PAKISTAN CASH MANAGEMENT FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021

	Note	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
		------ (Rupees in '000) ------	
ASSETS			
Balances with banks	4	13,156,533	3,141,821
Investments	5	8,143,725	-
Advances, prepayments and profit receivable		89,283	11,320
Total assets		21,389,541	3,153,141
LIABILITIES			
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company	6	2,428	305
Payable to Digital Custodian Company Limited - Trustee	7	421	82
Payable to the Securities and Exchange Commission of Pakistan (SECP)	8	645	478
Payable against purchase of investments		6,842,869	-
Accrued and other liabilities	9	18,646	33,660
Total liabilities		6,865,009	34,525
NET ASSETS		14,524,532	3,118,616
Unit holders' fund (as per statement attached)		14,524,532	3,118,616
Contingencies and commitments	10		
		------ (Number of units) ------	
NUMBER OF UNITS IN ISSUE		287,798,005	61,794,223
		---------- (Rupees) ----------	
NET ASSET VALUE PER UNIT		50.4678	50.4678

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

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

PAKISTAN CASH MANAGEMENT FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

		Six months period ended December 31,		Quarter Ended December 31,	
		2021	2020	2021	2020
	Note	(Rupees in '000)			
INCOME					
Income from government securities		55,922	47,611	35,726	22,848
Profit on bank deposits		221,108	29,339	162,712	15,677
Capital gain / (loss) on sale of investments - net		8,679	(1,945)	6,224	396
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.1	858	-	858	-
Profit on term deposits receipts		901	-	901	-
Total income		287,468	75,005	206,421	38,921
EXPENSES					
Remuneration of MCB-Arif Habib Savings and Investments Limited - Management Company	6.1	5,724	1,236	4,274	579
Sindh Sales tax on remuneration of the Management Company	6.2	744	161	556	77
Allocated expenses	6.3	21	541	-	263
Selling and marketing expenses		2,147	-	-	-
Remuneration of the Digital Custodian Company Limited - Trustee	7	1,267	448	997	448
Sindh Sales tax on remuneration of the Trustee		167	59	132	29
Annual fee to the Securities and Exchange Commission of Pakistan	8	645	216	445	106
Auditor's remuneration		252	336	98	182
Brokerage, settlement charges and bank charges		404	73	265	57
Legal and professional charges		471	69	46	35
Fees and subscription		238	215	231	106
Printing and stationery		41	24	16	-
Total expenses		12,121	3,378	7,060	1,882
Net income from operating activities		275,347	71,627	199,361	37,039
Reversal / (Provision) for Sindh Workers' Welfare Fund (SWWF)	9.1	12,614	(1,433)	-	(746)
Net income for the period before taxation		287,961	70,194	199,361	36,293
Taxation	11	-	-	-	-
Net income for the period after taxation		287,961	70,194	199,361	36,293
Allocation of net income for the period:					
Net income for the period after taxation		287,961	70,194		
Income already paid on units redeemed		(14,799)	(9,035)		
		273,162	61,159		
Accounting income available for distribution:					
- Relating to capital gains		8,965	-		
- Excluding capital gains		264,197	61,159		
		273,162	61,159		
Earnings per unit	13				

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

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

PAKISTAN CASH MANAGEMENT FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Six months period ended December 31,		Quarter ended December 31,	
	2021	2020	2021	2020
	---------------------------- (Rupees in '000) ----------------------------			
Net income for the period after taxation	287,961	70,194	199,361	36,293
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	287,961	70,194	199,361	36,293

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

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

PAKISTAN CASH MANAGEMENT FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD AND QUARTER ENDED DECEMBER 31, 2021

	Six months period ended December 31, 2021			Six months period ended December 31, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	----- (Rupees in '000) -----					
Net assets at the beginning of the period	3,101,753	16,863	3,118,616	3,680,763	12,512	3,693,275
Issuance of 424,777,174 (December 31, 2020: 60,948,365) units including additional units						
- Capital value (at net assets value per unit at the beginning of the period)	21,437,569	-	21,437,569	3,070,841	-	3,070,841
- Element of income	58,157	-	58,157	73,989	-	73,989
	21,495,726	-	21,495,726	3,144,830	-	3,144,830
Redemption of 198,773,392 (December 31, 2020: 82,875,735) units						
- Capital value (at net assets value per unit at the beginning of the period)	10,031,656	-	10,031,656	4,175,636	-	4,175,636
- Element of loss	6,461	14,799	21,260	45,509	9,035	54,544
	10,038,117	14,799	10,052,916	4,221,145	9,035	4,230,180
Total comprehensive income for the period	-	287,961	287,961	-	70,194	70,194
Total distribution during the period	-	273,112	273,112	-	-	-
(2020: @ Rs 12.0476 per unit declared on July 22, 2020)	-	-	-	-	13,845	13,845
Refund of capital for the period ended Dec 31, 2021	51,743	-	51,743	-	-	-
Refund of capital for the year ended Dec 31, 2020	-	-	-	38	-	38
	51,743	273,112	324,855	38	13,845	13,883
Net assets at the end of the period	14,559,362	16,913	14,524,532	2,604,448	59,826	2,664,236
Undistributed income brought forward comprising of:						
- Realised income		16,863			12,512	
- Unrealised income		-			-	
		16,863			12,512	
Accounting income available for distribution:						
- Relating to capital gains		8,965			-	
- Excluding capital gains		264,197			61,159	
		273,162			61,159	
Distribution during the period		273,112			13,845	
Undistributed income carried forward		16,913			59,826	
Undistributed income carried forward comprising of:						
- Realised income		16,055			59,826	
- Unrealised income		858			-	
		16,913			59,826	
		Rupees			**Rupees**	
Net asset value per unit at the beginning of the period		50.4678			50.3843	
Net asset value per unit at the end of the period		50.4678			51.8588	

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

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

PAKISTAN CASH MANAGEMENT FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

	Note	Six months period ended December 31, 2021	Six months period ended December 31, 2020
		------ (Rupees in '000) ------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		287,961	70,194
Adjustments for:			
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		(858)	-
Provision for Sindh Workers' Welfare Fund (SWWF)		12,614	1,433
		299,717	71,627
(Increase) / decrease in assets			
Investments - net		(473,221)	-
Advances, prepayments and profit receivable		(77,963)	9,211
		(551,184)	9,211
Increase / (decrease) in liabilities			
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company		2,123	(116)
Payable to Digital Custodian Company Limited - Trustee		339	(74)
Payable to the Securities and Exchange Commission of Pakistan		167	(383)
Payable against purchase of investments		6,842,869	-
Accrued and other liabilities		(27,628)	(3,163)
		6,817,870	(3,736)
Net cash generated from operating activities		6,566,403	77,102
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from issuance and conversion of units		21,443,983	3,144,792
Payments against redemption and conversion of units		(10,052,916)	(4,230,180)
Dividend paid		(273,112)	(13,845)
Net cash generated from / (used in) financing activities		11,117,955	(1,099,233)
Net increase / (decrease) in cash and cash equivalents during the period		17,684,358	(1,022,131)
Cash and cash equivalents at the beginning of the period		3,141,821	3,703,623
Cash and cash equivalents at the end of the period	12	20,826,179	2,681,492

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

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Pakistan Cash Management Fund (the Fund) was established under a Trust Deed executed between Arif Habib Investments Limited (now MCB-Arif Habib Savings and Investments Limited) as the Management Company and Habib Metropolitan Bank Limited as Trustee on February 08, 2008. Subsequently, Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) has been appointed as the trustee of the fund with effect from July 21, 2014. The draft Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter dated February 01, 2008 consequent to which the Trust Deed was executed on February 08, 2008.

1.2 The Management Company of the Fund obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management services under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I Chundrigar Road, Karachi, Pakistan.

1.3 The Fund is an open-ended mutual fund and has been categorised as "money market scheme" and is listed on the Pakistan Stock Exchange Limited. The Fund primarily invests in market treasury bills, short term Government instruments and reverse repurchase transactions against government securities.

1.4 Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

1.5 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' dated October 06, 2021 to the Management Company and has assigned stability rating of 'AA+(f)' dated September 9, 2021 to the Fund.

1.6 Title to the assets of the Fund is held in the name of Digital Custodian Company Limited as Trustee of the Fund.

1.7 On August 13, 2021 the Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely “Sindh Trusts Act, 2020” (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, August 13, 2021 on the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017, along with part VIIIA of the repealed Companies Ordinance, 1984; and

- the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do 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, 2021.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations. The directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2021.

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 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, 2021.

3.2 The preparation of the condensed interim financial statements in conformity with 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 as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Funds for the year ended June 30, 2021.

3.3 Amendments to accounting and reporting standards that are effective in the current period

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2022. However, these are considered either not to be relevant or do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Amendments to accounting and reporting standards that are not yet effective

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2021. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

	Note	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
		------ (Rupees in '000) ------	
4. BALANCES WITH BANKS			
In current accounts		5	20
In saving accounts	4.1	13,156,528	3,141,801
	4.2	13,156,533	3,141,821

4.1 These carry profit at the rates ranging from 7.25% to 12.55% per annum (June 30, 2021: 5.5% to 7.85% per annum).

4.2 These includes balances with a related party of Rs. 7.390 million (June 30, 2021: Rs. 2.747 million) maintained with MCB Bank Limited.

	Note	(Un-Audited) December 31, 2021	(Audited) June 30, 2021
5 INVESTMENTS		---- (Rupees in '000) ----	
Investments by category			
At fair value through profit or loss			
Government securities - Market treasury bills	5.1	6,843,725	-
Term Deposit Receipts	5.2	1,300,000	-
		8,143,725	-

5.1 Market treasury bills - 'at fair value through profit or loss'

Name of Security	Issue Date	Face value: As at July 01, 2021	Face value: Purchased during the period	Face value: Sold / matured during the period	Face value: As at December 31, 2021	Balance as at December 31, 2021: Carrying value	Balance as at December 31, 2021: Market value	Balance as at December 31, 2021: Unrealized gain / (loss)	Market value as a percentage of: net assets	Market value as a percentage of: total invest-ments
		(Rupees in '000)							%	
Market treasury bills - 3 months										
Market treasury bills	7-Oct-21	-	7,000,000	7,000,000	-	-	-	-	-	-
Market treasury bills	2-Dec-21	-	8,000,000	8,000,000	-	-	-	-	-	-
Market treasury bills	4-Nov-21	-	500,000	500,000	-	-	-	-	-	-
Market treasury bills	29-Jul-21	-	2,500,000	2,500,000	-	-	-	-	-	-
Market treasury bills	6-May-21	-	550,000	550,000	-	-	-	-	-	-
Market treasury bills	30-Dec-21	-	6,500,000	3,000,000	3,500,000	3,422,964	3,423,553	589.00	23.57%	42.04%
Market treasury bills	15-Jul-21	-	1,300,000	1,300,000	-	-	-	-	-	-
Market treasury bills	2-Jul-21	-	500,000	500,000	-	-	-	-	-	-
Market treasury bills	26-Aug-21	-	500,000	500,000	-	-	-	-	-	-
Market treasury bills	16-Dec-21	-	6,000,000	3,000,000	3,000,000	2,945,756	2,946,093	337.00	20.28%	36.18%
Market treasury bills	23-Sep-21	-	1,000,000	1,000,000	-	-	-	-	-	-
Market treasury bills	9-Sep-21	-	500,000	500,000	-	-	-	-	-	-
Market treasury bills	12-Aug-21	-	4,000,000	4,000,000	-	-	-	-	-	-
Market treasury bills - 6 months										
Market treasury bills	2-Jul-21	-	500,000	500,000	-	-	-	-	-	-
Market treasury bills	25-Mar-21	-	250,000	250,000	-	-	-	-	-	-
Market treasury bills	29-Jul-21	-	1,500,000	1,500,000	-	-	-	-	-	-
Market treasury bills	25-Feb-21	-	200,000	200,000	-	-	-	-	-	-
Market treasury bills	6-May-21	-	1,500,000	1,500,000	-	-	-	-	-	-
Market treasury bills	12-Aug-21	-	2,500,000	2,500,000	-	-	-	-	-	-
Market treasury bills	3-Jun-21	-	3,800,000	3,800,000	-	-	-	-	-	-
Market treasury bills	22-Apr-21	-	1,400,000	1,400,000	-	-	-	-	-	-
Market treasury bills	30-Dec-21	-	500,000	-	500,000	474,147	474,079	(68.00)	3.26%	5.82%
Market treasury bills	26-Aug-21	-	500,000	500,000	-	-	-	-	-	-
Market treasury bills	9-Sep-21	-	2,500,000	2,500,000	-	-	-	-	-	-
Market treasury bills	20-May-21	-	2,000,000	2,000,000	-	-	-	-	-	-
Market treasury bills	15-Jul-21	-	500,000	500,000	-	-	-	-	-	-
Market treasury bills	17-Jun-21	-	1,000,000	1,000,000	-	-	-	-	-	-
Total as at December 31, 2021						**6,842,867**	**6,843,725**	**858**		
Total as at June 30, 2021						-	-	-		

5.2 Term Deposits Receipts

Name of Investee Company	Rating of Investee Company	Issue date	Profit rate	Face value: As at July 1, 2021	Face value: Purchased during the period	Face value: Matured during the period	Face value: As at December 31, 2021	Carrying value as at December 31, 2021	Market value as at December 31, 2021	Market value as a percentage of total investments
				(Rupees in '000)						%
COMMERCIAL BANKS										
Habib Bank Limited	AAA	December 30, 2021	12.65%	1,300,000	-	-	1,300,000	1,300,000	1,300,000	15.96%
Total as at December 31, 2021								1,300,000	1,300,000	
Total as at June 30, 2021								-	-	

5.3 Unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	Note	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
		(Rupees in '000)	
Market value of investments	5.1 & 5.2	8,143,725	-
Less: Carrying value of investments	5.1 & 5.2	8,142,867	-
		858	-

6	PAYABLE TO MCB-ARIF HABIB SAVINGS AND INVESTMENTS	Note	(Unaudited) December 31, 2021	(Audited) June 30, 2021
			------ (Rupees in '000) ------	
	Management remuneration payable	6.1	2,149	193
	Sindh sales tax on remuneration payable	6.2	279	25
	Allocated expenses payable	6.3	-	62
	Sales load payable (including indirect taxes)		-	25
			2,428	305

6.1 The Management Company has charged management fee upto 10% of the gross earnings of the scheme, calculated on daily basis. Previously, the management fee was being charged upto the lower of 10% of the gross earnings of the scheme, calculated on daily basis or 1% of average daily net assets of the Fund since August 09, 2019 .

6.2 Sindh sales tax on management remuneration has been charged at the rate of 13% (June 30, 2021: 13%).

6.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company has allocated expenses to the Fund based on its discretion subject to not being higher than actual expenses which have also been approved by the Board of Directors of the Management Company.

7 PAYABLE TO DIGITAL CUSTODIAN COMPANY LIMITED (FORMERLY: MCB FINANCIAL SERVICES LIMITED) - TRUSTEE

The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee according to the following tariff:

	-------------------Rupees in '000------------------------					
Particular	Net assets up to					Net assets exceeding
	100,000	1,500,000	4,000,000	6,000,000	10,000,000	10,000,000
Revised Trustee Fee on a monthly basis	50	50	75	150	300	500

8 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

In accordance with SRO No. 685(I)/2019 dated June 28, 2019 issued by SECP, the Fund has charged SECP fee at the rate of 0.02% (December 31, 2020: 0.02%) of the net assets during the current period.

9	ACCRUED AND OTHER LIABILITIES	Note	December 31, 2021 (Unaudited)	June 30, 2021 (Audited)
			------ (Rupees in '000) ------	
	Provision for Sindh Workers' Welfare Fund (SWWF)	9.1	-	12,614
	Provision for Federal Excise Duty on remuneration to the Management Company	9.2	11,933	11,933
	Withholding tax payable		71	8,575
	Dividend payable		5,784	-
	Brokerage payable		73	24
	Auditor's remuneration payable		309	463
	Payable to legal advisor		437	31
	Payable against redemption of units		-	-
	Other payables		39	20
			18,646	33,660

9.1 Provision for Sindh Workers' Welfare Fund (SWWF)

As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers’ Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers’ Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Funds Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds had accordingly made provision in respect of SWWF as recommended by MUFAP

During the current period, SRB through its letter dated August 12, 2021 intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP also gave its concurrence for prospective reversal of provision for SWWF. Going forward, no provision for SWWF has been recognised in the financial statements of the Fund.

9.2 Federal Excise Duty on remuneration to the Management Company

The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 11.933 million is being retained in these condensed financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the net assets value of the Fund as at December 31, 2021 would have been higher by Re 0.04 (June 30, 2021: Re 0.19) per unit.

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2021 and June 30, 2021.

11 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 amongst the unit holders by way of cash dividend. 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 unrealised capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management intends to distribute atleast 90% of the income earned by the Fund during the year ending June 30, 2022 to the unit holders, no provision for taxation has been made in these condensed interim financial statements.

		Six months period ended	
		December 31, 2021 (Unaudited)	December 31, 2020 (Unaudited)
12	**CASH AND CASH EQUIVALENTS**	------ (Rupees in '000) ------	
	Bank balances	13,156,533	2,681,492
	Term Deposit Receipts	1,300,000	-
	Treasury bills maturing within 3 months	6,369,646	-
		20,826,179	2,681,492

13 EARNINGS PER UNIT

Earnings per unit based on cumulative weighted average units for the period has not been disclosed as in the opinion of the Management Company, the determination of the same is not practicable.

14 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 0.38% (December 31, 2020: 0.44%) which includes 0.06% (December 31, 2020: 0.17%) representing Government Levy and the SECP Fee.The prescribed limit for the ratio is 2% (December 31, 2020: 2%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as a "money market scheme".

15 TRANSACTION WITH CONNECTED PERSONS / RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

The details of transactions during the current period and balances at period end with related parties / connected persons are as follows:

		(Un-Audited) -------For the period ended------	
15.1	**Details of transactions with connected persons are as follows:**	December 31, 2021	December 31, 2020
		-------- (Rupees in '000) --------	
	MCB-Arif Habib Savings and Investments Limited		
	Remuneration (including indirect taxes)	6,468	1,397
	Allocated expenses (including indirect taxes)	21	541
	Marketing and Selling Expenses	2,147	-
	Group / Associated Companies		
	MCB Bank Limited		
	Mark-up on bank deposits	198	178
	Bank Charges	19	10
	Digital Custodian Company Limited (Formerly: MCB Financial Services Limited) - Trustee		
	Remuneration (including indirect taxes)	1,434	507
	Arif Habib Limited - Brokerage house		
	Brokerage charges*	44	-

* The amount disclosed represents the amount of brokerage paid to connected persons and not the purchase or sale value of securities transacted through them. The purchase or sale value has not been treated as transaction with connected persons as the ultimate counter parties are not the connected persons.

15.2	Balances outstanding at period / year end:	(Unaudited) December 31, 2021	(Audited) June 30, 2021
	Management Company	------ (Rupees in '000) ------	
	MCB-Arif Habib Savings and Investments Limited		
	Remuneration payable	2,149	193
	Sales tax on remuneration payable	279	25
	Allocated expenses payable	-	62
	Sales load payable (including indirect taxes)	-	25
	Group / Associated Companies		
	MCB Bank Limited		
	Balance with bank	7,390	2,747
	Mark-up receivable on bank deposits	33	-
	Digital Custodian Company Limited - Trustee		
	Remuneration payable	371	73
	Sales tax on remuneration payable	50	9

15.3 Unit Holders' Fund

	December 31, 2021 (Unaudited)							
	As at July 01, 2021	Issued for cash	Redeemed	As at December 31, 2021	As at July 01, 2021	Issued for cash	Redeemed	As at December 31, 2021
					----------------- (Rupees in '000) -----------------			
Associated company								
MCB Arif Habib savings and investments Limited	-	5,876,256	2,734,417	3,141,839	-	296,562	138,000	158,562
Security General Insurance Company Limited	-	14,000,452	-	14,000,452	-	706,572	-	706,572
Adamjee Insurance Co.Ltd. Employees Gratuity Fund	-	644,607	-	644,607	-	32,532	-	32,532
Adamjee Insurance Co.Ltd Employees Provident Fund	-	1,285,389	-	1,285,389	-	64,871	-	64,871
Nishat Paper Products Company Limited Staff Provident Fund Trust	-	103,515	-	103,515	-	5,224	-	5,224
Key management personnel*	-	67,551	67,551	-	-	3,421	3,425	-
Mandate under discretionary portfolio services*	98,279	5,312,618	2,827,404	2,583,493	4,960	268,490	143,493	130,383
Unit holders holding 10% or more units	19,327,292	83,803,155	-	103,130,447	975,406	4,229,361	-	5,204,767

* This reflects the position of related party / connected persons status as at December 31, 2021.

	December 31, 2020 (Unaudited)							
	As at July 01, 2020	Issued for cash	Redeemed	As at December 31, 2020	As at July 01, 2020	Issued for cash	Redeemed	As at December 31, 2020
	--------------------------- Units ---------------------------				----------------- (Rupees in '000) -----------------			
Associated company								
Hyundai Nishat Motor (Private) Limited Employees Provident Fund	44,239	165	-	44,404	2,229	8	-	2,303
MCB Arif Habib savings and investments Limited	-	2	2	-	-	-	-	-
Key management personnel*	-	580	4	576	-	30	-	30
Mandate under discretionary portfolio services*	-	26,089,177	26,064,434	24,743	-	1,350,348	1,349,465	1,283
Unit holders holding 10% or more units	71,001,466	6,070,443	39,694,905	37,377,004	3,577,359	311,358	2,000,000	1,938,327

* This reflects the position of related party / connected persons status as at December 31, 2020.

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. Consequently, differences can arise between carrying values and the fair value estimates.

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 market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

16.1 Fair value hierarchy

International Financial Reporting Standard IFRS 13- "Fair Value Measurement": requires the Fund to classify assets 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:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: 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: inputs for the assets or liability that are not based on observable market data (that is, unobservable inputs).

	--------------------------Unaudited-------------------------			
	--------------------------December 31, 2021 --------------------------------			
	Level 1	**Level 2**	**Level 3**	**Total**
	--------------------- (Rupees in '000') -------------			
Financial assets measured at fair value through profit or loss				
Government securities	-	6,843,725	-	6,843,725
	-	6,843,725	-	6,843,725

	--------------------------Audited-------------------------			
	----------------------------June 30, 2021 ----------------------------------			
	Level 1	**Level 2**	**Level 3**	**Total**
	--------------------- (Rupees in '000') -------------			
Financial assets measured at fair value through profit or loss				
Government securities	-	-	-	-
	-	-	-	-

17. TOTAL DISTRIBUTION

During the period ended December 31, 2021, the Management Company on behalf of the Fund, has distributed Rs. 91.916 million and Rs. 60.713 million as dividend on September 14, 2021 and October 12, 2021, respectively .Subsequently, in accordance with an amendment in clause 5.1 of of the Offering Document, The Fund has distributed and re-invested dividend on a daily basis. The amendment was made effective from October 13, 2021.

-----------------------------------December 31, 2021-----------------------------------				
Declaration date	**Rate per unit**	**Refund of capital**	**Distribution from income**	**Total distribution**
		----- (Rupees in '000) -----		
September 14, 2021	1.0029	45,851	46,065	91,916
October 12, 2021	0.3133	5,892	54,821	60,713
		51,743	100,886	152,629

(Unaudited)				(Unaudited)			
December 31, 2021				December 31, 2021			
Payout date	Payout per unit	Payout date	Payout per unit	Payout date	Payout per unit	Payout date	Payout per unit
	Rupees		Rupees		Rupees		Rupees
October 13, 2021	0.0101	November 7, 2021	0.0104	December 2, 2021	0.0125	December 27, 2021	0.0158
October 14, 2021	0.0105	November 8, 2021	0.0109	December 3, 2021	0.0125	December 28, 2021	0.0159
October 15, 2021	0.0080	November 9, 2021	0.0103	December 4, 2021	0.0124	December 29, 2021	0.0162
October 16, 2021	0.0104	November 10, 2021	0.0104	December 5, 2021	0.0124	December 30, 2021	0.0166
October 17, 2021	0.0104	November 11, 2021	0.0104	December 6, 2021	0.0117	December 31, 2021	0.0201
October 18, 2021	0.0082	November 12, 2021	0.0105	December 7, 2021	0.0126	-	-
October 19, 2021	0.0087	November 13, 2021	0.0104	December 8, 2021	0.0127	-	-
October 20, 2021	0.0088	November 14, 2021	0.0104	December 9, 2021	0.0127	-	-
October 21, 2021	0.0029	November 15, 2021	0.0102	December 10, 2021	0.0126	-	-
October 22, 2021	0.0100	November 16, 2021	0.0104	December 11, 2021	0.0126	-	-
October 23, 2021	0.0110	November 17, 2021	0.0100	December 12, 2021	0.0126	-	-
October 24, 2021	0.0109	November 18, 2021	0.0102	December 13, 2021	0.0141	-	-
October 25, 2021	0.0086	November 19, 2021	0.0098	December 14, 2021	0.0139	-	-
October 26, 2021	0.0101	November 20, 2021	0.0107	December 15, 2021	0.0155	-	-
October 27, 2021	0.0108	November 21, 2021	0.0106	December 16, 2021	0.0156	-	-
October 28, 2021	0.0106	November 22, 2021	0.0087	December 17, 2021	0.0152	-	-
October 29, 2021	0.0081	November 23, 2021	0.0123	December 18, 2021	0.0152	-	-
October 30, 2021	0.0106	November 24, 2021	0.0124	December 19, 2021	0.0159	-	-
October 31, 2021	0.0106	November 25, 2021	0.0125	December 20, 2021	0.016	-	-
November 1, 2021	0.0105	November 26, 2021	0.0123	December 21, 2021	0.0159	-	-
November 2, 2021	0.0105	November 27, 2021	0.0124	December 22, 2021	0.0159	-	-
November 3, 2021	0.0106	November 28, 2021	0.0124	December 23, 2021	0.016	-	-
November 4, 2021	0.0105	November 29, 2021	0.0124	December 24, 2021	0.0159	-	-
November 5, 2021	0.0105	November 30, 2021	0.0124	December 25, 2021	0.0159	-	-
November 6, 2021	0.0104	December 1, 2021	0.0124	December 26, 2021	0.0159	-	-

18. GENERAL

Figures have been rounded off to the nearest thousand rupee.

19. DATE FOR AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on ___________ by the Board of Directors of the Management Company.

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**