

Punjab Pension Fund

Financial statements for the period ended
31 Dec 2016



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Independent Auditors Report on Review of Condensed Interim Financial Information to the Members

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Punjab Pension Fund** ("the Fund") as at 31 December 2016 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in accumulated pension fund together with the notes forming part thereof for the six-month period then ended (here-in-after referred to as "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and present the above said statements in conformity with the requirements of Punjab Pension Fund Act, 2007 ("the Act") and Punjab Pension Fund Rules 2007 ("the Rules"). Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

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

Conclusion

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

Wazir Ahmad



KPMG Taseer Hadi & Co.

Other matters

The figures for the three months period ended 31 December 2016 and 31 December 2015 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

Date: 23 June 2017

Lahore

KPMG Taseer Hadi & Co.
Chartered Accountants
(Kamran Iqbal Yousafi)

Punjab Pension Fund

Condensed Interim Statement of Assets and Liabilities (Un-Audited)

As at 31 December 2016

		Punjab Pension Fund Trust	Punjab Pension Fund - Expense Account	Punjab Pension Fund - Total	Punjab Pension Fund - Total
		(Un-Audited)		(Audited)	
		31 December 2016		30 June 2016	
		----- Rupees -----			
ASSETS					
<i>Non-current assets</i>					
Operating fixed assets		-	696,243	696,243	269,725
Investments	4	29,156,742,542	-	29,156,742,542	28,543,226,886
<i>Current assets</i>					
Accrued interest	5	701,773,494	-	701,773,494	675,062,387
Deposits and prepayments		100,000	1,460,594	1,560,594	1,516,250
Cash and cash equivalents	6	12,685,979,684	53,795,994	12,739,775,678	11,027,667,834
Total assets		42,544,595,720	55,952,831	42,600,548,551	40,247,743,082
LIABILITIES					
<i>Current liabilities</i>					
Trustee fee payable		743,155	-	743,155	692,831
Accrued expenses		-	1,641,406	1,641,406	3,184,727
Total liabilities		743,155	1,641,406	2,384,561	3,877,558
Contingencies and commitmen	7	-	-	-	-
Net assets		42,543,852,565	54,311,425	42,598,163,990	40,243,865,524
<i>Represented by:</i>					
Accumulated Pension Fund		42,543,852,565	54,311,425	42,598,163,990	40,243,865,524

The annexed notes 1 to 12 form an integral part of these condensed interim financial information.

Account 84

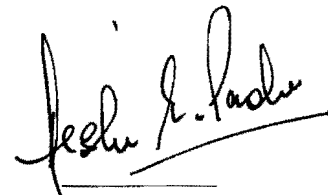


Lahore

General Manager



Private Member



Chairman

Punjab Pension Fund
Condensed Interim Income Statement (Un-Audited)
For the half year and quarter ended 31 December 2016


	Punjab Pension Fund Trust	Punjab Pension Fund - Expense Account	Punjab Pension Fund - Total	Punjab Pension Fund - Total	Punjab Pension Fund Trust	Punjab Pension Fund - Expense Account	Punjab Pension Fund - Total	Punjab Pension Fund - Total
	For the half year ended			For the quarter ended				
	31 December 2016		31 December 2015	31 December 2015	31 December 2016		31 December 2015	31 December 2015
Income								
<i>Note</i>								
----- Rupees -----								
Income								
Interest income from:								
- National Savings Account and Certificates	968,176,244	-	968,176,244	896,162,443	490,448,919	-	490,448,919	453,371,277
- Pakistan Investment Bonds	519,888,641	-	519,888,641	526,259,506	258,691,883	-	258,691,883	259,031,684
- Term Deposit Receipts	425,524,449	-	425,524,449	325,767,574	214,113,954	-	214,113,954	164,158,628
- Term Finance Certificates	13,556,284	-	13,556,284	24,236,650	6,329,040	-	6,329,040	10,886,369
- Bank deposits	20,615,200	1,326,905	21,942,105	14,602,276	11,386,421	608,055	11,994,476	9,655,134
- Market Treasury Bills	-	-	-	4,552,717	-	-	-	1,773,237
	1,947,760,818	1,326,905	1,949,087,723	1,791,581,166	980,970,217	608,055	981,578,272	898,876,329
Net Capital gain on sale of available for sale investment	-	-	-	12,745,940	-	-	-	12,412,332
Other Income	-	2,274	2,274	3,600	-	-	-	3,600
Total income	1,947,760,818	1,329,179	1,949,089,997	1,804,330,706	980,970,217	608,055	981,578,272	911,292,261
Expenditure								
Operating expenses	-	22,144,202	22,144,202	21,883,507	-	15,153,866	15,153,866	13,957,909
Trustee remuneration and safe custody charges	4,355,713	-	4,355,713	4,099,575	2,188,344	-	2,188,344	2,064,310
Legal and other professional charges	-	1,000	1,000	850,000	-	-	-	100,000
Auditors remuneration	-	548,558	548,558	363,000	-	325,065	325,065	181,500
Brokerage expense	-	-	-	57,000	-	-	-	57,000
Bank charges	14,010	1,160	15,170	8,128	12,310	1,160	13,470	3,245
Total expenditure	4,369,723	22,694,920	27,064,643	27,261,210	2,200,654	15,480,091	17,680,745	16,363,964
Income / (expense) for the period	1,943,391,095	(21,365,741)	1,922,025,354	1,777,069,496	978,769,563	(14,872,036)	963,897,527	894,928,297
Budgetary (payments) / receipts for the period	(15,000,000)	15,000,000	-	-	(15,000,000)	15,000,000	-	-
Net income / (expense) for the period	1,928,391,095	(6,365,741)	1,922,025,354	1,777,069,496	963,769,563	127,964	963,897,527	894,928,297

The annexed notes 1 to 12 form an integral part of these condensed interim financial information.

44/11/2016

Lahore


 General Manager


 Private Member


 Chairman

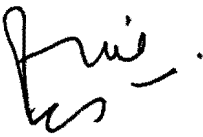
Punjab Pension Fund
 Condensed Interim Statement of Comprehensive Income (Un-Audited)
 For the half year and quarter ended 31 December 2016

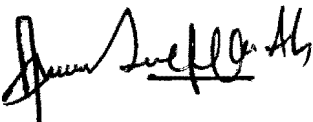
	Punjab Pension Fund Trust	Punjab Pension Fund - Expense Account	Punjab Pension Fund - Total	Punjab Pension Fund - Total	Punjab Pension Fund Trust	Punjab Pension Fund - Expense Account	Punjab Pension Fund - Total	Punjab Pension Fund - Total
	For the half year ended				For the quarter ended			
	31 December 2016			31 December 2015	31 December 2016			31 December 2015
----- Rupees -----								
Net income / (expense) for the period	1,928,391,095	(6,365,741)	1,922,025,354	1,777,069,496	963,769,563	127,964	963,897,527	894,928,297
Other comprehensive (loss) / income								
<i>Items that are to be classified subsequently to income statement:</i>								
Available-for-sale investments								
- unrealised (depreciation) / appreciation on remeasurement - net	4.2 (67,726,888)	-	(67,726,888)	61,675,242	(115,262,303)	-	(115,262,303)	(156,458,164)
Total comprehensive income / (loss) for the period	1,860,664,207	(6,365,741)	1,854,298,466	1,838,744,738	848,507,260	127,964	848,635,224	738,470,133

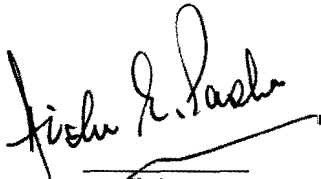
The annexed notes 1 to 12 form an integral part of these condensed interim financial information.

ANNEX 14

Lahore


 General Manager


 Private Member


 Chairman

Punjab Pension Fund

Condensed Interim Statement of Movement in Accumulated Pension Fund (Un-Audited)

For the half year ended 31 December 2016

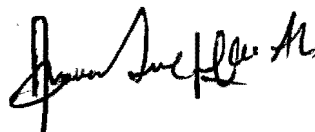
	Punjab Pension Fund Trust	Punjab Pension Fund - Expense Account	Punjab Pension Fund - Total	Punjab Pension Fund - Total
	For the half year ended			
	31 December 2016		31 December 2015	
	----- Rupees -----			
Balance as at 30 June	40,183,188,358	60,677,166	40,243,865,524	35,299,262,483
Amount contributed by the Government through the Reserve Pension Fund	500,000,000	-	500,000,000	-
<u>Total comprehensive income for the period</u>				
Net income / (expense) for the period	1,928,391,095	(6,365,741)	1,922,025,354	1,777,069,496
Other comprehensive (loss) / income for the period	(67,726,888)	-	(67,726,888)	61,675,242
	1,860,664,207	(6,365,741)	1,854,298,466	1,838,744,738
Balance as at 31 December	42,543,852,565	54,311,425	42,598,163,990	37,138,007,221

The annexed notes 1 to 12 form an integral part of these condensed interim financial information.

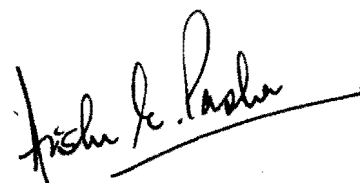
Lahore



General Manager



Private Member



Chairman

Lahore


Punjab Pension Fund
Condensed Interim Cash Flow Statement (Un-Audited)
For the half year ended 31 December 2016

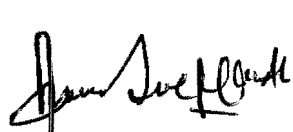
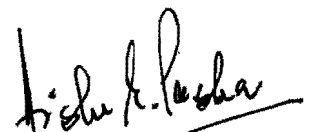
	Punjab Pension Fund Trust	Punjab Pension Fund - Expense Account	Punjab Pension Fund - Total	Punjab Pension Fund - Total
	For the half year ended			
	31 December 2016		31 December 2015	
	----- Rupees -----			
<i>Cash flow from operating activities</i>				
Net income / (expense) for the period	1,928,391,095	(6,365,741)	1,922,025,354	1,777,069,496
<i>Adjustments for non cash items:</i>				
Amortization of discount income	(6,983,337)	-	(6,983,337)	(5,149,237)
Depreciation on operating fixed assets	-	181,174	181,174	109,884
	(6,983,337)	181,174	(6,802,163)	(5,039,353)
Operating profit before changes in working capital	1,921,407,758	(6,184,567)	1,915,223,191	1,772,030,143
<i>Changes in working capital</i>				
<i>(Increase) in assets:</i>				
Investments	(674,259,207)	-	(674,259,207)	(322,276,466)
Accrued interest	(26,711,107)	-	(26,711,107)	(16,281,900)
Deposits and prepayments	-	(44,344)	(44,344)	(41,250)
	(700,970,314)	(44,344)	(701,014,658)	(338,599,616)
<i>(Decrease) / increase in liabilities:</i>				
Trustee fee payable	50,324	-	50,324	119,856
Accrued Expenses	-	(1,543,321)	(1,543,321)	(163,646)
Brokerage payable	-	-	-	57,000
	50,324	(1,543,321)	(1,492,997)	13,210
Net cash generated from / (used in) operations	1,220,487,768	(7,772,232)	1,212,715,536	1,433,443,737
<i>Cash flow from investing activities</i>				
Fixed Assets expenditure	-	(607,692)	(607,692)	-
Net cash (used in) / generated from investing activities	-	(607,692)	(607,692)	-
<i>Cash flow from financing activities</i>				
Amount contributed by the Government through the Reserve Pension Fund	500,000,000	-	500,000,000	-
Cash generated from financing activities	500,000,000	-	500,000,000	-
Net increase / (decrease) in cash and cash equivalents during the period	1,720,487,768	(8,379,924)	1,712,107,844	1,433,443,737
Cash and cash equivalents at beginning of the period	10,965,491,916	62,175,918	11,027,667,834	7,324,730,962
Cash and cash equivalents at end of the period	12,685,979,684	53,795,994	12,739,775,678	8,758,174,699

The annexed notes 1 to 12 form an integral part of these condensed interim financial information.

10/05/16

Lahore


General Manager

 
Private Member Chairman

Punjab Pension Fund

Notes to the Condensed Interim Financial Information (Un-Audited)

For the half year ended 31 December 2016

1 Status and nature of the business

The Punjab Pension Fund ("the Fund") has been established under the Punjab Pension Fund Act 2007 ("the Act") to generate revenue for the discharge of pension liabilities of the Government of Punjab. The Fund is a body corporate with perpetual succession. The Fund shall perform such functions and exercise such powers as are vested in it under the Act and the Punjab Pension Fund Rules 2007 ("the Rules"). The management and administration of the Fund vests in the Management Committee notified under section 5 of the Act.

The Fund is responsible for investing the funds in profitable avenues to generate revenue. Currently, the Fund has invested in a diversified portfolio of government securities, national saving scheme, term deposit receipts, debt securities and bank deposits.

The Punjab Pension Fund Trust ("the Trust") has been established under the Punjab Pension Fund Act 2007 ("the Act") and given the status of Trust under a trust deed executed on 27 September 2011 between Punjab Pension Fund ("the Fund") and Central Depository Company of Pakistan Limited ("the Trustee"). The Fund, through the Management Committee and the Trustee, have created the Trust for the benefit of the Reserve Pension Fund created under Section 3 of the Act. The Trust shall be of a perpetual nature and shall continue until the Trust is dissolved upon receipt of directions from the Government of Punjab. The Fund shall manage, operate and administer the Trust and the Trustee will act as the custodian of the assets of the Fund.

Expenses incurred on operations of the Fund, including expenses relating to functioning of the Management Committee, are paid out of the trust property in the form of annual / supplementary budgets approved by the Management Committee. Budgetary amounts are transferred to separate expense account established by the Fund under the Rules, for incurring operational expenses of the Fund other than related to investments.

In comparative period, condensed interim financial information of the Pension Fund Trust and Expense accounts were drawn separately along with merged condensed interim financial information of Punjab Pension Fund. However, during current period the Management Committee has decided to prepare a single set of condensed interim financial information in columnar form representing separate figures of Pension Fund Trust and Expense account with total figures of Punjab Pension Fund. This step has been taken by Management Committee for achieving overall better presentation of condensed interim financial information, efficiency in financial reporting process and reduction in related costs.

2 Basis of preparation

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the requirements of the Punjab Pension Fund Act 2007, Punjab Pension Fund Rules 2007 and the 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 ("IASB") as notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of the Punjab Pension Fund Act 2007, Punjab Pension Fund Rules, 2007 or the directives issued by the Government of Punjab differ with the requirements of these standards, the requirements of the Punjab Pension Fund Act 2007, Punjab Pension Fund Rules 2007 and the requirements of the said directives shall prevail.

2.2 Significant estimates

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities and income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgments made by the management in applying accounting policies and the key sources of estimates used were the same as those applied to the annual financial statements for the year ended 30 June 2016.

2.3 Taxation

The income of the Fund is exempt from tax under Clause 57(3)(xii) of Part I of the Second Schedule of the Income Tax Ordinance 2001, therefore no provision for taxation has been made in this condensed interim financial information.

2.4 Financial Risk Management

The financial risk management objectives and policies adopted are consistent with those disclosed in the annual financial statements for the year ended 30 June 2016.

3 Significant Accounting Policies

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the audited annual financial statements of the Fund for the year end 30 June 2016.

- 3.1 There were certain other new standards and amendments to the approved accounting standards which became effective during the period but are considered not to be relevant or have any significant effect on the Fund's operations and are, therefore, not disclosed.

In addition to the above, following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 01 January 2017:

Standard or Interpretation	Effective date (accounting periods beginning on or after)
IAS 12 - Income Taxes	01 January 2017
IAS 07 - Statement of Cash Flows	01 January 2017
IAS 40 - Investment Property	01 January 2018
IFRS 2 - Share-based Payment	01 January 2018

Trust (Un-Audited) 31 December 2016	Expense (Un-Audited) 31 December 2016	Fund - Total (Un-Audited) 31 December 2016	Fund - Total (Audited) 30 June 2016
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Note

----- Rupees -----

4 Investments

Held to maturity	4.1	19,310,302,187	-	19,310,302,187	18,600,328,695
Available for sale investments	4.2	9,846,440,355	-	9,846,440,355	9,942,898,191
		<u>29,156,742,542</u>	<u>-</u>	<u>29,156,742,542</u>	<u>28,543,226,886</u>

4.1 Held to maturity

Term Deposit Receipt	4.1.1	1,000,000,000	-	1,000,000,000	1,000,000,000
National Savings Account					
- Regular Income Certificates	4.1.2	3,900,000,000	-	3,900,000,000	3,900,000,000
National Savings Scheme					
- Special Savings Account	4.1.3	14,410,302,187	-	14,410,302,187	13,700,328,695
		<u>19,310,302,187</u>	<u>-</u>	<u>19,310,302,187</u>	<u>18,600,328,695</u>

4.1.1 Term Deposit Receipt ('TDR') has been placed with a commercial bank on 26 June 2014 with a tenure of 5 years and carries fixed interest at the rate of 12.05% (30 June 2016: 12.05%) per annum.

4.1.2 These comprise of Regular Income Certificates issued by National Savings Organization. The total issue comprises of 390 certificates of Rs. 10 million each. These were purchased on 19 November 2014 with a maturity period of 5 years. These certificates are encashable any time subject to deduction of service charges. These carry fixed interest at the rate of 12.30% (30 June 2016: 12.30%) per annum receivable monthly.

4.1.3 This represents deposits maintained in form of an account at National Savings Organization. These deposits have different issue dates, maturity dates and cash flows. These deposits have maturity period of 3 years. The amount can be withdrawn at par at any time after the date of its deposit. These carry fixed interest at the rate ranging from 7.60% to 11.60% (30 June 2016: 7.60% to 11.60%) per annum receivable semi-annually and automatically stand reinvested and would be calculated for further profit on completion of the next six months period.

4.2 Available for sale investments

		Trust			
		Carrying value		Fair value	
		(Un-Audited)	(Audited)	(Un-Audited)	(Audited)
		31 December	30 June	31 December	30 June
		2016	2016	2016	2016

Note

----- Rupees -----

Government securities					
- Pakistan Investment Bonds	4.2.1	7,517,494,944	7,510,511,606	9,487,511,785	9,550,028,085
Debt securities					
- Term Finance Certificates	4.2.2	357,142,856	392,857,142	358,928,570	392,870,106
		<u>7,874,637,800</u>	<u>7,903,368,748</u>	<u>9,846,440,355</u>	<u>9,942,898,191</u>
Fair value adjustment		<u>1,971,802,555</u>	<u>2,039,529,443</u>		
		<u>9,846,440,355</u>	<u>9,942,898,191</u>		

16/07/2016

4.2.1 Government securities - Pakistan Investment Bonds ("PIBs")

Issue date	Tenure - Years	Face value			Balance as at 31 December 2016			Fair value as percentage of net assets	Fair value as percentage of total investments	
		As at 1 July 2016	Purchase during the period	Sales / matured during the period	As at 31 December 2016	Carrying value	Fair value			Appreciation from carrying value
----- Rupees -----										
31-Oct-06	20 - Years	25,000,000	-	-	25,000,000	21,665,883	28,188,276	6,522,393	0.07%	0.10%
30-Aug-08	20 - Years	900,000,000	-	-	900,000,000	869,517,080	1,144,379,161	274,862,081	2.69%	3.92%
30-Aug-08	30 - Years	750,000,000	-	-	750,000,000	743,498,094	933,155,453	189,657,359	2.19%	3.20%
18-Aug-11	15 - Years	25,000,000	-	-	25,000,000	23,695,354	31,425,387	7,730,033	0.07%	0.11%
18-Aug-11	20 - Years	6,075,000,000	-	-	6,075,000,000	5,859,118,533	7,350,363,508	1,491,244,975	17.26%	25.21%
		7,775,000,000	-	-	7,775,000,000	7,517,494,944	9,487,511,785	1,970,016,841		

- PIBs carry fixed interest at the rate ranging from 10.50% to 13.75% (30 June 2016: 10.50 % to 13.75 %) per annum receivable semi-annually.

4.2.2 Debt securities - Term Finance Certificates ("TFCs")

Name of issuer	Issue Date	Number of Certificates			Balance as at 31 December 2016			Fair value as percentage of net assets	Fair value as percentage of total investments	
		As at 1 July 2016	Purchase during the period	Sales during the period	As at 31 December 2016	Carrying value	Fair value			Appreciation from carrying value
----- Number of certificates -----										
----- Rupees -----										
WAPDA TFCs	8-Sep-13	100,000	-	-	100,000	357,142,856	358,928,570	1,785,714	0.84%	1.23%
		100,000	-	-	100,000	357,142,856	358,928,570	1,785,714		

-WAPDA TFCs have face value of Rs. 5000 per certificate. The principal redemption of such TFCs is structured to be in fourteen equal semi-annual installments starting from 27 March 2015. These carry variable interest rate of 6 Month KIBOR plus 100 bps (30 June 2016: 6 Month KIBOR plus 100 bps) per annum receivable semi-annually.

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Trust (Un-Audited) 31 December 2016	Expense (Un-Audited) 31 December 2016	Fund - Total (Un-Audited) 31 December 2016	Fund - Total (Audited) 30 June 2016
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Note

----- Rupees -----

5 Accrued interest

Term Deposit Receipts	9,089,888	-	9,089,888	4,844,479
National Savings Account & Scheme	318,026,758	-	318,026,758	299,674,004
Pakistan Investment Bonds	368,052,634	-	368,052,634	362,959,830
Term Finance Certificates	6,604,214	-	6,604,214	7,584,074
	<u>701,773,494</u>	<u>-</u>	<u>701,773,494</u>	<u>675,062,387</u>

6 Cash and cash equivalents

Cash in hand	-	40,000	40,000	40,000	
Cash at bank					
- saving accounts	6.1	185,898,946	53,755,994	239,654,940	1,227,574,136
- current accounts		80,738	-	80,738	53,698
- term deposit receipts	6.2	12,500,000,000	-	12,500,000,000	9,800,000,000
		<u>12,685,979,684</u>	<u>53,755,994</u>	<u>12,739,735,678</u>	<u>11,027,627,834</u>
		<u>12,685,979,684</u>	<u>53,795,994</u>	<u>12,739,775,678</u>	<u>11,027,667,834</u>

6.1 These carry interest at the rate of 3.75% to 6.05% per annum (30 June 2016: 4.25% to 6.05% per annum).

6.2 These are placed with commercial banks and carry interest at the rate of 6.10% to 6.71% per annum (30 June 2016: 6.75% to 6.86% per annum).

7 Contingencies and commitments

There were no contingencies and commitments as at 31 December 2016.

Trust (Un-Audited) 31 December 2016	Expense (Un-Audited) 31 December 2016	Fund - Total (Un-Audited) 31 December 2016	Fund - Total (Un-Audited) 31 December 2015
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----- Rupees -----

8 Operating expenses

Salaries and wages	-	18,499,304	18,499,304	18,489,335
Rent	-	1,862,438	1,862,438	1,732,500
Utilities	-	421,661	421,661	452,409
Repair and maintenance	-	204,038	204,038	167,830
Vehicle running expenses	-	203,932	203,932	247,126
Traveling, lodging and boarding	-	105,675	105,675	46,617
Fee and subscription	-	166,078	166,078	121,568
Printing and stationery	-	65,450	65,450	41,078
Courier and postage	-	4,012	4,012	1,934
Office and other expenses	-	328,368	328,368	382,164
Depreciation	-	181,174	181,174	109,884
Advertisement	-	-	-	59,928
Training and development	-	37,056	37,056	-
Miscellaneous	-	65,016	65,016	31,134
	-	<u>22,144,202</u>	<u>22,144,202</u>	<u>21,883,507</u>

2017/18

9 Fair value measurement 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.

IFRS 13 'Fair Value Measurement' requires the Fund to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following

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

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount				Fair value			
	Available for sale	Held to maturity	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
As at 31 December 2016								
<i>Financial assets - measured at fair value</i>								
<i>Trust</i>								
Investments								
- government securities	7,517,494,944	-	-	7,517,494,944	-	9,487,511,785	-	9,487,511,785
- debt securities	357,142,856	-	-	357,142,856	358,928,570	-	-	358,928,570
<i>Financial assets - not measured at fair value</i>								
<i>Trust</i>								
Investments								
- term deposit receipts	-	1,000,000,000	-	1,000,000,000	-	-	-	-
- national saving scheme	-	18,310,302,187	-	18,310,302,187	-	-	-	-
Cash equivalents	-	12,685,979,684	-	12,685,979,684	-	-	-	-
Accrued interest	-	701,773,494	-	701,773,494	-	-	-	-
Security deposits	-	100,000	-	100,000	-	-	-	-
<i>Expense</i>								
Cash equivalents	-	53,795,994	-	53,795,994	-	-	-	-
Security deposits	-	825,000	-	825,000	-	-	-	-
	7,874,637,800	32,752,776,359	-	40,627,414,159	358,928,570	9,487,511,785	-	9,846,440,355
<i>Financial liabilities - not measured at fair value</i>								
<i>Trust</i>								
Trustee fee payable	-	-	743,155	743,155	-	-	-	-
<i>Expense</i>								
Audit fee payable	-	-	446,988	446,988	-	-	-	-
Payable to actuary	-	-	1,060,000	1,060,000	-	-	-	-
Other payables	-	-	78,655	78,655	-	-	-	-
	-	-	2,328,798	2,328,798	-	-	-	-

4/11/16 PM

	Carrying amount				Fair value			
	Available for sale	Held to maturity	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
----- Rupees -----								
<i>As at 30 June 2016</i>								
<i>Financial assets - measured at fair value</i>								
<i>Trust</i>								
Investments								
- government securities	7,510,511,606	-	-	7,510,511,606	-	9,550,028,085	-	9,550,028,085
- debt securities	392,857,142	-	-	392,857,142	392,870,106	-	-	392,870,106
<i>Financial assets - not measured at fair value</i>								
<i>Trust</i>								
Investments								
- term deposit receipts	-	1,000,000,000	-	1,000,000,000	-	-	-	-
- national saving scheme	-	17,600,328,695	-	17,600,328,695	-	-	-	-
Cash equivalents	-	10,965,491,916	-	10,965,491,916	-	-	-	-
Accrued interest	-	675,062,387	-	675,062,387	-	-	-	-
Security deposits	-	100,000	-	100,000	-	-	-	-
<i>Expense</i>								
Cash equivalents	-	62,135,918	-	62,135,918	-	-	-	-
Security deposits	-	825,000	-	825,000	-	-	-	-
	7,903,368,748	30,303,943,916	-	38,207,312,664	392,870,106	9,550,028,085	-	9,942,898,191
<i>Financial liabilities - not measured at fair value</i>								
<i>Trust</i>								
Trustee fee payable	-	-	692,831	692,831	-	-	-	-
<i>Expense</i>								
Meeting fee payable	-	-	60,000	60,000	-	-	-	-
Audit fee payable	-	-	606,147	606,147	-	-	-	-
Payable to actuary	-	-	2,500,000	2,500,000	-	-	-	-
14011694	-	-	3,858,978	3,858,978	-	-	-	-

10 Transaction and balances with related parties

The related parties comprise entities controlled and owned by the Government of Punjab, custodian of assets, members of Management Committee, companies where Management Committee members also hold directorship and key management employees. The Fund in the normal course of business carries out transactions with related parties. Details of transactions with and amounts due to / (from) related parties are as follows:

	Trust (Un-Audited) 31 December 2016	Expense (Un-Audited) 31 December 2016	Fund - Total (Un-Audited) 31 December 2016	Fund - Total (Un-Audited) 31 December 2015
----- Rupees -----				
Transactions with				
<i>Central Depository Company</i>				
- Trustee fee expense for the period	4,352,318	-	4,352,318	4,097,435
- Custody Fee	3,395	-	3,395	2,140
<i>Bank of Punjab</i>				
- Term deposit receipts matured during the period	-	-	-	2,100,000,000
- Income on term deposit receipts realised during the period	60,579,235	-	60,579,235	97,690,411
- Income on saving accounts realised during the period	3,050,105	1,326,904	4,377,009	5,853,690
<i>Members of Management Committee</i>				
- Salary and bonus paid to General Manager	-	10,162,500	10,162,500	9,375,000
- Fee paid to members	-	150,000	150,000	80,000
	Trust (Un-Audited) 31 December 2016	Expense (Un-Audited) 31 December 2016	Fund - Total (Un-Audited) 31 December 2016	Fund - Total (Audited) 30 June 2016
----- Rupees -----				

Balances with

Central Depository Company

- Trustee fee payable 743,155 - 743,155 692,831

Bank of Punjab

- Bank balances 109,846,502 53,755,994 163,602,496 1,127,694,764
 - Term Deposit Receipts 1,000,000,000 - 1,000,000,000 1,000,000,000

11 Date of authorization for issue

This condensed interim financial information for the six months period ended 31 December 2016 was authorized for issue on **23 JUN 2017** by the Management Committee of the Fund.

12 General

Figures have been rounded off to the nearest rupees.

NOTES