



**NIT Government Bond Fund
Condensed Interim Financial
Statements (Unaudited)
for the Nine Months period ended
31 March 2021**

**NIT - GOVERNMENT BOND FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2021**

	March 31, 2021	June 30, 2020
Note	(Unaudited)	(Audited)
	-----Rupees in '000-----	
ASSETS		
Bank balances	4 908,621	923,489
Investments	5 2,594,354	3,385,066
Profit and other receivable	27,828	118,070
Deposit with Central Depository Company of Pakistan	100	100
Total assets	3,530,903	4,426,725
LIABILITIES		
Payable to National Investment Trust Limited - Management Company	6 3,030	3,305
Payable to Central Depository Company of Pakistan Limited - Trustee	7 968	703
Payable to Securities and Exchange Commission of Pakistan	558	780
Payable against redemption of units	3,675	7
Accrued expenses and other liabilities	8 68,900	65,017
Dividend Payable	4,283	2,338
Total liabilities	81,414	72,150
NET ASSETS	3,449,489	4,354,575
Unit holders' fund (as per statement attached)	3,449,489	4,354,575
Contingencies	9	
	Number of units	
Number of units in issue	341,034,306	381,114,231
	-----Rupees-----	
Net asset value per unit	10.1148	11.4259

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

**For National Investment Trust Limited
(Management Company)**


Managing Director


Director


Director


Chief Financial Officer

NIT - GOVERNMENT BOND FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE NINE AND THREE MONTHS PERIOD ENDED MARCH 31, 2021

Note	Nine months period ended		Three months period ended	
	2021	2020	2021	2020
INCOME				
	Rupees in '000			
Income from government securities	176,377	260,000	55,052	83,439
Profit on bank deposits	36,248	83,195	14,069	28,505
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.3 (18,864)	70,743	6,549	65,551
Gain / (loss) on sale of investments -net	(49,418)	40,392	(27,989)	6,949
Total income	144,343	454,330	47,681	184,444
EXPENSES				
Remuneration of National Investment Trust Limited - Management Company	6.1 21,309	25,288	6,662	8,568
Sindh Sales Tax on remuneration to Management Company	6.2 2,764	3,288	866	1,114
Remuneration of Central Depository Company of Pakistan Limited - Trustee	2,093	2,075	641	724
Sindh Sales Tax on remuneration of Trustee	7.1 272	270	83	94
Annual fee - Securities and Exchange Commission of Pakistan	558	553	171	193
Allocation of expenses related to registrar services, accounting, operation and valuation services	6.3 2,872	2,780	856	975
Securities transaction costs	156	553	87	157
Auditors' remuneration	771	694	92	227
Legal & Professional Charges	1,345	-	430	-
Settlement and bank charges	75	91	40	44
Listing fee	10	40	-	-
Printing charges	94	82	65	80
Mutual Fund rating Fee	411	370	411	370
Total expenses	32,730	36,084	10,404	12,546
Net Income from operating activities	111,613	418,246	37,277	171,898
Provision for Sindh Workers' Welfare Fund	8.1 (2,232)	(8,365)	(745)	(3,438)
Net Income for the period before taxation	109,381	409,881	36,532	168,460
Taxation	10 -	-	-	-
Net Income for the period	109,381	409,881	36,532	168,460
Allocation of net Income for the period after taxation				
Net income for the period	109,381	409,881		
Income already paid on units redeemed	(9,040)	(24,092)		
	<u>100,341</u>	<u>385,789</u>		
Accounting income available for distribution:				
-Relating to capital gains	-	104,603		
-Excluding capital gains	<u>100,341</u>	<u>281,186</u>		
	<u>100,341</u>	<u>385,789</u>		

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For National Investment Trust Limited
(Management Company)


Managing Director


Director


Director


Chief Financial Officer

**NIT - GOVERNMENT BOND FUND
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
 FOR THE NINE AND THREE MONTHS PERIOD ENDED MARCH 31, 2021**

	Nine months period ended		Three months period ended	
	2021	2020	2021	2020
	-----Rupees in '000-----			
Net income for the period	109,381	409,881	36,532	168,460
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	109,381	409,881	36,532	168,460

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

**For National Investment Trust Limited
 (Management Company)**


 Managing Director


 Director


 Director


 Chief Financial Officer

NIT - GOVERNMENT BOND FUND
 CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
 FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

Note	March 31,					
	2021			2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	-----Rupees in '000-----					
Net assets at the beginning of the period	3,860,563	494,012	4,354,575	3,284,273	255,992	3,540,265
Issue of 136,170,216 units (2020: 140,876,408 units)						
Capital value	1,335,545		1,335,545	1,386,671		1,386,671
Element of income	13,716		13,716	92,788		92,788
Amount received on issuance of units	1,349,261	-	1,349,261	1,479,459	-	1,479,459
Issue of 7,753,682 units in lieu of refund of capital (2020: 319,644 units)						
	76,047	-	76,047	3,152	-	3,152
Redemption of 214,233,283 units (2020: 106,200,387 units)						
Capital value	(2,101,180)	-	(2,101,180)	(1,045,349)	-	(1,045,349)
Element of (loss)	(9,402)	(9,040)	(18,442)	(42,896)	(24,092)	(66,988)
Amount paid / payable on redemption of units	(2,110,581)	(9,040)	(2,119,621)	(1,088,245)	(24,092)	(1,112,337)
Total comprehensive income for the period	-	109,381	109,381	-	409,881	409,881
Issue of 30,229,460 units under CIP (2020: 14,857,361 units)						
	296,488	-	296,488	146,497	-	146,497
Final distribution for the year ended June 30, 2020: Rs 1.6180 per unit [(Date of Distribution: 7 July 2020)](2019: Rs 0.8845 per unit [(Date of Distribution: 5 July 2019)])						
	-	(540,595)	(540,595)	-	(288,744)	(288,744)
Refund of capital	(76,047)	-	(76,047)	(3,152)	-	(3,152)
Net assets at the end of the period	3,395,731	53,758	3,449,489	3,821,984	353,037	4,175,021
Net assets at the end of the period						
Undistributed income brought forward						
-Realized income		494,012			255,992	
-Unrealized income		-			-	
		494,012			255,992	
Accounting income available for distribution						
-Relating to capital gains		-			104,603	
-Excluding capital gains		100,341			281,186	
		100,341			385,789	
Final distribution for the year ended June 30, 2020: Rs 1.6180 per unit [(Date of Distribution: 7 July 2020)](2019: Rs 0.8845 per unit [(Date of Distribution: 5 July 2019)])						
		(540,595)			(288,744)	
Undistributed income carried forward		53,758			353,037	
Undistributed income carried forward comprising						
-Realized income		53,758			282,294	
-Unrealized income		-			70,743	
		53,758			353,037	
				(Rupees)		(Rupees)
Net assets value per unit at beginning of the period				11.4259		10.7277
Net assets value per unit at end of the period				10.1148		10.9908

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For National Investment Trust Limited
 (Management Company)

Managing Director

Director

Director

Chief Financial Officer

NIT - GOVERNMENT BOND FUND
 CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
 FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

	March 31,	
	2021	2020
	-----Rupees in '000-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	109,381	409,881
Adjustments:		
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	18,864	(70,743)
	<u>128,245</u>	<u>339,138</u>
(Increase) / decrease in assets		
Investments	771,848	(580,898)
Accrued income	90,242	(4,203)
	<u>862,090</u>	<u>(585,101)</u>
Increase / (decrease) in liabilities		
Payable to National Investment Trust Limited - Management Company	(275)	64
Payable to Central Depository Company of Pakistan Limited - Trustee	265	244
Payable to Securities and Exchange Commission of Pakistan	(222)	(2,274)
Payable against purchase of investments	-	-
Payable against redemption of units	3,668	14,341
Accrued expenses and other liabilities	3,883	9,119
	<u>7,319</u>	<u>21,494</u>
Net cash generated from / (used in) operating activities	<u>997,654</u>	<u>(224,469)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issue of units-including CIP	1,645,749	1,625,956
Payments against redemption of units	(2,119,621)	(1,112,337)
Distribution paid	(538,650)	(287,771)
Net cash (used in) / generated from financing activities	<u>(1,012,522)</u>	<u>225,848</u>
Net (decrease) / increase in cash and cash equivalents during the period	<u>(14,868)</u>	<u>1,379</u>
Cash and cash equivalents at the beginning of the period	923,489	953,154
Cash and cash equivalents at the end of the period	<u>908,621</u>	<u>954,533</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For National Investment Trust Limited
 (Management Company)


 Managing Director


 Director


 Director


 Chief Financial Officer

NIT - GOVERNMENT BOND FUND

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

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The NIT - Government Bond Fund (the Fund) was established under a Trust Deed executed between National Investment Trust Limited (NITL) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter no. NBFC-II/NITL/896/2009 dated September 24, 2009 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Trust Deed was executed on September 4, 2009. The Fund is categorized as Income Scheme as per criteria for categorization of open end collective investment scheme as specified by Securities and Exchange Commission of Pakistan (SECP) and other allied matters. The units of the Fund were initially issued at Rs. 10 per unit.
- 1.2 The Management Company of the Fund has been classified as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake Asset Management Services. The registered office of the Management Company is situated at 6th floor, National Bank of Pakistan Building, I.I. Chundrigar Road, Karachi.
- 1.3 The Fund is an open-ended mutual fund and is listed on Pakistan Stock Exchange. The units are transferable and can be redeemed by surrendering them to the Fund. The units of the Fund were initially offered for public subscription at par from 16 November 2009 to 18 November 2009 (both days inclusive)
- 1.4 The Management Company has been assigned a quality rating of 'AM1' by VIS on December 31, 2020, whereas PACRA has assigned an asset manager rating of 'AM2++' with 'positive outlook' to the Management Company on November 5, 2020. Furthermore, PACRA has assigned the rating of 'AA(f)' to the Fund on March 10, 2021.
- 1.5 The objective of the Fund is to generate competitive stream of return with moderate level of risk for its unit holders, by investing primarily in government securities.
- 1.6 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 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 Companies Act, 2017 along with part and the requirements VIII A of the repealed Companies Ordinance, 1984 and the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (the NBFC Regulations). Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations have been followed.
- 2.1.2 These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended 30 June 2020.
- 2.1.3 This condensed interim financial information is being submitted to the unit holders as required under Regulation 38 (2)(f) of the Non-Banking Finance Companies and notified Entities Regulations, 2008 (NBFC Regulations).

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

- 3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2020.
- 3.2 The preparation of the condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, 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. In preparing the condensed interim financial statements, the significant judgements made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2020.

4 BANK BALANCES

These represent balances with banks in savings accounts carrying rates ranging from 5.00% to 7.80% per annum (30 June 2020: 5.4% to 14.50% per annum)

	Note	March 31, 2021	June 30, 2020
		(Unaudited)	(Audited)
		-----Rupees in '000-----	
5 INVESTMENTS			
Fair value through profit or loss			
Government securities:			
- Market Treasury Bills	5.1	1,160,804	1,894,348
- Pakistan Investment Bonds	5.2	1,433,550	1,490,718
		<u>2,594,354</u>	<u>3,385,066</u>

5.1 Market Treasury Bills

Issue date	Tenor	Face value			Balance as at 31 March 2021		Market value as a percentage of net assets	Market value as a percentage of total investments	
		As at 1 July 2020	Purchases during the period	Sales / matured during the period	As at 31 March 2020	Carrying value			Market value
----- (Rupees in '000) -----									
April 23, 2020	3 Months	200,000	-	200,000	-	-	-	-	
December 31, 2020	3 Months	-	500,000	500,000	-	-	-	-	
January 14, 2021	3 Months	-	350,000	350,000	-	-	-	-	
April 23, 2020	6 Months	375,000	-	375,000	-	-	-	-	
February 25, 2021	6 Months	-	650,000	-	650,000	631,060	630,521	18.28	
March 25, 2021	6 Months	-	550,000	-	550,000	530,268	530,283	15.37	
April 9, 2020	12 Months	150,000	-	150,000	-	-	-	-	
February 27, 2020	12 Months	200,000	-	200,000	-	-	-	-	
May 7, 2020	12 Months	300,000	-	300,000	-	-	-	-	
April 23, 2020	12 Months	375,000	-	375,000	-	-	-	-	
March 26, 2020	12 Months	375,000	-	375,000	-	-	-	-	
Total - 31 March 2021		1,975,000	2,050,000	2,825,000	1,200,000	1,161,328	1,160,804	33.65	44.74

5.2 Pakistan Investment Bonds

September 19, 2019	3 Years	825,000	600,000	300,000	1,125,000	1,153,546	1,135,935	32.93	43.78
September 19, 2019	5 Years	387,500	200,000	587,500	-	-	-	-	-
September 19, 2019	10 Years	212,500	-	212,500	-	-	-	-	-
June 18, 2020	3 Years	-	50,000	-	50,000	50,157	49,990	1.45	1.93
October 22, 2020	3 Years	-	250,000	-	250,000	248,187	247,625	7.18	9.54
Total - 31 March 2021		1,425,000	1,100,000	1,100,000	1,425,000	1,451,890	1,433,550	41.56	55.25