

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



NIT - PENSION FUND

NIT - PENSION FUND

AUDITORS' REPORT TO THE PARTICIPANTS OF FUND ON REVIEW OF INTERIM FINANCIAL INFORMATION

INTRODUCTION

We have reviewed the accompanying condensed interim Statement of Assets and Liabilities of **NIT Pension Fund** (the Fund) as at **31 December 2017**, and the related condensed interim Income Statement, condensed interim Statement of Comprehensive Income, condensed interim Statement of Movement in Participants' Sub-Funds and condensed interim Statement of Cash Flows for the period then ended together with the notes forming part thereof (here-in-after referred to as the "interim financial information"). Management Company is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

OTHER MATTERS

1. The condensed interim financial information of the Fund for the half year ended 31 December 2016 and the financial statements for the year ended 30 June 2017 were reviewed and audited respectively by another firm of Chartered Accountants whose review report dated 27 February 2017 and audit report dated 26 September 2017, expressed an unqualified conclusion and opinion thereon respectively.
2. The figures for the three month period ended 31 December 2017 in the condensed interim financial information have not been reviewed as we are required to review cumulative figures for six months period ended 31 December 2017.

EY Ford Rhodes
Chartered Accountants
Shaikh Ahmed Salman
Dated: 27th February, 2018
Karachi

NIT - PENSION FUND

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT DECEMBER 31, 2017

Note	31 December 2017					30 June 2017					
	Unaudited					Audited					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	
(Rupees in '000)											
Assets											
Bank balances	6	6,425	8,905	10,469	74,064	99,863	10,048	6,970	7,565	72,552	97,135
Investments	7	76,763	79,659	79,648	-	236,070	90,930	79,997	79,739	-	250,666
Preliminary expenses and flotation costs		9	9	9	9	36	20	20	20	20	80
Security deposits		2,600	100	-	12,282	14,982	2,600	100	-	10,732	13,432
Financial assets at fair value through profit or loss	8	-	-	-	3,442	3,442	-	-	-	-	-
Dividend and profit receivable	9	1,608	722	51	386	2,767	410	700	1	-	1,111
Total assets		87,405	89,395	90,177	90,163	357,160	104,008	87,787	87,325	83,304	362,424
Liabilities											
Payable to National Investment Trust Limited - Pension Fund Manager	10	2,733	229	130	122	3,214	2,757	226	131	118	3,232
Payable to Central Depository Company of Pakistan Limited - Trustee	11	23	13	14	14	64	14	12	12	12	50
Payable to Securities and Exchange Commission of Pakistan		15	15	15	13	58	32	28	28	27	115
Financial liability at fair value through profit and loss		-	-	-	-	-	-	-	-	1,458	1,458
Accrued expenses and other liabilities	12	781	454	467	570	2,272	720	386	376	394	1,876
Total liabilities		3,552	711	626	719	5,608	3,523	652	547	2,009	6,731
Net assets		83,853	88,684	89,551	89,464	351,552	100,485	87,135	86,778	81,295	355,693
Participants' funds (as per statement attached)		83,853	88,684	89,551	89,464	351,552	100,485	87,135	86,778	81,295	355,693
Contingencies and commitments											
Number of units in issue	14	8,158,731	7,972,474	8,074,597	7,500,000		8,325,377	8,009,516	8,002,878	7,500,000	31,837,771
Net assets value per unit	Rupees	10.2777	11.1238	11.0905	11.9285		12.0697	10.8789	10.8433	10.8393	

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

For National Investment Trust Limited
(Pension Fund Manager)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - PENSION FUND

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2017

Note	Half year ended 31 December 2017					Half year ended 31 December 2016				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
	(Rupees in '000)									
Income										
Income from government securities	-	2,293	2,370	-	4,663	-	2,258	2,152	-	4,410
Profit on bank deposits	188	248	294	2,408	3,138	131	209	200	2,228	2,768
Dividend income	2,617	-	-	-	2,617	2,411	-	-	-	2,411
Net unrealised gain / (loss) on futures contracts of gold	-	-	-	3,442	3,442	-	-	-	(4,224)	(4,224)
Realised loss on gold contracts	-	-	-	-	-	-	-	-	(3,878)	(3,878)
Gain / (loss) on sale of investments - net	-	168	-	3,069	3,237	(523)	-	-	-	(523)
Total income / (loss)	2,805	2,709	2,664	8,919	17,097	2,019	2,467	2,352	(5,874)	964
Expenses										
Impairment loss on equity securities classified as 'available for sale'	7.9	4,589	-	-	4,589	123	-	-	-	123
Remuneration of National Investment Trust Limited - Pension Fund Manager		335	223	224	214	996	671	623	614	2,520
Sindh Sales Tax on remuneration of Pension Fund Manager	10.1	44	29	29	28	130	87	81	80	328
Remuneration of Central Depository Company of Pakistan Limited - Trustee		67	67	67	64	265	67	62	61	251
Sindh Sales Tax on remuneration of Trustee	11.1	9	9	9	8	35	9	8	8	33
Annual fee - Securities and Exchange Commission of Pakistan		15	15	15	14	59	15	14	14	56
Custodian charges of Central Depository Company of Pakistan Limited		5	3	-	-	8	5	3	-	8
Auditors' remuneration		46	47	48	47	188	39	39	39	156
Amortisation of preliminary expenses and floatation costs		10	10	10	10	40	10	10	10	40
Securities transaction costs		-	-	-	84	84	-	-	-	96
Printing and related costs		4	4	4	4	16	12	12	12	48
Settlement and bank charges		258	159	170	101	688	6	4	3	18
Legal and professional charges		63	12	18	18	111	-	-	-	-
Total expenses		5,445	578	594	592	7,209	1,044	856	841	3,677
Net (loss) / income from operating activities		(2,640)	2,131	2,070	8,327	975	1,611	1,511	(6,810)	(2,713)
Provision for Sindh Workers' Welfare Fund		-	(42)	(42)	(158)	(242)	-	-	-	-
Net (loss) / income for the period		(2,640)	2,089	2,028	8,169	975	1,611	1,511	(6,810)	(2,713)

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

For National Investment Trust Limited
(Pension Fund Manager)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - PENSION FUND

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED DECEMBER 31, 2017

Note	Quarter ended 31 December 2017					Quarter ended 31 December 2016				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
	(Rupees in '000)									
Income										
Income from government securities	-	1,065	1,191	-	2,256	-	1,137	1,097	-	2,234
Profit on bank deposits	91	154	164	1,294	1,703	61	141	125	1,116	1,443
Dividend income	1,749	-	-	-	1,749	1,681	-	-	-	1,681
Net unrealised gain / (loss) on futures contracts of gold	-	-	-	3,748	3,748	-	-	-	(3,590)	(3,590)
Realised loss on gold contracts	-	-	-	(2,775)	(2,775)	-	-	-	(8,251)	(8,251)
Gain / (loss) on sale of investments - net	-	168	-	3,069	3,237	(792)	-	-	-	(792)
Total income / (loss)	1,840	1,387	1,355	5,336	9,918	950	1,278	1,222	(10,725)	(7,275)
Expenses										
Impairment loss on equity securities classified as 'available for sale'	3,638	-	-	-	3,638	-	-	-	-	-
Remuneration of National Investment Trust Limited - Pension Fund Manager	158	112	114	108	492	345	316	313	297	1,271
Sindh Sales Tax on remuneration of Pension Fund Manager	21	15	15	14	65	45	41	41	39	166
Remuneration of Central Depository Company of Pakistan Limited - Trustee	27	29	30	28	114	34	31	31	29	125
Sindh Sales Tax on remuneration of Trustee	9	9	9	8	35	5	4	4	4	17
Annual fee - Securities and Exchange Commission of Pakistan	7	8	8	7	30	8	7	7	7	29
Custodian charges of Central Depository Company of Pakistan Limited	3	1	-	-	4	2	2	-	-	4
Auditors' remuneration	37	37	38	37	149	20	20	20	20	80
Amortisation of preliminary expenses and floatation costs	5	5	5	5	20	5	5	5	5	20
Securities transaction costs	-	-	-	32	32	-	-	-	41	41
Printing and related costs	4	4	4	4	16	9	9	9	9	36
Settlement and bank charges	258	159	170	101	688	1	1	1	1	4
Legal and professional charges	63	12	18	18	111	-	-	-	-	-
Total expenses	4,230	379	393	344	5,394	474	436	431	452	1,793
Net (loss) / income from operating activities	(2,390)	1,008	962	4,992	4,524	476	842	791	(11,177)	(9,068)
Provision for Sindh Workers' Welfare Fund	-	(19)	(20)	(91)	(130)	-	-	-	-	-
Net (loss) / income for the period	(2,390)	989	942	4,901	4,394	476	842	791	(11,177)	(9,068)

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

For National Investment Trust Limited
(Pension Fund Manager)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - PENSION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2017

Note	Half year ended 31 December 2017					Half year ended 31 December 2016					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	
	(Rupees in '000)										
Net (loss) / income for the period	(2,640)	2,089	2,028	8,169	9,646	975	1,611	1,511	(6,810)	(2,713)	
Other comprehensive income for the period											
Items to be reclassified to income statement in subsequent periods:											
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'available for sale'	7.8	(12,383)	(118)	(26)	-	(12,527)	15,289	88	(19)	-	15,358
Total comprehensive (loss) / income for the period	(15,023)	1,971	2,002	8,169	(2,881)	16,264	1,699	1,492	(6,810)	12,645	

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

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

**Sd/-
Managing Director**

**Sd/-
Director**

**Sd/-
Director**

NIT - PENSION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2017

Note	Quarter ended 31 December 2017					Quarter ended 31 December 2016				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
	(Rupees in '000)									
Net (loss) / income for the period	(2,390)	989	942	4,901	4,442	476	841	791	(11,177)	(9,069)
Other comprehensive income for the period										
Items to be reclassified to income statement in subsequent periods:										
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'available for sale'	(899)	(74)	(18)	-	(991)	12,564	111	(12)	-	12,663
Total comprehensive (loss) / income for the period	(3,289)	915	924	4,901	3,451	13,040	952	779	(11,177)	3,594

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

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

**Sd/-
Managing Director**

**Sd/-
Director**

**Sd/-
Director**

NIT - PENSION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT
IN PARTICIPANTS' FUNDS (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2017

Note	Half year ended 31 December 2017					Half year ended 31 December 2016					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	
	(Rupees in '000)										
Net assets at beginning of the period	100,485	87,135	86,778	81,295	355,693	83,755	80,243	78,705	82,705	325,408	
Amount received on issue of units	1,333	1,972	2,993	-	6,298	934	2,812	4,284	-	8,030	
Amount paid on redemption of units	(2,662)	(2,427)	(2,469)	-	(7,558)	-	-	-	-	-	
Reallocation among sub-funds	(280)	33	247	-	-	-	-	-	-	-	
	(1,609)	(422)	771	-	(1,260)	934	2,812	4,284	-	8,030	
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'available for sale'	7.8	(12,383)	(118)	(26)	-	(12,527)	15,289	88	(19)	-	15,358
Gain / (loss) on sale of investments - net	-	168	-	3,069	3,237	(523)	-	-	-	(523)	
Realised loss on gold contracts	-	-	-	-	-	-	-	-	-	346	
Net unrealised gain / (loss) on futures contracts of gold	-	-	-	3,442	3,442	-	-	-	-	(4,224)	
Other net income for the period	(2,640)	1,921	2,028	1,658	2,967	1,498	1,611	1,511	(2,932)	1,688	
Total comprehensive (loss) / income for the period	(15,023)	1,971	2,002	8,169	(2,881)	16,264	1,699	1,492	(6,810)	12,645	
Net assets at end of the period	83,853	88,684	89,551	89,464	351,552	100,953	84,754	84,481	75,895	346,083	

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

For National Investment Trust Limited
(Pension Fund Manager)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - PENSION FUND

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2017

Note	Half year ended 31 December 2017					Half year ended 31 December 2016				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
(Rupees in '000)										
CASH FLOWS FROM OPERATING ACTIVITIES										
Net (loss) / income for the period	(2,640)	2,089	2,028	8,169	9,646	975	1,611	1,511	(6,810)	(2,713)
Adjustments:										
Amortisation of preliminary expenses and floatation costs	10	10	10	10	40	10	10	10	10	40
Impairment loss on equity securities classified as 'available for sale'	4,589	-	-	-	4,589	123	-	-	-	123
	1,959	2,099	2,038	8,179	14,275	1,108	1,621	1,521	(6,800)	(2,550)
(Increase) / decrease in assets										
Investments	(2,805)	220	65	-	(2,520)	(6,260)	560	308	-	(5,392)
Advance against subscription of Fatima Fertilizer Company Limited - Ijarah Sukuk	-	-	-	-	-	-	(2,000)	-	-	(2,000)
Dividend and profit receivable	(1,198)	(22)	(50)	(386)	(1,656)	(169)	(54)	(38)	(346)	(607)
Financial assets at fair value through profit and loss	-	-	-	(3,442)	(3,442)	-	-	-	4,007	4,007
Security deposits	-	-	-	(1,550)	(1,550)	-	-	-	(3,533)	(3,533)
	(4,003)	198	15	(5,378)	(9,168)	(6,429)	(1,494)	270	128	(7,525)
Increase / (decrease) in liabilities										
Payable to National Investment Trust Limited - Pension Fund Manager	(24)	3	(1)	4	(18)	20	7	9	(7)	29
Payable to Central Depository Company of Pakistan Limited - Trustee	9	1	2	2	14	-	1	2	-	3
Payable to Securities and Exchange Commission of Pakistan	(16)	(12)	(12)	(14)	(54)	(9)	(12)	(12)	(12)	(45)
Financial liabilities at fair value through profit and loss	-	-	-	(1,458)	(1,458)	-	-	-	4,224	4,224
Accrued expenses and other liabilities	61	68	91	177	397	431	(33)	(35)	(72)	291
	30	60	80	(1,289)	(1,119)	442	(37)	(36)	4,133	4,502
Net cash (used in) / generated from operating activities	(2,014)	2,357	2,133	1,512	3,988	(4,879)	90	1,755	(2,539)	(5,573)
CASH FLOWS FROM FINANCING ACTIVITIES										
Amount received on issue of units	1,333	1,972	2,993	-	6,298	934	2,812	4,284	-	8,030
Amount paid on redemption of units	(2,662)	(2,427)	(2,469)	-	(7,558)	-	-	-	-	-
Re allocation among sub funds	(280)	33	247	-	-	-	-	-	-	-
Net cash flows from financing activities	(1,609)	(422)	771	-	(1,260)	934	2,812	4,284	-	8,030
Net (decrease) / increase in cash and cash equivalents during the period	(3,623)	1,935	2,904	1,512	2,728	(3,945)	2,902	6,039	(2,539)	2,457
Cash and cash equivalents at beginning of the period	10,048	6,970	7,565	72,552	97,135	9,160	4,727	4,254	73,176	91,317
Cash and cash equivalents at end of the period	6,425	8,905	10,469	74,064	99,863	5,215	7,629	10,293	70,637	93,774

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

For National Investment Trust Limited
(Pension Fund Manager)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2017

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 NIT Pension Fund ("the Fund") was established under a Trust Deed executed between National Investment Trust Limited as Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) on 30 April 2015 and the Trust Deed was executed on 14 May 2015.
- 1.2 National Investment Trust Limited has been licensed to act as a Pension Fund Manager under the Voluntary Pension Scheme Rules, 2005 through a certificate of registration issued by SECP. The registered office of the Pension Fund Manager is situated at 6th Floor, National Bank of Pakistan Building, I.I. Chundrigar Road, Karachi.
- 1.3 The Fund is an unlisted pension scheme and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in VPS Rules and can be redeemed by surrendering to the Fund. Further, as per the offering document, no distribution of income or dividend is allowed from any of the sub-funds.
- 1.4 The objective of the Fund is to provide individuals with a portable, individualised, funded (based on defined contribution), flexible pension scheme, assisting and facilitating them to plan and provide for their retirement. The Fund comprises of four sub-funds namely equity sub-fund, debt sub-fund, money market sub-fund & commodities sub-funds. Participants are offered various investment allocation schemes depending on their investment horizon, return requirements, risk tolerance and unique circumstances. Allocation schemes can be selected at the time of opening of account and subsequently at anniversary of the account. The contributions from participants are invested in various instruments belonging to different asset classes to get full benefits of risk minimisation through diversification.
- 1.5 The Fund received Seed Money from Pension Fund Manager amounting to Rs. 300 million (i.e. Rs. 75 million in each Sub-Fund) on 12 June 2015 against which 30 million units at the offer price of Rs. 10 each unit were issued (i.e. Rs. 75 million of each Sub-fund). Accordingly, the Fund commenced its operations from 12 June 2015.
- 1.6 PACRA has maintained an asset manager rating of "AM2++" to the Pension Fund Manager while the fund is currently not rated.
- 1.7 Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

2 BASIS OF PREPARATION

- 2.1 This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the repealed Companies Ordinance, 1984, the trust deed the Voluntary Pension Rules, 2005 (the VPS Rules), and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the trust deed VPS Rules or directives issued by the SECP differ with the requirements of the IFRS, the requirements of the VPS Rules or the directives issued by the SECP shall prevail.
- 2.2 The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the financial statements of the Fund for the year ended 30 June 2017. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Fund's financial position and performance since the last financial statements.
- 2.3 The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017 (the Act) on 30 May 2017. However, the SECP vide its Circular No. 23 dated 04 October 2017 allowed Companies whose financial year closes on or before 31 December 2017 to prepare the financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Furthermore, the Institute of Chartered Accountants of Pakistan also issued a clarification vide its circular 17 of 2017: 'Clarification on SECP's circular No. 23 'Preparation of financial statements under the Companies Act 2017' which states that the interim financial statements of companies for the periods ending on or before 31 December 2017 shall also be prepared in accordance with the provisions of the repealed Companies Ordinance 1984.
- 2.4 **Functional and presentation currency**

This condensed interim financial information is presented in Pak Rupees, which is the Fund's functional and presentation currency. All financial information presented in Pak Rupees has been rounded off to the nearest thousand of rupees except otherwise stated.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended 30 June 2017, except for the following amended

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2017

IFRS and IFRICs interpretations which became effective during the period as mentioned in note 3.1 below:

3.1 New / Revised Standards, Interpretations and Amendments

The fund has adopted the following standards and amendments to IFRSs which became effective for the current period:

Standards or Interpretations

IAS 7 Statement of Cash Flows - Disclosure Initiative - (Amendment)

IAS 12 Income taxes - Recognition of Differed Tax Assets or Unrealized losses / (Amendments)

Improvements to Accounting Standards Issued by the IASB

IFRS 12 Disclosure of Interest in other entities - Clarification of scope of the disclosure requirement

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

4 USE OF JUDGEMENTS AND ESTIMATES

The preparation of condensed interim financial information requires management to make judgements, estimates and assumption that affect the application of accounting policies and reported amount of assets and liabilities, income and expenses. Actual result may differ from these estimates.

The significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2017.

5 FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended 30 June 2017.

6 BANK BALANCES

Note	31 December 2017 Unaudited					30 June 2017 Audited				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
(Rupees in '000)										
Savings accounts	6,425	8,905	10,469	74,064	99,863	10,048	6,970	7,565	72,552	97,135

6.1 These accounts carry interest rates ranging from 3.75% to 6.50% per annum (30 June 2017: 2.00% to 7.25%).

7 INVESTMENTS

Note	31 December 2017 Unaudited					30 June 2017 Audited				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
(Rupees in '000)										
Available for sale investments										
Listed equity securities	7.1	76,763	-	-	76,763	90,930	-	-	-	90,930
Government securities - Market										
Treasury Bills	7.3 & 7.4	-	49,721	79,648	129,369	-	49,609	79,739	-	129,348
Government securities - Pakistan										
Investment Bonds	7.5	-	25,154	-	25,154	-	25,482	-	-	25,482
Term Finance Certificates	7.6	-	4,377	-	4,377	-	4,440	-	-	4,440
Listed Sukuk	7.7	-	407	-	407	-	466	-	-	466
		76,763	79,659	79,648	236,070	90,930	79,997	79,739	-	250,666

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7.1 Listed equity securities

7.1.1 Held by Equity Sub-Fund

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

Name of the Investee Company	As at 1 July 2017	Purchased during the period	Bonus / rights issue	Disposed during the period	As at 31 December 2017	Carrying cost as at 31 December 2017	Market value as at 31 December 2017	Market value as a percentage of net assets of sub-fund	Market value as a percentage of total investment of sub-fund	Par value as a percentage of issued capital of the investee company held		
											(Number of shares)	
Oil and Gas Marketing Company												
Pakistan State Oil Company Limited (Note 7.1.2 & 7.2)	13,000	-	2,600	-	15,600	5,142	4,573	5.45	5.96	0.23		
	13,000	-	2,600	-	15,600	5,142	4,573	5.45	5.96			
Oil and Gas Exploration Companies												
Oil & Gas Development Company	33,000	-	-	-	33,000	5,169	5,372	6.41	7.00	0.02		
Pakistan Oilfields Limited	2,000	-	-	-	2,000	698	1,189	1.42	1.55	0.02		
Pakistan Petroleum Limited (Note 7.1.2)	40,500	-	-	-	40,500	5,078	8,339	9.94	10.86	0.02		
	75,500	-	-	-	75,500	10,945	14,900	17.77	19.41			
Fertilizer												
Fauji Fertilizer Company Limited	10,000	-	-	-	10,000	791	791	0.94	1.03	0.04		
Engro Fertilizers Limited	15,000	-	-	-	15,000	829	1,016	1.21	1.32	0.01		
Engro Corporation Limited (Note 7.1.2)	14,000	-	-	-	14,000	4,287	3,846	4.59	5.01	0.11		
	39,000	-	-	-	39,000	5,907	5,653	6.74	7.36			
Cement												
D.G Khan Cement Limited	32,000	-	-	-	32,000	4,279	4,279	5.10	5.57	0.07		
Fauji Cement Company Limited	114,000	-	-	-	114,000	2,851	2,851	3.40	3.71	0.03		
Cherat Cement Company Limited	7,500	-	-	-	7,500	939	832	0.99	1.08	0.03		
Lucky Cement Limited	11,000	-	-	-	11,000	6,173	5,691	6.79	7.41	0.15		
	164,500	-	-	-	164,500	14,242	13,653	16.28	17.77			
Power Generation and Distribution												
Hub Power Company Limited (Note 7.1.2)	35,000	-	-	-	35,000	3,411	3,185	3.80	4.15	0.04		
Kot Addu Power Company Limited (Note 7.1.2)	8,000	-	-	-	8,000	431	431	0.51	0.56	0.03		
	43,000	-	-	-	43,000	3,842	3,616	4.31	4.71			
Automobile Assemblers												
Honda Atlas Cars Limited	-	3,000	-	-	3,000	1,537	1,537	1.83	2.00	0.64		
Indus Motors Company Limited	4,000	-	-	-	4,000	3,758	6,721	8.02	8.76	0.64		
	4,000	3,000	-	-	7,000	5,295	8,258	9.85	10.76			
Automobile Parts and Accessories												
Agriauto Industries Limited	5,000	-	-	-	5,000	1,221	1,590	1.90	2.07	0.64		
	5,000	-	-	-	5,000	1,221	1,590	1.90	2.07			
Engineering												
Crescent Steel And Allied Products Limited	40,000	-	-	-	40,000	5,021	5,092	6.07	6.63	0.64		
International Steel limited	5,000	5,000	-	-	10,000	1,277	1,064	1.27	1.39	0.64		
	45,000	5,000	-	-	50,000	6,298	6,156	7.34	8.02			
Textile Composite												
Nishat Mills Limited	8,000	-	-	-	8,000	1,111	1,196	1.43	1.56	0.64		
	8,000	-	-	-	8,000	1,111	1,196	1.43	1.56			
Cable and Electrical Goods												
Pakistan Cables Limited	4,000	-	-	-	4,000	883	854	1.02	1.11	0.64		
	4,000	-	-	-	4,000	883	854	1.02	1.11			
Pharmaceuticals												
The Searle Company Limited (note 7.2)	7,524	-	1,504	-	9,028	2,843	2,843	3.39	3.70	0.64		
	7,524	-	1,504	-	9,028	2,843	2,843	3.39	3.70			
Commercial Banks												
Bank AL Habib Limited	30,000	-	-	-	30,000	1,324	1,751	2.09	2.28	0.01		
Habib Bank Limited	8,000	-	-	-	8,000	1,337	1,337	1.59	1.74	0.04		
MCB Bank Limited	25,000	-	-	-	25,000	5,225	5,308	6.33	6.91	0.04		
United Bank Limited	27,000	-	-	-	27,000	5,580	5,075	6.05	6.61	0.01		
	90,000	-	-	-	90,000	13,466	13,471	16.06	17.54			
Total - 31 December 2017	498,524	8,000	4,104	-	510,628	71,195	76,763	91.54	100			
Total - 30 June 2017	584,000	208,000	1,524	295,000	498,524	72,979	90,930	90.46	100.00			

7.1.2 Investments include shares with market value of Rs. 3.906 million (30 June 2017: Rs 4.914 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated 23 October 2007 issued by the Securities and Exchange Commission of Pakistan.

7.2 Finance Act, 2014 has introduced tax on bonus shares issued by the Companies. Most Equity Funds including NIT- PF Equity Sub Fund have challenged the applicability of withholding tax provision on bonus shares before Honorable High Court of Sindh ("the Court") on various legal grounds and have sought relief from the Court. The Court, in its order dated 25 November 2014, has

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granted interim relief by passing the restraining order whereby the Defendants, (issuers of the Bonus shares) have refrained from deducting and /or transferring 5% withholding tax on bonus shares issued by them.

As an abundant caution, the Fund has made payments which is equivalent to 5% value of the respective bonus shares, determined on the basis of day-end price on the first day of book closure. These payments have been recorded as part of cost of respective investments. Detail is as follows:

	5% (No. of Bonus shares)	Market value as at 31 December 2017	Payment made to the investee companies
	----- (Rupees in '000) -----		
The Searle Company Limited*	76	24	42
The Searle Company Limited**	75	24	-
Pakistan State Oil**	130	38	-

* The Searle Company Limited has not released the bonus shares and retained the payment due to court order.

** The Searle Company Limited and Pakistan State Oil has not demanded the payment due to filing of petition by the Fund. However the management has recorded a payable under prudence basis.

7.3 Government securities - Market Treasury Bills held by Debt Sub Fund

Issue date	Tenor	Face value				As at 31 December 2017		Market value as a percentage of total investments of sub fund	Market value as a percentage of net assets of sub fund
		As at 1 July 2017	Purchased during the period	Disposed / matured during the period	As at 31 December 2017	Carrying cost	Market value		
09 November 2017	7.3.1 3 months	-	50,000	-	50,000	49,749	49,721	62.42	56.07
		-	50,000	-	50,000	49,749	49,721	62.42	56.07

7.3.1 These treasury bills carry effective yield of 5.99% (June 30, 2017: 5.99%) per annum and will mature by January 2018.

7.4 Government securities - Market Treasury Bills held by Money Market Sub Fund

Issue date	Tenor	As at 1 July 2017	Purchased during the period	Disposed / redeemed during the period	As at 31 December 2017	Carrying cost	Market value	Market value as a percentage of total investments of sub fund	Market value as a percentage of net assets of sub fund
12 October 2017	7.4.1 3 months	-	50,000	-	50,000	49,976	49,951	62.71	55.78
07 December 2017	7.4.2 3 months	-	30,000	-	30,000	29,713	29,697	37.29	33.16
		-	80,000	-	80,000	79,689	79,648	100.00	88.94

7.4.1 These treasury bills carry effective yield of 5.99% (30 June 2017: 5.99%) per annum and will mature by January 2018.

7.4.2 These treasury bills carry effective yield of 5.99% (30 June 2017: 5.99%) per annum and will mature by March 2018.

7.5 Government securities - Pakistan Investment Bonds held by Debt Sub-Fund

Issue date	Tenor	As at 1 July 2017	Purchased during the period	Disposed / redeemed during the period	As at 31 December 2017	Carrying cost	Market value	Market value as a percentage of total investments of sub fund	Market value as a percentage of net assets of sub fund
26 March 2015	3 years	25,000	-	-	25,000	25,136	25,154	31.58	28.36

7.5.1 These bonds carry effective yield of 6.30% (30 June 2017: 6.30%) per annum and will mature by March 2018.

7.6 Term Finance Certificates held by Debt Sub-Fund

Term finance certificates have a face value of Rs. 5,000 each.

Name of the investee company	Number of certificates				As at 31 December 2017		Market value as a percentage of total investments of sub fund	Market value as a percentage of net assets of sub fund
	As at 1 July 2017	Purchased during the period	Disposed / redeemed during the period	As at 31 December 2017	Carrying cost	Market value		
Bank AL Habib Limited (5th issue)	875	-	-	875	4,372	4,377	5.49	4.94

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

Name of security	Number of certificates	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Issue date	Tenor	Secured / unsecured	Rating
Bank AL Habib Limited (5th issue)	875	4,997	6-months KIBOR + 0.75%	17 March 2016	10 years	Unsecured	AA

7.7 Listed Sukuks held by Debt Sub-Fund

All certificates have a face value of Rs. 5,000 each.

Name of the investee companies	Number of certificates				As at 31 December 2017		Market value / Carrying value as a percentage of net assets of sub fund	Market value / Carrying value as a percentage of total investments of sub Fund
	As at 1 July 2017	Purchases during the year	Disposals during the year	As at 31 December 2017	Carrying cost	Market value / Carrying value		
Fatima Fertilizer Company Limited	99	-	-	99	396	407	0.51	0.46

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

7.7.1 Significant terms and conditions of listed Sukuks outstanding at the period end are as follows:

Name of security	Number of certificates	Unredeemed face value (Rupees)	Mark-up rate (per annum)	Issue date	Tenor	Secured / unsecured	Rating
Fatima Fertilizers Company Limited	99	4,000	6-months KIBOR + 1.1%	28 November 2016	5 years	Unsecured	AA-

7.8 Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'available for sale'

	Half year ended 31 December 2017					Half year ended 31 December 2016				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
	----- (Rupees in '000) -----									
Market value of investments	76,763	79,659	79,648	-	236,070	96,131	74,843	74,588	-	245,562
Less: Carrying cost - net of impairment	(71,195)	(79,653)	(79,689)	-	(230,537)	(75,763)	(74,760)	(74,617)	-	(225,140)
	5,568	6	(41)	-	5,533	20,368	83	(29)	-	20,422
Less / Add: Net unrealised (appreciation) and diminution on re-measurement of investments at beginning of the year	(17,951)	(124)	15	-	(18,060)	(5,079)	5	10	-	(5,064)
	(12,383)	(118)	(26)	-	(12,527)	15,289	88	(19)	-	15,358

7.9 Provision for impairment against equity securities

	Half year ended 31 December 2017					Half year ended 31 December 2016				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
	----- (Rupees in '000) -----									
Balance as at 1 July	4,697	-	-	-	4,697	6,680	-	-	-	6,680
Charge for the year	4,589	-	-	-	4,589	123	-	-	-	123
Balance as at 31 December	9,286	-	-	-	9,286	6,803	-	-	-	6,803

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Half year ended 31 December 2017					Half year ended 31 December 2016				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
	----- (Rupees in '000) -----									
Future gold contracts	-	-	-	3,442	3,442	-	-	-	(4,224)	(4,224)

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

Commodities contracts - matured	Maturity date	Quantity ounces	Value of Gold in futures market US \$	Value of Gold in futures market equivalent (Pak Rupees in '000)	Market value as a percentage of net assets of sub fund (%)
Gold 10 oz - AUG 17	25 July 2017	460 oz	-	-	-
Gold 10 oz - OCT 17	26 September 2017	460 oz	-	-	-
Gold 10 oz - DEC 17	28 November 2017	490 oz	-	-	-
Gold 10 oz - FEB 18	26 January 2017	240 oz	-	-	-
Commodities contracts - outstanding					
Gold 10 oz - FEB 17	26 February 2018	470 oz	1,303	67,736	75.71
Liabilities against gold futures at contracted rates-USDS				64,294	
Unrealised gain on future contracts of gold				3,442	

9 DIVIDEND AND PROFIT RECEIVABLE

Note	31 December 2017					30 June 2017				
	Unaudited					Audited				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
	(Rupees in '000)									
Dividend and profit receivables on:										
- Term Finance Certificates	-	91	-	-	91	-	90	-	-	90
- Pakistan Investment Bonds	-	590	-	-	590	-	581	-	-	581
- Savings Accounts	32	41	51	386	510	35	29	1	-	65
- Dividend	1,576	-	-	-	1,576	375	-	-	-	375
	1,608	722	51	386	2,767	410	700	1	-	1,111

10 PAYABLE TO NATIONAL INVESTMENT TRUST LIMITED - PENSION FUND MANAGER

	31 December 2017					30 June 2017				
	Unaudited					Audited				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
	(Rupees in '000)									
Remuneration of Pension Fund Manager	43	38	43	37	161	63	36	42	34	175
Sindh Sales Tax	4	5	6	5	20	8	5	5	4	22
Preliminary expenses and flotation costs	61	61	61	60	243	61	61	61	60	243
Security deposit	2,600	100	-	-	2,700	2,600	100	-	-	2,700
Others	25	25	20	20	90	25	24	23	20	92
	2,733	229	130	122	3,214	2,757	226	131	118	3,232

10.1 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% on the remuneration of the Pension Fund Manager through Sindh Sales Tax on Services Act, 2011 (30 June 2017: 13%).

11 PAYABLE TO CENTRAL 'DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

	31 December 2017					30 June 2017				
	Unaudited					Audited				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
	(Rupees in '000)									
Trustee remuneration	21	11	11	11	54	12	11	11	11	45
Sindh Sales Tax on Trustee remuneration	2	2	3	3	10	2	1	1	1	5
	23	13	14	14	64	14	12	12	12	50

11.1 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% on the remuneration of the Trustee through Sindh Sales Tax on Services Act, 2011 (30 June 2017: 13%).

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12 ACCRUED EXPENSES AND OTHER LIABILITIES

Note	31 December 2017					30 June 2017				
	Unaudited					Audited				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
	(Rupees in '000)									
Provision for Sindh Workers' Welfare Fund	66	182	178	316	742	66	140	137	157	500
Federal Excise Duty on remuneration to Pension Fund Manager	188	199	197	195	779	188	199	197	195	779
Auditors' remuneration	39	39	40	39	157	38	37	37	37	149
Legal and professional charges	-	-	-	-	-	5	10	5	5	25
Payable against bonus shares	68	-	-	-	68	423	-	-	-	423
Brokerage payable	420	34	52	20	526	-	-	-	-	-
	781	454	467	570	2,272	720	386	376	394	1,876

12.1 There is no change in the status of appeal filed by the Mutual fund Association of Pakistan (MUFAP) with the Sindh Finance Ministry. Therefore, the provision of SWWF is being made on a daily basis. Had the SWWF not been provided, the NAV per unit of the Fund would have been higher by Rs. 0.0081, Rs. 0.0228, Rs. 0.0222 and Rs. 0.0419 for Equity sub-fund, Debt sub-fund, Money market sub-fund and commodities sub fund respectively (30 June 2017: Rs. 0.0079, Rs. 0.0168, Rs. 0.0165, Rs. 0.0189)

12.2 There is no change in the status of the appeal filed by the Federal Board of Revenue in the Supreme Court of Pakistan in respect of levy of Federal Excise Duty at the rate of 16% on the services of the Management Company, as reported in note 13.2 to the annual financial statements of the Fund for the year ended June 30, 2017.

13 CONTINGENCIES AND COMMITMENTS

There is no change in the status of contingency as fully disclosed in annual financial statements for the year ended 30 June 2017.

14 NUMBER OF UNITS IN ISSUE

	31 December 2017					30 June 2017				
	Unaudited					Audited				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
	(Numbers of units)									
Total units in issue at beginning of the period	8,325,377	8,009,516	8,002,878	7,500,000	31,837,771	8,258,515	7,706,534	7,561,040	7,500,000	31,026,089
Units issued against Seed Capital	-	-	-	-	-	-	-	-	-	-
Units issued during the period	125,004	178,604	272,194	-	575,802	268,110	376,774	489,315	-	1,134,199
Units redeemed during the period	(244,012)	(218,608)	(222,581)	-	(685,201)	(245,350)	(34,009)	(39,621)	-	(318,980)
Reallocation during the period	(47,638)	2,962	22,106	-	(22,570)	44,102	(39,783)	(7,856)	-	(3,537)
Total units in issue at end of the period	8,158,731	7,972,474	8,074,597	7,500,000	31,705,802	8,325,377	8,009,516	8,002,878	7,500,000	31,837,771

15 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

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

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

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

15.4 The details of significant transactions carried out by the Fund with connected persons and balances with them at period / year end are as follows:

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15.5 Transactions during the period:

	Half year ended 31 December 2017					Half year ended 31 December 2016				
	Unaudited					Unaudited				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
(Rupees in '000)										
National Investment Trust Limited - Pension Fund Manager										
Remuneration of Pension Fund Manager	335	223	224	214	996	671	623	614	612	2,520
Sindh Sales Tax on Pension Fund Manager's remuneration	44	29	29	28	130	87	81	80	80	328
Central Depository Company of Pakistan Limited - Trustee										
Trustee remuneration	67	67	67	64	265	67	62	61	61	251
Sindh Sales Tax on remuneration of Trustee	9	9	9	8	35	9	8	8	8	33
Custodian charges of Central Depository Company of Pakistan Limited	5	3	-	-	8	5	3	-	-	8

	Quarter ended 31 December 2017					Quarter ended 31 December 2016				
	Unaudited					Unaudited				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
(Rupees in '000)										
National Investment Trust Limited - Pension Fund Manager										
Remuneration of Pension Fund Manager	158	112	114	108	492	345	316	313	297	1,271
Sindh Sales Tax on Pension Fund Manager's remuneration	21	15	15	14	65	45	41	41	39	166
Central Depository Company of Pakistan Limited - Trustee										
Trustee remuneration	27	29	30	28	114	34	31	31	29	125
Sindh Sales Tax on remuneration of Trustee	9	9	9	8	35	5	5	5	5	20
Custodian charges of Central Depository Company of Pakistan Limited	3	1	-	-	4	2	-	-	-	2

15.6 Amount outstanding as at period / year end:

	31 December 2017					30 June 2017				
	Unaudited					Unaudited				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
(Rupees in '000)										
National Investment Trust Limited - Pension Fund Manager										
Units held	7,500,000	7,500,000	7,500,000	7,500,000	30,000,000	7,500,000	7,500,000	7,500,000	7,500,000	30,000,000
Amount of units held	77,083	83,429	83,179	89,464	333,155	76,063	78,092	78,070	82,705	314,930
Pension Fund Manager's Remuneration payable	43	38	43	37	161	63	36	42	34	175
Sindh Sales Tax payable	4	5	6	5	20	8	5	5	4	22
Preliminary expenses and flotation cost payable	61	61	61	60	243	61	61	61	60	243
Security deposits	2,600	100	-	-	2,700	2,600	100	-	-	2,700
Other payable	25	25	20	20	90	25	24	23	20	92

	31 December 2017					30 June 2017				
	Unaudited					Unaudited				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Commodities Sub-Fund	Total
(Rupees in '000)										
Central Depository Company of Pakistan Limited - Trustee										
Remuneration payable	21	11	11	11	54	12	11	11	11	45
Sindh Sales Tax on Trustee remuneration	2	2	3	3	10	2	1	1	1	5

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE HALF YEAR ENDED DECEMBER 31, 2017

16 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

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

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

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

- Quoted prices (unadjusted) in active markets for identical assets or Liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

NIT - PENSION FUND

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

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

Note	31 December 2017 Unaudited																	
	Equity Sub-Fund					Debt Sub-Fund					Money Market Sub-Fund					Commodities Sub-Fund		
	Carrying value	Other financial liabilities	Total	Fair value	Fair value	Carrying value	Other financial liabilities	Total	Fair value	Fair value	Fair value	Carrying value	Other financial liabilities	Total	Carrying value	Other financial liabilities	Total	
On-balance sheet financial assets measured at fair value																		
Investments	90,000	-	90,000	90,000	-	90,000	90,000	-	90,000	90,000	-	90,000	90,000	-	90,000	90,000	-	90,000
Liquid equity securities	-	-	-	-	-	49,609	49,609	-	49,609	49,609	-	49,609	49,609	-	49,609	49,609	-	49,609
Market Treasury Bill	-	-	-	-	-	2,822	2,822	-	2,822	2,822	-	2,822	2,822	-	2,822	2,822	-	2,822
Pakistan Investment Bond	-	-	-	-	-	4,445	4,445	-	4,445	4,445	-	4,445	4,445	-	4,445	4,445	-	4,445
Term finance certificates	-	-	-	-	-	468	468	-	468	468	-	468	468	-	468	468	-	468
Shukh	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	90,000	90,000	-	90,000	90,000	-	90,000	90,000	-	90,000	90,000	-	90,000	90,000	-	90,000
Financial assets not measured at fair value	-	-	-	-	-	6,970	6,970	-	6,970	6,970	-	6,970	6,970	-	6,970	6,970	-	6,970
Bank balances	410	-	410	410	-	700	700	-	700	700	-	700	700	-	700	700	-	700
Dividend and profit receivables	2,600	-	2,600	2,600	-	100	100	-	100	100	-	100	100	-	100	100	-	100
Security deposits	13,988	-	13,988	13,988	-	7,778	7,778	-	7,778	7,778	-	7,778	7,778	-	7,778	7,778	-	7,778
	-	-	17,018	17,018	-	8,578	8,578	-	8,578	8,578	-	8,578	8,578	-	8,578	8,578	-	8,578
On-balance sheet financial liabilities not measured at fair value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payable to National Investment Trust Limited - Pension Fund Manager	-	2,757	2,757	-	-	226	226	-	226	226	-	226	226	-	226	226	-	226
Payable to Central Depository Company of Pakistan Limited - Trustee	-	14	14	-	-	12	12	-	12	12	-	12	12	-	12	12	-	12
Financial liability at fair value through profit and loss	-	14	14	-	-	12	12	-	12	12	-	12	12	-	12	12	-	12
Accrued expenses and other liabilities	-	3,237	3,237	-	-	286	286	-	286	286	-	286	286	-	286	286	-	286
	-	3,237	3,237	-	-	286	286	-	286	286	-	286	286	-	286	286	-	286
Financial liability at fair value through profit and loss	-	3,237	3,237	-	-	286	286	-	286	286	-	286	286	-	286	286	-	286
	-	3,237	3,237	-	-	286	286	-	286	286	-	286	286	-	286	286	-	286

NIT - PENSION FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL
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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 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on February 27, 2018 by the Board of Directors of the Pension Fund Manager.

18 GENERAL

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

For National Investment Trust Limited
(Pension Fund Manager)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Director