



**CONDENSED INTERIM  
FINANCIAL STATEMENTS  
OF  
PUNJAB PENSION FUND  
FOR THE HALF YEAR ENDED  
DECEMBER 31, 2021**

**BDO Ebrahim & Co. Chartered Accountants**

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

The Members of Management Committee  
Punjab Pension Fund,  
112- Tipu Block, New Garden Town,  
Lahore.

May 14, 2024  
P-05/AA-1834/24

**REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

Dear Management Committee Members,

We are pleased to enclose two copies of the draft condensed interim financial statements of Punjab Pension Fund ("the Fund") for the half-year ended December 31, 2021 together with our draft review report thereon duly initialed by us for identification purposes. We shall be pleased to sign our report in its present or amended form after the condensed interim financial statements have been approved by the Management Committee and signed on their behalf by the Chairman and General Manager and on receipt / review of the following:

- a) Letter of representation addressed to us on behalf of the Members of Management Committee and signed by General Manager as per draft provided by us.
- b) Management committee resolutions in respect of the following:
  - Transactions with related parties as disclosed in the notes to the financial statements;
  - Investment derecognized during the period amounting to Rs. 7,289 million;
  - Investment made during the period amounting to Rs. 10,190 million;
  - Addition in intangible during the period amounting to Rs. 2.586 million; and
  - Transfers from capital work in progress to intangibles amounting to Rs. 2.586 million.

**1. RESPONSIBILITIES OF THE MANAGEMENT AND AUDITORS IN RELATION TO THE FINANCIAL STATEMENTS**

- 1.1 We conducted our review in accordance with the International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of the 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 the 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.

- 1.2 The management is responsible for the preparation and presentation of the condensed interim financial statements in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on the condensed interim financial statements based on our review.
- 1.3 These draft condensed interim financial statements shall remain and be deemed un-reviewed unless these have been approved by the Management Committee, and signed by the Chairman and General Manager authorized to do so on its behalf and the review report on these condensed interim financial statements has been signed by us.

Our comments and observations on this set of condensed interim financial statements are as follows:

## 2. TAX REFUND DUE FROM GOVERNMENT

The Fund has an income tax receivable aggregating to Rs. 8.638 million as at the reporting date. As the Fund is has an exemption available under clause 57(3)(xii) of Part I of Second Schedule of the Income Tax Ordinance, 2001. Accordingly, the above-stated tax receivable is not expected to be adjusted against any tax expense/liabilities for future years. Therefore, to claim these refunds, the Fund has to submit a refund application with FBR. We have been given to understand by the management that the matter for refund is being pursued with FBR and the outstanding advance tax as at the reporting date will be reduced over the years either through the receipt of refunds from FBR or recognition of provision based on the assessment of its recoverability.

## 3. RECEIVABLE FROM THE PUNJAB GENERAL PROVIDENT INVESTMENT FUND

It is noted that balances aggregating to Rs. 4.597 million are appearing in the books of account as receivable from the Punjab General Provident Investment Fund which has no movement during the year. We have been given to understand that this balance is receivable against expenses incurred on behalf of the Fund. We recommend that the above balances be adjusted after proper approvals.

## 4. APPLICATION OF IFRS-16 (LEASES)

We also noted that the Fund has obtained a building on operating lease. According to management, these rental agreements have been classified as short-term leases due to their duration being less than 12 months or low value. The Company applies the short-term lease recognition exemption to its short-term leases of its assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

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Accordingly, these have been considered operating leases or low value. We trust that the Management Committee is fully aware of and agrees with the stance of the management.

#### 5. DETERMINATION OF FUND'S LIABILITY

As per the Punjab Pension Fund Act, 2007 ("the Act") and Punjab Pension Fund Rules, 2007 ("the Rules"), the Fund is only responsible for the formation of investment policies and investment of the amount contributed in the reserve fund by the Government of Punjab. As per management, the ultimate responsibility for the discharge of pension liabilities rests with the Government of Punjab. We trust that the Management Committee is fully aware of and agrees with the stance of the management.

#### 6. SEGREGATION OF DUTIES

During the course of audit, we observed that the same person is performing duties on different designations which create conflict in segregation of duties:

- The General Manager has the additional role of Chief Accounting Officer.
- The Internal Auditor has the additional role of Compliance Officer.

We recommend Management committee to ensure segregation of duties in the above-mentioned important roles.

#### 7. RE-REGISTRATION OF FUND/TRUST

As the Government of Punjab has promulgated "the Punjab Trust Act, 2020" in the prior years. We understand from the authorities that all existing trusts are required to re-register under the new Act. We recommend that matter should be consulted with legal advisor and if re-registration is required, the Fund/Trust should be re-registered under the new law.

#### 8. CONTINGENCIES AND COMMITMENTS

We have been informed by the management that there are no contingencies and commitments as on the date of the condensed interim financial statements other than those disclosed in the financial statements.

#### 9. RELATED PARTY TRANSACTIONS

We have been informed by the management that there were no transactions with related parties other than those disclosed in the notes to the condensed interim financial statements.

**10. COMPLIANCE WITH STATUTORY LAWS AND REGULATIONS**

We have been informed by the management that there were no instances of noncompliance with statutory laws and regulations that would have financial reporting implications. Kindly confirm the representations made by management.

**11. FRAUD**

We have been informed by the management that there were no suspected instances or instances of fraud that would have financial reporting implications or that required disclosure in these condensed interim financial statements. Kindly confirm the representations made by management.

**12. INDEPENDENCE**

We confirm that in our professional judgment, the Firm is independent within the meaning of regulatory and professional requirements and the objectivity of the audit engagement partner and audit staff has not been compromised.

**13. SUBSEQUENT EVENTS**

We have been informed by the management that there were no subsequent events that would have financial reporting implications or required disclosure in the condensed interim financial statements.

We take this opportunity to thank all your staff for the courtesy and cooperation extended to us during the course of our review.

Yours faithfully,



**BDO EBRAHIM & CO.**

Enclosed as above.

## INDEPENDENT AUDITORS' REVIEW REPORT TO THE MANAGEMENT COMMITTEE OF PUNJAB PENSION FUND

### Report on review of interim financial statements

#### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of Punjab Pension Fund (the "Fund") as at December 31, 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of changes in accumulated investment fund and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-month period then ended. Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements 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 interim financial statements 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 statements are not prepared, in all material respects, in accordance with Accounting and Reporting Standards as applicable in Pakistan for interim financial reporting.

#### Other matters

The figures for the quarters ended December 31, 2021 and December 31, 2020 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.

The condensed interim financial statements of Punjab Pension Fund for the half year ended December 31, 2020 and for year ended June 30, 2021 were reviewed and audited by another firm of chartered accountants who had expressed an unmodified conclusion and opinion thereon vide their reports dated December 05, 2022.

The engagement partner on the review resulting in this independent auditor's review report is Muhammad Imran.

LAHORE

DATED: 15 AUG 2024

  
BDO EBRAHIM & CO.  
CHARTERED ACCOUNTANTS  


BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

**PUNJAB PENSION FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)**  
**AS AT DECEMBER 31, 2021**

	Note	<u>(Un-Audited)</u>			<u>(Audited)</u>
		<u>Punjab</u>			
		<u>Punjab Pension</u>	<u>Pension Fund -</u>	<u>Punjab Pension</u>	<u>Punjab Pension</u>
		<u>Fund Trust</u>	<u>Expense</u>	<u>Fund - Total</u>	<u>Fund - Total</u>
<u>Account</u>					
<u>December 31, 2021</u>				<u>June 30, 2021</u>	
<u>----- Rupees -----</u>				<u>---- Rupees ----</u>	
<b>ASSETS</b>					
Cash and bank balance	8	8,611,428	90,736,861	99,348,289	1,416,331,458
Investments	9	87,050,903,956	-	87,050,903,956	83,312,980,460
Accrued interest	10	364,369,634	591,834	364,961,468	448,343,862
Deposits and other receivables	11	2,600,000	5,377,320	7,977,320	7,977,320
Advances	12	608,638,863	-	608,638,863	-
Prepayments		-	380,689	380,689	380,689
Property, plant and equipments					
Operating fixed assets	13	-	2,781,517	2,781,517	3,474,326
Capital work in process	14	-	-	-	1,956,000
Intangible assest		-	2,586,000	2,586,000	-
<b>TOTAL ASSETS</b>		<b>88,035,123,881</b>	<b>102,454,221</b>	<b>88,137,578,102</b>	<b>85,191,444,115</b>
<b>LIABILITIES</b>					
Brokerage payable		1,748,185	-	1,748,185	2,210,818
Trustee fee payable		1,206,427	-	1,206,427	2,519,170
Accrued liabilities		-	6,972,775	6,972,775	6,704,888
<b>TOTAL LIABILITIES</b>		<b>2,954,612</b>	<b>6,972,775</b>	<b>9,927,387</b>	<b>11,434,876</b>
<b>NET ASSETS</b>		<b>88,032,169,269</b>	<b>95,481,446</b>	<b>88,127,650,715</b>	<b>85,180,009,239</b>
<b>REPRESENTED BY:</b>					
Accumulated Pension Fund		<b>88,032,169,269</b>	<b>95,481,446</b>	<b>88,127,650,715</b>	<b>85,180,009,239</b>

**CONTINGENCIES AND  
COMMITMENTS**

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The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.

  
**GENERAL MANAGER**

1300

  
**CHAIRMAN**

PUNJAB PENSION FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	For the half year ended				For the quarter ended			
	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
	December 31, 2021		December 31, 2020		December 31, 2021		December 31, 2020	
Note	----- Rupees -----		---- Rupees ----		----- Rupees -----		---- Rupees ----	
<b>INCOME</b>								
Interest income from:								
National savings account and certificates	3,457,888,333	-	3,457,888,333	3,164,918,981	1,754,256,288	-	1,754,256,288	1,604,831,813
Pakistan investment bonds	416,220,582	-	416,220,582	60,447,904	179,384,608	-	179,384,608	34,033,826
Term deposit receipts	-	-	-	821,534,556	-	-	-	282,961,519
Term finance certificates and sukuks	153,439,476	-	153,439,476	91,203,940	78,478,814	-	78,478,814	49,494,412
Bank deposits	25,564,421	3,060,834	28,625,255	152,295,479	16,064,418	1,614,152	17,678,570	138,400,983
Market treasury bills	707,947	-	707,947	23,218,816	-	-	-	21,898,470
	4,053,820,759	3,060,834	4,056,881,593	4,313,619,676	2,028,184,128	1,614,152	2,029,798,280	2,131,621,023
Dividend income	191,539,310	-	191,539,310	-	98,204,900	-	98,204,900	-
Realized gain on "Fair value through OCI" & "Fair value through P&L"	98,275,273	-	98,275,273	107,931,472	138,940,422	-	138,940,422	98,114,318
Unrealised appreciation / (diminution) on re-measurement of investments at "fair value through profit or loss" - net	(716,184,215)	-	(716,184,215)	1,229,639,463	181,050,874	-	181,050,874	391,313,676
Other Income	-	5,710	5,710	2,000	-	1,710	1,710	-
<b>TOTAL INCOME</b>	<b>3,627,451,127</b>	<b>3,066,544</b>	<b>3,630,517,671</b>	<b>5,651,192,611</b>	<b>2,446,380,324</b>	<b>1,615,862</b>	<b>2,447,996,186</b>	<b>2,621,049,017</b>
<b>EXPENDITURE</b>								
Operating expenses	-	(23,445,553)	(23,445,553)	(23,414,968)	-	(11,431,185)	(11,431,185)	(11,980,961)
Trustee remuneration and safe custody charges	(8,042,591)	-	(8,042,591)	(6,609,197)	(3,629,226)	-	(3,629,226)	(3,341,974)
Legal and other professional charges	-	-	-	-	-	-	-	-
Auditors remuneration	-	(632,502)	(632,502)	(819,000)	-	(316,251)	(316,251)	(409,500)
Brokerage expense	(5,434,131)	-	(5,434,131)	(6,695)	(4,037,193)	-	(4,037,193)	(6,695)
Bank charges	(348)	(5,220)	(5,568)	(7,959)	(348)	(3,480)	(3,828)	(3,674)
<b>TOTAL EXPENDITURE</b>	<b>(13,477,070)</b>	<b>(24,083,275)</b>	<b>(37,560,345)</b>	<b>(30,857,819)</b>	<b>(7,666,767)</b>	<b>(11,750,916)</b>	<b>(19,417,683)</b>	<b>(15,742,804)</b>
<b>INCOME OVER EXPENDITURE FOR THE PERIOD</b>	<b>3,613,974,057</b>	<b>(21,016,731)</b>	<b>3,592,957,326</b>	<b>5,620,334,792</b>	<b>2,438,713,557</b>	<b>(10,135,054)</b>	<b>2,428,578,503</b>	<b>2,605,306,213</b>
Budgetary (payments) / receipts for the period	-	2,505,000	2,505,000	-	-	2,505,000	2,505,000	-
<b>INCOME FOR THE PERIOD BEFORE TAX</b>	<b>3,613,974,057</b>	<b>(18,511,731)</b>	<b>3,595,462,326</b>	<b>5,620,334,792</b>	<b>2,438,713,557</b>	<b>(7,630,054)</b>	<b>2,431,083,503</b>	<b>2,605,306,213</b>
Taxation	-	-	-	-	-	-	-	-
<b>NET INCOME FOR THE PERIOD AFTER TAX</b>	<b>3,613,974,057</b>	<b>(18,511,731)</b>	<b>3,595,462,326</b>	<b>5,620,334,792</b>	<b>2,438,713,557</b>	<b>(7,630,054)</b>	<b>2,431,083,503</b>	<b>2,605,306,213</b>

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.

GENERAL MANAGER

CHAIRMAN



**PUNJAB PENSION FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

	For the half year ended				For the quarter ended			
	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
	December 31, 2021	December 31, 2021	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2021	December 31, 2021	December 31, 2020
Note	----- Rupees -----			---- Rupees ----	----- Rupees -----			---- Rupees ----
<b>Net income for the period after tax</b>	3,613,974,057	(18,511,731)	3,595,462,326	5,620,334,792	2,438,713,557	(7,630,054)	2,431,083,503	2,605,306,213
Other comprehensive (loss) / income for the period								
Items that are to be classified subsequently to income statement:								
Investments classified at fair value through OCI:								
unrealised (diminution) / appreciation on remeasurement - net	9.2 (647,820,850)	-	(647,820,850)	(17,551,979)	(444,972,004)	-	(444,972,004)	9,865,657
<b>Total comprehensive income / (loss) for the period</b>	<u>2,966,153,207</u>	<u>(18,511,731)</u>	<u>2,947,641,476</u>	<u>5,602,782,813</u>	<u>1,993,741,553</u>	<u>(7,630,054)</u>	<u>1,986,111,499</u>	<u>2,615,171,870</u>

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.

  
**GENERAL MANAGER**

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**CHAIRMAN**

**PUNJAB PENSION FUND**

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN ACCUMULATED PENSION FUND (UN-AUDITED)**

**FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

	Punjab Pension Fund	Punjab Pension Fund - Expense Account	Punjab Pension Fund - Total
Note	----- Rupees -----		
<b>Balance as at July 01, 2020</b>	74,881,594,413	107,846,202	74,989,440,615
Amount contributed by the Government of Punjab (through the Reserve Fund)	-	-	-
<b>Total comprehensive income for the period</b>			
Net income for the period after tax	5,641,973,965	(21,639,172)	5,620,334,793
Other comprehensive income for the period unrealized appreciation on remeasurement - net	(17,551,979)	-	(17,551,979)
<b>Balance as at December 31, 2020</b>	<u>80,506,016,399</u>	<u>86,207,030</u>	<u>80,592,223,429</u>
<b>Balance as at June 30, 2021</b>	85,066,016,062	113,993,177	85,180,009,239
Amount contributed by the Government of Punjab (through the Reserve Pension Fund)	-	-	-
<b>Total comprehensive income for the period</b>			
Net income for the period after tax	3,613,974,057	(18,511,731)	3,595,462,326
Other comprehensive income for the period unrealized (diminution) on remeasurement - net	9.2 (647,820,850)	-	(647,820,850)
<b>Balance at the end of the period</b>	<u>88,032,169,269</u>	<u>95,481,446</u>	<u>88,127,650,715</u>

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.

  
GENERAL MANAGER

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CHAIRMAN

**PUNJAB PENSION FUND**  
**CONDENSED INTERIM CASH FLOWS STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

	For the half year ended			
	Punjab Pension Fund Trust	Punjab Pension Fund - Expense Account	Punjab Pension Fund - Total	Punjab Pension Fund - Total
	December 31, 2021			December 31, 2020
Note	----- Rupees -----			---- Rupees ----
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Income over expenditure for the year	3,613,974,057	(18,511,731)	3,595,462,326	5,620,334,792
Adjustments for non cash items:				
Amortization of discount income	(4,889,420)	-	(4,889,420)	(644,279)
Interest income	(4,048,931,339)	(3,060,834)	(4,051,992,173)	-
Depreciation on operating fixed assets	-	692,809	692,809	528,170
Unrealised diminution on re-measurement of investments at fair value through profit or loss - held for trading" - net	716,184,215	-	716,184,215	(1,229,639,463)
	(3,337,636,544)	(2,368,025)	(3,340,004,569)	(1,229,755,572)
Net cash flow before working capital changes	276,337,513	(20,879,756)	255,457,757	4,390,579,220
<b>(Increase) / decrease in assets:</b>				
Investments - net	(5,101,928,561)	-	(5,101,928,561)	11,513,400,303
Accrued interest	4,137,507,385	2,756,602	4,140,263,987	718,590,726
Receivable against sale of investment	-	-	-	(2,460,510)
Advances	(600,000,000)	-	(600,000,000)	-
	(1,564,421,176)	2,756,602	(1,561,664,574)	12,229,530,519
<b>(Decrease) / increase in liabilities:</b>				
Trustee fee payable	(1,312,743)	-	(1,312,743)	104,059
Accrued liabilities	-	267,887	267,887	1,596,694
Brokerage payable	(462,633)	-	(462,633)	6,695
	(1,775,376)	267,887	(1,507,489)	1,707,448
Tax paid during the period	(8,638,863)	-	(8,638,863)	-
Net cash (used in)/generated from operations	(1,298,497,902)	(17,855,267)	(1,316,353,169)	16,621,817,187
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Intangible purchased during the period	-	(630,000)	(630,000)	-
Fixed Assets expenditure	-	-	-	(1,364,499)
Net cash used in investing activities	-	(630,000)	(630,000)	(1,364,499)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Net (decrease) / increase in cash and cash equivalents during the period	(1,298,497,902)	(18,485,267)	(1,316,983,169)	16,620,452,688
Cash and cash equivalents at beginning of the period	1,307,109,330	109,222,128	1,416,331,458	500,110,454
Cash and cash equivalents at end of the period	8 8,611,428	90,736,861	99,348,289	17,120,563,142

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.

  
**GENERAL MANAGER**

  
**CHAIRMAN**

**PUNJAB PENSION FUND**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2021**

**1 LEGAL STATUS AND NATURE OF 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, equity shares, mutual fund units 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 September 27, 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 Punjab Pension Fund - Expense Account ("the Expense") established by the Fund under the Rules, for incurring operational expenses of the Fund other than related to investments.

**2 GEOGRAPHICAL LOCATION**

The registered office of the Fund is situated at 112- Tipu Block, New Garden Town, Lahore.

**3 BASIS OF PREPARATION**

**3.1 Statement of Compliance**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan 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.

The Fund has also complied with the provisions of Punjab Pension Fund Act, 2007 and the Punjab Pension Fund Rules, 2007 which require following extended disclosures:

- Remuneration of the trustee;
- Safe custody and bank charges;
- Auditor's remuneration;
- Legal and other professional fees; and
- Percentage of investment with respect to net assets and total investments.

These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Fund as at and for the year ended June 30, 2021 which have been prepared in accordance with approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Fund's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these condensed interim financial statements have been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2021, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the half year ended December 31, 2020.

The management of the Fund has no intention to provide benefits to employees of the Government of Punjab from available funds on or after the termination of their services. Further, they are also not obliged to provide these benefits as per Act and rules. Considering this fact, these condensed interim financial statements are not prepared as per "IAS 26 Accounting and Reporting by retirement benefits plans".

### **3.2 Basis of measurement**

The financial statements have been prepared under the historical cost convention, except for certain investments which are carried at fair value and amortized cost in accordance with the requirements of IFRS 9: 'Financial Instruments'.

In these financial statements, except for the amounts reflected in the cash flow statement, all transactions have been accounted for on accrual basis.

### **3.3 Functional and presentation currency**

These financial statements are presented in Pak Rupees, which is the functional and presentation currency for the Fund.

## **4 SIGNIFICANT ACCOUNTING POLICY INFORMATION AND CHANGES THERE IN**

4.1 The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2021.

### **4.2 Initial application of standards, amendments or an interpretation to existing standards**

The following amendments to existing standards have been published that are applicable to the Fund's financial statements.

#### **4.2.1 Standards, amendments and interpretations to accounting standards that are effective in the current period**

Certain standards, amendments and interpretations to accounting standards are effective for accounting periods beginning on July 1, 2021 but are considered not to be relevant or to have any significant effect on the Fund's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

#### **4.2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Fund**

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Fund's accounting periods beginning on or after January 1, 2022 but are considered not to be relevant or to have any significant effect on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

### **5 USE OF JUDGMENTS AND 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 June 30, 2021.

### **6 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 June 30, 2021.

### **7 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.

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	(Un-Audited)		(Audited)	
	Punjab Pension Fund Trust	Punjab Pension Fund - Expense Account	Punjab Pension Fund - Total	Punjab Pension Fund - Total
	December 31, 2021			June 30, 2021
Note	----- Rupees -----			---- Rupees ----

## 8 CASH AND BANK BALANCE

Cash in hand	-	41,000	41,000	40,000
Cash at bank				
Saving accounts	8.1	8,611,428	90,695,861	99,307,289
Current accounts		-	-	124,059
		8,611,428	90,695,861	99,307,289
		8,611,428	90,736,861	99,348,289
				1,416,291,458
				1,416,331,458

8.1 These carry interest at the rate ranging from 5.50% to 8.00% per annum (June 30, 2021: 5.50% to 7.40% per annum).

## 9 INVESTMENTS

At amortized cost	9.1	57,296,213,671	-	57,296,213,671	54,743,095,660
Fair value through OCI	9.2	9,442,461,771	-	9,442,461,771	14,229,879,910
Fair value through profit or loss	9.3	20,312,228,514	-	20,312,228,514	14,340,004,890
		87,050,903,956	-	87,050,903,956	83,312,980,460

### 9.1 At amortized cost (Held to maturity)

National Savings Account					
Regular Income Certificates	9.1.1	14,500,000,000	-	14,500,000,000	14,500,000,000
Special Savings Account	9.1.2	22,348,120,198	-	22,348,120,198	21,017,382,305
Defence Savings Certificates	9.1.3	20,448,093,473	-	20,448,093,473	19,225,713,355
		57,296,213,671	-	57,296,213,671	54,743,095,660

9.1.1 These comprise of Regular Income Certificates issued by National Savings under National Savings Scheme of Government of Pakistan. The total issue comprises of 1,450 certificates of Rs. 10 million each. These were purchased during 2019-20 with a maturity period of 5 years. These certificates are encashable at any time subject to deduction of service charges. These carry fixed interest at the rate ranging from 10.56% to 12.96% (June 30, 2021: 10.56% to 12.96%) per annum receivable monthly.

9.1.2 This represents deposits are maintained in the form of an account under the National Saving Scheme of the Government of Pakistan. These deposits have different issue dates, maturity dates, and cash flows. These deposits were made during 2019-20 for a 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 11.00% to 12.70% (June 30, 2021: 11.00% to 12.70%) per annum receivable semi-annually and automatically stand reinvested and would be calculated for further profit on completion of the next six months period. However, no profit is payable in case the withdrawals are made before the completion of 6 months of deposit.

9.1.3 These comprise Defence Savings Certificates issued by National Savings under the National Savings Scheme of the Government of Pakistan. The total issue comprises of 15,500 certificates of Rs. 1 million each. These were purchased during 2019-20 with a maturity period of 10 years. These certificates are encashable at par at any time. However, no profit is payable if encashment is made before the completion of one complete year. These carry fixed interest at the rate of 13.01% (June 30, 2021: 13.01%) per annum receivable on maturity.

1300

9.2 Fair value through OCI

		Punjab Pension Fund			
		Carrying value		Fair value	
		December 31, 2021	June 30, 2021	December 31, 2021	June 30, 2021
		Un-Audited	Audited	Un-Audited	Audited
Note		----- Rupees	----- Rupees	----- Rupees	----- Rupees
	Government securities				
	Pakistan Investment Bonds	6,483,337,199	10,708,855,372	6,088,348,255	10,947,030,833
	Market Treasury Bills				
	Debt securities				
	Term Finance Certificates and Sukkuks	3,275,537,675	3,284,959,508	3,258,770,799	3,282,849,077
	Commercial Paper	95,342,717	-	95,342,717	-
		9,854,217,591	13,993,814,880	9,442,461,771	14,229,879,910
	Fair value adjustment - net	(411,755,820)	236,065,030	-	-
		9,442,461,771	14,229,879,910	9,442,461,771	14,229,879,910

9.3 Fair value through profit or loss

	Mutual Funds	16,108,906,228	8,637,767,614	15,471,865,964	9,427,408,490
	Shares	4,919,506,486	5,119,435,820	4,840,362,550	4,912,596,400
		21,028,412,714	13,757,203,434	20,312,228,514	14,340,004,890
	Fair value adjustment - net	(716,184,200)	582,801,456	-	-
		20,312,228,514	14,340,004,890	20,312,228,514	14,340,004,890

1500



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

Issue date	Note	Tenure - Years/Months	Face Value			Balance as at December 31, 2021			Fair value as percentage of net assets	Fair value as percentage of total investments	
			As at July 01, 2021	Purchases during the period	Encashed during the period	As at December 31, 2021	Carrying value	Fair value			Appreciation / (diminution) in carrying value
-----Rupees-----											
August 30, 2008		30 - Years	750,000,000	-	-	750,000,000	744,993,828	828,626,960	83,633,132	0.94%	0.95%
July 12, 2018	9.2.1.1	10 - Years	475,000,000	-	475,000,000	-	-	-	-	0.00%	0.00%
December 10, 2020		10 - Years	3,150,000,000	-	2,000,000,000	1,150,000,000	1,023,342,311	924,380,672	(98,961,639)	1.05%	1.06%
September 19, 2019		10 - Years	6,700,000,000	-	2,000,000,000	4,700,000,000	4,715,001,060	4,335,340,623	(379,660,437)	4.92%	4.98%
<b>Total</b>			<b>11,075,000,000</b>	<b>-</b>	<b>4,475,000,000</b>	<b>6,600,000,000</b>	<b>6,483,337,199</b>	<b>6,088,348,255</b>	<b>(394,988,944)</b>	<b>6.91%</b>	<b>6.99%</b>

9.2.1.1 PIBs carry fixed interest at the rate ranging from 8.00% to 13.75% (June 30, 2021: 8.00% to 13.75%) per annum receivable semi-annually.

9.2.2 Government Securities - Market Treasury Bills ("T-Bills")

September 23, 2021	9.2.2.1	12 Months	-	500,000,000	500,000,000	-	-	-	-	-	-
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9.2.2.1 These bills were zero coupon and carried a yield of 7.19% per annum (June 30, 2021 : 6.42% to 8.21% per annum).

9.2.3 Debt securities - Term Finance Certificates ("TFCs") & Sukuks

Name of issuer	Note	Issue Date	Number of Certificates			Balance as at December 31, 2021			Fair value as percentage of net assets	Fair value as percentage of total investments	
			As at July 01, 2021	Purchases during the period	Matured/ Redeemed during the period	As at December 31, 2021	Carrying value	Fair value			Appreciation / (diminution) in carrying value
-----Number of certificates-----											
-----Rupees-----											
-----Percentage-----											
WAPDA TFCs	9.2.3.1	September 27, 2013	100,000	-	100,000	-	-	-	-	0.00%	0.00%
BOP-PPTFC-2	9.2.3.2	April 23, 2018	2,150	-	-	2,150	214,699,000	221,676,718	6,977,718	0.25%	0.25%
AKBL-PPTFC-VII	9.2.3.3	March 17, 2020	600	-	-	600	600,022,600	606,022,826	6,000,226	0.69%	0.70%
HUBCO SUKUK	9.2.3.4	March 19, 2020	2,500	-	-	2,500	250,000,000	256,250,000	6,250,000	0.29%	0.29%
SAMBA Bank TFCs	9.2.3.5	March 1, 2021	5,000	-	-	5,000	499,900,000	515,646,850	15,746,850	0.59%	0.59%
K-Electric SUKUK	9.2.3.6	August 3, 2020	66,866	-	-	66,866	334,330,000	341,016,600	6,686,600	0.39%	0.39%
Bank Al-Falah Limited TFCs	9.2.3.7	January 15, 2021	164,413	-	-	164,413	822,065,000	763,636,730	(58,428,270)	0.87%	0.88%
HUB Power											
Musharaka	9.2.3.8	November 12, 2020	6,000	-	-	6,000	554,521,075	554,521,075	-	0.63%	0.64%
<b>Total</b>			<b>347,529</b>	<b>-</b>	<b>100,000</b>	<b>247,529</b>	<b>3,275,537,675</b>	<b>3,258,770,799</b>	<b>(16,766,876)</b>	<b>3.71%</b>	<b>3.74%</b>

9.2.3.1 WAPDA TFCs have a face value of Rs. 5,000 per certificate. The principal redemption of such TFCs is structured to be in fourteen equal semi-annual installments starting from March 27, 2015. These carry variable interest rate of 6 Month KIBOR plus 100 bps (June 30, 2021: 6 Month KIBOR plus 100 bps) per annum receivable semi-annually.

9.2.3.2 BOP-PPTFC-2 (Related Party) have a face value of Rs. 100,000 per certificate. The principal redemption of such PPTFCs is structured to be in twenty semi-annual installments starting from October 23, 2018. These carry variable interest rate of 6 Month KIBOR plus 125 bps (June 30, 2021: 6 Month KIBOR plus 125 bps) per annum receivable semi-annually.

9.2.3.3 AKBL-PPTFC-VII have a face value of Rs. 1,000,000 per certificate. The principal redemption of such PPTFCs is structured to be in forty quarterly installments starting from June 17, 2029. These carry variable interest rate of 3 Month KIBOR plus 120 bps (June 30, 2021: 3 Month KIBOR plus 120 bps) per annum receivable quarterly.

9.2.3.4 HUBCO SUKUK have a face value of Rs. 100,000 per certificate. The principal redemption of such Sukuks is structured to be in four equal semi-annual installments starting from September 19, 2022. These carry variable interest rate of 1 Year KIBOR plus 190 bps (June 30, 2021: 1 Year KIBOR plus 190 bps) per annum receivable quarterly.

9.2.3.5 SAMBA Bank TFCs have a face value of Rs. 100,000 per certificate. The principal redemption of such TFCs is structured to be in two equal semi-annual installments starting from September 01, 2021. These carry variable interest rate of 6 Month KIBOR plus 135 bps (June 30, 2021: 6 Month KIBOR plus 135 bps) per annum receivable semi-annually.

9.2.3.6 K-Electric Sukuk have a face value of Rs. 5,000 per certificate. The principal redemption of such Sukuks is structured to be in four equal semi-annual installments starting from November 03, 2022. These carry variable interest rate of 3 Month KIBOR plus 170 bps (June 30, 2021: 3 Month KIBOR plus 170 bps) per annum receivable quarterly.

1300

9.2.3.7 Bank Al-Falah Limited TFCs have a face value of Rs. 5,000 per certificate. The principal redemption of such TFCs is structured to be in four equal semi-annual installments starting from January 15, 2024. These carry fixed interest rate of 9.33% (June 30, 2021: 9.33%) per annum receivable semi-annually.

9.2.3.8 Musharaka is of HUB Power Holding being zero coupon bond carrying interest yield of 10.12% (June 30, 2021: Nil) per annum receivable semi-annually.

#### 9.2.4 Commerical Paper

Issue date	Note	Tenure - Years/Months	Face Value			Balance as at December 31, 2021			Fair value as percentage of net assets	Fair value as percentage of total investments	
			As at July 01, 2021	Purchases during the period	Encashed during the period	As at December 31, 2021	Carrying value	Fair value			Appreciation / (diminution) in carrying value
			Rupees			Percentage					
November 29, 2021	9.2.4.1	6 Months	-	100,000,000	100,000,000	-	95,342,717	95,342,717	-	0.11%	0.21%

9.2.4.1 Commercial Paper is of JS Global being zero coupon instrument carrying interest yield of 12.03% per annum (June 30, 2021: Nil)

#### 9.3.1 Units of Mutual Funds

Name of issuer	Number of Units				Balance as at December 31, 2021			Fair value as percentage of net assets	Fair value as percentage of total investments	
	As at July 01, 2021	Purchases during the period	Bonus units received during the period	Disposed off during the period	As at December 31, 2021	Carrying value	Fair value			Appreciation from carrying value
			Number of units		Rupees			Percentage		
<b>OPEN END MUTUAL FUNDS -</b>										
<b>STOCK MARKET</b>										
NBP Stock Fund	110,481,064	18,136,316	-	-	128,617,380	2,064,280,849	2,012,180,321	(52,100,528)	2.29%	2.31%
NBP Islamic Stock Fund	61,502,772	2,687,264	-	-	64,190,036	818,237,799	780,756,242	(37,481,557)	0.89%	0.90%
Al Ameen Shariah Stock Fund	5,676,799	423,339	-	-	6,100,138	975,471,277	955,342,602	(20,128,675)	1.09%	1.10%
UBL Stock Advantage Fund	9,812,913	780,634	-	-	10,593,547	830,328,084	821,847,424	(8,480,660)	0.93%	0.94%
National Investment (Unit) Trust	7,896,983	19,825,183	172,466	-	27,894,632	2,004,949,715	1,937,561,165	(67,388,550)	2.20%	2.23%
MCB Pakistan Stock Market Fund	11,370,827	1,193,252	-	-	12,564,079	1,298,832,000	1,244,528,572	(54,303,428)	1.41%	1.43%
Alhamra Islamic Stock Fund	-	36,087,618	-	-	36,087,618	408,280,000	380,363,499	(27,916,501)	0.43%	0.44%
Atlas Stock Market Fund	1,347,927	214,280	-	-	1,562,207	1,077,481,022	1,041,273,463	(36,207,559)	1.18%	1.20%
Atlas Islamic Stock Fund	417,120	192,030	-	-	609,150	347,355,458	335,368,579	(11,986,879)	0.38%	0.39%
JS Growth Fund - A	399,592	1,179,990	-	-	1,579,582	286,487,889	262,242,215	(24,245,674)	0.30%	0.30%
Alfalah GHP Islamic Stock Fund	1,251,034	4,176,174	-	-	5,427,208	248,207,900	227,427,144	(20,780,756)	0.26%	0.26%
Alfalah GHP Stock Fund	-	2,079,787	-	-	2,079,787	235,910,000	219,168,614	(16,741,386)	0.25%	0.25%
Faysal Stock Fund	2,837,684	1,101,069	-	-	3,938,753	291,031,782	262,714,873	(28,316,909)	0.30%	0.30%
Faysal MTS Fund	4,050,048	-	-	4,050,048	-	-	-	-	0.00%	0.00%
ABL Stock Fund	41,965,465	1,793,678	-	-	43,759,143	694,484,146	664,653,240	(29,830,906)	0.76%	0.76%
ABL Islamic Stock Fund	7,724,690	14,034,345	-	-	21,759,035	354,998,466	329,390,452	(25,608,014)	0.37%	0.38%
HBL Equity Fund	1,420,588	271,771	-	-	1,692,359	231,104,816	184,638,485	(46,466,331)	0.21%	0.21%
KSE-Meezan Index Fund	-	4,203,396	-	-	4,203,396	309,215,025	286,762,377	(22,452,648)	0.33%	0.33%
Meezan Islamic Fund	-	32,445,667	-	-	32,445,667	2,069,750,000	1,995,625,910	(74,124,090)	2.27%	2.29%
Al Meezan Mutual Fund	-	25,721,166	-	-	25,721,166	462,500,000	439,968,259	(22,531,741)	0.50%	0.51%
Lakson Equity Fund	-	1,792,698	-	-	1,792,698	200,000,000	188,327,028	(11,672,972)	0.21%	0.22%
	268,155,506	168,339,657	172,466	4,050,048	432,617,581	15,208,906,228	14,570,140,464	(638,765,764)	16.56%	16.75%
<b>OPEN END MUTUAL FUNDS -</b>										
<b>INCOME</b>										
First Habib Islamic Income Fund	-	2,970,438	-	-	2,970,438	300,000,000	300,455,368	455,368	0.34%	0.35%
JS Income Fund	-	2,991,623	-	-	2,991,623	300,000,000	300,628,241	628,241	0.34%	0.35%
MCB Pakistan Income Fund	9,425,028	3,548,226	-	9,425,028	3,548,226	200,000,000	200,467,656	467,656	0.23%	0.23%
National Investment (Unit) Income Fund	-	9,461,991	-	-	9,461,991	100,000,000	100,174,235	174,235	0.11%	0.12%
	9,425,028	18,972,278	-	9,425,028	18,972,278	900,000,000	901,725,500	1,725,500	1.02%	1.05%
Total	277,580,534	187,311,935	172,466	13,475,076	451,589,859	16,108,906,228	15,471,865,964	(637,040,264)	17.58%	17.80%

9.3.2 Shares

Name of the investee company	Number of Shares				Balance as at December 31, 2021			Fair value as percentage of net assets	Fair value as percentage of total investments	
	As at July 01, 2021	Purchases during the period	Bonus shares received during the period	Disposed off during the period	As at December 31, 2021	Carrying value	Fair value			Appreciation / (diminution) in carrying value
	Number of shares				Rupees			Percentage		
<b>CHEMICAL</b>										
ENGRO Polymer & Chemical Limited - Preference shares	3,183,000	-	-	-	3,183,000	35,649,600	35,490,450	(159,150)	0.04%	0.04%
<b>COMMERCIAL BANKS</b>										
Bank Alhabib Limited	20,000,000	600,000	-	-	20,600,000	1,443,690,370	1,421,606,000	(22,084,370)	1.61%	1.63%
Habib Bank Limited	12,960,000	1,740,000	-	-	14,700,000	1,789,981,910	1,714,314,000	(75,667,910)	1.95%	1.97%
MCB Bank Limited	1,550,000	6,050,000	-	-	7,600,000	1,191,023,852	1,165,460,000	(25,563,852)	1.32%	1.34%
National Bank Limited	1,430,000	-	-	-	1,430,000	52,295,100	49,363,600	(2,931,500)	0.06%	0.06%
United Bank Limited	13,000,000	1,750,000	(11,425,000)	-	3,325,000	406,865,654	454,128,500	47,262,846	0.52%	0.52%
Total	52,123,000	10,140,000	(11,425,000)	-	50,838,000	4,919,506,486	4,840,362,550	(79,143,936)	5.50%	5.56%

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	(Un-Audited)		(Audited)	
	Punjab Pension Fund Trust	Punjab Pension Fund - Expense Account	Punjab Pension Fund - Total	Punjab Pension Fund - Total
	December 31, 2021			June 30, 2021
Note	----- Rupees -----		---- Rupees ----	

#### 10 ACCRUED INTEREST

Interest on bank account	3,747,358	591,834	4,339,192	7,468,347
National savings account and certificates	115,490,323	-	115,490,323	114,320,000
Pakistan investment bonds	175,526,589	-	175,526,589	257,889,017
Term finance certificates and sukuks	69,605,364	-	69,605,364	68,666,498
	<u>364,369,634</u>	<u>591,834</u>	<u>364,961,468</u>	<u>448,343,862</u>

#### 11 DEPOSITS AND OTHER RECEIVABLES

Security deposits				
Central Depository Company	100,000	-	100,000	100,000
Office building	-	780,000	780,000	780,000
National Clearing Company of Pakistan Limited	2,500,000	-	2,500,000	2,500,000
Receivable from Punjab General Provident Investment Fund	-	4,597,320	4,597,320	4,597,320
	<u>2,600,000</u>	<u>5,377,320</u>	<u>7,977,320</u>	<u>7,977,320</u>

#### 12 ADVANCES

Advance Tax		8,638,863	-	8,638,863	-
IPO Investment BOP ADT 1	12.1	600,000,000	-	600,000,000	-
		<u>608,638,863</u>	<u>-</u>	<u>608,638,863</u>	<u>-</u>

12.1 This amount represents an advance given to Bank of Punjab (Related party) for the purchase of Term finance certificates having face value of Rs. 100,000 per certificate. This advance was paid on December 31, 2021 and the certificates were issued on June 20, 2022 on which interest is receivable at Kibor+2% per annum.

#### 13 PROPERTY, PLANT AND EQUIPMENTS

Operating fixed assets

##### 13.1 Fixed assets

Opening net book value (NBV)	-	3,474,326	3,474,326	3,147,405
Additions (at cost) during the period	-	-	-	1,410,549
	-	<u>3,474,326</u>	<u>3,474,326</u>	<u>4,557,954</u>
Depreciation charged during the period	-	(692,809)	(692,809)	(1,083,628)
Closing net book value (NBV)	-	<u>2,781,517</u>	<u>2,781,517</u>	<u>3,474,326</u>

Details of additions (at cost) during the period are as follows:

Furniture and fittings	-	-	-	104,499
Office and IT equipments	-	-	-	1,306,050
	-	-	-	<u>1,410,549</u>

1300

	(Un-Audited)			(Audited)
	Punjab Pension Fund Trust	Punjab Pension Fund - Expense Account	Punjab Pension Fund - Total	Punjab Pension Fund - Total
	December 31, 2021			June 30, 2021
Note	----- Rupees -----			---- Rupees ----

#### 14 CAPITAL WORK IN PROCESS

Intangibles	-	-	-	1,956,000
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#### Movement of carrying amount of intangible is as follows:

Opening balance at start of the period	-	1,956,000	1,956,000	696,000
Additions (at cost) during the period	-	630,000	630,000	1,260,000
Transferred to intangibles assets during the period	-	(2,586,000)	(2,586,000)	-
Closing balance at the end of the period	-	-	-	1,956,000

#### 15 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2021 (June 30, 2021: Nil).

	(Un-Audited)			(Audited)
	Punjab Pension Fund Trust	Punjab Pension Fund - Expense Account	Punjab Pension Fund - Total	Punjab Pension Fund - Total
	December 31, 2021			December 31, 2020
Note	----- Rupees -----			---- Rupees ----

#### 16 OPERATING EXPENSES

Salaries and wages	-	15,347,810	15,347,810	16,095,263
Rent	16.1	2,284,140	2,284,140	2,284,140
Utilities	-	886,294	886,294	845,275
Repair and maintenance	-	708,112	708,112	616,044
Vehicle running expenses	-	775,271	775,271	536,251
Conveyance Expense	-	63,000	63,000	30,106
Traveling, lodging and boarding	-	82,983	82,983	-
Books, periodicals and subscription	-	77,945	77,945	61,124
Meeting fee	-	958,000	958,000	1,182,000
Printing and stationery	-	237,600	237,600	255,070
Courier and postage	-	26,529	26,529	18,988
Office and other expenses	-	750,308	750,308	672,773
Depreciation	13.1	692,808	692,808	528,170
Advertisement	-	41,424	41,424	-
Software maintenance cost	-	145,002	145,002	-
Training and development	-	114,682	114,682	15,000
Miscellaneous	-	253,645	253,645	274,764
	-	23,445,553	23,445,553	23,414,968

16.1 The Fund has obtained a building on operating lease. According to management, these rental agreements have been classified as short-term leases due to their duration being less than 12 months or low value. The Fund applies the short-term lease recognition exemption to its short-term leases of its assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

1300

## 17 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				
	Fair value through P&L	Fair value through OCI	At amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
----- Rupees -----									
<b>On-Balance sheet financial instruments</b>									
<b>As at December 30, 2021</b>									
<b>Financial assets - measured at fair value</b>									
Investments									
Government securities	-	6,088,348,255	-	-	6,088,348,255	-	6,088,348,255	-	6,088,348,255
Debt securities	-	3,354,113,516	-	-	3,354,113,516	3,354,113,516	-	-	3,354,113,516
Mutual fund	15,471,865,964	-	-	-	15,471,865,964	15,471,865,964	-	-	15,471,865,964
Shares	4,840,362,550	-	-	-	4,840,362,550	4,840,362,550	-	-	4,840,362,550
<b>Financial assets at amortised cost</b>									
Investments									
National saving scheme	-	-	57,296,213,671	-	57,296,213,671	-	-	-	-
Bank balance	-	-	99,307,289	-	99,307,289	-	-	-	-
Accrued interest	-	-	364,961,468	-	364,961,468	-	-	-	-
Advances	-	-	600,000,000	-	600,000,000	-	-	-	-
Deposits and other receivables	-	-	7,977,320	-	7,977,320	-	-	-	-
	20,312,228,514	9,442,461,771	58,368,459,748	-	88,123,150,033	23,666,342,030	6,088,348,255	-	29,754,690,285
<b>Financial liabilities at amortised cost</b>									
Trustee fee payable	-	-	-	1,206,427	1,206,427	-	-	-	-
Brokerage payable	-	-	-	1,748,185	1,748,185	-	-	-	-
Accrued liabilities	-	-	-	6,972,775	6,972,775	-	-	-	-
	-	-	-	9,927,387	9,927,387	-	-	-	-
<b>On-Balance sheet financial instruments</b>									
<b>As at June 30, 2021</b>									
<b>Financial assets - measured at fair value</b>									
Investments									
Government securities	-	10,947,030,833	-	-	10,947,030,833	-	10,947,030,833	-	10,947,030,833
Debt securities	-	3,282,849,077	-	-	3,282,849,077	3,282,849,077	-	-	3,282,849,077
Mutual fund	9,427,408,490	-	-	-	9,427,408,490	9,427,408,490	-	-	9,427,408,490
Shares	4,912,596,400	-	-	-	4,912,596,400	4,912,596,400	-	-	4,912,596,400
<b>Financial assets at amortised cost</b>									
Investments									
National saving scheme	-	-	54,743,095,660	-	54,743,095,660	-	-	-	-
Bank balance	-	-	1,416,291,458	-	1,416,291,458	-	-	-	-
Accrued interest	-	-	448,343,862	-	448,343,862	-	-	-	-
Deposits and other receivables	-	-	7,977,320	-	7,977,320	-	-	-	-
	14,340,004,890	14,229,879,910	56,615,708,300	-	85,185,593,100	17,622,853,967	10,947,030,833	-	28,569,884,800

**Financial liabilities at amortised cost**

	Carrying amount				Fair value				
	Fair value through P&L	Fair value through OCI	At amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	----- Rupees -----								
Trustee fee payable	-	-	-	2,519,170	2,519,170	-	-	-	-
Brokerage payable	-	-	-	2,210,818	2,210,818	-	-	-	-
Accrued liabilities	-	-	-	6,704,888	6,704,888	-	-	-	-
	-	-	-	11,434,876	11,434,876	-	-	-	-

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## 18 FINANCIAL RISK MANAGEMENT

The Fund's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk.

There have been no significant changes in the risk management policies since the year end.

The condensed interim financial statements does not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Fund's audited annual financial statements for the year ended June 30, 2021.

The Fund's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2021.

## 19 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:

	(Un-Audited)			(Un-Audited)
	Punjab Pension Fund Trust	Punjab Pension Fund - Expense Account	Punjab Pension Fund - Total	Punjab Pension Fund - Total
	December 31, 2021			December 31, 2020
Note	----- Rupees -----			---- Rupees ----
<b>Transactions with</b>				
Central Depository Company of Pakistan Limited				
Trustee fee expense for the period	7,118,821	-	7,118,821	6,601,287
Custody Fee	923,770	-	923,770	7,910
Bank of Punjab				
Terms Finance Certificate	600,000,000		600,000,000	-
Income on term deposit receipts realised during the period	-	-	-	136,095,504
Income on savings account realised during the period	5,120,623	3,060,834	8,181,457	14,701,437
Income on Term Finance Certificate receipts during the period	10,565,728	-	10,565,728	9,899,277
Members of Management Committee				
Salary paid to General Manager	-	4,770,960	4,770,960	4,770,960
Fee paid to members	-	366,000	366,000	522,000

- 19.1 All transactions with Govt. of Punjab and its owned entities (the Bank of Punjab) are disclosed except the daily transactions through the bank as the management is of the view that it is impracticable to disclose such transactions due to the nature of the transactions. The Fund is exempt from the disclosure requirements of the related party transactions and outstanding balances with the government and other entities which are related party being owned by the same government.



	(Un-Audited)			(Audited)
	Punjab Pension Fund Trust	Punjab Pension Fund - Expense Account	Punjab Pension Fund - Total	Punjab Pension Fund - Total
	December 31, 2021			June 30, 2021
Note	----- Rupees -----			---- Rupees ----
<b>Balances with</b>				
Central Depository Company of Pakistan Limited				
Trustee fee payable	1,206,427	-	1,206,427	2,519,170
Security Deposit	100,000	-	100,000	100,000
Bank of Punjab				
Bank balances	270,433	90,695,861	90,966,294	356,487,474
Income receivable on savings account	1,131,457	591,834	1,723,291	1,227,318
Term Finance Certificate	814,699,000	-	814,699,000	214,742,000
Income receivable on Term Finance Certificate	4,556,247	-	4,556,247	3,637,318
Punjab General Provident Investment Fund	-	4,597,320	4,597,320	4,597,320

## 20 SUMMARY OF SIGNIFICANT TRANSACTIONS AND EVENTS AFFECTING THE FUND'S FINANCIAL POSITION AND PERFORMANCE

All other significant transactions and events that have affected the Fund's financial position and performance during the period have been adequately disclosed in the notes to these financial statements.

## 21 CORRESPONDING FIGURES

21.1 Corresponding figures have been rearranged and reclassified, wherever necessary for the purposes of comparison and for better presentation. However, no significant reclassification has been made during the period except followings for better or correct presentation:

Item description	From	To	Amount Rupees
Prepaid Rent	Deposits, prepayments and other receivables	Prepayments	380,689

21.2 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim statement of financial position comprise of balances as per the audited annual financial statements of the Fund for year ended June 30, 2021 and the corresponding figures in the condensed interim statement of profit or loss and the condensed interim comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity comprise of balances of comparable period as per the condensed interim financial statements of the Fund for the half year ended December 31, 2021.

## 22 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

There are no significant reportable events after the condensed interim statement of financial position.

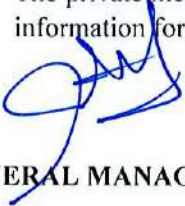
**23 DATE OF AUTHORIZATION FOR ISSUE**

This condensed interim financial information for the six months period ended December 31, 2021 was authorized for issue on 19 JUL 2024 by the Management Committee of the Fund.

**24 GENERAL**

24.1 Amounts have been rounded off to the nearest rupees unless otherwise stated.

24.2 The private member of the Management Committee of the Fund is not required to sign this condensed interim financial information for the six months period ended December 31, 2021.



**GENERAL MANAGER**

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**CHAIRMAN**