



**Quarterly Report**  
**September 30, 2015**  
**(Unaudited)**



**MCB-Arif Habib Savings and Investments Limited**

AM2 Plus by PACRA

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## **Vision**

To become synonymous with Savings.

## **Mission**

To become a preferred Savings and Investment Manager in the domestic and regional markets, while maximizing stakeholder's value.

## **Core Values**

The Company takes pride in its orientation towards client service. It believes that its key success factors include continuous investment in staff, systems and capacity building, and its insistence on universal best practices at all times.

## COMPANY INFORMATION

<b>Board of Directors</b>	Mian Mohammad Mansha	Chairman
	Mr. Nasim Beg	Executive Vice Chairman
	Mr. Yasir Qadri	Chief Executive Officer
	Dr. Syed Salman Ali Shah	Director
	Mr. Haroun Rashid	Director
	Mr. Ahmed Jahangir	Director
	Mr. Samad A. Habib	Director
	Mr. Mirza Mahmood Ahmad	Director

<b>Audit Committee</b>	Mr. Haroun Rashid	Chairman
	Mr. Ahmed Jahangir	Member
	Mr. Samad A. Habib	Member

<b>Human Resource &amp; Remuneration Committee</b>	Dr. Syed Salman Ali Shah	Chairman
	Mr. Nasim Beg	Member
	Mr. Haroun Rashid	Member
	Mr. Ahmed Jahangir	Member
	Mr. Yasir Qadri	Member

<b>Company Secretary &amp; Chief Financial Officer</b>	Mr. Muhammad Saqib Saleem
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<b>Share Registrar</b>	<b>Central Depository Company of Pakistan Ltd.</b> CDC House, 99-B, Block 'B' S.M.C.H.S., Main Shahrah-e-Faisal, Karachi. Tel: (92-21) 111-111-500 Fax: (92-21) 34326034 Web: www.cdcpakistan.com
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<b>Bankers</b>	MCB Bank Limited Summit Bank Limited Bank Al Habib Limited Allied Bank Limited
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<b>Auditors</b>	<b>A.F. Ferguson &amp; Co.</b> Chartered Accountants (a member firm of PwC network) State Life Building 1-C I.I. Chundrigar Road Karachi.
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<b>Legal Advisor</b>	<b>Akhund Forbes</b> D-21, Block-4, Scheme-5, Clifton, Karachi.
	<b>Bawaney &amp; Partners</b> 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area, Phase VI, DHA, Karachi.

<b>Registered Office</b>	<b>MCB-Arif Habib Savings &amp; Investments Limited</b> 8th Floor, Techno City, Corporate Tower, Hasrat Mohani Road, Karachi
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<b>Rating</b>	Asset Manager: AM2 + (PACRA) Entity rating : AA - (PACRA)
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## **DIRECTORS REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

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The Board of Directors of MCB-Arif Habib Savings and Investments Limited (MCBAH) is pleased to present the Quarterly Report on the affairs of MCBAH for the period ended September 30, 2015.

### **Company's Performance Review**

The Company recorded a gross income of Rs. 182.6 million, which includes management/investment advisory fee and other operating income. After accounting for administrative, operating & financial expenses and income sharing of Rs. 108.8 million, the company earned a profit before tax of Rs. 73.8 million. The net profit after tax for the period amounts to Rs. 48.8 million, as compared to net profit of Rs. 52.6 million for the corresponding period ended September 30, 2014. Part of decline in net income is attributable to variable management fee on fixed income fund returns where lower returns mainly reflect a 300 basis points decline in interest rates over the year.

### **MARKET & ECONOMIC REVIEW**

#### **Economy & Money Market Review**

Benefits of more than 50 percent drop year on year in crude oil prices are visible in the macroeconomic score card positively nudging the Balance of Payment, Foreign Exchange Reserves, Inflation, Interest rates and the Fiscal deficit. A net benefit of more than USD 1 bn is visible in the trade account during first two months of fiscal year which has offset the otherwise slower exports. In the same period, Balance of Payment Account also remained stable where a near USD 394 m Current Account deficit has been largely offset by Financial and Capital Account Inflows. During the same period last year, the country had a negative balance of payment of near USD 729 million mainly derived from a current account deficit of about USD 1,456 million. With controlled current account deficit, the support of IMF tranche, CSF flows and multilateral flows, reserves remained firm near USD 18.5 billion (Sep-18) mark giving resilience to PKR which underwent relatively lesser depreciation in the fragile environment prevailing in the emerging markets. Although, the local fuel prices were cushioned by increase in taxes, yet the drop in crude oil along with other commodity prices, kept the inflation contribution from food and other sectors at lower levels. During the first quarter, headline inflation average remained near 1.6% which along with strong external account position, created comfortable space for another 50 basis point cut in policy rate in September monetary policy. M2 growth remained mildly negative on FY15 to date basis (18-Sep) which reflects the seasonal adjustment where NDA continually supported by a net govt. borrowing of about PKR 255 billion with a muted contribution from NFA in absence of any major net inflows. Money markets remained cautiously optimistic about

## **DIRECTORS REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

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further cut in discount rate and its sustainability. Yield Curve has thus recently witnessed a slight increase in slope with longer dated bonds remaining relatively less responsive to the change in policy rate. Increasingly the markets continue to remain cautious primarily due to low quality of market liquidity which has been reliant on OMO injections and the expected uptick in inflation as 2nd half FY16 inflation is expected to remain near 6% largely due to low base effect.

### **Equities Market Review**

The bourse underperformed during the quarter with KSE 100 Index closing about 6.1% lower at the end of first quarter. The quarter began with the overall positive momentum carried forward through FY-15 on the back of positive macroeconomic direction and stable valuations at KSE. However after crossing 36,000 in early August, the index could not sustain the momentum initially due to political noise while later after showing some recovery, the negative spell that started in global emerging market struck harder at the local bourse. Despite a growing stable macro environment and another 50 basis points cut in policy rate, concerns of foreign selling coupled with speculation and fears of a fall out of wider scope investigations into corruption cases from politicians to defaulted stock market brokers stalled the buying activity from investors. During the quarter, the participation at KSE remained commensurate with KSE100 index direction as the volumes that averaged above 400 million till early August, dropped to below 250 million shares during remaining quarter which fell further to 183 million in September, worst month during the quarter in which KSE 100 index shed more than 7%. Foreign investors withdrew more than USD 105 million during the quarter, about USD 82 million were withdrawn in the first two months while September remained relatively calm mainly due to lack of liquidity and a bigger correction at the local bourse. Oil & Gas, Banks and Telecom with high concentration of foreign investors remained among the key laggards.

### **MARKET & ECONOMY - FUTURE OUTLOOK**

Oil prices have improved the economic scorecard significantly particularly the external account and inflation while providing an opportunity to address the chronic energy issues along with fiscal management. Most of the indicators have improved passively however critical indicators which still lack significant improvement include Credit off take and Capital Expenditure along with FDI. Despite conducive macro environment, growth is yet to pick up and we hope the China Pakistan Corridor provides the required growth impetus for investment to pick up. Government still remains significantly dependent on domestic borrowing to fund fiscal deficit and still progress has remained slow on key reforms including energy, privatization and revenue generation. Security situation has also improved which

## **DIRECTORS REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

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however remains a long and continuing challenge with potential risks to infrastructure plans going forward.

With stable macro environment and pace expected to pick up on the infrastructure projects, we expect the environment to remain conducive for capital markets. We expect the full year inflation to remain below 4.5% as remainder year inflation is expected to gradually pick up and thus provides a stable interest rate outlook. Budgeted target for economic growth appear achievable while fiscal deficit may marginally exceed due to challenges in revenue collection despite significant reduction in subsidies.

With Policy Rate at 6% and SBP committed to contain the money market volatility and liquidity through continuous OMO support, we expect stable environment for short term papers and medium term bonds while longer dated bonds would respond to further confirmations on external account including trade account and exchange rate which in turn would remain dependent on commodity prices and multilateral flows. Volatility in global markets particularly emerging equity markets and commodities may affect the short term returns however direct affect remains muted for Pakistan. Global slowdown poses a challenge for exports particularly textiles while significantly lower oil prices can affect the worker remittances from Middle East in particular. Given the steep drop in crude oil prices, the risks remain manageable however sustained degradation shall be a bigger challenge. A disconnect in current improvement in macro economic variables and KSE performance offers an opportunity for investors to add equities which offer higher return potential on risk adjusted basis for long term investors. Improved outlook on GDP growth, Current Account and controlled fiscal balance in a low inflationary environment supports the case for equities where a PE of 9x prospective earnings along with a dividend yield of 6% with a regional valuation discount in excess of 32% affirms case for higher return potential. We expect infrastructure linked sectors including Cements, Steel, Power and Consumption driven sectors to drive returns while Oil & Gas and Banking Sectors remain attractive on long term valuations.

### **MUTUAL FUND INDUSTRY REVIEW**

The Net Assets of the open end mutual fund industry stood at around \$406 billion at the end of the 1QFY16 exhibiting growth of about 7.8% from the AUM at end of June 2015.

Income Funds took the lead in the category mix while Equity funds continued to remain firm contributing about 29% and 24% respectively.

## **DIRECTORS REPORT FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

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### **MUTUAL FUND INDUSTRY OUTLOOK**

Sanguine outlook for equities should continue to attract investors in equity funds where the growth is expected to remain strong alongwith equity linked funds including Capital protected structures, Asset Allocation and Balanced Funds. On the fixed income side, money market funds are expected to remain stable while lower absolute returns may encourage continued albeit at slower pace now towards Bond and Income Funds. With interest rates expected to now stable at current levels, opportunities for capital gain in fixed income securities should be fewer relative to last year while more focus shall remain on yield differential pickup across the yield curve. With lower interest rates, investors are keen to explore avenues to enhance returns and are increasing becoming open to professional investment advisory services which though extremely competitive yet offers potential to support bottom line growth.

For and on behalf of the Board



Yasir Qadri  
Chief Executive  
Karachi: October 16, 2015




## CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2015

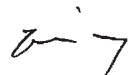
		Unaudited September 30, 2015	Audited June 30, 2015
	Note	----- Rupees -----	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	4	368,398,689	369,833,385
Long-term investments	5	424,806,853	433,477,071
Long-term loans and receivables		1,126,944	3,108,010
Long-term deposits		1,434,984	1,384,984
		<u>795,767,470</u>	<u>807,803,450</u>
<b>Current assets</b>			
Receivable from related parties		376,556,888	357,749,760
Loans and advances		20,773,348	2,280,786
Deposits, prepayments and other receivables		28,086,439	24,347,871
Accrued markup		2,412,105	7,980,335
Short-term investments	6	737,353,612	753,589,772
Taxation - net		57,415,418	49,667,230
Cash and bank balances		12,408,411	15,912,374
		<u>1,235,006,221</u>	<u>1,211,528,128</u>
<b>Total assets</b>		<u><u>2,030,773,691</u></u>	<u><u>2,019,331,578</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorised share capital			
72,000,000 (2015: 72,000,000) ordinary shares of Rs 10 each		<u>720,000,000</u>	<u>720,000,000</u>
Issued, subscribed and paid-up share capital		720,000,000	720,000,000
Reserves		806,189,030	773,857,836
<b>Total equity</b>		<u>1,526,189,030</u>	<u>1,493,857,836</u>
Surplus arising on revaluation of property and equipment - net of deferred tax		11,045,910	11,181,023
		<u>1,537,234,940</u>	<u>1,505,038,859</u>
<b>Non-current liabilities</b>			
Deferred taxation		56,892,036	53,850,439
<b>Current liabilities</b>			
Trade and other payables		436,646,715	460,442,280
<b>Total liabilities</b>		<u>493,538,751</u>	<u>514,292,719</u>
<b>Total equity and liabilities</b>		<u><u>2,030,773,691</u></u>	<u><u>2,019,331,578</u></u>

### CONTINGENCIES AND COMMITMENTS

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

  
\_\_\_\_\_  
Chief Executive Officer


  
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Director

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

	Note	Quarter ended	
		September 30, 2015	September 30, 2014
		-----Rupees-----	
<b>Revenue</b>			
Management fee / Investment advisory fee	8	168,301,013	141,537,423
Processing and other related income		549,775	224,819
Profit on bank deposits		504,309	804,096
Income from Government Securities		9,955,290	6,949,479
Capital gain on sale of investments - net		3,141,204	1,517,149
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		174,201	11,260,801
Other income		18,425	236,475
<b>Total revenue</b>		182,644,217	162,530,242
<b>Expenses</b>			
Administrative and operating expenses	9	(75,038,088)	(63,680,046)
Management fee /Investment Advisory fee / processing fee and other related income sharing		(33,613,412)	(18,339,577)
Financial charges		(154,563)	(1,567,814)
<b>Total expenses</b>		(108,806,063)	(83,587,437)
<b>Profit for the quarter before taxation</b>		73,838,154	78,942,805
<b>Taxation</b>			
- Current		(21,948,996)	(20,566,867)
- Deferred		(3,041,597)	(5,728,054)
		(24,990,593)	(26,294,921)
<b>Profit for the quarter after taxation</b>		48,847,561	52,647,884
Earnings per share - basic and diluted		0.68	0.73

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


  
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Chief Executive Officer

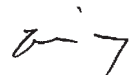
  
\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

	Quarter ended	
	September 30, 2015	September 30, 2014
	Rupees	
<b>Profit for the quarter after taxation</b>	<b>48,847,561</b>	<b>52,647,884</b>
<b>Other Comprehensive income for the quarter</b>		
<i>Items that may be re-classified subsequently to profit or loss</i>		
Unrealised (diminution)/appreciation on re-measurement of 'available-for-sale' financial assets - related parties	5.1 (16,481,191)	8,067,634
Unrealised (diminution)/appreciation on re-measurement of 'available-for-sale' financial assets - Government Securities	6.2 (170,289)	2,554,532
<i>Items that will not be reclassified to profit or loss</i>		
Transferred from surplus arising on revaluation of property and equipment on account of incremental depreciation - net of deferred taxation	135,113	135,577
	<u>(16,516,367)</u>	<u>10,757,743</u>
<b>Total comprehensive income for the quarter</b>	<b><u>32,331,194</u></b>	<b><u>63,405,627</u></b>

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

  
\_\_\_\_\_  
Chief Executive Officer


  
\_\_\_\_\_  
Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

	<b>Quarter ended</b>	
	<b>September 30, 2015</b>	<b>September 30, 2014</b>
	<b>-----Rupees-----</b>	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit for the period before taxation	73,838,154	78,942,805
<b>Adjustments for non cash and other items:</b>		
Depreciation	2,397,719	3,479,912
Amortisation	934,417	1,271,707
Capital gain on sale of investments-Net	(3,141,204)	(1,517,149)
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	(174,201)	(11,260,801)
	<b>16,731</b>	<b>(8,026,331)</b>
<b>OPERATING CASH FLOWS BEFORE WORKING CAPITAL CHANGES</b>	<b>73,854,885</b>	<b>70,916,474</b>
<b>WORKING CAPITAL CHANGES</b>		
<b>(Increase) / decrease in current assets</b>		
Receivable from related parties	(18,807,128)	(29,070,507)
Deposits, prepayments and other receivables	4,725,753	(7,444,152)
Loan and advances	(18,492,562)	(256,187)
	<b>(32,573,937)</b>	<b>(36,770,846)</b>
<b>(decrease) / Increase in current liabilities</b>		
Running finance obtained	-	181,726,609
Trade and other payables	(26,741,656)	29,644,557
<b>NET CASH USED IN WORKING CAPITAL CHANGES</b>	<b>(59,315,593)</b>	<b>174,600,320</b>
<b>CASH GENERATED FROM OPERATIONS</b>	<b>14,539,292</b>	<b>245,516,794</b>
Income tax paid	(29,697,184)	(15,773,532)
<b>NET CASH USED IN / GENERATED FROM OPERATING ACTIVITIES</b>	<b>(15,157,892)</b>	<b>229,743,262</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(1,897,440)	(615,240)
Investment made - net	11,570,303	(230,122,898)
Long term loans and receivables	1,981,066	1,961,013
<b>NET CASH GENERATED FROM / USED IN INVESTING ACTIVITIES</b>	<b>11,653,929</b>	<b>(228,777,125)</b>
<b>NET DECREASE / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(3,503,963)</b>	<b>966,137</b>
Cash and cash equivalents at the beginning of the period	<b>15,912,374</b>	<b>10,554,360</b>
Cash and cash equivalents at the end of the period	<b>12,408,411</b>	<b>11,520,497</b>

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


  
\_\_\_\_\_  
Chief Executive Officer


  
\_\_\_\_\_  
Director

# **CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

	Reserves					
	Capital Reserves			Revenue Reserve		
	Issued, subscribed and paid-up share capital	Share premium	Deficit arising on amalgamation	Sub total	Unrealised appreciation on re-measurement of available-for-sale financial assets	Unappropriated profit
		</				

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

  
Chief Executive Officer

  
Director

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** MCB-Arif Habib Savings and Investments Limited ("the Company") was incorporated in the name of Arif Habib Investment Management Limited (AHIML) on August 30, 2000 as an unquoted public limited company under the Companies Ordinance, 1984. During 2008, the Company was listed on the Karachi Stock Exchange by way of offer for sale of shares by a few of its existing shareholders to the general public. In the same financial year, the name of the Company was changed from "Arif Habib Investment Management Limited" to "Arif Habib Investments Limited". Pursuant to the merger of MCB Asset Management Company Limited with and into Arif Habib Investments Limited (AHIL), the name of AHIL has been changed to MCB-Arif Habib Savings and Investments Limited effective from 23 May 2013.
- 1.2** The Company is registered as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 and as an Asset Management Company and an Investment Advisor under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.
- 1.3** The registered office of the Company is situated at 8th Floor, Techno City, Corporate Tower, Molana Hasrat Mohani Road, Karachi, Pakistan.
- 1.4** The Company has been assigned an asset manager rating of AM2+ by the Pakistan Credit Rating Agency Limited (PACRA) and currently has the following funds under management:

		Net assets value as at	
		September 30, 2015 (Unaudited)	June 30, 2015 (Audited)
	Note	----- Rupees in million -----	
<b>Open-end Collective Investment Schemes (CISs)</b>			
Pakistan Income Fund		1,225	1,131
Pakistan Sarmaya Mahfooz Fund		686	741
MCB Pakistan Stock Market Fund		6,266	6,075
MCB Pakistan Sovereign Fund		7,255	3,193
Pakistan International Element Islamic Asset Allocation Fund		835	804
Pakistan Capital Market Fund		760	682
Pakistan Cash Management Fund		1,408	1,442
Pakistan Income Enhancement Fund		2,737	969
MCB Pakistan Islamic Stock Fund	1.5	725	666
MCB Islamic Income Fund		1,220	1,261
MCB Pakistan Asset Allocation Fund		3,132	2,640
MCB DCF Income Fund		13,379	11,273
MCB Cash Management Optimizer		7,921	12,533
<b>Pension Funds</b>			
Pakistan Pension Fund		912	873
Pakistan Islamic Pension Fund		440	439
<b>Discretionary portfolio</b>		<b>15,907</b>	<b>13,814</b>

The Company is also managing investments under discretionary portfolio management agreement, the details of which are given below:

Number of clients	44	40
Total portfolio at cost (Rs in millions)	14,633	12,553
Total portfolio at market value (Rs in millions)	14,782	13,062
	<b>September 30, 2015</b>	<b>September 30, 2014</b>
Fee earned (Rs in millions)	6	4

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

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- 1.5** During the period, the name of Pakistan Strategic Allocation Fund was changed to MCB Pakistan Islamic Stock Fund.
- 1.6** MCB Pakistan Frequent Payout Fund (MCBPFPF) was approved by SECP as a Collective Investment Scheme during the period. MCBPFPF is an Open-ended Asset Allocation Scheme with an objective of the Fund is to provide investors regular monthly payment by investing Fund's assets in debt and equity instruments.

**2 BASIS OF PRESENTATION**

**2.1 Statement of compliance**

- a) This condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Companies Ordinance, 1984, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.
- b) The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published financial statements of the Company for the year ended June 30, 2015.
- c) This condensed interim financial information is unaudited. The Board of Directors of the Company declares that this condensed interim financial information gives a true and fair view of the state of the Company's affairs.

**2.2 Critical accounting estimates and judgments**

The basis and methods used for critical accounting estimates and judgments adopted in this condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2015.

**2.3 Accounting Convention**

This condensed interim financial information has been prepared under the historical cost convention except that investments have been marked to market and are carried at their respective fair values and building has been stated at revalued amount.

**2.4 Functional and presentation currency**

This condensed interim financial information is presented in Pakistani Rupee which is the Company's functional and presentation currency.

**3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation followed in the preparation of this condensed interim financial information are the same as those applied in the preparation of financial statements of the Company for the year ended June 30, 2015.

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements 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.

The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended June 30, 2015.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

	Note	Unaudited September 30, 2015	Audited June 30, 2015
		Rupees	
<b>4 FIXED ASSETS</b>			
Property and equipment	4.1	<b>86,335,820</b>	86,981,586
Intangible assets	4.2	<b>282,062,869</b>	282,851,799
		<b>368,398,689</b>	369,833,385

**4.1 Propert and equipment**

Following is a statement of property and equipment:

	Computers	Building	Office equipment	Furniture and fixtures	Leasehold improvements	Vehicles	Total
	Rupees						
<b>As at July 1, 2015</b>							
Cost	30,679,139	84,494,665	13,579,008	15,904,067	2,725,000	7,662,267	155,044,146
Accumulated depreciation	(23,727,042)	(17,180,644)	(9,094,341)	(9,537,943)	(860,323)	(7,662,267)	(68,062,560)
Net book value	<b>6,952,097</b>	<b>67,314,021</b>	<b>4,484,667</b>	<b>6,366,124</b>	<b>1,864,677</b>	-	<b>86,981,586</b>
<b>Quarter ended September 30, 2015</b>							
Opening net book value	6,952,097	67,314,021	4,484,667	6,366,124	1,864,677	-	86,981,586
Additions during the period	465,598	-	616,609	669,746	-	-	1,751,953
Disposals / transfers							
Cost	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-
Depreciation for the period	(475,882)	(841,425)	(540,705)	(403,457)	(136,250)	-	(2,397,719)
<b>Closing net book value</b>	<b>6,941,813</b>	<b>66,472,596</b>	<b>4,560,571</b>	<b>6,632,413</b>	<b>1,728,427</b>	-	<b>86,335,820</b>
<b>As at September 30, 2015</b>							
Cost	31,144,737	84,494,665	14,195,617	16,573,813	2,725,000	7,662,267	156,796,099
Accumulated depreciation	(24,202,924)	(18,022,069)	(9,635,046)	(9,941,400)	(996,573)	(7,662,267)	(70,460,279)
Net book value	<b>6,941,813</b>	<b>66,472,596</b>	<b>4,560,571</b>	<b>6,632,413</b>	<b>1,728,427</b>	-	<b>86,335,820</b>
<b>Depreciation rates (% per annum)</b>	25%	5%	20%	10%	20%	25%	

**4.2 INTANGIBLE ASSETS**

Intangible assets	4.2.1	<b>282,062,869</b>	282,851,799
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**4.2.1** Following is a statement of intangible assets:

	Computer software	Goodwill	Management rights	Total
	Rupees			
<b>As at July 1, 2015</b>				
Cost	27,628,022	82,126,933	192,000,000	301,754,955
Accumulated depreciation	(18,903,156)	-	-	(18,903,156)
Net book value	<b>8,724,866</b>	<b>82,126,933</b>	<b>192,000,000</b>	<b>282,851,799</b>
<b>Quarter ended September 30, 2015</b>				
Opening net book value	8,724,866	82,126,933	192,000,000	282,851,799
Additions during the period	145,487	-	-	145,487
Amortisation for the period	(934,417)	-	-	(934,417)
<b>Closing net book value</b>	<b>7,935,936</b>	<b>82,126,933</b>	<b>192,000,000</b>	<b>282,062,869</b>
<b>As at September 30, 2015</b>				
Cost	27,773,509	82,126,933	192,000,000	301,900,442
Accumulated depreciation	(19,837,573)	-	-	(19,837,573)
Net book value	<b>7,935,936</b>	<b>82,126,933</b>	<b>192,000,000</b>	<b>282,062,869</b>
<b>Amortisation rates (% per annum)</b>	25%			



**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

**5 LONG TERM INVESTMENTS**

**In Collective Investment Schemes - related parties**

Available-for-sale investments

	Note	Un-audited September 30, 2015	Audited June 30, 2015
		(Rupees)	(Rupees)
5.1	5.1	424,806,853	433,477,071

**5.1 Available-for-sale investments**

Name of the Investee Fund	Note	As at July 01, 2015	Bonus units issued during the period	As at September 30, 2015			As at June 30, 2015			
				As at September 30, 2015	Cost	Market value	Unrealised appreciation on re-measurement of investments	Cost	Market value	Unrealised appreciation on re-measurement of investments
Units (Rupees)										
Open end mutual funds										
Pakistan Pension Fund	5.1.1	852,196	-	852,196	108,396,061	212,063,303	103,667,242	108,396,061	214,253,990	105,857,929
Pakistan Islamic Pension Fund	5.1.1	905,160	-	905,160	112,534,000	212,743,550	100,209,550	112,534,000	219,223,081	106,689,081
					220,930,061	424,806,853	203,876,792	220,930,061	433,477,071	212,547,010

**5.1.1 Net unrealized (diminution)/appreciation on re-measurement of investments classified as available for sale'**

Market value of investments  
Less: Cost of investments

	Un-audited September 30, 2015	Audited June 30, 2015
	Rupees	Rupees
	424,806,853	433,477,071
	(220,930,061)	(220,930,061)
	<u>203,876,792</u>	<u>212,547,010</u>
	(212,547,010)	(135,992,233)
	<u>(8,670,218)</u>	<u>76,554,777</u>

Less: Net unrealised appreciation in fair value of investments at the beginning of the period/year  
Less: amount realised on redemption

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
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	Note	September 30, 2015	June 30, 2015			
		Rupees				
6	<b>SHORT-TERM INVESTMENTS</b> At fair value through profit or loss Available-for-sale investments	403,519,692 333,833,920 <u>737,353,612</u>	38,025,601 715,564,171 <u>753,589,772</u>			
6.1	At fair value through profit or loss					
Name of the Investee Fund	As at September 30, 2015			As at June 30, 2015		
	As at July 01, 2015	Purchases during the period	Bonus units issued during the period	Redemptions during the period	As at September 30, 2015	Unrealised appreciation (diminution) on re-measurement of investments
Number of units						Rupees
MCB Cash Management Optimizer	379,880	1,047,264	-	1,427,144	-	-
MCB Pakistan Asset Allocation Fund	-	1,516,966	-	549,625	967,281	73,778,694
MCB Pakistan Sovereign Fund	-	8,508,074	-	2,447,769	6,060,365	328,003,926
					<u>403,345,491</u>	<u>403,519,692</u>
					38,000,000	38,025,601
						<u>25,601</u>
6.2	Available-for-sale investments					
	6.3	94,420,154	82,250,918			
	6.4	144,646,866	162,085,253			
	6.5	<u>94,766,500</u>	<u>471,398,000</u>			
		<u>333,833,920</u>	<u>715,564,171</u>			

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

**6.3 Units of Mutual Funds**

Name of the Investor Fund	As at July 01, 2015	Purchases during the period	Bonus units issued during the period	Redemptions during the period	As at September 30, 2015	As at September 30, 2015				As at June 30, 2015			
						Carrying value	Market value	Unrealised appreciation (diminution) on re-measurement of investments	Carrying value	Market value	Unrealised appreciation (diminution) on re-measurement of investments	Market value	Unrealised appreciation (diminution) on re-measurement of investments

MCB Pakistan Stock Market Fund	988,236	256,591	-	-	1,244,827	93,211,651	94,420,154	1,208,503	73,231,442	82,250,918	9,019,476	82,250,918	9,019,476
						93,211,651	94,420,154	1,208,503	73,231,442	82,250,918	9,019,476	82,250,918	9,019,476

**6.4 Pakistan Investment Bonds**

Particulars	Face Value				As at September 30, 2015	As at September 30, 2015				As at June 30, 2015			
	As at July 01, 2015	Purchased during the period	Disposed during the period	As at September 30, 2015		Carrying Value	Market value	Unrealised appreciation (diminution) on re-measurement of investments	Carrying Value	Market value	Unrealised appreciation (diminution) on re-measurement of investments	Market value	Unrealised appreciation (diminution) on re-measurement of investments
GOP- PIB- 26 March 2015 to 26 March 2020	-	275,000,000	237,500,000	37,500,000		38,902,500	39,196,725	294,225	-	-	-	-	-
GOP- PIB- 19 July 2012 to 19 July 2022	50,000,000	-	50,000,000	-		-	-	-	55,786,400	55,898,400	112,000	55,898,400	112,000
GOP- PIB- 18 July 2013 to 18 July 2016	101,800,000	-	-	101,800,000		103,475,324	105,450,141	1,974,817	104,475,324	106,106,853	2,631,529	106,106,853	2,631,529
GOP- PIB- 17 July 2014 to 17 July 2019	-	50,000,000	50,000,000	-		-	-	-	-	-	-	-	-
	151,800,000	325,000,000	337,500,000	139,300,000		142,377,824	144,646,866	2,269,042	159,261,724	162,005,253	2,743,529	162,005,253	2,743,529

6.4.1 These Pakistan Investment Bonds have a cost of Rs.142 million (30 June 2015: 159 million) and carry interest at the rate of 9.25% to 12% (30 June 2015 : 12%) per annum.

**6.5 Treasury Bills**

Particulars	Face Value				As at September 30, 2015	As at September 30, 2015				As at June 30, 2015			
	As at July 01, 2015	Purchased during the period	Disposed during the period	As at September 30, 2015		Carrying Value	Market value	Unrealised appreciation (diminution) on re-measurement of investments	Carrying Value	Market value	Unrealised appreciation (diminution) on re-measurement of investments	Market value	Unrealised appreciation (diminution) on re-measurement of investments

GOPM T-Bills - 3 months - 28 May 15 - 26 Aug 15	375,000,000	-	375,000,000	-		-	-	-	371,522,332	371,460,000	(6,232)	371,460,000	(6,232)
GOPM T-Bills - 6 months - 08 Jun 15 - 08 Jul 15	100,000,000	-	100,000,000	-		-	-	-	99,852,581	99,848,000	(4,581)	99,848,000	(4,581)
GOPM T-Bills - 12 months - 06 Aug 15 - 04 Aug 16	-	200,000,000	100,000,000	100,000,000		94,529,615	94,766,900	237,285	237,285	471,308,000	(66,913)	471,308,000	(66,913)
	475,000,000	200,000,000	575,000,000	100,000,000		94,529,615	94,766,900	237,285	471,374,913	471,308,000	(66,913)	471,308,000	(66,913)

6.5.1 Market treasury bills carry effective interest rates ranging from 6.94% to 6.96% (June 30, 2015 : 6.94% to 6.96%).

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**7 RUNNING FINANCE**

The running finance facility amounting to Rs. 500 million obtained by MCB Bank Limited, a related party. The facility carries mark-up at the rate of 1 months' KIBOR plus 0.5 % (June 30, 2015 : NIL) , payable on quarterly basis. The facility is secured against pledge over Government Securities held by the Company.

**8 MANAGEMENT FEE / INVESTMENT ADVISORY FEE**

	Note	QUARTER ENDED	
		SEPTEMBER 30, 2015	SEPTEMBER 30, 2014
		-----Rupees-----	
From Collective Investment Schemes - related parties	8.1	214,845,274	183,988,478
From Discretionary Portfolio		7,715,986	4,822,443
		222,561,260	188,810,921
Less : Indirect taxes and duties on management fee		(54,260,247)	(47,273,498)
		<b>168,301,013</b>	<b>141,537,423</b>
<b>8.1 From Collective Investment Schemes - related parties</b>			
MCB Cash Management Optimizer		21,466,380	41,084,625
MCB Pakistan Asset Allocation Fund		20,252,838	5,332,110
MCB DCF Income Fund		62,157,825	58,738,214
MCB Islamic Income Fund		2,879,790	5,342,674
MCB Pakistan Sovereign Fund		19,747,799	11,309,193
Pakistan Capital Market Fund		5,178,660	2,472,110
Pakistan Cash Management Fund		3,390,005	11,284,329
Pakistan Income Enhancement Fund		10,250,674	8,483,219
Pakistan Income Fund		5,883,662	5,097,958
Pakistan International Element Islamic Asset Allocation Fund		5,582,305	2,686,068
Pakistan Islamic Pension Fund		2,250,011	1,642,175
Pakistan Pension Fund		4,554,404	3,094,964
MCB Pakistan Stock Market Fund		43,899,697	24,941,745
MCB Pakistan Islamic Stock Fund		4,939,582	2,479,094
Pakistan Sarmaya Mahfooz Fund		2,411,642	-
		<b>214,845,274</b>	<b>183,988,478</b>

**9 ADMINISTRATIVE AND OPERATING EXPENSES**

	QUARTER ENDED	
	SEPTEMBER 30, 2015	SEPTEMBER 30, 2014
	-----Rupees-----	
Salaries, allowances and other benefits	44,276,896	39,692,511
Marketing and advertising expenses	3,480,928	928,008
Legal and professional charges	3,362,410	2,979,741
Traveling and conveyance charges	678,960	595,216
Repairs and maintenance	9,123,950	5,755,867
Office supplies	88,023	84,232
Auditors' remuneration	500,000	500,000
Directors' meeting fee	225,000	325,000
Insurance	386,493	289,521
Depreciation	2,397,719	3,479,912
Amortisation	934,416	1,271,707
Stamp duty and taxes	-	17,700
Printing and stationery	1,105,062	1,244,947
Utilities	3,562,971	1,347,856
Telephone expenses	978,130	1,089,208
Entertainment expenses	616,140	350,494
Books, periodicals and subscription	1,594,770	1,938,435
Registrar fee	149,469	201,631
Miscellaneous expenses	1,576,751	1,588,060
	<b>75,038,088</b>	<b>63,680,046</b>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

**10 CONTINGENCIES AND COMMITMENTS**

- 10.1** The Company has signed sale agreement with M/s Bank Al-Habib Limited for sale of its existing office premises (8th Floor, Techno City, Corporate Tower, Hasrat Mohani Road, Karachi) against the agreed price of Rs. 90 million. The same transaction is expected to be settled before January 15, 2016.
- 10.2** In the income tax affairs of the Company for the Tax Year 2013 the Additional Commissioner Inland Revenue (Addl.CIR) is of the view that the deem assessment order is erroneous in so far as it is prejudicial to the interest of revenue, therefore, issue a notice under section 122(5A) of the Income Tax Ordinance, 2001 vide letter No.Addl.CIR/AR-A/Z-III/LTU/2014-15 dated November 14, 2014. The Addl. CIR passed an order under section 122(5A) of the Income Tax Ordinance, 2001 dated August 28, 2015 creating demand of Rs. 39.38 million and made certain additions in profit & loss account. The Company has filed an appeal before the CIR Appeals against the above order. The Management and the Tax Advisors of the Company are confident that good grounds exist to contest these disallowances at the Appellate Forums and these additions cannot be maintainable and eventually outcome will come in favour of the Company. Hence, no provision has been made in the financial statements.

**11 TRANSACTIONS WITH RELATED PARTIES**

MCB Bank Limited (MCB) holds 51.33% ordinary shares of the Company as at the period end. Therefore, all subsidiaries and associated undertakings of MCB are related parties of the Company. Other related parties comprise of collective investment schemes managed by the Company, directors, key management personnel and their close family members and the defined contribution plan. Transactions with related parties are in the normal course of business and carried out at contracted rates and terms. Details of such transaction are as follows:

	Quarter ended	
	September 30, 2015	September 30, 2014
	-----Rupees-----	
<b>11.1 TRANSACTIONS WITH RELATED PARTIES DURING THE PERIOD</b>		
<b>MCB BANK LIMITED</b>		
Profit in bank deposits	461,123	756,426
Bank charges	-	8,830
Reimbursement of expenses	3,000,000	3,000,000
Commission and other expenses	17,250,600	8,433,936
Branch sharing expenses	810,000	780,000
Mark-up on running finance	-	1,558,984
<b>ADAMJEE LIFE ASSURANCE COMPANY LIMITED</b>		
Investment advisory income	4,336,013	2,609,179
<b>ADAMJEE INSURANCE COMPANY LIMITED</b>		
Amount paid against insurance	676,434	836,837
<b>MCB FINANCIAL SERVICES LIMITED</b>		
Reimbursement of expenses	511,794	439,077
Trustee fee	600,000	375,154
<b>SUMMIT BANK LIMITED</b>		
Payment against compensation on outright sale of Treasury	-	136,354
Profit in bank deposits	43,186	47,670
<b>MCB DCF INCOME FUND</b>		
Remuneration income	62,157,825	58,738,214
Share of sale load	8,392	42,786
Redemption of units	-	115,000,000
<b>MCB PAKISTAN ASSET ALLOCATION FUND</b>		
Remuneration income	20,252,838	5,332,110
Share of sale load	94,664	17,709
Investment in units	118,151,955	-
Redemption of units	43,000,000	-
<b>MCB CASH MANAGEMENT OPTIMIZER</b>		
Remuneration income	21,466,380	41,084,625
Investment in units	105,000,000	-
Redemption of units	143,231,654	-
<b>MCB ISLAMIC INCOME FUND</b>		
Remuneration income	2,879,790	5,342,674
Share of sale load	10,307	3,167

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

	<b>Quarter ended</b>	
	<b>September 30, 2015</b>	<b>September 30, 2014</b>
	<b>-----Rupees-----</b>	
<b>MCB PAKISTAN STOCK MARKET FUND</b>		
Remuneration income	43,899,697	24,941,745
Share of sale load	226,935	87,715
Amount received against conversion cost	1,135,912	1,135,912
Investment in units	19,980,209	4,996,362
<b>PAKISTAN INCOME FUND</b>		
Remuneration income	5,883,662	5,097,958
Share of sale load	4,340	7,287
<b>MCB PAKISTAN SOVERIGN FUND</b>		
Remuneration income	19,747,799	11,309,193
Share of sale load	2,308	100
Investment in units	460,000,000	25,000,000
Redemption of units	132,000,000	-
<b>PAKISTAN CAPITAL MARKET FUND</b>		
Remuneration income	5,178,660	2,472,110
Share of sale load	26,320	3,445
<b>MCB PAKISTAN ISLAMIC STOCK FUND</b>		
Remuneration income	4,939,582	2,479,094
Amount received against conversion cost	1,520,031	1,520,031
Share of sale load	21,239	5,086
<b>PAKISTAN PENSION FUND</b>		
Remuneration income	4,554,404	3,094,964
Share of sale load	57,370	32,675
Contribution made to Pension fund on behalf of employees	945,068	783,002
<b>PAKISTAN INTERNATIONAL ELEMENT ISLAMIC ASSET ALLOCATION FUND</b>		
Remuneration income	5,582,305	2,686,068
Share of sale load	44,853	7,336
<b>PAKISTAN ISLAMIC PENSION FUND</b>		
Remuneration income	2,250,011	1,642,175
Share of sale load	6,731	904
Contribution made to Pension fund on behalf of employees	1,022,288	866,242
<b>PAKISTAN CASH MANAGEMENT FUND</b>		
Remuneration income	3,390,005	11,284,329
<b>PAKISTAN INCOME ENHANCEMENT FUND</b>		
Remuneration income	10,250,674	8,483,219
Share of sale load	12,556	16,609
<b>PAKISTAN SARMAYA MAHFOOZ FUND</b>		
Remuneration income	2,411,642	-
Back-end load	33,760	-
Amount received against formation cost	4,313,850	-
<b>KEY MANAGEMENT PERSONNEL</b>	8,801,810	9,956,994

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

	(Unaudited) September 30, 2015	(Audited) June 30, 2015
	----- Rupees -----	
<b>AMOUNT OUTSTANDING AS AT PERIOD END</b>		
<b>MCB BANK LIMITED</b>		
Bank balance	9,194,904	12,610,032
Receivable as share of expense	206,162	206,162
Other payable	14,012,765	15,329,829
Commission payable	10,767,771	43,670,412
Mark up receivable	-	118,641
<b>ADAMJEE LIFE ASSURANCE COMPANY LIMITED</b>		
Advisory fee receivable	8,030,387	6,839,432
<b>MCB FINANCIAL SERVICES LIMITED</b>		
Payable against monthly reimbursement	150,000	150,000
Payable against trustee fee	228,000	200,000
<b>SUMMIT BANK LIMITED</b>		
Bank balance	3,207,522	3,177,246
Mark up receivable	10,986	12,883
<b>MCB DCF INCOME FUND</b>		
Remuneration receivable	93,946,203	85,283,263
Sale load receivable	28,908,732	40,743,932
Receivable against lawyer fee for stay order	-	100,000
<b>MCB PAKISTAN ASSET ALLOCATION FUND</b>		
Remuneration receivable	16,251,139	12,521,169
Sale load receivable	15,783,877	19,507,800
Receivable against lawyer fee for stay order	-	100,000
Closing balance of investment in units	73,778,494	-
<b>MCB CASH MANAGEMENT OPTIMIZER</b>		
Remuneration receivable	53,155,673	49,524,722
Sale load receivable	189,715	21,708
Receivable against lawyer fee for stay order	-	100,000
Closing balance of investment in units	-	38,025,601
<b>MCB ISLAMIC INCOME FUND</b>		
Remuneration receivable	8,413,010	8,182,100
Sale load receivable	3,354,947	3,221,943
Receivable against lawyer fee for stay order	-	100,000
<b>MCB PAKISTAN STOCK MARKET FUND</b>		
Remuneration receivable	47,289,708	40,558,798
Share of load receivable	3,990,451	3,381,885
Other receivable	60,168	8,988
Conversion cost receivable	544,939	1,680,851
Closing balance of investment in units	94,420,154	82,250,918
<b>PAKISTAN INCOME FUND</b>		
Remuneration receivable	8,416,950	7,546,726
Share of load receivable	228,402	270,282
Receivable against lawyer fee for stay order	-	100,000
Other receivable	-	5,090

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

	(Unaudited) September 30, 2015	(Audited) June 30, 2015
	----- Rupees -----	
<b>MCB PAKISTAN SOVEREIGN FUND</b>		
Remuneration receivable	24,851,933	20,633,825
Share of load receivable	3,446,114	4,149,995
Receivable against lawyer fee for stay order	-	100,000
Closing balance of investment in units	329,741,198	-
<b>PAKISTAN CAPITAL MARKET FUND</b>		
Remuneration receivable	5,273,925	4,229,404
Share of load receivable	332,430	200,633
Receivable against lawyer fee for stay order	-	100,000
Other receivable	44,841	-
<b>MCB PAKISTAN ISLAMIC STOCK FUND</b>		
Remuneration receivable	4,772,705	3,449,290
Share of load receivable	481,359	150,975
Receivable against lawyer fee for stay order	-	100,000
Conversion cost receivable	562,733	2,082,764
<b>PAKISTAN PENSION FUND</b>		
Remuneration receivable	5,241,183	4,618,717
Share of load receivable	515,623	285,813
Receivable against lawyer fee for stay order	-	100,000
Closing balance of investment in units	212,063,303	214,253,990
<b>PAKISTAN INTERNATIONAL ELEMENT ISLAMIC ASSET ALLOCATION FUND</b>		
Remuneration receivable	5,293,079	4,480,481
Share of load receivable	1,448,080	1,082,236
Receivable against lawyer fee for stay order	-	100,000
<b>PAKISTAN ISLAMIC PENSION FUND</b>		
Remuneration receivable	2,696,519	2,297,687
Share of load receivable	254,447	285,095
Receivable against lawyer fee for stay order	-	100,000
Closing balance of investment in units	212,743,550	219,223,081
<b>PAKISTAN CASH MANAGEMENT FUND</b>		
Remuneration receivable	11,858,797	11,662,842
Other payable	13,400	106,971
other receivable	-	25,015
<b>PAKISTAN INCOME ENHANCEMENT FUND</b>		
Remuneration receivable	12,970,260	9,533,074
Share of load receivable	2,348,767	1,325,040
Receivable against lawyer fee for stay order	-	100,000
Others receivable	3,530	13,560
<b>PAKISTAN SARMAYA MAHFOOZ FUND</b>		
Remuneration receivable	1,678,000	1,439,611
Share of load receivable	2,302,154	2,261,634
Receivable against lawyer fee for stay order	-	100,000
Back-end load receivable	338,928	305,168
Formation cost	-	4,313,850



**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2015**

	(Unaudited) September 30, 2015	(Audited) June 30, 2015
	----- Rupees -----	
<b>MCB PAKISTAN FREQUENT PAYOUT FUND</b>		
Formation cost	1,060,025	-
<b>KEY MANAGEMENT PERSONNEL</b>	361,931	400,820

**12. DATE OF AUTHORIZATION FOR ISSUE**


This condensed interim financial information was approved and authorized for issue by the Board of Directors of the company in their meeting held on October 16, 2015.

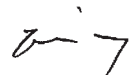
**13. CORRESPONDING FIGURES**

Corresponding figures have been rearranged or reclassified wherever necessary for the purpose of comparison or better presentation. No significant reclassification was made in this condensed interim financial information during the current period.

**14. GENERAL**

Figures have been rounded off to the nearest of Rupee.

  
\_\_\_\_\_  
Chief Executive Officer

  
\_\_\_\_\_  
Director

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