468	6,787	319	0.59%	0.25%	0.019
Bank Al Habib Limited	-	-	-	-	-	-	-	-	-	0.00%	0.00
Faysal Bank Limited	628,500	-	-	400,000	228,500	5,141	5,118	(23)	0.45%	0.19%	0.029
MCB Bank Limited	188,200	-	-	134,000	54,200	11,405	11,328	(77)	0.99%	0.41%	0.00
United Bank Limited (6.3.2)	183,400	96,300	-	61,100	218,600	48,633 153,773	41,570 134,393	(7,063) (19,380)	3.64% 11.76%	1.52% 4.91%	0.02
Total equity securities as on 30 September 2017						1,009,183	896,272	(112,911)	77%	33%	3%
Total equity securities as on 30 June 2017						522,405	579,348	56,931	56.08%	21.89%	
* These have a face value of Rs. 3.5 per share											
4 Ouoted equity securities - 'Available for sale											
Ordinary shares have a face value of Rs. 10/- ea	ch.										
CONSTRUCTION AND MATERIAL											
Cherat Cement Company Limited	-	50,000	-	-	50,000	6,375	5,999	(376)	0.53%	0.22%	0.039
Kohat Cement Company Limited	-	50,000	-	-	50,000	7,518	7,498	(20)	0.66%	0.27%	0.03
Pioneer Cement Limited	-	83,000	-	-	83,000	8,045	7,465	(580)	0.65%	0.27%	0.04
					,	21,938	20,962	(976)	1.84%	0.76%	0.109
CHEMICALS							., .	× ·/			
Engro Polymer & Chemicals Limited	-	200,000	-	-	200,000	5,979	6,682	703	0.58%	0.24%	0.039
INDUSTRIAL METAL & MINING											
Amreli Steels Limited	-	10,000	-	-	10,000	932	1,020	88	0.09%	0.04%	0.00%
Oil & Gas Exploration Companies											
Pak Oil Fields Limited	-	25,000	-	-	25,000	12,910	13,301	391	1.16%	0.49%	0.01%
BANKS											
Habib Bank Limited	-	242,000	-	-	242,000	41,878	43,744	1,866	3.83%	1.60%	0.029
United Bank Limited (6.3.2)	-	7,300	-	-	7,300	1,349	1,388	39	0.12%	0.05%	0.009
						43,227	45,132	1,905	3.95%	1.65%	0.02%
Total equity securities as on 30 September 2017						84,986	87,097	2,111	7.62%	3.18%	0.16%
							,				
Total equity securities as on 30 June 2017							-	-	-	-	-

- 6.3.1 The Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. The Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares of exemptions available to mutual funds under clause 99 of Part I of and clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. An investee company of the Fund, in pursuance of the aforesaid amendment, withheld shares equivalent to 5% of bonus entitlement of the Fund having fair market value of Rs. 0.725 million (2017: Rs. 0.917 million) at the quarter end. Such shares have not been deposited by the investee company in CDC account of Income Tax department. The Fund has included in its investments the withheld shares and recorded them at fair market value at the quarter end.
- 6.3.2 The above equity securities include shares pledged with National Clearing Company of Pakistan Limited having a market value (in aggregate) amounting to Rs 24.195 million (30 June 2017: Rs 33.092 million) for guaranteeing settlement of the Fund's trades in accordance with circular No. 11 dated 23 October 2007 issued by the Securities and Exchange Commission of Pakistan.

7 ADVANCE INCOME TAX

The income of the fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance 2001 (ITO 2001). Further the funds are is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding of tax under section 150, 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the Income Tax Ordinance, 2001 from Commissioner Inland Revenue (CIR). During the period , prior to receiving tax exemption certificate(s) from CIR various withholding agents have deducted advance tax under section 150, 151 and 233 of ITO 2001. The management is confident that the same shall be refunded after filing Income Tax Return for Tax Year 2018.

8 ALLOCATED EXPENSE

As per regulation 60(3)(s) of the amended NBFC Regulations dated November 25, 2015, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund.

9 ALLOCATED SELLING AND MARKETING EXPENSE

Securities and Exchange Commission of Pakistan vide Circular No. 40 of 2016 dated December 30, 2016, has allowed Asset Management Companies to charge Selling and Marketing to its CIS's at a maximum cap of 0.4% per annum of net assets of the fund or actual expenses whichever is lower. Accordingly, the Management Company has charged 0.4% on daily net assets of the fund from March 21, 2017, being the lower amount.

10 PROVISION FOR SINDH WORKERS' WELFARE FUND (SWWF)

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes / Mutual Funds (CISs) whose income exceeded Rs.500,000 in a tax year were brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever was higher.

The amendments introduced in the WWF Ordinance were challenged in various High Courts of Pakistan. The Honorable Lahore High Court (LHC) and the Honorable Sindh High Court (SHC) arrived at different conclusions in respect of the validity of the amendments made through the Finance Act in relation to the WWF. Both the decisions of the LHC and the SHC were challenged in the Honorable Supreme Court of Pakistan (SCP). During the period, the SCP passed a judgment on November 10, 2016, declaring the insertion of amendments introduced through Finance Act, 2008 pertaining to WWF as unlawful for the reason that the WWF is not in the nature of tax and therefore, could not be introduced through money bill under the Constitution. Subsequently, the Federal Board of Revenue (FBR) has filed a review petition in the SCP against the said judgment, which is pending adjudication.

As a consequence of the 18th amendment to the Constitution, levy for the WWF was also introduced by the Government of Sindh through the Sindh Workers Welfare Fund (SWWF) Act 2014 enacted on May, 2015. SWWF Act 2014, requires every Industrial Establishment located in the province of Sindh and having total income of Rs.500,000 or more in any year of account commencing on or after the date of closing of account on or after December 31, 2013, to pay two percent of its total income declared to SWWF. The Mutual Funds Association of Pakistan (MUFAP), believes that Mutual Funds are not liable to pay SWWF for the reason that the Mutual Funds are investments vehicle. However, the Sindh Revenue Board has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution.

In view of the above developments regarding the applicability of Federal and Sindh WWF on Mutual Funds, the MUFAP obtained a legal opinion on these matters and based on such legal advice, which also stated that even if a review petition is filed by any party, such petition can only be based on very limited grounds and the chances of any major change in the SCP judgment are very limited, has recommended to all its members on January 12, 2017 the following:

- i) The provision against the Federal WWF held by the Mutual Funds till June 30, 2015 should be reversed on January 12, 2017; and
- Provision against Sindh WWF, on prudent basis, should be made from the date of enactment of the Sindh WWF Act, 2014 (i.e. May 21, 2015) with effect from January 12, 2017.

The above decisions were communicated to SECP and the Pakistan Stock Exchange Limited on January 12, 2017. In response to the aforementioned letter SECP vide its letter dated February 1, 2017 advised MUFAP that the adjustments relating to the above should be made prospectively and adequate disclosure shall be made in the financial statements of Mutual Funds. Accordingly, the Fund has recorded these adjustments in its books of account on January 12, 2017.

The Fund has maintained provisions against Sindh Workers' Welfare Fund liability of Rs. 10.804 million, if the same were not made the NAV per unit of the Scheme would be higher by Rs. 0.51.

11 ACCRUED AND OTHER LIABILITIES

This includes provision for indirect duties and taxes amounting to Rs. 6.977 million. As fully disclosed in note 13.1 of the annual audited financial statements of the fund for the year ended June 30, 2017, on June 30, 2016, the Honorable Sindh High Court of Pakistan had passed a Judgment that after the 18th amendment in the Constitution of Pakistan, the Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of FED after July 01, 2011 is ultra vires to the Constitution of Pakistan. On September 23, 2016, the Federal Board of Revenue (FBR) filed an appeal in the Honorable Supreme Court of Pakistan (SCP) against above judgment, which is pending adjudication. Pending the adjudication in the SCP, the Management Company, as a matter of abundant caution, has maintained full provision for FED aggregating to Rs. 6.977 million. Had the provision not been made, the net asset value per unit of the Fund as at September 30, 2017 would have been higher by Re. 0.33 per unit (June 30, 2017: Re. 0.36 per unit).

12 CONTINGENCIES AND COMMITMENTS

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

13 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed in the form of cash amongst the unit holders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute at least 90% of the net accounting income other than unrealized capital gains to the unit holders. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause II of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The management intends to distribute through cash at least 90% of the income earned excluding realized & unrealized gains for the year by the Fund to the unit holders, accordingly no provision of tax has been made in this condensed interim financial information.

14 EARNINGS PER UNIT

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

15 TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by SECP, the Total Expense Ratio of the Fund is 0.51% as on September 30, 2017 and this includes 0.06% representing government levy, Worker's Welfare Fund and SECP fee.

16 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 16.1 Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Ltd (Management Company), Al-Ameen Financial Services (Private) Limited (subsidiary of Management Company), Entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the fund and he directors and officer of the management company and unit holders holding more than 10% units of the Fund.
- 16.2 Transactions with connected persons are in the normal course of business, at agreed / contracted rates.
- 16.3 Remuneration to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Rules, the NBFC regulations and the Trust Deed respectively.
- 16.4 Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

16.1 Details of transactions with related parties / connected persons and balances with them at the quarter end, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
		(Transactions			-	
			` -	,		
Profit on savings accounts	-	120	-	-	-	-
Bank charges	-	6	-	-		-
Units issued	-	-	-	-	-	-
Units redeemed	-	-	-	-	-	-
Purchase of securities	-	20,437	-	-	-	-
Sale of securities	-	11,762	-	-	-	-
Dividend received	- 7.704	571	-	-	-	-
Remuneration expense (including sales tax)	7,704	-	1,043	-	-	-
Allocated expenses	682	-	-	-	-	-
CDS expense	-	-	49	-	-	-
		(Ba	ances held as	at 30 September	2017)	
Units held (Number of units in '000)		6,185	-	-	-	-
Units held (Amount in '000)	-	806,029	-	-	15,378	-
Bank balances	-	1,621	-	-	-	
Remuneration payable (including sindh sales tax)	2,528	-	344	-	-	-
Sales load and other payable	30	360	-	-	-	-
Selling & marketing expense payable	5,833					
Allocated expenses	682	-	-	-	-	-
Other receivable	43	-	-	-	-	-
Profit receivable	-	40	-	-	-	-
Investments	-	42,958	-	-	-	-
	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
		(Transaction	• •		· ·	
			(Itupe	es in 000)		
Profit on savings accounts	-	336	-	-	-	-
Bank charges	-	4	-	-	-	-
Units issued	-	-	-	-	2,500	225,000
Units redeemed					,	
	-	-	-	-	2,003	-
Purchase of securities	-	493,915	-	-		-
Purchase of securities Sale of securities	-		-	- -		- -
	-	493,915	- - -	- - -		
Sale of securities	- - - 5,980	493,915 5,250	- - - 883			- - -
Sale of securities Dividend received Remuneration expense (including sales tax)	-	493,915 5,250	- -			
Sale of securities Dividend received	- 5,980	493,915 5,250	- - - 883			
Sale of securities Dividend received Remuneration expense (including sales tax) Allocated expenses	- 5,980 529 -	493,915 5,250		- - - - - - - - - - - - - - - - - - -	2,003	- - - - -
Sale of securities Dividend received Remuneration expense (including sales tax) Allocated expenses CDS expense	- 5,980 529 -	493,915 5,250 613 - - -		- - - - at 30 June 2017,	2,003	- - - - -
Sale of securities Dividend received Remuneration expense (including sales tax) Allocated expenses	- 5,980 529 -	493,915 5,250 613 - -	- - 883 - 41 alances held as	- - - - - at 30 June 2017; -	2,003 - - - - - - - - - - - 114	- - - - - - -
Sale of securities Dividend received Remuneration expense (including sales tax) Allocated expenses CDS expense Units held (Number of units in '000)	- 5,980 529 -	493,915 5,250 613 - - - (B 6,185	- - 883 - 41 alances held as	- - - - at 30 June 2017; - -	2,003	- - - - - - - -
Sale of securities Dividend received Remuneration expense (including sales tax) Allocated expenses CDS expense Units held (Number of units in '000) Units held (Amount in '000)	- 5,980 529 -	493,915 5,250 613 - - - (B 6,185 833,585	- - 883 - 41 alances held as -	- - - - - at 30 June 2017; - - -	2,003 - - - - - - - - - - - 114	- - - - - - - -
Sale of securities Dividend received Remuneration expense (including sales tax) Allocated expenses CDS expense Units held (Number of units in '000) Units held (Amount in '000) Bank balances	- 5,980 529 - -	493,915 5,250 613 - - - - (B 6,185 833,585 16,630	- - 883 - 41 alances held as - -	- - - - - - at 30 June 2017; - - - - - - - - - - - - - - - - - - -	2,003 - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - -
Sale of securities Dividend received Remuneration expense (including sales tax) Allocated expenses CDS expense Units held (Number of units in '000) Units held (Amount in '000) Bank balances Remuneration payable (including sindh sales tax)	- 5,980 529 - - - 2,569	493,915 5,250 613 - - - - (B 6,185 833,585 16,630 -	- - 883 - 41 alances held as - -	- - - - - at 30 June 2017, - - - - - - - - - - - - - - - - - - -	2,003 - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - -
Sale of securities Dividend received Remuneration expense (including sales tax) Allocated expenses CDS expense Units held (Number of units in '000) Units held (Amount in '000) Bank balances Remuneration payable (including sindh sales tax) Sales load and other payable	- 5,980 529 - - - 2,569 681	493,915 5,250 613 - - - - (B 6,185 833,585 16,630 -	- - 883 - 41 alances held as - -	- - - - - at 30 June 2017, - - - - - - - - - - - - - - - - - - -	2,003 - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - -
Sale of securities Dividend received Remuneration expense (including sales tax) Allocated expenses CDS expense Units held (Number of units in '000) Units held (Amount in '000) Bank balances Remuneration payable (including sindh sales tax) Sales load and other payable Selling & marketing expense payable	- 5,980 529 - - - 2,569 681 3,105	493,915 5,250 613 - - - (B 6,185 833,585 16,630 - 184	- - 883 - 41 alances held as - -	- - - - - - at 30 June 2017; - - - - - - - - - - - - - - - - - - -	2,003 - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - -
Sale of securities Dividend received Remuneration expense (including sales tax) Allocated expenses CDS expense Units held (Number of units in '000) Units held (Amount in '000) Bank balances Remuneration payable (including sindh sales tax) Sales load and other payable Selling & marketing expense payable Allocated expenses	- 5,980 529 - - 2,569 681 3,105 470	493,915 5,250 613 - - - - (B 6,185 833,585 16,630 - 184 -	- - 883 - 41 alances held as - -	- - - - - - - - - - - - - - - - - - -	2,003 - - - - - - - - - - - - - - - - - -	- - - - - - - - - - - - - - - - - - -

17 FAIR VALUE OF FINANCIAL INSTRUMENTS

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy:

On-balance sheet financial instruments		Ca	rrying amount				Fair	value	
	Fair value	Available	Loans and	Other	Total	Level 1	Level 2	Level 3	Total
30 September 2017	through profit	for	receivables	financial					
	and loss	sale		liabilities					
Einensiel essets measured at fair value				(Ru	pees in '000)				
Financial assets measured at fair value Investments in debt securities	158,961				158,961		158,961		158,961
Quoted equity security	896,272	- 87,097	-	-	983,369	- 983,369	156,901	-	983,369
Quoted equily seeming	1,055,233	87,097			1,142,330	983,369	158,961		1,142,330
Financial assets not measured	*								
at fair value									
Bank balances	-	-	1,598,374	-	1,598,374				
Dividend receivable	-	-	8,226	-	8,226				
Profits receivable			5,949	-	5,949				
Deposits, prepayments & other receivables		-	11,169		11,169				
	-		1,623,718	<u> </u>	1,623,718				
Financial liabilities not measured	*								
Financial liabilities not measured	•								
at fair value				0.070	0.070				
Payable to the Management Company Payable to Central Depository Company	-	-	-	9,030	9,030				
of Pakistan Limited - Trustee	_	-		344	344				
Payable to Securities and Exchange				544	544				
Commission of Pakistan	-	-	-	648	648				
Accrued expenses and other payables	-	-	-	20,058	20,058				
	-			30,080	30,080				
On-balance sheet financial instruments								value	
On-balance sheet manetal instruments			arrying amount						m 1
	Fair value	Available	Loans and	Other	Total	Level 1	Level 2	Level 3	Total
<u>30 June 2017</u>	through profit	Available for		financial	Total	Level 1			Total
		Available	Loans and	financial liabilities			Level 2		Total
	through profit	Available for	Loans and	financial liabilities	Total		Level 2		Total
<u>30 June 2017</u>	through profit	Available for	Loans and	financial liabilities			Level 2		Total 6,483
<u>30 June 2017</u> Financial assets measured at fair value	through profit and loss	Available for	Loans and	financial liabilities	1pees in '000)		Level 2		
30 June 2017 Financial assets measured at fair value Investments in debt securities	through profit and loss 6,483	Available for	Loans and	financial liabilities	1pees in '000) 6,483		Level 2		6,483
<u>30 June 2017</u> Financial assets measured at fair value Investments in debt securities Quoted equity security	through profit and loss 	Available for	Loans and	financial liabilities	1900) 6,483 1,022,058	1,022,058	Level 2 6,483		6,483 1,022,058
30 June 2017 Financial assets measured at fair value Investments in debt securities Quoted equity security Financial assets not measured	through profit and loss 	Available for	Loans and	financial liabilities	1900) 6,483 1,022,058	1,022,058	Level 2 6,483		6,483 1,022,058
30 June 2017 Financial assets measured at fair value Investments in debt securities Quoted equity security Financial assets not measured at fair value	through profit and loss 	Available for	Loans and receivables	financial liabilities	6,483 1,022,058 1,028,541	1,022,058	Level 2 6,483		6,483 1,022,058
30 June 2017 Financial assets measured at fair value Investments in debt securities Quoted equity security Financial assets not measured at fair value Bank balances	through profit and loss 	Available for	Loans and receivables	financial liabilities	1,364,025	1,022,058	Level 2 6,483		6,483 1,022,058
30 June 2017 Financial assets measured at fair value Investments in debt securities Quoted equity security Financial assets not measured at fair value Bank balances Dividend receivable	through profit and loss 	Available for	Loans and receivables 	financial liabilities	1,022,058 1,022,058 1,028,541 1,364,025 1,478	1,022,058	Level 2 6,483		6,483 1,022,058
30 June 2017 Financial assets measured at fair value Investments in debt securities Quoted equity security Financial assets not measured at fair value Bank balances Dividend receivable Profits receivable	through profit and loss 	Available for	Loans and receivables	financial liabilities	1,364,025 1,364,025 1,478 9,720	1,022,058	Level 2 6,483		6,483 1,022,058
30 June 2017 Financial assets measured at fair value Investments in debt securities Quoted equity security Financial assets not measured at fair value Bank balances Dividend receivable	through profit and loss 	Available for	Loans and receivables 	financial liabilities	1,022,058 1,022,058 1,028,541 1,364,025 1,478	1,022,058	Level 2 6,483		6,483 1,022,058
30 June 2017 Financial assets measured at fair value Investments in debt securities Quoted equity security Financial assets not measured at fair value Bank balances Dividend receivable Profits receivable	through profit and loss 6,483 1,022,058 1,028,541 *	Available for sale 	Loans and receivables 	financial liabilities (Ru - - - - -	1,022,058 1,022,058 1,028,541 1,364,025 1,478 9,720 15,946	1,022,058	Level 2 6,483		6,483 1,022,058
30 June 2017 Financial assets measured at fair value Investments in debt securities Quoted equity security Financial assets not measured at fair value Bank balances Dividend receivable Profits receivable	through profit and loss 6,483 1,022,058 1,028,541 *	Available for sale 	Loans and receivables 	financial liabilities (Ru - - - - -	1,022,058 1,022,058 1,028,541 1,364,025 1,478 9,720 15,946	1,022,058	Level 2 6,483		6,483 1,022,058
30 June 2017 Financial assets measured at fair value Investments in debt securities Quoted equity security Financial assets not measured at fair value Bank balances Dividend receivable Profits receivable Deposits, prepayments & other receivables Financial liabilities not measured at fair value	through profit and loss 	Available for sale 	Loans and receivables 	financial liabilities 	1,022,058 1,022,058 1,028,541 1,364,025 1,478 9,720 15,946 1,391,169	1,022,058	Level 2 6,483		6,483 1,022,058
30 June 2017 Financial assets measured at fair value Investments in debt securities Quoted equity security Financial assets not measured at fair value Bank balances Dividend receivable Profits receivable Profits receivable Deposits, prepayments & other receivables Financial liabilities not measured at fair value Payabe to the Management Company	through profit and loss 	Available for sale 	Loans and receivables 	financial liabilities (Ru - - - - -	1,022,058 1,022,058 1,028,541 1,364,025 1,478 9,720 15,946	1,022,058	Level 2 6,483		6,483 1,022,058
30 June 2017 Financial assets measured at fair value Investments in debt securities Quoted equity security Financial assets not measured at fair value Bank balances Dividend receivable Profits receivable Deposits, prepayments & other receivables Financial liabilities not measured at fair value Payable to the management Company Payable to Central Depository Company	through profit and loss 	Available for sale 	Loans and receivables 	financial liabilities 	1,022,058 1,022,058 1,028,541 1,364,025 1,478 9,720 1,5946 1,391,169 6,825	1,022,058	Level 2 6,483		6,483 1,022,058
30 June 2017 Financial assets measured at fair value Investments in debt securities Quoted equity security Financial assets not measured at fair value Bank balances Dividend receivable Profits receivable Peposits, prepayments & other receivables Financial liabilities not measured at fair value Payable to the Management Company Payable to the Central Depository Company of Pakistan Limited - Trustee	through profit and loss 	Available for sale 	Loans and receivables 	financial liabilities 	1,022,058 1,022,058 1,028,541 1,364,025 1,478 9,720 15,946 1,391,169	1,022,058	Level 2 6,483		6,483 1,022,058
30 June 2017 Financial assets measured at fair value Investments in debt securities Quoted equity security Financial assets not measured at fair value Bank balances Dividend receivable Profits receivable Deposits, prepayments & other receivables Financial liabilities not measured at fair value Payable to the Management Company Payable to Central Depository Company of Pakistan Limited - Trustee Payable to Securities and Exchange	through profit and loss 	Available for sale 	Loans and receivables 	financial liabilities 	1,022,058 1,022,058 1,028,541 1,364,025 1,478 9,720 15,946 1,391,169 6,825 350	1,022,058	Level 2 6,483		6,483 1,022,058
30 June 2017 Financial assets measured at fair value Investments in debt securities Quoted equity security Financial assets not measured at fair value Bank balances Dividend receivable Profits receivable Profits receivable Deposits, prepayments & other receivables Financial liabilities not measured at fair value Payable to the Management Company Payable to Central Depository Company of Pakistan Limited - Trustee Payable to Securities and Exchange Commission of Pakistan	through profit and loss 	Available for sale 	Loans and receivables 	financial liabilities 	1,022,058 1,022,058 1,028,541 1,364,025 1,478 9,720 15,946 1,391,169 6,825 350 2,283	1,022,058	Level 2 6,483		6,483 1,022,058
30 June 2017 Financial assets measured at fair value Investments in debt securities Quoted equity security Financial assets not measured at fair value Bank balances Dividend receivable Profits receivable Deposits, prepayments & other receivables Financial liabilities not measured at fair value Payable to the Management Company Payable to Central Depository Company of Pakistan Limited - Trustee Payable to Securities and Exchange	through profit and loss 	Available for sale 	Loans and receivables 	financial liabilities 	1,022,058 1,022,058 1,028,541 1,364,025 1,478 9,720 15,946 1,391,169 6,825 350	1,022,058	Level 2 6,483		6,483 1,022,058

* The Fund has not disclosed the fair values for these 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.

18. GENERAL

18.1 Corresponding figures

Prior year's figures have been rearranged / reclassified wherever necessary for better presentation and comparison. However, there were no material reclassifications to report.

18.2 Date of authorisation for issue

These financials statements were authorized for issue by Board of Directors of the Management Company on October 27, 2017.

18.3 This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.

For UBL Fund Managers Limited (Management Company)

--SD---

Chief Executive Officer

--SD--Chief Financial Officer

--SD--

Director

USF UBL Stock Advantage Fund

INVESTMENT OBJECTIVE

USF is an open-end equity fund, investing primarly in equities listed on the PSX. The Fund seeks to maximize total returns and outperform it's benchmark by investing in a combination of securities offering long-term capital gains and dividend yield potential.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	Deloitte Yousuf Adil & Co., Chartered Accountants
Bankers	United Bank Limited Bank Alfalah Limited Habib Bank Limited MCB Bank Limited Samba Bank Limited Silk Bank Limited The Bank of Punjab Sindh Bank Limited
Management Co.Rating	AM2++ (JCR-VIS)

UBL STOCK ADVANTAGE FUND CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES As at September 30, 2017

		(Un-audited)	(Audited)
		September, 30	June 30,
		2017	2017
	Note	(Rupees i	n '000)
ASSETS			
Bank balances	4	999,117	1,025,087
Investments - net	5	5,991,623	6,994,684
Dividend and profit receivables		54,320	15,250
Advance income tax	6	2,802	2,799
Security deposits, prepayments and other receivables		4,522	10,578
Total assets		7,052,384	8,048,398
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company		31,965	27,435
Payable to Central Depository Company of Pakistan Limited - Trustee		732	830
Payable to the Securities and Exchange Commission of Pakistan		1,731	6,176
Payable against purchase of investments		32,276	3,943
Accrued expense and other liabilities	10	100,792	138,091
Total liabilities		167,496	176,475
NET ASSETS		6,884,888	7,871,923
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		6,884,888	7,871,923
CONTINGENCIES AND COMMITMENTS	11		
		Number	of units
NUMBER OF UNITS IN ISSUE		99,867,933	103,258,930
		Rupe	es
NET ASSET VALUE PER UNIT		68.94	76.23

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--Chief Executive Officer --SD--Chief Finance Officer

--SD--Director

UBL STOCK ADVANTAGE FUND CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) For the quarter ended September 30, 2017

		Quarter	ended
		September, 30	September, 30
		2017	2016
	Note	(Rupees in	n '000)
INCOME			
Profit on bank deposits		14,335	4,784
Dividend income		62,216	34,223
(Loss) / gain on sale of securities - net		(79,469)	142,406
Unrealised (diminution) / appreciation on re-measurement of investments		(501.000)	1.60.242
classified as financial assets at fair value through profit and loss - net		(731,233)	169,242
		(734,151)	350,655
EXPENSES			
Remuneration of UBL Fund Managers Limited - Management Company		36,435	21,987
Sales tax on remuneration of Management Company		4,737	2,858
Allocated expenses	7	1,822	1,099
Allocated selling and marketing expenses	8	7,287	-
Provision for indirect duties and taxes	10	-	-
Remuneration of Central Depository Company of Pakistan			
Limited - Trustee (including Sindh sales tax)		2,343	1,527
Annual fee - Securities and Exchange Commission of Pakistan		1,731	1,044
Auditors' remuneration		154	77
Listing fee (including SECP supervisory fee on listing)		7	15
Brokerage and settlement charges		3,623	17,777
Bank charges & other expense		237	52
		58,376	46,436
Net operating (loss) / income for the quarter		(792,527)	304,219
Element of income / (loss) and capital gains / (losses) included in the			
prices of units issued less those in units redeemed - net	3.2	-	32,912
Provision for Sindh Workers' Welfare Fund	9	-	-
Net (loss) / income for the quarter before taxation		(792,527)	337,131
Taxation	12	-	-
Net (loss) / income for the quarter after taxation		(792,527)	337,131
Allocation of net (loss) / income for the quarter:			
Income already paid on units redeemed		(264)	-
Accounting income available for distribution carried to distribution account:			
Deleting to conital gains			311,648
-Relating to capital gains			25,483
-Excluding capital gains		-	23,485
		(792,263)	337,131
Earnings per unit	13		

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

Quarterly Report September 2017 - UBL Stock Advantage Fund

UBL STOCK ADVANTAGE FUND

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) For the quarter ended September 30, 2017

	Quarter ended		
	September, 30	September, 30	
	2017	2016	
	(Rupees	in '000)	
Net (loss) / income for the quarter after taxation	(792,527)	337,131	
Other comprehensive income / (loss)			
Items that may be reclassified subsequently to income statement			
- Unrealised gain / (loss) transferred to income statement on disposal			
of investments classified as available for sale - net	9,735	-	
Total comprehensive (loss) / income for the quarter	(782,792)	337,131	

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--Chief Executive Officer --SD--Chief Finance Officer

--SD--Director

UBL STOCK ADVANTAGE FUND CONDENSED INTERIM CASH FLOWS STATEMENT (UN-AUDITED)

For the quarter ended September 30, 2017

	Quarter	r ended
	September, 30	September, 30
	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES	(Rupees	in '000)
Net income / (loss) for the period before taxation	(792,527)	337,131
Adjustments:		
Profit on bank deposits	(14,335)	(4,784)
Dividend income	(62,216)	(34,223)
Gain on sale of securities - net	79,469	(142,406)
Unrealised (appreciation) / diminution on re-measurement of investments classified		
financial assets at fair value through profit and loss - net	731,233	(169,242)
Element of income and capital gain included in the		
prices of units issued less those in units redeemed - net	-	(32,912)
	734,151	(383,567)
	(58,376)	(46,436)
Decrease in assets		
Investments - net	202,093	(445,140)
Advance income tax	(3)	219
Security deposits, prepayments and other receivables	6,056	(18,729)
Decrease in liabilities	208,146	(463,650)
Payable to UBL Fund Managers Limited - Management Company	4,530	(254)
Payable to Central Depository Company of Pakistan Limited - Trustee	4,330	(234)
Payable to the Securities and Exchange Commission of Pakistan	(4,445)	(2,504)
Payable against purchase of investments	(4,445) 28,333	(187,502)
Accrued and other liabilities	(37,299)	(187,502)
Accred and other hadnifies	(8,979)	(184,673)
	140,791	(694,759)
Profit received on bank deposits	12,660	4,441
Dividend received	24,822	7,264
Net cash generated from operating activities	178,273	(683,054)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	1,867,096	1,524,554
Net payments on redemption of units	(2,071,339)	(831,842)
Net cash (used in) / generated from financing activities	(204,243)	692,712
Net (decrease) / increase in cash and cash equivalents	(25,970)	9,658
Cash and cash equivalents at beginning of the quarter	1,025,087	417,923
Cash and cash equivalents at end of the guarter	999,117	427,581

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--Chief Executive Officer --SD--Chief Finance Officer --SD--Director

UBL STOCK ADVANTAGE FUND CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) For the quarter ended September 30, 2017

	Quarter ende	1
	September, 30 Sept	ember, 30
	2017	2016
	(Rupees in '00))
Net assets at beginning of the quarter	7,871,923	3,672,235
Rs. 76.23 per unit (2016: Rs. 62.78 per unit)		
Issuance of 25,266,776 units (2016: 23,111,087 units)	1,867,096	1,524,554
Redemption of 28,657,773 units (2016: 12,601,361 units)	(2,071,339)	(831,842)
	(204,243)	692,712
	7,667,680	4,364,947
Element of income and capital gains included in prices		
of units issued less those in units redeemed	-	(32,912)
(Loss) / gain on sale of securities - net	(79,469)	142,406
Unrealised (diminution) / appreciation on re-measurement of investments		
classified as financial assets at fair value through profit and loss - net	(731,233)	169,242
Unrealised gain / (loss) transferred to income statement on disposal	0.725	
of investments classified as available for sale - net	9,735	-
Other (loss) / income for the quarter	18,175	25,483
Total comprehensive (loss) / income	(782,792)	337,131
	6,884,888	4,669,166
Net assets at end of the quarter Rs. 68.94 per unit (2016: Rs. 67.67 per unit)	0,004,000	4,009,100
Ks. 66.74 per unit (2010, Ks. 67.67 per unit)		
Undistributed income brought forward comprising of:		
- Realised gain	1,656,899	424,178
- Unrealised gain	480,654	324,200
Undistributed income brought forward - Net	2,137,553	748,378
Accounting income available for distribution carried to distribution account:	(792,263)	337,131
-Relating to capital gains	-	311,648
-Excluding capital gains		25,483
Undistributed income carried forward - Net	1,345,290	1,085,509
Undistributed income carried forward comprising of:	0.05(522	016.065
- Realised gain	2,076,523	916,267

- Unrealised (loss) / gain

The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

(731,233)

1,345,290

169,242

1,085,509

UBL STOCK ADVANTAGE FUND NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) For the quarter ended September 30, 2017

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Stock Advantage Fund (the Fund) was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on June 5, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on June 27, 2006 in accordance with the requirements of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund commenced its operations from August 04. 2006.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003. The registered

office of the Management Company is situated at 4th Floor, STSM Building , Beaumont Road, Civil Lines, Karachi, Pakistan.

The Fund is an open ended mutual fund categorised as Equity Fund and is listed on the Pakistan Stock Exchange Limited. The units of the Fund are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.

The investment objective of the Fund is to provide investors long-term capital appreciation by investing primarily in a mix of equities that offer capital gains and dividend yield potential. The Fund mainly makes investments in a diversified portfolio of shares of listed companies and treasury bills not exceeding 90 days maturity.

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The approved accounting standards comprise of such International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the "NBFC Regulations") and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2017.

The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2017, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial statements for the quarter ended September 30, 2016.

The Companies Act, 2017 was enacted on May 30, 2017 and came into force at once. Subsequently, the Securities and Exchange Commission of Pakistan has notified through Circular No. 23 dated October 04, 2017 in continuation of Circular No. 17 of 2017 dated July 20, 2017 that companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance). Hence these interim financial statements are prepared in accordance with the Ordinance.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2017.

3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES AND JUDGMENTS AND CHANGES THEREIN

3.1 The accounting policies, methods of computation adopted in the preparation of this condensed interim financial information, significant judgments in applying the accounting policies and key sources of estimation uncertainty are same as those applied in the preparation of the financial statements of the Fund as at June 30, 2017, except as disclosed in paragraphs 3.2

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

- 3.2 The SECP vide its statutory notification (S.R.O) no. 756(1)/2017 dated August 03, 2017 has amended the NBFC Regulations. The amendments define 'Element of Income included in the unit price' as also specifies the accounting treatment for the said income / (loss). The amendments also introduced changes in the schedule V of NBFC regulations, resulting in certain changes / modifications in the presentation of Income Statement and Statement of Movement in reserves or unit holders' fund. As clarified by MUFAP, the amendment is applicable for accounting period beginning on July 01, 2017. Pursuant to above SRO, management has changed its accounting policy whereby element of income / loss and capital gains / losses in prices of units issued less those in units redeemed' during the year, previously transferred to the 'income statement' has now been taken to unit holders' fund. The above change has been applied from July 01, 2017 as clarified by MUFAP, therefore the comparative information have not been restated.
- 3.3 The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended June 30, 2017.

		Note	(Unaudited) September 30, 2017 Rupees	(Audited) June 30, 2017 in '000
4	BANK BALANCES			
	In local currency - Profit and loss sharing accounts - Current account	4.1	998,816 301	1,013,831 11,256
			999,117	1,025,087

4.1 These accounts carry profit rates ranging between 3.75% to 6.75% per annum (June 30, 2017: 3.75% to 6.6% per annum).

-	INVESTMENTS	Note	(Unaudited) September 30, 2017 Rupees	(Audited) June 30, 2017 in '000
5	INVESTMENTS			
	- Quoted Investments			
	Equity Securities			
	- Held for trading	5.1	5,616,688	6,994,684
	- Available for sale	5.2	374,929	-
	Right letter - held for trading	5.3	6	-
			5,991,623	6,994,684

5.1 Equity securities - Held-for-trading

(Ordinary Shares of Rs. 10 each unless indicated otherwise)

Name of Security	As at July 1, 2017	Purchased / bonus received during the period	Sold during the period	As at September 30, 2017	Total carrying value as at September 30, 2017	value as at September 30, 2017	Appreciation/ (diminution) as at September 30, 2017	Market value as a percentage of net assets	Market value as a percentage of total value of investment	Investment as a percentage of paid-up capital of investee company
Note		(Number	of shares)			(Rupees '000)			·····%·····	
Quoted investments										
Textile Composite										
Gul Ahmed Textile Mills Limited	1,208,935	-	681,000	527,935	21,635	20,716	(919)	0.30	0.37	0.15
Kohinoor Textile Mills Limited 5.1.2	4,275	-	-	4,275	449	378	(71)	0.01	0.01	0.00
Nishat (Chunian) Limited Nishat Mills Limited	2,076,500 2,191,900	325,500	86,500 441,600	2,315,500 1,750,300	118,887 277,738	126,241 253,969	7,354 (23,769)	1.83 3.69	2.25 4.52	0.96 0.50
	2,171,700		111,000	1,720,200	418,709	401,304	(17,405)	5.83	7.14	-
IT Industries					410,709	401,504	(17,405)	5.05	7.14	-
System Limited	1,076,500	-	150,000	926,500	70,266	71,841	1,575	1.04	1.28	0.83
					70,266	71,841	1,575	1.04	1.28	-
Oil & Gas Marketing Companies										-
Sui Northern Gas Pipelines Limited	1,031,500	-	145,500	886,000	131,943	118,600	(13,343)	1.72	2.11	0.14
Attock Petroleum Limited Pakistan State Oil Company Limited	181,150 617,700	25,000	- 96,500	181,150 546,200	113,478 212,889	113,351 241,289	(127) 28,400	1.65 3.50	2.02 4.30	0.22 0.20
r axistan blate on company Emitted	017,700	25,000	90,500	540,200	458,310	473,240	14,930	6.87	8.43	-
Oil & Gas Exploration Companies					450,510	475,240	14,950	0.07	0.45	-
Oil and Gas Development Company Limited	1,415,200	170,000	169,000	1,416,200	200,584	210,504	9,920	3.06	3.75	0.03
Mari Petroleum Company Limited	216,990	-	1,780	215,210	339,093	323,893	(15,200)	4.70	5.77	0.20
Pakistan Oilfields Limited Pakistan Petroleum Limited	114,900 1,388,500	18,500	94,500 140,000	38,900 1,248,500	17,757 184,953	20,696 218,100	2,939 33,147	0.30 3.17	0.37 3.88	0.02 0.06
rakistan renoleum Linnteu	1,388,500	-	140,000	1,248,500	742,387	773,193	30,806	11.24	13.77	-
Paper & Board					742,307	773,193	50,800	11.24	15.77	-
Packages Limited	245,550	-	7,850	237,700	165,339	137,155	(28,184)	1.99	2.44	0.27
Century Paper and Board Mills Limited	825,500	49,700	-	875,200	85,248	58,507	(26,741)	0.85	1.04	0.60
Cherat Packaging Limited	545	-	-	545	130	109	(21)	0.00	0.00	0.00
					250,717	195,771	(54,946)	2.83	3.49	_
Fertilizer										
Engro Corporation Limited Fauji Fertilizer Company Limited	1,089,600 700	49,400	58,000	1,081,000 700	351,197 58	327,640 58	(23,557)	4.76 0.00	5.83 0.00	0.21
Engro Fertilizers Limited	4,506,500	100,000	336,000	4,270,500	235,669	268,657	32,988	3.90	4.78	0.32
					586,924	596,355	9,431	8.66	10.62	-
Cable & Electrical Goods										-
Pak Elektron Limited	1,238,500	-	310,000	928,500	102,432	70,520	(31,912)	1.02	1.26	0.19
_					102,432	70,520	(31,912)	1.02	1.26	_
Cement										
Cherat Cement Company Limited D.G. Khan Cement Company Limited	1,060,600	50,000	16,000	1,044,600	186,754	125,331 95,062	(61,423)	1.82 1.38	2.23 1.69	0.59
Fauji Cement Company Limited	881,700 704,500	50,000	284,400 704,500	647,300	135,572	95,062	(40,510)	1.58	1.09	0.15
Kohat Cement Limited	-	819,900	-	819,900	167,980	122,952	(45,028)	1.79	2.19	0.53
Lucky Cement Limited	390,800	65,000	10,000	445,800	362,937	251,957	(110,980)	3.66	4.49	0.14
Pioneer Cement Limited	243,900	-	-	243,900	31,707	21,936	(9,771)	0.32	0.39	0.11
Power Generation & Distribution					884,950	617,238	(267,712)	8.96	10.99	-
Hub Power Company Limited	2,410,200	200,000	190,900	2,419,300	283,124	270,502	(12,622)	3.93	4.82	0.21
• -					283,124	270,502	(12,622)	3.93	4.82	-
						2.0,002	(12,022)	5.75		_

Name of Security		As at July 1, 2017	Purchased / bonus received during the period	Sold during the period	As at September 30, 2017	Total carrying value as at September 30, 2017	Total market value as at September 30, 2017	Appreciation/ (diminution) as at September 30, 2017	Market value as a percentage of net assets	Market value as a percentage of total value of investment	Investment as a percentage of paid-up capital of investee company
	Note		(Number o	of shares)			(Rupees '000)			•••••	
Insurance											
Adamjee Insurance Company Limited		1,702,500	115,000	1,817,500	-	-	-	-	-	-	-
naangee nisaranee company Ennied		1,702,000	110,000	1,017,000				-	-	-	-
Pharmaceutical											-
	5.1.2	254,623	-	75,650	178,973	91,631	72,291	(19,340)	1.05	1.29	0.12
						91,631	72,291	(19,340)	1.05	1.29	-
Food & Personal Care Products											-
Al Shaheer Corporation Limited	5.1.2	1,892,225	-	-	1,892,225	75,897	59,832	(16,065)	0.87	1.07	1.33
						75,897	59,832	(16,065)	0.87	1.07	-
Commercial Banks											-
Allied Bank Limited		1,859,400	-	100,000	1,759,400	157,677	153,930	(3,747)	2.24	2.74	0.15
Habib Bank Limited MCB Bank Limited		982,500 1,396,600	327,500 75,000	77,400 878,600	1,232,600 593,000	316,404 124,646	222,805 123,937	(93,599) (709)	3.24 1.80	3.97 2.21	0.08 0.05
Bank Al-Falah Limited		2,469,000	696,000	890,000	2,275,000	91,718	96,506	4,788	1.40	1.72	0.05
Faysal Bank Limited		4,691,000	140,000	1,455,000	3,376,000	75,906	75,622	(284)	1.10	1.35	0.26
United Bank Limited		1,319,300	591,800	276,100	1,635,000	365,562	310,928	(54,634)	4.52	5.54	0.13
						1,131,913	983,728	(148,185)	14.29	17.51	_
Automobile Parts & Accessories											-
Agriautos Industries Limited *		76,600	-	10,000	66,600	28,765	20,979	(7,786)	0.30	0.37	0.23
Thal Limited *		458,000	-	68,700	389,300	235,927	214,543	(21,384)	3.12	3.82	0.48
Automobile Assembler						264,692	235,522	(29,170)	3.42	4.19	-
Indus Motor Company Limited		42,820	_	300	42,520	76,264	73,169	(3,095)	1.06	1.30	0.05
Honda Atlas Cars (Pakistan) Limited		184,050	20,200	-	204,250	172,794	110,191	(62,603)	1.60	1.96	0.14
Millat Tractors Limited		48,650	-	6,000	42,650	58,620	53,240	(5,380)	0.77	0.95	0.10
Pak Suzuki Motor Company Limited		244,450	-	122,150	122,300	95,438	55,973	(39,465)	0.81	1.00	0.15
						403,116	292,573	(110,543)	4.25	5.21	-
Engineering											
Amreli Steels Limited		16,500	-		16,500	2,029	1,683	(346)	0.02	0.03	0.01
Ittefaq Iron Industries Limited International Steels Limited		597,500	566,000 60,000	100,000 60,000	466,000 597,500	14,113 76,340	11,599 72,375	(2,514) (3,965)	0.17 1.05	0.21 1.29	0.36 0.14
Mughal Iron and Steel Industries Limited		914,500		532,000	382,500	30,879	21,887	(8,992)	0.32	0.39	0.14
Aisha Steel Limited		2,103,900	-	200,000	1,903,900	38,725	35,889	(2,836)	0.52	0.64	0.23
International Industries Limited		264,600	22,300	41,800	245,100	89,723	71,128	(18,595)	1.03	1.27	0.20
						251,809	214,561	(37,248)	3.12	3.82	_
Chemical											
Engro Polymer & Chemicals Limited		3,364,000	395,500	100,000	3,659,500	132,356	122,264	(10,092)	1.78	2.18	0.55
I.C.I Pakistan Limited		179,750	-	-	179,750	196,745 329,101	164,224 286,488	(32,521)	2.39	2.92	0.20
						529,101	200,488	(42,613)	4.10	5.10	-
Miscellaneous Pakistan Stock Exchange		3,206,875	-	3,131,000	75,875	1,948	1,729	(219)	0.03	0.03	0.01
		2,220,070		2,221,000	.5,515	1,948	1,729	(219)	0.03	0.03	
							_				_
Total - September 30, 2017						6,347,926	5,616,688	(731,238)	:		
Total - June 30, 2017						6,514,030	6,994,684	480,654			

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

5.1.1 The above equity securities include 1,654,000 shares (2017: 1,654,000 shares) pledged with National Clearing Company of Pakistan Limited having a market value (in aggregate) amounting to Rs. 125.1848 million (2017: Rs. 122.509 million) for guaranteeing settlement of the Fund's trades in accordance with Circular No.11 dated October 23, 2007 issued by the SECP.

5.1.2 The Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. The Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemptions available to mutual funds under clause 99 of Part I and clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. An investee company of the Fund, in pursuance of the aforesaid amendment, withheld shares equivalent to 5% of bonus entilement of the Fund having fair market value of Rs. 13.93 million (2017: Rs. 17.6 million) at year end. Such shares have not been deposited by the investee company in CDC account of Income Tax department. The Fund has included in its investments the withheld shares and recorded them at fair market value at quarter end.

5.2 Equity securities - Available for sale

(Ordinary Shares of Rs. 10 each unless indicated otherwise)

Name of Security	As at July 1, 2017	Purchased / bonus received during the period	Sold during the period	As at September 30, 2017	Total carrying value as at September 30, 2017	value as at September 30, 2017	Appreciation/ (diminution) as at September 30, 2017	Market value as a percentage of net assets	Market value as a percentage of total value of investment	Investment as a percentage of paid-up capital of investee company
		(Number o	of shares)			(Rupees '000)			······º⁄o-·····	
Quoted investments										
Oil & Gas Exploration Companies										
Oil and Gas Development Company Limited Pakistan Oilfields Limited	-	10,000 201,350	-	10,000 201,350	1,501 105,837	1,486 107,126	(15) 1,289	0.02 1.56	0.004 0.286	0.085
					107,338	108,613	1,275	1.59	0.290	
Cement										-
Attock Cement Company Limited Pioneer Cement Limited	-	275,000 169,400	-	275,000 169,400	55,549 16,269	55,547 15,236	(2) (1,033)		0.148 0.041	0.156 0.039
					71,818	70,783	(1,035)	1.02	0.189	-
Commercial Banks										-
Habib Bank Limited United Bank Limited	-	775,000 71,600	-	775,000 71,600	131,387 13,288	140,089 13,616	8,702 328	2.03 0.20	0.374 0.036	0.053 0.006
					144,675	153,705	9,030	2.23	0.410	-
Automobile Assembler										-
Honda Atlas Cars (Pakistan) Limited	-	15,000	-	15,000	8,076	8,092	16	0.12	0.022	0.011
					8,076	8,092	16	0.12	0.022	-
Engineering										
Ittefaq Iron Industries Limited	-	550,000	-	550,000	15,442	13,690	(1,753)	0.20	0.037	0.419
					15,442	13,690	(1,753)	0.20	0.037	_
Chemical										
Engro Polymer & Chemicals Limited	-	600,000	-	600,000	17,845	20,046	2,201	0.29	0.053	0.090
					17,845	20,046	2,201	0.29	0.05	-
T.4.1 Surface bar 20, 2017					(15.010	284.020	0.525			=
Total - September 30, 2017					615,910	374,929	9,735			
Total - June 30, 2017					-	-	-	_		

5.3 It represents 73 right letters of Cherat Packaging Limited with aggregate market value and unrealized gain of Rs. 5,500 as at September 30, 2017 (June 30, 2017. nil)

6 ADVANCE INCOME TAX

The income of the fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance 2001 (ITO 2001). Further the funds are is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding of tax under section 150, 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the Income Tax Ordinance, 2001 from Commissioner Inland Revenue (CIR). During the period , prior to receiving tax exemption certificate(s) from CIR various withholding agents have deducted advance tax under section 150, 151 and 233 of ITO 2001. The management is confident that the same shall be refunded after filing Income Tax Return for Tax Year 2017.

7 ALLOCATED EXPENSE

As per regulation 60(3)(s) of the amended NBFC Regulations dated November 25, 2015, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund.

8 SELLING AND MARKETING EXPENSE

Securities and Exchange Commission of Pakistan vide Circular No. 40 of 2016 dated December 30, 2016, has allowed Asset Management Companies to charge Selling and Marketing to its CIS's at a maximum cap of 0.4% per annum of net assets of the fund or actual expenses whichever is lower. Accordingly, the Management Company has charged 0.4% on daily net assets of the fund from March 21, 2017, being the lower amount.

9 PROVISION FOR SINDH WORKERS' WELFARE FUND (SWWF)

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes / Mutual Funds (CISs) whose income exceeded Rs.500,000 in a tax year were brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever was higher.

The amendments introduced in the WWF Ordinance were challenged in various High Courts of Pakistan. The Honorable Lahore High Court (LHC) and the Honorable Sindh High Court (SHC) arrived at different conclusions in respect of the validity of the amendments made through the Finance Act in relation to the WWF. Both the decisions of the LHC and the SHC were challenged in the Honorable Supreme Court of Pakistan (SCP). During the period, the SCP passed a judgment on November 10, 2016, declaring the insertion of amendments introduced through Finance Act, 2008 pertaining to WWF as unlawful for the reason that the WWF is not in the nature of tax and therefore, could not be introduced through money bill under the Constitution. Subsequently, the Federal Board of Revenue (FBR) has filed a review petition in the SCP against the said judgment, which is pending adjudication.

As a consequence of the 18th amendment to the Constitution, levy for the WWF was also introduced by the Government of Sindh through the Sindh Workers Welfare Fund (SWWF) Act 2014 enacted on May, 2015. SWWF Act 2014, requires every Industrial Establishment located in the province of Sindh and having total income of Rs.500,000 or more in any year of account commencing on or after the date of closing of account on or after December 31, 2013, to pay two percent of its total income declared to SWWF. The Mutual Funds Association of Pakistan (MUFAP), believes that Mutual Funds are not liable to pay SWWF for the reason that the Mutual Funds are investments vehicle. However, the Sindh Revenue Board has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution.

In view of the above developments regarding the applicability of Federal and Sindh WWF on Mutual Funds, the MUFAP obtained a legal opinion on these matters and based on such legal advice, which also stated that even if a review petition is filed by any party, such petition can only be based on very limited grounds and the chances of any major change in the SCP judgment are very limited, has recommended to all its members on January 12, 2017 the following:

i) The provision against the Federal WWF held by the Mutual Funds till June 30, 2015 should be reversed on January 12, 2017; and

ii) Provision against Sindh WWF, on prudent basis, should be made from the date of enactment of the Sindh WWF Act, 2014 (i.e. May 21, 2015) with effect from January 12, 2017.

The above decisions were communicated to SECP and the Pakistan Stock Exchange Limited on January 12, 2017. In response to the aforementioned letter SECP vide its letter dated February 1, 2017 advised MUFAP that the adjustments relating to the above should be made prospectively and adequate disclosure shall be made in the financial statements of Mutual Funds. Accordingly, the Fund has recorded these adjustments in its books of account on January 12, 2017.

The Fund has maintained provisions against Sindh Workers' Welfare Fund liability of Rs. 49.389 million, if the same were not made the NAV per unit of the Scheme would be higher by Rs. 0.49.

10 ACCRUED AND OTHER LIABILITIES

This includes provision for indirect duties and taxes amounting to Rs. 45.2 million. As fully disclosed in note 13.1 of the annual audited financial statements of the fund for the year ended June 30, 2017, on June 30, 2016, the Honorable Sindh High Court of Pakistan had passed a Judgment that after the 18th amendment in the Constitution of Pakistan, the Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of FED after July 01, 2011 is ultra vires to the Constitution of Pakistan. On September 23, 2016, the Federal Board of Revenue (FBR) filed an appeal in the Honorable Supreme Court of Pakistan (SCP) against above judgment, which is pending adjudication. Pending the adjudication in the SCP, the Management Company, as a matter of abundant caution, has maintained full provision for FED aggregating to Rs. 45.2 million. Had the provision not been made, the net asset value per unit of the Fund as at September 30, 2017 would have been higher by Re. 0.45 per unit (June 30, 2017: Re. 0.44 per unit).

11 CONTINGENCIES AND COMMITMENTS

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

12 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed in the form of cash amongst the unit holders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute at least 90% of the net accounting income other than unrealized capital gains to the unit holders. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause II of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The management intends to distribute in cash form at least 90% of the income earned excluding realized & unrealized gains for the year by the Fund to the unit holders, accordingly no provision of tax has been made in this condensed interim financial information.

13 EARNINGS PER UNIT

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

14 TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by SECP, the Total Expense Ratio of the Fund is 0.82% as on September 30, 2017 and this includes 0.09% representing government levy, Worker's Welfare Fund and SECP fee.

15 COMMITTED CREDIT LINES

The Securities and Exchange Commission of Pakistan vide direction No. 2 of 2017 has directed all Asset Management Companies to arrange committed credit lines from bank / DFI's for the equity funds and fund of funds equivalent to 10% of its net assets. Accordingly, the Fund has obtained committed credit lines of PKR 725 million which represents 10.53% of net asset of the Fund as at September 30, 2017 at a rate of 3 months Kibor plus 0.45%.

16 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 16.1 Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Ltd (Management Company), Al-Ameen Financial Services (Private) Limited (subsidiary of Management Company), Entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the fund and he directors and officer of the management company and unit holders holding more than 10% units of the Fund.
- 16.2 Transactions with connected persons are in the normal course of business, at agreed / contracted rates.
- 16.3 Remuneration to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Rules, the NBFC regulations and the Trust Deed respectively.
- 16.4 Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

Details of transactions with related parties / connected persons and balances held with them including transactions and balances involving related parties at the quarter end are as follows:

Quarterly Report September 2017 - UBL Stock Advantage Fund

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
<u>Transactions during the quarter</u> ended 30 September 2017						
Profit on savings accounts	-	1,323	-	-		-
Bank charges	-	27	-	-		-
Units issued	-	-	-		- 519	150,778
Units redeemed	-	-	-		- 559	66,834
Purchase of equity securities	-	130,448	-	-		-
Sale of equity securities	-	54,387	-	-		-
Dividend received	-	4,159	-	-		-
Remuneration expense (including sales tax)	41,172	-	2,343	-		-
Allocated expenses	1,822	-	-			-
Selling and marketing expenses	7,287	-	-			-
CDS expenses	-	-	270			-
Balances held as at 30 September 2017						
Units held (in '000)	3,162	-	-		- 366	10,331
Units held (in Rupees '000)	217,988	-	-		- 25,232	712,218
Bank balances	-	40,030	-	-		-
Deposits	-	-	100	-		-
Investment	-	310,928	-	-		-
Remuneration payable (Including sales tax)	12,771	-	732	-		-
Sales load and conversion charges payable	1,036	118	-	-		-
Profit receivable	-	77	-	-		-
Allocation of expenses	1,822	-	-			-
Selling and marketing expenses payable	16,336	-	-			-

	Management Company	Associated Companies	Trustee	Funds under Comr Management	non	Directors and Key Executives	Other Connected persons / related parties
Transactions during the quarter							
ended 30 September 2016							
Profit on savings accounts	-	260	-	-	-	-	-
Bank charges	-	31	-	-	-	-	-
Units issued	-	165,846	-		-	808	1,379
Units redeemed	-	74,947	-		-	4,386	-
Purchase of securities	-	394,275	-	-	-	-	-
Sale of securities	-	251,817	-	-	-	-	-
Dividend	-	7,003	-	-	-	-	-
Remuneration expense (including sales tax)	24,845	-	1,527	-	-	-	-
Allocation of expenses	1,099	-	-		-	-	-
Selling and marketing expenses	-	-	-		-	-	-
CDS Expenses	-	-	197		-	-	-
Balances held as at 30 June 2017							
Units held (in Units)	3,162	3,012	-		-	367	-
Units held (in Rupees '000)	241,355	229,906	-	-	-	28,013	-
Bank balances	-	145,798	-	-	-	-	-
Deposits	-	-	100	-	-	-	-
Investments	-	310,722	-	-	-	-	-
Remuneration payable (Including sales tax)	14,736	-	830	-	-	-	-
Profit receivable	-	786	-		-	-	-
Sales load and conversion charges payable	2,268	296	-	-	-	-	-
Allocated expenses payable	1,383	-	-	-	-	-	-
Selling and marketing expenses	9,049	-	-	-	-	-	-

17 FINANCIAL INSTRUMENTS

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy:

As At September 30, 2017

As At June 30, 2017

Loans & receivables - -	Other Financial Assets Amount In Rs.000- 6 6 999,117	Level 1 5,991,623 5,991,623	Level 2 	Level 3	Total 5,991,623
-	6	5,991,623	-		5,991,623
-	6		-	-	5,991,623
-	6			-	5,991,623
-		5,991,623	-	-	
	999.117				5,991,623
	999.117				
-	····	-	-	-	-
-	54,320	-	-	-	-
-	4,522	-	-	-	-
-	2,802	-	-	-	-
-	1,060,761	-	-	-	-
ing Amount			Fair V	alue	
Loans & receivables	Other Financial Liabilities	Level 1	Level 2	Level 3	Total
-	31,965	-	-	-	-
-	732	-	-	-	-
	1,731	-	-	-	-
-	,	-	-	-	-
-	100,792	-	-	-	2
-				-	-
	-	- 32,276 - 100,792 - 167,496	- 100,792 -	- 100,792	- 100,792

	Carrying Amount					Fair Value				
	Fair value through profit & loss	Available for sale	Loans & receivables	Other Financial Assets	Level 1	Level 2	Level 3	Total		
				Amount In Rs.000						
Financial assets measured at fair value										
Equity securities	6,994,684	-	-	-	6,994,684	-	-	6,994,684		
	6,994,684	-	-	-	6,994,684	-	-	6,994,684		
Financial assets not measured at fair value										
Balances with banks	-	-	-	1,025,087	-	-	-	-		
Dividend and profit receivables	-	-	-	15,250	-	-	-	-		
Security deposits, advances and other receivables	-	-	-	10,578	-	-	-	-		
Advance income tax	-	-	-	2,799	-	-	-	-		
	-	-	-	1,053,714	-	-	-	-		
		Carry	ing Amount		Fair Value					
	Fair value through profit & loss	Available for sale	Loans & receivables	Other Financial Liabilities	Level 1	Level 2	Level 3	Total		
Financial liabilites not measured at fair value										
Payable to UBL Fund Managers Limited - Management Company	-	-	-	27,435	-	-	-			
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	830	-	-	-	-		
Payable to the Securities and Exchange Commission of Pakistan	-	-	-	6,176	-	-	-	-		
Payable against purchase of investments	-	-	-	3,943	-	-	-	-		
Accrued expense and other liabilities	-	-	-	138,091	-	-	-	-		
		-	-	176,475		-		-		

* The Fund has not disclosed the fair values for these 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.

18 DATE FOR AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue October 27, 2017 by the Board of Directors of the Management Company.

19 GENERAL

19.1 This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.

For UBL Fund Managers Limited (Management Company)

--SD--Chief Executive Officer --SD--Chief Finance Officer --SD--Director

UCPF-III

UBL Capital Protected Fund - III

INVESTMENT OBJECTIVE

The Investment Objective of UBL Capital Protected Fund - III (UCPF-III) is to protect the principal investment of the investors upon maturity by placing a significant portion of the Trust Property as TDR with a minimum AA- rated Bank and remaining in equity market or any other SECP permitted investments to provide investors with better returns.

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	BDO Ebrahim & Co. Chartered Accountants
Bankers	United Bank Limited Bank Alfalah Limited
Management Co.Rating	AM2++ (JCR-VIS)

UBL CAPITAL PROTECTED FUND III

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at September 30, 2017

Ν	lote	(Un-audited) September 30, 2017 (Rupees	(Audited) June 30, 2017 in '000)
ASSETS			
Bank balances	4	942	1,692
Term deposit receipts	5	356,949	356,949
Investments	6	47,073	60,038
Dividend and profit receivable		16,330	9,884
Security deposits and other receivables		2,819	2,820
Advanced tax	7	276	276
Preliminary expenses & floatation cost		1,659	1,923
Total assets		426,048	433,582
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company		5,256	5,228
Payable to Central Depository Company of Pakistan Limited - Trustee		52	52
Payable to the Securities and Exchange Commission of Pakistan		80	136
Accrued expenses and other liabilities		430	961
Total liabilities		5,818	6,377
NET ASSETS		420,230	427,205
Unit Holders' Funds (As per statement attached)		420,230	427,205
CONTINGENCIES AND COMMITMENTS	10	Number of units	
Number of Units in Issue	:	4,258,005	4,265,190
		Rup	ees
Net Asset Value Per Unit	-	98.69	100.16
Face Value Per Unit	-	100.00	100.00

The annexed notes 1 to 17 form an integral part of these financial statements.

For UBL Fund Managers Limited (Management Company)

--SD--

Chief Executive Officer

--SD--Chief Financial Officer --SD--

UBL CAPITAL PROTECTED FUND III

CONDENSED INTERIM INCOME STATEMENT

For the quarter ended September 30, 2017 (un-audited)

For the quarter ended September 30, 2017 (un-audited)		0.4.5.11
		Quarter Ended September 30,
		2017
NCOME	Note	(Rupees in '000)
INCOME		
(Loss) on sale of investments - net		(220)
Financial income		5,975
Dividend income		579
Unrealised (diminution) on re-measurement of investments		
classified as financial assets at fair value through profit or loss - net	-	(10,995)
Total (Loss)		(4,661)
EXPENSES		
Remuneration of UBL Fund Managers Limited - Management Company		798
Sales tax on remuneration of the Management Company		104
Provision for indirect duties and taxes		-
Remuneration of Central Depository Company of Pakistan Limited - Trustee		156
Annual fee - Securities and Exchange Commission of Pakistan		80
Allocated Expenses	8	106
Auditors' remuneration		55
Legal Fee and Professional Charges		30
Brokerage and Settlement Charges		86
Listing and Supervisory Fees		7
Amortization of preliminary expenses		264
Bank and Other Charges		42
Total expenses		1,728
Net operating (loss) for the quarter		(6,389)
Provision for Sindh Workers' Welfare Fund	9	-
Net (loss) for the quarter before taxation		(6,389)
Taxation	11	-
Net (loss) for the quarter after taxation		(6,389)
Allocation of net (loss) for the quarter		
- Income already paid on units redeemed		-
Accounting income available for distribution carried to distribution account:		
Accounting income available for distribution carried to distribution account: - Relating to capital gains	I	-
- Relating to capital gains		-
		-
- Relating to capital gains		(6,389)

The annexed notes 1 to 17 form an integral part of these financial statements.

For UBL Fund Managers Limited (Management Company)

--SD--Chief Executive Officer --SD--Chief Financial Officer --SD---Director

UBL CAPITAL PROTECTED FUND III CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the quarter ended September 30, 2017 (un-audited)

	Quarter Ended
	September 30,
	2017
	(Rupees in '000)
Net (loss) / income for the quarter after taxation	(6,389)
Net unrealised appreciation on revaluation of investments	
classified as 'available-for-sale'	125
Total comprehensive (loss) / income for the quarter	(6,264)

The annexed notes 1 to 17 form an integral part of these financial statements.

For UBL Fund Managers Limited (Management Company)

--SD--

Chief Executive Officer

--SD--

--SD--

Chief Financial Officer

Director

UBL CAPITAL PROTECTED FUND III

CONDENSED INTERIM CASH FLOW STATEMENT

For the quarter ended September 30, 2017 (un-audited)

For the quarter ended September 30, 2017 (un-audited)	Quarter Ended
	September 30,
	2017
	(Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES	(Rupees in 000)
CASH FLOWS FROM OF ERAILING ACTIVITIES	
Net (loss) for the quarter after taxation	(6,389)
Adjustments	
Loss on sale of investments - net	220
Financial income	(5,975)
Dividend income	(579)
Unrealised diminution on re-measurement of investments	
classified as financial assets at fair value through profit & loss - net	10,995
Amortization of preliminary expenses	264
	4,925
Net cash (used in) operating activities before working capital changes	(1,464)
(Increase) / decrease in assets	
Investments	1,875
Security deposits and other receivables	1
	1,876
(Decrease) / increase in liabilities	
Payable to UBL Fund Managers Limited - Management Company	28
Payable to Central Depository Company of Pakistan Limited - Trustee	-
Payable to the Securities and Exchange Commission of Pakistan	(56)
Payable against purchase of investment	-
Accrued expenses and other liabilities	(531)
	(559)
	(147)
Income received from bank balances	42
Dividend received	66
Net cash generated from operating activities	(39)
CASH FLOWS FROM FINANCING ACTIVITIES	
Net receipts from issuance of units	78
Net payments against redemption of units	(789)
Net cash (used in) financing activities	(711)
Net increase in cash and cash equivalents during the quarter	(750)

Cash and cash equivalent at beginning of the quarter	1,692
Cash and cash equivalents at end of the quarter	942

The annexed notes 1 to 17 form an integral part of these financial statements.

For UBL Fund Managers Limited (Management Company)

--SD--**Chief Financial Officer**

UBL CAPITAL PROTECTED FUND III

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

For the quarter ended September 30, 2017 (un-audited)

		Quarter Ended September 30, 2017 (Rupees in '000)
Net assets at beginning of the quarter Rs. 98.6913 per unit (June 30, 2017: Rs. 100.1608 per unit)		427,205
Issue of 796 units Redemption of 7,981 units		78 (789) (711) 426,494
(Loss) on sale of investments - net	Γ	(220)
Unrealised (diminution) on re-measurement of investments classified as financial assets at fair value through profit or loss - net		(10,995)
Unrealised appreciation on revaluation of investments classified as 'available-for-sale' - net		125
Other income/(loss) for the quarter		4,826 (6,264)
Net assets at end of the quarter	-	420,230
Net assets value per unit	-	98.69
Undistributed income brought forward comprising of: - Realised gain / (loss) - Unrealised gain Undistributed income brought forward - Net		1,443 (755) 688
Accounting (loss) / income for the quarter available for distribution		(6,389)
- Relating to capital gains - Excluding capital gains		-
Undistributed income carried forward - Net	-	(5,701)
Undistributed income carried forward comprising of: - Realised gain - Unrealised (loss) / gain	[5,294 (10,995) (5,701)

The annexed notes 1 to 17 form an integral part of these financial statements.

For UBL Fund Managers Limited (Management Company)

--SD--

Chief Executive Officer

--SD--

--SD--

Director

Chief Financial Officer

UBL CAPITAL PROTECTED FUND III NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the quarter ended September 30, 2017

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Capital Protected Fund III (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-end mutual fund. It was constituted under the Trust Deed, dated October 21, 2016 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has also been approved by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 4th floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.

The Fund is a capital protected scheme and units of the Fund are listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund at the option of the unit holder. The Fund is categorised as an open-ended capital protected scheme in accordance with Circular 7 of 2009 issued by the SECP.

The principal activity of the Fund is to protect the principal investment of investors upon maturity by placing the significant portion of trust property as TDR with a minimum AA- rated bank, and remaining in equity market or any other SECP permitted investments to provide investor with better return.

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

JCR - VIS Credit Rating Company has reaffirmed management quality rating of AM2++ (stable outlook) to the management company as at December 30, 2016.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. The approved accounting standards comprise of such International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the "NBFC Regulations") and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Rules,

"The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2017.

The Companies Act, 2017 was enacted on May 30, 2017 and came into force at once. Subsequently, the Securities and Exchange Commission of Pakistan has notified through Circular No. 23 dated October 04, 2017 in continuation of Circular No. 17 of 2017 dated July 20, 2017 that companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance). Hence these interim financial statements are prepared in accordance with the Ordinance.

In compliance with schedule V of the NBFC Regulations the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at September 30, 2017.

Quarterly Report September 2017 - UBL Capital Protected Fund - III

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The accounting policies, methods of computation adopted in the preparation of this condensed interim financial information, significant judgements in applying the accounting policies and key sources of estimation uncertainty are same as those applied in the preparation of the financial statements of the Fund as at June 30, 2017, except as disclosed in paragraph 3.2 The preparation of this condensed interim financial information in conformity with the approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 3.2 The SECP vide its statutory notification (S.R.O) no. 756(I)/2017 dated August 03, 2017 has amended the NBFC Regulations. The amendments define 'Element of Income included in the unit price' as also specifies the accounting treatment for the said income/(loss). The amendments also introduced changes in the schedule V of NBFC regulations, resulting in certain changes / modifications in the presentation of Income Statement and Statement of Movement in reserves or unit holders' fund. As clarified by MUFAP, the amendment is applicable for accounting period beginning on July 01, 2017. Pursuant to aforementioned SRO, management has changed its accounting policy whereby element of income / (loss) and capital gains / (losses) in prices of units issued less those in units redeemed' during the year, previously transferred to the 'income statement' has now been taken to unit holders' fund. The above change has been applied from July 01, 2017 as clarified by MUFAP, therefore the comparative information have not been restated.
- 3.3 The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended June 30, 2017.

4	BANK BALANCES	Note	(Unaudited) September 30, 2017 Rupees in	(Audited) June 30, 2017 '000
	In local currency - In savings accounts	4.1	942	1,692
			942	1,692

4.1 These accounts carry profit rates ranging between 4.00% to 5.30% per annum (June 30, 2017: 4.00% to 5.30% per annum).

5	TERM DEPOSIT RECEIPTS	Note	(Unaudited) September 30, 2016 Rupees in	(Audited) June 30, 2017 '000
	- Term deposit receipts (TDRs)	5.1	356,949	356,949
			356,949	356,949

5.1 These Term Deposit Receipts (TDRs) carry profit of 6.60% having maturity till January 2020).

6 INVESTMENTS

- Quoted Investments

Equity Securities			
- Held for trading	6.1	46,169	60,038
- Available for sale	6.2	904	-
		47,073	60,038

6.1 Equity securities - Held-for-trading

(Ordinary Shares of Rs. 10 each unless indicated otherwise)

Name of Security	As at July 1, 2017	Purchased / bonus received during the period	Sold during the period	As at September 30, 2017	Total carrying value as at September 30, 2017	Total market value as at September 30, 2017	Appreciation/ (diminution) as at September 30, 2017	Market value as a percentage of net assets	Market value as a percentage of total value of investment	Investment as a percentage of paid- up capital of investee company
Note		(Number of	shares)			(Rupees '000))		·····%····	<u>.</u>
Quoted investments										
Textile Composite										
Nishat Mills Limited	38,800	-	2,000	36,800	5,839	5,340	(500)	1.27	11.34	0.01
					5,839	5,340	(500)	1.27	11.34	
Oil & Gas Exploration Companies										
Mari Petroleum Company Limited	4,500	-	-	4,500	7,090	6,773	(318)	1.61	14.39	0.00
					7,090	6,773	(318)	1.61	14.39	
Cement										
Cherat Cement Company Limited Lucky Cement Limited 6.1.1	35,000 9,100	-	-	35,000 9,100	6,257 7,610	4,199 5,143	(2,058) (2,467)	1.00 1.22	8.92 10.93	0.02 0.00
,	,,			.,	13,867	9,342	(4,525)	2.22	19.85	
Power Generation & Distribution							(.,,===)			
Hub Power Company Limited	15,000	-	-	15,000	1,761	1,677	(84)	0.40	3.56	0.00
					1,761	1,677	(84)	0.40	3.56	
Insurance										
Adamjee Insurance Company Limited	15,000	-	15,000	-	-	-	-	-	-	-
					-	-	-	-	-	
Pharmaceutical										
The Searle Company Limited	3,560	-	-	3,560	1,823	1,438	(385)	0.34	3.05	0.00
Highnoon Laboratories Limited	5,264	-	-	5,264	3,297	2,651	(645)	0.63	5.63	0.02
					5,119	4,089	(1,030)	0.97	8.68	
Automobile Parts & Accessories										
Thal Limited * (face value Rs. 5 per share)	10,600	-	-	10,600	6,424	5,842	(582)	1.39	12.41	0.01
(6,424	5,842	(582)	1.39	12.41	
Automobile Assembler							(0.02)			
Pak Suzuki Motor Company Limited	10,000	-	-	10,000	7,804	4,577	(3,227)	1.09	9.72	0.01
					7,804	4,577	(3,227)	1.09	9.72	
Engineering										
International Steels Limited 6.1.1	26,500	-	-	26,500	3,389	3,210	(179)	0.76	6.82	0.01
					3,389	3,210	(179)	0.76	6.82	
Chemical										
ICI Pakistan Limited	5,500	-	1,400	4,100	4,488	3,746	(742)	0.89	7.96	0.00
					4,488	3,746	(742)	0.89	7.96	
Fertilizer										-
Engro Fertilizer Limited	25,000	-	-	25,000	1,381	1,573	192	0.37	3.34	0.00
					1,381	1,573	192	0.37	3.34	
Total - September 30, 2017					57,162	46,169	(10,995)			
Total - June 30, 2017					60,793	60,038	(755)			

6.2 Equity securities - Available for sale

(Ordinary Shares of Rs. 10 each unless indicated otherwise)

Name of Security	As at July 1, 2017	Purchased / bonus received during the period	period	30, 2017	September 30, 2017	Total market value as at September 30, 2017	Appreciation/ (diminution) as at September 30, 2017	Market value as a percentage of net assets	Market value as a percentage of total value of investment	Investment as a percentage of paid- up capital of investee company
		(INUILIDER OF	snares)			(Rupees 000	,,		70	
Quoted investments										
Commercial Banks										
Habib Bank Limited	-	8,000	3,000	5,000	779	904	125	0.22	1.92	0.00
					779	904	125	0.22	1.92	
Total - September 30, 2017					779	904	125			
Total - June 30, 2017					-	-	-	•		

- 6.1.1 This includes 35,600 shares pledged with National Clearing Company of Pakistan Limited having market value of Rs. 8.3531 million for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.
- 6.1.2 The Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by a shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. However, the management of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemption given to mutual funds under clause 47B and 99 of the Second Schedule of Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. Accordingly, the investee company(s) has withheld the shares equivalent to 5% of bonus announcement and not deposited in CDC account of department of Income Tax.

7 ADVANCE INCOME TAX

The income of the fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance 2001 (ITO 2001). Further, the fund is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding of tax under section 150, 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the Income Tax Ordinance, 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate(s) from CIR various withholding agents have deducted advance tax under section 150 and 151 of ITO 2001. The management is confident that the same shall be refunded after filing Income Tax Return for Tax Year 2017.

8 ALLOCATED EXPENSE

As per regulation 60(3)(s) of the amended NBFC Regulations dated November 25, 2015, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets, being the lower amount, to the Fund.

9 PROVISION FOR SINDH WORKERS' WELFARE FUND (SWWF)

As a consequence of the 18th amendment to the Constitution, levy for Sindh Workers' Welfare Fund (SWWF) was introduced by the Government of Sindh through the Sindh Workers Welfare Fund Act, 2014 (SWWF Act, 2014). SWWF Act 2014, enacted on May 21, 2015, requires every Industrial Establishment located in the province of Sindh and having total income of Rs.500,000 or more in any year of account commencing on or after the date of closing of account on or after December 31, 2013, to pay two percent of so much of its total income declared to SWWF. The said Act includes any concern engaged in the Banking or Financial Institution in the definition of "Industrial Undertaking" but does not define Financial Institution.

The Management Company, based on an opinion obtained by the Mutual Funds Association of Pakistan (MUFAP), believes that Mutual Funds are not liable to pay SWWF under the said law, for the reason that the Mutual Funds are not financial institutions and rather an investment vehicle. However, the Sindh Revenue Board has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution.

In view of the above developments regarding the applicability of SWWF on Mutual Funds, the MUFAP obtained a legal opinion and based on such legal advice, has recommended to all its members on January 12, 2017 that provision against SWWF, on prudent basis, should be made from the date of enactment of the SWWF Act, 2014 (i.e. May 21, 2015) with effect from January 12, 2017.

The above decision was communicated to SECP and the Pakistan Stock Exchange Limited on January 12, 2017. In response to the aforementioned letter SECP vide its letter dated February 1, 2017 advised MUFAP that the adjustments relating to the above should be made prospectively and adequate disclosure shall be made.

The Fund has maintained provisions against Sindh Workers' Welfare Fund of Rs. 0.144 million, if the same were not made the NAV per unit would be higher by Rs. 0.03.

10 CONTINGENCIES AND COMMITMENTS

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

11 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed in the form of cash amongst the unit holders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute at least 90% of the net accounting income other than unrealized capital gains to the unit holders in cash. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause II of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The management intends to distribute through in cash at least 90% of the income earned excluding realized & unrealized gains for the year by the Fund to the unit holders, accordingly no provision of tax has been made in this condensed interim financial information.

12 EARNINGS PER UNIT

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

13 TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by SECP, the Total Expense Ratio of the Fund is 0.41% as on September 30, 2017 and this includes 0.05% representing government levy, Sindh Worker's Welfare Fund and SECP fee.

14 FINANCIAL INSTRUMENTS

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

		Carrying	g Amount			Fair '	Value	
	Fair value through profit & loss	Available for sale	Loans & receivables	Other Financial Assets	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value			A	as at 30 Septem	ıber 2017			
Equity securities	47,073	-	-	-	47,073	-	-	-
	47,073	-	-	-	47,073	-	-	-
Financial assets not measured at fair value *								
Balances with banks	-	-	-	942	-	-	-	-
Dividend and profit receivables	-	-	-	16,330	-	-	-	-
Security deposits, advances and other receivables	-	-	-	2,819	-	-	-	-
Advance tax	-	-	-	276	-	-	-	-
	-	-	-	20,367	-	-	-	-
Financial liabilites not measured at fair value *								
Payable to UBL Fund Managers Limited - Management Company	-	-	-	5,256	-	-	-	-
Payable to Central Depository Company of Pakistan - Trustee	-	-	-	52	-	-	-	-
Accrued expenses and other liabilities	-	-	-	430	-	-	-	-
	<u> </u>	-		5,738		-	-	<u> </u>
	-	-	-	5,738		-	-	-

* The Fund has not disclosed the fair values for these 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.

15 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

- 15.1 Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Ltd (Management Company), Al-Ameen Financial Services (Private) Limited (subsidiary of Management Company), Entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the fund and the directors and officer of the management company and unit holders holding more than 10% units of the Fund.
- 15.2 Transactions with connected persons are in the normal course of business, at agreed / contracted rates.
- 15.3 Remuneration to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Rules, the NBFC regulations and the Trust Deed respectively.
- 15.4 Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.

Details of transactions with related parties / connected persons and balances held with them including transactions and balances involving related parties at the quarter end are as follows:

Other

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
			(Rupee	s in '000)		
		For	the quarter end	ed 30 September	2017	
Transactions during the quarter						
Profit earned on bank balances	-	4	-	-	-	-
Bank charges	-	1	-	-	-	-
Units issued	-	-	-	-	-	-
Units redeemed	-	-	-	-	-	-
Remuneration	798	-	156	-	-	-
Sales tax on management fee	104	-	-	-	-	-
Allocated expenses	106	-	-	-	-	-
CDS Expense	-	-	2	-	-	-
Balances held			As at 30 Se	pember 2017		
Units held (number of units in '000)	-	1,787	-	-	-	1,003
Units held (amount in '000)	-	176,362	-	-	-	98,988
Bank balances *	-	5	-	-	-	-
Term Deposit Receipts**	-	356,949	-	-	-	-
Security Deposit	-	-	100	-	-	-
Remuneration payable	292	-	51	-	-	-
Other payables	4,858	-	1	-	-	-
Allocated expenses	106	-	-	-	-	-
Profit receivable - bank balances	-	-	-	-	-	-
Profit receivable - term deposit receipts	-	15,748	-	-	-	-
* It carries profit rate of 4% per annum.						
** It carries profit rate of 6.60% per annum.						
Balances held			As at 30	June 2017		
Units held (number of units in '000)	-	1,787	-	-	-	1,003
Units held (amount in '000)	-	178,987	-	-	-	100,461
Bank balances *	-	487	-	-	-	-
Term Deposit Receipt**	-	356,949	-	-	-	-
Security Deposit	-	-	100	-	-	-
Remuneration payable	298	-	52	-	-	-
Other payables	4,857	-	-	-	-	-
Allocated expenses	72	-	-	-	-	-
Profit receivable - bank balances	-	2	-	-	-	-
Profit receivable - term deposit receipts	-	9,810	-	-	-	-

* It carries profit rate of 4% per annum.

** It carries profit rate of 6.60% per annum.

16 DATE FOR AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue October 27, 2017 by the Board of Directors of the Management Company.

17 GENERAL

17.1 Corresponding figures

Prior year's figures have been rearranged / reclassified wherever necessary for better presentation and comparison. However, there were no material reclassifications to report.

17.2 This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.

For UBL Fund Managers Limited (Management Company)

--SD--

Chief Executive Officer

--SD--Chief Financial Officer --SD--

Director

UFPF UBL Financial Planning Fund

INVESTMENT OBJECTIVE

The objective is to generate stable returns while maintaining high liquidity by investing in Money Market Funds.

Management Company	UBL Fund Managers Limited
TT (
Trustee	Central Depository Company of Pakistan Limited
	99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal,
	Karachi. Tel: (9221) 111-111-500
Distribution Company	United Bank Limited
	(for detail of others, please visit our website: www.ublfunds.com.pk)
Auditors	Ernst & Young Ford Rhodes Sidat Hyder & Co.
Bankers	United Bank Limited
Dunkers	
Monogoment Co Deting	AM2 + (ICD VIC)
Management Co.Rating	AM2++ (JCR-VIS)
Fund Rating	Not yet Rated

UBL FINANCIAL PLANNING FUND CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

As at September 30, 2017 (Un-audited)		UBL Conservative Allocation Plan September 30, 2017
	Note	(Rupees)
Assets		
Investments Formation cost	4	100,015,592 1,000,000
Total assets		101,015,592
Liabilities		
Payable to UBL Fund Managers Limited - Management Company		1,000,000
Payable to Central Depository Company of Management Company - Trustee		929
Payable to Securities and Exchange Commission of Pakistan		617
Accrued expenses and other liabilities	5	5,318
Total liabilities		1,006,864
Net assets		100,008,728
Unit holders' funds (as per the statement attached)		100,008,728
Contingencies and commitments	6	
		(Numbers)
Number of units in issue		1,000,000
		(Rupees)
Net assets value per unit		100.0087

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

UBL FINANCIAL PLANNING FUND

CONDENSED INTERIM INCOME STA' For the period from September 28, 2017 to September 30, 2017 (un-audited)		UBL Conservative Allocation Plan For the period
		from September 28, 2017 to September 30, 2017
Income	Note	(Rupees)
Unrealised appreciation on remeasurement of investments classified as financial asset at fair value through profit or loss - net		15,592
Total income		15,592
Expenses Remuneration of Central Depository Company of Pakistan		
Limited - Trustee (including sindh sales tax)		929
Annual fee - Securities and Exchange Commission of Pakistan Auditors' remuneration		617 5,143
Total operating expenses		6,689
Net income for the quarter from operating activities		8,903
Provision for Sindh Workers' Welfare Fund	5.1	(175)
Net income for the quarter before taxation		8,728
Taxation	7	-
Net income for the quarter after taxation		8,728
Allocation of net income for the quarter		
Income already paid on units redeemed		-
Not gain for the quarter available for distribution		8,728
Net gain for the quarter available for distribution		
Relating to capital gain Excluding capital gains		- 8,728
		8,728
Earnings per unit	9	

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--Chief Executive Officer

UBL FINANCIAL PLANNING FUND CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME For the period from September 28, 2017 to September 30, 2017 (un-audited)	UBL Conservative Allocation Plan Fund
	For the period from September 28, 2017 to September 30, 2017
Note	e (Rupees)
Net income for the quarter after taxation	8,728
Other comprehensive income	
Items that may be reclassified subsequently to income statement	-
Items that will not be reclassified subsequently to income statement	-
Total comprehensive income for the quarter	8,728

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)



Quarterly Report September 2017 - UBL Financial Planning Fund

UBL FINANCIAL PLANNING FUND	Quarterly Report September 2017 - ODE I manetar Framming Fund
CONDENSED INTERIM CASH FLOW STATEMENT	
For the period from September 28, 2017 to September 30, 2017 (un-audited)	UBL Conservative Allocation Plan Fund
	For the period from September 28, 2017 to September 30, 2017
	(Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES	
Net income for the quarter	8,728
Adjustments for:	
Unrealised appreciation on re-measurement of investments	
classified as financial assets at fair value through profit and loss - net	(15,592)
	(15,592)
Net cash flow used in operating activities before working capital changes	(6,864)
Increase in assets	
Formation cost	(1,000,000)
Investments	(100,000,000)
Increase in liabilities	(101,000,000)
Payable to UBL Fund Managers Limited - Management Company	1,000,000
Payable to Central Depository Company of Management Company - Trustee	929
Annual fee payable to Securities and Exchange Commission of Pakistan (SECP)	617
Accrued expenses and other liabilities	5,318
	1,006,864
Net cash used in operating activities	(100,000,000)
CASH FLOWS FROM FINANCING ACTIVITIES	
Receipts from issuance of units	100,000,000
Net cash generated from financing activities	100,000,000
Cash and cash equivalents	<u>.</u>
Cash and cash equivalents at beginning of the period	-
Cash and cash equivalents at end of the quarter	

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--Chief Executive Officer

UBL FINANCIAL PLANNING FUND

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS

For the period from September 28, 2017 to September 30, 2017 (un-audited)

UBL Conservative Allocation Plan Fund

For the period from September 28, 2017 to — September 30, 2017 (Rupees)

-

Net assets at the beginning of the quarter

[Nil (June 30, 2016: Nil) per unit]

Issue of 1,000,000 units @ Rs. 100 per unit	100,000,000
Unrealised appreciation on re-measurement of investments	
classified as financial assets at fair value through profit and loss - net	15,593
Other Expenses	(6,864)
Net assets at the end of the quarter	100,008,728
Net assets value per unit	100.0087
Allocation of net (loss) for the quarter	
Income already paid on units redeemed	
income aneady part on units redeemed	-
Net income for the quarter available for distribution:	
Relating to capital gain	-
Excluding capital gains	8,728
	8,728
The distant had in some bases of the mount some nines of	
Undistributed income brought forward comprising of:	
- Realised gain	-
- Unrealised gain	-
Undistributed income brought forward - Net	
Accounting (loss) / income for the quarter available for distribution	8,728
- Relating to capital gains	-
- Excluding capital gains	8,728
The distantike of the same same is a ferror and Net	9 7 2 9
Undistributed income carried forward - Net	8,728
Undistributed income carried forward comprising of:	
- Realised gain	
- Unrealised gain	8,728
	8,728

The annexed notes from 1 to 13 form an integral part of this condensed interim financial information.

For UBL Fund Managers Limited (Management Company)

--SD--Chief Executive Officer



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the period from September 28, 2017 to September 30, 2017 (un-audited)

1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Financial Planning Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) is an open-end mutual fund. It was constituted under the Trust Deed, dated Aug 30, 2017 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited (CDC) as the Trust Deed has also been approved by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.

UBL Financial Planning Fund aims to generate returns on Investments as per respective Allocation Plans by investing in Mutual Funds in line with the risk tolerance of the Investor.

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

The Fund is launched on September 28, 2017, hence no comparative figures are presented in these interim financial information.

2 BASIS OF PRESENTATION

Statement of Compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. The approved accounting standards comprise of such International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board as are notified under the repealed Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the "NBFC Regulations") and the directives issued by the SECP.

In case, the requirements differ, the provisions and directive of Companies Ordinance, 1984, the requirements of Trust deed, repealed NBFC Rules and NBFC Regulations shall prevail.

The Companies Act, 2017 was enacted on May 30, 2017 and came into force at once. Subsequently, the Securities and Exchange Commission of Pakistan has notified through Circular No. 23 dated October 04, 2017 in continuation of Circular No. 17 of 2017 dated July 20, 2017 that companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance). Hence these interim financial statements are prepared in accordance with the Ordinance.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are carried in the statement of assets and liabilities at nominal values.

3.2 Financial assets

3.2.1 Classification

The Fund classifies its financial assets in the following categories: loans and receivables, at fair value through profit or loss and available for sale. The classification depends on the purpose for which the financial assets were acquired. The management determines the classification of its financial assets at initial recognition and re-evaluates this classification on regular basis.

Investments are categorised as follows:

a) Loans and receivables

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

b) Financial assets at fair value through profit or loss

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

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) loans and receivables, (b) held to maturity investments or (c) financial assets at fair value through profit or loss. These are intended to be held for an indefinite period of time which may be sold in response to the needs for liquidity or change in price.

3.2.2 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

3.2.3 Initial recognition and measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement.

Quarterly Report September 2017 - UBL Financial Planning Fund

3.2.4 Subsequent measurement

a) Financial assets 'at fair value through profit or loss' and 'available for sale'

Subsequent to initial recognition, financial assets 'at fair value through profit or loss' and investments classified as 'available for sale' are valued as follows:

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

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

b) Loans and receivables

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

Gains or losses on these instruments are also recognised in the income statement when the financial assets carried at amortised cost are derecognised or impaired.

3.2.5 Impairment

The Fund assesses at each reporting date whether there is objective evidence that the financial assets or a group of financial assets are impaired. The carrying value of the Fund's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognised whenever the carrying value of an asset exceeds its recoverable amount.

The amount of provision for certain debt securities is determined based on the provisioning criteria specified by the SECP.

For certain other financial assets, a provision for impairment is established when there is objective evidence that the Fund will not be able to collect all amounts due according to the original terms. The provision against those amounts is made as per the provisioning policy duly formulated and approved by the Board of Directors of the Management Company in accordance with the requirements of the Securities and Exchange Commission of Pakistan.

3.2.6 Derecognition

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

3.3 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 or cancelled or expired.

3.4 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 realise the assets and settle the liabilities simultaneously.

3.5 Derivatives

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

3.6 Provisions

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

3.7 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

The SECP vide its statutory notification (S.R.O) no. 756(l)/2017 dated August 03, 2017 has amended the NBFC Regulations. The amendments define 'Element of Income included in the unit price' as also specifies the accounting treatment for the said income / (loss). The amendments also introduced changes in the schedule V of NBFC regulations, resulting in certain changes / modifications in the presentation of Income Statement and Statement and Statement in reserves or unit holders' fund. As clarified by MUFAP, the amendment is applicable for accounting period beginning on July 01, 2017. Pursuant to above SRO, management has changed its accounting policy whereby element of income / loss and capital gains / losses in prices of units issued less those in units redeemed' during the year, therefore the comparative information have not been restated.

3.8 Net asset value per unit

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

3.9 Revenue recognition

Gains / (losses) arising on sale of investments is accounted for in the year in which it arises.

Unrealised (loss) / gain on revaluation of investments classified as financial assets at fair value through profit or loss is included in the income statement in the year in which it arises.

Unrealised (loss) / gain on revaluation of investments classified as 'available-for-sale' is included in unit holders' fund through other comprehensive income in the year in which it arises. Profit on bank balances and term deposits is recorded on accrual basis.

3.10 Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year end exchange rates are recognised in the income statement.

4 Investments

Unite of Mutual Funde

	Childs of Middai Funds								
	Name of investee Fund	As at September 28, 2017	Purchased during the period	Redemption during the period	As at Sep 30, 2017	Total carrying value as at September 30, 2017	Total market value as at September 30, 2017	Appreciation as at September 30, 2017	Market value as a percentage of total value of Investment (%)
			N	umber of unit	s		(Rupee	s)	
UBL Liquidity Plus Fund		-	980,632	-	980,632	100,000,000	100,015,592	15,592	100%

5 ACCRUED EXPENSES AND OTHER LIABILITIES

5.1 Provision for Sindh Workers' Welfare Fund (SWWF)

As a consequence of the 18th amendment to the Constitution, levy for the WWF was also introduced by the Government of Sindh through the Sindh Workers Welfare Fund (SWWF) Act 2014 enacted on May, 2015. SWWF Act 2014, requires every Industrial Establishment located in the province of Sindh and having total income of Rs.500,000 or more in any year of account commencing on or after the date of closing of account on or after December 31, 2013, to pay two percent of its total income declared to SWWF. The Mutual Funds Association of Pakistan (MUFAP), believes that Mutual Funds are not liable to pay SWWF for the reason that the Mutual Funds are investments vehicle. However, the Sindh Finance Ministry for resolution.

The Fund has maintained provisions against Sindh Workers' Welfare Fund liability of Rs. 175, if the same were not made the NAV per unit would be higher than Rs 0.00.

6 CONTINGENCIES AND COMMITMENTS

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

7 TAXATION

As per clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in cash. The Fund will be exempt from the tax including the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Furthermore, the Fund will apply for such exemption once the NTN has been obtained by the Fund.

The management intends to distribute through cash at least 90% of the Fund's net accounting income by the year-end to the unit holders. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

8 TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by Securities and Exchange Commission of Pakistan the Total Expense Ratio of the Fund is 0.01% as on September 30, 2017 and this includes 0.00% representing Government Levy, Worker's Welfare Fund and SECP Fee.

9 EARNINGS PER UNIT

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

10 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Pvt.)Limited (Subsidary of the Management Company), entities under common management or directorships, Central Depository Company of Pakistan Limited (Trustee) and the Directors and Key Executives of Management Company.

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of Non Banking Finance Companies Rules, 2003, Non Banking Finance Companies and Notified Entities Regulations, 2008 and the Trust Deed respectively.

Other transactions with the related parties / connected persons have been carried out at agreed / commercial terms.

Details of transaction with the related parties and balances with them at the period end are as follows :

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives
		For the	period ended 30 S	eptember 2017	
Transactions during the period					
Remuneration	-	-	929	-	-
Units issued	100,000	-	-	-	-
Balances held					
			020		
Remuneration payable	-	•	929	-	-
Units held (in Units '000)	1,000	-	-	981	-
Units held (in Rupees '000)	100,009	-	-	98,072	-

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11 Fair value of financial instruments

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Carrying Amount					Fair Value			
	Fair value through profit and loss	Available for sale	Loans and receivables	Other financial assets	Total	Level 1	Level 2	Level 3	Total
September 30, 2017					(Rupees)				
Financial assets measured at fair value									
Investment in Mutual Funds	100,015,592	-	-	-	100,015,592	-	100,015,592	-	100,015,592
Total	100,015,592	-	-	-	100,015,592	-	100,015,592	-	100,015,592
	Carrying Amount					Fair Value			
	Fair value through profit and loss	Available for sale	Loans and receivables	Other financial liabilites	Total	Level 1	Level 2	Level 3	Total
September 30, 2017					(Rupees)				
Financial liabilites not measured at fair value									
Payable to UBL Fund Managers Limited - Management Company	-	-	-	1,000,000	1,000,000	-	1,000,000	-	1,000,000
Payable to Central Depository Company of Pakistan - Trustee	-	-	-	929	929	-	929	-	929
Accrued expenses and other liabilities	-	-	-	5,492	5,492	-	5,492	-	5,492
Total		-	-	1,006,421	1,006,421	-	1,006,421	-	1,006,421

12 DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue by Board of Directors of the Management Company on October 27, 2017.

13 GENERAL

This condensed interim financial information is presented in Pakistan Rupees which is also the Fund's functional currency and all financial information presented has been rounded off to the nearest thousand rupees unless otherwise stated.

For UBL Fund Managers Limited (Management Company)

--SD--Chief Executive Officer --SD--Chief Financial Officer --SD--Director



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