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Al-Ameen Islamic Asset Allocation Fund (AIAAF)

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# **AIAAF**

# Al-Ameen Islamic Asset Allocation Fund

# **INVESTMENT OBJECTIVE**

The investment objective of the Fund is to earn competitive riba free return by investing shariah compliant asset classes/instruments based on the market outlook.

Management Company	UBL Fund Managers Limited	
Trustee	Central Depository Company of Pakistan Limited 99-B, Block-B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi. Tel: (9221) 111-111-500	
Distribution Company	United Bank Limited (for detail of others, please visit our website: www.ublfunds.com.pk)	
Auditors	EY Ford Rhodes Chartered Accountants	
Bankers	Bank Alfalah Limited BankIslami Pakistan Limited Deustche Bank Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited Meezan Bank Soneri Bank Limited United Bank Limited	
Management Co. Rating	AM2++ (JCR-VIS)	

# Fund Manager's Report – Al-Ameen Islamic Asset Allocation Fund (AIAAF)

- i) Description of the Collective Investment Scheme category and type Islamic Asset Allocation / Open-end
- ii) Statement of Collective Investment Scheme's investment objective

  The investment objective of the Fund is to earn competitive riba free return by investing in various shariah compliant asset classes/instruments based on the market outlook.
- iii) Explanation as to whether the Collective Investment Scheme achieved its stated objective

The Collective Investment Scheme achieved its stated objective.

- iv) Statement of benchmark(s) relevant to the Collective Investment Scheme
  Average of 6M KIBOR rate + 2%
- v) Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks

<b>Monthly Yield</b>	Jul'16	Aug'16	Sep'16	Oct'16	Nov'16	Dec'16	Jan'17	Feb'17	Mar'17	Apr'17	May'17	Jun'17	FYTD
AIAAF	3.19%	-0.23%	0.40%	-0.44%	3.53%	4.80%	1.43%	0.56%	0.55%	1.39%	1.65%	-2.90%	14.58%
Benchmark	2.05%	0.01%	0.09%	0.68%	0.66%	0.68%	0.68%	0.62%	0.68%	0.66%	0.68%	0.66%	8.45%

# vi) Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance

The Fund Manager maintained moderate exposure to equities for most part of the year in order to capture the opportunities offered by cheap valuations in the market. The fund manager concentrated exposure mainly in dividend yielding stocks while exposure to other sectors was limited to those companies with strong earnings growth.

The fund outperformed the benchmark by 613bps by generating 14.58% return in FY17. At the end of FY17, the Fund Manager maintained 63% in Cash while 34% of total assets were invested in equities. Generating returns from the fixed income remained a challenge owing to lack of Shariah compliant investment avenues. However the strategy of investing in quality blue chip companies with high dividend yield paid-off as the portfolio returns were able to outperform the benchmark during the year.

vii) Disclosure of the Collective Investment Scheme's asset allocation as at the date of the report and particulars of significant changes in asset allocation since the last report (if applicable)

Asset Allocation (% of Total Assets)	Jun-16	Jun-17
Equities	33%	34%
Placements with banks	15%	0%
Sukuks	4%	2%
Gop Ijarah Sukuk	18%	0%
Cash	28%	63%
Others	2%	1%
Leverage	Nil	Nil
Total	100%	100%

viii) Analysis of the Collective Investment Scheme's performance

FY'17 Return: 14.58% Standard Deviation (12m trailing): 5.66% Sharpe Ratio (12m trailing): 1.53

ix) Changes in total NAV and NAV per unit since the last review period or since commencement (in case of newly established Collective Investment Schemes)

Net Asset Value			1	NAV per unit	
30-Jun-17	30-Jun-16	Change	30-Jun-17	30-Jun-16	Change
Rupee	s (000)	%	Rupees		%
7,894,823	2,235,142	253.21	118.7962	113.2392	4.91

x) Disclosure on the markets that the Collective investment Scheme has invested in including review of the market(s) invested in and performance during the period

**Debt Market Review - FY17** 

The International Crude Oil prices oscillated between USD 40 to 55 per barrel and closed the year at USD 46/barrel. Historically low oil prices along with stable commodity prices and exchange rate helped keep inflation under check at 4.1% as compared to 2.9% last year. Core measures of inflation witnessed a slight upward trajectory where NFNE

which is somewhat sticky in nature increased to 5.5% compared to 4.6% posted in same period last year. Taking cues from lower inflation, the SBP decided to keep the policy rate at 5.75%.

In twelve PIB auctions conducted during the year, the government raised PKR869.3 billion (PKR 928 billion in FY16) against target of PKR 800 billion. Participation in the auctions was largely skewed towards three and five year paper with the participation ratio of 60% and 26% respectively. Cut off yields in June auction were 6.41%, 6.90% and 7.94% for three, five and ten year PIB instruments respectively.

The yield curve shifted upwards during FY17. Since the start of the fiscal year the secondary market yields for 3 Year, 5 Year and 10 Year PIB have come up by ~40bps, ~46bps and ~50bps respectively. The spread between annualized yields of 1-year T-bills (6.04% p.a.) and 10-year PIBs (8.17% p.a.) stood at 2.13% as of 30 June 2017.

#### Stock Market Review - FY17

During the year, the KSE-100 Index crossed the landmark of 50,000 points. The stock market gained over 15,000 points touching its peak of 52,876 points. The main reasons for this strong rally were increased spending on infrastructural development under PSDP and CPEC related activities along with the inclusion of PSX into the MSCI-EM Index. However, the bull rally could not stand ground as market subdued due to uncertainty relating to MSCI related flows, discouraging taxation regime for the capital markets followed by high political uncertainty surrounding Panama Case. The market eventually closed at 46,565 points, 5000 points below its peak, registering a return of 23% on FYTD basis. The sectors which outperformed include Engineering, Automobile & Parts, Utilities and Oil Exploration Companies and Consumer Sector on account of increase in consumer demand and improvement in product margins.

In the Investor Portfolio, local investors remained net-buyers for FY17 absorbing the foreign selling of around USD 652mn. Despite inclusion into the MSCI-EM index inflows remained shy as compared to the incurred outflow. However, improving domestic economic prospects along with attractive valuations helped the index gain stability. The mutual fund industry remained on the forefront for absorbing the foreign selling of around USD 576mn and depicting confidence in fundamental strength of Pakistan's equity market.

During the year, the market was also driven upwards by the ongoing developments taking place under the China Pakistan Economic Corridor (CPEC). Stable oil prices kept inflation under control and helped to improve trade balance. The boom in infrastructure development fueled demand of Steel, Autos, Cement and Glass leading to appreciation of price levels of companies in the respective sectors.

Going forward, we expect the market to continue on its bull drive with our view premised on strong macroeconomic fundamentals, attractive stock valuations; robust corporate earnings growth and ongoing investments under the CPEC project. Meanwhile, growing consumer demand due to low interest rate environment and increasing per capita income will continue to generate interest in cyclical industries.

- xi) Disclosure on distribution (if any), comprising:-
  - particulars of income distribution or other forms of distribution made and proposed during the period; and
  - statement of effects on the NAV before and after distribution is made

Distribution				Per unit	
Declared on	Bonus	Cash	Per Unit	Cum NAV	Ex NAV
	Rupees (000)		Rupees		
June 19, 2017	-	607,793	11	130.2978	119.298

xii) Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements. There were no significant changes in the state of affairs during the year under review.

## xiii) Breakdown of unit holdings by size

Range of Units	Number of Investors AIAAF
0.0001 - 9,999.9999	1,558
10,000.0000 - 49,999.9999	788
50,000.0000 - 99,999.9999	188
100,000.0000 - 499,999.9999	115
500,000.0000 & Above	8
Total	2,657

- xiv) Disclosure on unit split (if any), comprising:

  There were no unit splits during the period.
- xv) Disclosures of circumstances that materially affect any interests of unit holders investments are subject to market risk.
- Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme.
   No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

# PERFORMANCE TABLE

# Al - Ameen Islamic Asset Allocation Fund

	2017	2016	2015
NET ASSETS AS AT 30 JUNE - Rupeet in '000	7,894,826	2,235,142	1,120,395
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees			
Class A units - Offer * - Redemption	122.8234 118.7962	117.7348 113.2392	112.7032 108.3685
RETURN OF THE FUND - %	44.50	0.15	17.00
Total Return of the Fund Capital Growth (per unit)	14.58 3.58	9.15 4.15	17.98 5.56
Date of Income Distribution	19-Jun-17	27-Jun-15	26-Jun-15
Income Distribution	11.00	5.00	12,42
AVERAGE ANNUAL RETURN - %			
One year	14.58	9.15	17.98
Two year	11.87	13.57	11.62
Three year Since Launch	13.90 11.74	10.80 10.80	11.62 7.75
Since radiicit	11.74	10,60	1.73
OFFER / REPURCHASE DURING THE YEAR- Rupees			
Highest price per unit - Class A units - Offer	139.21	124.13	126.56
Highest price per unit - Class A units - Redemption	134.64	119.39	121.69
Lowest price per unit - Class A units - Offer	117.08	112.67	106.54
Lowest price per unit - Class A units - Redemption	113,24	108.37	102.45
* Front-end load @ 3% is applicable			
PORTFOLIO COMPOSITION - % Percentage of Net Assets as at 30 June			
PORTFOLIO COMPOSITION BY CATEGORY - %			
Bank balances	63.00	28.00	47.00
Equity	34.00	33.00	37.00
Bank Placements	0.00	15.00	9.00
Others	1,00	24.00	7.00
sukuk	2.00		
PORTFOLIO COMPOSITION BY MARKET - %			
Equity	34.00	33.00	37.00
Money Market / Debt	66.00	67.00	63.00
	24.44	0,,00	00,00

## Note:

#### DISCLAIMER

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

<sup>-</sup> The Launch date of Fund is 10 Dec 2013.

#### CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

#### Head Office:

CDC House, 99-8, Block 'B', S.M.C.H.S. Main Shahra-e-Faisal, Karachi - 74400, Pakistan. Tel: (92-21) 111-111-500 Fax: (92-21) 34326020 - 23 URL: www.cdcpakistan.com Email: info@cdcpak.com





#### TRUSTEE REPORT TO THE UNIT HOLDERS

#### AL-AMEEN ISLAMIC ASSET ALLOCATION FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of Al-Ameen Islamic Asset Allocation Fund (the Fund) are of the opinion that UBL Fund Managers Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2017 in accordance with the provisions of the following:

- Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Aftab Ahmed Diwan Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi: September 19, 2017



#### REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the Fund are issuing this report in accordance with the Trust Deed of the Fund. The scope of the report is to express an opinion on the Shariah Compliance of the Fund's activities.

In the capacity of Shariah Advisor, we have prescribed criteria for Shariah compliance of equity investments which comprises of five factors such as (i) Nature of business, (ii) Interest bearing debt to total assets, (iii) Illiquid assets to total assets, (iv) Investment in non-Shariah compliant activities and income from non-compliant investments, and (v) Net liquid assets vs. share market price.

It is the responsibility of the Management Company of the Fund to establish and maintain a system of internal controls to ensure compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries from the Management Company personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

i. We have reviewed and approved the modes of investments of Al-Ameen Islamic Asset Allocation Fund (AIAAF) in light of Shariah requirements. The following is a list of equity investments of AIAAF as on 30 June 2017 and their evaluation according to the screening criteria established by us:

ALAAF			Interest Bearing Colst to Total Assets	Non-Compliant Investments to Total Assets	Non-Compilent Income to Total Revenue		Net Liquid Amets per Share (A)	Share Market Price (B)
Sr.No.	Company	Noture of Business	<37%	<33%	<5%	>25%	A <	В
1	Engro Fertilizer Ltd	Manufacturer of Fertilizers	94%	196	096	88%	(35.18)	59.49
2	Luday Cement Ltd	Manufacturer of Cement	8%	0%	396	53%	61.25	700,00
3	Mari Petroleum Co. Ltd	Explorer/Producer of Oil & Gas	7%	096	096	32%	(37.05)	1,778.00
4	Engro Corporation Ltd	Manufacturer of Chemicals	27%	24%	096	59%	28.34	332.00
5	Nishet Mills Ltd	Manufacturer of Textile	23%	1,896	256	45%	93.16	159.48
6	Pakistan Petroleum Ltd	Explorer/Producer of OTI & Gas	0%	1694	196	48%	31.11	177.00
7	The Hub Power Co. Ltd	Generator of Electricity	34%	156	096	37%	(20.49)	123.00
8	Engro Polymer & Chemicals Ltd	Manufacturer of Chemicals	37%	196	096	86%	(22.59)	34.50
9	D. G. Khan Cement Co. Ltd*	Manufacturer of Cement	19%	30%	596	62%	19.24	195.50
10	Thei Ltd	Manufacturer of Engineering/Paper products	0%	27%	196	42%	156.33	609.00
™Exc	emption given by Sharia Advisory (	Committee	4					

In light of the above, we hereby certify that all the provisions of the Fund and investments made on accounts of AIAAF by UBL Funds are Shariah compliant and in accordance with the criteria established.

- ii. On the basis of information provided by the management all operations of AlAAF for the year ended 30 June 2017 have been in compliance with the Shariah principles.
- iii. The Management Company has been directed to set aside as charity amount earned as interest from conventional banks. In addition, there are investments made by AIAAF where Investee companies have earned a part of their income from non-compliant sources (e.g. interest income). In such cases, the Management Company has been directed to set aside charity for such proportion of the income from Investee companies in order to purify the earning of the Fund.

During the year, an amount of PKR 642,008 has been recognized as charity.

May Allah give us strength to work in accordance with Quran and Sunnah and forgive our mistakes.

Mufti Muhammad Hassaan Kaleem Member, Shariah Advisory Committee Mufti Muhammad Najeeb Khan Member, Shariah Advisory Committee

KARACHI:

**DATE: 22 July 2017** 

# STATEMENT OF COMPLIANCE BY UBL FUND MANAGERS LIMITED WITH THE BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED JUNE 30, 2017

This statement is being presented to comply with the Code of Corporate Governance (the "Code"), contained in Chapter 5 (clause 5.19.24) of Rule Book of Pakistan Stock Exchange Limited, for the purpose of establishing a framework of good governance, whereby, a listed entity is managed in compliance with the best practices of Corporate Governance.

The Board of Directors (the "Board") of UBL Fund Managers Limited (the "Management Company"), which is an unlisted public company, manages the affairs of Al Ameen Islamic Asset Allocation Fund (the "Fund"). The Fund being a unit trust open end scheme does not have its own Board of Directors. The units of the Fund are listed as a security on the Pakistan Stock Exchange Limited; therefore, the Management Company has applied the principles contained in the Code to the Fund in the following manner:

01. The Management Company encourages representation of independent non-executive directors. All the directors except the Chief Executive Officer of the Management Company are non-executive directors, two of whom are independent non-executive directors.

Category	Name
Independent Directors	Mr. Tariq Kirmani
***	Mr. Shabbir Hussain Hashmi
Executive Directors	Mr. Yasir Qadri
Non - Executive Directors	Mr. Zia Ijaz
	Mr. Zulfiqar Alavi
	Syed Furrukh Zaeem
	Mirza Muhammad Sadeed Hassan Barlas

The independent directors meet the criteria of independence under regulation 5.19.1(b) of the Rule Book of Pakistan Stock Exchange Limited.

- 02. The existing directors have confirmed that none of them is serving as a director in more than seven listed companies, including the Management Company.
- 03. All the resident directors of the Management Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a Broker of a stock exchange, has been declared as a defaulter by that stock exchange.
- 04. No casual vacancy occurred on the Board during the year.
- 05. The Management Company has prepared a 'Code of Conduct' and has ensured that appropriate steps have been taken to disseminate it throughout the Management Company along with its supporting policies and procedures.

- 06. The Board has developed a vision / mission statement, overall corporate strategy and significant policies for the Fund. A complete record of particulars of significant policies along with the dates on which these were approved or amended has been maintained.
- 07. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO have been taken by the Board.
- 08. The meetings of the Board were presided over by the Chairman and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
- 09. In order to apprise the directors on their duties and responsibilities and the requirements of the Code, the Management Company has a process in place to conduct formal orientations for new directors. Furthermore, five directors on the Board have completed the Director Training Program (DTP) and are certified directors, while two Independent directors are exempt from the DTP under the Code of Corporate Governance 2012. The directors are well conversant with the relevant laws applicable to the Fund and the Management Company, its policies and procedures and provisions of memorandum and articles of association and are aware of their duties and responsibilities.
- 10. There was no appointment of CFO, Company Secretary and Head of Internal Audit during the year.
- 11. The Directors' report relating to the Fund for the year ended June 30, 2017 has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
- 12. The financial statements of the Fund were duly endorsed by the CEO and CFO of the Management Company before approval of the Board.
- 13. The Directors, CEO, and executives do not hold any interest in the units of the Fund other than that being disclosed in the Directors' Report.
- 14. The Management Company has complied with all the applicable corporate and financial reporting requirements of the Code.
- 15. The Board has formed a Board Audit Committee which comprises of five members, all of whom are non-executive directors including the chairman of the Committee who is an independent nonexecutive director.
- 16. The meetings of the Board Audit Committee were held, at least, once in every quarter and prior to the approval of interim and final results of the Fund as required by the Code. The terms of reference have been approved in the meeting of the Board of Directors and the Committee has been advised to ensure compliance with those terms of reference.

- 17. The Management Company has an in-house internal audit function. The internal audit team is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Fund and they are involved in the internal audit function on a full time basis.
- 18. The Board has formed a Human Resource and Compensation Committee. It comprises of four members, of whom three are non-executive directors, one is an executive director and the chairman of the Committee is an independent non-executive director.
- 19. The statutory auditors of the Fund have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan (ICAP), that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Management Company or units of the Fund and that the firm and all its partners are in compliance with the International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
- 20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
- 21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the market price of Fund's securities, was determined and intimated to directors, employees and stock exchange.
- 22. Material/price sensitive information has been disseminated among all market participants at once through stock exchange.
- 23. The Management Company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintained proper record including basis for inclusion or exclusion of names of persons from the said list.
- 24. We confirm that all other material principles contained in the Code have been complied with.

YASIR QADRI Chief Executive Karachi.

Dated: August 23, 2017



EY Ford Rhodes Chartered Accountants Progressive Plaza, Beaumont Road P.O. Box 15541, Karachi 75530 Pakistan

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# REVIEW REPORT TO THE UNIT HOLDERS ON THE STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF THE CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices (the Statement) contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors (the Board) of UBL Fund Managers Limited, the Management Company of Al-Ameen Islamic Asset Allocation Fund (the Fund), for the year ended 30 June 2017 to comply with the requirements of Chapter No. 5 of the Rule Book of Pakistan Stock Exchange Limited where the Fund is listed.

The responsibility for compliance with the Code is that of the Board of the Management Company of the Fund. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement reflects the status of the Management Company's compliance with the provisions of the Code in respect of the Fund and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the Code.

As part of our audit of financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board's statement on internal control covers all risks and controls, or to form an opinion on the effectiveness of such internal controls, the Management Company's corporate governance procedures and risks.

The Code requires the Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board for their review and approval the Fund's related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement does not appropriately reflect the Management Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Fund for the year ended 30 June 2017.

Chartered Accountants

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Date: 23 August 2017

Karachi



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# INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

#### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Al-Ameen Islamic Asset Allocation Fund (the Fund), which comprise the statement of assets and liabilities as at 30 June 2017, and the related statements of income, comprehensive income, distribution, movement in unit holders' fund and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

# Management's responsibility for the financial statements

The Management Company of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with the requirements of approved accounting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





#### Opinion

In our opinion, the financial statements give a true and fair view of the state of the Fund's affairs as at 30 June 2017 and of its financial performance, cash flows and transactions for the year then ended in accordance with approved accounting standards as applicable in Pakistan.

# REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Chartered Accountants

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Audit Engagement Partner: Shabbir Yunus

Date: 23 August 2017

Karachi

# AL AMEEN ISLAMIC ASSET ALLOCATION FUND STATEMENT OF ASSETS AND LIABILITIES **AS AT JUNE 30, 2017**

		June 30,	June 30,
	N-4-	2017	2016
	Note	(Rupees	in '000) ———
ASSETS			
Bank balances	8 Г	5,244,379	644,976
Term deposit musharika	9		350,000
Investments	10	2,948,913	1,263,208
Dividend and profit receivable	11	29,520	19,363
Advance tax	12	1,904	1,816
Receivable against sale of equity securities	0.000	-	1,408
Deposits and other receivables	13	2,600	2,832
Preliminary expenses and floatation costs	14	287	487
Total assets	-	8,227,603	2,284,090
LIABILITIES	<u></u>		
Payable to the Management Company	15	20,290	5,322
Payable to the Trustee	16	789	305
Annual fee payable to the Securities and		W 408000	10 1000
Exchange Commission of Pakistan (SECP)	17	4,119	1,833
Payable against purchase of investments (Equity)		15,800	-
Accrued and other liabilities	20	291,782	41,488
Total liabilities	-	332,780	48,948
	_		
NET ASSETS	_	7,894,823	2,235,142
Unit holders' fund (as per statement attached)		7,894,823	2,235,142
offic floridora fund (as per statement attached)	=	1,007,020	2,200,142
Contingencies and commitments	21		
		(Number «	of unite)
		——— (Number v	or unite) ———
NUMBER OF UNITS IN ISSUE	-	66,456,911	19,738,234
		(Rupe	nes)
NET ASSETS VALUE PER UNIT	5.5	118.7962	113.2392
THE ACCES TABLE FOR CHIEF	5.5	110.7002	110.2082
The annexed notes from 1 to 30 form an integral part of the	se financial staten	nents.	
- 1			
For URL Fund Mar	nagers I imited		

For UBL Fund Managers Limited

(Management Company)			
Chief Executive Officer	 Director	Chief Financial Officer	

# AL AMEEN ISLAMIC ASSET ALLOCATION FUND **INCOME STATEMENT** FOR THE YEAR ENDED JUNE 30, 2017

		June 30, 2017	June 30, 2016
	Note	(Rupees in	n '000) ——-
INCOME Profit on PLS saving accounts and TDR Profit on investments classified as 'designated at	[	150,543	58,746
fair value through profit or loss' Unrealized gain on revaluation of investments classified		20,903	15,660
as 'designated at fair value through profit or loss' - net Dividend income from equity securities classified 'at fair		143,580	94,572
value through profit or loss - held-for-trading		50,394	38,835
Gain / (loss) on sale of investments - net	L	181,359	(2,678)
Total income	_	546,779	205,135
EXPENSES	_		
Remuneration of the Management Company		43,357	19,294
Sales tax on management fee		5,636	2,701
Provision for indirect duties and taxes	4.5	-:	3,519
Remuneration of the Trustee	16	5,336	2,902
Sales tax on trustee fee	4-7	694	406
Annual fee to SECP	17 14	4,119     200	1,833   201
Amortization of preliminary expenses and floatation costs Brokerage expenses	14	7.155	4.508
Auditors' remuneration	22	513	4,506
Custody and settlement charges	22	1.836	1,305
Charity		637	392
Shariah advisory fee	15.3	345	165
Allocated expenses	15.4	4,336	1,249
Marketing and selling charges	15.5	7.596	1,210
Legal and professional charges	.0.0	358	-
Printing and bank charges		118	145
Total expenses		82,236	39,099
Element of income and capital gains included in the prices of		,	
units sold less those in units redeemed - net		533,146	24,200
Reversal of provision for Workers' Welfare Fund (WWF)	19	3,646	2 <b>-</b>
Provision for Sindh Workers' Welfare Fund (SWWF)	19	(24,246)	-
* *	_	(20,600)	-
Net income for the year before taxation	· <del>-</del>	977,089	190,236
Taxation	23	-	-
Net income for the year after taxation	-	977,089	190,236

The annexed notes from 1 to 30 form an integral part of these financial statements.

	(Management Company)	
Chief Executive Officer	Director	Chief Financial Officer

# AL AMEEN ISLAMIC ASSET ALLOCATION FUND STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2017

		June 30, 2017 (Rupses II	June 30, 2016 1 '000) ———
Net income for the year after taxation		977,089	190,236
Other comprehensive income for the year		-	-
Total comprehensive income for the year		977,089	190,236
	al part of these financial stater BL Fund Managers Limited Ianagement Company)	ments.	
Chief Executive Officer	Director	Chief Financi	al Officer

# AL AMEEN ISLAMIC ASSET ALLOCATION FUND DISTRIBUTION STATEMENT FOR THE YEAR ENDED JUNE 30, 2017

	June 30, 2017 (Rupees	June 30, 2016 in '000)
Undistributed income brought forward comprises of:  - Realized income  - Unrealized income Undistributed income brought forward	65,449 94,572 160,021	37,475 26,407 63,882
Interim distribution at the rate of Rs.11 (2016: Rs.5) per unit declared on June 19, 2017 (June 27, 2016) - Cash dividend	(607,793)	(94,097)
Net income for the year	977,089	190,236
Undistributed income carried forward	529,317	160,021
Undistributed income carried forward comprises of: - Realized income - Unrealized income	385,737 143,580 529,317	65,449 94,572 160,021

The annexed notes from 1 to 30 form an Integral part of these financial statements.

For UBL Fund Managers Limited (Management Company)

Chief Evenythin Officer	Dissets	Chief Financial Officer
Chief Executive Officer	Director	Chief Financial Officer

# AL AMEEN ISLAMIC ASSET ALLOCATION FUND STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS FOR THE YEAR ENDED JUNE 30, 2017

	June 30, 2017 —— (Rupees	June 30, 2016 In '000) ——-
Net assets at beginning of the year [Rs.113.24 (2015: Rs.108.37) per unit]	2,235,142	1,120,393
Cash received on issuance of units*	9,283,365	2,346,038
Cash paid / payable on redemption of units **	(3,459,834) 8,058,673	<u>(1,303,228)</u> 2,163,203
Element of income and capital gains included in prices of units sold less those in units redeemed - net	(533,146)	(24,200)
Total comprehensive income for the year before capital gains / (loss) - realized and unrealized	652,150	98,342
Unrealized gain on revaluation of investments classified as 'designated at fair value through profit or loss'	143,580	94,572
Gain / (loss) on sale of investments - net	181,359	(2,678)
Total comprehensive income for the year	977,089	190,236
Distribution to unit holders during the year - cash	(607,793)	(94,097)
Net assets at end of the year [Rs.118.80 (2016: Rs.113.24) per unit]	7,894,823	2,235,142
	(Number	of units) ———
* Number of units issued	74,209,700	20,967,358
** Number of units redeemed	27,491,023	11,567,880

The annexed notes from 1 to 30 form an integral part of these financial statements.

For IIRI Fund Managem Limited

(Management Company)	
Director	Chief Financial Officer
	(Management Company)

# AL AMEEN ISLAMIC ASSET ALLOCATION FUND STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2017

	N. de	June 30, 2017	June 30, 2016
CASH FLOWS FROM OPERATING ACTIVITIES	Note	—— (Rupees	in '000) ——
Net income for the year before taxation		977,089	190,236
Adjustments for:			
Profit on PLS savings accounts and TDR		(150,543)	(58,746)
Profit on investments	noted	(20,903)	(15,660)
Unrealized gain on revaluation of investments desig as 'at fair value through profit or loss'	nated	(143,580)	(94,572)
(Gain) / loss on sale of investments classified 'at fair		(,,,,,,,	(5.,5.2)
value through profit or loss' - held-for-trading		(181,359)	2,678
Dividend income from equity securities classified 'at	fair		
value through profit or loss - held-for-trading		(50,394)	(38,835)
Element of income and capital gains included in the units sold less those in units redeemed - net	prices of	(533,146)	(24,200)
Amortization of preliminary expenses and floatation	costs	200	201
Provision for indirect taxes and duties			3,519
Reversal of provision for Workers' Welfare Fund (W	50.00 <b>1</b> 0 10.00 1	(3,646)	-
Provision for Sindh Workers' Welfare Fund (SWWF)	) 19	24,246	(005.045)
		(1,059,125) (82,036)	(225,615)
Increase in assets		(02,000)	(00,070)
Investments		(1,360,766)	(665,817)
Receivable against sale of equity securities		1,408	(1,408)
Deposits and other receivables		232	(171)
increase / (decrease) in liabilities		(1,359,126)	(667,396)
Payable to the Management Company		14,968	2.152
Payable to the Trustee		484	95
Annual fee payable to SECP		2,286	1,366
Payable against purchase of investments (Equity)		15,800	(0.054)
Accrued and other liabilities		229,694 263,232	(9,351) (5,738)
Destit and dividend assets			
Profit and dividend received Withholding tax paid		211,683 (88)	99,917 (1,816)
Net cash used in operating activities		(966,335)	(610,412)
December 1997 (1997) (1997) (1997) A STORY OF THE STORY O		(000,000)	(010,112)
CASH FLOWS FROM FINANCING ACTIVITIES  Net receipt from Issuance of units		9,283,365	2,346,038
Cash dividend paid to unit holders		(607,793)	(94,097)
Net payment against redemption of units		(3,459,834)	(1,303,228)
Net cash generated from financing activities		5,215,738	948,713
Net increase in cash and cash equivalents during	g the year	4,249,403	338,301
Cash and cash equivalents at beginning of the year		994,976	656,675
Cash and cash equivalents at end of the year		5,244,379	994,976
Cash and cash equivalents			
Bank balances		5,244,379	644,976
Term deposit musharika		5,244,379	350,000 994,976
The approved notes from 4 to 20 farm on internal and	d of these financial statements	<u> </u>	00-1,010
The annexed notes from 1 to 30 form an integral par			
	. Fund Managers Limited nagement Company)		
Chief Executive Officer	Director	Chief Finan	cial Officer

# AL AMEEN ISLAMIC ASSET ALLOCATION FUND NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2017

#### 1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Al-Ameen Islamic Asset Allocation Fund (the Fund) was established under the Non Banking Finance Companies (Establishment & Regulation) Rules, 2003 (the NBFC Rules) as an open end mutual fund. It was constituted under the Trust Deed, dated October 25, 2013 executed between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on June 30, 2013 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.2 The Fund is an open end mutual fund, listed on the Pakistan Stock Exchange Limited. Units of the Fund are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.3 The objective of the Fund is to earn competitive riba free return by investing in various sharlah compilant asset classes based on the market outlook. Under circular 07 dated March 06, 2009 issued by the SECP, the Fund has been categorized by the Management Company as an Islamic Asset Allocation Fund.
- 1.4 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

#### 2. STATEMENT OF COMPLIANCE

- 2.1 These financial statements have been prepared in accordance with the requirements of approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of Trust Deed, the NBFC rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP shall prevail.
- 2.2 During the year, the Companies Act, 2017 (the new Cmpanies Act) was enacted and promulgated on May 30, 2017. However, SECP has notified through Circular No. 17 dated July 20, 2017 that companies whose financial year closes on or before June 30, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance), hence, these financial statements are prepared in accordance with the Ordinance.

#### 3. BASIS OF PREPARATION

- 3.1 These financial statements have been prepared under the historical cost convention except for investments which are accounted for as stated in note 5.1 below.
- 3.2 These financial statements are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

#### 4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Fund has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year:

#### New and amended standards and interpretations

IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements – Investment Entities: Applying the Consolidation Exception (Amendment)

IFRS 11 Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment)

IAS 1 - Presentation of Financial Statements - Disclosure Initiative (Amendment)

IAS 16 Property, Plant and Equipment and IAS 38 intangible assets - Clarification of Acceptable Method of Depreciation and Amortization (Amendment)

IAS 16 Property, Plant and Equipment IAS 41 Agriculture - Agriculture: Bearer Plants (Amendment)

IAS 27 - Separate Financial Statements - Equity Method in Separate Financial Statements (Amendment)

#### Improvements to Accounting Standards Issued by the IASB in September 2014

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations - Changes in methods of disposal

IFRS 7 Financial Instruments: Disclosures - Servicing contracts

IFRS 7 Financial Instruments: Disclosures - Applicability of the offsetting disclosures to condensed interim financial statements

IAS 19 Employee Benefits - Discount rate: regional market issue

IAS 34 Interim Financial Reporting - Disclosure of information 'elsewhere in the interim financial report'

The adoption of the above amendments, improvements to accounting standards and interpretations did not have any effect on the financial statements.

#### 5. SIGNIFICANT ACCOUNTING POLICIES

#### 5.1 Investments

The investments of the Fund, upon initial recognition, are classified as investment at fair value through profit or loss or available-for-sale investment, as appropriate.

All investments are initially measured at fair value plus, in the case of investments not at fair value through profit or loss transaction costs that are directly attributable to acquisition.

All regular way purchases and sales of investments are recognized on the trade date i.e. the date the Fund commits to purchase / sell the investment. Regular way purchases and sales of investments are those, the contract for which requires delivery of assets within the time frame generally established by regulation or market convention.

#### 5.1.1 The Fund classifies investments in the following categories:

#### investments at fair value through profit or loss

This category has two sub-categories, namely; financial instruments held-for-trading, and those designated at fair value through profit or loss upon initial recognition.

- Investments which are acquired principally for the purposes of generating profit from short term fluctuation in price or are part of the portfolio in which there is recent actual pattern of short term profit taking are classified as held-for-trading. All derivatives are classified as heldfor-trading. These are initially recorded at cost.
- Investments designated at fair value through profit or loss upon initial recognition include those
  group of financial assets which are managed and their performance evaluated on a fair value
  basis, in accordance with the documented risk management / investment strategy.

After initial measurement, investment designated at fair value through profit or loss are carried at fair value and the gains or losses on revaluation are recognized in the income statement.

#### Available-for-sale

Investments which are not classified in the above category are classified as available-for-sale investments. After initial measurement, such investments are measured at fair value with unrealized gains or losses recognized directly in the statement of comprehensive income until the investment is derecognized or determined to be impaired, at which time the cumulative gain or loss previously recognized in the statement of comprehensive income is taken to the income statement.

After initial measurement, investment at fair value through profit or loss are carried at fair value and the gains or losses on revaluation are recognized in the income statement.

Subsequent to initial recognition, financial assets designated by the management as at fair value through profit or loss and available-for-sale are valued as follows:

#### a) Basis of valuation of Sukuk Certificates

The investment of the Fund in debt securities is valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities vide its Circular No. 1 of 2009 dated January 06, 2009. In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorizes them as traded, thinly traded and non-traded securities. The circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

#### b) Basis of valuation of GOP ljarah Sukuks

Fair value of GOP Ijarah Sukuks is determined using the PKISRV Reuters rate circulated by Mutual Funds Association of Pakistan (MUFAP).

## c) Basis of valuation of equity securities / units of mutual funds

The Investment of the Fund in equity securities is valued on the basis of closing quoted market prices available at the stock exchange. A security listed on the stock exchange for which no sale is reported on the reporting date is valued at its last sale price on the next preceding date on which such exchange is open and if no sale is reported for such date the security is valued at an amount neither higher than the closing asked price nor lower than the closing bid price.

Net gains and losses arising from changes in fair value of available-for-sale financial assets are taken to the 'statement of comprehensive income' until these are derecognized or impaired. At this time, the cumulative gain or loss previously recognized directly in the 'statement of comprehensive income' is transferred to the 'income statement'.

Net gains and losses arising from changes in the fair value of financial assets carried at fair value through profit or loss are taken to the Income Statement.

#### 5.2 Preliminary expenses and floatation costs

The Fund has recorded all expenses incurred in connection with the incorporation, registration, establishment and authorization of the Fund as preliminary expenses and floatation costs which are to be amortized by the Fund over a period of five years commencing from December 11, 2013 in accordance with the Trust Deed.

#### 5.3 Issue and redemption of units

Units are allocated at the offer price prevalent on the day on which applications for purchase of units are received (however, units are issued on the receipt of cash/ realization of cheques). The offer price represents the net asset value per unit at the end of the business day plus allowable sales load, if applicable, issue of units is recorded on acceptance of application for sale.

Units redeemed are recorded at the redemption price, applicable to units for which the Fund receives redemption applications during business hours of that day. The redemption price represents the net asset value per unit at the end of the business day less duties, taxes, charges on redemption and provision for transaction costs, if applicable. Redemption of units is recorded on acceptance of application for redemption.

# 5.4 Element of Income / (loss) and capital gain / (loss) included in prices of units sold less those in units redeemed

To prevent the dilution of per unit income and distribution of income already paid out on redemption as dividend, an equalization account called "element of income / (loss) and capital gain / (loss) included in prices of units sold less those in units redeemed" is created.

The "element of income / (loss) and capital gain / (loss) included in prices of units sold less those in units redeemed" account is credited with the amount representing net income and capital gain accounted for in the announced net asset value and included in the sale proceeds of units. Upon redemption of units, the "element of income / (loss) and capital gain / (loss) included in prices of units sold less those in units redeemed" account is debited with the amount representing net income and capital gain accounted for in the last announced net asset value and included in the redemption price.

### 5.5 Net assets value per unit

The net assets value per unit disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

#### 5.6 Taxation

The Fund is exempt from taxation under clause 99 of Part I of the 2nd Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income excluding realized and unrealized capital gains for the year is distributed amongst the Fund's unit holders. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

#### 5.7 Revenue recognition

Gains / (losses) arising on sale of investments are included in the income Statement on the date at which the transaction takes place.

Dividend income is recognized when the right to receive the dividend is established.

Unrealized gains / (losses) arising on revaluation of securities classified as 'at fair value through profit or loss' are included in income statement in the period in which they arise. Unrealized gains / (losses) arising on the revaluation of the derivative financial instruments to their fair values are taken to the income Statement currently.

Element of Income / (loss) and capital gains/(losses) included in prices of units issued less those in units redeemed is included in income statement on the date of issue and redemption of units.

Income on debt and government securities is recognized on time proportion basis using the effective yield except for the securities which may be classified as Non-Performing Asset under Circular No. 33 of 2012 issued by SECP for which the profits are recorded on cash basis.

Profit on bank balances and term deposits is recorded on accrual basis.

#### 5.8 Zakat payable

Zakat payment is the responsibility of each unit holder. Nevertheless, the Fund follows the provisions of Zakat and Ushr Ordinance, 1980. Units held by individual resident Pakistani unit holders are subject to Zakat @ 2.5% of the par value of unit under the sald Ordinance, except those exempted from Zakat. Zakat is deducted at source from dividend or from redemption proceeds, if units are redeemed during the Zakat year before the payment of Zakat.

#### 5.9 Financial instruments

All the financial assets and financial liabilities are recognized at the time when the Fund becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the contractual rights to receive cash flows related to the asset expire. Financial liabilities are derecognized when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expired. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to the income statement in the period in which it arises.

#### 5.10 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are only offset and net amount reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognized amount and the Fund Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### 5.11 Impairment

Impairment loss on financial assets other than 'available-for-sale' investments is recognized in the income statement whenever carrying amount of financial asset exceeds its recoverable amount. If in the subsequent period, the amount of an impairment loss recognized decreases the impairment is reversed through income statement.

In case of investment classified as 'available-for-sale', a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the securities are impaired. If any such evidence exists for 'available-for-sale' financial assets, the cumulative loss is measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in income statement is removed from equity and recognized in the income statement.

#### 5.12 Provision

A provision is recognized when the Fund has a legal or constructive obligation as a result of past events, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are regularly reviewed and adjusted to reflect the current best estimates.

### 5.13 Distribution to unit holders

Distribution to unit holders is recognized when they are declared by the Board of Directors of the Management Company (BOD) in their meeting, or upon declaration and approval by the CEO on behalf of the BOD.

#### 5.14 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term deposits.

	IFRS	ndards S 9 – Financial Instruments: Classification and Measurement S 14 – Regulatory Deferral Accounts S 15 – Revenue from Contracts with Customers		IASB Effec (annual   beginning o January ( January (	periods on or after) 01, 2018 01, 2016
		S 16 - Leases		January (	01, 2019
8.		S 17 - Insurance Contracts	Note	January 0 June 30, 2017 (Rupees	June 30, 2016
		savings accounts rent accounts	8.1	5,061,196 154,286 5,215,482	587,142 56,505 643,647
	Bala	ince held in collection account	8.2	28,897 5,244,379	1,329 644,976
	8.1	Profit rates on PLS savings accounts range between 3.9 annum and include balance of Rs.234.36 (2016; Rs.158.78)			
	8.2	This represents cash realized in the centralized collection Fund. The balance held in the centralized collection accounT+1 basis.			

<ol><li>TERM DEPOSIT MUSHARIKA</li></ol>	A
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Term deposit musharika (TDM)	9.1	-	350,000
PRODUCTION OF THE ADMINISTRATION OF THE PRODUCTION OF THE PRODUCTI	465-35000		350,000

9.1 Profit rate on TDMs at the rate of Nil (2016: range between 6.05% and 6.40%) per annum with maturities up to Nil (2016: September 30, 2016).

# 10. INVESTMENTS

# 'At fair value through profit or loss' - held for trading

- Listed equity securities	10.1	2,786,027	766,404
Designated upon initial recognition as 'at fair value through profit or loss'			
- GOP ljarah Sukuks	10.2	-	406,360
- Sukuk certificates	10.3	162,886	90,444
		2,948,913	1,263,208

10.1 Listed equity securities 'at fair value through profit or loss' - held-for-trading

			Z	Number of sheres	30		Belend	Belance as at June 30, 2017	30, 2017			Par Value se
										:	Market value	percentage of total paid
	;	As at July	11	Sold during		As at June	Carrying	Market	Appreciation /	as a % of net		up capital or the Investee
		9L02 L0	JB A	The year	Bouns	3U, 2017		(Rupees in 1000)			пуевтпенс	company
Shares of listed companies - fully paid ordinary shares of Rs.10 sach unless stated otherwise							•		•			
Cement												
Attock Cement Pakistan Limited		101,800	1	101,800	1		1	1	1	•		
D.G. Khan Cement Company Limited		180,000	422,000	178,200	1	423,800	87,778	90,337	2,569	7.14%	3.06%	0.10%
Fauji Cement Company Limited			1,757,500	935,500	L	822,000	33,101	33,727	828	%00.0	0.00%	%90'0
Kohat Cement Company Limited		109,300	90,000	189,300	r.							. į
Lucky Cement Limited		128,400	194,450	93,900		727,950	302,281	192,298	760'0L	7443	4.52%	#/O'n
Maple Lear Cemerir Pactory Limited		1	244,000	244,000								
		1	300,000	000,081		DOD'GLL	5,013	9,237	(2,776)	6.U/%	4 ar.o	U.087a
I hatta Cement Company Limited		1	000,066	000'000					•	•	•	
Dewign Cement Limited			279,000	2/9,000			• !			•		
Charat Cament Company Limited		1	514,000	140,000	1	374,000	29,967	66,864	6,907	0.85%	227%	0.21%
Pioneer Cement Limited		350,000	329,500	249,000	t)	430,500	61,329	55,965	4,636	0.71%	1.90%	0.19%
Power Cement Limited		ı	2,000,000	2,000,000	ı				•	•		
							422,384	44,428	22,044	5.21%	13.83%	0.66%
Men Detrale in Companies		54 200	86 500	24 900	,	02 800	404 388	146 219	44 894	1 05%	4 08%	76000
Oil & Gas Development Comment I mitsd		140,000	705,200	330,800	1 1	574 400	82 54B	60 8 12	2007	4 02%	2.74%	7000
Ontrinent Different Period		40,000	00,000	76,000		20 000	10 431	20,00	2 000	2000	707.0	7000
Dalitation Office Communication		000,000	00,000	10,000	1 8	200,000	34.01	25 673	2,080	K05.5	2 48%	0.02%
Paristan States Of Company Limited		139,700	005,700	28,900	r s	DOL 700		14473	(2)0(6)	C.82.7	7047	K10.0
		•	1,024,100	200,000		DO 1 436	141,000	150,800	20.000	760 X	4 2 40 4	0.00%
Oll And Gas Marketine Companies							2	100	20,030	K 2010	* 205	
Attock Petroleum Limited		1	109.350	,	,	109.350	72.838	68.500	(4.338)	0.87%	0.00%	0.13%
Sui Northern Gas Pipelines Limited		•	1,156,500	710,500	•	445,000	34.445	66,418	31.973	0.84%	225%	0.07%
Hi-Tech Lubricants Limited		•	200,000	200,000					•	•	•	
Sui Southern Gas Company Limited		1	300,000	300,000	1		•	•	•	•	•	
			•	•		•	107,284	134,918	27,634	1.71%	225%	0.20%
Refinery Affock Refinery I imited		45,000	60,000	105.000	•		•	•	•	,	•	•
									٠	٠		
Fertilizers												
Engro Fertilizer Company Limited		200,000	4,594,000	798,500		3,995,500	243,869	220,711	(23,158)	280%	7.48%	0.30%
Engro Corporation Limited		210,000	407,600	171,500	1	445,100	154,238	145,388	(8,850)	1.84%	4.83%	%60'0
Fauil Fertilizer Company Limited		1	20,000	20,000	1	•		•	•	•	•	
Dawood Hercules Corporation Limited -		•	115 300	115 300	•		•	•	•	0 00%	74000	76000
a lotation paint			000	200			100	200 000	(000 00)	7000	40.00	WW.0
Chamicals							386, TU?	300,000	(32,006)	4.04%	1241%	4.000
ICI Pakistan Umited		•	75.450	18.750	•	56.700	50.849	62,061	11.212	0.78%	2.10%	%90'0
Ghanl Gless Limited		٠	451,500	451,500	٠		•	•		•		
Sitara Chemical Industries Limited		•	115,050		•	115,050	51,238	51,154	38	0.65%	1.73%	0.54%
Engro Polymer & Chemicals Limited		•	2,661,500	117,000	j.	2,544,500	85,454	82,874	7,420	1.18%	3.15%	0.33%
							187,541	206,089	18,548	262%	6.98%	0.83%

Section   State   Approximation   Section   Section   Approximation   Section   Section   Approximation   Section   Sect				Ž	Number of shares	50.		Balanc	e as at June	30, 2017			Par Value as
Main													регсепіяде
Mode							1		2		(1000)	Market value	of total paid up capital of
Fig. 10   Fig.	Name of Investoe Company	Note	_		Sold during the year	Borna	As at June 30, 2017		Market	Appreciation / (diminution)		total Irrvestments	the investee company
Fig. 10   Fig.	Gissa and Coramics								Rupses In '0'	 			
10,11, 78,200   886,500   - 344,500   90,711   10,010   10,010   10,010   10,011   10,010   10,011   10,010   10,011   10,010   10,011   10,010   10,010   10,010   10,011   10,010   10,011   10,010   10,011   10,010   10,011   10,010   10,010   10,010   10,010   10,011   10,010   10,010   10,011   10,010   10,011   10,010   10,011   10,010   10,011	Tariq Glass Industries Limited		i.	601,600	80,100	T)	521,500	55,695	57,761	2,066	0.73%	1.96%	0.71%
1,482,000   808,500   - 344,500   90,285   90,1100   9,115   9,115   0,78%   2,04%	Cable and electrical goods								2	A,000	KC1:5		2.0
10.11   79,200   25,750   10,000   40,000   10	Pak Elektron Limited		ï	1,482,000	836,500		545,500	50,265	60,180	9,915	0.76%		0.11%
10.11   79,200   26,780   19,044   194,244   39,771   43,131   3,380   0,587   1,48%	Phaemacautica s							20,202		2 4 4			
10.1.1   70.2.00   26,800   39,800   10.004   14,244   39,771   14,131   3,300   0,55%   1,4	Ferozsons Laboratories Limited		25,750	1	25,750	1		•	•	•	•		
10.1.1   78,200   26,800   38,800   18,044   84,244   89,7713   60,0716   4,233   0,176%   2,03%   67,7714   16,818   87,713   0,1714   16,818   87,713   0,1714   16,818   87,713   0,1714   16,818   87,713   1,1414	GlaxoSmithkline (Pakistan) Limited		. 1	40,000	40,000	1		•	•	•	•		<b>FDIV</b> /OI
Section   Sect	The Searle Company Limited	10.1.1		26,800	38,800	18,044	84,244	39,77	43,131	3,360	0.55%		0.05%
hilded BB.000 BB.400 110,300 - 77,500 48,822 67,246 17,414 0.85% 2.28% 1 10 1 10 1 10 1 10 1 10 1 10 1 10 1		2		70 <sup>1</sup> 20 <sup>1</sup>		<u>¥</u>	700'07	55,783	91.0'09	4,233	0.76%	2.05%	#DIV/OI
Head	Automobile parts and accessories												
Itel	Honda Atlas Cars (Pakistan) Limited		88,000	90,400	110,900	1	77,500	49,832	67,246	17,414	0.85%	2.28%	0.05%
The color   The	Pak Suzuki Motor Company Limited		•	106,450	31,000	1	75,450	47,860	56,878	11,018		200%	%60'0
100,000   203,	Millat Tractors Limited		1	28,900	- 6	1	28,900	42,228	39,721	(2,508)		1.35%	0.07%
156,000   7,500   42,500   15,700   15,700   15,700   15,700   15,700   15,700   15,700   15,700   15,700   15,700   15,700   15,700   15,700   15,700   11,400   10,140   11,400   1	Chandara Nissan Company Limited		ľ	203,900	203,800	n,				. 6	0.00%	0.00%	0.00%
156,000   156,000   7,500   7,500   146,500   157,372   180,8893   12,623   1,14%   3,16%   10,14%   1,14%	Agnatus indextos Limited Ghandhara indicatios I inited			44.500	2,000	ı.	42,500	41.670	77,630	2,032 (14,040)		0.94%	47.0 702.0
Marcol   16,500   916,500   926,00	Thai Limited *			156,000	7,500		148,500	67,372	89,995	22,623		3.05%	0.18%
Helical   Heli								262,263	296,002	36,538	3.78%	10.14%	0.71%
Indication   Fig. 2000   450,000   - 246,000   8,217   19,866   10,643   0.25%   0.67%   200%   10,643   0.25%   0.67%   200%   10,643   0.25%   0.67%   12,68%   10,643   0.25%   0.67%   12,68%   10,643   0.25%   0.67%   12,68%   10,64%   1.65%	Engineering Amreil Steels Limited		446.000	916.500	825.000	•	437,500	40.376	53.791	13.415	0.68%	1.82%	0.15%
High   Fig.   High	Mughal Iron & Steel Industries Limited			696,000	450,000	•	246,000	9,217	19,860	10,643	0.25%	0.67%	0.10%
-Imited - 502,000 612,000 37,382 37,876 484 0.48% 1.28%	International Steels Limited		•	882,500	431,000	•	461,500	45,155	59,021	13,866	0.75%		0.11%
- 100,000 100,000 - 1,565,500	Synthetic Products Enterprises Limited		•	502,000	•		502,000	37,392	37,876	484	0.48%		7.8%
- 1,930,500 100,000 - 1,565,500			•	000,180	•		200,780	159,229	187,637	38,408	250%	6.69%	1.63%
1,930,500   365,000   - 1,565,500   73,247   62,782   (10,455)   0.80%   2.13%   2.17%   2.17%   2.10,500   200,000   200,000   2.	Food producers Engine Foods   Imited		٠	100 000	100 000			•		•	•	•	•
## 10.1.2 ## 10.00 ## 1900 ## 1900 ## 1.00 ##	Al-Shaheer Corporation Limited		٠	1,930,500	365,000	•	1,565,500	73,247	62,792	(10,455)		213%	1.10%
## Part	3				•			73,247	62,792	(10,455)		213%	1.10%
80,000 859,100 46,000 - 903,100 137,578 143,304 5,726 1.82% 4.86% and electribution and electribution 10.1.2 803,300 5,276,000 250,000 250,000 4,910,000 4,9	Danking Meszan Bank Limited		٠	810,500	٠	٠	810,500	62,033	64,030	1,987	0.81%	217%	0.08%
80,000 859,100 46,000 - 803,100 137,578 143,304 5,726 1,82% 4.86% and electribution 10.1.2 803,300 514,800 182,100 - 1,126,100 136,871 132,236 (4,733) 1,87% 4.48% and electribution 10.1.2 803,300 514,800 250,000 - 1,126,100 136,871 132,236 (4,733) 1,87% 4.48% and electribution 10.1.2 803,300 514,800 250,000 - 4,910,000 45,086 34,293 (10,803) 2.10% 5.84% 5.84%								62,033	64,030	1,997	0.81%		%80'0
- 200,000 200,000 - 137,578 143,304 5,726 1.82% 4.86% - 10.1.2 803,300 514,900 192,100 - 1,126,100 136,971 132,238 (4,733) 1.67% 4.46% 4.60% 250,000 250,000 - 4,970,000 4,910,000 - 4,970,000 182,067 166,531 (15,538) 2.10% 5.84%	Textile Industries Nishat Mills Limited		000'06	859,100	46,000	•	903,100	137,578	143,304	5,726	1.82%	4.86%	0.26%
HT 10.1.2 803,300 514,900 192,100 - 1,126,100 136,871 132,238 (4,733) 1.67% 4.48% 4.48% 4.604,000 5,276,000 4,910,000 - 4,970,000 45,067 166,531 (15,538) 2.10% 5.84%	Kohinoor Textile Mile Limited		•	200,000	200,000			447 57B	443 204	5 798	1 82%	4 96%	. U 24%
10.1.2 803,300 514,900 192,100 - 1,126,100 136,871 132,236 (4,733) 1.67% 4.46% 4.66% 4.604,000 5.276,000 4.910,000 - 4,870,000 45,087 166,531 (15,536) 2.10% 5.64%	Power generation and distribution							2	2012	2	1.05.4		
4,604,000 5,276,000 4,910,000 - 4,970,000 45,086 34,283 (10,803) 0.43% 1.16% 182,067 166,531 (15,536) 2.10% 5.64%	Hub Power Company Limited	10.1.2		514,900	192,100		1,126,100	136,971	132,238	(4,733)		4.48%	0.10%
166,531 (15,536) 2.10% 5.64%	K Electric Limited **		4,604,000	5,276,000	4,910,000	u e	4,970,000	45,096	34,293				0.02%
							e 8	182,067	166,531				0.12%

			Ñ	Number of shares	#		Balanc	Balance as at June 30, 2017	30, 2017			Per Value ser
Name of Investee Company	Note	As at July Note 01, 2016	Purchased during the yeer	Purchased during the Sold during year the year	Bonus	As at June 30, 2017	Carrying	Market	Appreciation / (diminution)	Market value Appreciation / as a % of net (diminution)	Market value as a % of total investments	percentage of total paid up capital of the investee company
								(Rupees in '000)	9			
Paper and board							•					
Cherat Packaging Limited		60,000	10,000	70,000	0		•	•	•	•	•	•
Packages Limited		60,200	•	9,500	1	50,700	32,256	35,267	3,011	0.45%	1.20%	%90'0
Century Paper and Board Mils Limited		•	232,000		•	232,000	22,799	22,748	(20)		0.77%	0.16%
							55,055	58,016	2,961	0.74%	1.97%	0.22%
Technology and Communication Avanceon Limited	10.1.1	•	730,000	705,218	89,125	123,907	4,218	5,615	1,396	0.07%	0.02%	
						I .	4,218	5,615	1,396		0.02%	%60'0
Total as at June 30, 2017						. 1	2,644,509	2,786,027	141,518			
Total as at June 30, 2016						•	678,214	766,404	88,190			

These have a face value of Rs.5 per share.

These have a face value of Rs.3.5 per share. 1

shall be considered as final discharge of tax liability on such income. The Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Paldetan, has filed a petition in Honorabie Sindh High Court to decisie the amendments brought in income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment achemies as null and void and not applicable on the mutual funds based on the premise of exemptions available to mutual funds under dause 99 of Part I and clause 47B of Part N of Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order tall the final outcome of the case. Investee companies of the Fund, in pursuance of the aforestal amendment, withheld shares equivalent to 5% of bonus entitlement of the Fund having fair market value of Rs. 1,026 million (2018; 0.284) at year end. The Fund has brakes withheld in its Investments and recorded them is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which 16.1.1 The Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent at fair market value at year end. 10.1.2 This includes 0.250 (2018: 0.200) million shares piedged with National Clearing Company of Pakistan Limited having a market value (in aggregate) amounting to Rs.29.358 million (2018: 24.010) for guaranteeing settlement of the Fund's bades in accordance with circular No. 11 dated October 23, 2007 issued by the SECP.

10.1.3 Listed equity securities rights held at fair value through profit and loss" - movement

As at July 01, during the Sold during As at June of Company 2016 period the period 30, 2017		of rights	Number	
As at July 01, during the Sold during   As at June	30, 2017	the period	period	2016
	As at June	Sold during	during the	As at July 01,

3,240,000

3,240,000

Power Coment Limited-R

10.2 Designated at fair value through profit or loss - Government Securities (learnh Sukuk Certificates of Rs.100,000 each)

			/ plos		Carrying			Market value	
		Purchased	matured		value as at	Market value	Market value	as a % of	Market value
	As at July	during the	during the	luring the As at June	June 30,	as at June 30,	as at June 30, as at June 30,	total	as a % of ne
Name of Instrument	01, 2016	year	year	30, 2017	2017	2017	2016	Investments	assots
		· (Number of	certificates) -			- Rupees In '00			
Government of Pakistan			•			•			
Ijarah Sukuk - IX	•	•	•		•	•	•	•	•
Ijarah Sukuk - XVI	•	•	•	î	•	•	•	2	•
Ijarah Sukuk - XVII	4,000		4,000	b		•	408,380	•	•

10.3 Designated 'at fair value through profit or loss' - Investment in debt securities (Sukuk certificates of Rs.5,000 each unless stated otherwise)

Name of instrument	As at July 01, 2016	Sold / Purchased matured during the during the year year — (Number of certificates)	Sold / matured during the year f certificates) —	As at June 30, 2017	Market value as at June 30, 2017	value Market value une 30, as at June 17 30, 2016 - (Rupees in '000)	Market value as a % of total investments	Market value as a % of net assets
Chemical								
Engro Corporation Limited - listed Sukuk (11.07.14) - 5 year	1,000			1,000	5,841	5,909	0.20%	0.07%
Engro Corporation Limited - listed Sukuk (11.07.14) - 3 year	5,000	Ľ		5,000	25,136	26,313	0.85%	0.32%
Ghani Gases Limited - listed Sukuk (2.02.17) - 6 year		750		750	72,594		2.46%	0.92%
					103,571	32,222		
Electricity								
WAPDA Sukuk - III - unlisted (Certificates of Rs.3,929 each)	2,000	•	•	2,000	6,742	8,222	0.23%	0.09%
Auto and allled								
TPL Trakker Limited - unlisted (Certificates of Rs 1,000,000 each)	20	1	•	99	52,573	50,000	1.78%	%290
					162,886	90,444		

<sup>10.3.1</sup> As at June 30, 2017, the cost of above investments amounted to Rs.158.30 (June 30, 2016: Rs.90.47) million.

10.3.2 Significant terms and conditions of sukuk certificates outstanding as at June 30, 2017 are as follows:

Name of securities	Remaining principal	Mark-up rate (per annum)	Issue date	Maturity date
Engro Corporation Limited - 5 year	5,000,000	13.50%	July 11, 2014	July 11, 2019
Engro Corporation Limited - 3 year	25,000,000	13.00%	July 11, 2014	July 11, 2017
Ghani Gases Limited - listed	71,874,998	KIBOR 3M + 1.00%	February 2, 2017	February 2, 2023
WAPDA Sukuk - III	7,857,160	KIBOR 6M + 1.00%	October 14, 2013	October 14, 2021
TPL Trakker Limited	50,000,000	KIBOR 1Y + 3.00%	April 13, 2016	April 13, 2021

11. DIVIDEND AND PROFIT RECEIVABLE	June 30 2017 Note ——- (Rup	, June 30, 2016 sees In '000)
Dividend receivable	4,33	4,778
Profit receivable on: - GOP ljarah sukuks - Sukuk certificates - Bank accounts - Term deposit musharika	- 3,6 21,3 -	2,345 59
	25,11	35 14,585
	29,52	19,363

#### 12. ADVANCE TAX

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance 2001 (ITO 2001). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding of tax under section 150, 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II-66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). During the year, prior to receiving tax exemption certificate(s) from CIR various withholding agents have deducted advance tax under section 150, 150A and 151 of ITO 2001. The management is confident that the same shall be refunded after filing Income Tax Return for Tax Year 2017.

#### 13. DEPOSITS AND OTHER RECEIVABLES

	Deposit with Central Depository Company of Pakistan Limited (CDC) Deposit with National Clearing Company of Pakistan Limited (NCCPL) Other receivables	100 2,500 - 2,600	100 2,500 232 2,832
14.	PRELIMINARY EXPENSES AND FLOATATION COSTS		
	Preliminary expenses and floatation costs	487	688
	Amortization during the year	(200)	(201)
		287	487
15.	PAYABLE TO THE MANAGEMENT COMPANY		
	Remuneration psyable 15.1	6,158	1,653
	Sales tax on management fee 15.2	801	259
	Sales load and other payable	4.461	1.796
	Shariah advisory fee 15.3	56	165
	Allocated expenses 15.4	1,218	1.249
			1,248
	Marketing and selling charges 15.5	7,596	- F 000
		20,290	5,322

- 15.1 The Management Company is entitled to remuneration for services rendered to the Fund under the provisions of the amended NBFC Regulations dated November 25, 2015, of an amount not exceeding 2 percent of the average daily net assets of the Fund. The Management Company charged remuneration at the rate of 1 percent per annum of the average daily net assets of the Fund.
- 15.2 Sindh Sales Tax at the rate of 13% (2018: 14%) on gross value of management fee is applied under the provisions of Sindh Sales Tax on Services Act, 2011.
- 15.3 As per amended NBFC Regulations dated November 25, 2015, the management company is entitled to charge shariah advisory fee from the Fund. Accordingly, the management company has charged Rs.0.345 million (2016: Rs.0.165) as shariah advisory fee under a contract signed with the shariah advisors.
- 15.4 As per regulation 60(3)(s) of amended NBFC Regulations dated November 25, 2015, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme, maximum up to 0.1% of the average annual net assets or the actual cost, whichever is lower. Accordingly, the Management Company has charged 0.1% of the average annual net assets with effect from November 25, 2015, being lower.
- 15.5 Securities and Exchange Commission of Pakistan vide Circular No. 40 of 2016 dated December 30, 2016, has allowed Asset Management Companies to charge Selling and Marketing expenses to its CIS's at a maximum cap of 0.4% per annum of net assets of the Fund or actual expenses whichever is lower. Accordingly, the Management Company has charged 0.4% on daily net assets of the Fund from March 24, 2017, being the lower amount.

#### 16. PAYABLE TO THE TRUSTEE

The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document as per the tariff specified therein, based on the daily net asset value of the Fund. The remuneration is paid to the Trustee monthly in arrears.

The Government of Sindh has levied Sindh Sales Tax at the rate of 13% (2016: 14%) on the remuneration of Trustee through the Sindh Sales Tax on Services Act, 2011.

As per the Trust Deed and Offering Document, the tariff structure applicable to the Fund in respect of the trustee fee for the period ended June 30, 2017 is as follows:

Net assets Tariff per annum

Up to Rs.1,000 million Rs.0.7 million or 0.20% p.a. of net assets of the Fund, whichever is higher

On an amount exceeding Rs.2.00 million plus 0.10% p.a. of net assets of the Fund, on amount

Rs.1,000 million exceeding Rs.1,000 million

#### 17. ANNUAL FEE PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

This represents annual fee payable to SECP in accordance with the NBFC Regulations whereby the Fund is required to pay to SECP an amount equal to 0.095% (2016: 0.095%) of the average daily net assets of the Fund.

#### 18. TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by SECP, the Total Expense Ratio of the Fund is 2.46% as on June 30, 2017 which includes 0.80% representing Government Levy, Worker's Welfare Fund and SECP fee.

#### 19. PROVISION FOR WORKERS' WELFARE FUND (WWF)

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes / Mutual Funds (CISs) whose income exceeded Rs.500,000 in a tax year were brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever was higher.

The amendments introduced in the WWF Ordinance were challenged in various High Courts of Pakistan. The Honorable Lahore High Court (LHC) and the Honorable Sindh High Court (SHC) arrived at different conclusions in respect of the validity of the amendments made through the Finance Act in relation to the WWF. Both the decisions of the LHC and the SHC were challenged in the Honorable Supreme Court of Pakistan (SCP). During the period, the SCP passed a judgment on November 10, 2016, deciaring the insertion of amendments introduced through Finance Act, 2008 pertaining to WWF as unlawful for the reason that the WWF is not in the nature of tax and therefore, could not be introduced through money bill under the Constitution. Subsequently, the Federal Board of Revenue (FBR) has filled a review petition in the SCP against the said judgment, which is pending adjudication.

Further, as a consequence of the 18th amendment to the Constitution, levy for the WWF was also introduced by the Government of Sindh through the Sindh Workers Welfare Fund (SWWF) Act 2014. SWWF Act 2014, enacted on May 21, 2015, requires every industrial Establishment located in the province of Sindh and having total income of Rs.500,000 or more in any year of account commencing on or after the date of closing of account on or after December 31, 2013, to pay two percent of so much of its total income declared to SWWF. The said Act includes any concern engaged in the Banking or Financial Institution in the definition of "Industrial Undertaking" but does not define Financial Institution. The Management Company, based on an opinion obtained by the Mutual Funds Association of Pakistan (MUFAP), believes that Mutual Funds are not liable to pay Sindh WWF under the said law, for the reason that the Mutual Funds are not financial Institutions and rather an Investment vehicle. However, the Sindh Revenue Board has not accepted the said position of MUFAP and as a result, MUFAP has taken up this matter with the Sindh Finance Ministry for resolution.

In view of the above developments regarding the applicability of Federal and Sindh WWF on Mutual Funds, the MUFAP obtained a legal opinion on these matters and based on such legal advice (which also stated that even if a review petition is filed by any party, such petition can only be based on very limited grounds and the chances of any major change in the SCP judgement are very limited, has recommended to all its members on January 12, 2017 the following:

- i) The provision against the Federal WWF held by the Mutual Funds till June 30, 2015 should be reversed on January 12, 2017; and
- ii) Provision against Sindh WWF, on prudent basis, should be made from the date of enactment of the Sindh WWF Act, 2014 (i.e. May 21, 2015) with effect from January 12, 2017.

The above decisions were communicated to SECP and the Pakistan Stock Exchange Limited on January 12, 2017. In response to the aforementioned letter SECP vide its letter dated February 1, 2017 advised MUFAP that the adjustments relating to the above should be made prospectively and adequate disclosure shall be made in the condensed interim financial information of Mutual Funds. Accordingly, the Fund has recorded these adjustments in its books of account on January 12, 2017.

The cumulative net effect of the above two adjustments, had they not been made, would have resulted in an increase in the net assets value per unit by Re.0.36 per unit.

	2	16 30, 017	June 30, 2016
Not ACCRUED AND OTHER LIABILITIES	<b>.</b> —-	(Rupees	In '000)
Auditors' remuneration		271	362
Provision for Workers' Welfare Fund (WWF) 19		24,246	3,646
Sindh Sales Tax Payable		12	12
Brokerage		2,777	865
Withholding tax deducted at source		75,589	10.013
Charity		721	472
Zakat deducted at source		6.049	3,198
Provision for indirect taxes and duties 20.	1	15.834	15.834
Capital gains tax payable		3,380	492
Other pavable		10.0000000	6.594
Sales load payable to distributors	1	62.903	-
	2	91,782	41,488

20.1 As per the requirements of the Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company was applied with effect from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law. The matter was collectively taken up by the Management Company jointly with other Asset Management Companies and Trustees of respective Collective Investment Schemes (CISs), through a Constitutional Petition filed in the Honorable Sindh High Court (SHC) during September 2013. In this respect, the SHC had issued a stay order against the recovery of FED due to which the Fund has not made any payments for FED upto June 30, 2016.

On June 30, 2016, the Honorable Sindh High Court of Pakistan had passed a Judgment that after 18th amendment in the Constitution of Pakistan, the Provinces alone have the legislative power to levy a tax on rendering or providing services, therefore, chargeability and collection of FED after July 01, 2011 is ultra vires to the Constitution of Pakistan. On September 23, 2016, the Federal Board of Revenue (FBR) filed an appeal in the Supreme Court of Pakistan (SCP) against above Judgement, which is pending adjudication. Management Company, as a matter of abundant caution, has maintained full provision for FED aggregating to Rs.15.834 million until the matter is resolved. Had the provision not been made, the net asset value per unit of the Fund as at June 30, 2017 would have been higher by Re.0.24 per unit (June 30, 2016: Re.0.80) per unit.

Through Finance Act, 2016, FED on services rendered by Non-Banking Financial Institutions (NBFIs) including Asset Management Companies, which are already subject to provincial sales tax, has been withdrawn. Therefore, in the current year, provision for FED has not been recorded.

### 21. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2017.

### 22. AUDITORS' REMUNERATION

Annual audit fee	165	165
Half yearly review fee	83	83
Other certification and services	176	176
	424	424
Sales tax	34	25
Out of pocket expenses	55_	30
	513	479

### 23. TAXATION

20.

The Fund's Income is exempt from Income Tax as per clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed to the unit holders in cash. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. During the year, Management Company has distributed cash dividend of at least 90% of the Fund's net accounting income to its unit holders, accordingly, no provision for taxation has been recognized in these financial statements.

### 24. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise of United Bank Limited (Holding Company of Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Financial Services (Private) Limited, being entity under the common management or directorship, Central Depository Company of Pakistan Limited as trustee of the Fund, Deutsche Bank A.G. as custodian of securities and the directors and officer of the Management Company.

Remuneration of the Management Company and the trustee is determined in accordance with the provision of Non Banking Finance Companies Rules, 2003, Non Banking Finance Companies and Notified Entities regulations, 2008 and the Trust Deed respectively. Other transactions with the related parties / connected persons have been carried out at agreed / commercial terms.

Details of transactions with the related parties and balances with them at the year end are as follows:

	Management Company	Associated Companies	Trustee	Funds under Common Management is in '000) ———		Other Connected persons / related parties
		Fo		ded June 30, 201		
Transactions during the year		100000000000000000000000000000000000000			-	91
Profit on PLS savings accounts	-	72,380	-		-	-
Bank charges		128	-	h.=.		-
Units Issued	-	118,080	-	-	5,418	-
Units redeemed	-	976	-	-	5,514	-
Cash dividend	-	20,819		-	-	101
Purchase of securities		17,924	•	•		-
Dividend Income	-	1,038	-	•	-	-
Sale of securities Remuneration *	40.000	16,381		-	-	-
	48,993 4.336	-	6,030	1.5	-	-
Allocated expenses Sharlah advisory fee	4,336 345		-		-	-
Shahan advisory ree	340	•		•	•	-
		Fo	r the year en	ded June 30, 201	16	(2)
Transactions during the year						
Profit on PLS savings accounts	-	31,128	-	-	-	-
Bank charges	-	22	-	1.7	1970 S	1.5
Units issued	-	5,531	-	-	21,872	-
Units redeemed	-	5,484	9.5	-	19,761	15.
Cash dividend	-	5,003	-	-	97	-
Purchase of securities		17,924			-	-
Remuneration *	21,995	-	3,308	-	-	-
Shariah advisory fee	165	-	-	_	-	<b>1</b> ■0
			As at he	ne 30, 2017		
Balances held			AS 21 Jul	16 30, 2017		
Units held (units in '000)		1.893				
Units held (Rupees in '000)	-	224,925	-	92	_	_
Bank balances	-	3,549,632	-	36.74 6. <b>-</b>	_	-
Deposits	_		100	7.	_	-
Remuneration payable	6.959	-	789	1 m	_	-
Sales load and other payable	4,461	2,943			-	-
Marketing and selling charges payable	7,598	-	-	-	_	-
Profit receivable	-	17,744	-	-	-	-
Allocated expenses payable	1,218	-	-	-	-	-
Sharlah advisory fee	56	-	2.5	-	-	-
Balanca hald			As at Jui	ne 30, 2016		
Balances held		4 004			00	
Units held (units in '000)	-	1,001	-	-	22	-
Units held (Rupees in '000) Bank balances	_	113,305	3-3	-	2,443	937
Deposits	-	157,102	100	-	-	937
Remuneration payable	2,112	-	210	-	-	-
Sales load and other payable	1,796	6,594	210	_	-	-
Profit receivable	1,790	835	1. <b></b> .			
Allocated expenses	1,249	-		_		
Sharlah advisory fee	165	-	1.5	-	=	10 <del>.</del>
Similar derious for	100	-		_	_	

<sup>\*</sup> Remuneration for the year is inclusive of Sindh Sales Tax.

### 25. FINANCIAL RISK MANAGEMENT

25.1 The Fund's objective in managing risks is the creation and protection of Unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, Fund's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, credit risk and liquidity risk arising from the financial instruments it holds.

### 25.2 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as profit rates, foreign exchange rates and debt security prices.

### (i) Profit rate risk

Profit rate risk arises from the effects of fluctuations in the prevailing levels of market profit rates on the fair value of financial instruments and future cash flows. The profit rate environment is monitored on a regular basis and the portfolio mix of fixed and floating rate securities is altered. The Fund's investment in fixed profit rate securities expose it to fair value profit rate risk and investments in variable profit rate securities expose the Fund to cash flow profit rate risk.

### 2) Sensitivity analysis of variable rate instruments

In case of 100 basis points increase / decrease in KIBOR at year end, the net assets attributable to unit holders of the Fund and net income for the year would be higher / lower by Rs.18.80 million (June 30, 2016: Rs.6.46 million).

### b) Sensitivity analysis of fixed rate instruments

As at June 30, 2017, the Fund holds fixed rate sukuk certificates of Engro Corporation which are classified as fair value through profit or loss, exposing the Fund to fair value interest rate risk. In case of increase in prevailing interest rates on June 30, 2017, the net income for the year and net assets would have a negative impact and vice yersa.

The composition of the Fund's Investment portfolio, KIBOR rates and rates announced by Financial Market Association is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2017 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

			As at Jur	ne 30, 2017		
	18	Expo	sed to profit r	ate risk	Not	0
		7.0	More than		exposed to	
		Up to three	three	More than	profit rate	
	Profit rate (%)	months	months	one year	risk	Total
	1000 100 100 100 100 <del>1</del> .00 <del>1</del> .			-Rupees in '000		
On-balance sheet financial Instruments						
Financial assets						
Bank balances	3.90 - 5.80	5,090,093			154,286	5,244,379
Investments classified:		ACC. To 100 10 Factor 1000			0.07.00.05	
At fair value through						
profit or loss'						
- held-for-trading			-	-	2,786,027	2,786,027
<ul> <li>Designated upon initial</li> </ul>	KIBOR					
	3M+1.00% -					
recognition	13.5	1 - 1	-	162,886		162,886
Dividend and profit receivable		21,481	3,704	-	4,335	29,520
Deposit and other receivables		1-2			2,600	2,600
		5,111,574	3,704	162,886	2,947,248	8,225,412
Financial liabilities			5.5			
Payable to the Management						
Company		(5)	-	-	19,489	19,489
Remuneration payable to the						
Trustee		-	•	•	698	698
Payable against purchase					100 0000	2_0222
of investments (Equity)		•	•	•	15,800	15,800
Accrued and other liabilities					166,638	166,638
					202,625	202,625
On-balance sheet gap		5,111,574	3,704	162,886	2,744,623	8,022,787

### (II) Foreign currency risk

On-balance sheet gap

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

12.093

496,804

818,387

2,268,188

940.904

### (III) Equity price risk

Equity price risk is the risk of unfavorable changes in the fair value of equity securities as a result of changes in the levels of KSE-Index and the value of Individual shares. The equity price risk exposure arises from the Fund's investments in equity securities for which prices in the future are uncertain. The Fund policy is to manage price risk through diversification and selection of securities within specified limits set by internal risk management guidelines or the requirements of NBFC regulations.

The Fund manages the risk by limiting exposure to any single investee company to the extent of 15% of issued capital of that Investee company and the net assets of the Fund with overall limit of 35% to a single industry sector of the net assets of the Fund (the limit set by NBFC regulations). The Fund also manages its exposure to price risk by reviewing portfolio allocation as frequently as necessary and at least once a quarter from the aspect of allocation within industry and individual stock within that allocation.

Details of the Fund's investment in industrial / economic sector are given in note 10.1.

The following table illustrates the sensitivity of the Income for the year and the unit holders' fund to an increase or decrease of 5% in the fair values of the Fund's equity securities. This level of change is considered to be reasonably possible based on observation of current market conditions. The sensitivity analysis is based on the Fund's equity securities at each Statement of Assets and Liabilities date, with all other variables held constant.

	June 30, 2017 ——— (Rupess	June 30, 2016 in '000)
Income statement	139,301	38,320
Unit holders' fund	139,301	38,320

### 25.3 Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities earlier than expected. The Fund is exposed to cash redemptions of its redeemable units on a regular basis. Units are redeemable at the unit holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive documents.

In order to manage the Fund's overall liquidity, the Fund has the ability to withhold daily redemption requests in excess of ten percent of the units in issue and such request would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any significant redemption during the period. Further, the Fund also has the ability to suspend redemption of units with approval of Board of Directors of the Management Company in extreordinary circumstances.

The table below summaries the maturity profile of the Fund's financial liabilities. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date.

June 30, 2017	Within 1 month	1 to 3 months	3 to 12 months Rupses in '000	1 to 5 years	Total —
Financial liabilities					
Payable to the Management Company	19,433	56	5-2	-	19,489
Remuneration payable to the Trustee	698	-	-	2	698
Payable against purchase of equity securities	15,800	-	-	-	15,800
Accrued and other liabilities	721	165,917	-	-	166,638
Total liabilities	36,652	165,973	-		202,625
<u>June 30, 2016</u>	Within 1 month	1 to 3 months	3 to 12 months Rupees in '000	1 to 5 years	Total —
Financial liabilities					
Payable to the Management Company	4,898	165	121	_	5,063
Remuneration payable to the Trustee	268	-	-	-	268
Accrued and other liabilities	472	7,796	-	_	8,268
Total liabilities	5,638	7,961	-		13,599

### 25.4 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by falling to discharge its obligation. The Fund's policy is to enter into financial contracts with reputable counter parties in accordance with the internal guidelines, offering document and regulatory requirements. The table below analyses the Fund's maximum exposure to credit risk:

	June 30, 2017	June 30, 2016
	(Rupees	
Term deposit musharika	-	350,000
Bank balances	5,244,379	644,976
Dividend and profit receivable	29,520	19,363
Sukuk certificates	162,886	90,444

All deposits with Banks, CDC and NCCPL are highly rated and risk of default is considered minimal. Further, investment in government securities i.e. GOP ljarah sukuks is not exposed to credit risk.

The analysis below summarizes the credit quality of the Fund's portfolio in total as on June 30, 2017:

	June 30, 2017	June 30, 2016
		%)
Rating by Rating Category		
AAA	35.86	0.76
AA- to AA+	15.61	79.44
A- to A+	2.21	19.13
Others	46.32	0.67
Total	100.00	100.00

Concentration of credit risk exists when changes in economic or industry factors affect the group of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial assets is broadly diversified and transactions are entered into with diverse credit worthy counterparties thereby mitigating any significant concentration of credit risk.

### 25.5 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and Infrastructure supporting the Fund's operations either Internally within the Fund or externally at the Fund's service providers, and from external factors other than credit, market and liquidity risk such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risk arise from all of the Fund's activities.

The Fund's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risk faced, and the adequacy of controls and procedures to address the risk identified;
- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

### 25.6 Capital management

The Fund's objective when managing unit holder's funds is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders and to ensure reasonable safety of capital. The Fund manages its investment portfolio and other assets by monitoring return on net assets and makes adjustments to it in the light of changes in market conditions. Under the NBFC Regulations, the minimum size of an open end scheme shall be one hundred million rupees at all the times during the life of the scheme. The Fund size depends on the issuance and redemption of units.

### 26. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value as 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.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value.

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	9-	June 30, 2017		
	Level 1	Level 2	Level 3	Total
	-	(Rupees In	'D00}	
Financial assets 'at fair value through profit or loss' - held-for-trading				
Listed equity securities	2,786,027		-	2,786,027
Financial assets 'Designated at fair value through profit or loss'				
- Sukuk certificates		162,886		162,886
	2,786,027	162,886	-	2,948,913
		June 30	, 2016	
	Level 1	Level 2	Level 3	Total
		(Rupees In	'000}	
Financial assets 'at fair value through profit or loss' - held-for-trading				
Listed equity securities	766,404	-	-	766,404
Financial assets 'Designated at fair value through profit or loss'				
- GOP ljarah Sukuks	-	406,360	_	406,360
- Sukuk certificates	-	90,444	_	90,444
	766,404	496,804		1,263,208

During the year ended June 30, 2017, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

### **27. CORRESPONDING FIGURES**

Prior year's figures have been rearranged / reclassified wherever necessary for better presentation and comparison. However, there were no material reclassifications to report.

### 28. SUPPLEMENTARY NON FINANCIAL INFORMATION

The information regarding unit holding pattern, top ten brokers, members of the Investment Committee, fund manager, meetings of the Board of Directors of the Management Company and rating of the Fund and the Management Company has been disclosed in Annexure I to the financial statements.

### 29. GENERAL

- 29.1 Figures have been rounded off to the nearest thousand rupees.
- 29.2 Earnings per unit has not been disclosed as in the opinion of the Management Company, determination of the cumulative weighted average number of outstanding units is not practicable.

### 30. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Management Company on August 23, 2017

For UBL Fund Managers Limited (Management Company)

Chief Executive Officer	Director	Chief Financial Officer

### SUPPLEMENTARY NON FINANCIAL INFORMATION AS REQUIRED UNDER RULES 6(D), (F), (G), (H), (I) AND (J) OF THE 5TH SCHEDULE TO THE NON BANKING FINANCE COMPANIES AND NOTIFIED ENTITIES REGULATIONS, 2008

### (i) PATTERN OF UNIT HOLDING

Category	Number of unit holders	Number of units held	% of Total
Individuals	2,590	56,639,356	85.2
Associated Companies and Directors	2	1,893,371	2.8
Insurance Companies	2	195,668	0.3
Retirement Funds	34	3,312,862	5.0
Others	29	4,415,654	6.6
	2,657	66,456,911	100

### (II) TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

Name	%
Elbrir Securities Pakistan (Pvt) Limited	11.4%
Intermarket Securities Limited	11.4%
Optimus Capital Management (Pvt) Limited	10.7%
IGI Finex Securities Limited	10.7%
Habib Metropolitan Financial Services Limited	10.4%
Topline Securities (Private) Limited	10.3%
Shajar Capital Pakistan (Private) Limited	10.0%
Insight Securities (Private) Limited	9.6%
JS Global Capital Limited	7.8%
Alfalah Securities (Pvt) Limited	7.7%

### (III) THE MEMBERS OF THE INVESTMENT COMMITTEE

w.so			Experience	Sant Santonia Sa
S.no	Name	Designation	in years	Qualification
1	Yasir Qadri	Chief Executive Officer	17	MBA
2	Syed Suleman Akhtar	Chief Investment Officer	18	MBA, CFA
3	Farhan Bashir Khan	Head of Research	11	MBA
		Fund Manager and Head		
4	Usama Bin Razi	of Fixed Income Funds	14	MBA
5	Syed Shabbir Sardar Zaldi	Fund Manager	8	M.A.S, CFA

### OTHER FUNDS MANAGED BY THE FUND MANAGER

Al-Ameen Islamic Retirement Savings Fund

Al-Ameen Islamic Aggressive Income Fund

Al-Ameen Islamic Cash Fund

Al-Ameen Islamic Sovereign Fund

Al-Ameen Islamic Dedicated Equity Fund

Al-Ameen Islamic Financial Planning Fund

**UBL Government Securities Fund** 

**UBL Income Opportunity Fund** 

UBL Growth and Income Fund

UBL Asset Allocation Fund

**UBL Capital Protected Fund** 

United Retirement Savings Fund

**UBL Gold Fund** 

## (vi) MEETING OF THE DIRECTORS

Following is the analysis of the attendance in the meetings of the Board of Directors of the Management Company during the year.

							Total
	August 24, 2016	October 28, 2016	December 6, 2016	February 13, 2017	March 20, 2017	April 11, 2017	meetings
Directors:							
Tariq Kirmani	`	>	>	>	>	>	9
Yasir Qadri	>	>	>	>	>	>	ဖ
Shabbir Hussain Hashmi	>	>	>	>	>	>	9
Zia ljaz	>	×	>	×	×	×	7
Syed Furrukh Zaeem	>	>	>	>	>	>	ဖ
Zulfiqar Alavi	>	>	>	`	×	>	ιΩ
Sadeed Barlas	>	`	`	×	`	>	ις
Other Persons:							
Hasnain R Nensey *	>	`	>	×	ı	1	က
Umair Ahmed	>	>	`	>	>	>	9
Fawaz Siddiqui	>	>	>	>	>	>	ဖ

<sup>\*</sup> Resigned on 28 February 2017.

# (VII) RATING OF THE FUND AND THE MANAGEMENT COMPANY

JCR - VIS has assigned a "AMZ++" asset manager rating to the Management Company.

Bolding	Ransladon	Per .	Ageinst	Albatala *
200,000	Americal General Menoting of Mile See Streathers Gen Company Dimitted was held on October 22, 2014, for election of altrecture. The following paramet were elected as directors:  1. the highest kernell 2. Aler, Purpus abbusher bisses 3. Quet Medicannual Salvow Shitliget 4. Agha Shor Shach 5. Service Ribers Rober 6. Horostanda Biss Vender west 6. Horostanda Biss Vender west 7. None Chinester Methors Direct			

The prany voting policy of the Collective investment Scheme is available on the vielable of the Asset Management Company and detailed information regarding actual product voted by the Asset Moreover, other than above no meeting were attended and no prades were also given.

Al-Ameen Asset Allocation Fund

Helding	Rembulee	Fer	Aguirat	*طبقيقاء
	Extraordinary General Meeting of MA Hages Corporation Limited was held on August 05, 2016, below resolutions were passed:	~		

The pracy voting policy of the Collective Investment Scheme is available on the website of the Asset Management Company and detailed information regarding actual practes voted by the Asset Moreover, other than above no meeting were attended and no prodes were also given.

Al-Ameen Asset Allocation Fund

Holding	Bencheten	Per	Against	Albertala *
	Retruendingry General Meeting of M/s Mee Politics. OH Fleids Limited was hold on June 20, 2017, for election of directors. The fullowing persons were elected as directors:  1. Mr. Leith G. Pharmoon  5. Mr. Blands A. Meillit  4. Mr. Right Novaes  5. Mr. Blands A. Meillit  6. Mr. Right Novaes  7. Mr. Turty Lifed Novaes  7. Mr. Turty Lifed Novaes  8. Mr. Media Casalon  9. Mr. Shakhi Meehammad Navord			

The praxy voting policy of the Collective investment Scheme is available on the website of the Asset Management Company and detailed information regarding actual praxies voted by the Asset

Moreover, other than above no meeting were attended and no proxies were also given. SNGP Isn 17

Heiding	Landadon	Fee	Aguinet	Aliquinia <sup>4</sup>
	Annual General Mooting of Mar Set North Gas Physitines Limited war hold on Jamus 24, 2617, below resolutions were passed:  1. The Audited Accounts of the Company for the year ended June 39, 2016.  2. Appeloa A.F. Forgusom & Co., Chartered Accommunic as Auditors of the company for the year melting June 39, 2017.  3. Associations in Memorrendum of Association of the Company.			

The praxy vating policy of the Collective investment Scheme is evaliable on the website of the Asset Monagement Company and detailed information regarding actual prades voted by the Asset Moreover, other than above no meeting were attended and no prodes were also given.

SNGP June 17

Holding	Acoulation	Fer	Aguinat	Al-rada*
	Extraordinary General Meeting of Mis Mis Sul North Ger Pipelines Lindael was held			
	on June 20, 2017, for election of directors. The following persons were elected as			
	directors::			
458,590				
	1. Mr. Michannad Sacré Michili			
	2.Mr. Mohammad Jolei Silandar Sultan			
	3.htr. Mohemmad Aendr Qend			
	4.Qmi Mohammad Saleon Stildigai			
	5. Mr. Mohammad Johnsonth Khan	· ·		
	6. Michab-or-Robmen			
	7.Mr. Sulfad Harrett			
	8.Mr. Ahmad Aquel			
	9. Miras Midwood Ahmad			
	10. Mr. Marener Almed			
	11. Mr. Manele Almed Khan			
	12. Mr. Naveed Kouran Baloch			

The praxy voting policy of the Collective investment Scheme is available on the website of the Asset Monogement Company and detailed information regarding actual praxies voted by the Asset Moreover, other than above no meeting were attended and no prodes were also given.





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