



**NIT Islamic Income Fund
Condensed Interim Financial
Statements (Unaudited)
for the Nine Months Period Ended
31 March 2021**

NIT - ISLAMIC INCOME 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	4 670,266	543,211
Investments	5 440,399	443,968
Receivable against redemption of debt securities	-	1,188
Profit Receivable	9,938	9,240
Security deposits	100	100
Preliminary expenses and floatation costs	40	192
Total assets	1,120,743	997,899
LIABILITIES		
Payable to National Investment Trust Limited - Management Company	6 1,846	1,866
Payable to Central Depository Company of Pakistan Limited - Trustee	7 79	70
Payable to Securities and Exchange Commission of Pakistan	8 128	174
Payable against redemption of units	2,821	-
Accrued expenses and other liabilities	8 5,237	4,759
Dividend Payable	798	793
Total liabilities	10,909	7,662
NET ASSETS	1,109,834	990,237
Unit holders' fund (as per statement attached)	1,109,834	990,237
Contingencies and commitments	9	
	----- Number of units -----	
Number of units in issue	111,159,238	91,629,716
	-----Rupees-----	
Net asset value per unit	9.9842	10.8069

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 - ISLAMIC INCOME 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 Comercial Paper		3,396	5,800	1,607	1,257
Income from Ijarah Sukuk		9,624	-	3,613	-
Income from sukuks		16,518	17,378	5,024	5,238
Profit on bank deposits		17,461	57,987	6,334	22,222
Capital gain on sale of investments -net		671	-	544	-
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.6	157	-	(237)	-
		47,827	81,165	16,885	28,717
EXPENSES					
Remuneration of National Investment Trust Limited - Management Company	6.1	3,431	5,811	1,206	2,107
Sindh Sales Tax on remuneration to Management Company	6.2	446	755	157	274
Remuneration of Central Depository Company of Pakistan Limited - Trustee	7.1	481	458	164	164
Sindh Sales tax on Trustee remuneration	7.2	63	60	22	22
Annual fee - Securities and Exchange Commission of Pakistan		128	122	44	44
Allocation of expenses related to registrar services, accounting, operation and valuation services	6.3	635	610	218	218
Amortisation of preliminary expenses and floatation costs		152	153	50	50
Auditors' remuneration		331	275	13	91
Legal & Professional Charges		64	146	49	-
Settlement and bank charges		211	305	98	35
Listing fee		30	27	-	-
Shariah Advisory Fee		131	62	47	25
Printing charges		42	76	21	51
Mutual Fund Rating Fee		166	162	166	162
Total expenses		6,331	9,022	2,275	3,243
Net income from operating activities		41,496	72,143	14,610	25,474
Provision for Sindh Workers' Welfare Fund	8.1	(830)	(1,445)	(292)	(511)
Net income for the period before taxation		40,666	70,698	14,318	24,963
Taxation	10	-	-	-	-
Net income for the period		40,666	70,698	14,318	24,963
Allocation of net income for the period after taxation					
Net income for the period		40,666	70,698		
Income already paid on units redeemed		(9,690)	(12,909)		
		<u>30,976</u>	<u>57,789</u>		
Accounting income available for distribution:					
-Relating to capital gains		-	-		
-Excluding capital gains		30,976	57,789		
		<u>30,976</u>	<u>57,789</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


Chief Financial Officer

**NIT - ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (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
-----Rupees in '000-----					
Net income for the period after taxation		40,666	70,698	14,318	24,963
Other comprehensive income for the period					
Net unrealised (diminution) on re-measurement of investments classified as 'fair value through other comprehensive income' (FVOCI)	5.7	(3,002)	(1,385)	(2,721)	(1,250)
Total comprehensive income for the period		37,664	69,313	11,597	23,713

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 - ISLAMIC INCOME 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	Cumulative change in 'Fair value through other comprehensive income' (FVOCI)	Total	Capital value	Undistributed income	Cumulative change in 'Fair value through other comprehensive income' (FVOCI)	Total
	Rupees in '000							
Net assets at the beginning of the period	942,700	52,977	(5,440)	990,237	621,498	28,569	718	650,785
Issue of 139,064,174 units (2020: 130,404,486 units)								
Capital value	1,329,287	-	-	1,329,287	1,275,682	-	-	1,275,682
Element of income / (loss)	35,150	-	-	35,150	59,279	-	-	59,279
Amount received on issuance of units	1,364,437	-	-	1,364,437	1,334,961	-	-	1,334,961
Issue of 3,296,207 units in lieu of refund of capital (2020: 1,387,053 units)	31,508	-	-	31,508	13,593	-	-	13,593
Redemption of 128,036,202 units (2020: 23,692,821 units)								
Capital value	(1,223,872)	-	-	(1,223,872)	(915,206)	-	-	(915,206)
Element of income / (loss)	(15,844)	(9,690)	-	(25,534)	(27,290)	(12,909)	-	(40,199)
Amount paid / payable on redemption of units	(1,239,716)	(9,690)	-	(1,249,406)	(942,496)	(12,909)	-	(955,405)
Issue of 5,205,343 units under CIP (2020: 2,779,931 units)	49,757	-	-	49,757	27,243	-	-	27,243
Final distribution for the year ended June 30, 2020: Rs 1.2481 per unit [(Date of Distribution: 7 July 2020)](2019: Rs 0.9122 per unit [(Date of Distribution: 5 July 2019)])	-	(82,855)	-	(82,855)	-	(41,915)	-	(41,915)
Refund of capital	(31,508)	-	-	(31,508)	(13,593)	-	-	(13,593)
Total comprehensive income / (loss) for the period	-	40,666	(3,002)	37,664	-	70,698	(1,385)	69,313
Net assets at the end of the period	1,117,178	1,098	(8,442)	1,109,834	1,041,206	44,443	(667)	1,084,982
Net assets at the end of the period								
Undistributed income brought forward		52,977				28,569		
-Realized income		-				-		
-Unrealized income		52,977				28,569		
Accounting income available for distribution								
-Relating to capital gains								
-Excluding capital gains		30,976				57,789		
Final distribution for the year ended June 30, 2020: Rs 1.2481 per unit [(Date of Distribution: 7 July 2020)](2019: 0.9122 per unit [(Date of Distribution: 5 July 2019)])		(82,855)				(41,915)		
Undistributed income carried forward		1,098				44,443		
Undistributed income carried forward comprising								
-Realized income		1,098				44,443		
-Unrealized income								
		1,098				44,443		
Net assets value per unit at beginning of the period				(Rupees) 10.8069				(Rupees) 10.6947
Net assets value per unit at end of the period				(Rupees) 9.9842				(Rupees) 10.6509

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 - ISLAMIC INCOME 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	40,666	70,698
(Increase) / decrease in assets		
Investments	567	69,635
Accrued income	(698)	(4,178)
Advances, deposits, prepayments and other receivables	-	366
Amortization of Formation Cost	152	154
Receivable against redemption of debt securities	1,188	-
Receivable against subscription of investment	-	23,188
	1,209	89,165
Increase / (decrease) in liabilities		
Payable to National Investment Trust Limited - Management Company	(20)	457
Payable to Central Depository Company of Pakistan Limited - Trustee	9	(25)
Payable to Securities and Exchange Commission of Pakistan	(46)	(275)
Payable against redemption of units	2,821	8,681
Accrued expenses and other liabilities	478	1,756
	3,242	10,594
Net cash generated from operating activities	45,117	170,457
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issue of units-including CIP	1,414,194	1,362,204
Payments on redemption of units	(1,249,406)	(955,405)
Dividend paid	(82,850)	(41,915)
Net cash generated from financing activities	81,938	364,884
Net increase in cash and cash equivalents during the period	127,055	535,341
Cash and cash equivalents at the beginning of the period	543,211	413,317
Cash and cash equivalents at the end of the period	670,266	948,658

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 - ISLAMIC INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE AND THREE MONTHS PERIOD ENDED MARCH 31, 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The NIT - Islamic Income 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. SCD/AMCW/NITL/324/ 2016 dated 01 March 2016 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Trust Deed was executed on 14 March 2016. The Fund is categorized as Shariah Compliant Income Scheme as per criteria for categorization of open end collective investment scheme as specified by SECP and other allied matters.
- 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 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 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. The units of the Fund were initially offered for public subscription at initial price of Rs. 10 on 04 July 2016 and received Rs. 159.518 million against initial public offer from various investors including Management Company and accordingly the Fund commenced its business activities on the same date.
- 1.4 The objective of the Fund is to generate a stable shariah compliant income stream, while seeking maximum possible preservation of capital, over the medium to long term period, by investing in a diversified portfolio of Shariah Compliant fixed income and money market instruments. The Management Company has appointed Mufti Zeeshan Abdul Aziz as Shariah Advisor to the Fund to ensure the activities are in compliance with the principles of Shariah.
- 1.5 Pakistan Credit Rating Agency Limited (PACRA) has assigned "AA-(f)" rating to the Fund. The Management Company has been assigned a quality rating of 'AM1' by VIS dated December 31, 2020 and PACRA has assigned an asset manager rating of 'AM2++' with 'positive outlook' to Management Company on November 5, 2020. Furthermore, PACRA has assigned the rating of 'AA(f)' to the Fund on March 10, 2021.
- 1.6 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.

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 This 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 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).

2.2 Functional and presentation currency

These condensed interim financial statements have been presented in Pakistani Rupees which is the functional and presentation currency of the Fund.

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

- 3.1 The accounting policies adopted and the methods of computation of the 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 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 judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements of the Fund 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 annual financial statements of the Fund for the year ended June 30, 2020.