



Annual Report 2020



CORPORATE INFORMATION

Board of Directors

Azhar Hamid (Chairman)

Yasir Qadri (Chief Executive Officer)

Syed Furrukh Zaeem

Naz Khan*

Arif Akmal Saifie

Sadia Saeed

Imran Sarwar

Audit Committee

Naz Khan* (Chair)

Imran Sarwar

Sadia Saeed

Arif Akmal Saifie

Risk and Compliance Committee

Imran Sarwar (Chairman)

Syed Furrukh Zaeem

Yasir Qadri

Azhar Hamid

Arif Akmal Saifie

HR & Compensation Committee

Azhar Hamid (Chairman)

Naz Khan*

Syed Furrukh Zaeem

Sadia Saeed

Yasir Qadri

Shariah Advisory Board

Mufti Muhammad Hassaan Kaleem
Member

Mufti Muhammad Najeeb Khan
Member

**Resigned effective July 20, 2020.*

Chief Financial Officer

Umair Ahmed

Company Secretary

Bilal Javaid

Registered Office

4th Floor, STSM Building,
Beaumont Road, Civil Lines,
Karachi, Pakistan.

Head Office

4th Floor, STSM Building,
Beaumont Road, Civil Lines,
Karachi, Pakistan.

UAN: (92-21) 111-825-262

Fax: (92-21) 32214930

Date of incorporation of the Management

Company/ Pension Fund Manager

Incorporated in Pakistan on
3 April 2001 as a Public Limited
Company under the Companies
Ordinance, 1984

Management Quality Rating

AM1 by VIS Credit Rating Company

Funds Under Management

UBL Liquidity Plus Fund

Launch Date: 21 June 2009

UBL Government Securities Fund

Launch Date: 27 July 2011

UBL Money Market Fund

Launch Date: 14 October 2010

UBL Income Opportunity Fund

Launch Date: 29 March 2013

UBL Growth & Income Fund

Launch Date: 2 March 2006

UBL Asset Allocation Fund

Launch Date: 20 August 2013

UBL Stock Advantage Fund

Launch Date: 4 August 2006

Al-Ameen Islamic Sovereign Fund

Launch Date: 07 November 2010

Al-Ameen Islamic Aggressive Income Fund

Launch Date: 20 October 2007

Al-Ameen Islamic Cash Fund

Launch Date: 17 September 2012

Al-Ameen Shariah Stock Fund

Launch Date: 24 December 2006

Al-Ameen Islamic Asset Allocation Fund

Launch Date: 10 December 2013

Al-Ameen Islamic Cash Plan-I

Launch Date: 29 May 2020

Al-Ameen Islamic Dedicated Equity Fund

Launch Date: 05 Jan 2016

Al- Ameen Islamic Financial Planning Fund - II

Launch Date: 21 February 2017

UBL Pakistan Enterprise Exchange Traded Fund

Launch Date: 24 March 2020

UBL Financial Planning Fund

Launch Date: 28 September 2017

Al- Ameen Islamic Financial Planning Fund - III

Launch Date: 28 May 2018

UBL Dedicated Equity Fund

Launch Date: 29 May 2018

UBL Financial Sector Fund

Launch Date: 06 April 2018

UBL Special Saving Fund

Launch Date: 09 November 2018

UBL Cash Fund

Launch Date: 23 September 2019

Conventional Investment Plans

UBL Mahana Munafa Plan

UBL Children Savings Plan

UBL Equity Builder Plan

UBL Wealth Builder Plan

Islamic Investment Plans

Al-Ameen Mahana Munafa Plan

Al-Ameen Children Savings Plan

Al-Ameen Equity Builder Plan

Al-Ameen Wealth Builder Plan

Al-Ameen Hajj Savings Plan

Al- Ameen Islamic Financial Planning Fund

Launch Date: 23 June 2015

UBL Retirement Savings Fund

Launch Date: 10 May 2010

Al-Ameen Islamic Retirement Savings Fund

Launch Date: 10 May 2010

Al-Ameen Islamic Energy Fund

Launch Date: 13 December 2019

Al-Ameen Islamic Special Saving Plan-II

Launch Date: 09 March 2020

Al-Ameen Islamic Aggressive Income Plan-I

Launch Date: 16 April 2020

DIRECTORS' REPORT

The Board of Directors of UBL Fund Managers Limited is pleased to present to you the reports of its Al-Ameen series represented by **Al-Ameen Islamic Cash Fund (AICF)** including Al-Ameen Islamic Cash Plan - I (AICP - I), **Al-Ameen Islamic Sovereign Fund (AISF)**, **Al-Ameen Islamic Aggressive Income Fund (AIAIF)** including Al-Ameen Islamic Aggressive Income Plan - I (AIAIP - I), **Al-Ameen Islamic Asset Allocation Fund (AIAAF)**, **Al-Ameen Shariah Stock Fund (ASSF)**, **Al-Ameen Islamic Dedicated Equity Fund (AIDEF)**, **Al-Ameen Islamic Financial Planning Fund II (AIFPF II)** [comprising Al-Ameen Islamic Active Allocation Plan – VII (AIActAP-VII), Al-Ameen Islamic Active Allocation Plan – VIII (AIActAP-VIII), Al-Ameen Islamic Active Allocation Plan – IX (AIActAP-IX), Al-Ameen Islamic Active Allocation Plan – X (AIActAP-X), Al-Ameen Islamic Active Principal Preservation Plan-I (AIAPPP-I)], **Al-Ameen Islamic Financial Planning Fund III (AIFPF III)**, **Al-Ameen Islamic Energy Fund (AIEF)** and **Al-Ameen Islamic Special Savings Fund (AISSF)** [comprising Al-Ameen Islamic Special Savings Plan – II (AISSP-II)] for the year ended June 30, 2020.

ECONOMY REVIEW – FY20

The fiscal year 2019-20 remained challenging for the country, with the real GDP growth slumping to -0.38% as compared to 1.91% in the FY19. The slowdown in economic activities persisted in the 1HFY20 as the earlier stabilization measures taken by authorities came in effect. However, with the outbreak of Covid-19 the situation got further vulnerable after the mid of March'20 as the country went in strict lockdown for almost 2 months which stopped all the economic activities in the country and earlier expectations of recovery by 2QCY20 were turned down as this global pandemic has created severe impact on country's overall aggregate demand. The said vulnerabilities also reflected in 10MFY20 LSM data, declining by 8.68% YoY. The major fall came from automobiles, petroleum, Iron and steel products, pharmaceutical and chemicals. In order to face the extraordinary circumstances and to restrain the economic growth, both monetary and fiscal authorities took severe measures including; 1) a hefty reduction in policy rates of 625 bps since March'20, declining from 13.25% to 7%, 2) approval of a rapid financing facility of USD1.4bn by IMF along with some other inflows from International Financial Institutions to meet immediate fiscal and external financing requirements 3) government decision to defer the hike in utility prices.

Average headline inflation for FY20 rose to 10.7%, significantly higher than average headline inflation of 7.3% in FY19. The uptick in FY20 inflation was brought about by higher food prices, partly due to supply and administrative issues, while non-food inflation remained relatively controlled owing to lower fuel prices, subdued increase in house rents and weak domestic demand. We expect headline inflation numbers to remain muted during the next 6-7 months on account of subdued commodity prices, gradual and back-loaded increase in utility tariffs, few new taxation measures in the budget and high base effect of last year. In view of subdued inflation outlook, a manageable external account position and weak domestic economic activity, SBP further cut its policy rate by 100 bps to 7.0% in an unscheduled monetary policy review meeting during the month. We think the current easing cycle is nearing an end as risks to growth, inflation and macroeconomic stability look more balanced now. A normalizing yield curve corroborates our view.

On external front, encouraging improvement has been witnessed as the 11MFY20 current account deficit significantly reduced by 74% from USD 12.4 bn to USD 3.2 bn. The primary reason for a decline in current account deficit was a significant decline of 20% YoY in imports (down from USD 57.9 bn to USD 46.6 bn). The major decline in imports came from Petroleum, Textile and Other manufacturing group. Exports also declined by 7% YoY (down from USD 27.9 bn to USD 25.9 bn), however, remittances increased from USD 21.7 bn in FY19 to USD 23.1 bn in FY20 showing a growth of 6.4% YoY. Moreover, with heavy debt inflows overall balance of payment position witnessed a surplus of USD 3.4 bn as against negative balance of USD 1.1 bn in SPLY.

On the fiscal side, fiscal deficit on 10MFY10 came in at 5.3% (PKR 2,222 bn) vs 5.6% (PKR 2,128 bn) in SPLY and primary deficit was - 0.5% in 10MFY20 as compared to 1.4% primary deficit in SPLY. We expect FY20 to close with a deficit of 9-10% on account of weak collections & higher expenditure in 4QFY20 due to Covid19 related developments. For FY21, the Government is targeting a fiscal deficit of ~7% of GDP. However, we expect the Government to overshoot the aforementioned number by 1-2% on account of lower collections & higher expenditure despite decreasing local borrowing cost.

DEBT MARKET REVIEW

During FY20, market appetite for the government securities remained strong. In twelve PIB auctions in FY20, heavy participation amounting to PKR ~5 trillion was observed. Out of these Government preemptively accepted PKR ~1.9 trillion. Strong participation was mainly on the back of interest rate's peaked-out expectation in the beginning of the financial year along with the overall improvement in the fiscal position and estimates of higher external financing. Due to momentous demand, Government leveraged its position by slashing the cut off rates by 628, 536 and 456 bps for 3Y, 5Y and 10Y PIBs, respectively during the Fiscal year 2020.

In case of floating rate PIBs, Government introduced 3Y floater PIB and 5Y floater PIB in addition to the existing 10Y floater PIB from June'20. Total participation of PKR ~1,578 billion was observed in the floating rate PIB against the target of PKR ~900 billion. While Government accepted PKR ~818 billion during FY'20.

Government has started issuance of 5-Years floating rate Ijara Sukuk since April'20 and successfully conducted 3 auctions and accepted PKR 197 billion against the target of PKR 225 billion.

Till August 2019, market bid mostly for the 3 months T-Bills. However, in the anticipation of declining interest rate scenario, heavy participation in the 12M T-Bills was observed in the subsequent auctions. Yield curve comparison is given below:

Tenor	PKRV as on 30-06-2019 (%)	PKRV as on 30-06-2020 (%)	Change (%)
3-Months	12.75	7.15	-5.6
6-Months	12.85	7.09	-5.76
12-Months	13.13	7.05	-6.08
3-Years	13.85	7.55	-6.3
5-Years	13.88	8.14	-5.74
10-Years	13.72	8.71	-5.01

STOCK MARKET REVIEW FOR FY20

After a strong recovery of ~50% from its low of 28,764 points and touching its peak of 43,200 points during the mid-Jan'20, the benchmark index succumbed to host of negative triggers eroding all previous gains and appeared as worst performing since Dec'08 in the month of March'20. Major catalysts for sluggish performance of the index included 1) outbreak of Covid-19 pandemic, 2) significant fall in global oil prices as the OPEC+ members couldn't reach an agreement in the late Feb'20 3) disruption in global demand and supply and 4) fear of economic slowdown due to Covid-19. However, later the benchmark index recouped much of its losses and closes FY20 with minimal gains of 1.5% YoY primarily due to 1) significant decline in policy rate by 625 bps from 13.25% to 7% as an emergency response by the Central Bank, ii) recovery in global oil prices, iii) approval of a rapid financing facility of USD 1.4 bn by IMF along with USD 3 bn inflow from International Financial Institutions and Commercial Banks to meet immediate fiscal and external financing requirements iv) a host of relief measures announced by the federal government to lessen the impact of Covid-19 on different sectors of the economy & v) further decline in money market yields.

Further, fear of economic slowdown and economic uncertainty created by Covid-19 forced the foreign investors to remain net seller in the equity market with offloading shares worth USD 284 mn. On the contrary, local Individuals and insurance companies bought equities worth USD213mn /128 mn respectively. In terms of activity, average volume and value traded during the period under review stood at 135 mn shares and PKR 6.2bn, up 40% / 18% YoY, respectively. Moreover, Sector wise Pharmaceuticals and Cements outperformed KSE100 by 61% and 38%, whereas Banks and E&Ps lagged the benchmark index by 12% and 9%, respectively.

COMMODITY MARKET REVIEW

On commodities front, Gold outperformed the other commodities during the period under review, increasing by 22.6% YoY. During the 1H FY20, Gold prices remained volatile but later started increasing mainly due to dismal performance of global equity markets and lower economic growth. Further, the uncertainty created by Covid-19 pandemic pushed investors toward the safe haven asset classes like Gold which led the spike in Gold prices.

On the other end, Crude oil prices (Brent) declined by 37.6% YoY from USD 64.0/BBL during the start of FY20 to USD 39.9/BBL in the end of FY20. The primary reason for significant decline in oil prices was price war between the OPEC and its allies as they were unable to agree on production cuts. With the price war between both, crude oil prices went down below \$15/bbl. However, later the crude oil prices recovered as both agreed for production cuts as the fear of Covid-19 dampened global oil demand.

ISLAMIC FINANCE REVIEW – FY20

There are currently 22 Islamic banking institutions operating in Pakistan including 5 full-fledged Islamic banks and 17 conventional banks having standalone Islamic banking branches with 3,250 branches spread across 120 districts as at Mar'20. Major share of branches is still concentrated in Punjab & Sindh. The number of Islamic banking windows operated by conventional banks having Islamic Banking Branches stood at 1,375 as at Mar'20.

The FY20 remained a profitable year for the Islamic Banking Institutions. Net Profit income witnessed significant growth of 43% during FY20. Overall, Islamic Banking Institutions registered Net Profit Income of PKR 87 bn in FY20 as compared to PKR 61bn SPLY. Profit after tax improved from PKR 22 bn in FY19 to PKR 34 bn in FY20 showing approx. 57% increase YoY. Overall total assets of Islamic banking institutions increased from PKR 2992bn in Jun'19 to PKR 3633 bn in Jun'20. Despite high competition from conventional banking systems, deposit growth of Islamic banking industry outpaced the conventional banking industry in FY20. Total deposits of the banking sector grew by approx. 14% whereas Islamic Banking Industry witnessed deposit growth of 22% in FY20. Total deposits of Islamic Banking Industry were PKR 2945bn as at Jun'20 as compared to PKR 2415bn at the end of FY19. In terms of Market Share, total assets of Islamic Banking Industry has market share of 15.3% at the end of FY20 as compared to 14.4% in SPLY whereas market share of total deposits of Islamic Banking Institutions increased from 15.9% in FY19 to 16.9% in FY20.

With growing number of Islamic banking branch network and conventional banks setting up Islamic banking windows to attract growing customers a substantial growth in Islamic banking can be anticipated in the long term. Along with this, concerted efforts towards increasing exports, SBP introduced Financing Facility (ILTF) on the basis of Mudarabah which is a Shariah compliant alternative to conventional Long Term Financing Facility (LTFF). This with other Islamic banking institutions providing enhanced Islamic products will aid in meeting growing demand of customers seeking Shariah compliant services.

FUTURE OUTLOOK

The fiscal year 2020 remained extremely challenging for the Pakistan economy, as earlier measures taken by authorities to stabilize along with expectation of recovery in the economy in late 2H FY20 were turned down due to exaggerated impact created by the Covid-19 pandemic. However, going forward with the authorities' focus shifting towards revival of economy and supporting growth and employment, we believe going forward economic activity would recover and GDP growth will improve. With resumption of IMF program in 2QFY21 overall macro indicators are expected to improve.

Inflation is expected in the range of 6-8% during FY21 mainly due to high base impact. We expected inflation to bottom out in Jan'20. After 625 bps cut in policy rate, real interest rates have turned negative at the moment, however, they are expected to be positive going forward due substantial decline in inflation.

On the external front, we expect current account deficit to remain contained as subdued commodity prices and services imports neutralize the impact of lower exports and remittances. Further, with the deferral in debt repayments for the next 12 months, Government is likely to achieve balance of payments stability. For the FY21 we expect CAD to remain in range of USD 4.5-5.5 bn and overall balance of payments is expected to be positive by USD1-2 bn.

On the fiscal side, we expect budget deficit to remain elevated in the range of 9-10% of GDP during FY20 because of weak revenue collection and high current expenditures in the 4QFY20. In the budget FY20-21, no major new taxes have been levied rather hefty tax relief has been provided by the Government along with high current expenditures, this altogether has left very limited room on fiscal side. Thus, it is expected that fiscal challenges will persist also in FY21 and fiscal deficit can remain in range of 8-9% during FY21.

We believe economy is expected to recover from recession and GDP growth is expected to be 2.1% in FY21 therefore attractive valuation along with improving economic fundamentals in FY21 forced us to hold a sanguine view on domestic equity market. Even after downgrading our earnings due to Covid-related slowdown and lower oil prices, earnings yield differential from 10Y PIB yield is over 4.0% (12.8% vs 8.74%), much higher than the average yield differential of 0.7% over the last 10 years.

At current levels, the market is trading at an undemanding PE of 7.4x against historical average of ~8.5x and a P/B of 1.0x v/s. historical average of 1.8x leaving further room for rerating, offering attractive dividend yields of 6.1% much higher as compared to regional average DY of ~3.0%. The market cap to GDP currently stands at 15.3%. Further, after the recent rates cut and lower returns from other investment avenues equity remains much attractive.

Fund Performance and Announcements

1) AL-AMEEN ISLAMIC SOVEREIGN FUND (AISF):

The Fund earned total income of PKR 564.845 million for the year ended June 30, 2020 which mainly includes profit income on bank balances, placements and Shariah compliant government securities. After accounting for the expenses of PKR 88.960 million, the Fund managed to earn a net income of PKR 475.885 million. The net assets of the Fund were PKR 4,922.746 million as at June 30, 2020 representing the net asset value of PKR 101.1441 per unit.

The Chief Executive Officer under the authority granted by the Board of Directors approved interim distribution of PKR 9.9189 per unit to the unit holders during the period ended June 26, 2020 i.e. (9.92%).

VIS Credit Rating Company Limited has reaffirmed the AA-(f) rating of the Fund during the year.

2) AL-AMEEN ISLAMIC AGGRESSIVE INCOME FUND (AIAIF):

AIAIF consists of the following:

a) Al-Ameen Islamic Aggressive Income Fund (AIAIF):

The Fund earned total income of PKR 38.257 million for the year ended June 30, 2020 which mainly includes profit income on bank balances, term deposit musharika, shariah compliant government securities and private sector sukuks. After accounting for the expenses of PKR 9.699 million, the Fund managed to earn a net income of PKR 28.558 million. The net assets of the Fund were PKR 421.503 million as at June 30, 2020 representing the net asset value of PKR 100.2808 per unit.

The Chief Executive Officer under the authority granted by the Board of Directors approved interim distribution of PKR 8.3165 per unit to the unit holders during the period ended June 26, 2020 i.e. (8.32%).

VIS Credit Rating Company Limited has reaffirmed the BBB+(f) rating of the Fund during the year.

b) Al-Ameen Islamic Aggressive Income Plan (AIAIP-I):

The plan earned total income of PKR 16.022 million for the year ended June 30, 2020 which mainly includes profit income on bank balances, term deposit musharika, shariah compliant government securities and private sector sukuks. After accounting for the expenses of PKR 0.723 million, the Fund managed to earn a net income of PKR 15.300 million. The net assets of the Fund were PKR 1,461.133 million as at June 30, 2020 representing the net asset value of PKR 100.2930 per unit.

The Chief Executive Officer under the authority granted by the Board of Directors approved interim distribution of PKR 2.1967 per unit to the unit holders during the period ended June 29, 2020 i.e. (2.20%).

3) AL-AMEEN ISLAMIC CASH FUND (AICF):

AICF consists of the following:

a) Al-Ameen Islamic Cash Fund (AICF):

The Fund earned total income of PKR 653.215 million for the year ended June 30, 2020 which mainly includes profit income on bank balances, term deposit musharika and shariah compliant government securities. After accounting for the expenses of PKR 55.485 million, the Fund managed to earn a net income of PKR 597.730 million. The net assets of the Fund were PKR 8,196.209 million as at June 30, 2020 representing the net asset value of PKR 100.5060 per unit.

The Chief Executive Officer under the authority granted by the Board of Directors approved interim distributions of PKR 589.871 million to the unit holders.

VIS Credit Rating Company Limited has reaffirmed the AA (f) rating of the Fund during the year.

b) Al-Ameen Islamic Cash Fund (AICP-I):

The plan earned total income of PKR 13.664 million for the year ended June 30, 2020 which mainly includes profit income on bank balances, term deposit musharika and shariah compliant government securities. After accounting for the expenses of PKR 0.816 million, the Fund managed to earn a net income of PKR 12.848 million. The net assets of the Fund were PKR 3,060.154 million as at June 30, 2020 representing the net asset value of PKR 100.00 per unit.

The Chief Executive Officer under the authority granted by the Board of Directors approved interim distributions of PKR 12.848 million to the unit holders.

4) AL-AMEEN SHARIAH STOCK FUND (ASSF):

The Fund earned total income of PKR 608.019 million for the year ended 30 June 2020. The earnings of the fund mainly include dividend income amounting to PKR 234.249 million. After accounting for expenses of PKR 232.498 million, the Fund managed to earn a net income of PKR 375.521 million. The net assets of the Fund were PKR 5,967.058 million as at June 30, 2020 representing the net asset value of PKR 119.5649 per unit.

The Chief Executive Officer under the authority granted by the Board of Directors approved interim distribution of PKR 1.2846 per unit to the unit holders during the period ended June 29, 2020 i.e. (1.29%).

5) AL-AMEEN ISLAMIC ASSET ALLOCATION FUND (AIAAF):

The Fund earned total income of PKR 371.348 million for the year ended 30 June 2020. The earnings of the fund mainly include income from Shariah compliant placements / government securities and dividend income amounting to PKR 225.2240 million. After accounting for expenses of PKR 118.4100 million, the Fund managed to earn a net income of PKR 252.938 million. The net assets of the Fund were PKR 1,877.211 million as at June 30, 2020 representing the net asset value of PKR 113.7374 per unit.

The Chief Executive Officer under the authority granted by the Board of Directors approved interim distribution of PKR 9.58 per unit to the unit holders during the period ended June 29, 2020 i.e. (9.58%).

6) AL-AMEEN ISLAMIC DEDICATED EQUITY FUND (AIDF):

The Fund incurred a total loss of PKR 49.172 million for the year ended 30 June 2020 (including realized loss of PKR 160.685 million on sale of investments). The earnings of the fund mainly include income from shariah compliant banks and dividend income amounting to PKR 92.699 million. After accounting for expenses of PKR 70.075 million, the Fund incur a net loss of PKR 119.247 million. The net assets of the Fund were PKR 416.749 million as at June 30, 2020 representing the net asset value of PKR 104.54 per unit.

7) AL-AMEEN ISLAMIC ENERGY FUND (AIEF):

The Fund incurred a total loss of PKR 24.669 million for the year ended 30 June 2020 (including unrealized loss of PKR 16.102 million on revaluation of investments). The earnings of the fund mainly include income from shariah compliant banks and dividend income amounting to PKR 3.153 million. After accounting for expenses of PKR 6.100 million, the Fund incurred a net loss of PKR 30.769 million. The net assets of the Fund were PKR 233.057 million as at June 30, 2020 representing the net asset value of PKR 80.4144 per unit.

8) AL-AMEEN ISLAMIC SPECAIL SAVINGS FUND (AISF):

AISF comprises of Al-Ameen Islamic Special Savings Plan II (AISSP-II). The Plan incurred a total loss of PKR 49.172 million for the year ended 30 June 2020 (including realized loss of PKR 160.685 million on sale of investments). The earnings of the fund mainly include income from shariah compliant banks and dividend income amounting to PKR 92.699 million. After accounting for expenses of PKR 70.075 million, the Fund incurred a net loss of PKR 119.247 million. The net assets of the Fund were PKR 416.749 million as at June 30, 2020 representing the net asset value of PKR 104.54 per unit.

9) AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND – II (AIFPF – II)

AIFPF - II consists of the following plans:

a) Al-Ameen Islamic Active Allocation Plan – VII (AIActAP-VII)

The Plan earned total income of PKR 45.858 million for the period ended June 30, 2020. After accounting for the expenses of PKR 1.526 million, the Plan managed to earned net income of PKR 44.332 million. The net assets of the Plan were PKR 418.741 million as at June 30, 2020 representing the net asset value of PKR 83.2709 per unit.

The plan matured during the year on February 20, 2020.

b) Al-Ameen Islamic Active Allocation Plan – VIII (AIActAP-VIII)

The Plan earned total income of PKR 45.858 million for the period ended June 30, 2020. After accounting for the expenses of PKR 1.526 million, the Plan managed to earned net income of PKR 44.332 million. The net assets of the Plan were PKR 418.741 million as at June 30, 2020 representing the net asset value of PKR 83.2709 per unit.

The plan matured during the year on May 29, 2020.

c) Al-Ameen Islamic Active Allocation Plan – IX (AIActAP-IX)

The Plan incurred total loss of PKR 103.556 million for the period ended June 30, 2020. After accounting for the expenses of PKR 1.779 million, the Plan incurred net loss of PKR 105.335 million. The net assets of the Plan were PKR 360.666 million as at June 30, 2020 representing the net asset value of PKR 101.7779 per unit.

d) Al-Ameen Islamic Active Allocation Plan – X (AIActAP-X)

The Plan earned total income of PKR 115.226 million for the period ended June 30, 2020. After accounting for the expenses of PKR 3.613 million, the Plan managed to earned net income of PKR 111.613 million. The net assets of the Plan were PKR 145.032 million as at June 30, 2020 representing the net asset value of PKR 99.4093 per unit.

e) Al Ameen Islamic Active Principal Preservation Plan - I (AIAPPP-I)

The Plan earned total income of PKR 24.780 million for the period ended June 30, 2020. After accounting for the expenses of PKR 3.166 million, the Plan managed to earned net income of PKR 21.614 million. The net assets of the Plan were PKR 931.722 million as at June 30, 2020 representing the net asset value of PKR 106.2091 per unit.

The Plan earned total income of PKR 11.216 million for the period ended June 30, 2020. After accounting for the expenses of PKR 2.241 million, the Plan managed to earned net income of PKR 8.974 million. The net assets of the Plan were PKR 501.580 million as at June 30, 2020 representing the net asset value of PKR 105.5804 per unit.

10) AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND – III (AIFPF – III)

AIFPF – III consists of the following plans:

a) Al Ameen Islamic Active Principal Preservation Plan-II (AIAPPP-II)

The Plan earned total income of PKR 11.216 million for the period ended June 30, 2020. After accounting for the expenses of PKR 2.242 million, the Plan managed to earned net income of PKR 8.974 million. The net assets of the Plan were PKR 501.58 million as at June 30, 2020 representing the net asset value of PKR 105.5804 per unit.

b) Al-Ameen Islamic Active Principal Preservation Plan-III (AIAPPP-III)

The Plan earned total income of PKR 21.712 million for the period ended June 30, 2020. After accounting for the expenses of PKR 1.942 million, the Plan managed to earned net income of PKR 19.770 million. The net assets of the Plan were PKR 602.689 million as at June 30, 2020 representing the net asset value of PKR 105.5206 per unit.

c) Al-Ameen Islamic Active Principal Preservation Plan-III (AIAPPP-IV)

The Plan earned total income of PKR 17.883 million for the period ended June 30, 2020. After accounting for the expenses of PKR 1.001 million, the Plan managed to earned net income of PKR 16.881 million. The net assets of the Plan were PKR 149.450 million as at June 30, 2020 representing the net asset value of PKR 112.0424 per unit.

d) Al-Ameen Islamic Active Allocation Plan – XI (AIActAP-XI)

The Plan earned total income of PKR 4.555 million for the period ended June 30, 2020. After accounting for the expenses of PKR 0.433 million, the Plan managed to earned net income of PKR 4.122 million. The net assets of the Plan were PKR 43.074 million as at June 30, 2020 representing the net asset value of PKR 105.8910 per unit.

The Chief Executive Officer under the authority granted by the Board of Directors approved interim distribution of PKR 1.1386 per unit to the unit holders i.e. (1.14%).

STRATEGY, REVIEW AND OUTLOOK OF FUNDS

For Strategy, Review and Outlook of funds, please refer the respective sections of the Fund Manager's Report for the year.

CORPORATE GOVERNANCE

The Management Company is committed to high standards of corporate governance and the Board of Directors is accountable to the stakeholders for good corporate governance. Management is continuing to comply with the provisions of best practices set out in the code of corporate governance particularly with regard to independence of non-executive directors.

A formal and effective mechanism is put in place for an annual evaluation of the Board's own performance.

The Board has an approved Director Remuneration Policy for remuneration of independent (non-executive) directors. The main objective of the policy is to define the principles to attract and retain high-caliber, experienced Independent directors (Non-Executive) by offering market competitive fee levels as required by the Listed Companies (Code of Corporate Governance) Regulations 2019. The Independent Directors are entitled to a fee for attending Board meetings and Board Committee meetings as per Directors remuneration policy.

Risk framework and Internal Control System:

The Management Company has in place an approved Risk Management Policy that provides the framework to manage risks associated with its activities. It is designed to identify, assess, monitor and manage risks emanating from across the entity.

The Management Company follows Enterprise Risk Management (ERM) which is a process, ongoing and flowing through an entity effected by people at every level of an organization applied in strategy setting applied across the enterprise, at every level and unit, and includes taking an entity-level portfolio view of risk designed to identify potential events that, if they occur, will affect the entity and to manage risk within its risk appetite.

The following specific statements are being given to comply with the best practices of corporate governance:

- Financial Statements of Funds present fairly the statement of affairs, the results of operations, cash flows and the changes in unit holder's fund;
- Proper books of accounts have been maintained by the Funds;
- Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgments;
- Relevant International Financial Reporting Standards, as applicable in Pakistan, provision of the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the Trust Deed and directives issued by the Securities & Exchange Commission of Pakistan have been followed in the preparation of the financial statements;
- The system of internal control is sound in design and has been effectively implemented and monitored;
- There are no significant doubts upon the Funds' ability to continue as going concern, except for UBL Active Principal Preservation Plan – I, UBL Active Principal Preservation Plan – II, UBL Active Principal Preservation Plan – III since these have been prepared on a basis other than going concern as these plans are due to mature on or before June 30, 2021.
- There has been no material departure from the best practices of corporate governance, as detailed in the Listed Companies (Code of Corporate Governance) Regulations 2019;
- Performance table of Funds and pattern of unit holding is given in the Annual report;
- The statement as to the value of investments of provident fund is not applicable on the Funds but applies to the Management Company; hence no disclosure is made in the Directors' Report of the Funds;
- Outstanding statutory payments on account of taxes, duties, levies and charges, if any have been fully disclosed in the financial statements;

UBL Fund Managers Limited has total seven directors:

- a) Male: Five Directors;
- b) Female: Two Directors

The composition of Board is as follows:

Category	Name
Independent Directors	Mr. Azhar Hamid
	Ms. Naz Khan*
Executive Directors	Mr. Yasir Qadri
Non-Executive Directors	Mr. Imran Sarwar
	Ms. Sadia Saeed
	Mr. Arif Akmal Saifie**
	Syed Furrukh Zaeem Mr. Tauqeer Mazhar***
Female Director	Ms. Naz Khan Ms. Sadia Saeed

* Ms. Naz Khan has resigned effective July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director effective March 20, 2020

*** Mr. Tauqeer Mazhar resigned as a director effective January 30, 2020

The UBL Fund Managers Board's primary responsibility is to supervise affairs of the Company and provide direction to its management. The management is responsible to keep the Board informed regarding Company's affairs and effectively implement directions and guidelines given by the Board.

The Board, in exercise of effective governance and internal control system, strives to balance the spectrum of stakeholders of the Company, including its shareholders, unit holders of funds under management, customers, employees, regulators and the communities in which it operates. In all actions taken by the Board, the Directors exercise independent business judgment in what they reasonably believe to be in the best interests of the Company.

According to best corporate governance practices, the Board of directors of UBL Fund Managers Limited has established several Board Committees to augment Risk Management, Internal Control system and good corporate governance throughout the entity. These Committees facilitate the Board and the Management on issues related to their particular area of competence.

The Board has the following committees:

Board Audit Committee

Name	Designation	Type of Directorship
Ms. Naz Khan*	Chairman	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Imran Sarwar	Member	Non-Executive Director
Ms. Sadia Saeed,	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director

Board Human Resource and Compensation Committee

Name	Designation	Type of Directorship
Mr. Azhar Hamid	Chairman	Independent Director
Mr. Yasir Qadri	Member	Executive Director
Ms. Naz Khan*	Member	Independent Director
Ms. Sadia Saeed	Member	Non-Executive Director
Syed Furrukh Zaeem	Member	Non-Executive Director

Board Risk and Compliance Committee

Name	Designation	Type of Directorship
Mr. Imran Sarwar	Chairman	Non-Executive Director
Mr. Azhar Hamid	Member	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director
Mr. Yasir Qadri	Member	Executive Director
Syed Furrukh Zaeem	Member	Non-Executive Director

* Ms. Naz Khan has resigned effective July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director effective March 20, 2020

*** Mr. Tauqeer Mazhar resigned as a director effective January 30, 2020

MEETINGS OF THE BOARD OF DIRECTORS (BOD)

During the year, six (6) meetings of the Board of Directors of the Management Company were held. The details of the attendance are as under:

Name of Directors	Meetings attended	----- DATES -----					
		30-Aug-2019	17-Sep-19	29-Oct-19	9-Dec-19	25-Feb-20	30-Apr-20
Mr. Arif Akmal Saifie *	1	N/A	N/A	N/A	N/A	N/A	✓
Mr. Azhar Hamid	6	✓	✓	✓	✓	✓	✓
Mr. Imran Sarwar	5	✓	✓	✓	✓	x	✓
Mr. Yasir Qadri	6	✓	✓	✓	✓	✓	✓
Ms. Naz Khan **	6	✓	✓	✓	✓	✓	✓
Ms. Sadia Saeed	5	x	✓	✓	✓	✓	✓
Syed Furrukh Zaeem	5	✓	✓	✓	✓	x	✓
Mr. Tauqeer Mazhar ***	4	✓	✓	✓	✓	N/A	N/A
Names of Key Executives							
Mr. Bilal Javaid ****	3	N/A	N/A	N/A	✓	✓	✓
Mr. Umair Ahmed	6	✓	✓	✓	✓	✓	✓
S.M. Aly Osman *****	3	✓	✓	✓	N/A	N/A	N/A
* Mr. Arif Akmal appointed as a director effective March 20, 2020							
** Ms. Naz Khan resigned as a director effective July 20, 2020							
*** Mr. Tauqeer Mazhar resigned a director effective January 30, 2020							
**** Mr. Bilal Javaid appointed as Company Secretary effective February 25, 2020							
***** S.M. Aly Osman resigned as Company Secretary effective November 30, 2019							

MEETINGS OF THE BOARD AUDIT COMMITTEE (BAC)

During the year ended June 30, 2020 six (6) BAC meetings held. The details of attendance are as under:

Name of Directors	Meetings attended	----- DATES -----					
		29-Aug-2019	16-Sep-19	28-Oct-19	24-Feb-20	2-Mar-20	29-Apr-20
Mr. Arif Akmal Saifie *	1	N/A	N/A	N/A	N/A	N/A	✓
Mr. Imran Sarwar	5	✓	✓	✓	x	✓	✓
Ms. Naz Khan **	6	✓	✓	✓	✓	✓	✓
Ms. Sadia Saeed	5	x	✓	✓	✓	✓	✓
Mr. Tauqeer Mazhar ***	3	✓	✓	✓	N/A	N/A	N/A
Names of Key Executives							
Mr. Mubeen Ashraf ****	1	N/A	N/A	N/A	N/A	N/A	✓
Mr. Umair Ahmed	6	✓	✓	✓	✓	✓	✓
S.M. Aly Osman *****	3	✓	✓	✓	N/A	N/A	N/A
* Mr. Arif Akmal appointed as a director effective March 20, 2020							
** Ms. Naz Khan resigned as a director effective July 20, 2020							
*** Mr. Tauqeer Mazhar resigned as a director effective January 30, 2020							
**** Mr. Mubeen Ashraf appointed as Head of Internal Audit (Secretary to BAC) with effect from March 20, 2020							
***** S.M. Aly Osman resigned as Head of Internal Audit with effect from November 30, 2019							

MEETINGS OF THE BOARD HUMAN RESOURCE COMPENSATION COMMITTEE (HRCC)

During the year ended June 30, 2020 five (5) HRCC meetings were held. The details of attendance are as under:

Name of Directors	Meetings attended	----- DATES -----				
		12-Sep-2019	30-Oct-19	12-Nov-19	13-Feb-20	5-May-20
Mr. Azhar Hamid	5	✓	✓	✓	✓	✓
Ms. Naz Khan *	5	✓	✓	✓	✓	✓
Ms. Sadia Saeed	5	✓	✓	✓	✓	✓
Mr. Farrukh Zaeem	4	✓	✓	✓	x	✓
Mr. Yasir Qadri	5	✓	✓	✓	✓	✓
Names of Key Executives						
Mr. Amin Gulamani	5	✓	✓	✓	✓	✓
* Ms. Naz Khan resigned as a director effective July 20, 2020						

MEETINGS OF THE BOARD RISK MANAGEMENT COMMITTEE

During the year ended June 30, 2020 four (4) BRCC meetings held. Below is the attendance of Board of Directors:

Name of Directors	Meetings attended	----- DATES -----			
		30-Aug-2019	28-Oct-19	24-Feb-19	27-Apr-20
Mr. Imran Sarwar	4	✓	✓	✓	✓
Mr. Tauqeer Mazhar *	3	✓	✓	✓	-
Mr. Syed Furrukh Zaeem	4	✓	✓	✓	✓
Mr. Yasir Qadri	4	✓	✓	✓	✓
Mr. Azhar Hamid	4	✓	✓	✓	✓
Mr. Arif Akmal Saifie **		N/A	N/A	N/A	✓
Name of Key Executive					
Mr. Hadi Hassan Mukhi	4	✓	✓	✓	✓
* Mr. Tauqeer Mazhar resigned as a director effective January 30, 2020					
** Mr. Arif Akmal appointed as a director effective March 20, 2020					

DIRECTORS' TRAINING

At present, all Directors have either attended the Directors Training Program or have minimum of 14 years of education and 15 years of experience on the Board of listed companies and therefore are exempt from the Directors Training Program.

All 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.

AUDITORS

The present auditors as per table below retire on conclusion of the audit for the year ended June 30, 2020:

Sr. #	Name of Fund	Name of auditors as of June 30, 2020	Status of appointment for the year ending June 30, 2021
1	Al Ameen Islamic Cash Fund	M/s AF Ferguson & Co., Chartered Accountants	Eligible for re-appointment
2	Al-Ameen Islamic Sovereign Fund	M/s KPMG Taseer Hadi & Co., Chartered Accountants	Not eligible for re-appointment, for being statutory auditors of the fund for consecutive five years. The Audit Committee has recommended the appointment of M/s AF Ferguson & Co., Chartered Accountants as the statutory auditors of the Fund for the year 2021
3	Al Ameen Islamic Aggressive Income Fund	M/s KPMG Taseer Hadi & Co., Chartered Accountants	Eligible for re-appointment

Sr. #	Name of Fund	Name of auditors as of June 30, 2020	Status of appointment for the year ending June 30, 2021
4	Al Ameen Islamic Asset Allocation Fund	M/s KPMG Taseer Hadi & Co., Chartered Accountants	Eligible for re-appointment
5	Al Ameen Shariah Stock Fund	M/s AF Ferguson & Co., Chartered Accountants	Eligible for re-appointment
6	Al Ameen Islamic Dedicated Equity Fund	M/s Deloitte Yousuf Adil & Co., Chartered Accountants	Not eligible for re-appointment, for being statutory auditors of the fund for consecutive five years. The Audit Committee as recommended the appointment of M/s Grant Thornton Anjum Rehman as the statutory auditors of the Fund for the year 2021
7	Al Ameen Islamic Financial Planning Fund - II	M/s BDO Ebrahim & Co., Chartered Accountants	Eligible for re-appointment
8	Al Ameen Islamic Financial Planning Fund - III	M/s KPMG Taseer Hadi & Co., Chartered Accountants	Eligible for re-appointment
9	Al Ameen Islamic Energy Fund	M/s KPMG Taseer Hadi & Co., Chartered Accountants	Eligible for re-appointment
10	Al Ameen Islamic Special Savings Fund	M/s Deloitte Yousuf Adil & Co., Chartered Accountants	Eligible for re-appointment

The auditors, where being eligible, offered themselves for reappointment and where the change in the external auditors is required because of the completion of the maximum time allowed under the NBFC Regulations, the new auditors have consented to be appointed as the external auditors of the respective funds. The Audit Committee of the Board has accordingly recommended their appointment as external auditors for the year ending June 30, 2021.

Acknowledgements

We would like to thank our valued unit holders for their confidence and trust in UBL Fund Managers Limited. In addition, we would like to acknowledge the Securities and Exchange Commission of Pakistan, State Bank of Pakistan, Central Depository Company of Pakistan Limited (Trustee) and Shariah Advisory Board for their continued support, guidance and cooperation. The Board would also like to take this opportunity to express its appreciation to the employees for their dedication, commitment, enthusiasm and hard work.

FOR & ON BEHALF OF THE BOARD OF DIRECTORS OF UBL FUND MANAGERS LIMITED

-- sd --

Yasir Qadri
(Chief Executive Officer)

-- sd --

Arif Akmal Saifie
(Director)

Karachi
Dated: September 24, 2020



ڈائریکٹرز رپورٹ

یو بی ایل فنڈ مینیجرز لمیٹڈ کے بورڈ آف ڈائریکٹرز مسرت کے ساتھ درج ذیل فنڈز کی رپورٹ پیش کرتے ہیں۔ یہ رپورٹیں مالی سال 2020 کے اختتام تک ہیں:

- ال امین اسلامک کیش فنڈ (اے آئی سی ایف) بشمول ال امین اسلامک کیش پلان I (اے آئی سی پی I)
- ال امین اسلامک سوورین فنڈ
- ال امین اسلامک Aggressive انکم فنڈ (اے آئی سی ایف) بشمول ال امین اسلامک Aggressive انکم پلان I (اے آئی سی پی I)
- ال امین اسلامک ایسیٹ ایلوکیشن فنڈ (اے آئی سی ایف)
- ال امین اسلامک شریعہ اسٹاک فنڈ (اے آئی سی ایف)
- ال امین اسلامک ڈیٹیکٹڈ ایکوٹیٹی فنڈ (اے آئی سی ایف)
- ال امین اسلامک فنانشل پلاننگ فنڈ II [جس میں:
- ال امین اسلامک ایکٹیوٹو ایلوکیشن پلان VII (AIACTAP-VII)
- ال امین اسلامک ایکٹیوٹو ایلوکیشن پلان VIII (AIACTAP-VIII)
- ال امین اسلامک ایکٹیوٹو ایلوکیشن پلان IX (AIACTAP-IX)
- ال امین اسلامک ایکٹیوٹو ایلوکیشن پلان X (AIACTAP-X)
- ال امین اسلامک ایکٹیوٹو پرنسپل پروزرویشن پلان I (AIAPPP-I) شامل ہیں]
- ال امین اسلامک فنانشل پلاننگ فنڈ III [جس میں:
- ال امین اسلامک ایکٹیوٹو پرنسپل پروزرویشن پلان II (AIAPPP-II)
- ال امین اسلامک ایکٹیوٹو پرنسپل پروزرویشن پلان III (AIAPPP-III)
- ال امین اسلامک ایکٹیوٹو پرنسپل پروزرویشن پلان IV (AIAPPP-IV)
- ال امین اسلامک ایکٹیوٹو ایلوکیشن پلان XI (AIACTAP-XI) شامل ہیں]
- ال امین اسلامک انرجی فنڈ
- ال امین اسلامک اسپیشل سیونگز فنڈ (اے آئی سی ایف) جس میں ال امین اسلامک اسپیشل سیونگز پلان II شامل ہے

اقتصادی جائزہ برائے مالی سال 2019-20

مالی سال 2019-20 ملک کے لئے چیلنج رہا ، حقیقی جی ڈی پی کی نمو منفی 0.38 فیصد رہی جبکہ مالی سال 2018-19 میں یہ 1.91 فیصد تھی۔ اقتصادی سرگرمیوں میں سست روی 20HFY1 میں برقرار رہی جس کی وجہ حکام کی طرف سے استحکام کے لئے اٹھائے جانے والے گزشتہ اقدامات ہیں۔ کوویڈ 19 کی وباء کے ساتھ ہی مارچ 2020 کے وسط کے بعد صورتحال مزید بدحالی سے دوچار ہو گئی کیونکہ ملک تقریباً 2 ماہ تک سخت لوک ڈاؤن میں رہا جس سے ملک کی تمام معاشی سرگرمیاں بند ہو گئیں اور 20QCY2 میں بہتری کی توقعات مدہم ہو گئیں۔ کیونکہ اس عالمی وبائی بیماری نے ملک کی مجموعی طلب کو بری طرح متاثر کیا۔

منکورہ کمزوریاں لارج سکیل مینوفیکچرنگ سیکٹر کے 20MFY10 کے اعداد و شمار سے مزید نمایاں ہوتی ہیں، جس میں 8.68% YoY کی کمی واقع ہوئی۔ سب سے زیادہ گراوٹ آٹوموبائل ، پٹرولیم ، آئرن اور اسٹیل ، دواسازی اور کیمیکل کی صنعتوں میں واقع ہوئی۔ غیر معمولی حالات کا سامنا کرنے اور معاشی نمو کو روکنے کے لئے ، مالیاتی اور معاشی حکام نے سخت اقدامات کیے جن میں:

- (1) مارچ 2020 کے بعد سے پالیسی ریٹ میں 625bps کی کمی، جو 13.25 فیصد سے کم ہو کر 7 فیصد ہو گیا ہے ،
- IMF (2) کے ذریعے 1.4 ارب ڈالر کی فوری مالی اعانت کی سہولت کی منظوری اور بین الاقوامی مالیاتی اداروں کی طرف سے مالی اعانت کی فراہمی تاکہ فوری معاشی ضروریات اور بیرونی قرض کی ادائیگی ممکن بنی جا سکے
- (3) یوٹیلٹی کی قیمتوں میں کسی فوری اضافے کو روکنے کا حکومتی فیصلہ



مالی سال 2019-20 کے لئے اوسطاً افراط زر کی شرح 10.7 فیصد رہی ، جو گزشتہ مالی سال 2018-19 میں اوسطاً 7.3 فیصد تھی۔ مالی سال 2019-20 میں افراط زر میں اضافے کی وجہ اشیائے خورد و نوش کی اضافی قیمتیں تھیں ، جس کی ایک وجہ فراہمی کا نظام اور انتظامی امور ہیں۔ دوسری جانب ایندھن کی قیمتوں میں کمی ، گھریلو کرایوں میں معمولی اضافے اور مجموعی طلب کی کمی کی وجہ سے غیر خوراک کی افراط زر نسبتاً قابو میں رہی۔

ہم توقع کرتے ہیں کہ افراط زر کی شرح اگلے 6-7 ماہ کے دوران مستحکم رہے گی جس کی وجہ اشیائے خوردونوش کی قیمتوں میں استحکام، پوٹیلیٹیز کے نرخوں میں غیر ضروری اضافے کی روک تھام ، بجٹ میں صرف چند ایک نئے ٹیکسوں کا اضافہ اور گزشتہ برس کا بیس افیکٹ ہیں۔ افراط زر کی صورتحال، بہتر بیرونی اکاؤنٹ پوزیشن اور ملکی معاشی سرگرمی میں کمی کے پیش نظر ، اسٹیٹ بینک نے مالیاتی پالیسی جائزہ اجلاس میں پالیسی ریٹ کی شرح کو 100bps کم کرکے 7.0 فیصد کر دیا ہے۔

توقع کی جاتی ہے کہ موجودہ معاشی آسانئوں کا سلسلہ جلد ختم ہو جائے گا کیونکہ ترقی ، افراط زر اور معاشی استحکام کو پیش نظر خطرات کافی محدود ہو چکے ہیں۔ نارمل ہوتا ہوا Yield Curve اس نظریہ کی تائید کرتا ہے۔

بیرونی محاذ پر ، حوصلہ افزا بہتری دیکھنے میں آئی ہے کیونکہ 20MFY11 کرنٹ اکاؤنٹ خسارہ نمایاں طور پر 74 فیصد کی کمی سے 12.4 ارب ڈالر سے کم ہو کر 3.2 ارب ڈالر رہ گیا ہے۔ کرنٹ اکاؤنٹ خسارے میں کمی کی بنیادی وجہ درآمدات میں 20% YoY کی نمایاں کمی تھی (جو کہ 57.9 ارب ڈالر سے کم ہو کر 46.6 ارب ڈالر کی سطح پر آگئیں)۔ درآمدات میں سب سے نمایاں کمی پیٹرولیم ، ٹیکسٹائل اور دیگر مینوفیکچرنگ صنعتوں میں ہوئی۔

برآمدات میں بھی 7% YoY کی کمی واقع ہوئی (جو کہ 27.9 ارب ڈالر سے کم ہو کر 25.9 ارب ڈالر کی سطح پر آگئیں) ، تاہم مالی سال 2019 کی نسبت مالی سال 2020 میں ترسیلات 21.7 ارب ڈالر سے بڑھ کر 23.1 ارب ڈالر ہو گئیں جو کہ 6.4% YoY کا اضافہ ہے۔ مزید برآں، بھاری قرض کی وصولی کے نتیجے میں ادائیگیوں کے توازن میں 3.4 ارب ڈالر کا سرپلس پیدا ہوا جبکہ گزشتہ سال اس مد میں 1.1 ارب ڈالر کا خسارہ تھا ۔

مالیاتی رخ پر ، 20MFY10 کا مالیاتی خسارہ 5.3% (2,222 ارب روپے) رہا جبکہ گزشتہ سال یہ خسارہ 5.3% (2,182 ارب روپے) تھا۔ 20MFY10 میں بنیادی خسارہ منفی 0.5% رہا جبکہ گزشتہ سال یہ خسارہ 1.4% تھا۔ توقع کی جا سکتی ہے کہ مالیاتی سال 2020 کے اختتام تک مالیاتی خسارہ 9% سے 10% تک پہنچ سکتا ہے جسکی وجہ کوئیڈ 19 کے نتیجے 20QFY4 میں ہونے والی کم وصولیاں اور اضافی اخراجات ہیں۔

مالی سال 2120 کے لئے، مالی خسارے کا حکومتی ہدف جی ڈی پی کا 7% ہے۔ تاہم توقع کی جا سکتی ہے کہ کم وصولیوں اور اضافی اخراجات کے پیشے نظر اور باوجود اس کے کہ مقامی قرض سستا ہو گیا ہے مالی خسارہ مذکورہ بالا ہدف سے 2-1% تک تجاوز کر سکتا ہے ۔

بازار قرض کا جائزہ

مالی سال 2020 کے دوران، سرکاری سیکیورٹیز کے لئے مارکیٹ کی طلب مستحکم رہی۔ مالی سال 2020 میں پی آئی بی کی بارہ نیلامیوں میں ، 5 کھرب روپے کی بھاری شرکت رہی، جس میں سے حکومت نے 1.9 کھرب روپے منظور کیے۔ سرمایہ کاروں کی شرکت بنیادی طور پر مالی سال کے آغاز میں شرح سود میں متوقع اضافے اور اس کے ساتھ ساتھ مالی حالت میں مجموعی بہتری اور بیرونی ترسیلات میں اضافے کے تخمینوں کے سبب رہی۔ اضافی طلب کے نتیجے میں حکومت نے مالی سال 2020 کے دوران 3 سال، 5 سال اور 10 سال کے PIBs پر بالترتیب 628 ، 536 اور 456 BPS کمی کرکے اپنی پوزیشن کا فائدہ اٹھایا۔

جون 2020 سے حکومت نے موجودہ 10 سال کے Floating Rate PIBs کے ساتھ اس کٹیگری میں 3 سال اور 5 سال کے Floating Rate PIBs بھی متعارف کئے ہیں۔ مالی سال 2020 کے دوران 900 ارب روپے کے ہدف کے مقابلے میں Floating Rate PIBs میں سرمایہ کاروں کی مجموعی شرکت 1,578 ارب روپے رہی جبکہ حکومت نے مالی سال 2020 کے دوران 818 ارب روپے منظور کیے۔

حکومت نے اپریل 2020 سے 5 سال کے Floating Rate Ijarah Sukuk جاری کرنا شروع کیے اور کامیابی کے ساتھ 3 نیلامیاں مکمل کیں۔ اس ضمن میں 225 ارب روپے کے ہدف کے مقابلہ میں 197 ارب روپے کی پیشکشیں منظور کی گئیں۔

اگست 2019 تک زیادہ تر 3 ماہ کے TBills کے لئے بولیاں وصول ہوئیں۔ تاہم، شرح سود میں کمی کے اندازوں کے سبب بعد میں ہونے والی نیلامیوں میں 12 ماہ کے TBills میں بھاری شرکت دیکھی گئی۔

Yield Curve کا موازنہ درج ذیل ہے:

Tenor	PKRV as on 30-06-2019 (%)	PKRV as on 30-06-2020 (%)	Change (%)
3-Months	12.75	7.15	-5.6
6-Months	12.85	7.09	-5.76
12-Months	13.13	7.05	-6.08
3-Years	13.85	7.55	-6.3
5-Years	13.88	8.14	-5.74
10-Years	13.72	8.71	-5.01

شیئرز (حصص) بازار کا جائزہ:

جنوری 2020 کے وسط تک انڈیکس قریب 50% کے زبردست اضافے کے ساتھ 28,764 پوائنٹس سے بڑھ کر 43,200 کی بلند ترین سطح پر آ چکا تھا۔ البتہ اس کے بعد پیش آنے والے حالات نے بینچ مارک انڈیکس پر انتہائی منفی اثرات مرتب کیے اور انڈیکس کی کارکردگی March 2020 میں انتہائی غیر متاثر کن رہی جو کہ December 2008 کے بعد سے بدترین کارکردگی تھی۔

انڈیکس کی سست کارکردگی کے بنیادی محرکات میں (1) کوئیڈ 19 کی وبا (2) بڑے کٹالسٹوں میں شامل ہے (1) کوئیڈ 19 وبائی بیماری کا پھیلنا، (2) تیل کی عالمی قیمتوں میں نمایاں گراؤ OPEC ممبرز کا فروری 2020 کے اختتام تک کسی معاہدے تک نہ پہنچ پانا (3) عالمی طلب اور رسد میں پیدا ہونے والی مشکلات اور (4) کوئیڈ 19 کے سبب معاشی سست روی کا خوف شامل ہیں۔

تاہم مالی سال کے آخری حصے میں بینچ مارک انڈیکس بہتری کی جانب گامزن رہا اور مثبت اشاروں کی بدولت جن میں (1) اسٹیٹ بینک کی جانب سے ہنگامی ردعمل کے طور پر پالیسی ریٹ کی شرح کو بتدریج 13.25% سے کم کر کے 7% کیا جانا (2) عالمی سطح پر تیل کی قیمتوں میں استحکام (3) IMF کے ذریعے 1.4 ارب ڈالر کی فوری مالی اعانت کی سہولت کی منظوری اور بین الاقوامی مالیاتی اداروں کی طرف سے مالی اعانت کی فراہمی تاکہ فوری معاشی ضروریات اور بیرونی قرض کی ادائیگی ممکن بنی جا سکے (4) کوئیڈ 19 کے منفی اثرات کو زائل کرنے کے لئے وفاقی حکومت کی جانب سے مختلف شعبوں کے لئے ریلیف کے مختلف اقدامات (5) منی مارکیٹ کی شرح منافع میں مزید کمی۔ نقصانات کا ازالہ ممکن ہوا اور مالی سال 2020 انڈیکس میں 1.5% کے اضافے کے اختتام پذیر ہوا۔

مزید برآں کوئیڈ 19 کے نتیجے میں پیدا ہونے والی معاشی سست روی اور معاشی غیر یقینی صورتحال کے پیش نظر مارکیٹ سے 284 ملین ڈالر کے غیر ملکی سرمایے کا اخراج ہوا۔ اس کے برعکس مقامی سرمایہ کاروں اور انشورنس کمپنیوں نے بالترتیب 213 اور 128 ملین ڈالر کے حصص خریدے۔ سٹاک مارکیٹ کی کاروباری سرگرمی کے اعتبار سے رواں برس اوسط حجم 135 ملین حصص (40% اضافہ YoY) جبکہ کاروباری لاگت 6.2 ارب روپے (18% اضافہ YoY) رہی۔ اس کے علاوہ، فارماسیوٹیکلز اور سیمنٹ کے شعبوں نے بہتر کارکردگی کی بدولت 100KSE انڈیکس کو بالترتیب 61 فیصد اور 38 فیصد سے مات دی جبکہ اس کے مقابلے میں بینکوں اور E&P سیکٹر کی کارکردگی 100KSE انڈیکس کی نسبت بالترتیب 12 فیصد اور 9 فیصد کم رہی۔

جنس (کموڈٹیز) مارکیٹ کا جائزہ:



مالی سال 2020 کے دوران کے دوران سونے کی کارکردگی دیگر اجناس کے مقابلے میں بہت بہتر رہی اور سونے کی شرح نمو YoY بنیاد پر 22.6 فیصد رہی۔ 20HFY1 کے دوران سونے کی قیمتیں غیر مستحکم رہیں البتہ بعد میں عالمی حصص منڈیوں کی غیر متاثر کن کارکردگی اور معاشی نمو میں واقع ہونے والی کمی کے سبب سونے کی قیمتوں میں چڑھاؤ دیکھنے میں آیا۔ اس کے علاوہ سونے کی قیمتوں میں اضافے کا ایک سبب کوویڈ 19 کی وبا بھی بنی جس کے نتیجے میں پیدا ہونے والی غیر یقینی صورتحال کے پیش نظر سرمایہ کاروں کا جھکاؤ سونے جیسی محفوظ جنس کی طرف رہا۔

دوسری طرف مالی سال 2020 میں خام تیل (Brent) کی قیمتوں میں YoY بنیاد پر 37.6% کی کمی واقع ہوئی۔ مالی سال کے آغاز پر خام تیل کی قیمت 64 ڈالر فی بیرل تھی جو کے سال کے اختتام تک 39.9 ڈالر فی بیرل کی کم ترین سطح پر آ گئی۔ خام تیل کی قیمتوں میں نمایاں کمی کی بنیادی وجہ OPEC اور اس کے اتحادیوں کے مابین قیمتوں کے تعین کے معاملات اور پیداوار میں کمی پر ہم آہنگی کا فقدان تھا۔ ان حالات کے پیش نظر ایک موقع پر خام تیل کی قیمتیں 15 ڈالر فی بیرل کی کم ترین سطح تک گر چکی تھیں۔ تاہم کوویڈ 19 کے تناظر میں تیل کی عالمی طلب میں واقع ہونے والی کمی کے پیش نظر فریقین پیداوار میں کمی پر راضی ہوئے۔ اس کے نتیجے میں خام تیل کی قیمتوں میں بہتری واقع ہوئی۔

اسلامی مالیاتی جائزہ - مالی سال 2020

پاکستان میں اس وقت 22 اسلامی بینکاری ادارے کام کر رہے ہیں جن میں 5 اسلامی بینکوں اور 17 Conventional بینکوں کی اسلامک بینکنگ برانچیں شامل ہیں۔ مارچ 2020 تک اسلامک بینکنگ برانچوں کی کل تعداد 3,250 ہے جن کا نیٹ ورک ملک کے 120 اضلاع میں پھیلا ہوا ہے۔

مارچ 2020 تک ملک میں اسلامک بینکنگ برانچوں والے Conventional بینکوں کی اسلامی بینکنگ ونڈوز کی کل تعداد مارچ 2020 تک 1,375 رہی۔

مالی سال 2020 اسلامی بینکاری کے اداروں کے لئے منافع بخش سال رہا۔ اسلامی بینکاری کے اداروں کی آمدنی میں 43 فیصد کا نمایاں اضافہ دیکھنے میں آیا۔ مجموعی طور پر، مالی سال 2020 میں اسلامی بینکنگ اداروں کی آمدنی 87 ارب روپے رہی جو کہ گزشتہ مالی سال میں 61 ارب روپے تھی۔ نیز بہتر کارکردگی کے سبب YoY بنیاد پر مالی سال 2020 میں بعد از ٹیکس منافع 34 ارب روپے رہا جو کہ گزشتہ سال 22 ارب روپے تھا۔

مجموعی طور پر اسلامی بینکاری اداروں کے کل اثاثوں کا حجم جون 2020 کے اختتام پر 3,633 ارب روپے تک پہنچ گیا جو کہ جون 2019 کے اختتام پر 2,992 ارب روپے تھا۔ Conventional بینکاری اداروں کی جانب سے سخت مقابلے کے باوجود مالی سال 2020 میں اسلامی بینکاری سیکٹر کے Deposits کی نمو Conventional بینکاری سیکٹر کے Deposits کی نمو سے قدرے بہتر رہی۔ مالی سال 2020 میں Conventional بینکنگ سیکٹر کے Deposits کی نمو تقریباً 14% رہی جبکہ اسلامک بینکنگ سیکٹر کے Deposits کی نمو 22% رہی۔ جون 2020 میں اسلامک بینکنگ سیکٹر کے Deposits کا کل حجم 2,945 ارب روپے رہا جو کہ جون 2019 میں 2,415 ارب روپے تھا۔ مالی سال 2020 کے اختتام پر اسلامی بینکاری کے اثاثوں کا مارکیٹ میں حصہ 15.3% رہا جو کہ مالی سال 2019 کے اختتام پر 14.4% تھا۔ جبکہ مالی سال 2020 میں اسلامی بینکنگ کے کل Deposits کا مارکیٹ میں حصہ مالی سال 2019 کے مقابلے میں 15.9% سے بڑھ کر 16.9% ہو گیا۔

اسلامک بینکنگ برانچوں کے بڑھتے ہوئے نیٹ ورک کے ساتھ ساتھ صارفین کی بڑھتی ہوئی تعداد کے پیش نظر Commercial بینکوں کی جانب سے اسلامک بینکنگ ونڈوز کے قیام سے اسلامک بینکنگ کے شعبے میں خاطر خواہ ترقی کی توقع کی جاسکتی ہے۔ اس کے ساتھ ساتھ برآمدات میں اضافے کی کوششوں کے تحت اسٹیٹ بینک نے LTFF Facility کے متبادل کے طور پر مداربہ کی طرز پر ILTFF Facility متعارف کی گئی ہے۔ اس کے علاوہ دیگر اسلامک بینکنگ اداروں کی جانب سے اسلامک بینکنگ مصنوعات کی فراہمی اسلامک بینکنگ صارفین کی بڑھتی ہوئی طلب کو پورا کرنے میں معاون ثابت ہوں گی۔

مستقبل کا زاویہ نگاہ

مالی سال 2020 پاکستان کی معیشت کے لئے انتہائی دشوار رہا کیونکہ حکام کی جانب سے کی گئی معاشی استحکام کی کوششوں اور 20HFY2 میں معاشی بحالی کی امیدوں کو کوویڈ 19 کی وبا کے منفی اثرات نے شدید متاثر کیا۔ تاہم، حکام کی جانب سے معیشت کی بحالی، معاشی ترقی اور روزگار کے مواقع پیدا



کرنے کی کوششوں کے تناظر میں امید کی جا سکتی ہے کہ معاشی سرگرمیوں میں بہتری واقع ہوگی GDP کی نمو بہتر ہوگی۔ 21QFY2 میں IMF پروگرام کی بحالی سے مجموعی طور پر کلیاتی اشاریوں میں بہتری کی توقع کی جا رہی ہے۔

مالی سال 2021 کے دوران افراط زر کی شرح 6 سے 8 فیصد تک متوقع ہے جس کی بنیادی وجہ High Base Effect ہے۔ پالیسی ریٹ میں BPS 625 کی کمی کے نتیجے میں حقیقی سود کی شرح منفی ہو چکی ہے تاہم مہنگائی کی شرح میں کمی سے حقیقی سود کی شرح کے مثبت ہو جانے کی امید کی جاسکتی ہے۔

بیرونی محاذ پر، کرنٹ اکاؤنٹ خسارے کے قابو میں رہنے کی توقع کی جا سکتی ہے کیونکہ Services درآمدات اور اجناس کی قیمتوں میں کمی نے برآمدات اور ترسیلات میں کمی کے منفی اثرات کو زائل کیا ہے۔ مزید یہ کہ قرضوں کی ادائیگیوں ملنے والی 12 ماہ کی مہلت کے نتیجے میں حکومت ادائیگیوں کے توازن میں استحکام حاصل کرنے میں کامیاب ہو جائیگی۔ مالی سال 2021 میں کرنٹ اکاؤنٹ خسارہ 4.5 سے 5.5 ارب امریکی ڈالر اور مجموعی ادائیگی کا توازن 1 سے 2 ارب امریکی ڈالر رہنے کا امکان ہے۔ مالی رخ پر، مالی سال 2020-21 میں بجٹ خسارہ بڑھنے اور GDP کے 9% سے 10% کی حد میں رہنے کا امکان ہے جس کی وجہ محصولات میں کمی اور 20QFY4 میں اضافی قلیل مدتی اخراجات ہیں۔ مالی سال 2020-21 کے وفاقی بجٹ میں کوئی نیا ٹیکس عائد نہیں کیا گیا ہے بلکہ اس کے برعکس حکومت نے ٹیکس ریلیف فراہم کیا ہے اور اس کے ساتھ ہی قلیل مدتی اخراجات میں اضافہ کیا ہے۔ ان عوامل کے پیش نظر مالی رخ پر حکومت کے پاس کچھ زیادہ گنجائش موجود نہیں رہی ہے لہذا سال 2021 میں مالی چیلنجز کے برقرار رہنے اور مالی خسارے کے 8% سے 9% کی حد میں رہنے کا امکان ہے۔

مالی سال 2021 میں معیشت کے بحرانی صورتحال سے نکلنے اور GDP کی شرح نمو 2% رہنے کا امکان ہے۔ لہذا مالی سال میں بہتر ہوتے معاشی اشاریوں کے سبب لوکل حصص مارکیٹ میں اضافے کا رجحان رہنے کا امکان ہے۔ Covid 19 کے نقصانات کے نتیجے میں منافع کی شرح میں ہونے والی کمی اور ٹیل کی گرتی ہی قیمتوں کے باوجود 10 سال کے PIBs کے منافع کی شرح کی نسبت Earnings Yield کی شرح 4% تک زائد رہی۔ اس کے برعکس گزشتہ سالوں کے دوران یہ فرق اوسطاً محض 0.7% تک محدود رہا ہے۔

اس وقت مارکیٹ میں x7.4 کے P/E پر کاروبار ہو رہا ہے جو کے ماضی میں اوسطاً x8.5 تھا۔ جبکہ P/B 1.0x ہے جو کے ماضی میں اوسطاً x1.8 رہا ہے جس کے سبب Rerating کی گنجائش موجود ہے۔ Dividend Yield کی شرح 6.1% ہے جو کے خطے کے 3% کے D/Y سے کہیں زیادہ ہے۔

Market Capitalization to GDP کا تناسب 15.31% ہے۔ مزید برآں پالیسی ریٹ کی شرح میں کمی اور سرمایہ کاری کے دیگر شعبوں کی نسبت حصص میں سرمایہ کاری زیادہ منافع بخش ہے۔

فنڈز کی کارکردگی اور اعلانات

- ال امین اسلامک سوورین فنڈ:

مالی سال 2019-20 کے اختتام پر فنڈ کی آمدنی 564.845 ملین روپے رہی۔ 88.960 ملین روپے کے اخراجات منہا کرنے کے بعد فنڈ کو 475.885 ملین روپے کی خالص آمدنی ہوئی۔ 30 جون 2020 پہ فنڈ کے خالص اثاثے 4,922.746 ملین روپے اور فی یونٹ خالص قدر 101.1441 روپے رہی۔

CEO کی منظوری سے 9.9189 روپے فی یونٹ (9.92%) بطور عبوری منافع یونٹ ہولڈرز میں تقسیم کیے گئے۔

VIS Credit Rating Company کے مطابق فنڈ کی کریڈٹ ریٹنگ (AA-(f)) ہے۔

- ال امین اسلامک کیش فنڈ (اے آئی سی ایف):

مالی سال 2019-20 کے اختتام پر فنڈ کی آمدنی 653.215 ملین روپے رہی۔ 55.485 ملین روپے کے اخراجات منہا کرنے کے بعد فنڈ کو 597.730 ملین روپے کی خالص آمدنی ہوئی۔ 30 جون 2020 پہ فنڈ کے خالص اثاثے 8,196.209 ملین روپے اور فی یونٹ خالص قدر 100.5060 روپے رہی۔



CEO کی منظوری سے 589.871 ملین روپے بطور عبوری منافع یونٹ ہولڈرز میں تقسیم کیے گئے۔

ال امین اسلامک کیش پلان ا (اے آئی سی ایف):

مالی سال 2019-20 کے اختتام پر پلان کی آمدنی 13.664 ملین روپے رہی۔ 0.816 ملین روپے کے اخراجات منہا کرنے کے بعد پلان کو 12.848 ملین روپے کی خالص آمدنی ہوئی۔ 30 جون 2020 پہ پلان کے خالص اثاثے 3,060.154 ملین روپے اور فی یونٹ خالص قدر 100.0000 روپے رہی۔

CEO کی منظوری سے 12.848 ملین روپے بطور عبوری منافع یونٹ ہولڈرز میں تقسیم کیے گئے۔

ال امین اسلامک Aggressive انکم فنڈ (اے آئی اے آئی ایف):

مالی سال 2019-20 کے اختتام پر فنڈ کی آمدنی 38.257 ملین روپے رہی۔ 9.699 ملین روپے کے اخراجات منہا کرنے کے بعد فنڈ کو 421.503 ملین روپے کی خالص آمدنی ہوئی۔ 30 جون 2020 پہ فنڈ کے خالص اثاثے 421.503 ملین روپے اور فی یونٹ خالص قدر 100.2808 روپے رہی۔

CEO کی منظوری سے 8.3165 روپے فی یونٹ (8.32%) بطور عبوری منافع یونٹ ہولڈرز میں تقسیم کیے گئے۔

VIS Credit Rating Company کے مطابق فنڈ کی کریڈٹ ریٹنگ BBB+(f) ہے۔

ال امین Aggressive انکم پلان ا (اے آئی اے آئی ایف):

مالی سال 2019-20 کے اختتام پر پلان کی آمدنی 16.022 ملین روپے رہی۔ 0.723 ملین روپے کے اخراجات منہا کرنے کے بعد پلان کو 15.300 ملین روپے کی خالص آمدنی ہوئی۔ 30 جون 2020 پہ پلان کے خالص اثاثے 1,461.133 ملین روپے اور فی یونٹ خالص قدر 100.2930 روپے رہی۔

CEO کی منظوری سے 2.1967 روپے فی یونٹ (2.20%) بطور عبوری منافع یونٹ ہولڈرز میں تقسیم کیے گئے۔

ال امین اسلامک شریعہ اسٹاک فنڈ (اے ایس ایس ایف):

مالی سال 2019-20 کے اختتام پر فنڈ کی آمدنی 608.019 ملین روپے رہی۔ 232.498 ملین روپے کے اخراجات منہا کرنے کے بعد فنڈ کو 375.521 ملین روپے کی خالص آمدنی ہوئی۔ 30 جون 2020 پہ فنڈ کے خالص اثاثے 5,967.058 ملین روپے اور فی یونٹ خالص قدر 119.5649 روپے رہی۔

CEO کی منظوری سے 1.2846 روپے فی یونٹ (1.29%) بطور عبوری منافع یونٹ ہولڈرز میں تقسیم کیے گئے۔

ال امین اسلامک ایسیٹ ایلوکیشن فنڈ (اے آئی ایس ایس ایف):

مالی سال 2019-20 کے اختتام پر فنڈ کی آمدنی 371.348 ملین روپے رہی۔ 118.4100 ملین روپے کے اخراجات منہا کرنے کے بعد فنڈ کو 252.938 ملین روپے کی خالص آمدنی ہوئی۔ 30 جون 2020 پہ فنڈ کے خالص اثاثے 1,877.211 ملین روپے اور فی یونٹ خالص قدر 113.7374 روپے رہی۔

CEO کی منظوری سے 9.58 روپے فی یونٹ (9.58%) بطور عبوری منافع یونٹ ہولڈرز میں تقسیم کیے گئے۔

ال امین اسلامک ڈیٹیکٹ ایگزیٹو فنڈ (اے آئی ڈی ای ایف):

مالی سال 2019-20 کے اختتام پر فنڈ کا خسارہ 49.172 رہا۔ 70.075 ملین روپے کے اخراجات منہا کرنے کے بعد فنڈ کو 119.247 ملین روپے کا خالص خسارہ ہوا۔ 30 جون 2020 پہ فنڈ کے خالص اثاثے 416.749 ملین روپے اور فی یونٹ خالص قدر 104.54 روپے رہی۔

ال امین اسلامک انرجی فنڈ (اے آئی ای ایف):



مالی سال 2019-20 کے اختتام پر فنڈ کا خسارہ 24.669 ملین روپے رہا۔ 6.100 ملین روپے کے اخراجات منہا کرنے کے بعد فنڈ کو 30.769 ملین روپے کا خالص خسارہ ہوا۔ 30 جون 2020 پہ فنڈ کے خالص اثاثے 233.057 ملین روپے اور فی یونٹ خالص قدر 80.4144 روپے رہی۔

- ال امین اسلامک اسپیشل سیونگز فنڈ (اے آئی ایس ایس ایف):

ال امین اسلامک اسپیشل سیونگز پلان II (اے آئی ایس ایس ایف II):

مالی سال 2019-20 کے اختتام پر پلان کا خسارہ 49.172 ملین روپے رہا۔ 70.075 ملین روپے کے اخراجات منہا کرنے کے بعد پلان کو 70.075 ملین روپے کا خالص خسارہ ہوا۔ 30 جون 2020 پہ پلان کے خالص اثاثے 416.749 ملین روپے اور فی یونٹ خالص قدر 104.54 روپے رہی۔

- ال امین اسلامک فنانشل پلاننگ فنڈ II:

ال امین اسلامک ایکٹیوٹو ایلوکیشن پلان VII (AIACTAP-VII)

20 February کو اپنی میعاد پوری ہونے پر پلان Mature ہو گیا۔

ال امین اسلامک ایکٹیوٹو ایلوکیشن پلان VIII (AIACTAP-VIII)

29 May کو اپنی میعاد پوری ہونے پر پلان Mature ہو گیا۔

ال امین اسلامک ایکٹیوٹو ایلوکیشن پلان IX (AIACTAP-IX)

مالی سال 2019-20 کے اختتام پر پلان کا خسارہ 103.556 ملین روپے رہی۔ 1.779 ملین روپے کے اخراجات منہا کرنے کے بعد پلان کو 105.335 ملین روپے کا خالص خسارہ ہوا۔ 30 جون 2020 پہ فنڈ کے خالص اثاثے 360.666 ملین روپے اور فی یونٹ خالص قدر 101.7779 روپے رہی۔

ال امین اسلامک ایکٹیوٹو ایلوکیشن پلان X (AIACTAP-X)

مالی سال 2019-20 کے اختتام پر پلان کی آمدنی 115.226 ملین روپے رہی۔ 3.613 ملین روپے کے اخراجات منہا کرنے کے بعد پلان کو 111.613 ملین روپے کی خالص آمدنی ہوئی۔ 30 جون 2020 پہ فنڈ کے خالص اثاثے 145.032 ملین روپے اور فی یونٹ خالص قدر 99.4093 روپے رہی۔

ال امین اسلامک ایکٹیوٹو پرنسپل پروزرویشن پلان I (AIAPPP-I)

مالی سال 2019-20 کے اختتام پر پلان کی آمدنی 24.780 ملین روپے رہی۔ 3.166 ملین روپے کے اخراجات منہا کرنے کے بعد پلان کو 21.614 ملین روپے کی خالص آمدنی ہوئی۔ 30 جون 2020 پہ پلان کے خالص اثاثے 931.722 ملین روپے اور فی یونٹ خالص قدر 106.2091 روپے رہی۔

- ال امین اسلامک فنانشل پلاننگ فنڈ III:

ال امین اسلامک ایکٹیوٹو پرنسپل پروزرویشن پلان II (AIAPPP-II)

مالی سال 2019-20 کے اختتام پر پلان کی آمدنی 11.216 ملین روپے رہی۔ 2.242 ملین روپے کے اخراجات منہا کرنے کے بعد پلان کو 8.974 ملین روپے کی خالص آمدنی ہوئی۔ 30 جون 2020 پہ پلان کے خالص اثاثے 501.58 ملین روپے اور فی یونٹ خالص قدر 105.5804 روپے رہی۔

ال امین اسلامک ایکٹیوٹو پرنسپل پروزرویشن پلان III (AIAPPP-III)

مالی سال 2019-20 کے اختتام پر پلان کی آمدنی 21.712 ملین روپے رہی۔ 1.942 ملین روپے کے اخراجات منہا کرنے کے بعد پلان کو 19.770 ملین روپے کی خالص آمدنی ہوئی۔ 30 جون 2020 پہ پلان کے خالص اثاثے 602.689 ملین روپے اور فی یونٹ خالص قدر 105.5804 روپے رہی۔

ال امین اسلامک ایکٹیوٹو پرنسپل پروزرویشن پلان IV (AIAPPP-IV)

مالی سال 2019-20 کے اختتام پر پلان کی آمدنی 17.883 ملین روپے رہی۔ 1.001 ملین روپے کے اخراجات منہا کرنے کے بعد پلان کو 16.881 ملین روپے کی خالص آمدنی ہوئی۔ 30 جون 2020 پہ پلان کے خالص اثاثے 149.450 ملین روپے اور فی یونٹ خالص قدر 112.0424 روپے رہی۔

ال امین اسلامک ایکٹیوٹو ایلوکیشن پلان XI (AIACTAP-XI)

مالی سال 2019-20 کے اختتام پر پلان کی آمدنی 4.555 ملین روپے رہی۔ 0.433 ملین روپے کے اخراجات منہا کرنے کے بعد پلان کو 4.122 ملین روپے کی خالص آمدنی ہوئی۔ 30 جون 2020 پہ پلان کے خالص اثاثے 43.074 ملین روپے اور فی یونٹ خالص قدر 105.8910 روپے رہی۔

CEO کی منظوری سے 1.1386 روپے فی یونٹ (1.14%) بطور عبوری منافع یونٹ ہولڈرز میں تقسیم کیے گئے۔

فنڈز کا نظریہ حکمت عملی اور جائزہ:

درج بالا کے لئے کی سالانہ رپورٹ کے متعلقہ حصے کو ملاحظہ فرمائیے۔

کارپوریٹ گورننس:

مینجمنٹ کمپنی کارپوریٹ گورننس کے الا معیار کو برقرار رکھنے کے لئے پوری طرح کوشاں ہے۔ اور بورڈ آف ڈائریکٹرز تمام متعلقہ Stakeholders کو بہترین کارپوریٹ گورننس کے لئے جواب دہ ہیں۔ انتظامیہ کوڈ آف کارپوریٹ گورننس میں شامل امور کی انجام دہی کے لئے کوشاں ہے جس کا ایک اہم جز کے مینجمنٹ کمپنی کے Non-Executive Directors کی انتظامی امور سے علیحدگی ہے۔

بورڈ کی سالانہ کارکردگی کی جانچ کے لئے ایک موثر اور مربوط طریقہ کار رائج ہے۔

Non-Executive Directors کے مشاہروں کے لئے منظور شدہ Directors' Remuneration Policy نافذ عمل ہے۔ اس پالیسی کا بنیادی مقصد تجربہ کار اور قابل Independent Directors کی تقرری ہے جیسا کہ Listed Companies (Code of Corporate Governance) Regulations 2019 میں واضح کیا گیا ہے۔ Independent Directors بورڈ اور اس کی کمیٹیوں کی میٹنگز میں شمولیت کا مشاہرہ وصول کرنے کے مجاز ہیں۔

Risk Management Framework and Internal Control System (خداشات کے تدارک کا نظام اور اندرونی انضباطی نظام):

مینجمنٹ کمپنی کی ایک منظور شدہ Risk Management Policy ہے جو اسکی سرگرمیوں کے پیش نظر پیدا ہونے والے خطرات کے تدارک کا ضابطہ کار ہے۔ یہ پالیسی کمپنی میں وقوع پذیر ہونے والے خطرات کی نشاندہی، ان کی پیمائش اور ان کے تدارک کے لئے واضح کی گئی ہے۔

مینجمنٹ کمپنی Enterprise Risk Management کا ماڈل Follow کرتی ہے جو کہ کمپنی کے ہر ایک جز کا احاطہ کرتا ہے اور ایک کلی جائزہ پیش کرتا ہے جس کا مقصد ممکنہ خطرات کی نشاندہی اور کمپنی پر ان کے اثرات کا تعین اور کمپنی کی Risk Appetite کے مطابق ان خطرات سے نمٹنے کا عمل طے کرنا ہے۔

کارپوریٹ گورننس کی اعلیٰ اقدار کی تعمیل کا بیانیہ:

- فنڈز کے Financial Statements ان کی کارکردگی، صورتحال، نقدی کے بہاؤ (Cash Flows) اور Unitholders' Fund میں ہونے والی تبدیلیوں کا واضح اظہار کرتی ہیں
- فنڈز بھی کھاتے درست انداز میں رکھے گئے ہیں
- Financial Statements کی تیاری میں Accounting Policies کا یکساں انداز میں اطلاق کیا گیا ہے جب کہ Accounting Estimates موزوں اور محتاط اندازوں پر مبنی ہیں
- Financial Statements کی تیاری میں پاکستان میں قابل اطلاق انٹرنیشنل اکاؤنٹنگ سٹینڈرڈز، 2008 NBFC Rules 2003, NBFC Regulations، ٹرسٹ ڈیوٹی کی شرائط اور SECP کی جانب سے جاری کردہ دیگر احکامات کو مد نظر رکھا گیا
- اندرونی انضباط کا نظام مضبوط خدوخال پر استوار کیا گیا ہے اور نہایت موثر انداز میں نافذ اور جانچ جاتا ہے
- بطور ادارہ فنڈز کے کام جاری رکھنے میں کسی شک و شبہ کی گنجائش نہیں ہے سوائے UBL Financial Planning Fund کے پلانز UAPPP I، UAPPP II، اور UAPPP III جن کی معیاد 30 June 2021 سے قبل ختم ہونے والی ہے۔ ان پلانز کے Financial Statements کو Going Concern بنیادوں کے بجائے مختلف بنیادوں پر تیار کیا گیا ہے۔

- معیار اور ضابطہ عمل سے کوئی قابل ذکر روگردانی نہیں کی گئی ہے
- فنڈز کی کارکردگی کا ٹیل اور یونٹ ہولڈنگ (یونٹس کی ملکیت) کی ترتیب کو سالانہ رپورٹ کے ساتھ منسلک کیا گیا ہے
- Provident Fund کی Investments کے حجم کا بیانیہ فنڈز پر لاگو نہیں ہے۔ لہذا فنڈز کی اس ڈائریکٹرز رپورٹ میں اس کا تذکرہ شامل نہیں ہے
- قانونی ادائیگیوں جیسے کے ٹیکسز، لیویز، اور چارجز کے بقیہ جات کو مکمل طور پر Financial Statements میں درج کیا گیا ہے

UBL Fund Managers Limited کے کل 7 ڈائریکٹرز ہیں جن میں شامل ہیں:

- حضرات: 5 ڈائریکٹرز
- خواتین 2 ڈائریکٹرز

بورڈ کی تشکیل اس رپورٹ کے انگریزی ورژن میں ملاحظہ کی جاسکتی ہے۔

UBL Fund Managers Limited کے بورڈ کی بنیادی ذمہ داری کمپنی کے معاملات کی نگرانی ہے اور کمپنی کے اغراض و مقاصد کے حصول کے تناظر میں انتظامیہ کی سمت کا تعین ہے۔ انتظامیہ اس امر کی ذمہ دار ہے کہ وہ بورڈ کو کمپنی کے امور سے باخبر رکھے اور موثر طور پر بورڈ کی جانب سے دی گئی ہدایت اور احکامات کا نفاذ یقینی بنائے۔

بورڈ ایک موثر گورننس اور اندرونی انضباطی نظام کے تحت تمام Stakeholders - بشمول Shareholders، فنڈز کے Unitholders، صارفین، ملازمین، ریگولیٹرز اور کمیونٹیز جو کمپنی کے ساتھ منسلک ہیں - کے باہمی انحصار کا ایک توازن قائم رکھنے کے لئے کوشاں ہے۔ بورڈ کے تمام اقدامات ڈائریکٹرز کے کمپنی کے مفاد میں لئے گئے فیصلوں کا مظہر ہیں۔

کارپوریٹ گورننس کے بہترین معیار اور ضابطہ کار کے مطابق بورڈ نے مختلف کمیٹیاں ترتیب دی ہیں جن کا مقصد خطرات کے تدارک کے نظام، اندرونی انضباطی نظام اور بہترین ضابطہ عمل کے نفاذ میں مدد فراہم کرنا ہے۔ یہ کمیٹیاں بورڈ اور انتظامیہ کو اپنے دائر کار کے تحت پیش آنے والے معاملات میں معاونت فراہم کرتی ہیں۔

بورڈ کی کمیٹیاں درج ذیل ہیں:

- محاسب کمیٹی
- افرادی وسائل اور معاوضے کی کمیٹی
- خطرات کے تدارک کی منتظم کی کمیٹی

مندرجہ بالا کمیٹیوں کی تشکیل اس رپورٹ کے انگریزی ورژن میں واضح کی گئی ہے۔ مزید برآں سال 2019-20 کے دوران بورڈ اور اسکی کمیٹیوں کے اجلاسوں کی تعداد اور ان میں ہر ڈائریکٹر / مینجمنٹ کمپنی کے اہم افسران کی شرکت کی تفصیل بھی اس رپورٹ کے انگریزی ورژن میں الگ سے واضح کی گئی ہے۔

ڈائریکٹرز کی تربیت:

اس وقت تمام ڈائریکٹرز یا تو تربیتی پروگرام اٹینڈ کر چکے ہیں یا کم سے کم 14 سالہ تعلیم اور Listed Companies کے Board پر 15 سال یا اس سے زائد موجود رہنے کا تجربہ رکھتے ہیں۔ لہذا ڈائریکٹرز تربیتی پروگرام سے مستثنیٰ ہیں۔

تمام ڈائریکٹرز فنڈز اور مینجمنٹ کمپنی سے متعلقہ قوانین، ان کی پالیسیز، اور کے مندرجات سے بخوبی واقف ہیں اور اپنی ذمہ داریوں کا مکمل ادراک رکھتے ہیں۔

اڈیٹرز:



مالی سال کے آئٹ کے اختتام پر آڈیٹرز کی تقرری کی مدت پوری ہو چکی ہے۔ آڈیٹرز کی دوبارہ تقرری کی تفصیلات اس رپورٹ کے انگریزی ورژن میں دیے گئے ٹیبل میں واضح کی گئی ہیں۔ اس ضمن میں Audit Committee کی جانب سے آڈیٹرز کے تقرر کی سفارش کی گئی ہے۔

تسلیم و تحسین:

بورڈ آف ڈائریکٹرز فنڈز کے معزز یونٹ ہولڈرز کا ان کے اعتماد اور بھروسے کے لئے شکر گزار ہے۔ مزید برآں، بورڈ SECP, SBP, CDC کی معاونت، رہنمائی اور تعاون کا معترف ہے۔ اس کے علاوہ کمپنی کے ملازمین کے خلوص، جذبے اور انتھک کوششوں کا بھی اعتراف کرتا ہے۔

منجانب و برائے بورڈ آف ڈائریکٹرز آف **UBL Fund Managers Limited**

عارف اکمل سیفی

ڈائریکٹر

یاسر قادری

چیف ایگزیکٹو آفیسر

برائے مالی سال 2020، June 30

کراچی
24 ستمبر 2020

AICF

Al-Ameen Islamic Cash Fund

INVESTMENT OBJECTIVE

AICF is an open-end Shariah Compliant Money Market Fund which aims to provide high liquidity and competitive returns while seeking maximum possible preservation of capital by investing in low risk and liquid Shariah Compliant instruments.

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)
Auditor	A.F.FERGUSON & Co.
Bankers	United Bank Limited Muslim Commercial Bank Faysal Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited Allied Bank Limited Meezan Bank Limited National Bank of Pakistan Bank Al Habib Limited Bank Alfalah Limited Dubai Islamic Bank
Management Co.Rating	AM1 (JCR-VIS)
Fund Rating	AA (f) (JCR - VIS)

Fund Manager's Report – Al-Ameen Islamic Cash Fund (AICF)

- i) **Description of the Collective Investment Scheme category and type**
Shariah Compliant Money Market / Open-end
- ii) **Statement of Collective Investment Scheme's investment objective**
AICF is an open-end Shariah Compliant Money Market Fund which aims to provide high liquidity and competitive returns while seeking maximum possible preservation of capital by investing in low risk and liquid Shariah Compliant instruments.
- 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**
3M Average deposit rates of 3 AA rated Islamic banks/windows as selected by MUFAP.
- v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield*	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AICF	11.46%	12.46%	13.02%	12.81%	12.05%	13.50%	12.24%	11.99%	12.30%	8.89%	7.72%	7.07%	11.28%
Benchmark	4.93%	5.42%	5.85%	5.81%	5.72%	5.19%	5.45%	5.52%	5.58%	5.46%	5.06%	4.45%	5.37%

- vi) **Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance**
AICF is an open-end Shariah Compliant Money Market Fund which aims to provide high liquidity and competitive returns while seeking maximum possible preservation of capital by investing in low-risk and liquid Shariah-compliant instruments. During FY20, the fund posted an annualized return of 11.28% against the benchmark return of 5.37% p.a. outperforming its benchmark by 591bps. Net assets of the fund were PKR 8,196mn at the end of period under review.
- 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-19	Jun-20
Commercial Papers	0%	0%
Cash	88%	88%
GoP Ijara Sukuks	0%	0%
Others	2%	2%
Placements with banks	10%	0%

Leverage	0%	0%
Placements with DFIs	0%	10%

viii) Analysis of the Collective Investment Scheme's performance

FY'20 Return:	11.28%
Standard Deviation (12m trailing):	0.11%
Sharpe Ratio (12m trailing):	(7.70)

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			NAV per unit		
30-Jun-20	30-Jun-19	Change	30-Jun-20	30-Jun-19	Change
Rupees (000)		%	Rupees		%
8,196,209	4,165,965	97	100.5060	100.3293	0.18

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 for FY19

In twelve PIB auctions for FY19 conducted during the year, the government raised PKR ~871bn (PKR ~102 bn in FY18) against target of PKR 800bn. Consequently, outstanding amount for the PIBs in the market increased to PKR 769 bn. Participation in the auctions was largely skewed towards three and five year paper. Cut off yields in June auction increased to 13.69%, 13.80% and 13.70% for three, five and ten year PIB instruments respectively.

The yield curve based on government securities of various maturities has shifted upwards in line with the ongoing increasing discounts rates. Yield on 3M, 6M and 12M T-Bills increased by 5.97%, 5.95% and 5.94%, respectively. Similarly, yield on 3-year, 5-year and 10-year bonds increased 5.56%, 5.10% and 4.69%, respectively. Given the flat yield curve environment, spread between annualized yields of 1-year T-bills (13.13% p.a.) and 10-year PIBs (13.72% p.a.) narrowed at 0.59% as of 30 June 2019.

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	Cash	Per Unit	Cum NAV	Ex NAV
	Rs. in 000	----- Rupees -----		
For the period ended July 14, 2019	14751	0.4224	100.9284	100.506
For the period ended July 28, 2019	10732	0.4188	100.9248	100.506
For the period ended August 15, 2019	16140	0.5875	101.0935	100.506
For the period ended August 28, 2019	17789	0.437	100.943	100.506
For the period ended September 15, 2019	22918	0.5527	101.0587	100.506
For the period ended September 29, 2019	24487	0.4849	100.9909	100.506
For the period ended October 13, 2019	27908	0.4911	100.9971	100.506
For the period ended October 27, 2019	27197	0.4475	100.9535	100.506
For the period ended November 9, 2019	20003	0.3475	100.8535	100.506
For the period ended November 22, 2019	22557	0.4402	100.9462	100.506
For the period ended December 6, 2019	21006	0.4502	100.9562	100.506
For the period ended December 20, 2019	25152	0.4924	100.9984	100.506
For the period ended January 3, 2020	25398	0.4874	100.9934	100.506
For the period ended January 17, 2020	23421	0.4405	100.9465	100.506
For the period ended January 30, 2020	22882	0.4472	100.9532	100.506
For the period ended February 13, 2020	24567	0.4353	100.9413	100.506
For the period ended February 27, 2020	24828	0.4385	100.9445	100.506
For the period ended March 12, 2020	30782	0.4435	100.9495	100.506
For the period ended March 27, 2020	29207	0.449	100.955	100.506
For the period ended April 10, 2020	28830	0.3968	100.9028	100.506
For the period ended April 24, 2020	22593	0.3306	100.8366	100.506
For the period ended May 8, 2020	20768	0.2838	100.7898	100.506
For the period ended May 28, 2020	43992	0.4289	100.9349	100.506
For the period ended June 4, 2020	14060	0.1328	100.6388	100.506
For the period ended June 21, 2020	27903	0.3133	100.8193	100.506

i) **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.

ii) **Breakdown of unit holdings by size**

Range of Units	Number of Investors
	AICF
0.0001 - 9,999.9999	5411
10,000.0000 - 49,999.9999	589
50,000.0000 - 99,999.9999	113
100,000.0000 - 499,999.9999	96
500,000.0000 & Above	17
Total	6226

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

There were no unit splits during the period.

iv) **Disclosures of circumstances that materially affect any interests of unit holders**

Investment are subject to market risk.

v) **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.

Fund Manager's Report – Al-Ameen Islamic Cash Plan-I (AICP-I)

- i) **Description of the Collective Investment Scheme category and type**
Shariah Compliant Money Market / Open-end
- ii) **Statement of Collective Investment Scheme's investment objective**
The "Al-Ameen Islamic Cash Plan-I (AICP- I)" is an Allocation Plan under "Al-Ameen Islamic Cash Fund (AICF)" with an objective to provide high liquidity and competitive returns while seeking maximum possible preservation of capital by investing in low risk and liquid shariah compliant instruments for unit holder
- 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**
3M Average deposit rates of 3 AA rated Islamic banks/windows as selected by MUFAP.
- v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield*	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AICP-I	-	-	-	-	-	-	-	-	-	-	7.05%	7.34%	7.32%
Benchmark	-	-	-	-	-	-	-	-	-	-	5.06%	4.45%	4.51%

- vi) **Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance**
The "Al-Ameen Islamic Cash Plan-I (AICP- I)" is an Allocation Plan under "Al-Ameen Islamic Cash Fund (AICF)" with an objective to provide high liquidity and competitive returns while seeking maximum possible preservation of capital by investing in low risk and liquid shariah compliant instruments for unit holder. The fund was launched on May 29, 2020. Since inception, the fund posted an annualized return of 7.32% against the benchmark return of 4.51% p.a. Net assets of the fund were PKR 3,061mn at the end of period under review.
- 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-19	Jun-20
Commercial Papers	0%	0%
Cash	0%	94%
GoP Ijara Sukuks	0%	0%
Others	0%	0%

Placements with banks	0%	0%
Placements with DFIs	0%	6%
Leverage	Nil	Nil

viii) Analysis of the Collective Investment Scheme's performance

FY'20 Return: 7.32%

Standard Deviation (12m trailing): n/a

Sharpe Ratio (12m trailing): n/a

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			NAV per unit		
30-Jun-20	30-Jun-19	Change	30-Jun-20	30-Jun-19	Change
Rupees (000)			Rupees		
3,060,154	-	100%	100.0000	-	100%

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

Please refer to relevant section in director's report.

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

Al-Ameen Islamic Cash Plan - I distributes dividend on a daily basis on each business day. The cumulative distribution per unit for the period from May 29, 2020 to June 30, 2020 amounted to Re. 0.6604 per unit and Ex NAV is also Rs 100.0000.

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
	AICP-I
0.0001 - 9,999.9999	-
10,000.0000 - 49,999.9999	1
50,000.0000 - 99,999.9999	2
100,000.0000 - 499,999.9999	-
500,000.0000 & Above	4
Total	7

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

Investment are subject to market risk.

xvi) 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 Cash Fund

	2020	2019	2018
NET ASSETS AS AT 30 JUNE - Rupees in '000	8,196,209	4,165,965	5,242,740
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees			
Class A units - Offer *	100.506	100.3293	105.2621
- Redemption	100.506	100.3293	105.2621
RETURN OF THE FUND - %			
Total Return of the Fund	11.28	8.46	5.01
Capital Growth (per unit)	0.72	0.79	5.00
Date of Income Distribution	-	2-Jul-18	-
Income Distribution	-	5.0197	-
Date of Income Distribution			-
Income Distribution	10.598	8.07	-
AVERAGE ANNUAL RETURN - %			
One Year	11.28	8.46	5.01
Second Year	9.87	6.74	4.86
Third Year	8.25	6.06	4.84
Since Inception	6.75	6.10	5.71
OFFER / REPURCHASE DURING THE YEAR- Rupees			
Highest price per unit - Class A units - Offer	100.853	100.7811	105.2621
Highest price per unit - Class A units - Redemption	100.853	100.7811	105.2621
Lowest price per unit - Class A units - Offer	100.3293	100.2424	100.2586
Lowest price per unit - Class A units - Redemption	100.3293	100.2424	100.2586
PORTFOLIO COMPOSITION - %			
Percentage of Net Assets as at 30 June			
PORTFOLIO COMPOSITION BY CATEGORY - %			
Bank Balances	88.00	88.00	99.00
Placements and Term Deposit Receipts	10.00	10.00	-
Others	2.00	2.00	1.00
PORTFOLIO COMPOSITION BY MARKET - %			
Debt Market	100	100	100

Note:

- The Launch date of Fund is 19 September 2012.

DISCLAIMER

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

PERFORMANCE TABLE

Al-Ameen Islamic Cash Plan I

2020

NET ASSETS AS AT 30 JUNE - Rupees in '000 **3,060,154**

NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *

Class A units - Offer	100
- Redemption	100

RETURN OF THE FUND - %

Total Return of the Fund	7.32
Capital Growth (per unit)	6.68
Date of Income Distribution	
Income Distribution	0.64

AVERAGE ANNUAL RETURN - %

One Year	7.32
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OFFER / REPURCHASE DURING THE YEAR- Rupees *

Highest price per unit - Class A units - Offer	100.0464
Highest price per unit - Class A units - Redemption	100.0464
Lowest price per unit - Class A units - Offer	100
Lowest price per unit - Class A units - Redemption	100

* Front end load @ 0% is applicable

PORTFOLIO COMPOSITION - %

Percentage of Net Assets as at 30 June

PORTFOLIO COMPOSITION BY CATEGORY - %

Cash	94
Placements with DFIs	6
Others	-

PORTFOLIO COMPOSITION BY MARKET - %

Debt Market	100
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Note:

- The Launch date of Fund is 29th May 2020

DISCLAIMER

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

Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahra-e-Faisal
Karachi - 74400. Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AL-AMEEN ISLAMIC CASH 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 Cash 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, 2020 in accordance with the provisions of the following:

- (i) 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.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 17, 2020



REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the fund are issuing this report in accordance with the rules and regulations. The scope of the report is to express an opinion on the Shariah Compliance of the Funds activities.

In the capacity of Shariah Advisors, we have prescribed criteria and procedures to be followed in ensuring Shariah Compliance in every investment.

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 of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.


In light of the above, we hereby certify that:

- i. We have reviewed and approved the modes of investments of AICF in light of the shariah guidelines.
- ii. All the provisions of the Scheme and investments made on account of AICF by UBL Fund Managers are Shariah compliant and in accordance with the criteria established.
- iii. On the basis of information provided by the management, all operations of AICF for the year ended 30 June 2020 have been in compliance with the Shariah principles.

During the year, NIL amount has been recognized as charity.

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


Mufti Muhammad Hassan Kaleem
Member, Shariah Advisory Committee


Mufti Mehmood Najeel Khan
Member, Shariah Advisory Committee



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 BY UBL FUND MANAGERS LIMITED

NAME OF FUND: AL AMEEN ISLAMIC CASH FUND

YEAR ENDED: JUNE 30, 2020

The Securities and Exchange Commission of Pakistan (SECP) has exempted open-end collective investment schemes from the requirements of the Listed Companies (Code of Corporate Governance) Regulations (the Regulations). However, the Board of Directors (the Board) of UBL Fund Managers Limited [the Management Company of Al Ameen Islamic Cash Fund (the Fund)], for the purpose of establishing a framework of good governance has voluntarily opted to comply with the relevant provisions of the Regulations.

The Management Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven as per the following:
 - a. Male: Five Directors; and
 - b. Female: Two Directors.
2. The composition of the Board is as follows:

Category	Name
Independent Directors	Mr. Azhar Hamid Ms. Naz Khan*
Executive Directors	Mr. Yasir Qadri
Non-Executive Directors	Mr. Imran Sarwar Ms. Sadia Saeed Mr. Arif Akmal Saifie** Syed Furrukh Zaeem
Female Director	Ms. Naz Khan* Ms. Sadia Saeed

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including the Management Company.
4. 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.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Management Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Management Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.



8. The Board has a formal policy and transparent procedures for remuneration of its directors in accordance with the Act and these Regulations.
9. The following directors and executives have acquired the prescribed Directors' Training Program (DTP) certification:

Directors

- a. Mr. Imran Sarwar
- b. Mr. Yasir Qadri
- c. Ms. Naz Khan
- d. Ms. Sadia Saeed
- e. Syed Furrukh Zaeem

Executives

- a. Mr. Amin Gulamani (Head of Human Resources)
 - b. Mr. Hadi Hassan Mukhi (Head of Compliance and Risk)
 - c. Mr. Umair Ahmed (Chief Financial Officer)
 - d. Mr. Zeeshan Quddus (Chief Business Development Officer)
10. The Board has approved appointment of the Chief Financial Officer (CFO), the Company Secretary and the Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations.
 11. The Chief Executive Officer (CEO) and CFO duly endorsed the financial statements of the Fund before approval of the Board.
 12. The Board has formed committees comprising of members given below.

Board Audit Committee

Name	Designation	Type of Directorship
Ms. Naz Khan*	Chairman	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Imran Sarwar	Member	Non-Executive Director
Ms. Sadia Saeed	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director

Board Human Resource and Compensation Committee

Name	Designation	Type of Directorship
Mr. Azhar Hamid	Chairman	Independent Director
Mr. Yasir Qadri	Member	Executive Director
Ms. Naz Khan*	Member	Independent Director
Ms. Sadia Saeed	Member	Non-Executive Director
Syed Furrukh Zaeem	Member	Non-Executive Director

Board Risk and Compliance Committee

Name	Designation	Type of Directorship
Mr. Imran Sarwar	Chairman	Non-Executive Director
Mr. Azhar Hamid	Member	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director
Mr. Yasir Qadri	Member	Executive Director
Syed Furrugh Zaeem	Member	Non-Executive Director

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

*** Mr. Tauqeer Mazhar resigned as a director from January 30, 2020

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
14. The frequency of meetings of the committees was as follows:
 - a. The Board Audit Committee: quarterly - six meetings held
 - b. The Board Human Resource and Compensation Committee: quarterly - five meetings held
 - c. The Board Risk and Compliance Committee: quarterly - four meetings held
15. The Board has set up an effective internal audit function. The Function has suitably qualified and experienced staff for the purpose and they are conversant with the policies and procedures of the Management Company.
16. 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 and are registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on the code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the Partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of CEO, CFO, the Head of Internal Audit, the Company Secretary or directors of the Management Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of Regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with.
19. We confirm that any other significant requirements of the Regulations have been complied with.

SD

AZHAR HAMID
Chairman

Karachi.
Dated: **September 25, 2020**

INDEPENDENT AUDITOR'S REVIEW REPORT**To the unit holders of Al Ameen Islamic Cash Fund****Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of UBL Fund Managers Limited (the Management Company) on behalf of Al Ameen Islamic Cash Fund (the Fund) for the year ended June 30, 2020. The Management Company of the Funds has opted to voluntarily comply with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Management Company of the Fund. Our responsibility is to review whether the Statement of Compliance reflects the status of the Management Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

As a part of our audit of the 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 of Directors' 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 Regulations require the Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. 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 of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Management Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Fund for the year ended June 30, 2020.



A. F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: September 29, 2020

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Al-Ameen Islamic Cash Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Al-Ameen Islamic Cash Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2020, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2020, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S.No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer notes 4 and 5 to the financial statements)	
	Investments and balances with banks constitute the most significant component of the net asset value. Investments of the Fund as at June 30, 2020 amounted to Rs. 1,027.469 million and balances with banks aggregated to Rs. 10,199.069 million. The existence and proper valuation of investments and existence of balances with banks for the determination of NAV of the Fund as at June 30, 2020 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none"> Tested the design and operating effectiveness of the key controls for valuation of investments; Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2020 and reconciled balances in these confirmations with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; Ensured that the investments are carried as per the valuation methodology specified in the accounting policies; and Obtained bank reconciliation statements and tested reconciling items on a sample basis.

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>



Other Matter

The financial statements of the Fund for the year ended June 30, 2019 were audited by another firm of Chartered Accountants who had expressed an unqualified opinion thereon vide their report dated August 30, 2019.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting 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.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of directors of the management company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the management company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the management company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the management company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.

A.F. Ferguson & Co
Chartered Accountants
Karachi

Date: September 29, 2020

AL-AMEEN ISLAMIC CASH FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2020

	Note	2020			2019
		AICF	AICP - I	Total	AICF
----- (Rupees in '000) -----					
ASSETS					
Bank balances	4	7,318,392	2,880,677	10,199,069	3,712,848
Investments	5	857,936	169,533	1,027,469	430,000
Profit receivable	6	67,101	13,182	80,283	54,264
Prepayments and other receivables	7	1,101	-	1,101	191
Advance tax	8	6,709	-	6,709	6,709
TOTAL ASSETS		8,251,239	3,063,392	11,314,631	4,204,012
LIABILITIES					
Payable to UBL Fund Managers Limited - the Management Company	9	3,536	386	3,922	3,557
Payable to Central Depository Company of Pakistan Limited - the Trustee	10	539	128	667	423
Payable to Securities and Exchange Commission of Pakistan	11	1,163	35	1,198	2,928
Accrued expenses and other liabilities	12	49,792	2,689	52,481	31,139
TOTAL LIABILITIES		55,030	3,238	58,268	38,047
NET ASSETS		8,196,209	3,060,154	11,256,363	4,165,965
UNIT HOLDERS' FUND (as per statement attached)		8,196,209	3,060,154	11,256,363	4,165,965
CONTINGENCIES AND COMMITMENTS					
	13	----- (Number of Units) -----			
NUMBER OF UNITS IN ISSUE	14	81,549,416	30,601,554	112,150,970	41,522,910
----- (Rupees) -----					
NET ASSET VALUE PER UNIT		100.5060	100.0000		100.3293

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

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AL-AMEEN ISLAMIC CASH FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2020

	Note	For the year ended June 30, 2020 AICF	For the period from May 29, 2020 to June 30, 2020 AICP - I	Total	For the year ended June 30, 2019 AICF
----- (Rupees in '000) -----					
INCOME					
Profit on bank balances		639,707	9,543	649,250	359,543
Profit on term deposit musharika		10,675	-	10,675	2,503
Profit on bai muajjal		2,438	4,121	6,559	-
Other income		395	-	395	223
Total income		653,215	13,664	666,879	362,269
EXPENSES					
Remuneration of UBL Fund Managers Limited - the Management Company	9.1	27,164	342	27,506	18,121
Sindh sales tax on remuneration of Management Company	9.2	3,531	44	3,575	2,355
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	10.1	3,781	113	3,894	3,677
Sindh sales tax on remuneration of the Trustee	10.2	491	15	506	478
Annual fee of Securities and Exchange Commission of Pakistan	11.1	1,163	35	1,198	2,928
Allocated expenses	9.3	5,816	-	5,816	3,903
Bank charges		303	-	303	226
Auditors' remuneration	15	432	-	432	439
Shariah advisory fee		350	-	350	350
Legal and professional charges		211	-	211	208
Fees and subscription charges		238	-	238	229
Printing expenses		-	-	-	10
Brokerage expenses		49	9	58	-
Total expenses		43,529	558	44,087	32,924
Net operating income		609,686	13,106	622,792	329,345
Provision for Sindh Workers' Welfare Fund	12.2	(11,956)	(258)	(12,214)	(6,460)
Net income for the year / period before taxation		597,730	12,848	610,578	322,885
Taxation	16	-	-	-	-
Net income for the year / period after taxation		597,730	12,848	610,578	322,885
Allocation of net income for the year / period					
Net income for the year / period after taxation		597,730	12,848	610,578	322,885
Income already paid on units redeemed		(207,596)	-	(207,596)	(19,462)
		390,134	12,848	402,982	303,423
Net income available for distribution:					
Relating to capital gains		-	-	-	-
Excluding capital gains		390,134	12,848	402,982	303,423
		390,134	12,848	402,982	303,423

Earnings per unit

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

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

**AL-AMEEN ISLAMIC CASH FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2020**

	For the year ended June 30, 2020	For the period from May 29, 2020 to June 30, 2020	Total	For the year ended June 30, 2019
	AICF	AICP - I		AICF
----- (Rupees in '000) -----				
Net income for the year after taxation	597,730	12,848	610,578	322,885
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	<u>597,730</u>	<u>12,848</u>	<u>610,578</u>	<u>322,885</u>

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

**For UBL Fund Managers Limited
(Management Company)**

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AL-AMEEN ISLAMIC CASH FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2020

Note	For the year ended June 30, 2020			For the period from May 29, 2020 to June 30, 2020			Total			2019		
	AICF			AICP - I						AICF		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the year	4,159,082	6,883	4,165,965	-	-	-	4,159,082	6,883	4,165,965	5,189,103	53,637	5,242,740
Issuance of units:												
- AICF: 749,509,460 units (2019: 144,899,098 units) / AICP - I: 35,102,210 units												
Capital value	75,197,759	-	75,197,759	3,510,220	-	3,510,220	78,707,979	-	78,707,979	14,525,033	-	14,525,033
Element of income	234,191	-	234,191	-	-	-	234,191	-	234,191	24,173	-	24,173
Total proceeds on issuance of units	75,431,950	-	75,431,950	3,510,220	-	3,510,220	78,942,170	-	78,942,170	14,549,206	-	14,549,206
Redemption of units:												
- AICF: 709,482,954 units (2019: 153,182,746 units) / AICP - I: 4,500,656 units												
Capital value	(71,181,927)	-	(71,181,927)	(450,066)	-	(450,066)	(71,631,993)	-	(71,631,993)	(15,355,406)	-	(15,355,406)
Element of loss	(20,042)	(207,596)	(227,638)	-	-	-	(20,042)	(207,596)	(227,638)	(16,093)	(19,462)	(35,555)
Total payments on redemption of units	(71,201,969)	(207,596)	(71,409,565)	(450,066)	-	(450,066)	(71,652,035)	(207,596)	(71,859,631)	(15,371,499)	(19,462)	(15,390,961)
Total comprehensive income for the year	-	597,730	597,730	-	12,848	12,848	-	610,578	610,578	-	322,885	322,885
Distributions for the year / period ended June 30, 2020	-	(376,829)	(376,829)	-	(12,848)	(12,848)	-	(389,677)	(389,677)	-	-	-
Refund of capital for the year / period ended June 30, 2020	(213,042)	-	(213,042)	-	-	-	(213,042)	-	(213,042)	-	-	-
Distributions for the year ended June 30, 2019	-	-	-	-	-	-	-	-	-	-	(296,689)	(296,689)
Refund of capital for the year ended June 30, 2019	-	-	-	-	-	-	-	-	-	(11,190)	-	(11,190)
Final distribution for the year ended June 30, 2018	-	-	-	-	-	-	-	-	-	-	(53,488)	(53,488)
@ Rs 5.0197 per unit on July 2, 2018	-	-	-	-	-	-	-	-	-	(196,538)	-	(196,538)
Refund of capital for the year ended June 30, 2018	(213,042)	(376,829)	(589,871)	-	(12,848)	(12,848)	(213,042)	(389,677)	(602,719)	(207,728)	(350,177)	(557,905)
Total distributions during the year	8,176,021	20,188	8,196,209	3,060,154	-	3,060,154	11,236,175	20,188	11,256,363	4,159,082	6,883	4,165,965
Net assets at the end of the year												
Undistributed income brought forward												
- Realised income		6,883			-						53,637	
- Unrealised income		-			-						-	
		6,883			-						53,637	
Income available for distribution												
- Relating to capital gains		-			-						-	
- Excluding capital gains		390,134			12,848						303,423	
		390,134			12,848						303,423	
Distributions during the year / period		(376,829)			(12,848)						(350,177)	
Undistributed income carried forward		20,188			-						6,883	
Undistributed income carried forward												
- Realised income		20,188			-						6,883	
- Unrealised income		-			-						-	
		20,188			-						6,883	
			(Rupees)			(Rupees)						(Rupees)
Net assets value per unit at the beginning of the year / period			100.3293			-						105.2621
Net assets value per unit at the end of the year / period			100.5060			100.0000						100.3293

*Al-Ameen Islamic Cash Plan - I distributes dividend on a daily basis on each business day. The cumulative distribution per unit for the period from May 29, 2020 to June 30, 2020 amounted to Re. 0.6604 per unit.

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

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AL-AMEEN ISLAMIC CASH FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2020

	For the year ended June 30, 2020	For the period from May 29, 2020 to June 30, 2020	Total	2019
	AICF	AICP - I		AICF
----- (Rupees in '000) -----				
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the year / period before taxation	597,730	12,848	610,578	322,885
Adjustments for:				
Profit on bank balances and investments	(650,382)	(9,543)	(659,925)	(362,046)
Provision for Sindh Workers' Welfare Fund	11,956	258	12,214	6,460
	(638,426)	(9,285)	(647,711)	(355,586)
(Increase) / decrease in assets				
Advance tax	-	-	-	(91)
Investments	(427,936)	(169,533)	(597,469)	(430,000)
Prepayments and other receivables	(910)	-	(910)	8,712
	(428,846)	(169,533)	(598,379)	(421,379)
(Decrease) / increase in liabilities				
Payable to UBL Fund Managers Limited - the Management Company	(21)	386	365	857
Payable to Central Depository Company of Pakistan Limited - the Trustee	116	128	244	(45)
Annual fee payable to Securities and Exchange Commission of Pakistan	(1,765)	35	(1,730)	(819)
Accrued expenses and other liabilities	6,697	2,431	9,128	3,215
	5,027	2,980	8,007	3,208
Profit received on bank balances and investments	637,545	(3,639)	633,906	336,943
Net cash generated from / (used in) operating activities	173,030	(166,629)	6,401	(113,929)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts against issuance of units (excluding refund of capital)	75,218,908	3,510,220	78,729,128	14,549,206
Payments against redemption of units	(71,409,565)	(450,066)	(71,859,631)	(15,390,961)
Dividend paid	(376,829)	(12,848)	(389,677)	(557,905)
Net cash generated from / (used in) financing activities	3,432,514	3,047,306	6,479,820	(1,399,660)
Net increase / (decrease) in cash and cash equivalents	3,605,544	2,880,677	6,486,221	(1,513,589)
Cash and cash equivalents at the beginning of the year / period	3,712,848	-	3,712,848	5,226,437
Cash and cash equivalents at the end of the year / period	<u>7,318,392</u>	<u>2,880,677</u>	<u>10,199,069</u>	<u>3,712,848</u>

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

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AL-AMEEN ISLAMIC CASH FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

Al-Ameen Islamic Cash Fund (the Fund) was established under the Trust Deed entered into between UBL Fund Managers Limited (wholly owned subsidiary company of United Bank Limited) as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed was executed on May 29, 2012 and the Fund was authorised by the Securities and Exchange Commission of Pakistan (the SECP) on July 26, 2012 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules).

The Management Company of the Fund has been licensed to act as an Asset Management Company by the SECP under the NBFC Rules. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi. The Fund commenced its operations from September 19, 2012.

The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs 100 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from September 19, 2012. As per the fifth supplemental offering document of the Fund, it can also offer multiple plans with the consent of the Trustee and after approval of the SECP. During the year, the Fund launched Al - Ameen Islamic Cash Plan - I (AICP - I) after obtaining the required consent and approval. The units of AICP - I were offered for subscription at a par value of Rs 100 per unit from May 29, 2020.

The Fund has been categorised as a "Shariah Compliant Money Market Fund" pursuant to the provisions contained in Circular 7 of 2009 dated March 6, 2009. The objective of the Fund is to provide high liquidity and competitive returns while seeking maximum possible preservation of capital by investing in low risk and liquid Shariah Compliant instruments.

As per the offering document approved by the SECP, the accounting period, in case of the first such period shall commence from the date on which the trust property is first paid or transferred to the Trustee. Accordingly, the financial statement of AICP - I has been prepared from May 29, 2020 to June 30, 2020.

This is the first accounting period of the plan AICP - I, therefore no comparative figures are appearing in prior period.

The Management Company has been assigned a quality rating of AM1 by VIS dated December 31, 2019 (December 31, 2018: AM1) and a fund stability rating of AA(f) (December 31, 2018: AA(f)) to the Fund.

The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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

2.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2019. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

2.3 Standards, interpretations and amendments to published accounting and standards that are not yet effective

The following amendments would be effective from the dates mentioned below against the respective amendment:

Amendments	Effective date (accounting periods beginning on or after)
- IAS 1 - 'Presentation of financial statements' (amendment)	January 1, 2020
- IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendment)	January 1, 2020

These amendments may impact the financial statements of the Fund on adoption. The management is currently in the process of assessing the full impact of these amendments on the financial statements of the Fund.

There are certain other standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 1, 2020 but are considered not to be relevant or will not have any significant impact on the Fund's operations and, therefore, have not been disclosed in these financial statements.

2.4 Basis of measurement

These financial statements have been prepared under the historical cost convention, except investments that have been measured at fair values.

2.5 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

2.6 Critical accounting estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years of the revision affects both current and future years.

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 3.2 and 5), provision for Federal Excise Duty (note 12.1) and provision for taxation (notes 3.7 and 16).

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These accounting policies have been consistently applied to all the years presented.

3.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less.

3.2 Financial assets

3.2.1 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost
- at fair value through other comprehensive income (FVOCI)
- at fair value through profit or loss (FVPL) based on the business model of the entity

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

3.2.2 Impairment

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and FVOCI. The Fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

The 12 months ECL is recorded for all financial assets in which there is no significant increase in credit risk from the date of initial recognition, whereas a lifetime ECL is recorded for all remaining financial assets.

3.2.2.1 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the income statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP in accordance with the provisioning policy duly approved by the Board of Directors.

3.2.3 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

3.2.4 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the income statement.

3.2.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the income statement.

3.3 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the income statement.

3.4 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the 'Statement of Assets and Liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

3.5 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement.

3.6 Provisions

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

3.7 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the year when the differences reverse, based on enacted tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders in cash. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, income distributed through bonus units shall not be taken into account.

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. Moreover, super tax introduced in the Finance Act, 2015 is also not applicable on funds (Section 4B of the Income Tax Ordinance, 2001).

3.8 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.10 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as at the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company / distributors receive redemption applications during business hours of that day. The redemption price is equal to NAV as at the close of the business day, less any back-end load and an amount as the Management Company may consider to be an appropriate provision of duties and charges.

3.11 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income represents the difference between net asset value per unit on the issuance or redemption date, as the case may be, of units and the net asset value per unit at the beginning of the relevant accounting period. Element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

3.12 Net asset value per unit

The Net Asset Value (NAV) per unit, as 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.

3.13 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place.
- Unrealised gains / (losses) on re-measurement of investments classified as financial assets at 'fair value through profit or loss' are included in the income statement in the year in which these arise.
- Profit on bank balances and term deposits is recorded on a time proportionate basis using effective interest rate method.

3.14 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

3.15 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and the Trustee and annual fee of the SECP are recognised in the income statement on an accrual basis.

3.16 Earnings / (loss) per unit

Earnings / (loss) per unit is calculated by dividing the net income / (loss) of the year after taxation of the Fund by the weighted average number of units outstanding during the year.

Note	2020			2019
	AICF	AICP - I	Total	AICF
----- (Rupees in '000) -----				

4 BANK BALANCES

Cash at bank

Current accounts	4.1	4,741	-	4,741	6,961
Profit and loss sharing accounts	4.2	7,313,651	2,880,677	10,194,328	3,705,887
		<u>7,318,392</u>	<u>2,880,677</u>	<u>10,199,069</u>	<u>3,712,848</u>

4.1 These include amounts held with a related party (United Bank Limited) amounting to Rs. 1.204 million (June 30, 2019: Rs. 4.047 million) - AICF.

4.2 Profit rates on these profit and loss sharing accounts range between 2.69% to 7.50% per annum (June 30, 2019: 3.40% to 11.85% per annum) for AICF and 7.5% per annum for AICP - I. These include amounts held by a related party (United Bank Limited) amounting to Rs. 1,274.674 million (June 30, 2019: Rs. 78.798 million) for AICF on which return is earned at 7.25% per annum (June 30, 2019: 11.25% per annum).

		Note	2020			2019
			AICF	AICP - I	Total	AICF
			----- (Rupees in '000) -----			
5	INVESTMENTS					
	Term deposit musharika	5.1	-	-	-	430,000
	Bai Muajjal receivable	5.2	857,936	169,533	1,027,469	-
			857,936	169,533	1,027,469	430,000

5.1 Al-Ameen Islamic Cash Fund

Name of the investee company	Maturity date	Profit rate	As at July 1, 2019	Placed during the year	Matured during the year	Carrying value as at June 30, 2020	Market value as at June 30, 2020	Unrealised appreciation/ (diminution)	Percentage in relation to	
									Net assets of the Fund	Total market value of investment
		%								%
----- (Rupees in '000) -----										
Meezan Bank Limited	August 20, 2019	12.5%	430,000	-	430,000	-	-	-	-	-
Total as at June 30, 2020			<u>430,000</u>	<u>-</u>	<u>430,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total as at June 30, 2019			<u>-</u>	<u>430,000</u>	<u>-</u>	<u>430,000</u>	<u>430,000</u>	<u>-</u>	<u>10.32</u>	<u>100</u>

2020			2019
AICF	AICP - I	Total	AICF
----- (Rupees in '000) -----			

Opening balance		-	-	-	-
Transaction executed during the year		855,498	169,051	1,024,549	-
Profit accrued during the year		2,438	482	2,920	-
Matured during the year		-	-	-	-
Closing balance	5.2.1	<u>857,936</u>	<u>169,533</u>	<u>1,027,469</u>	<u>-</u>

5.2.1

Name of Fund / Plan	Name of the counterparty	Maturity date	Profit rate	Total transaction price	Deferred income	Accrued profit	Carrying value
				(Rupees in '000)			
Al-Ameen Islamic Cash Fund	Pak Oman Investment Company Limited (AA+, VIS) (note 5.2.1.1)	August 18, 2020	8.00%	866,936	11,438	2,438	857,936
Al-Ameen Islamic Cash Plan - I	Pak Oman Investment Company Limited (AA+, VIS) (note 5.2.1.1)	August 18, 2020	8.00%	171,311	2,260	482	169,533
Total as at June 30, 2020				1,038,247	13,698	2,920	1,027,469
Total as at June 30, 2019				-	-	-	-

5.2.1.1 These Bai Muajjal transactions are carried out against GOP Ijarah Sukuks which were issued on June 30, 2017.

		Note	2020			2019
			AICF	AICP - I	Total	AICF
			----- (Rupees in '000) -----			
6	PROFIT RECEIVABLE					
	Profit receivable on:					
	Term deposit musharika		2,337	-	2,337	2,503
	Profit and loss sharing accounts	6.1	64,764	13,182	77,946	51,761
			67,101	13,182	80,283	54,264

6.1 These include an amount due from a related party (United Bank Limited) amounting to Rs. 27.523 million (June 30, 2019: Rs. 4.326 million) by AICF.

Note	2020			2019
	AICF	AICP - I	Total	AICF
	----- (Rupees in '000) -----			

Prepaid credit rating fees		192	-	192	191
Other receivables		909	-	909	-
		<u>1,101</u>	<u>-</u>	<u>1,101</u>	<u>191</u>

8 ADVANCE TAX

The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the Ordinance) from withholding of tax under section 150, 150A, 151 and 233 of the Ordinance. The Federal Board of Revenue (FBR) through 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 Ordinance from Commissioner Inland Revenue (CIR). Prior to receiving the tax exemption certificates from CIR, various withholding agents have deducted advance tax under section 151 of the Ordinance. The management is confident that the same shall be refunded in future years.

9	PAYABLE TO UBL FUND MANAGERS LIMITED - THE MANAGEMENT COMPANY	Note	2020			2019
			AICF	AICP - I	Total	AICF
			----- (Rupees in '000) -----			
	Remuneration payable to the Management Company	9.1	1,372	342	1,714	2,487
	Sindh sales tax on remuneration payable to the Management Company	9.2	178	44	222	323
	Conversion charges payable		163	-	163	109
	Allocated expenses payable	9.3	1,456	-	1,456	417
	Shariah advisor fee payable		350	-	350	204
	Other payables		17	-	17	17
			<u>3,536</u>	<u>386</u>	<u>3,922</u>	<u>3,557</u>

9.1 The Management Company has charged its remuneration at the rate of 5% of gross earnings, subject to floor and capping of 0.25% and 1% per annum of the average daily net assets (June 30, 2019: at the rate of 1.5% of average annual net assets) from July 1, 2019 to March 8, 2020. Effective from March 9, 2020, the Management Company has reduced the rate to 2.5% of gross earnings, subject to floor and capping of 0.15% and 1% per annum of the average daily net assets. The remuneration is payable to the Management Company monthly in arrears.

9.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2019: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

9.3 In accordance with Regulation 60 of the NBFC Regulations, an asset management company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

Until June 19, 2019 there was a maximum cap of 0.1% per annum of the average annual net assets of the scheme or actual whichever is less, for allocation of such expenses to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 has removed the maximum cap of 0.1%.

Accordingly, the Management Company has currently fixed a maximum capping of 0.1% per annum of the average annual net assets of the scheme for allocation of such expenses to the Fund.

No expense has been allocated to AICP - I for the period from May 29, 2020 to June 30, 2020.

10	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE	Note	2020			2019
			AICF	AICP - I	Total	AICF
			----- (Rupees in '000) -----			
	Trustee fee payable	10.1	477	113	590	374
	Sindh sales on Trustee fee	10.2	62	15	77	49
			<u>539</u>	<u>128</u>	<u>667</u>	<u>423</u>

10.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as follows:

Previous Tariff		Revised Tariff (Flat Rate)
Net Assets (Rs.)	Fee	
Upto Rs. 1 billion	0.15% per annum of net assets	0.065% per annum of net
From Rs. 1 billion to Rs. 10 billion	Rs 1.5 million plus 0.075% per annum of net assets exceeding Rs 1 billion.	
Exceeding Rs. 10 billion	Rs 8.25 million plus 0.06% per annum of net assets exceeding Rs 10 billion.	

- 10.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2019: 13%) on the fee payable to Central Depository Company of Pakistan Limited through the Sindh Sales Tax on Services Act, 2011.

	Note	2020			2019
		AICF	AICP - I	Total	AICF

11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

(Rupees in '000)

Annual fee payable	11.1	1,163	35	1,198	2,928
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- 11.1** In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee (applicable to all categories of CISs) to 0.02% per annum of the average annual net assets of the Fund. Previously, the rate of annual fee applicable to income funds was 0.075% per annum of the average annual net assets. Accordingly, the Fund has charged the SECP fee at the rate of 0.02% per annum of the average annual net assets during the current year / period.

	Note	2020			2019
		AICF	AICP - I	Total	AICF

(Rupees in '000)

12 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration payable		369	-	369	293
Capital gain tax payable		1,810	-	1,810	714
Charity payable		-	-	-	11
Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the Management Company	12.1	7,812	-	7,812	7,812
Legal and professional charges payable		97	-	97	61
Withholding tax payable		8,171	1,918	10,089	5,636
Provision for Sindh Workers' Welfare Fund	12.2	28,064	258	28,322	16,108
Dividend payable		-	503	503	-
Zakat payable		739	-	739	494
Others		2,730	10	2,740	10
		49,792	2,689	52,481	31,139

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 7.812 million for AICF (June 30, 2019: Rs 7.812 million for AICF) is being retained in these financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at June 30, 2020 would have been higher by Re 0.0958 per unit for AICF (June 30, 2019: Re 0.1881 per unit for AICF).

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

Had the provision for SWWF not been recorded in these financial statements for the period from May 21, 2015 to June 30, 2020, the net asset value per unit as at June 30, 2020 would have been higher by Re 0.3441 per unit (June 30, 2019: Re 0.3879 per unit) of AICF and Re 0.0084 per unit of AICP - I.

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2020 and June 30, 2019.

2020			2019
AICF	AICP - I	Total	AICF
----- Number of units -----			

14 NUMBER OF UNITS IN ISSUE

Total units in issue at the beginning of the year	41,522,910	-	41,522,910	49,806,558
Add: Units issued during the year	749,509,460	35,102,210	784,611,670	144,899,098
Less: Units redeemed during the year	(709,482,954)	(4,500,656)	(713,983,610)	(153,182,746)
Total units in issue at the end of the year	<u>81,549,416</u>	<u>30,601,554</u>	<u>112,150,970</u>	<u>41,522,910</u>

2020	2019
AICF	
----- (Rupees in '000) -----	

15 AUDITORS' REMUNERATION

Annual audit fee	173	163
Fee for half yearly review	87	82
Fee for review of compliance with the requirements of the Code of Corporate Governance	27	27
Fee for other certifications / services	57	54
Out of pocket expenses and sales tax	88	113
	<u>432</u>	<u>439</u>

- 15.1** Auditors' remuneration for AICP - I is Rs. Nil therefore, no disclosure has been presented for the period from May 29, 2020 till June 30, 2020.

16 TAXATION

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 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised is distributed amongst the unit holders as cash dividend. Further, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since, the management has distributed the required minimum percentage of income earned by AICF during the year ended June 30, 2020 to the unit holders in cash, no provision for taxation has been made in these financial statements for AICF. Furthermore, AICP - I has also not recorded any tax liability as it has distributed 100 percent income on a daily basis during the period from May 29, 2020 to June 30, 2020.

17 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these financial statements as, in the opinion of the Management Company, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

18 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of AICF for the year ended June 30, 2020 is 0.95% (June 30, 2019: 1.01%) and of AICP - I for the period from May 29, 2020 to June 30, 2020 is 0.04% which includes 0.29% (June 30, 2019: 0.31%) for AICF and 0.02% for AICP - I representing government levies on the Fund such as sales taxes, Sindh Workers' Welfare Fund, annual fee payable to the SECP etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market fund.

19 FINANCIAL INSTRUMENTS BY CATEGORY

The financial assets and liabilities carried on the Statement of Assets and Liabilities are categorised as follows:

19.1 AI - Ameen Islamic Cash Fund

Particulars	As at June 30, 2020		
	At amortised cost	At fair value through profit or loss	Total
	----- Rupees in '000 -----		
Financial assets			
Bank balances	7,318,392	-	7,318,392
Investments	857,936	-	857,936
Profit receivable	67,101	-	67,101
Other receivables	909	-	909
	<u>8,244,338</u>	<u>-</u>	<u>8,244,338</u>
Financial liabilities			
Payable to UBL Fund Managers Limited - the Management Company	3,536	-	3,536
Payable to Central Depository Company of Pakistan Limited - the Trustee	539	-	539
Accrued expenses and other liabilities	3,196	-	3,196
	<u>7,271</u>	<u>-</u>	<u>7,271</u>
Particulars	As at June 30, 2019		
	At amortised cost	At fair value through profit or loss	Total
	----- Rupees in '000 -----		
Financial assets			
Bank balances	3,712,848	-	3,712,848
Investments	430,000	-	430,000
Profit receivable	54,264	-	54,264
	<u>4,197,112</u>	<u>-</u>	<u>4,197,112</u>
Financial liabilities			
Payable to UBL Fund Managers Limited - the Management Company	3,557	-	3,557
Payable to Central Depository Company of Pakistan Limited - the Trustee	423	-	423
Accrued expenses and other liabilities	375	-	375
	<u>4,355</u>	<u>-</u>	<u>4,355</u>

19.2 AI - Ameen Islamic Cash Plan - I

Particulars	As at June 30, 2020		
	At amortised cost	At fair value through profit or loss	Total
----- Rupees in '000 -----			
Financial assets			
Bank balances	2,880,677	-	2,880,677
Investments	169,533	-	169,533
Profit receivable	13,182	-	13,182
	<u>3,063,392</u>	<u>-</u>	<u>3,063,392</u>
Financial liabilities			
Payable to UBL Fund Managers Limited - the Management Company	386	-	386
Payable to Central Depository Company of Pakistan Limited - the Trustee	128	-	128
Accrued expenses and other liabilities	513	-	513
	<u>1,027</u>	<u>-</u>	<u>1,027</u>

20 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Details of the members of the investment committee of the Fund as at June 30, 2020 are as follows:

S. No.	Name	Designation	Experience in years	Qualification
1	Mr. Yasir Qadri	Chief Executive Officer	24	MBA
2	Syed Suleman Akhtar	Chief Investment Officer	19	CFA, MBA
3	Mr. Muhammad Imran	Head of Investment advisory	20	MBA
4	Mr. Irfan Nepal	Chief Dealer & Fund Manager	25	EMBA
5	Mr. Hadi Hassan Muki	Head of Compliance	20	BCOM
6	Syed Shabbir Sardar Zaidi	Fund Manager & Senior Analyst	11	MAS, CFA
7	Syed Sheeraz Ali	Fund Manager & Senior Analyst	10	MBA
8	Mr. Mubashir Anis	Fund Manager Equity	8	BS, CFA
9	Mr. Muhammad Waseem	Head of Research	6	BBA, CFA

20.1 The name of the Fund Manager is Syed Sheeraz Ali. Other funds being managed by the Fund Manager are as follows:

- AI - Ameen Islamic Aggressive Income Fund
- AI - Ameen Islamic Special Savings Fund
- UBL Money Market Fund
- UBL Income Opportunity Fund
- UBL Financial Planning Fund
- UBL Liquidity Plus Fund
- UBL Cash Fund
- UBL Government Securities Fund
- UBL Growth and Income Fund
- UBL Asset Allocation Fund
- UBL Special Savings Fund
- UBL Special Savings Fund - II
- UBL Retirement Savings Fund

21 UNIT HOLDING PATTERN OF THE FUND

Category	June 30, 2020		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total

Al-Ameen Islamic Cash Fund

Individuals	6,011	4,759,945	58.07%
Associated company and key executives	5	2,413	0.03%
Insurance companies	98	346,056	4.22%
Banks	1	512,834	6.26%
NBFCs	6	1,058	0.01%
Retirement funds	48	500,996	6.11%
Public limited companies	7	165,725	2.02%
Others	50	1,907,182	23.27%
	<u>6,226</u>	<u>8,196,209</u>	<u>100%</u>

Al-Ameen Islamic Cash Plan - I

NBFCs	1	60,203	1.97%
Public limited companies	3	2,616,036	85.49%
Others	3	383,915	12.55%
	<u>7</u>	<u>3,060,154</u>	<u>100%</u>

Category	June 30, 2019		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total

Al-Ameen Islamic Cash Fund

Individuals	5,019	2,961,386	71.09%
Associated company and key executives	4	6,483	0.16%
Insurance companies	57	99,585	2.39%
Retirement funds	34	327,084	7.85%
Public limited companies	6	235,979	5.66%
Others	28	535,448	12.85%
	<u>5,148</u>	<u>4,165,965</u>	<u>100.00%</u>

22 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

- 22.1** Connected persons include United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (Management Company) and funds under its management, Al-Ameen Islamic Financial Services (Private) Limited (subsidiary of the Management Company), entities under common management or directorships, Central Depository Company of Pakistan Limited (Trustee), directors and officers of the Management Company and unit holders owning 10% or more of the net assets of the Fund.
- 22.2** Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 22.3** Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 22.4** Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.
- 22.5** Accounting and operational charges and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

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

22.6.1 AI - Ameen Islamic Cash Fund

For the year ended June 30, 2020					
Management Company	Associated Companies and others *	Trustee	Funds under Common Management	Directors and Key Executives **	Other Connected persons / related parties ***

(Units in '000)					
Units issued	14,343	-	-	6	-
Units redeemed	14,333	-	-	27	-

(Rupees in '000)					
Transactions during the year					
Profit on bank balances	-	155,254	-	-	-
Bank charges	-	194	-	-	-
Value of units issued	1,443,820	-	-	626	-
Value of units redeemed	1,442,984	-	-	2,732	-
Dividend	-	-	-	241	-
Remuneration (inclusive of Sindh Sales Tax)	30,695	-	4,272	-	-
Allocated expenses	5,816	-	-	-	-
Shariah advisory fee	350	-	-	-	-
Listing fee	-	25	-	-	-

As at June 30, 2020					
Management Company	Associated Companies and others *	Trustee	Funds under Common Management	Directors and Key Executives **	Other Connected persons / related parties ***

(Units in '000)					
Units held	10	-	-	24	-

(Rupees in '000)					
Balances held					
Value of units held	1,005	-	-	2,412	-
Bank balances	-	1,275,878	-	-	-
Remuneration payable including Sindh Sales Tax	1,550	-	539	-	-
Other payables	180	-	-	-	-
Allocated expenses payable	1,456	-	-	-	-
Shariah advisory fee payable	350	-	-	-	-
Profit receivable	-	27,523	-	-	-

For the year ended June 30, 2019					
Management Company	Associated Companies and others *	Trustee	Funds under Common Management	Directors and Key Executives **	Other Connected persons / related parties ***

(Units in '000)					
Units issued	-	-	52,786	118	11,725
Units redeemed	-	-	78,924	103	8,336

(Rupees in '000)					
Transactions during the year					
Profit on bank balances	-	126,165	-	-	-
Bank charges	-	194	-	-	-
Value of units issued	-	-	5,295,954	11,818	1,176,389
Value of units redeemed	-	-	7,918,372	10,304	836,385
Dividend	-	-	137,122	625	94,078
Remuneration (inclusive of Sindh Sales Tax)	20,476	-	4,155	-	-
Allocated expenses	3,903	-	-	-	-
Shariah advisory fee	350	-	-	-	-
Listing fee	-	25	-	-	-

----- As at June 30, 2019 -----					
Management Company	Associated Companies and others *	Trustee	Funds under Common Management	Directors and Key Executives **	Other Connected persons / related parties ***

	----- (Units in '000) -----				
Units held	-	-	-	65	8,504
	----- (Rupees in '000) -----				

Balances held as at June 30, 2019

Value of units held	-	-	-	6,482	853,197
Bank balances	-	80,440	-	-	-
Remuneration payable including Sindh Sales Tax	2,810	-	423	-	-
Other payables	126	-	-	-	-
Allocated expenses payable	417	-	-	-	-
Shariah advisory fee payable	204	-	-	-	-
Profit receivable	-	4,326	-	-	-

22.6.2 AI - Ameen Islamic Cash Plan - I

----- For the period from May 29, 2020 to June 30, 2020 -----					
Management Company	Associated Companies and others *	Trustee	Funds under Common Management	Directors and Key Executives **	Other Connected persons / related parties ***

	----- (Units in '000) -----				
Units issued	4,603	-	-	-	29,486
Units redeemed	4,001	-	-	-	-
	----- (Rupees in '000) -----				

Transactions during the period

Profit on bank balances	-	-	-	-	-
Bank charges	-	-	-	-	-
Value of units issued	460,269	-	-	-	2,948,603
Value of units redeemed	400,066	-	-	-	400,066
Dividend	328	-	-	-	12,417
Remuneration (inclusive of Sindh Sales Tax)	386	-	128	-	-

----- As at June 30, 2020 -----					
Management Company	Associated Companies and others *	Trustee	Funds under Common Management	Directors and Key Executives **	Other Connected persons / related parties ***

	----- (Units in '000) -----				
Units held	602	-	-	-	29,486
	----- (Rupees in '000) -----				

Balances held

Value of units held	60,200	-	-	-	2,948,599
Bank balances	-	-	-	-	-
Remuneration payable including Sindh Sales Tax	386	-	128	-	-
Other payables	-	-	-	-	-
Allocated expenses payable	-	-	-	-	-
Shariah advisory fee payable	-	-	-	-	-
Profit receivable	-	-	-	-	-

* This represents Parent (including the related subsidiaries of the Parent) of the Management Company, associated companies / undertakings of the Management Company.

** These include transactions and balances in relation to those directors and key executives that existed as at year end. However, it does not include the transactions and balances if the director and key executive has resigned from the Management Company during the year.

*** These include unit holders having 10% or more holding in each year.

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's overall risk management programme seeks to maximise the returns derived for the level of risks to which the Fund is exposed and seeks to minimise potential adverse effects on the Fund's financial performance.

Risks of the Fund are being managed by the Fund manager in accordance with the approved policies of the Investment Committee which provides broad guidelines for management of risk pertaining to market risks (including price risk and profit rate risk) credit risk and liquidity risk. Further, the overall exposure of the Fund complies with the NBFC Regulations, and the directives issued by the SECP.

23.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal risk management policies and investment guidelines approved by the Investment Committee and the regulations laid down by the SECP.

Market risk comprises of three types of risks: currency risk, profit rate risk and price risk.

23.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. At present, the Fund has no exposure to currency risk as there are no financial assets or financial liabilities denominated in foreign currencies.

23.1.2 Profit rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2020, the Fund is exposed to such risk on its balances held with banks and investment in bai muajjal receivable. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

The Fund is exposed to cash flow interest rate risk for balances in profit and loss sharing accounts on which interest rate range between 2.69% to 7.50% per annum.

In case of 100 basis points increase / decrease in interest rates on June 30, 2020, with all other variables held constant, the net income for the year / period and the net assets would have been higher / lower by Rs. 72.584 million (2019: Rs. 37.046 million) for AICF and by Rs. 28.807 million for AICP - I.

b) Sensitivity analysis for fixed rate instruments

The Fund's fixed rate risk arises from investment in Bai Muajjal. As of June 30, 2020, in case of 100 basis points increase / decrease in interest rates, with all other variables held constant, the net income for the year / period and the net assets would have been higher / lower by Rs. 8.555 million (2019: Rs. 4.30 million).

The composition of the Fund's investment portfolio and the KIBOR rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2020 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 financial instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2020 can be determined as follows:

23.1.2.1 AI - Ameen Islamic Cash Fund

Particulars	----- 2020 -----					
	Effective interest rate (%)	Exposed to profit rate risk			Not exposed to profit rate risk	Total
		Up to three months	More than three months and up to one year	More than one year		
Financial assets						
Balances with banks	2.69% - 7.5%	7,313,651	-	-	4,741	7,318,392
Investments	8%	857,936	-	-	-	857,936
Profit receivable		-	-	-	67,101	67,101
Other receivables		-	-	-	909	909
Sub total		8,171,587	-	-	72,751	8,244,338
Financial liabilities						
Payable to UBL Fund Managers Limited - Management Company		-	-	-	3,536	3,536
Payable to Central Depository Company of Pakistan Limited - the Trustee		-	-	-	539	539
Accrued expenses and other liabilities		-	-	-	3,196	3,196
Sub total		-	-	-	7,271	7,271
On-balance sheet gap (a)		8,171,587	-	-	65,480	8,237,067
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		8,171,587	-	-		
Cumulative profit rate sensitivity gap		8,171,587	8,171,587	8,171,587		

Particulars	----- 2019 -----					
	Effective interest rate (%)	Exposed to profit rate risk			Not exposed to profit rate risk	Total
		Up to three months	More than three months and up to one year	More than one year		
Financial assets						
Balances with banks	3.4% - 11.85%	3,705,887	-	-	6,961	3,712,848
Investments	12.5%	430,000	-	-	-	430,000
Profit receivable		-	-	-	54,264	54,264
Other receivables		-	-	-	-	-
Sub total		4,135,887	-	-	61,225	4,197,112
Financial liabilities						
Payable to UBL Fund Managers Limited - Management Company		-	-	-	3,557	3,557
Payable to Central Depository Company of Pakistan Limited - the Trustee		-	-	-	423	423
Accrued expenses and other liabilities		-	-	-	375	375
Sub total		-	-	-	4,355	4,355
On-balance sheet gap (a)		4,135,887	-	-	56,870	4,192,757
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		4,135,887	-	-		
Cumulative profit rate sensitivity gap		4,135,887	4,135,887	4,135,887		

23.1.2.2 AI - Ameen Islamic Cash Plan - I

Particulars	2020					Total
	Effective interest rate (%)	Exposed to profit rate risk			Not exposed to profit rate risk	
		Up to three months	More than three months and up to one year	More than one year		
Financial assets						
Balances with banks	7.5%	2,880,677	-	-	-	2,880,677
Investments	8%	169,533	-	-	-	169,533
Profit receivable		-	-	-	13,182	13,182
Sub total		3,050,210	-	-	13,182	3,063,392
Financial liabilities						
Payable to UBL Fund Managers Limited - Management Company		-	-	-	386	386
Payable to Central Depository Company of Pakistan Limited - the Trustee		-	-	-	128	128
Accrued expenses and other liabilities		-	-	-	513	513
Sub total		-	-	-	1,027	1,027
On-balance sheet gap (a)		3,050,210	-	-	12,155	3,062,365
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		3,050,210	-	-		
Cumulative profit rate sensitivity gap		3,050,210	3,050,210	3,050,210		

23.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instrument traded in the market. Both the plans of the Fund do not have any financial instruments which are subject to price risk.

23.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to the daily settlement of cash redemption requests on a regular basis. Units are redeemable at the unit holders' option based on the Fund's net asset value per unit, at the time of redemption, calculated in accordance with the Fund's constitutive document and guidelines laid down by the SECP.

Management of liquidity risk

The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Fund's reputation. The Fund's policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed of and realised.

In order to manage the Fund's overall liquidity, the Fund also has the option to withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed to 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. Further, the Fund also has the ability to suspend redemptions of units with the approval of the Board of Directors of the Management Company in extraordinary circumstances. The Fund can also borrow, with prior approval of the Trustee, for meeting redemption requests. The maximum amount available to the Fund from borrowings is limited to the extent of 15% of total net assets at the time of borrowing with repayment within 90 days of such borrowings. Further, the Fund did not withhold any redemption requests during the year / period.

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 year to the contractual maturity dates. However, the liabilities that are payable on demand have been included in the maturity grouping of one month:

23.2.1 AI - Ameen Islamic Cash Fund

2020						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees in '000)						

Financial liabilities

Payable to UBL Fund Managers Limited
- the Management Company
Payable to Central Depository Company
of Pakistan Limited - the Trustee
Accrued expenses and other liabilities

3,536	-	-	-	-	-	3,536
539	-	-	-	-	-	539
-	3,196	-	-	-	-	3,196
4,075	3,196	-	-	-	-	7,271

2019						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees in '000)						

Financial liabilities

Payable to UBL Fund Managers Limited
- the Management Company
Payable to Central Depository Company
of Pakistan Limited - the Trustee
Accrued expenses and other liabilities

3,557	-	-	-	-	-	3,557
423	-	-	-	-	-	423
375	-	-	-	-	-	375
4,355	-	-	-	-	-	4,355

23.2.2 AI - Ameen Islamic Cash Plan - I

2020						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees in '000)						

Financial liabilities

Payable to UBL Fund Managers Limited
- the Management Company
Payable to Central Depository Company
of Pakistan Limited - the Trustee
Accrued expenses and other liabilities

386	-	-	-	-	-	386
128	-	-	-	-	-	128
-	513	-	-	-	-	513
514	513	-	-	-	-	1,027

23.3 Credit risk

23.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. Credit risk arising on the debt instruments is mitigated by investing in rated instruments or instruments issued by rated counterparties of credit ratings of at least investment grade by the recognised rating agencies. The table below analyses the Fund's maximum exposure to credit risk:

23.3.1.1 AI - Ameen Islamic Cash Fund

2020		2019	
Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- (Rupees in '000) -----			
Bank balances	7,318,392	7,318,392	3,712,848
Investments	857,936	857,936	430,000
Profit receivable	67,101	67,101	54,264
Prepayments and other receivables	1,101	1,101	191
	<u>8,244,530</u>	<u>8,244,530</u>	<u>4,197,303</u>

23.3.1.2 AI - Ameen Islamic Cash Plan - I

2020	
Balance as per statement of assets and liabilities	Maximum exposure to credit risk
---- (Rupees in '000) ----	
Bank balances	2,880,677
Investments	169,533
Profit receivable	13,182
	<u>3,063,392</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2020 is the carrying amount of the financial assets.

23.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its balances with banks, term deposits, bai muajjal, other receivables and profit accrued on bank balances. For banks and financial institutions, the Fund keeps deposits with reputed financial institutions with reasonably high credit ratings.

The credit rating profile of balances with banks is as follows:

Name of the bank	Rating agency	Balances held by AICF as at June 30, 2020	Balances held by AICP - I as at June 30, 2020	Latest available published rating as at June 30, 2020
Rupees in '000				
Bank Alfalah Limited - Islamic Banking	PACRA	12	-	AA+
Bank Al Habib Limited - Islamic Banking	PACRA	117	-	AA+
Habib Metropolitan Bank Limited - Islamic Banking	PACRA	8,757	-	AA+
Meezan Bank Limited	VIS	14	-	AA+
Faysal Bank Limited - Islamic Banking	PACRA	37,007	-	AA
Habib Bank Limited	VIS	4,320,283	-	AAA
United Bank Limited	VIS	1,220,643	-	AAA
MCB Bank Limited	PACRA	521	-	AAA
Allied Bank Limited	PACRA	16	-	AAA
National Bank of Pakistan	PACRA	3,005	-	AAA
Dubai Islamic Bank Pakistan Limited	VIS	1,672,781	2,880,677	AA
		<u>7,263,156</u>	<u>2,880,677</u>	

The transactions of Bai Muajjal were carried out with Pak Oman Investment Company Limited and the credit rating of which is given in note 5.2.1.

23.3.3 Concentration on credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups 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 mainly held with credit worthy counterparties thereby mitigating any credit risk.

24 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. These unit holders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the Statement of Movement in Unit Holders' Fund.

The Fund's objectives when managing unit holders' fund are to safeguard the Fund's ability to continue as a going concern in order to provide returns for the benefits of the unit holders to maintain a strong base of assets to support the development of the investment activities of the Fund and to meet unexpected losses or opportunities. As required under the NBFC Regulations, every open end scheme shall maintain minimum fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of scheme. In order to comply with the requirement and to maintain or adjust the Unit Holders' Fund, the Fund's policy is to monitor the level of daily issuance and redemptions relative to the liquid assets and adjust the amount of distributions the Fund pays to the unit holders and to redeem and issue units in accordance with the constitutive documents of the Fund which includes the Fund's ability to restrict redemptions.

The Fund manager, Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of 'Assets under Management'. The Board of Directors is updated regarding key performance indicators such as yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current year.

25 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date. Consequently, differences can arise between carrying value and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

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

25.1 Fair value hierarchy

International Financial Reporting Standard (IFRS) 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

As at June 30, 2020 and June 30, 2019, the Fund held the following financial instruments measured at fair value:

25.1.1 AI - Ameen Islamic Cash Fund

As at June 30, 2020			
Level 1	Level 2	Level 3	Total
Rupees in '000			

Financial assets - 'at fair value through profit or loss'

Bai Muajjal receivable *

-	857,936	-	857,936
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As at June 30, 2019			
Level 1	Level 2	Level 3	Total
Rupees in '000			

Financial assets - 'at fair value through profit or loss'

Term deposit musharika **

-	430,000	-	430,000
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25.1.2 AI - Ameen Islamic Cash Plan - I

As at June 30, 2020			
Level 1	Level 2	Level 3	Total
Rupees in '000			

Financial assets - 'at fair value through profit or loss'

Bai Muajjal receivable *

-	169,533	-	169,533
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* The valuation of Bai Muajjal receivable transaction executed has been done based on amortised cost of Bai Muajjal receivable to its face value as per the guidelines given in Circular 33 of 2012 since the residual maturity of these investments is less than six months and they are placed with counterparties which have high credit rating.

** The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counter parties which have high credit ratings.

26 LIST TOP TEN BROKERS / DEALERS BY PERCENTAGE OF THE COMMISSION PAID

Commission was paid to a broker, Bright Capital (Private) Limited, on bai muajjal transactions executed for AICF and AICP - I during the year / period. No other brokerage commission was paid during the year / period.

27 ATTENDANCE AT THE MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and attendance of its members are given below:

Particulars	30-Aug-19	17-Sep-19	29-Oct-19	9-Dec-19	25-Feb-20	30-Apr-20	Total meetings attended
Name of Directors:							
Mr. Arif Akmal Saifie *	-	-	-	-	-	Yes	1
Mr. Azhar Hamid	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Imran Sarwar	Yes	Yes	Yes	Yes	No	Yes	5
Mr. Yasir Qadri	Yes	Yes	Yes	Yes	Yes	Yes	6
Ms. Naz Khan **	Yes	Yes	Yes	Yes	Yes	Yes	6
Ms. Sadia Saeed	No	Yes	Yes	Yes	Yes	Yes	5
Syed Furukh Zaeem	Yes	Yes	Yes	Yes	No	Yes	5
Mr. Tauqeer Mazhar ***	Yes	Yes	Yes	Yes	-	-	4
Name of Key Executives							
Mr. Bilal Javaid ****	-	-	-	Yes	Yes	Yes	3
Mr. Umair Ahmed	Yes	Yes	Yes	Yes	Yes	Yes	6
S.M. Aly Osman *****	Yes	Yes	Yes	-	-	-	3

* Mr. Arif Akmal Saifie appointed as the Director with effect from March 20, 2020

** Ms. Naz Khan resigned as the Director with effect from July 20, 2020

*** Mr. Tauqeer Mazhar resigned as the Director with effect from January 30, 2020

**** Mr. Bilal Javaid appointed as the Company Secretary with effect from February 25, 2020

***** Mr. S.M. Aly Osman resigned as the Company Secretary with effect from November 30, 2019

28 INTERIM CASH DISTRIBUTIONS DURING THE YEAR

-----June 30, 2020-----				
AICF				
Rate per unit	Declaration date	Refund of capital	Distribution from income	
----- Rupees in '000 -----				
For the period ended July 14, 2019	0.4224	July 15, 2019	340	14,411
For the period ended July 28, 2019	0.4188	July 29, 2019	203	10,529
For the period ended August 15, 2019	0.5875	August 16, 2019	544	15,596
For the period ended August 28, 2019	0.4370	August 30, 2019	5,628	12,161
For the period ended September 15, 2019	0.5527	September 16, 2019	5,936	16,982
For the period ended September 29, 2019	0.4849	September 30, 2019	8,789	15,698
For the period ended October 13, 2019	0.4911	October 14, 2019	10,174	17,734
For the period ended October 27, 2019	0.4475	October 28, 2019	10,275	16,922
For the period ended November 9, 2019	0.3475	November 9, 2019	10,525	9,478
For the period ended November 22, 2019	0.4402	November 22, 2019	8,842	13,715
For the period ended December 6, 2019	0.4502	December 6, 2019	9,210	11,796
For the period ended December 20, 2019	0.4924	December 20, 2019	8,902	16,250
For the period ended January 3, 2020	0.4874	January 3, 2020	10,745	14,653
For the period ended January 17, 2020	0.4405	January 18, 2020	8,218	15,203
For the period ended January 30, 2020	0.4472	January 31, 2020	8,697	14,185
For the period ended February 13, 2020	0.4353	February 14, 2020	10,690	13,877
For the period ended February 27, 2020	0.4385	February 28, 2020	8,889	15,939
For the period ended March 12, 2020	0.4435	March 13, 2020	10,822	19,960
For the period ended March 27, 2020	0.4490	March 28, 2020	12,141	17,066
For the period ended April 10, 2020	0.3968	April 10, 2020	11,538	17,292
For the period ended April 24, 2020	0.3306	April 24, 2020	9,804	12,789
For the period ended May 8, 2020	0.2838	May 9, 2020	9,209	11,559
For the period ended May 28, 2020	0.4289	May 29, 2020	18,189	25,803
For the period ended June 4, 2020	0.1328	June 5, 2020	4,209	9,851
For the period ended June 21, 2020	0.3133	June 22, 2020	10,523	17,380
			213,042	376,829

-----June 30, 2019-----				
AICF				
Rate per unit	Declaration date	Refund of capital	Distribution from income	
----- Rupees in '000 -----				
For the period ended July 29, 2018	0.4495	July 30, 2018	645	11,975
For the period ended August 12, 2018	0.2627	August 13, 2018	796	7,567
For the period ended August 26, 2018	0.2336	August 27, 2018	260	7,595
For the period ended September 9, 2018	0.2411	September 10, 2018	628	7,839
For the period ended September 23, 2018	0.2538	September 24, 2018	177	7,986
For the period ended October 7, 2018	0.2547	October 8, 2018	165	8,434
For the period ended October 21, 2018	0.2624	October 22, 2018	319	9,222
For the period ended November 4, 2018	0.2698	November 5, 2018	154	9,667
For the period ended November 18, 2018	0.2638	November 19, 2018	148	8,447
For the period ended December 2, 2018	0.2642	December 3, 2018	597	8,969
For the period ended December 16, 2018	0.3331	December 17, 2018	351	12,069
For the period ended December 30, 2018	0.3497	December 31, 2018	203	12,091
For the period ended January 13, 2019	0.3463	January 14, 2019	366	12,611
For the period ended January 27, 2019	0.351	January 28, 2019	285	13,006
For the period ended February 10, 2019	0.3445	February 11, 2019	248	13,203
For the period ended February 24, 2019	0.3452	February 25, 2019	329	13,734
For the period ended March 10, 2019	0.345	March 11, 2019	267	14,134
For the period ended March 24, 2019	0.3508	March 25, 2019	220	14,521
For the period ended April 7, 2019	0.3543	April 8, 2019	637	15,011
For the period ended April 21, 2019	0.3589	April 22, 2019	292	13,930
For the period ended May 5, 2019	0.3589	May 6, 2019	167	14,355
For the period ended May 19, 2019	0.3586	May 20, 2019	683	15,605
For the period ended June 09, 2019	0.5672	June 10, 2019	592	24,780
For the period ended June 28, 2019	0.5509	June 28, 2019	2,661	19,938
			11,190	296,689

29 GENERAL

29.1 Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

29.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes; and
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

29.3 Operational risk management

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

29.4 Corresponding figures

Comparative figures have been re-arranged and re-classified in these financial statements, wherever necessary, for the purpose of better presentation and disclosure. There have been no significant reclassifications in these financial statements, except as follows:

Reclassification from the statement of assets and liabilities	Reclassification to the statement of assets and liabilities	For the year ended June 30, 2019
Rupees in 000		

Prepayments and other receivables	Bank balances	2,405
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30 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on September 24, 2020 by the Board of Directors of the Management Company.

**For UBL Fund Managers Limited
(Management Company)**

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AISF

Al-Ameen Islamic Sovereign Fund

INVESTMENT OBJECTIVE

AISF is an open-end Shariah Compliant Income Fund which aims to generate a competitive return with minimum risk, by investing primarily in Shariah Compliant Government Securities.

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	KPMG Taseer Hadi and Co., Chartered Accountants
Bankers	Allied Bank Limited - Islamic Banking Bank Al Habib Limited - Islamic Banking Bank Alfalah Limited - Islamic Banking Dubai Islamic Bank Limited Faysal Bank Limited - Islamic Banking Habib Bank Limited - Islamic Banking Habib Metropolitan Bank Limited - Islamic Banking MCB Bank Limited Meezan Bank Limited National Bank of Pakistan Soneri Bank Limited - Islamic Banking United Bank Limited - Islamic Banking
Management Co. Rating	AM1 (VIS)
Fund Rating	AA- (f) (VIS)

Fund Manager's Report – Al-Ameen Islamic Sovereign Fund (AISF)

- i) **Description of the Collective Investment Scheme category and type**
Shariah Compliant Income Fund
- ii) **Statement of Collective Investment Scheme's investment objective**
AISF is an open-end Shariah Compliant Income Fund which aims to provide a competitive return with minimum risk to its investors by investing primarily in Shariah-compliant Government Securities.
- 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 PKISRV rates.
- v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield*	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AISF	10.78%	11.24%	11.71%	11.56%	11.29%	11.47%	11.07%	11.33%	11.33%	6.61%	4.05%	6.67%	9.90%
Benchmark	10.48%	11.55%	9.86%	9.06%	7.77%	7.17%	7.48%	6.91%	6.20%	5.32%	5.95%	6.67%	7.88%

- vi) **Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance.**
AISF is an open-end Shariah Compliant Income fund which aims to generate a competitive return with minimum risk by investing primarily in Shariah Compliant Government Securities. During FY20, the fund yielded return of 9.90% as compared to benchmark return of 7.88% thus outperformed the benchmark by 2.02%. Major exposure was taken into cash (63%) and Sukuk (32%) at the end of Jun'20. The weighted average time to maturity of the fund was 3.3 years.
- 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-19	Jun-20
Sukuk exposure	0%	32%
GoP Ijara Sukuks	0%	2%
Cash	97%	63%
Others	1%	4%
Placements with banks	2%	0%
Leverage	Nil	Nil

viii) **Analysis of the Collective Investment Scheme's performance**

FY'20 Return:	9.90%
Standard Deviation (12m trailing):	0.16%
Sharpe Ratio (12m trailing):	(14.30)

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			NAV per unit		
30-Jun-20	30-Jun-19	Change	30-Jun-20	30-Jun-19	Change
Rupees (000)		%	Rupees		%
4,922,746	5,138,214	(4.2)	101.1441	101.0468	0.1

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 for FY20

Please refer the relevant note in Directors' report.

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	
<i>Declared on</i>	Bonus	Cash	Per Unit	Cum NAV	Ex NAV
<i>Rupees (000)</i>			<i>----- Rupees -----</i>		
June 26, 2020	-	426,047	9.9189	110.9657	101.0468

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
	AISF
0.0001 - 9,999.9999	4131
10,000.0000 - 49,999.9999	324
50,000.0000 - 99,999.9999	46
100,000.0000 - 499,999.9999	31
500,000.0000 & Above	9
Total	4541

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

Investment are subject to market risk.

xvi) 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 Sovereign Fund

	2020	2019	2018
NET ASSETS AS AT 30 JUNE - Rupees in '000	4,922,746	5,138,214	4,936,518
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *			
Class C units - Offer *	102.287	102.1886	105.0878
- Redemption	101.1441	101.0468	103.9136

RETURN OF THE FUND - %

Total Return of the Fund	9.90	6.82	3.03
Capital Growth (per unit)	0.08	0.39	3.03
Date of Income Distribution	-	2-Jul-18	-
Income Distribution	-	3.0521	-
Date of Income Distribution	26-Jun-20	24-Jun-19	-
Income Distribution	9.9189	6.6827	-

AVERAGE ANNUAL RETURN - %

Since Launch/ One Year	9.90	6.82	3.03
Second Year	8.36	4.93	4.30
Third Year	6.58	5.14	4.31
Since inception	7.64	7.39	7.46

OFFER / REPURCHASE DURING THE YEAR- Rupees *

Highest price per unit - Class C units - Offer	112.1783	108.7285	105.0878
Highest price per unit - Class C units - Redemption	110.9248	107.5136	103.9136
Lowest price per unit - Class C units - Offer	102.1886	101.5083	101.5293
Lowest price per unit - Class C units - Redemption	101.0468	100.3741	100.3948

* Front-end load @1% is applicable

PORTFOLIO COMPOSITION - %

Percentage of Net Assets as at 30 June

PORTFOLIO COMPOSITION BY CATEGORY - %

Bank Balances	63.00	97.00	18.00
Sukuk exposure	32.00	-	-
Government Securities	2.00	-	82.00
Placements with Banks	-	2.00	-
Others	3.00	1.00	-

PORTFOLIO COMPOSITION BY MARKET - %

Debt market	100	100	100
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Note:

- The Launch date of Fund is 07 November 2010.

DISCLAIMER

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

Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahra-e-Faisal
Karachi - 74400. Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AL-AMEEN ISLAMIC SOVEREIGN 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 Sovereign 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, 2020 in accordance with the provisions of the following:

- (i) 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.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 17, 2020



REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the fund are issuing this report in accordance with the rules and regulations. The scope of the report is to express an opinion on the Shariah Compliance of the Funds activities.

In the capacity of Shariah Advisors, we have prescribed criteria and procedures to be followed in ensuring Shariah Compliance in every investment.

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 of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

In light of the above, we hereby certify that:

- i. We have reviewed and approved the modes of investments of AISF in light of the shariah guidelines.
- ii. All the provisions of the Scheme and investments made on account of AISF by UBL Fund Managers are Shariah compliant and in accordance with the criteria established.
- iii. On the basis of information provided by the management, all operations of AISF for the year ended 30 June 2020 have been in compliance with the Shariah principles.

During the year, NIL amount has been recognized as charity.

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



Mufti Muhammad Hassan Kaleem
Member, Shariah Advisory Committee



Muhammad Najeem Khan
Member, Shariah Advisory Committee

KARACHI:
DATE: 26 August 2020



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 BY UBL FUND MANAGERS LIMITED

NAME OF FUND: AL AMEEN ISLAMIC SOVEREIGN FUND

YEAR ENDED: JUNE 30, 2020

The Securities and Exchange Commission of Pakistan (SECP) has exempted open-end collective investment schemes from the requirements of the Listed Companies (Code of Corporate Governance) Regulations (the Regulations). However, the Board of Directors (the Board) of UBL Fund Managers Limited [the Management Company of Al Ameen Islamic Sovereign Fund (the Fund)], for the purpose of establishing a framework of good governance has voluntarily opted to comply with the relevant provisions of the Regulations.

The Management Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven as per the following:
 - a. Male: Five Directors; and
 - b. Female: Two Directors.
2. The composition of the Board is as follows:

Category	Name
Independent Directors	Mr. Azhar Hamid Ms. Naz Khan*
Executive Directors	Mr. Yasir Qadri
Non-Executive Directors	Mr. Imran Sarwar Ms. Sadia Saeed Mr. Arif Akmal Saifie** Syed Furrukh Zaeem
Female Director	Ms. Naz Khan* Ms. Sadia Saeed

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including the Management Company.
4. 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.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Management Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Management Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.



8. The Board has a formal policy and transparent procedures for remuneration of its directors in accordance with the Act and these Regulations.
9. The following directors and executives have acquired the prescribed Directors' Training Program (DTP) certification:

Directors

- a. Mr. Imran Sarwar
- b. Mr. Yasir Qadri
- c. Ms. Naz Khan
- d. Ms. Sadia Saeed
- e. Syed Furrukh Zaeem

Executives

- a. Mr. Amin Gulamani (Head of Human Resources)
 - b. Mr. Hadi Hassan Mukhi (Head of Compliance and Risk)
 - c. Mr. Umair Ahmed (Chief Financial Officer)
 - d. Mr. Zeeshan Quddus (Chief Business Development Officer)
10. The Board has approved appointment of the Chief Financial Officer (CFO), the Company Secretary and the Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations.
 11. The Chief Executive Officer (CEO) and CFO duly endorsed the financial statements of the Fund before approval of the Board.
 12. The Board has formed committees comprising of members given below.

Board Audit Committee

Name	Designation	Type of Directorship
Ms. Naz Khan*	Chairman	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Imran Sarwar	Member	Non-Executive Director
Ms. Sadia Saeed	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director

Board Human Resource and Compensation Committee

Name	Designation	Type of Directorship
Mr. Azhar Hamid	Chairman	Independent Director
Mr. Yasir Qadri	Member	Executive Director
Ms. Naz Khan*	Member	Independent Director
Ms. Sadia Saeed	Member	Non-Executive Director
Syed Furrukh Zaeem	Member	Non-Executive Director

Board Risk and Compliance Committee

Name	Designation	Type of Directorship
Mr. Imran Sarwar	Chairman	Non-Executive Director
Mr. Azhar Hamid	Member	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director
Mr. Yasir Qadri	Member	Executive Director
Syed Furrugh Zaeem	Member	Non-Executive Director

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

*** Mr. Tauqeer Mazhar resigned as a director from January 30, 2020

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
14. The frequency of meetings of the committees was as follows:
 - a. The Board Audit Committee: quarterly - six meetings held
 - b. The Board Human Resource and Compensation Committee: quarterly - five meetings held
 - c. The Board Risk and Compliance Committee: quarterly - four meetings held
15. The Board has set up an effective internal audit function. The Function has suitably qualified and experienced staff for the purpose and they are conversant with the policies and procedures of the Management Company.
16. 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 and are registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on the code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the Partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of CEO, CFO, the Head of Internal Audit, the Company Secretary or directors of the Management Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of Regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with.
19. We confirm that any other significant requirements of the Regulations have been complied with.

AZHAR HAMID
Chairman

Karachi.
Dated: **September 25, 2020**



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Unit Holders of Al-Ameen Islamic Sovereign Fund

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") prepared by the Board of Directors of UBL Fund Managers Limited ("the Management Company") for the year ended 30 June 2020 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Management Company of the Fund. Our responsibility is to review whether the Statement of Compliance reflects the status of the Management Company's compliance with the provisions of the Regulations in respect of the Fund and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

As part of our audit of the 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 of Directors' 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 Regulations require the Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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 of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Management Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.



KPMG Taseer Hadi & Co.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Management Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Fund for the year ended 30 June 2020.

A handwritten signature in blue ink, appearing to read 'KPMG Taseer Hadi & Co.', written over a horizontal line.

KPMG Taseer Hadi & Co.
Chartered Accountants

Date: 29 September 2020

Karachi



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

Independent Auditors' Report

To the Unit holders of AI - Ameen Islamic Sovereign Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **AI - Ameen Islamic Sovereign Fund** ("the Fund"), which comprise the statement of assets and liabilities as at 30 June 2020, income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.



KPMG Taseer Hadi & Co.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2020, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting 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.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be



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expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.


Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditors' report is Zeeshan Rashid.

Date: 29 September 2020

Karachi


KPMG Taseer Hadi & Co.
Chartered Accountants

AI - Ameen Islamic Sovereign Fund

Statement of Assets and Liabilities

As at 30 June 2020

	Note	2020 (Rupees in '000)	2019
Assets			
Bank balances	4	3,134,793	5,007,292
Term deposit musharika	5	-	120,000
Investments	6	1,684,875	-
Profits receivable	7	42,934	46,756
Prepayments and other receivables	8	132,094	12,851
Advance tax	9	534	534
Total assets		4,995,230	5,187,433
Liabilities			
Payable to the Management Company	10	9,026	6,225
Payable to Central Depository Company of Pakistan Limited - Trustee	11	349	432
Payable to Securities and Exchange Commission of Pakistan	12	1,009	5,361
Accrued expenses and other payables	13	62,100	37,201
Total liabilities		72,484	49,219
Net assets		4,922,746	5,138,214
Unit holders' fund (as per statement attached)		4,922,746	5,138,214
Contingencies and commitments	21		
		(Number of units)	
Number of units in issue	22	48,670,608	50,849,830
		(Rupees)	
Net assets value per unit	3.8	101.1441	101.0468

The annexed notes 1 to 31 form an integral part of these financial statements.

**For UBL Fund Managers Limited
(Management Company)**

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

AI - Ameen Islamic Sovereign Fund

Income Statement

For the year ended 30 June 2020

	Note	2020 (Rupees in '000)	2019
Income			
Profit on bank deposits and Term Deposits Musharika calculated using the effective yield method	14	553,739	444,791
Profit / return on investments calculated using the effective yield method	15	16,524	151,963
Realised loss on sale of investments		(2,900)	(11,125)
Unrealised loss on revaluation of investments designated at fair value through profit or loss	6.2	(2,625)	-
Other income		107	27
Total income		564,845	585,656
Expenses			
Remuneration of the Management Company	10.1	50,452	71,471
Sindh Sales Tax on the Management Company's remuneration	10.2	6,559	9,291
Allocation of expenses relating to the Fund	10.3	5,045	7,147
Selling and marketing expenses	10.3	10,091	1,185
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	11	4,271	7,447
Annual fee of Securities and Exchange Commission of Pakistan	12	1,009	5,361
Auditors' remuneration	16	1,040	877
Shariah advisory fee	10.4	350	350
Brokerage expenses		23	45
Listing fee		28	28
Legal and professional charges		213	208
Bank charges		98	107
Other expenses		259	261
Total operating expenses		79,438	103,778
Net income from operating activities		485,407	481,878
Provision for Sindh Workers' Welfare Fund	13.2	(9,522)	(9,453)
Net income for the year before taxation		475,885	472,425
Taxation	17	-	-
Net income for the year after taxation		475,885	472,425
Allocation of net income for the year after taxation			
Net income for the year after taxation		475,885	472,425
Income already paid on units redeemed		(369,520)	(432,188)
		106,365	40,237
Accounting income available for distribution			
- Relating to capital gains		-	-
- Excluding capital gains		106,365	40,237
		106,365	40,237
Earnings per unit	3.12		

The annexed notes 1 to 31 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

AI - Ameen Islamic Sovereign Fund
Statement of Comprehensive Income
For the year ended 30 June 2020

	2020	2019
	(Rupees in '000)	
Net income for the year after taxation	475,885	472,425
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>475,885</u>	<u>472,425</u>

The annexed notes 1 to 31 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

Al - Ameen Islamic Sovereign Fund
Statement of Movement in Unit holders' Fund
For the year ended 30 June 2020

	2020			2019		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the year	5,069,644	68,570	5,138,214	4,881,606	54,912	4,936,518
Issuance of 141,789,818 units (30 June 2019:156,499,331 units)						
- Capital value	14,327,407	-	14,327,407	15,784,757	-	15,784,757
- Element of income	677,765	-	677,765	176,603	-	176,603
Total proceeds on issuance of units	15,005,172	-	15,005,172	15,961,360	-	15,961,360
Redemption of 143,969,039 units (30 June 2019:153,155,466 units)						
- Capital value	(14,547,611)	-	(14,547,611)	(15,447,490)	-	(15,447,490)
- Element of loss	(353,347)	(369,520)	(722,867)	(170,165)	(432,188)	(602,353)
Total payments on redemption of units	(14,900,958)	(369,520)	(15,270,478)	(15,617,655)	(432,188)	(16,049,843)
Total comprehensive income for the year	-	475,885	475,885	-	472,425	472,425
Interim distribution for the year ended 30 June 2020: Rs. 9.9189 per unit declared on 26 June 2020	(322,668)	(103,379)	(426,047)	-	-	-
Final distribution for the year ended 30 June 2018: Rs. 3.0521 per unit declared on 2 July 2018 (30 June 2018: Nil)	-	-	-	(125,107)	(19,887)	(144,994)
Interim distribution for the year ended 30 June 2019: Rs. 6.6827 per unit declared on 24 June 2019	-	-	-	(30,560)	(6,692)	(37,252)
Net income for the year less distribution	(322,668)	372,506	49,838	(155,667)	445,846	290,179
Net assets at end of the year	4,851,190	71,556	4,922,746	5,069,644	68,570	5,138,214
Undistributed income brought forward:						
- Realised income		68,570			73,668	
- Unrealised (loss)		-			(18,756)	
		68,570			54,912	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		106,365			40,237	
		106,365			40,237	
Interim distribution for the year ended 30 June 2020: Rs. 9.9189 per unit declared on 26 June 2020		(103,379)			-	
Final distribution for the year ended 30 June 2018: Rs. 3.0521 per unit declared on 2 July 2018 (30 June 2018: Nil)		-			(19,887)	
Interim distribution for the year ended 30 June 2019: Rs. 6.6827 per unit declared on 24 June 2019		-			(6,692)	
Undistributed income carried forward		71,556			68,570	
Undistributed income carried forward comprises of:						
- Realised income		71,556			68,570	
- Unrealised loss		-			-	
		71,556			68,570	
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the year			101.0468			103.9136
Net assets value per unit at end of the year			101.1441			101.0468

The annexed notes 1 to 31 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

AI - Ameen Islamic Sovereign Fund

Cash Flow Statement

For the year ended 30 June 2020

	Note	2020 (Rupees in '000)	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		475,885	472,425
Adjustments for:			
Profit on bank deposits and Term Deposits Musharika calculated using the effective yield method	14	(553,739)	(444,791)
Profit / return on investments calculated using the effective yield method	15	(16,524)	(151,963)
Unrealised loss on revaluation of investments designated at fair value through profit or loss		2,625	-
Realised loss on sale of investments		2,900	11,125
Provision for Sindh Workers' Welfare Fund		9,522	9,453
		<u>(555,216)</u>	<u>(576,176)</u>
Net cash used in operations before working capital changes		(79,331)	(103,751)
Working capital changes			
<i>(Increase) / decrease in assets</i>			
Investments		(1,787,500)	4,048,043
Prepayments and other receivables		(24,638)	(1)
Advance tax		-	(64)
		<u>(1,812,138)</u>	<u>4,047,978</u>
<i>Increase / (decrease) in liabilities</i>			
Payable to the Management Company		2,801	853
Payable to Central Depository Company of Pakistan Limited - Trustee		(83)	(22)
Payable to Securities and Exchange Commission of Pakistan		(4,352)	2,001
Accrued expenses and other payables		15,377	3,724
		<u>13,743</u>	<u>6,556</u>
Profits received		574,085	595,434
Net cash (used in) / generated from operating activities		(1,303,641)	4,546,217
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of units	19	14,684,999	15,800,658
Payments on redemption of units		(15,270,478)	(16,049,843)
Cash distribution to unit holders		(103,379)	(26,579)
Net cash used in financing activities		(688,858)	(275,764)
Net (decrease) / increase in cash and cash equivalents		(1,992,499)	4,270,453
Cash and cash equivalents at beginning of the year		5,127,292	856,839
Cash and cash equivalents at end of the year		3,134,793	5,127,292
Cash and cash equivalents			
Bank balances		3,134,793	5,007,292
Term deposit musharika		-	120,000
		<u>3,134,793</u>	<u>5,127,292</u>

The annexed notes 1 to 31 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

AI - Ameen Islamic Sovereign Fund

Notes to the Financial Statements

For the year ended 30 June 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

AI-Ameen Islamic Sovereign Fund (the Fund), was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on 25 August 2010 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 17 September 2010 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced its operations from 7 November 2010.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

The Fund is an open ended mutual fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for subscription on a continuous basis to general public. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.

The investment objective of the Fund is to provide a competitive rate of return with a moderate level of risk to its investors by investing in designated authorised investments approved by the Shariah Advisory Board.

Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

2.2 Standards and amendments effective during the year

There are number of new standards and amendments that are effective from 01 July, 2019 however these do not have a significant effect on the Fund's financial statements.

2.3 Standards, interpretations and amendments to accounting and reporting standards, that are not yet effective:

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2020:

- Amendment to IFRS 3 '*Business Combinations*' – Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 1 January 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.
- Amendments to IAS 1 *Presentation of Financial Statements* and IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (effective for annual periods beginning on or after 1 January 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRS Standards.
- On 29 March 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallize. The companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of 1 January 2020, unless the new guidance contains specific scope outs.
- Interest Rate Benchmark Reform which amended IFRS 9, IAS 39 and IFRS 7 is applicable for annual financial periods beginning on or after 1 January 2020. The G20 asked the Financial Stability Board (FSB) to undertake a fundamental review of major interest rate benchmarks. Following the review, the FSB published a report setting out its recommended reforms of some major interest rate benchmarks such as IBORs. Public authorities in many jurisdictions have since taken steps to implement those recommendations. This has in turn led to uncertainty about the long-term viability of some interest rate benchmarks. In these amendments, the term 'interest rate benchmark reform' refers to the market-wide reform of an interest rate benchmark including its replacement with an alternative benchmark rate, such as that resulting from the FSB's recommendations set out in its July 2014 report 'Reforming Major Interest Rate Benchmarks' (the reform). The amendments made provide relief from the potential effects of the uncertainty caused by the reform. A company shall apply the exceptions to all hedging relationships directly affected by interest rate benchmark reform. The amendments are not likely to affect the financial statements of the Fund.
- Amendments to IFRS-16- IASB has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after 1 June 2020, with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements, the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were not lease modifications. Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:
 - the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
 - any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
 - there is no substantive change to the other terms and conditions of the lease.
- Classification of liabilities as current or non-current (Amendments to IAS 1) effective for the annual period beginning on or after 1 January 2022. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual period beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarify what comprise the cost of fulfilling a contract, cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for the annual period beginning on or after 1 January 2022. Clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc, are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items by applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.
- The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022:
 - IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
 - IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
 - IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

The above amendments are effective from annual periods beginning on or after 01 July, 2020 and are not likely to have an impact on Fund's financial statements.

2.4 Critical accounting estimates and judgments

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas where various assumptions and estimates are significant to the Fund's financial statements or where judgment was exercised in the application of accounting policies are given below:

a) Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in note 3.2.1 - Regarding the classification of investments.

b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the year ended 30 June 2020 is included in the following notes:

- Notes 3.2.1 - Valuation of investments
- Notes 3.2.1(iv) and 3.14 - Impairment of financial instruments and other assets

2.5 Basis of measurement

These financial statements have been prepared under the historical cost convention except for the investments which are stated at fair value.

2.6 Functional and presentation currency

These financial statements are presented in Pak Rupees which is the functional and presentation currency of the Fund. All amounts have been rounded to the nearest thousand, unless otherwise stated.

3 SIGNIFICANT ACCOUNTING POLICIES

The principle accounting policies applied in the preparation of the financial statements are set out below.

3.1 Cash and cash equivalents

Cash and cash equivalents are carried in the Statement of Assets and Liabilities at amortised cost. These comprise of deposits with banks and highly liquid investments with original maturities of three months or less and that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short term cash commitments rather than for investments for other purposes.

3.2 Financial assets

3.2.1 Financial assets

i. Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs associated with these financial assets are charged to the income statement.

Classification

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt security is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Fund's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund's stated objectives for managing the financial assets are achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment on debt securities, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Fund considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

ii. Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest / markup income, are recognised in income statement.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective yield method. The amortised cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognised in income statement.
Debt securities at FVOCI	These assets are subsequently measured at fair value. Interest / markup income calculated using the effective yield method, foreign exchange gains and losses and impairment are recognised in income statement. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income statement.

The fair value of financial assets are determined as follows:

- Government securities

The government securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKISRV rates) which are based on the remaining tenor of the securities.

iii. Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

iv. Impairment of financial assets

Provision for non performing debt securities and other exposure is made in accordance with the criteria specified in Circular No. 33 of 2012 dated 24 October 2012 issued by SECP Which are recently relaxed by the SECP amid ongoing situation of COVID 19. However, the circular does not cover impairment requirements for government debt securities. Based on the past performance management considers that there is no probability of default as in any adverse situation State Bank of Pakistan has the right to discharge government obligations by issuance of currency notes. The provisioning policy has been duly formulated and approved by the Board of Directors.

3.2.2 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

3.2.3 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and where the Fund has transferred substantially all risks and rewards of ownership.

3.2.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Assets and Liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

3.4 Unitholders' Fund

Unitholders' Fund representing the units issued by the Fund, is carried at the redemption amount representing the investors' right to a residual interest in the Fund's assets.

3.5 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received, by the distributors / Management Company during business hours, as of the close of the previous day on which the applications were received. The offer price represents the net assets value per unit as of the close of previous day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable.

Units redeemed are recorded at the redemption price, applicable to units as of the close of the previous day. The redemption price represents the net assets value per unit as of the close of the previous day on which the applications were received less any back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

3.6 Element of income

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net asset Value (NAV) at the beginning of the relevant accounting period.

Element of Income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund; however, to maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP) the refund of capital is made in the form of additional units at zero price.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. The income already paid (Element of Income) on redemption of units during the year are taken separately in statement of movement in unitholders' fund.

3.7 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

3.8 Net assets value per unit

The net assets value per unit as disclosed on the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units outstanding at the year end.

3.9 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders. Provided that for the purpose of determining distribution of atleast ninety percent of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

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.

3.10 Revenue recognition

- Realised gains / (losses) arising on redemption and sale of investments are included in the Income Statement on the date at which the transaction takes place.

- Unrealised gains / (losses) arising on revaluation of investments classified as 'at fair value through profit or loss' are included in the Income Statement in the period in which they arise.
- Income on government securities is recognised on time proportion basis using the effective yield.
- Profit on saving accounts and term deposits musharika is recognised taken into account the effective yield.

3.11 Expenses

All expenses including Management fee, Trustee fee and Securities and Exchange Commission of Pakistan fee are recognised in the Income Statement on accrual basis.

3.12 Earnings per unit

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

3.13 Distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital if any based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

3.14 Other assets

Other assets are stated at cost less impairment losses, if any.

3.15 Zakat payable

Zakat payment is the responsibility of each unit holder. Nevertheless, the fund follows the provision of Zakat and Ushr Ordinance, 1980. Units held by individual resident Pakistani unit holders are subject to Zakat at 2.5% of par value of unit under the said 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.

4	BANK BALANCES	Note	2020	2019
			----- (Rupees in '000) -----	
	In current accounts	4.1	10,387	151,406
	In saving accounts	4.2	3,124,406	4,855,886
			<u>3,134,793</u>	<u>5,007,292</u>
4.1	This includes balance with United Bank Limited of Rs. 6.637 million (2019: Rs. 0.804 million), holding company of the Management Company.			
4.2	These carry profit rates ranging from 2.31% to 8.25% per annum (2019: 6.3% to 12% per annum). It includes balance with United Bank Limited of Rs. 27.984 million (2019: Rs. 1,886.49 million).			
5	TERM DEPOSIT MUSHARIKA	Note	2020	2019
			----- (Rupees in '000) -----	
	Commercial Bank	5.1	-	120,000
5.1	All terms deposits got matured on 20 September 2019.			
6	INVESTMENTS			
	At fair value through profit or loss			
	Government securities	6.1	<u>1,684,875</u>	<u>-</u>

6.1 Government Securities - at fair value through profit or loss

	Note	As at 01 July 2019	Purchased during the year	Sold / matured during the year	As at 30 June 2020	Carrying value as at 30 June 2020	Market value as at 30 June 2020	Market value as at 30 June 2019	Market value as Percentage of total investments	Market value as Percentage of net assets
			(No. of Holdings)			(Rupees in '000)			%	
Government of Pakistan										
Gop Ijara	6.1.1	-	1,875,000	(1,000,000)	875,000	87,500	84,875	-	5	2
Pakistan Energy Sukuk - II		-	16,000,000	-	16,000,000	1,600,000	1,600,000	-	95	33
						<u>1,687,500</u>	<u>1,684,875</u>	<u>-</u>	<u>100</u>	<u>35.00</u>

6.1.1 These carry profit rate from 6.63% to 8.02% (2019: Nil)

6.2 Unrealised loss on revaluation of investments designated at fair value through profit or loss

	2020	2019
	(Rupees in '000)	
Market value of investments	1,684,875	-
Less: cost / carrying value of investments	<u>(1,687,500)</u>	<u>-</u>
	<u>(2,625)</u>	<u>-</u>

7 PROFITS RECEIVABLE

	Note	2020	2019
		----- (Rupees in '000) -----	
Profits receivable on:			
- Government securities		16,524	-
- Bank balances		26,410	46,057
- Term deposit musharika		-	699
		<u>42,934</u>	<u>46,756</u>

8 PREPAYMENTS AND OTHER RECEIVABLES

Receivable against issuance of units	10,237	12,732
Receivable against sale of investment	97,100	-
Prepaid expenses	118	118
Others	24,639	1
	<u>132,094</u>	<u>12,851</u>

9 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). 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, which has been recorded as receivable from the Tax Department in these financial statements. Refund of these amounts have been / will be claimed while filing the Income Tax Return of the respective tax year(s) in which these were deducted. The management is confident that the same shall be duly refunded.

10 PAYABLE TO THE MANAGEMENT COMPANY

	Note	2020	2019
		----- (Rupees in '000) -----	
Management remuneration payable	10.1	4,124	3,756
Sindh Sales Tax on Management's remuneration	10.2	536	488
Payable against allocation of expenses relating to the Fund	10.3	845	376
Payable against selling and marketing expenses relating to the Fund	10.3	2,548	1,185
Shariah advisory fee	10.4	350	204
Sales load and other payables		623	216
		<u>9,026</u>	<u>6,225</u>

10.1 SECP vide S.R.O. 639 (I)/2019 has substitute regulation 61 where by Management Company may charge variable fee or fixed fee or the combination of both which shall not exceed the limit disclosed in the Offering Document. During the year ended 30 June 2020, the Management Company has charged remuneration at the rate of 1% per annum of average daily net assets.

10.2 Sindh Sales Tax has been charged at 13% (2019: 13%) on the management fee charged during the year.

10.3 SECP vide S.R.O. 639 (I)/2019 has substituted clause (s) and (v) of sub regulation 3 of regulation 60 and accordingly has removed cap of charging 0.1% and 0.4% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation & valuation services and selling and marketing expenses respectively, provided total expense ratio remains within the allowed limit. The Management company is charging 0.1% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services. Further, Management Company has also charged selling and marketing expense of 0.2% of average daily net assets.

10.4 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. 0.35 million (2019: Rs. 0.35 million) as shariah advisory.

11 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

	Note	2020	2019
		----- (Rupees in '000) -----	
Trustee remuneration	11.1	309	382
Sindh Sales Tax on Trustee remuneration	11.2	40	50
		<u>349</u>	<u>432</u>

11.1 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 assets value of the Fund. The remuneration is paid to the Trustee on monthly basis in arrears. The tariff structure applicable to the Fund in respect of the trustee fee has been revised effective from 01 July 2019 where by the revised tariff is 0.075% per annum of average daily net assets.

- 11.2** The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% on the remuneration of Trustee through Sindh Sales Tax on Services Act, 2011, effective from 01 July, 2016.

12 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

SECP vide S.R.O. 685 (I)/2019 has revised its annual fee from 0.075% to 0.02% per annum of average daily net assets of the Fund, applicable from 01 July 2019.

13 ACCRUED EXPENSES AND OTHER PAYABLES

	<i>Note</i>	2020	2019
		----- (Rupees in '000) -----	
Provision for indirect duties and taxes	13.1	16,613	16,613
Provision for Sindh Workers' Welfare Fund	13.2	25,026	15,504
Withholding tax deducted at source		-	3,739
Sindh sales tax withholding payable		5	-
Capital gains tax payable		1,404	79
Zakat deducted at source		333	349
Auditors' remuneration payable		681	538
Brokerage payable		48	26
Charity payable	13.3	1	2
Dividend payable		14,100	-
Sales load payable		230	219
Legal fees payable		98	61
Others		3,561	71
		<u>62,100</u>	<u>37,201</u>

- 13.1** 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 13 June 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 Honourable 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 30 June 2016.

On 30 June 2016, the Honourable Sindh High Court had passed a judgement 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 01 July 2011 is ultra vires to the Constitution of Pakistan. On 23 September 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. 16.613 million until the matter is resolved. Had the provision not been made, the net asset value per unit of the Fund as at 30 June 2020 would have been higher by Rs. 0.3413 (2019: Rs. 0.2948) 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, since 30 June 2016, provision for FED has not been made.

- 13.2** 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 Honourable Lahore High Court (LHC) and the Honourable 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 Honourable Supreme Court of Pakistan (SCP). On 10 November 2016 the SCP passed a judgement declaring 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 filed a review petition in the SCP against the said judgement, 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 21 May 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 31 December 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 12 January 2017 the following:

- i) The provision against the Federal WWF held by the Mutual Funds till 30 June 2015 should be reversed on 12 January 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. 21 May 2015).

The above decisions were communicated to SECP and the Pakistan Stock Exchange Limited on 12 January 2017. In response to the aforementioned letter SECP vide its letter dated 01 February 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 12 January 2017.

Had the provision not been made, the net asset value per unit of the Fund as at 30 June 2020 would have been higher by Rs. 0.5142 (2019: Rs. 0.3049) per unit.

- 13.3** This represents amount attributable to income earned from shariah non-compliant avenues, earmarked for onward distribution as charity in accordance with the instructions of the Shariah Advisor.

**14 PROFIT ON BANK DEPOSITS AND TERM DEPOSITS MUSHARIKA
CALCULATED USING THE EFFECTIVE YIELD METHOD**

Note	2020	2019
	-----	-----
	(Rupees in '000)	
Profits on:		
- Bank balances	548,924	444,092
- Term deposit musharika	4,815	699
	<u>553,739</u>	<u>444,791</u>

- 14.1** Profit rate on term deposit musharika is 12.5% to 13% (2019: 12.5%) per annum.

**15 PROFIT / RETURN ON INVESTMENTS CALCULATED
USING THE EFFECTIVE YIELD METHOD**

- GOP Ijarah	2,110	151,963
- Pakistan Energy Sukuk - II	14,414	-
	<u>16,524</u>	<u>151,963</u>

16 AUDITORS' REMUNERATION

Annual audit fee	535	530
Half yearly review fee	285	224
Review of CCG	106	78
Out of pocket expenses	114	123
	<u>1040</u>	<u>955</u>

17 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the case may be, shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund has distributed more than 90% of the Fund's accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders during the year. Accordingly, no provision has been made in the financial statements for the year ended 30 June 2020.

18 TOTAL EXPENSE RATIO (TER)

In accordance with the Directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the year ended 30 June 2020 is 1.76% which includes 0.35% representing government levy, Sindh Worker's Welfare Fund and SECP fee. As per S.R.O 639 (I)/2019, the limit towards expense ratio has been revised from 2% to 2.5% for Equity, Balanced, Asset Allocation and Capital protected (dynamic asset allocation-direct exposure).

**19 RECONCILIATION OF LIABILITIES ARISING OUT OF
FINANCING ACTIVITIES**

	Receivable against sale of units	Payable against redemption of units	Total
	-----	-----	-----
	(Rupees in '000)		
Opening balance as at 01 July 2019	12,732	-	12,732
Receivable against issuance of units	14,682,504	-	14,682,504
Payable against redemption of units	-	(15,270,478)	(15,270,478)
	<u>14,682,504</u>	<u>(15,270,478)</u>	<u>(587,974)</u>
Amount received on issuance of units	(14,684,999)	-	(14,684,999)
Amount paid on redemption of units	-	15,270,478	15,270,478
	<u>(14,684,999)</u>	<u>15,270,478</u>	<u>585,479</u>
Closing balance as at 30 June 2020	<u>10,237</u>	<u>-</u>	<u>10,237</u>

20 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 Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee and custodian of the Fund, the directors and officers of the Management Company and unit holders holding 10% or more of the Fund's net assets.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, NBFC Regulations and the Trust Deed respectively.

All other transactions with related parties / connected persons are in the normal course of business, at contracted rates and terms determined in accordance with the market rates.

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

20.1 Transactions during the year	Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
	2020					
	(Rupees in '000)					
Units issued	3,500	-	-	6,971,982	16,754	536,746
Units redeemed	3,532	-	-	8,774,432	8,514	-
Profit on saving accounts	-	205,088	-	-	-	-
Bank charges	-	70	-	-	-	-
Remuneration	50,452	-	3,780	-	-	-
Sales tax on remuneration	6,559	-	491	-	-	-
Allocation of expenses relating to the Fund	5,045	-	-	-	-	-
Shariah advisory fee	350	-	-	-	-	-
Selling and marketing expense relating to the Fund	10,091	-	-	-	-	-
Dividend paid	-	-	-	207,022	258	36,746
	2019					
	(Rupees in '000)					
Units issued	-	-	-	16,526,167	1,406	-
Units redeemed	-	-	-	15,856,680	-	-
Profit on saving accounts	-	272,033	-	-	-	-
Bank charges	-	97	-	-	-	-
Remuneration	71,471	-	6,590	-	-	-
Sales tax on remuneration	9,291	-	857	-	-	-
Allocation of expenses relating to the Fund	7,147	-	-	-	-	-
Shariah advisory fee	350	-	-	-	-	-
Selling and marketing expense relating to the Fund	1,185	-	-	-	-	-
Dividend paid	-	-	-	119,599	350	-
20.2 Balances outstanding as at year end	2020					
	(Rupees in '000)					
Units held (in units)	-	-	-	22,805	123	4,948
Units held (in rupees)	-	-	-	2,306,591	12,441	-
Bank balances*	-	34,657	-	-	-	-
Remuneration payable **	4,660	-	349	-	-	-
Sales load and other payables	623	230	-	-	-	-
Shariah fee	350	-	-	-	-	-
Payable against allocated expenses	845	-	-	-	-	-
Payable against selling and marketing expenses relating to the Fund	2,548	-	-	-	-	-
Profit receivable	-	1,976	-	-	-	-
	2019					
	(Rupees in '000)					
Units held (in units '000)	-	-	-	41,722	42	-
Units held (in rupees '000)	-	-	-	4,215,924	4,229	-
Bank balances*	-	1,887,348	-	-	-	-
Remuneration payable **	4,244	-	432	-	-	-
Sales load and other payables	216	219	-	-	-	-
Shariah fee	204	-	-	-	-	-
Payable against allocated expenses	376	-	-	-	-	-
Payable against selling and marketing expenses relating to the Fund	1,185	-	-	-	-	-
Profit receivable	-	17,262	-	-	-	-

* These carry profit rate ranging from 7% to 7.25% per annum (30 June 2019: 6.3% to 12% per annum).

** These balances are inclusive of Sindh Sales Tax payable.

21 CONTINGENCIES AND COMMITMENTS

Other than already disclosed in the financial statements, there are no contingencies and commitments as at 30 June 2020.

22 NUMBER OF UNITS IN ISSUE

	Note	2020 ----- (Number of units) -----	2019
Total units in issue at the beginning of the year		50,849,830	47,505,965
Units issued during the year	22.1	141,789,817	156,499,331
Units redeemed during the year		(143,969,039)	(153,155,466)
Total units in issue at the end of the year		<u>48,670,608</u>	<u>50,849,830</u>

22.1 This includes 3,193,248 units issued in lieu of refund of capital.

22.2 The Management Company on 26 June, 2020 declared interim distribution of Rs. 9.9189 per unit. The aggregate cash distribution amounted to Rs. 103.379 million was in addition to refund of capital as stated in note 22.1.

23 FINANCIAL INSTRUMENTS BY CATEGORY

	2020		
	Amortised cost	At fair value through other comprehensive income	At fair value through profit or loss
	----- (Rupees in '000) -----		
Financial assets			
Bank balances	3,134,793	-	-
Investments	-	-	1,684,875
Profits receivable	42,934	-	-
Prepayments and other receivables	131,976	-	-
	<u>3,309,703</u>	<u>-</u>	<u>1,684,875</u>

	At amortised cost	Total
	-- (Rupees in '000) --	
Financial liabilities		
Payable to the Management Company	9,026	9,026
Payable to Central Depository Company of Pakistan Limited - Trustee	349	349
Accrued expenses and other payables	19,057	19,057
	<u>28,432</u>	<u>28,432</u>

	2019		
	Amortised cost	At fair value through other comprehensive income	At fair value through profit or loss
	----- (Rupees in '000) -----		
Financial assets			
Bank balances	5,007,292	-	-
Profits receivable	46,756	-	-
Term deposit receipt	120,000	-	-
Prepayments and other receivables	12,733	-	-
	<u>5,186,781</u>	<u>-</u>	<u>-</u>

	Other financial liabilities	Total
	----- (Rupees in '000) -----	
Financial liabilities		
Payable to the Management Company	6,225	6,225
Payable to Central Depository Company of Pakistan Limited - Trustee	432	432
Accrued expenses and other payables	5,005	5,005
	<u>11,662</u>	<u>11,662</u>

24 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The Fund's accounting policy on fair value measurements of investments is discussed in note 3.2 to these financial statements.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

On-balance sheet financial instruments

30 June 2020

Note	Carrying amount					Fair value			
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets measured at fair value									
Government securities	24.1	-	1,684,875	-	1,684,875	-	1,684,875	-	1,684,875
Financial assets not measured at fair value									
Bank balances	24.2	-	-	3,134,793	3,134,793				
Profits receivable		-	-	42,934	42,934				
Prepayments and other receivables		-	-	131,976	131,976				
		-	-	3,309,703	3,309,703				
Financial liabilities not measured at fair value									
Payable to the Management Company	24.2	-	-	9,026	9,026				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	349	349				
Accrued expenses and other payables		-	-	19,057	19,057				
		-	-	28,432	28,432				

30 June 2019

Note	Carrying amount					Fair value			
	Mandatorily at fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets not measured at fair value									
Bank balances	24.2	-	-	5,007,292	5,007,292				
Profits receivable		-	-	46,756	46,756				
Term deposit receipt		-	-	120,000	120,000				
Prepayments and other receivables		-	-	12,733	12,733				
		-	-	5,186,781	5,186,781				
Financial liabilities not measured at fair value									
Payable to the Management Company	24.2	-	-	6,225	6,225				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	432	432				
Accrued expenses and other payables		-	-	5,005	5,005				
		-	-	11,662	11,662				

24.1 Valuation techniques used in determination of fair values within level 2:

Investments in GOP Ijara Sukuk are valued on the basis of the PKISRVs announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.

24.2 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

24.3 Net assets attributable to unitholders. The Fund routinely redeems and issues the units at the amount equal to the proportionate share of net assets of the Fund at the time of redemption, calculated on a basis consistent with that used in these financial statements. Accordingly, the carrying amount of net assets attributable to unitholders approximates their fair value. The units are categorized into Level 2 of the fair value hierarchy.

25 FINANCIAL RISK MANAGEMENT

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 credit risk, liquidity risk and market risk arising from the financial instruments it holds.

25.1 Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing 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.

Management of credit risk

The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of NBFC rules and regulations and guidelines given by SECP from time to time.

Credit risk is managed and controlled by the management company of the Fund in the following manner:

- The Fund limits its exposure to credit risk by only investing in instruments and bank deposits that have a minimum "AA-" from a credit rating agency duly approved by the SECP.
- Investment transactions are carried out with large number of brokers, whose credit rating is taken into account so as to minimize the risk of default and transactions are settled or paid for only upon deliveries.
- The risk of counter party exposure due to failed trade causing a loss to the Fund is mitigated by a periodic review of trade reports, credit ratings and financial statements on a regular basis.
- Cash is held only with reputable banks (including related party).

The table below analyses the Fund's maximum exposure to credit risk:

Bank balances by rating category	Rating Agency	Rating	2020	2019
			------(Rupees in '000)-----	
Habib Bank Limited	VIS	AAA	2,189,651	36
Allied Bank Limited	PACRA	AAA	13	10
MCB Bank Limited	PACRA	AAA	3,574	538
National Bank of Pakistan Limited	PACRA	AAA	133	53
United Bank Limited	VIS	AAA	34,657	1,882,306
Bank Al Habib Limited	PACRA	AA+	233	932,403
Habib Metropolitan Bank Limited	PACRA	AA+	165	25
Meezan Bank Limited	VIS	AA+	298	34
Faysal Bank Limited	VIS	AA	7,993	1,184,502
Dubai Islamic Bank Pakistan Limited	VIS	AA	377	9
Soneri Bank Limited	PACRA	AA-	897,653	1,007,365
Bank Alfalah Limited	PACRA	AA+	46	11
			3,134,793	5,007,292

Term deposit musharika

Meezan Bank Limited	VIS	AA+	-	120,000
---------------------	-----	-----	---	---------

	2020	2019
	----- (Rupees in '000) -----	
Profits receivable	42,934	46,756
Prepayments and other receivables	131,976	12,733

Credit risk arising on financial assets is monitored through a regular analysis of financial position of brokers and other parties. Further, all transactions in securities are executed through approved brokers, thus the risk of default is considered to be minimal. In accordance with the risk management policy of the Fund, the Investment Committee monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

Risk attributable to investment in government securities is limited as these are guaranteed by the Federal Government.

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.

The Fund's activities may give rise to settlement risk. 'Settlement risk' is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed.

For the majority of transactions, the Fund mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

25.2 Liquidity risk

'Liquidity risk' is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Fund's offering document provides for the daily creation and cancellation of units and it is therefore exposed to the liquidity risk of meeting unitholder's redemptions at any time. The Fund manages the liquidity risk by maintaining maturities of financial liabilities and investing a major portion of the Fund's assets in highly liquid financial assets. The Fund's investments are considered to be readily realisable as they are all invested in government securities and saving accounts. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

In accordance with the risk management policy of the Fund, the Fund manager monitors the liquidity position on a daily basis, which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

In accordance with regulation 58(1)(k) of the NBFC Regulations, 2008, the Fund has the ability to borrow funds for meeting the redemption requests, with the approval of the Trustee, for a period not exceeding three months to the extent of fifteen percent of the net assets. However, no such borrowing has been obtained during the year.

Further, the Fund is also allowed in accordance with regulation 57 (10) of the NBFC Regulations, 2008, to defer redemption requests to the next dealing day, had such requests exceed ten percent of the total number of units in issue.

In addition to unitholders' fund, the analysis below summarizes the Fund's financial liabilities into relevant maturity grouping as at 30 June 2020:

	2020				
	Maturity Upto			More than one	Total
	Three months	Six months	One year	year	
	----- (Rupees in '000) -----				
Financial Liabilities					
Payable to Management Company	9,026	-	-	-	9,026
Payable to Central Depository Company of Pakistan Limited - Trustee	349	-	-	-	349
Accrued expenses and other payables	19,057	-	-	-	19,057
	28,432	-	-	-	28,432
Unit holders' fund	4,922,746	-	-	-	4,922,746

	2019				Total
	Maturity Upto			More than one year	
	Three months	Six months	One year		
	(Rupees in '000)				
Financial Liabilities					
Payable to Management Company	6,225	-	-	-	6,225
Payable to Central Depository Company of Pakistan Limited - Trustee	432	-	-	-	432
Accrued expenses and other payables	5,005	-	-	-	5,005
	<u>11,662</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,662</u>
Unit holders' fund	<u>5,138,214</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,138,214</u>

25.3 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 is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in the market profit rates. The Fund's profit rate risk is monitored on a quarterly basis by the board of directors.

a) Sensitivity analysis for variable rate instruments

As at 30 June 2020, the Fund hold Sukuk certificates which are classified as fair value through profit or loss, exposing the Fund to cash flow profit rate risk and fair value profit rate risk. In case of 100 basis points increase / decrease in mark-up rates on 30 June 2020, with all other variables held constant, the impact on the net assets and net income for the year is as follows:

	2020	2019
	----- (Rupees in '000) -----	
Bank balances	3,124,406	4,855,886
Government securities - designated at fair value through profit or loss	1,600,000	-
	<u>4,724,406</u>	<u>4,855,886</u>

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in profit rates at the year end would have increased / (decreased) the net assets and net income by Rs. 33.041 million (2019: Rs. 48.61 million), assuming all other variables held constant.

Fair value sensitivity analysis for variable rate instrument

A change in 100 basis points in profit rates at year end would have increased the net assets and net income by Rs. 126 million (2019: Rs. Nil) and decreased the net assets and net income by Rs. 107 million (2019: Rs. Nil). The analysis assumes all other variables remaining constant.

b) Sensitivity analysis for fixed rate instruments

As at 30 June 2020, the Fund hold fixed rate Sukuk certificates which are classified as fair value through profit or loss, exposing the Fund to cash flow profit rate risk and fair value profit rate risk. In case of 100 basis points increase / decrease in mark-up rates on 30 June, 2020, with all other variables held constant, the impact on the net assets and net income for the year is as follows:

GOP Ijara	84,875	-
Term deposit musharika	-	120,000
	<u>84,875</u>	<u>120,000</u>

Fair value sensitivity analysis for fixed rate instrument

An increase in 100 basis points in profit rates at year end would have decreased the net assets and net income by Rs. 3.322 million (2019: Rs. Nil) and decrease would result in increase the net assets and net income of current year by 3.817 million (2019: Rs. Nil). The analysis assumes all other variables remaining constant.

		2020			Not exposed to yield / interest rate risk	Total
Yield / Interest rate	Exposed to yield / interest rate risk					
	Upto three months	More than three months and up to one year	More than one year			
%	----- (Rupees in '000) -----					
On-balance sheet financial instruments						
Financial assets						
Bank balances	2.31 to 8.25	3,124,406	-	-	10,387	3,134,793
Term deposit musharika		-	-	-	-	-
Investment		-	-	1,684,875	-	1,684,875
Profits receivable		-	-	-	42,934	42,934
Prepayments and other receivables		-	-	-	131,976	131,976
		<u>3,124,406</u>	<u>-</u>	<u>1,684,875</u>	<u>185,297</u>	<u>4,994,578</u>
Financial liabilities						
Payable to the Management Company		-	-	-	9,026	9,026
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	349	349
Accrued expenses and other payables		-	-	-	19,057	19,057
		<u>-</u>	<u>-</u>	<u>-</u>	<u>28,432</u>	<u>28,432</u>
On-balance sheet gap		<u>3,124,406</u>	<u>-</u>	<u>1,684,875</u>	<u>156,865</u>	<u>4,966,146</u>
Off-balance sheet financial instruments						
		-	-	-	-	-
Off-balance sheet gap		-	-	-	-	-

		2019			Not exposed to yield / interest rate risk	Total
Yield / Interest rate	Exposed to yield / interest rate risk					
	Upto three months	More than three months and up to one year	More than one year			
%	----- (Rupees in '000) -----					
On-balance sheet financial instruments						
Financial assets						
Bank balances	6.3 - 12	4,855,886	-	-	151,406	5,007,292
Term deposit musharika	12.5	120,000	-	-	-	120,000
Profits receivable		-	-	-	46,756	46,756
Prepayments and other receivables		-	-	-	12,733	12,733
		<u>4,975,886</u>	<u>-</u>	<u>-</u>	<u>210,895</u>	<u>5,186,781</u>
Financial liabilities						
Payable to the Management Company		-	-	-	6,225	6,225
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	432	432
Accrued expenses and other payables		-	-	-	5,005	5,005
		<u>-</u>	<u>-</u>	<u>-</u>	<u>11,662</u>	<u>11,662</u>
On-balance sheet gap		<u>4,975,886</u>	<u>-</u>	<u>-</u>	<u>199,233</u>	<u>5,175,119</u>
Off-balance sheet financial instruments						
		-	-	-	-	-
Off-balance sheet gap		-	-	-	-	-

ii) Foreign Currency risk

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.

iii) Price risk

Price risk is the risk of volatility in prices of financial instruments resulting from their dependence on market sentiments, speculative activities, supply and demand for financial instruments and liquidity in the market. The value of investments may fluctuate due to change in business cycles affecting the business of the Fund in which the investment is made, change in business circumstances of the Fund, industry environment and / or the economy in general. The Fund is not exposed to the risk as its constitutive documents prohibit it from investing in equity securities.

25.4 Unit holders' fund risk management (Capital risk management)

The Fund's objective when managing unit holders' 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 2008, 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.

In order to maintain or adjust the unit holders' Fund structure, the Fund's policy is to perform the following:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to unit holders;
- Redeem and issue units in accordance with the constitutive documents of the Fund, which include the ability to restrict redemptions and require certain minimum holdings and issuance; and
- The Fund Manager / Investment Committee members and Chief Executive of the management company critically track the movement of 'Assets under Management'. The Board of Directors is updated about the Fund yield and movement of NAV and total Fund size at the end of each quarter.

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 behaviour. 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.

**26 TOP TEN BROKERS / DEALERS BY PERCENTAGE
OF COMMISSION PAID BY THE FUND**

Name of Broker

JS Global Capital Limited

Commission
2020
%

100.00

100.00

Commission
2019
%

Name of Broker

Paramount Capital (Private) Limited

48.44

Currency Market Associates (Private) Limited

35.14

Pearl Securities Limited

7.37

Vector Capital (Private) Limited

5.26

C & M Management (Private) Limited

3.79

100.00

27 INVESTMENT COMMITTEE

Details of the members of investment committee of the Fund are as follows:

S. No.	Name	Designation	Experience in years	Qualification
1	Yasir Qadri	Chief Executive Officer	24	MBA
2	Syed Suleman Akhtar	Chief Investment Officer	19	CFA, MBA
3	Muhammad Imran	Head of Investment advisory	20	MBA
4	Irfan Nepal	Chief Dealer & Fund Manager	26	EMBA
5	Hadi Hassan Muki	Head of Compliance	20	BCOM
6	Syed Shabbir Sardar Zaidi*	Fund Manager & Senior Analyst	11	MAS, CFA
7	Syed Sheeraz Ali	Fund Manager & Senior Analyst	10	MBA
8	Mubashir Anis	Fund Manager Equity	8	BS, CFA
9	Muhammad Waseem	Head Research	6	BBA, CFA

*Syed Shabbir Sardar Zaidi is also Fund Manager of Al Ameen Islamic Asset Allocation Fund, Al Ameen Shariah Stock Fund, Al Ameen Islamic Energy Fund, Al Ameen Islamic Dedicated Equity Fund, Al Ameen Islamic Financial Planning Fund, Al Ameen Islamic Financial Planning Fund - II, Al Ameen Islamic Financial Planning Fund – III and Al-Ameen Islamic Retirement Savings Fund.

28 DIRECTORS' MEETING ATTENDANCE

During the year, six meetings of the Board of Directors of the Management Company were held. The details of the attendance are as under:

	Dates	30 August 2019	17 september 2019	29 October 2019	9 December 2019	25 February 2020	30 April 2020
Name of Director	Meetings attended						
Mr. Arif Akmal Saifie *	1	N/A	N/A	N/A	N/A	N/A	Yes
Mr. Azhar Hamid	6	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Imran Sarwar	5	Yes	Yes	Yes	Yes	No	Yes
Mr. Yasir Qadri	6	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Naz Khan **	6	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Sadia Saeed	5	No	Yes	Yes	Yes	Yes	Yes
Syed Furrukh Zaeem	5	Yes	Yes	Yes	Yes	No	Yes
Mr. Tauqeer Mazhar ***	4	Yes	Yes	Yes	Yes	N/A	N/A
Name of Key Executives							
Mr. Bilal Javaid ****	3	N/A	N/A	N/A	Yes	Yes	Yes
Mr. Umair Ahmed	6	Yes	Yes	Yes	Yes	Yes	Yes
S.M. Aly Osman *****	3	Yes	Yes	Yes	N/A	N/A	N/A

* Mr. Arif Akmal Saifie appointed as Director with effect from March 20, 2020.

** Ms. Naz Khan resigned as Director with effect from July 20, 2020.

*** Mr. Tauqeer Mazhar resigned as Director with effect from January 30, 2020.

**** Mr. Bilal Javaid appointed as Company Secretary with effect from February 25, 2020.

***** S.M. Aly Osman resigned as Company Secretary with effect from November 30, 2019.

29 PATTERN OF UNIT HOLDERS

PATTERN OF UNIT HOLDERS		30 June 2020	
		Number of	Percentage
Category	Unit holders	Units held	(%)
Individuals	4,490	16,671,096	34.25
Banks and DFIs	1	4,948,202	10.17
Non Banking Financial Companies	8	22,805,435	46.86
Insurance companies	2	49,322	0.10
Associated Companies and Directors	5	122,816	0.25
Retirement Funds	17	3,137,689	6.45
Public Limited Companies	3	451,429	0.93
Others	15	484,619	1.00
	4,541	48,670,608	100

		30 June 2019	
		Number of	Percentage
Category	Unit holders	Units held	(%)
Individuals	3,492	5,064,710	9.96
Non Banking Financial Companies	11	41,722,476	82.05
Associated Companies and Directors	1	41,855	0.08
Retirement Funds	16	3,883,447	7.64
Public Limited Companies	2	87,773	0.17
Others	11	49,569	0.10
	3,533	50,849,830	100

30 CREDIT RATING

VIS Credit Rating Agency has re-affirmed quality rating of 'AM1' (stable outlook) to the Management Company as on 31 December 2019 (30 June 2019: 'AM1') while the Fund has been rated as AA-(f) on 31 December 2019 (30 June: 2019: AA-(f)).

31 GENERAL**31.1 Impact of COVID-19**

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

31.2 Date of authorisation for issue

These financials statements were authorized for issue by Board of Directors of the Management Company on
September 24, 2020

**For UBL Fund Managers Limited
(Management Company)**

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

AIAIF

Al-Ameen Islamic Aggressive Income Fund

INVESTMENT OBJECTIVE

AIAIF is an open-end Shariah Compliant Aggressive Fixed Income Fund which invests in medium to long-term income instruments as well as short-tenor money market instruments to generate superior, long-term, risk-adjusted returns while preserving capital over the long-term.

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	KPMG Taseer Hadi & Co, Chartered Accountants
Bankers	Al Baraka Islamic Bank Limited Allied Bank Limited Bank Alfalah Limited - Islamic Banking BankIslami Pakistan Limited Dubai Islamic Bank Limited MCB Bank Limited National Bank of Pakistan Habib Bank Limited - Islamic Banking Habib Metropolitan Bank Limited - Islamic Banking Meezan Bank Limited United Bank Limited Faysal Bank Limited - Islamic Banking Soneri Bank Limited - Islamic Banking
Management Co. Rating	AM1 (JCR-VIS)
Fund Rating	BBB+ (f) (JCR-VIS)

Fund Manager's Report – Al-Ameen Islamic Aggressive Income Fund (AIAIF)

i) **Description of the Collective Investment Scheme category and type**

Shariah Compliant Aggressive Fixed Income/ Open-end

ii) **Statement of Collective Investment Scheme's investment objective**

AIAIF is an open-end Shariah Compliant Aggressive Fixed Income Fund which invests in medium to long-term income instruments as well as short-tenor money market instruments to generate superior, long-term, risk-adjusted returns while preserving capital over the long-term.

iii) **Explanation as to whether the Collective Investment Scheme achieved its stated objective**

The Collective Investment Scheme has a long-term investment objective. Significant efforts were made during the year for the achievement of the long-term objective.

iv) **Statement of benchmark(s) relevant to the Collective Investment Scheme**

Weighted average of 12 Month deposit rates of 3 Islamic Banks

v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield*	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AIAIF	9.68%	2.34%	8.39%	8.02%	26.84%	11.67%	11.51%	11.95%	11.38%	7.60%	-9.96%	6.22%	8.45%
Benchmark	9.14%	9.16%	10.08%	10.08%	10.10%	10.00%	10.01%	9.98%	9.85%	8.97%	8.97%	5.49%	9.32%

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

AIAIF is an open-end Shariah Compliant Aggressive Fixed Income Fund which invests in medium to long-term income instruments as well as short tenor money market instruments to generate superior, long term, risk adjusted returns while preserving capital over the long-term. During FY20, the fund posted a return of 8.45% p.a. The fund manager maintained a diversified mix of asset allocation whereby the allocation was made to Cash (76%) and Sukuks (10%).

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-19	Jun-20
Sukuks	14%	10%
GoP Ijara Sukuk	0%	11%
Commercial Papers	0%	0%
Cash	75%	76%
Others	3%	3%
Placements with banks	8%	0%
Leverage	Nil	Nil

viii) **Analysis of the Collective Investment Scheme's performance**

FY'20 Return:	8.45%
Standard Deviation (12m trailing):	1.63%
Sharpe Ratio (12m trailing):	(2.25)

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			NAV per unit		
30-Jun-20	30-Jun-19	Change	30-Jun-20	30-Jun-19	Change
Rupees (000)		%	Rupees		%
421,503	456,145	(34.9)	100.2808	100.1259	8.45

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

Debt Market Review for FY20

In twelve PIB auctions for FY19 conducted during the year, the government raised PKR ~871bn (PKR ~102 bn in FY18) against target of PKR 800bn. Consequently, outstanding amount for the PIBs in the market increased to PKR 769 bn. Participation in the auctions was largely skewed towards three and five year paper. Cut off yields in June auction increased to 13.69%, 13.80% and 13.70% for three, five and ten year PIB instruments respectively.

The yield curve based on government securities of various maturities has shifted upwards in line with the ongoing increasing discounts rates. Yield on 3M, 6M and 12M T-Bills increased by 5.97%, 5.95% and 5.94%, respectively. Similarly, yield on 3-year, 5-year and 10-year bonds increased 5.56%, 5.10% and 4.69%, respectively. Given the flat yield curve environment, spread between annualized yields of 1-year T-bills (13.13% p.a.) and 10-year PIBs (13.72% p.a.) narrowed at 0.59% as of 30 June 2019.

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 26, 2020		18,920	8.3165	108.4424	100.1259

- i) **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.

- ii) **Breakdown of unit holdings by size**

Range of Units	Number of Investors
	AIAIF
0.0001 - 9,999.9999	1,795
10,000.0000 - 49,999.9999	79
50,000.0000 - 99,999.9999	5
100,000.0000 - 499,999.9999	7
500,000.0000 & Above	-
Total	1,886

- iii) **Disclosure on unit split (if any), comprising:-**
There were no unit splits during the period.
- iv) **Disclosure of circumstances that materially affect any interests of unit holders**
Investment are subject to credit and market risk.
- v) **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.

Fund Manager's Report – Al-Ameen Islamic Aggressive Income Plan-I (AIAIP-I)

- i) **Description of the Collective Investment Scheme category and type**
Shariah Compliant Aggressive Fixed Income/ Open-end
- ii) **Statement of Collective Investment Scheme's investment objective**
The "Al-Ameen Islamic Aggressive Income Plan-I (AIAIP-I)" is an Allocation Plan under "Al-Ameen Islamic Aggressive Income Fund (AIAIF)" with an objective to generate competitive, long term risk adjusted returns while aiming to preserve capital over the long term
- iii) **Explanation as to whether the Collective Investment Scheme achieved its stated objective**
The Collective Investment Scheme has a long-term investment objective. Significant efforts were made during the year for the achievement of the long-term objective.
- iv) **Statement of benchmark(s) relevant to the Collective Investment Scheme**
Weighted average of 12 Month deposit rates of 3 Islamic Banks
- v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield*	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AIAIP-I	-	-	-	-	-	-	-	-	-	10.07%	16.27%	10.39%	12.72%
Benchmark	-	-	-	-	-	-	-	-	-	8.97%	8.97%	5.49%	7.58%

- vi) **Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance**
The "Al-Ameen Islamic Aggressive Income Plan-I (AIAIP-I)" is an Allocation Plan under "Al-Ameen Islamic Aggressive Income Fund (AIAIF)" with an objective to generate competitive, long-term, risk adjusted returns while aiming to preserve capital over the long term. The fund was launched on April 16, 2020. During FY20, the fund posted an annualized return of 12.72% against the benchmark return of 7.58% p.a. Net assets of the fund were PKR 1,461mn at the end of period under review.
- 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-19	Jun-20
Sukuks	0%	51%
GoP Ijara Sukuk	0%	34%
Commercial Papers	0%	0%
Cash	0%	11%
Others	0%	3%
Placements with banks	0%	0%
Leverage	Nil	Nil

viii) **Analysis of the Collective Investment Scheme's performance**

FY'20 Return:	12.72%
Standard Deviation (12m trailing):	n/a
Sharpe Ratio (12m trailing):	n/a

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			NAV per unit		
30-Jun-20	16-Apr-20	Change	30-Jun-20	16-Apr-20	Change
Rupees (000)			Rupees		
1,461,134	200,000	630.57	100.2930	100.0000	0.29

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

Debt Market Review for FY20

During FY20, market appetite for the government securities remained strong. In twelve PIB auctions in FY20, heavy participation amounting to PKR ~5 trillion was observed, out of this Government preemptively accepted PKR ~1.9 trillion. Strong participation was mainly on the back of interest rate's peaked-out expectation in the beginning of the financial year along with the overall improvement in the fiscal position and estimates of higher external financing. Due to momentous demand, government leveraged its position by slashing the cut off rates by 628, 536 and 456 bps for 3Y, 5Y and 10Y PIBs respectively during the Fiscal year 2020.

In case of floating rate PIBs, government introduced 3Y floater PIB and 5Y floater PIB in addition to the existing 10Y floater PIB from June'20. Total participation of PKR ~1578 billion was observed in the floating rate PIB against the target of PKR ~900 billion. While government accepted PKR ~818 billion during FY'20.

Government has started issuance of 5-Years floating rate Ijara Sukuk since April'20 and successfully conducted 3 auctions and accepted PKR 197 billion against the target of PKR 225 billion

- 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-		
30-June-20	-	31,317	2.1967	102.4230	100.2263

- i) **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.
- ii) **Breakdown of unit holdings by size**

Range of Units	Number of Investors
	AIAIP_I
0.0001 - 9,999.9999	-
10,000.0000 - 49,999.9999	3
50,000.0000 - 99,999.9999	1
100,000.0000 - 499,999.9999	-
500,000.0000 & Above	2
Total	6

- iii) **Disclosure on unit split (if any), comprising:-**
There were no unit splits during the period.
- iv) **Disclosure of circumstances that materially affect any interests of unit holders**
Investment are subject to credit and market risk.
- v) **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 Aggressive Income Fund**

	2020	2019	2018
NET ASSETS AS AT 30 JUNE - Rupees in '000	421,503	456,145	795,728
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees			
Income units - Offer*	101.414	101.2573	104.5917
- Redemption	100.2808	100.1259	103.4230
Growth units - Offer	101.414	101.2573	104.5917
- Redemption**	100.2808	100.1259	103.4230

* Back-end load will be deducted as per applicable step-down structure

RETURN OF THE FUND - %

Total Return of the Fund	8.45	6.52	3.49
Capital Growth (per unit)	0.14	0.41	3.49
Date of Income Distribution	-	2-Jul-18	-
Income Distribution	-	3.4854	-
Date of Income Distribution	26-Jun-20	24-Jun-19	-
Income Distribution	8.3165	6.3166	-

AVERAGE ANNUAL RETURN - %

One Year	8.45	6.52	3.49
Second Year	7.49	5.01	4.15
Third Year	6.15	4.94	5.12
Fourth year	5.82	5.47	5.91
Fifth Year	6.07	6.03	7.60
Sixth Year	6.43	7.42	7.48
Since inception	5.74	5.51	5.22

OFFER / REPURCHASE DURING THE YEAR- Rupees

Highest price per unit - Income units - Offer	110.5094	107.4276	104.5917
Highest price per unit - Income units - Redemption	109.2746	106.2272	103.4230
Highest price per unit - Growth units - Offer	110.5094	107.4276	104.5917
Highest price per unit - Growth units - Redemption	109.2746	106.2272	103.4230
Lowest price per unit - Income units - Offer	101.2573	101.0672	101.0013
Lowest price per unit - Income units - Redemption	100.1259	99.9379	99.8727
Lowest price per unit - Growth units - Offer	101.2573	101.0672	101.0013
Lowest price per unit - Growth units - Redemption	100.1259	99.9379	99.8727

* Front-end load @ 1% is applicable

** Back-end load as per applicable step-down structure

PORTFOLIO COMPOSITION - %

Percentage of Net Assets as at 30 June

PORTFOLIO COMPOSITION BY CATEGORY - %

Bank Balances	76.00	75.00	57.00
Sukuks	10.00	14.00	30.00
GoP Ijarah	11.00	-	-
Placement with banks	-	8.00	-
others	3.00	3.00	13.00

PORTFOLIO COMPOSITION BY MARKET - %

Debt market	100.00	100.00	100.00
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Note:

- The Launch date of Fund is 20 October 2007

DISCLAIMER

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

PERFORMANCE TABLE

Al-Ameen Islamic Aggressive Income Plan I

2020

NET ASSETS AS AT 30 JUNE - Rupees in '000 **1,461,133**

NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *

Class A units - Offer **100.5763**
- Redemption **100.2930**

RETURN OF THE FUND - %

Total Return of the Fund **12.72**
Capital Growth (per unit) **10.52**
Date of Income Distribution **30-Jun-20**
Income Distribution **2.20**

AVERAGE ANNUAL RETURN - %

One Year **12.72**

OFFER / REPURCHASE DURING THE YEAR- Rupees *

Highest price per unit - Class A units - Offer **102.7123**
Highest price per unit - Class A units - Redemption **102.4230**

Lowest price per unit - Class A units - Offer **99.9276**
Lowest price per unit - Class A units - Redemption **99.6461**

* Front end load @ 0.25% is applicable

PORTFOLIO COMPOSITION - %

Percentage of Net Assets as at 30 June

PORTFOLIO COMPOSITION BY CATEGORY - %

Sukuks **51**
GoP Ijara Sukuk **34**
Cash **11**
Others **3**

PORTFOLIO COMPOSITION BY MARKET - %

Debt Market **100**

Note:

- The Launch date of Fund is 16th April 2020

DISCLAIMER

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

Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahra-e-Faisal
Karachi - 74400. Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AL-AMEEN ISLAMIC AGGRESSIVE INCOME 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 Aggressive Income 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, 2020 in accordance with the provisions of the following:

- (i) 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.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 25, 2020

REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the fund are issuing this report in accordance with relevant rules and regulations. The scope of the report is to express an opinion on the Shariah Compliance of the Funds activities.

In the capacity of Shariah Advisors, we have prescribed criteria and procedures to be followed in ensuring Shariah Compliance in every investment.

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 of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

In light of the above, we hereby certify that:

- i. We have reviewed and approved the modes of investments of AIAIF in light of the shariah guidelines.
- ii. All the provisions of the Scheme and investments made on account of AIAIF by UBL Fund Managers are Shariah compliant and in accordance with the criteria established.
- iii. On the basis of information provided by the management, all operations of AIAIF for the year ended 30 June 2020 have been in compliance with the Shariah principles.

During the year, no amount has been recognized as charity.

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



Mufti Muhammad Hassan Kaleem
Member, Shariah Advisory Committee



Mufti Muhammad Najeef Khan
Member, Shariah Advisory Committee

KARACHI:

DATE: 26 August 2020

UBL Fund Managers Limited
Corporate Office

8th Floor, Executive Tower, Dolmen City Building,
Block 4, Clifton, Karachi, Pakistan.
Tel: (+9221) 35290080-95 Fax: (+9221) 35290070
info@alameenfunds.com

Operations Office

4th Floor, STSM Building, Beaumont Road,
Civil Lines, Karachi, Pakistan.
Tel: (+9221) 111-825-262 Fax: (+9221) 35622798

www.alameenfunds.com

760800

REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the fund are issuing this report in accordance with relevant rules and regulations. The scope of the report is to express an opinion on the Shariah Compliance of the Funds activities.

In the capacity of Shariah Advisors, we have prescribed criteria and procedures to be followed in ensuring Shariah Compliance in every investment.

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 of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

In light of the above, we hereby certify that:

- We have reviewed and approved the modes of investments of AIAIF-AIAIP-I in light of the shariah guidelines.
- All the provisions of the Scheme and investments made on account of AIAIF-AIAIP-I by UBL Fund Managers are Shariah compliant and in accordance with the criteria established.
- On the basis of information provided by the management, all operations of AIAIF-AIAIP-I for the year ended 30 June 2020 have been in compliance with the Shariah principles.

During the year, no amount 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: 26 August 2020



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 BY UBL FUND MANAGERS LIMITED

NAME OF FUND: AL AMEEN ISLAMIC AGGRESSIVE INCOME FUND

YEAR ENDED: JUNE 30, 2020

The Securities and Exchange Commission of Pakistan (SECP) has exempted open-end collective investment schemes from the requirements of the Listed Companies (Code of Corporate Governance) Regulations (the Regulations). However, the Board of Directors (the Board) of UBL Fund Managers Limited [the Management Company of Al Ameen Islamic Aggressive Income Fund (the Fund)], for the purpose of establishing a framework of good governance has voluntarily opted to comply with the relevant provisions of the Regulations.

The Management Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven as per the following:
 - a. Male: Five Directors; and
 - b. Female: Two Directors.
2. The composition of the Board is as follows:

Category	Name
Independent Directors	Mr. Azhar Hamid Ms. Naz Khan*
Executive Directors	Mr. Yasir Qadri
Non-Executive Directors	Mr. Imran Sarwar Ms. Sadia Saeed Mr. Arif Akmal Saifie** Syed Furrukh Zaeem
Female Director	Ms. Naz Khan* Ms. Sadia Saeed

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including the Management Company.
4. 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.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Management Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Management Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.



8. The Board has a formal policy and transparent procedures for remuneration of its directors in accordance with the Act and these Regulations.
9. The following directors and executives have acquired the prescribed Directors' Training Program (DTP) certification:

Directors

- a. Mr. Imran Sarwar
- b. Mr. Yasir Qadri
- c. Ms. Naz Khan
- d. Ms. Sadia Saeed
- e. Syed Furrukh Zaeem

Executives

- a. Mr. Amin Gulamani (Head of Human Resources)
 - b. Mr. Hadi Hassan Mukhi (Head of Compliance and Risk)
 - c. Mr. Umair Ahmed (Chief Financial Officer)
 - d. Mr. Zeeshan Quddus (Chief Business Development Officer)
10. The Board has approved appointment of the Chief Financial Officer (CFO), the Company Secretary and the Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations.
 11. The Chief Executive Officer (CEO) and CFO duly endorsed the financial statements of the Fund before approval of the Board.
 12. The Board has formed committees comprising of members given below.

Board Audit Committee

Name	Designation	Type of Directorship
Ms. Naz Khan*	Chairman	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Imran Sarwar	Member	Non-Executive Director
Ms. Sadia Saeed	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director

Board Human Resource and Compensation Committee

Name	Designation	Type of Directorship
Mr. Azhar Hamid	Chairman	Independent Director
Mr. Yasir Qadri	Member	Executive Director
Ms. Naz Khan*	Member	Independent Director
Ms. Sadia Saeed	Member	Non-Executive Director
Syed Furrukh Zaeem	Member	Non-Executive Director

Board Risk and Compliance Committee

Name	Designation	Type of Directorship
Mr. Imran Sarwar	Chairman	Non-Executive Director
Mr. Azhar Hamid	Member	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director
Mr. Yasir Qadri	Member	Executive Director
Syed Furrugh Zaeem	Member	Non-Executive Director

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

*** Mr. Tauqeer Mazhar resigned as a director from January 30, 2020

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
14. The frequency of meetings of the committees was as follows:
 - a. The Board Audit Committee: quarterly - six meetings held
 - b. The Board Human Resource and Compensation Committee: quarterly - five meetings held
 - c. The Board Risk and Compliance Committee: quarterly - four meetings held
15. The Board has set up an effective internal audit function. The Function has suitably qualified and experienced staff for the purpose and they are conversant with the policies and procedures of the Management Company.
16. 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 and are registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on the code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the Partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of CEO, CFO, the Head of Internal Audit, the Company Secretary or directors of the Management Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of Regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with.
19. We confirm that any other significant requirements of the Regulations have been complied with.

AZHAR HAMID
Chairman

Karachi.
Dated: **September 25, 2020**



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Unit Holders of Al-Ameen Islamic Aggressive Income Fund

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") prepared by the Board of Directors of UBL Fund Managers Limited ("the Management Company") for the year ended 30 June 2020 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Management Company of the Fund. Our responsibility is to review whether the Statement of Compliance reflects the status of the Management Company's compliance with the provisions of the Regulations in respect of the Fund and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

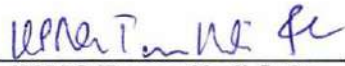
As part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control 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 Regulations require the Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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 of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Management Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.



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Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Management Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Fund for the year ended 30 June 2020.


KPMG Taseer Hadi & Co.
Chartered Accountants

Date: 29 September 2020

Karachi



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

Independent Auditors' Report

To the Unit holders of AI - Ameen Islamic Aggressive Income Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **AI - Ameen Islamic Aggressive Income Fund** ("the Fund"), which comprise the statement of assets and liabilities as at 30 June 2020, income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.



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Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2020, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting 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.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be



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expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditors' report is Zeeshan Rashid.

Date: 29 September 2020

Karachi

**KPMG Taseer Hadi & Co.
Chartered Accountants**

AI - Ameen Islamic Aggressive Income Fund
Statement of Assets and Liabilities
As at 30 June 2020

		2020			2019
		AIAIF	AIAIP-I	Total	AIAIF
	Note	(Rupees in '000)			
Assets					
Bank balances	5	340,950	162,040	502,990	348,387
Term deposit musharika	6	-	-	-	40,000
Investments	7	94,874	1,249,402	1,344,276	67,749
Profits receivable	8	3,612	31,483	35,095	6,795
Deposits, prepayments and other receivables	9	8,092	19,000	27,092	8,822
Advance tax	10	2,388	-	2,388	2,081
Total assets		449,916	1,461,925	1,911,841	473,834
Liabilities					
Payable to the Management Company	11	1,696	161	1,857	1,306
Payable to Central Depository Company of Pakistan Limited - Trustee	12	34	84	118	71
Payable to Securities and Exchange Commission of Pakistan	13	79	30	109	401
Accrued expenses and other payables	14	26,604	517	27,121	15,911
Total liabilities		28,413	792	29,205	17,689
Net assets		421,503	1,461,133	1,882,636	456,145
Unit holders' fund (as per statement attached)		421,503	1,461,133	1,882,636	456,145
Contingencies and commitments	22	(Number of units)			
Number of units in issue	23	4,203,225	14,568,656		4,555,712
		(Rupees)			
Net assets value per unit	3.11	100.2808	100.2930		100.1259

The annexed notes 1 to 32 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

AI - Ameen Islamic Aggressive Income Fund

Income Statement

For the year / period ended 30 June 2020

		For the period from 16 April 2020 to 30 June			
		2020 AIAIF	2020 AIAIF-I	Total	2019 AIAIF
	Note	(Rupees in '000)			
Income					
Profit on bank deposits and Term deposit musharika calculated using the effective yield method	15	37,665	2,704	40,369	50,937
Profit / return on investment calculated using the effective yield method	16	8,191	13,532	21,723	
Realised loss on sale of investments	7.7	(7,255)	(214)	(7,469)	(2,316)
Unrealised loss on revaluation of investments at fair value through profit or loss	7.5	(344)	-	(344)	(2,424)
Other income		-	-	-	3
Total income		38,257	16,022	54,279	46,200
Expenses					
Remuneration of the Management Company	11.1	5,962	225	6,187	8,024
Sindh Sales Tax on the Management Company's remuneration		775	29	804	1,043
Allocation of expenses relating to the Fund	11.2	397	-	397	535
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	12.1	337	128	465	1,028
Annual fee of Securities and Exchange Commission of Pakistan	13	79	30	109	401
Bank charges		37	4	41	62
Auditors' remuneration	17	283	-	283	515
Listing fee		28	-	28	28
Brokerage expenses		42	-	42	23
Legal and professional charges		216	-	216	251
Shariah advisory fee		348	-	348	350
Settlement charges		403	-	403	696
Other expenses		220	-	220	208
Total operating expenses		9,127	416	9,543	13,164
Net income from operating activities		29,130	15,606	44,736	33,036
Provision for Sindh Workers' Welfare Fund	14.2	(572)	(306)	(878)	(648)
Net income for the year / period before taxation		28,558	15,300	43,858	32,388
Taxation	18	-	-	-	-
Net income for the year / period after taxation		28,558	15,300	43,858	32,388
Allocation of net income for the year / period after taxation					
Net income for the year / period after taxation		28,558	15,300	43,858	32,388
Income already paid on units redeemed		(9,620)	(14,927)	(24,547)	(9,536)
Accounting income available for distribution		18,938	373	19,311	22,852
- Relating to capital gains		-	-	-	-
- Excluding capital gains		18,938	373	19,311	22,852
Earnings per unit	3.16				

The annexed notes 1 to 32 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

AI - Ameen Islamic Aggressive Income Fund

Statement of Comprehensive Income

For the year / period ended 30 June 2020

	2020 AIAIF	For the period from 16 April 2020 to 30 June 2020 AIAIP-I	Total	2019 AIAIF
	(Rupees in '000)			
Net income for the year / period after taxation	28,558	15,300	43,858	32,388
Other comprehensive income for the year / period	-	4,189	4,189	-
Total comprehensive income for the year / period	28,558	19,489	48,047	32,388

The annexed notes 1 to 32 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

AI - Ameen Islamic Aggressive Income Fund
Statement of Movement in Unit Holders' Fund
For the year / period ended 30 June 2020

	For the year ended 30 June 2020 AIAIF			For the period from 16 April 2020 to 30 June 2020 AIAIF-I				Total				2019		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Unrealised diminution on revaluation of fair value through OCI	Total	Capital value	Undistributed income	Total
	(Rupees in '000)													
Net assets at beginning of the year	441,379	14,766	456,145	-	-	-	-	441,379	14,766	-	456,145	763,357	32,371	795,728
Issuance of 6,184,929 , 44,531,087 units (30 June 2019: 3,809,917 units)														
- Capital value	619,272	-	619,272	4,453,109	-	-	4,453,109	5,072,381	-	-	5,072,381	380,754	-	380,754
- Element of income	-	-	-	-	-	(116)	(116)	-	-	(116)	(116)	-	-	-
relating to other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
relating to net income for the period	-	-	-	-	-	-	-	-	-	-	-	10,426	-	10,426
after taxation	39,820	-	39,820	82,070	-	-	82,070	121,890	-	-	121,890	-	-	-
Total proceeds on issuance of units	659,092	-	659,092	4,535,179	-	(116)	4,535,063	5,194,271	-	(116)	5,194,155	391,180	-	391,180
Redemption of 6,537,416 , 29,962,431 units (30 June 2019: 6,948,126 units)														
- Capital value	(654,565)	-	(654,565)	(2,996,243)	-	-	(2,996,243)	(3,650,808)	-	-	(3,650,808)	(694,379)	-	(694,379)
- Element of loss	-	-	-	-	-	(5,984)	(5,984)	-	-	(5,984)	(5,984)	-	-	-
relating to other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
relating to net income for the period	-	-	-	-	-	-	-	-	-	-	-	(5,382)	(9,536)	(14,918)
after taxation	(24,468)	(9,620)	(34,088)	(44,948)	(14,927)	-	(59,875)	(69,416)	(24,547)	-	(93,963)	-	-	-
Total payments on redemption of units	(679,033)	(9,620)	(688,653)	(3,041,191)	(14,927)	(5,984)	(3,062,102)	(3,720,224)	(24,547)	(5,984)	(3,750,755)	(699,761)	(9,536)	(709,297)
Total comprehensive income for the year	-	28,558	28,558	-	15,300	4,189	19,489	-	43,858	4,189	48,047	-	32,388	32,388
Distribution during the year / period														
AIAIF interim distribution for the year ended 30 June 2020 @ Rs. 6.3165 per unit paid on 26 June 2020 (30 June 2019 @ Rs. 6.3166 per unit paid on 24 June 2019)	(14,719)	(18,920)	(33,639)	-	-	-	-	(14,719)	(18,920)	-	(33,639)	(5,319)	(21,719)	(27,038)
AIAIF final distribution for the year ended 30 June 2018 @ Rs. 3.4854 per unit paid on 3 July 2018	-	-	-	-	-	-	-	-	-	-	-	(8,078)	(18,738)	(26,816)
AIAIF interim distribution for the year ended 30 June 2020 @ Rs. 2.1967 per unit paid on 30 June 2020	-	-	-	(31,270)	(47)	-	(31,317)	(31,270)	(47)	-	(31,317)	-	-	-
Net income for the year less distribution	(14,719)	9,638	(5,081)	(31,270)	15,253	4,189	(11,828)	(45,989)	24,891	4,189	(16,909)	(13,397)	(8,069)	(21,466)
Net assets at end of the year	406,719	14,784	421,503	1,462,718	326	(1,911)	1,461,133	1,869,437	15,110	(1,911)	1,882,636	441,379	14,766	456,145
Undistributed income brought forward:														
- Realised income		17,190			-				17,190				37,321	
- Unrealised income		(2,424)			-				(2,424)				(4,950)	
		14,766			-				14,766				32,371	
Accounting income available for distribution														
- Relating to capital gains		-			-				-				-	
- Excluding capital gains		18,938			373				19,311				22,852	
		18,938			373				19,311				22,852	
Distribution during the year / period														
AIAIF interim distribution for the year ended 30 June 2020 @ Rs. 6.3165 per unit paid on 26 June 2020 (30 June 2019 @ Rs. 6.3166 per unit paid on 24 June 2019)		(18,920)			-				(18,920)				(21,719)	
AIAIF final distribution for the year ended 30 June 2018 @ Rs. 3.4854 per unit paid on 3 July 2018		-			-				-				(18,738)	
AIAIF interim distribution for the year ended 30 June 2020 @ Rs. 2.1967 per unit paid on 30 June 2020		-			(47)				(47)				-	
Undistributed income carried forward		14,784			326				15,110				14,766	
Undistributed income carried forward comprises of:														
- Realised income		15,128			326				15,454				17,190	
- Unrealised (loss) / income		(344)			-				(344)				(2,424)	
		14,784			326				15,110				14,766	
		(Rupees)			(Rupees)								(Rupees)	
Net assets value per unit at beginning of the year		100.1259			-								103.4230	
Net assets value per unit at end of the year		100.2808			100.2930								100.1259	

The annexed notes 1 to 32 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

AI - Ameen Islamic Aggressive Income Fund
Cash Flow Statement
For the year / period ended 30 June 2020

Note	For the period from 16 April 2020 to 30 June 2020			
	2020 AIAIF	June 2020 AIAIP-I	Total	2019 AIAIF
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the year / period before taxation	28,558	15,300	43,858	32,388
Adjustments for:				
Profit on bank deposits and Term deposit musharika calculated using the effective yield method	(37,665)	(2,704)	(40,369)	(50,937)
Profit / return on investment calculated using the effective yield method	(8,191)	(13,532)	(21,723)	-
Unrealized loss on revaluation of investments at fair value through profit or loss	344	-	344	2,424
Realised loss on sale of investments	7,255	214	7,469	2,316
Provision for Sindh Workers' Welfare Fund	572	306	878	648
	(37,685)	(15,716)	(53,401)	(45,549)
Net cash used in operations before working capital changes	(9,127)	(416)	(9,543)	(13,161)
Working capital changes				
(Increase) / decrease in assets				
Investments	(34,724)	(1,245,427)	(1,280,151)	168,158
Deposits, prepayments and other receivables	(3,263)	(19,000)	(22,263)	(267)
Advance tax	(307)	-	(307)	(257)
	(38,294)	(1,264,427)	(1,302,721)	167,634
<i>Increase / (decrease) in liabilities</i>				
Payable to the Management Company	390	161	551	(138)
Payable to Central Depository Company of Pakistan Limited - Trustee	(37)	84	47	(56)
Payable to Securities and Exchange Commission of Pakistan	(322)	30	(292)	(355)
Accrued expenses and other payables	10,121	211	10,332	1,387
	10,152	486	10,638	838
Profit received during the year / period	49,039	(15,247)	33,792	52,491
Net cash flows generated from / (used in) operating activities	11,770	(1,279,604)	(1,267,834)	207,802
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of units	648,366	4,503,793	5,152,159	375,799
Payments on redemption of units	(688,653)	(3,062,102)	(3,750,755)	(709,297)
Cash distribution to unit holders	(18,920)	(47)	(18,967)	(40,457)
Net cash (used in) / generated from financing activities	(59,207)	1,441,644	1,382,437	(373,955)
Net (decrease) / increase in cash and cash equivalents	(47,437)	162,040	114,603	(166,153)
Cash and cash equivalents at beginning of the year / period	388,387	-	388,387	554,540
Cash and cash equivalents at end of the year / period	340,950	162,040	502,990	388,387
Cash and cash equivalents				
Bank balances	340,950	162,040	502,990	348,387
Term deposit musharika	-	-	-	40,000
	340,950	162,040	502,990	388,387

The annexed notes 1 to 32 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

AI - Ameen Islamic Aggressive Income Fund

Notes to the Financial Statements

For the year / period ended 30 June 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

AI-Ameen Islamic Aggressive Income Fund (the Fund) was established under a Trust Deed executed between UBL Fund Managers Limited, (wholly owned subsidiary company of United Bank Limited) as its Management Company and Central Depository Company of Pakistan Limited (CDC), as its Trustee. The Trust Deed was executed on 10 August 2007 and the Fund was authorized by the Securities and Exchange Commission of Pakistan (SECP) on 27 August 2007 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.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules 2003.

The Fund is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund at the option of the unit holder. The Fund is categorised as an open end shariah compliant (Islamic) aggressive fixed income scheme in accordance with Circular No. 7 of 2009 issued by SECP.

The Fund has been formed to generate superior, long term, risk adjusted returns by investing in medium to long term income instrument as well as short tenor money market instruments. Furthermore, the Fund invests in instruments that are approved by the Shariah Advisory Board. Under provision of the Trust Deed, all activities of the Fund shall be undertaken in accordance with the Shariah.

During the year, the Fund launched "AI-Ameen Islamic Aggressive Income Plan-I (AIAIP-I)" dated 16 April, 2020. The "AI-Ameen Islamic Aggressive Income Plan-I (AIAIP-I)" is an Allocation Plan with an objective to generate competitive, long-term, risk adjusted returns while aiming to preserve capital over the long term.

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 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

2.2 Standards and amendments effective during the year

There are number of new standards and amendments that are effective from 01 July, 2019 however these do not have a significant effect on the Fund's financial statements.

2.3 Standards, interpretations and amendments to accounting and reporting standards, that are not yet effective:

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2020:

- Amendment to IFRS 3 'Business Combinations' – Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual periods beginning on or after 01 January 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.
- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for annual periods beginning on or after 01 January 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRS Standards.
- On 29 March 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallise. The companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, entities should review those policies and apply the new guidance retrospectively as of 01 January 2020, unless the new guidance contains specific scope outs.
- Interest Rate Benchmark Reform which amended IFRS 9, IAS 39 and IFRS 7 is applicable for annual financial periods beginning on or after 1 January 2020. The G20 asked the Financial Stability Board (FSB) to undertake a fundamental review of major interest rate benchmarks. Following the review, the FSB published a report setting out its recommended reforms of some major interest rate benchmarks such as IBORs. Public authorities in many jurisdictions have since taken steps to implement those recommendations. This has in turn led to uncertainty about the long-term viability of some interest rate benchmarks. In these amendments, the term 'interest rate benchmark reform' refers to the market-wide reform of an interest rate benchmark including its replacement with an alternative benchmark

rate, such as that resulting from the FSB's recommendations set out in its July 2014 report 'Reforming Major Interest Rate Benchmarks' (the reform). The amendments made provide relief from the potential effects of the uncertainty caused by the reform. A company shall apply the exceptions to all hedging relationships directly affected by interest rate benchmark reform. The amendments are not likely to affect the financial statements of the Fund.

- Amendments to IFRS-16 - IASB has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after 1 June 2020, with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements, the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were not lease modifications. Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:
 - the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
 - any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
 - there is no substantive change to the other terms and conditions of the lease.
- Classification of liabilities as current or non-current (Amendments to IAS 1) effective for the annual period beginning on or after 1 January 2022. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual period beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarifies what comprise the cost of fulfilling a contract, cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for the annual period beginning on or after 1 January 2022. Clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc, are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items by applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of

operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

- The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022:
 - IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
 - IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
 - IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

The above amendments are effective from annual periods beginning on or after 01 July, 2020 and are not likely to have an impact on Fund's financial statements.

2.4 Critical accounting estimates and judgments

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas where various assumptions and estimates are significant to the Fund's financial statements or where judgment was exercised in the application of accounting policies are given below:

a) Judgments

Information about judgments made in applying accounting policies that have the significant effects on the amounts recognised in the financial statements is included in note 3.2.1 - Regarding the classification of investments.

b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the year ended 30 June 2019 is included in the following notes:

- Notes 3.2.3 and 3.2.4 - Valuation of investments
- Notes 3.2.5 and 3.18 - Impairment of financial assets and other assets

2.5 Basis of measurement

These financial statements have been prepared under the historical cost convention except for the investments which are stated at fair value.

2.6 Functional and presentation currency

These financial statements are presented in Pak Rupees which is the functional and presentation currency of the Fund. All amounts have been rounded to the nearest thousand, unless otherwise stated.

3 SIGNIFICANT ACCOUNTING POLICIES

The management has adopted the following significant policies for the preparation of these financial statements:

3.1 Cash and cash equivalents

Cash and cash equivalents are carried in the Statement of Assets and Liabilities at amortised cost. These comprise of deposits with banks and highly liquid investments with original maturities of three months or less and that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short term cash commitments rather than for investments for other purposes.

3.2 Financial assets

3.2.1 Classification

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt security is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Fund's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund's stated objectives for managing the financial assets are achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment on debt securities, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Fund considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

3.2.2 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

3.2.3 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs associated with these financial assets are charged to the Income Statement.

3.2.4 Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any profit / markup or dividend income, are recognised in income statement.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Profit / markup income, foreign exchange gains and losses and impairment are recognised in income statement.
Debt securities at FVOCI	These assets are subsequently measured at fair value. Profit / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in income statement. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income statement.

The fair value of financial assets are determined as follows:

a) Debt securities (other than Government securities)

Debt securities are valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the SECP via Circular 1 of 2009, Circular 33 of 2012 and Circular 35 of 2012. The Circulars 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) Government securities

The government securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKISRV rates) which are based on the remaining tenor of the securities.

3.2.5 Impairment of financial assets

The Fund assesses at each reporting date whether there is an objective evidence that the financial asset or a group of financial assets is impaired. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. 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 (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the income statement) is reclassified from the statement of comprehensive income to the income statement.

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated 21 November 2017 have deferred the applicability of impairment requirements of IFRS 9 in relation to debt securities for mutual funds and have instructed to continue to follow the requirements of Circular No. 33 of 2012 dated 24 October 2012 which are recently relaxed by the SECP amid ongoing situation of COVID 19. However, the circular does not cover impairment requirements for government debt securities. Based on the past performance management considers that there is no probability of default as in any adverse situation State Bank of Pakistan has the right to discharge government obligations by issuance of currency notes. The provisioning policy has been duly formulated and approved by the Board of Directors of the Management Company.

Provision against non-performing debt securities is made in accordance with the provisioning criteria for non-performing debt securities specified by the SECP. As allowed by the SECP, the management may also make provision against debt securities over and above the minimum provision requirement prescribed in Circular No. 33 of 2012 dated 24 October 2012, in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company.

3.2.6 Reclassifications

Financial assets are not reclassified subsequent to their initial recognition unless the Fund were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

3.3 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and where the Fund has transferred substantially all risks and rewards of ownership.

3.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.5 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. They are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

3.6 Deferred formation cost

This represents expenses incurred on the formation of the Fund. As permitted in the Non-Banking Finance Companies and Notified Entities Regulations, 2008, these expenses are being amortised to the income statement over a period of three years.

3.7 Unit holders' Fund

Unit holders' Fund representing the units issued by the Fund, is carried at the redemption amount representing the investors' right to a residual interest in the Fund's assets.

3.8 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received, by the distributors / Management Company during business hours, as of the close of the previous day on which the applications were received. The offer price represents the net assets value per unit as of the close of previous day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable.

Units redeemed are recorded at the redemption price, applicable to units as of the close of the previous day. The redemption price represents the net assets value per unit as of the close of the previous day on which the applications were received less any back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

3.9 Element of income / (loss)

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net asset Value (NAV) at the beginning of the relevant accounting period.

Element of Income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund; however, to maintain same ex-dividend net assets value of all units outstanding on accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP) the refund of capital is made in the form of additional units at zero price.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. The income already paid (Element of Income) on redemption of units during the year are taken separately in statement of movement in unitholders' fund.

3.10 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

3.11 Net assets value per unit

The net assets value per unit as disclosed on the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units outstanding at the year end.

3.12 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders. Provided that for the purpose of determining distribution of atleast ninety percent of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

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.

3.13 Revenue recognition

- Realised gains / (losses) arising on sale of investments are included in the Income Statement on the date at which the transaction takes place.
- Unrealised gains / (losses) arising on mark to market of investments classified as 'Financial assets at fair value through profit or loss' are included in the Income Statement in the year in which they arise.
- Income on debt and government securities is recognised on time proportion basis using the effective yield.
- Profit on saving accounts and term deposits is recognised taken into account the effective yield.

3.14 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 at 2.5% of the par value of unit under the said 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.

3.15 Expenses

All expenses including Management fee, Trustee fee and Securities and Exchange Commission of Pakistan fee are recognised in the income statement on accrual basis.

3.16 Earnings per unit

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

3.17 Distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital if any based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

3.18 Other assets

Other assets are stated at cost less impairment losses, if any.

5 BANK BALANCES

BANK BALANCES		2020			2019
	Notes	AIAIF	AIAIP-I	Total	AIAIF
----- (Rupees in '000) -----					
In current accounts	5.1	18,576	-	18,576	5,793
In savings accounts	5.2	322,374	162,040	484,414	342,594
		340,950	162,040	502,990	348,387

5.1 This includes balance with United Bank Limited of Rs. 2.79 million (2019: Rs. 3.33 million), holding company of the Management Company.

5.2 Profit rates on savings accounts ranges from 6.50% to 8.25% (2019: 6.3% to 12.25%) per annum. This includes balance with United Bank Limited (holding company of the Management Company) of Rs. 7.57 million (2019: Rs. 27.07 million) carrying profit ranges from 7.00% to 12.75% (2019: 4% to 8.25%) per annum.

6 TERM DEPOSIT MUSHARIKA

		2020			2019
	Note	AIAIF	AIAIP-I	Total	AIAIF
		(Rupees in '000)			
Commercial bank	6.1	-	-	-	40,000

6.1 Term deposit musharika carrying profit at 11.92%, matured on 18 July 2019.

7 INVESTMENTS

INVESTMENTS		2020			2019
	Notes	AIAIF	AIAIP-I	Total	AIAIF
----- (Rupees in '000) -----					

Investment by category

At fair value through profit or loss

- Sukuk certificates	7.1				
- Quoted		28,700	-	28,700	25,122
- Unquoted		17,674	-	17,674	42,627
- GOP Ijara	7.2	48,500	-	48,500	-
		94,874	-	94,874	67,749

At fair value through other comprehensive income

- Sukuk certificates	7.3				
- Quoted		-	538,700	538,700	-
- Unquoted		-	209,352	209,352	-
- GOP Ijara	7.4	-	501,350	501,350	-
		-	1,249,402	1,249,402	-
		94,874	1,249,402	1,344,276	67,749

7.1 'At fair value through profit or loss' - sukuk certificates (certificates of Rs. 5,000 each, unless otherwise stated)

Investee Company	Note	AIAIF								
		As at 01 July 2019	Purchased / acquired during the year	Sold / matured during the year	As at 30 June 2020	Carrying value as at 30 June 2020	Market value as at 30 June 2020	Market value as at 30 June 2019	Market value as a Percentage of total investments	Market value as a Percentage of net assets
		----- (Number of certificates) -----				----- (Rupees in '000) -----		----- % -----		
<u>Quoted</u>										
Chemical										
Engro Corporation Limited - 5 years		5,000	-	(5,000)	-	-	-	25,122	-	-
Commercial Banks										
Meezan Bank Limited		-	28	-	28	27,776	28,700	-	30.25%	6.81%
						<u>27,776</u>	<u>28,700</u>	<u>25,122</u>	<u>30.25%</u>	<u>6.81%</u>
<u>Unquoted</u>										
Chemical										
Ghani Gases Limited (certificates of Rs. 62,500 each)		325	-	(325)	-	-	-	20,201	-	-
Food and energy										
Dawood Hercules Corporation Limited (certificates of Rs. 90,000 each)		250	-	-	250	17,442	17,674	22,426	18.63%	4.19%
						<u>17,442</u>	<u>17,674</u>	<u>42,627</u>	<u>18.63%</u>	<u>4.19%</u>

7.1.1 Significant terms and conditions of sukuk certificates (other than non - performing sukuks) as at 30 June 2020 are as follows:

Name	AIAIF					
	Issue	Remaining (Rupees in '000)	Mark-up rate per annum	Maturity date	Secured / unsecured	Rating
Commercial Banks						
Meezan Bank Limited	22-Sep-16	28,000	6 Months KIBOR + 0.5%	22-Sep-26	Secured	AA
Food and Energy						
Dawood Hercules Corporation Limited	16-Nov-17	17,500	3 Months KIBOR + 1%	16-Nov-22	Secured	AA
Name	AIAIP					
	Issue	Remaining (Rupees in '000)	Mark-up rate per annum	Maturity date	Secured / unsecured	Rating
Power generation and distribution						
K-Electric Limited	17-Jun-15	91,948	3 Months KIBOR + 1%	17-Jun-22	Secured	AA+
Hub Power Company Limited	22-Aug-19	74,000	3 Months KIBOR + 1.9%	22-Aug-23	Secured	AA+
Pharmaceuticals						
AGP Limited	9-Jun-17	56,240	3 Months KIBOR + 1.3%	9-Jun-22	Secured	A+
Commercial Banks						
Meezan Bank Limited	22-Sep-16	204,000	6 Months KIBOR + 0.5%	22-Sep-26	Secured	AA
Dubai Islamic Bank Pakistan Limited	14-Jul-17	204,000	6 Months KIBOR + 0.5%	14-Jul-27	Secured	AA-
Chemical						
Engro Polymer & Chemicals Limited	11-Jan-19	103,000	3 Months KIBOR + 0.9%	11-Jul-26	Secured	AA

7.2 Investment in Government Securities - Ijarah Sukuk - At fair value through profit or loss

Issue Date	Tenor	Face value				Carrying value as at 30 June 2020	Market value as at 30 June 2020	Market value as	
		As at 01 July 2019	Purchases during the year	Sales during the year	As at 30 June 2020			Percentage of total investments	Percentage of net assets
		----- (Rupees in '000) -----						----- (%) -----	
30 April 2020	5 Years	-	187,500	137,500	50,000	50,000	48,500	51.12%	11.51%

7.2.1 These carry markup at the rate of 6.63% per annum receivable semi-annually in arrears, maturing in April 2025.

7.3 'At fair value through other comprehensive income' - sukuk certificates (certificates of Rs.5,000 each, unless otherwise stated)

Name of Investee Company	Note	AIAIF								
		As at 01 July 2019	Purchased / acquired during the year	Sold / matured during the year	As at 30 June 2020	Carrying value as at 30 June 2020	Market value as at 30 June 2020	Market value as at 30 June 2019	Market value as a Percentage of total investment	Market value as a Percentage of net assets
		----- (Number of certificates) -----			----- (Rupees in '000) -----			----- % -----		
		<u>Quoted</u>								
Leasing companies										
Security Leasing Corporation Limited - Sukuk (19-09-07) – II	7.3.2	10,000	-	-	10,000	-	-	-	-	-
Cable and electronics goods										
New Allied Electronics Industries Limited-I*	7.3.3	192,000	-	-	192,000	-	-	-	-	-
New Allied Electronics Industries Limited-II	7.3.4	10,000	-	-	10,000	-	-	-	-	-
Chemical										
Agritech Limited	7.3.5	16,600	-	-	16,600	-	-	-	-	-
Agritech Limited (zero rate coupon)	7.3.6	2,411	-	-	2,411	-	-	-	-	-
						-	-	-	-	-

* Face value of each certificate is Rs.312.5.

7.3.1 At 30 June 2020, the cost of above investments amounted to Rs.167.98 (2019: Rs.167.98) million.

7.3.2 Security Leasing Corporation Limited - II (SLCL) was categorized as non-performing by MUFAP initially as at 30 June 2011 and subsequently in April 2012. The Fund has fully provided the investment in accordance with Circular No. 33 of 2012 issued by the Securities and Exchange Commission of Pakistan (SECP).

7.3.3 The exposure was classified as non-performing in 2009. Accordingly, under Circular No. 33 of 2012 read with circular No. 1 of 2009 issued by SECP, the entire exposure was provided for in the books in the year 2011.

7.3.4 The exposure was classified as non-performing in 2009 under Circular No. 33 of 2012 read with circular No. 1 of 2009 issued by SECP and currently the entire exposure has been provided for in the books.

7.3.5 The exposure was classified as non-performing in 2011 under Circular No. 33 of 2012 read with circular No. 1 of 2009 issued by SECP and currently the entire exposure has been provided for in the books.

7.3.6 In 2013, Agritech Limited issued 2,411 term finance certificates against the profit due on its long overdue sukuk certificates. These have not been recognised as they were issued against the suspended mark up receivable, because as per Circular 33 of 2012, profit shall only be recorded up to the extent it is received in cash.

Name of Investee Company	AIAIP-I								
	As at 01 July 2019	Purchased / acquired during the period	Sold / matured during the period	As at 30 June 2020	Carrying value as at 30 June 2020	Market value as at 30 June 2020	Market value as at 30 June 2019	Market value as a Percentage of total investment	Market value as a Percentage of net assets
	----- (Number of certificates) -----			----- (Rupees in '000) -----			----- % -----		
<u>Quoted</u>									
Power generation and distribution									
K-Electric Limited	-	45,974	-	45,974	93,132	93,097	-	7.45%	6.37%
Hub Power Company Limited	-	740	-	740	75,135	75,587	-	6.05%	5.17%
		46,714	-	46,714	168,267	168,684	-	13.50%	11.54%
Pharmaceuticals									
AGP Limited	-	1,406	-	1,406	56,810	56,322	-	4.51%	3.85%
Commercial Banks									
Meezan Bank Limited	-	204	-	204	207,733	209,100	-	16.74%	14.31%
Chemical									
Engro Polymer & Chemicals Limited	-	1,030	-	1,030	104,765	104,594	-	8.37%	7.16%
					537,575	538,700	-	43.12%	36.87%
<u>Unquoted</u>									
Commercial Banks									
Dubai Islamic Bank Pakistan Limited	-	204	-	204	207,583	209,352	-	16.75%	14.33%
					207,583	209,352	-	16.75%	14.33%

7.4 Investment in Government Securities - Ijarah Sukuk - At fair value through other comprehensive income

Issue Date	Tenor	Face value				Carrying value as at 30 June 2020	Market value as at June 30, 2020	Market value as a Percentage of Total investments	Market value as a Percentage of Net assets
		As at 01 July 2019	Purchases during the period	Sales during the period	As at 30 June 2020				
		----- (Rupees in '000) -----							
29-May-20	5 Years	-	500,000	-	500,000	500,055	501,350	40.13%	34.31%

7.4.1 These carry markup at the rate of 7.65% per annum receivable semi-annually in arrears, maturing in May 2025.

7.5 Unrealised loss on revaluation of investments classified at fair value through profit or loss

	2020			2019
	AIAIF	AIAIP-I	Total	AIAIF
	(Rupees in '000)			
Market value of investments	94,874	-	94,874	67,749
Less: cost / carrying value of investments	(95,218)	-	(95,218)	(70,173)
	(344)	-	(344)	(2,424)

7.6 Unrealised gain on revaluation of investments classified at fair value through other comprehensive income

	2020			2019
	AIAIF	AIAIP-I	Total	AIAIF
	(Rupees in '000)			
Market value of investments	-	1,249,402	1,249,402	-
Less: cost / carrying value of investments	-	(1,245,213)	(1,245,213)	-
	-	4,189	4,189	-

7.7 Realised loss on sale of investments

Sukuk certificates	1,755	214	1,969	2,316
GOP Ijara	5,500	-	5,500	-

8 PROFITS RECEIVABLE

Profits receivable on:

Bank balances	1,529	1,096	2,625	3,469
Term deposit musharika	-	-	-	995
Investments	2,083	30,387	32,470	2,331
	3,612	31,483	35,095	6,795

9 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Prepaid expenses	216	-	216	216
Security deposit with Central Depository Company of Pakistan Limited - Trustee	100	-	100	100
Deposit with National Clearing Company of Pakistan Limited	2,500	-	2,500	2,500
Receivable against issuance of units	1,962	-	1,962	5,955
Other receivable	3,314	19,000	22,314	51
	8,092	19,000	27,092	8,822

10 ADVANCE TAX

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 (ITO 2001). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule to the 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 12 May 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 151 of ITO 2001, which has been recorded as receivable from the Tax Department in these financial statements. Refund of these amounts have been / will be claimed while filing the Income Tax Return of the respective tax year(s) in which these were deducted. The management is confident that the same shall be duly refunded.

11 PAYABLE TO THE MANAGEMENT COMPANY

		2020			2019
		AIAIF	AIAIP-I	Total	AIAIF
Note		(Rupees in '000)			
Management remuneration payable	11.1	598	134	732	556
Sindh Sales Tax on management remuneration		78	17	95	72
Payable against allocation of expenses relating to the Fund	11.2	81	-	81	37
Shariah advisory fee	11.3	348	-	348	204
Sales load and other payables		591	10	601	437
		1,696	161	1,857	1,306

- 11.1** SECP vide S.R.O. 639 (1)/2019 has substitute regulation 61 where by Management Company may charge variable fee or fixed fee or the combination of both which shall not exceed the limit disclosed in the Offering Document.

During the year ended 30 June 2020, the Management Company has charged remuneration at the rate of 1.5% and 0.15% per annum of average daily net assets of AIAIF and AIAIP respectively.

- 11.2** SECP vide S.R.O. 639 (1)/2019 has substituted clause (s) and (v) of sub regulation 3 of regulation 60 and accordingly has removed cap of charging 0.1 % and 0.4% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation & valuation services and selling & Marketing expenses respectively, provided that total expense ratio remains within the allowed limit.

The Management Company is charging 0.1 % per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services.

- 11.3** As per amended NBFC Regulations dated 25 November 2015, the management company is entitled to charge shariah advisory fee from the Fund. Accordingly, the management company has charged Rs. 0.348 (2019: Rs.0.35) million as shariah advisory fee.

12 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

	Note	2020			2019
		AIAIF	AIAIP-I	Total	AIAIF
		----- (Rupees in '000) -----			
Trustee remuneration	12.1	30	74	104	63
Sindh Sales Tax on Trustee remuneration	12.2	4	10	14	8
		34	84	118	71

- 12.1** 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 average daily net assets value of the Fund. The remuneration is paid to the Trustee on monthly basis in arrears. The tariff structure applicable to the Fund in respect of the trustee fee has been revised effective from 01 July 2019 where by the revised tariff is 0.075% per annum of average daily net assets.

- 12.2** The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% on the remuneration of Trustee through Sindh Sales Tax on Services Act, 2011, effective from 01 July 2016.

13 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

SECP vide S.R.O. 685 (I)/2019 has revised its annual fee from 0.075% to 0.02% per annum of average daily net assets of the Fund, applicable from 01 July 2019.

14 ACCRUED EXPENSES AND OTHER PAYABLES

ACCRUED EXPENSES AND OTHER PAYABLES		2020			2019
		AIAIF	AIAIP-I	Total	AIAIF
	Note	----- (Rupees in '000) -----			
Provision for indirect duties and taxes	14.1	9,511	-	9,511	9,511
Provision for Sindh Workers' Welfare Fund	14.2	3,296	306	3,602	2,725
Withholding tax and zakat deducted at source		2,399	7	2,406	2,830
Capital gains tax payable		84	1	85	50
Auditors' remuneration payable		169	-	169	320
Brokerage payable		31	189	220	-
Charity payable		-	-	-	5
Sales load payable		155	-	155	5
Other payables		10,959	14	10,973	465
		26,604	517	27,121	15,911

- 14.1** 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 13 June 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 Honourable 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 up to 30 June 2016.

On 30 June 2016, the Honourable Sindh High Court had passed a judgement 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 01 July 2011 is ultra vires to the Constitution of Pakistan. On 23 September 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. 9.511 million until the matter is resolved. Had the provision not been made, the net assets value per unit of the Fund as at 30 June 2020 would have been higher by Rs. 2.2628 per unit (2019: Rs. 2.0877 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, since 30 June 2019, provision for FED has not been made.

- 14.2** 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 Honourable Lahore High Court (LHC) and the Honourable 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 Honourable Supreme Court of Pakistan (SCP). On 10 November 2016, the SCP passed a judgement declaring 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 filed a review petition in the SCP against the said judgement, 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 21 May 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 31 December 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 12 January 2017 the following:

- The provision against the Federal WWF held by the Mutual Funds till 30 June 2015 should be reversed on 12 January 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. 21 May 2015).

The above decisions were communicated to SECP and the Pakistan Stock Exchange Limited on 12 January 2017. In response to the aforementioned letter SECP vide its letter dated 01 February 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 12 January 2017

Had the provision not been made, the net assets value per unit as at 30 June 2020 of AIAIF and AIAIP would have been higher by Rs. 0.7847 per unit (2019: Rs. 0.5982 per unit) and Rs. 0.0210 per unit (2019: Nil) respectively.

15 PROFIT ON BANK DEPOSITS AND TERM DEPOSIT MUSHARIKA CALCULATED USING THE EFFECTIVE YIELD METHOD

	For the period from 16 April 2020 to 30 June 2020		Total	2019 AIAIF
	2020 AIAIF	2020 AIAIP-I		
	----- (Rupees in '000) -----			
Profits on:				
- Bank balances	37,456	2,704	40,160	32,572
- Term deposit musharika	209	-	209	1,170
	<u>37,665</u>	<u>2,704</u>	<u>40,369</u>	<u>33,742</u>

16 PROFIT / RETURN ON INVESTMENT CALCULATED USING THE EFFECTIVE YIELD METHOD

- GOP ijarah sukuks	2,060	1,557	3,617	-
- Sukuk certificates	6,131	11,975	18,106	17,195
	<u>8,191</u>	<u>13,532</u>	<u>21,723</u>	<u>17,195</u>

17 AUDITORS' REMUNERATION

Annual audit fee	132	-	132	210
Half yearly review fee	72	-	72	136
Review of CCG	27	-	27	91
Out of pocket expenses	52	-	52	78
	<u>283</u>	<u>-</u>	<u>283</u>	<u>515</u>

18 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the case may be, shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund has distributed more than ninety percent of the Fund's accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders during the year. Accordingly, no provision has been made in the financial statements for the year ended 30 June 2020.

19 TOTAL EXPENSE RATIO (TER)

The Securities and Exchange Commission of Pakistan (SECP) vide directive no. SCD/PRDD/Direction/18/2016 dated 20 July 2016, requires that Collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. As per S.R.O 639 (I)/2019, the limit towards expense ratio has been revised from 2% to 2.5% for Income, aggressive income, Capital protected, Index and Commodity Schemes (cash settled).

	2020	
	AIAIF	AIAIP-I
Total expense ratio	2.44%	0.10%
Government levy, SWWF and SECP fee	0.37%	0.05%

**20 RECONCILIATION OF LIABILITIES
ARISING OUT OF FINANCING
ACTIVITIES**

Opening balance as at 01 July 2019

Receivable against issuance of units
Payable against redemption of units

Amount received on issuance of units
Amount paid on redemption of units

Closing balance as at 30 June 2020

2020		
AIAIF		
Receivable against sale of units	Payable against redemption of units	Total
(Rupees in '000)		
5,955	-	5,955
644,373	-	644,373
-	688,653	688,653
644,373	688,653	1,333,026
(648,366)	-	(648,366)
-	(688,653)	(688,653)
(648,366)	(688,653)	(1,337,019)
1,962	-	1,962

Opening balance as at 01 July 2018

Receivable against issuance of units
Payable against redemption of units

Amount received on issuance of units
Amount paid on redemption of units

Closing balance as at 30 June 2019

2019		
AIAIF		
Receivable against sale of units	Payable against redemption of units	Total
(Rupees in '000)		
3,971	-	3,971
377,783	-	377,783
-	709,297	709,297
377,783	709,297	1,087,080
(375,799)	-	(375,799)
-	(709,297)	(709,297)
(375,799)	(709,297)	(1,085,096)
5,955	-	5,955

Receivable against issuance of units
Payable against redemption of units

Amount received on issuance of units
Amount paid on redemption of units

Closing balance as at 30 June 2020

2020		
AIAIP-I		
Receivable against sale of units	Payable against redemption of units	Total
(Rupees in '000)		
4,503,793	-	4,503,793
-	3,062,102	3,062,102
4,503,793	3,062,102	7,565,895
(4,503,793)	-	(4,503,793)
-	(3,062,102)	(3,062,102)
(4,503,793)	(3,062,102)	(7,565,895)
-	-	-

21 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), AI - Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee and custodian of the Fund, the directors and officers of the Management Company and unit holders holding 10% or more of the Fund's net assets.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, NBFC Regulations and the Trust Deed respectively.

All other transactions with related parties / connected persons are in the normal course of business, at contracted rates and terms determined in accordance with the market rates.

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

21.1 Transactions during the year

	Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
AIAIF	2020					
	(Rupees in '000)					
Units issued	-	-	-	-	243	-
Units redeemed	-	-	-	-	5,771	-
Profit on saving accounts	-	7,068	-	-	-	-
Bank charges	-	22	-	-	-	-
Dividend paid	-	-	-	-	286	-
Settlement Charges	-	-	8	-	-	-
Remuneration	5,962	-	298	-	-	-
Sales tax on remuneration	775	-	39	-	-	-
Allocation of expenses relating to the Fund	397	-	-	-	-	-
Shariah advisory fee	348	-	-	-	-	-
AIAIF	2019					
	(Rupees in '000)					
Units issued	-	-	-	-	2,831	-
Units redeemed	-	-	-	-	6,173	-
Profit on saving accounts	-	1,983	-	-	-	-
Bank charges	-	40	-	-	-	-
Dividend paid	-	-	-	-	954	-
Settlement Charges	-	-	11	-	-	-
Remuneration	8,024	-	910	-	-	-
Sales tax on remuneration	1,043	-	118	-	-	-
Allocation of expenses relating to the Fund	535	-	-	-	-	-
Shariah advisory fee	350	-	-	-	-	-
AIAIP-I	For the period from 16 April 2020 to 30 June 2020					
	(Rupees in '000)					
Units issued	-	-	-	-	-	4,495,417
Units redeemed	-	-	-	-	-	3,054,781
Profit on saving accounts	-	-	-	-	-	-
Bank charges	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Settlement Charges	-	-	-	-	-	-
Remuneration	225	-	100	-	-	-
Sales tax on remuneration	29	-	28	-	-	-
Allocation of expenses relating to the Fund	-	-	-	-	-	-
Shariah advisory fee	-	-	-	-	-	-

21.2 Balance outstanding as at year end

AIAIF	2020					
	(Rupees in '000)					
Units held (in units '000)	-	-	-	-	37	-
Units held (in rupees '000)	-	-	-	-	3,686	-
Bank balances*	-	7,568	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable **	676	-	34	-	-	-
Sales load payable	420	154	-	-	-	-
Conversion charges payable	111	-	-	-	-	-
Shariah fee	348	-	-	-	-	-
Others payable	60	-	-	-	-	-
Payable against allocated expenses	81	-	-	-	-	-
Profit receivable	-	466	-	-	-	-

* These carry profit rate at the rate of 7.00% to 12.75% per annum.

** These balances are inclusive of Sindh Sales Tax payable.

	Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
AIAIF	2019					
	(Rupees in '000)					
Units held (in units '000)	-	-	-	-	89	-
Units held (in rupees '000)	-	-	-	-	8,911	-
Bank balances*	-	30,412	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable **	628	-	71	-	-	-
Sales load payable	10	4	-	-	-	-
Conversion charges payable	106	-	-	-	-	-
Shariah fee	204	-	-	-	-	-
Others payable	60	-	-	-	-	-
Payable against allocated expenses	37	-	-	-	-	-
Profit receivable	-	254	-	-	-	-

* These carry profit rate at the rate of 4% to 8.25% per annum.

** These balances are inclusive of Sindh Sales Tax payable.

AIAIP-I	2020					
	(Rupees in '000)					
Units held (in units '000)	-	-	-	-	-	14,252
Units held (in rupees '000)	-	-	-	-	-	1,429,348
Bank balances	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Remuneration payable *	151	-	84	-	-	-
Sales load payable	-	-	-	-	-	-
Conversion charges payable	-	-	-	-	-	-
Shariah fee	-	-	-	-	-	-
Others payable	10	-	-	-	-	-
Payable against allocated expenses	-	-	-	-	-	-
Profit receivable	-	-	-	-	-	-

* These balances are inclusive of Sindh Sales Tax payable.

22 CONTINGENCIES AND COMMITMENTS

Other than already disclosed in the financial statements, there are no contingencies and commitments as at 30 June 2020.

23	NUMBER OF UNITS IN ISSUE	Note	2020		2019
			----- (Number of units) -----		
			AIAIF	AIAIP-I	AIAIF
	Total units in issue at the beginning of the year		4,555,712	-	7,693,921
	Units issued during the year	23.1	6,184,929	44,531,087	3,809,917
	Units redeemed during the year		(6,537,416)	(29,962,431)	(6,948,126)
	Total units in issue at the end of the year		4,203,225	14,568,656	4,555,712

23.1 This includes 147,001 units and 311,906 units issued in lieu of refund of capital for AIAIF and AIAIP-I respectively.

23.2 The Management Company on 26 June, 2020 declared interim distribution for AIAIF of Rs. 8.3165 per unit. The aggregate cash distribution of AIAIF amounted to Rs. 18.92 million was in addition to refund of capital as stated in note 23.1. The interim distribution for AIAIP of Rs. 2.1967 per unit was declared on 30 June, 2020. The aggregate cash distribution of AIAIP amounted to Rs. 0.047 million was in addition to refund of capital as stated in note 23.1.

24 FINANCIAL INSTRUMENTS BY CATEGORY

	2020			
	AIAIF			
	At amortised cost	At fair value through other comprehensive income	At fair value through profit or loss	Total
	(Rupees in '000)			
Financial Assets				
Bank balances	340,950	-	-	340,950
Investments	-	-	94,874	94,874
Profit receivable	3,612	-	-	3,612
Deposits, prepayments and other receivables	7,876	-	-	7,876
	352,438	-	94,874	447,312
	At amortised cost			
	(Rupees in '000)			
Financial liabilities				
Payable to the Management company			1,696	1,696
Payable to Central Depository Company of Pakistan Limited - Trustee			34	34
Accrued expenses and other payable			13,713	13,713
			15,443	15,443

As at 30 June 2019

	At amortised cost	At fair value through other comprehensive income	At fair value through profit or loss	Total
	----- (Rupees in '000) -----			
Financial Assets				
Bank balances	348,387	-	-	-
Term deposit musharika	40,000	-	-	-
Investments	-	-	67,749	-
Profit receivable	6,795	-	-	-
Deposits, prepayments and other receivables	8,606	-	-	-
	<u>403,788</u>	<u>-</u>	<u>67,749</u>	<u>-</u>
	----- (Rupees in '000) -----			
Financial liabilities				
Payable to the Management company			1,306	1,306
Payable to Central Depository Company of Pakistan Limited - Trustee			71	71
Accrued expenses and other liabilities			3,625	3,625
			<u>5,002</u>	<u>5,002</u>

	2020			
	AIAIP-I			
	At amortised cost	At fair value through other comprehensive income	At fair value through profit or loss	Total
	----- (Rupees in '000) -----			
Financial Assets				
Bank balances	162,040	-	-	162,040
Investments	-	1,249,402	-	1,249,402
Profit receivable	31,483	-	-	31,483
Deposits, prepayments and other receivables	19,000	-	-	19,000
	<u>212,523</u>	<u>1,249,402</u>	<u>-</u>	<u>1,461,925</u>
	----- (Rupees in '000) -----			
Financial liabilities				
Payable to the Management company			161	161
Payable to Central Depository Company of Pakistan Limited - Trustee			84	84
Accrued expenses and other payable			210	210
			<u>455</u>	<u>455</u>

25 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The Fund's accounting policy on fair value measurements of investments is discussed in note 3.2 to these financial statements.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

On-balance sheet financial instruments

30 June 2020	Note	AIAIF					Fair value			
		Carrying amount								
		At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
		----- (Rupees in '000) -----								
Financial assets measured at fair value										
Investment	25.1	94,874	-	-	-	94,874	-	94,874	-	94,874
Financial assets not measured at fair value	25.2									
Bank Balances		-	-	-	340,950	340,950				
Profit receivable		-	-	-	3,612	3,612				
Deposits, prepayments and other receivables		-	-	-	7,876	7,876				
		<u>-</u>	<u>-</u>	<u>-</u>	<u>352,438</u>	<u>352,438</u>				
Financial liabilities not measured at fair value	25.2									
Payable to the Management Company		-	-	-	1,696	1,696				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	34	34				
Accrued expenses and other payables		-	-	-	13,713	13,713				
		<u>-</u>	<u>-</u>	<u>-</u>	<u>15,443</u>	<u>15,443</u>				

30 June 2019

Note		AIAIF					Fair value			
		Carrying amount								
		Mandatorily at fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)										
Financial assets measured at fair value										
Investment	25.1	67,749	-	-	-	67,749	-	67,749	-	67,749
Financial assets not measured at fair value										
Bank balances	25.2	-	-	-	348,387	348,387				
Term deposit musharika		-	-	-	40,000	40,000				
Profits receivable		-	-	-	6,795	6,795				
Deposits, prepayments and other receivables		-	-	-	8,606	8,606				
					403,788	403,788				
Financial liabilities not measured at fair value										
Payable to the Management Company	25.2	-	-	-	1,306	1,306				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	71	71				
Accrued expenses and other payables		-	-	-	3,625	3,625				
					5,002	5,002				

30 June 2020

Note		AIAIP-I					Fair value			
		Carrying amount								
		At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)										
Financial assets measured at fair value										
Investment	25.1	-	-	1,249,402	-	1,249,402	-	1,249,402	-	1,249,402
Financial assets not measured at fair value										
Bank Balances	25.2	-	-	-	162,040	162,040				
Profit receivable		-	-	-	31,483	31,483				
Deposits, prepayments and other receivables		-	-	-	19,000	19,000				
					212,523	212,523				
Financial liabilities not measured at fair value										
Payable to the Management Company	25.2	-	-	-	161	161				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	84	84				
Accrued expenses and other payables		-	-	-	210	210				
					455	455				

25.1 Valuation techniques used in determination of fair values within level 2:

Investments in GOP Ijara Sukuk are valued on the basis of the PKISRVs announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.

25.2 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or reprice periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

25.3 Net assets attributable to unitholders. The Fund routinely redeems and issues the units at the amount equal to the proportionate share of net assets of the Fund at the time of redemption, calculated on a basis consistent with that used in these financial statements. Accordingly, the carrying amount of net assets attributable to unitholders approximates their fair value. The units are categorized into Level 2 of the fair value hierarchy.

26 FINANCIAL RISK MANAGEMENT

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 credit risk, liquidity risk and market risk arising from the financial instruments it holds.

26.1 Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing 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.

Management of credit risk

The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of NBFC rules and regulations and guidelines given by SECP from time to time.

Credit risk is managed and controlled by the Management Company of the Fund in the following manner:

- The Fund limits its exposure to credit risk by only investing in instruments and bank deposits that have a minimum "AA-" from a credit rating agency duly approved by the SECP.
- Investment transactions are carried out with large number of brokers, whose credit rating is taken into account so as to minimize the risk of default and transactions are settled or paid for only upon deliveries.
- The risk of counter party exposure due to failed trade causing a loss to the Fund is mitigated by a periodic review of trade reports, credit ratings and financial statements on a regular basis.
- Cash is held only with reputable banks (including related party).

Risk attributable to investment in government securities is limited as these are guaranteed by the Federal Government.

The table below analyses the Fund's maximum exposure to credit risk:

	Rating Agency	Rating	2020			2019 AIAIF
			AIAIF	AIAIF-I	Total	
----- (Rupees in '000) -----						
Bank balances by rating category						
United Bank Limited	VIS	AAA	7,568	-	7,568	30,412
Habib Bank Limited	VIS	AAA	14	-	14	14
MCB Bank Limited	PACRA	AAA	5,293	-	5,293	1,641
Allied Bank Limited	PACRA	AAA	8	-	8	8
National Bank of Pakistan	PACRA	AAA	27	-	27	698
Bank Alfalah Limited	PACRA	AA+	16,194	-	16,194	435
Meezan Bank Limited	VIS	AA+	13	-	13	12
Habib Metropolitan Bank Limited	PACRA	AA+	23	-	23	22
Faysal Bank Limited	VIS	AA	15	-	15	14
Dubai Islamic Bank Pakistan Limited	VIS	AA	551	162,040	162,591	314,375
Soneri Bank Limited	PACRA	AA-	311,191	-	311,191	705
Bankislami Pakistan Limited	PACRA	A+	30	-	30	28
AlBaraka Bank (Pakistan) Limited	PACRA	A	11	-	11	11
MCB Islamic Bank Limited	PACRA	A	12	-	12	12
			340,950	162,040	502,990	348,387
Sukuk certificates by rating category						
AA+			-	168,685	168,685	25,122
AA			46,374	313,693	360,067	22,426
AA-			-	209,352	209,352	-
A+			-	56,322	56,322	-
A			-	-	-	20,201
			46,374	748,052	794,426	67,749
Term Deposit Musharika						
A			-	-	-	40,000
GOP Ijara						
Government Guaranteed / AAA			48,500	501,350	549,850	-
			48,500	501,350	549,850	40,000
Profit receivable						
			3,612	31,483	35,095	6,795
Deposits, prepayments and other receivables						
			7,876	19,000	26,876	8,606

Credit risk arising on financial assets is monitored through a regular analysis of financial position of brokers and other parties. Further, all transactions in securities are executed through approved brokers, thus the risk of default is considered to be minimal. For Debt instruments settlement, Delivery versus Payment (DvP) mechanism applied by Trustee of the Fund minimize the credit risk. In accordance with the risk management policy of the Fund, the Investment Committee monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

The maximum exposure to credit risk before any credit enhancement as at 30 June 2020 is the carrying amount of the financial assets.

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 worthy counterparties thereby mitigating any significant concentration of credit risk.

The Fund's activities may give rise to settlement risk. 'Settlement risk' is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed.

For the majority of transactions, the Fund mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

26.2 Liquidity risk

'Liquidity risk' is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Fund's offering document provides for the daily creation and cancellation of units and it is therefore exposed to the liquidity risk of meeting unitholder's redemptions at any time. The Fund manages the liquidity risk by maintaining maturities of financial liabilities and investing a major portion of the Fund's assets in highly liquid financial assets. The Fund's investments are considered to be readily realisable as they are all invested in government securities, sukuks and saving accounts. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

In accordance with the risk management policy of the Fund, the Fund manager monitors the liquidity position on a daily basis, which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

In accordance with regulation 58(1)(k) of the NBFC Regulations, 2008, the Fund has the ability to borrow funds for meeting the redemption requests, with the approval of the Trustee, for a period not exceeding three months to the extent of fifteen percent of the net assets. However, no such borrowing has been obtained during the year.

Further, the Fund is also allowed in accordance with regulation 57 (10) of the NBFC Regulations, 2008, to defer redemption requests to the next dealing day, had such requests exceed ten percent of the total number of units in issue.

In addition to unitholders' fund, the analysis below summarizes the Fund's financial liabilities into relevant maturity grouping as at 30 June 2020:

30 June 2020

<u>30 June 2020</u>	AIAIF				
	Maturity Upto			More than one year	Total
	Three months	Six months	One year		
Financial Liabilities	----- (Rupees in '000) -----				
Payable to Management Company	1,696	-	-	-	1,696
Payable to Central Depository Company of Pakistan Limited - Trustee	34	-	-	-	34
Accrued expenses and other payables	13,713	-	-	-	13,713
	15,443	-	-	-	15,443
Unit holders' fund	421,503	-	-	-	421,503

30 June 2019

30 June 2019

	AIAIF				
	Maturity Upto			More than one year	Total
	Three months	Six months	One year		
	(Rupees in '000)				
Financial Liabilities					
Payable to Management Company	1,306	-	-	-	1,306
Payable to Central Depository Company of Pakistan Limited - Trustee	71	-	-	-	71
Accrued expenses and other payables	3,625	-	-	-	3,625
Total Liabilities	5,002	-	-	-	5,002
Unit holders' fund	456,145	-	-	-	456,145

30 June 2020

<u>30 June 2020</u>	AIAIP-I				
	Maturity Upto			More than one year	Total
	Three months	Six months	One year		
Financial Liabilities	(Rupees in '000)				
Payable to Management Company	161	-	-	-	161
Payable to Central Depository Company of Pakistan Limited - Trustee	84	-	-	-	84
Accrued expenses and other payables	210	-	-	-	210
	455	-	-	-	455
Unit holders' fund	1,461,133	-	-	-	1,461,133

The above mentioned financial liabilities do not carry any mark-up.

26.3 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 interest rates, foreign exchange rates and debt security prices.

The UBL Fund Managers manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee and regulations laid down by the Securities and Exchange Commission of Pakistan. The maximum risk resulting from financial instruments equals their fair values.

i) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in the market profit rates. The Fund's profit rate risk is monitored on a quarterly basis by the board of directors.

As at 30 June 2020, the balances that may be exposed to profit rate risk are as follows:

	2020			2019
	AIAIF	AIAIP-I	Total	AIAIF
	(Rupees in '000)			
<i>Variable rate instruments</i>				
Bank balances	322,374	162,040	484,414	342,594
Investments - At fair value through profit or loss	46,374	-	46,374	42,627
Investments - At fair value through other comprehensive income	-	748,052	748,052	-
	<u>368,748</u>	<u>910,092</u>	<u>1,278,840</u>	<u>385,221</u>
<i>Fixed rate instrument</i>				
Term deposit musharika	-	-	-	40,000
Investments - At fair value through profit or loss	-	-	-	25,122
GOP Ijara	48,500	501,350	549,850	-
	<u>48,500</u>	<u>501,350</u>	<u>549,850</u>	<u>65,122</u>

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in profit rates at the year end would have increased / (decreased) the net assets and net income by Rs. 12.788 million (2019: Rs. 3.852 million), assuming all other variables held constant.

Fair Value sensitivity analysis for fixed rate instruments

A change in 100 basis points in profit rates at year end would have increased / (decreased) the net assets and net income by Rs.1.366 million (2019: Rs. 0.251 million). The analysis assumes all other variables remaining constant. Investment in term deposit musharika would not effect the income statement as held till maturity.

Yield / 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 settlement date.

30 June 2020	AIAIF						Total
	Profit rate (%)	Maturity Up to Three months	Six months	One year	More than one year	Not exposed to profit rate risk	
On-balance sheet financial instruments	(Rupees in '000)						
Financial assets							
Bank balances	6.50 to 8.25	322,374	-	-	-	18,576	340,950
Term deposit musharika	Nil	-	-	-	-	-	-
Investments classified as:							
'At fair value through Profit or Loss'							
- Sukuk Certificates	KIBOR 3M-6M+ 0.5 -1.9	-	-	-	46,374	-	46,374
- GOP Ijara	6.63	-	-	-	48,500	-	48,500
Profit receivable		-	-	-	-	3,612	3,612
Deposits, prepayments and other receivables		-	-	-	-	7,876	7,876
Total financial assets		<u>322,374</u>	<u>-</u>	<u>-</u>	<u>94,874</u>	<u>30,064</u>	<u>447,312</u>
Financial liabilities							
Payable to Management Company		-	-	-	-	1,696	1,696
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	-	34	34
Accrued expenses and other payables		-	-	-	-	13,713	13,713
Total financial liabilities		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,443</u>	<u>15,443</u>
On-balance sheet gap		<u>322,374</u>	<u>-</u>	<u>-</u>	<u>94,874</u>	<u>14,621</u>	<u>431,870</u>
Off-balance sheet financial instruments		-	-	-	-	-	-
Off-balance sheet gap		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

30 June 2019

30 June 2019		AIAIF					
	Profit rate (%)	Maturity Up to			More than one year	Not exposed to profit rate risk	Total
		Three months	Six months	One year			
		(Rupees in '000)					
On-balance sheet financial instruments							
Financial assets							
Bank balances	3.40 - 12.25	342,594	-	-	-	5,793	348,387
Term deposit musharika	11.35	40,000	-	-	-	-	40,000
Investments classified as:							
'At fair value through Profit or Loss'							
- Sukuk Certificates	KIBOR 3M-6M+ 1.00% -13.5%	25,122	-	-	42,627	-	67,749
Profit receivable		-	-	-	-	6,795	6,795
Deposits, prepayments and other receivables		-	-	-	-	8,606	8,606
Total financial assets		407,716	-	-	42,627	21,194	471,537
Financial liabilities							
Payable to Management Company		-	-	-	-	1,306	1,306
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	-	71	71
Accrued expenses and other payables		-	-	-	-	3,625	3,625
Total financial liabilities		-	-	-	-	5,002	5,002
On-balance sheet gap		407,716	-	-	42,627	16,192	466,535
Off-balance sheet financial instruments		-	-	-	-	-	-
Off-balance sheet gap		-	-	-	-	-	-

30 June 2020

30 June 2020	Profit rate (%)	AIAIP-I					Total
		Maturity Up to			More than one year	Not exposed to profit rate risk	
		Three months	Six months	One year			
On-balance sheet financial instruments		(Rupees in '000)					
Financial assets							
Bank balances	7.50	162,040	-	-	-	-	162,040
Term deposit musharika	Nil	-	-	-	-	-	-
Investments classified as:							
'At fair value through Other Comprehensive Income'							
- Sukuk Certificates	KIBOR 3M-6M+ 0.5 -1.9	-	-	-	748,052	-	748,052
- GOP Ijara	7.65	-	-	-	501,350		501,350
Profit receivable		-	-	-	-	31,483	31,483
Deposits, prepayments and other receivables		-	-	-	-	19,000	19,000
Total financial assets		162,040	-	-	1,249,402	50,483	1,461,925
Financial liabilities							
Payable to Management Company		-	-	-	-	161	161
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	-	84	84
Accrued expenses and other payables		-	-	-	-	210	210
Total financial liabilities		-	-	-	-	455	455
On-balance sheet gap		162,040	-	-	1,249,402	50,028	1,461,470
Off-balance sheet financial instruments		-	-	-	-	-	-
Off-balance sheet gap		-	-	-	-	-	-

ii) Foreign Currency risk

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.

iii) Price risk

Price risk is the risk of volatility in prices of financial instruments resulting from their dependence on market sentiments, speculative activities, supply and demand for financial instruments and liquidity in the market. The value of investments may fluctuate due to change in business cycles affecting the business of the Fund in which the investment is made, change in business circumstances of the Fund, industry environment and / or the economy in general. The Fund is not exposed to the risk as its constitutive documents prohibit it from investing in equity securities.

26.4 Unit holders' fund risk management (Capital risk management)

The Fund's objective when managing unit holders' 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 2008, 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.

In order to maintain or adjust the unit holders' Fund structure, the Fund's policy is to perform the following:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to unit holders;
- Redeem and issue units in accordance with the constitutive documents of the Fund, which include the ability to restrict redemptions and require certain minimum holdings and issuance; and
- The Fund Manager / Investment Committee members and Chief Executive of the Management Company critically track the movement of Assets under Management'. The Board of Directors is updated about the Fund yield and movement of NAV and total Fund size at the end of each quarter.

26.5 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 behaviour. 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.

27 TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID BY THE FUND

Name of Broker	Commission 2020	
	AIAIF	AIAIP-I
Optimus Markets (Private) Limited	57.90%	0.00%
Next Capital Limited	29.50%	69.75%
Invest One Markets Limited	12.60%	0.00%
Summit Capital (Private) Limited	0.00%	30.25%
	<u>100.00%</u>	<u>100.00%</u>
Name of Broker	Commission 2019	
	AIAIF	
Next Capital Limited	100.00%	
	<u>100.00%</u>	

28 INVESTMENT COMMITTEE

Details of the members of investment committee of the Fund are as follows:

S.No.	Name	Designation	Experience in years	Qualification
1	Yasir Qadri	Chief Executive Officer	24	MBA
2	Syed Suleman Akhtar	Chief Investment Officer	19	MBA, CFA
3	Muhammad Imran	Head of Investment Advisory	20	MBA
4	Irfan Nepal	Chief Dealer & Fund Manager	26	EMBA
5	Hadi Hassan Muki	Head of Compliance	20	BCOM
6	Syed Shabbir Sardar Zaidi	Fund Manager & Senior Analyst	11	MAS, CFA
7	Syed Sheeraz Ali*	Fund Manager & Senior Analyst	10	MBA
8	Mubashir Anis	Fund Manager Equity	8	BS, CFA
9	Muhammad Waseem	Head of Research	6	BBA, CFA

*Syed Sheraz Ali is also Fund Manager of Al Ameen Islamic Aggressive Income Fund, UBL Money Market Fund, UBL Liquidity Plus Fund, UBL Cash Fund, UBL Government Securities Fund, UBL Income Opportunity Fund, UBL Growth and Income Fund, UBL Asset Allocation Fund, UBL Financial Planning Fund, UBL Special Savings Fund, UBL Retirement Saving Fund Al Ameen Islamic Cash Fund and Al Ameen Islamic Special Savings Fund.

29 DIRECTORS' MEETING ATTENDANCE

During the year, six meetings of the Board of Directors of the Management Company were held. The details of the attendance are as under:

	Dates	30 August 2019	17 September 2019	29 October 2019	09 December 2019	25 February 2020	30 April 2020
Name of Director	Meetings attended						
Mr. Arif Akmal Saifie *	1	N/A	N/A	N/A	N/A	N/A	Yes
Mr. Azhar Hamid	6	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Imran Sarwar	5	Yes	Yes	Yes	Yes	No	Yes
Mr. Yasir Qadri	6	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Naz Khan **	6	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Sadia Saeed	5	No	Yes	Yes	Yes	Yes	Yes
Syed Furrukh Zaeem	5	Yes	Yes	Yes	Yes	No	Yes
Mr. Tauqeer Mazhar ***	4	Yes	Yes	Yes	Yes	N/A	N/A
Name of Key Executives							
Mr. Bilal Javaid ***		3	N/A	N/A	N/A	Yes	Yes
Mr. Umair Ahmed		6	Yes	Yes	Yes	Yes	Yes
S.M. Aly Osman ****		3	Yes	Yes	Yes	N/A	N/A

* Mr. Arif Akmal Saifie appointed as Director with effect from March 20, 2020.

** Ms. Naz Khan resigned as Director with effect from July 20, 2020.

*** Mr. Tauqeer Mazhar resigned as Director with effect from January 30, 2020.

**** Mr. Bilal Javaid appointed as Company Secretary with effect from February 25, 2020.

***** S.M. Aly Osman resigned as Company Secretary with effect from November 30, 2019.

30 PATTERN OF UNIT HOLDERS

AIAIF

Category

Individuals
Associated companies and directors
Insurance companies
Retirement Funds
Public Limited Companies
Others

2020		
Unit holders	Number of Units held	Percentage
Individuals	1,865	3,332,241
Associated companies and directors	1	36,754
Insurance companies	2	320,584
Retirement Funds	8	503,758
Public Limited Companies	2	89
Others	8	9,799
	1,886	4,203,225
		100.00%

AIAIF

Category

Individuals
Associated companies and directors
Insurance companies
Retirement funds
Public Limited Companies
Others

2019		
Unit holders	Number of Units held	Percentage
Individuals	1,861	3,185,746
Associated companies and directors	1	89,066
Insurance companies	2	697,824
Retirement funds	26	574,468
Public Limited Companies	1	287
Others	17	8,321
	1,908	4,555,712
		100.00%

AIAIP-I

Category

Individuals
Associated companies and directors
Insurance companies
Retirement Funds
Public Limited Companies
Others

2020		
Unit holders	Number of Units held	Percentage
Individuals	3	96,852
Associated companies and directors	-	-
Insurance companies	2	14,251,718
Retirement Funds	-	-
Public Limited Companies	-	-
Others	1	220,086
	6	14,568,656
		100.00%

31 CREDIT RATING

The Management Company has been rated as AM1 as on 31 December 2019 (2019: AM1) by VIS. The Fund has been rated as BBB+(f) on 31 December 2019 (2019: BBB+(f)) by VIS.

32 GENERAL

32.1 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

32.2 Date of authorisation for issue

These financial statements were authorized for issue by Board of Directors of the Management Company on **September 24, 2020.**

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

AIAAF

Al-Ameen Islamic Asset Allocation Fund

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.

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	KPMG Taseer Hadi and Co., Chartered Accountants
Bankers	Allied Bank Limited - Islamic Banking Bank Alfalah Limited BankIslami Pakistan Limited Dubai Islamic Bank Limited Faysal Bank Limited - Islamic Banking Habib Bank Limited - Islamic Banking Habib Metropolitan Bank Limited - Islamic Banking MCB Bank Limited Meezan Bank Limited National Bank Limited Soneri Bank Limited - Islamic Banking United Bank Limited - Islamic Banking
Management Co. Rating	AM1 (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**
Weighted Avg. of 3M & 6M avg. deposit rates of 3 AA rated Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP and KMI-30 Index based on actual proportion of the scheme.
- v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AIAAF	-2.36%	-3.60%	4.20%	4.79%	6.46%	2.15%	1.54%	-3.13%	-9.78%	10.61%	-0.50%	0.59%	9.81%
Benchmark	-2.28%	-2.96%	4.55%	3.98%	5.18%	2.55%	1.05%	-4.24%	-9.00%	9.98%	0.08%	0.26%	8.05%

- vi) **Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance**
AIAAF is an open-end Islamic asset allocation fund, which was launched on December 10, 2013. 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. The fund posted a positive return of 9.81% against the benchmark's return of 8.05% in FY20. The fund manager maintained 48% exposure in Cash and 37% in Equities.
- 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-19	Jun-20
Equities	38%	37%
Placements with banks	16%	0%
Sukuks	3%	3%
Gop Ijarah Sukuk	0%	1%
Cash	41%	48%
Others	1%	10%
Leverage	Nil	Nil

viii) Analysis of the Collective Investment Scheme's performance

FY'20 Return:	9.81%
Standard Deviation (12m trailing):	12.11%
Sharpe Ratio (12m trailing):	(0.19)

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			NAV per unit		
30-Jun-20	30-Jun-19	Change	30-Jun-20	30-Jun-19	Change
Rupees (000)		%	Rupees		%
1,877,211	3,599,137	(47.84)	113.7374	112.3411	1.24

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 for FY20

In twelve PIB auctions for FY19 conducted during the year, the government raised PKR ~871bn (PKR ~102 bn in FY18) against target of PKR 800bn. Consequently, outstanding amount for the PIBs in the market increased to PKR 769 bn. Participation in the auctions was largely skewed towards three and five year paper. Cut off yields in June auction increased to 13.69%, 13.80% and 13.70% for three, five and ten year PIB instruments respectively.

The yield curve based on government securities of various maturities has shifted upwards in line with the ongoing increasing discounts rates. Yield on 3M, 6M and 12M T-Bills increased by 5.97%, 5.95% and 5.94%, respectively. Similarly, yield on 3-year, 5-year and 10-year bonds increased 5.56%, 5.10% and 4.69%, respectively. Given the flat yield curve environment, spread between annualized yields of 1-year T-bills (13.13% p.a.) and 10-year PIBs (13.72% p.a.) narrowed at 0.59% as of 30 June 2019.

Stock Market Review for FY20

Prolonging its losing streaks, Pakistan equity market witnessed another year of dismissal performance where the benchmark index posted loss of 19% during FY19 for the second consecutive year. Major reasons for the decline in KSE-100 index were the expectations of rate hikes, subdued economic growth, deteriorating macroeconomic conditions, mushrooming twin deficits and large PKR currency devaluation against USD. With growing uncertainties, market participants remained cautious, keeping average market-traded volumes depressed (96.3mn). Foreign participants remained net sellers with cumulative sell off of USD 356mn during FY19.

Equity market started the fiscal year on a positive note, with the benchmark index returning ~2% in the Jan-19. However delays in finalization of IMF program in the absence of any substantial alternative macroeconomic remedy dragged the stock market for the remaining fiscal year with the benchmark index registering a continual decline for the remaining 5 months. Among the sectors, Cement, Oil and Gas marketing, Refinery, Automobile and insurance were the major sector which negatively contributed in the index during the period under review.

- 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	
<i>Declared on</i>	Bonus	Cash	Per Unit	Cum NAV	Ex NAV
	<i>Rupees (000)</i>		<i>----- Rupees -----</i>		
June 29, 2020	-	148,512	9.58	123.0746	113.4946

- 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	1320
10,000.0000 - 49,999.9999	274
50,000.0000 - 99,999.9999	22
100,000.0000 - 499,999.9999	42
500,000.0000 & Above	2
Total	1660

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.

xvi) 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.

Al-Ameen Islamic Asset Allocation Fund

1. Summary of Actual Proxy Voted By the Fund

	Resolutions	For	Against	Abstain*
Number	3	3	-	-
Percentage	100%	100%	-	-

*Reasons for abstaining shall be disclosed (if applicable).

2. Details where Management Company did not participate in investee company's shareholders meetings (if applicable)

3. The proxy voting policy of the Fund is available on the website of UBL Fund Managers Limited (Management Company) and detailed information regarding actual proxies voted by the Management Company in respect of the Fund is also available without charge, upon request, to all unit holders.

PERFORMANCE TABLE

AI - Ameen Islamic Asset Allocation Fund

	2020	2019	2018
NET ASSETS AS AT 30 JUNE - Rupees in '000	1,877,211	3,599,138	6,455,833
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees			
Class A units - Offer *	117.5931	116.1495	121.1877
- Redemption	113.7374	112.3411	117.2141
RETURN OF THE FUND - %			
Total Return of the Fund	9.81	(4.16)	(1.33)
Capital Growth (per unit)	1.28	(4.16)	(1.33)
Date of Income Distribution	29-Jun-20	-	-
Income Distribution	9.58	-	-
AVERAGE ANNUAL RETURN - %			
One year	9.81	-4.16	-1.33
Two year	2.83	-2.75	6.63
Three year	1.44	3.03	7.47
Since Launch	7.33	6.91	9.13

OFFER / REPURCHASE DURING THE YEAR- Rupees

Highest price per unit - Class A units - Offer	132.7676	124.4618	125.2156
Highest price per unit - Class A units - Redemption	128.4144	120.3809	121.1100
Lowest price per unit - Class A units - Offer	108.0093	113.9243	115.3613
Lowest price per unit - Class A units - Redemption	104.4678	110.1889	111.5788

* Front-end load @ 3% is applicable

PORTFOLIO COMPOSITION - %

Percentage of Net Assets as at 30 June

PORTFOLIO COMPOSITION BY CATEGORY - %

Bank Balances	48.00	41.00	56.00
Equity	37.00	38.00	37.00
Bank Placements	-	16.00	5.00
GOP Ijarah	1.00	-	-
Others	10.00	1.00	1.00
sukuk	3.00	3.00	1.00

PORTFOLIO COMPOSITION BY MARKET - %

Equity	37.00	38.00	37.00
Money Market / Debt	63.00	62.00	63.00

Note:

- The Launch date of Fund is 10 Dec 2013.

DISCLAIMER

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

Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 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, 2020 in accordance with the provisions of the following:

- (i) 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.

Abdul Samad
Chief Operating Officer
Central Depository Company of Pakistan Limited

Karachi: September 29, 2020

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 2020 and their evaluation according to the screening criteria established by us:

AIAAF			Interest Bearing Debt to Total Assets	Non-Compliant Investments to Total Assets	Non-Compliant Income to Total Revenue	Illiquid Assets to Total Assets	Net Liquid Assets per Share (A)	Share Market Price (B)
Sr.No.	Top Equity Scrip Holdings	Nature of Business	<37%	<33%	<5%	>25%	A	B
1	Marl Petroleum Co. Ltd.	Explorer/Producer of Oil	0%	9%	4%	8%	485.4	1,413.0
2	Engro Corporation	Manufacturer of Chemicals	23%	14%	5%	48%	(93.8)	300.0
3	Oil And Gas Development Co. Ltd.	Explorer/Producer of Oil	0%	16%	6%	16%	125.9	115.7
4	The Hub Power Co. Ltd.	Generator of Electricity	33%	19%	1%	34%	(6.9)	83.6
5	Pak Petroleum Ltd.	Explorer/Producer of Oil	0%	0%	1%	30%	64.2	100.6
6	Lucky Cement Co. Ltd.	Manufacturer of Cement	31%	1%	0%	73%	(242.5)	607.6
7	Kohat Cement Co. Ltd.	Manufacturer of Cement	22%	1%	0%	83%	(35.5)	170.2
8	Engro Fertilizer Ltd.	Manufacturer of Fertilizers	23%	10%	1%	69%	(31.6)	62.2
9	Meezan Bank Ltd	Commercial Bank	N/A	N/A	N/A	N/A	N/A	87.5
10	Pak Oilfields Ltd.	Explorer/Producer of Oil	0%	0%	6%	13%	100.5	437.1

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 AIAAF for the year ended 30 June 2020 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.



UBL Fund Managers Limited
Corporate Office

8th Floor, Executive Tower, Dolmen City Building,
Block 4, Clifton, Karachi, Pakistan.
Tel: (+9221) 35290080-95 Fax: (+9221) 35290070
info@alameenfunds.com

Operations Office

4th Floor, STSM Building, DHA Phase 7, Block 1,
Civil Lines, Karachi, Pakistan
Tel: (+9221) 111-825-262 Fax: (+9221) 35622798

During the year, an amount of PKR 1,174,883 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 Najeed Khan
Member, Shariah Advisory Committee

KARACHI:

DATE: 26 August 2020

UBL Fund Managers Limited

Corporate Office

8th Floor, Executive Tower, Dolmen City Building,
Block 4, Clifton, Karachi, Pakistan.

Tel: (+9221) 35290080-95 Fax: (+9221) 35290070
info@alameenfunds.com

Operations Office

4th Floor, STSM Building, Beaumont Road,
Civil Lines, Karachi, Pakistan.

Tel: (+9221) 111-825-262 Fax: (+9221) 35622798



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 BY UBL FUND MANAGERS LIMITED

NAME OF FUND: AL AMEEN ISLAMIC ASSET ALLOCATION FUND

YEAR ENDED: JUNE 30, 2020

The Securities and Exchange Commission of Pakistan (SECP) has exempted open-end collective investment schemes from the requirements of the Listed Companies (Code of Corporate Governance) Regulations (the Regulations). However, 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 purpose of establishing a framework of good governance has voluntarily opted to comply with the relevant provisions of the Regulations.

The Management Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven as per the following:
 - a. Male: Five Directors; and
 - b. Female: Two Directors.
2. The composition of the Board is as follows:

Category	Name
Independent Directors	Mr. Azhar Hamid Ms. Naz Khan*
Executive Directors	Mr. Yasir Qadri
Non-Executive Directors	Mr. Imran Sarwar Ms. Sadia Saeed Mr. Arif Akmal Saifie** Syed Furrukh Zaeem
Female Director	Ms. Naz Khan* Ms. Sadia Saeed

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including the Management Company.
4. 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.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Management Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Management Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.



8. The Board has a formal policy and transparent procedures for remuneration of its directors in accordance with the Act and these Regulations.
9. The following directors and executives have acquired the prescribed Directors' Training Program (DTP) certification:

Directors

- a. Mr. Imran Sarwar
- b. Mr. Yasir Qadri
- c. Ms. Naz Khan
- d. Ms. Sadia Saeed
- e. Syed Furrukh Zaeem

Executives

- a. Mr. Amin Gulamani (Head of Human Resources)
 - b. Mr. Hadi Hassan Mukhi (Head of Compliance and Risk)
 - c. Mr. Umair Ahmed (Chief Financial Officer)
 - d. Mr. Zeeshan Quddus (Chief Business Development Officer)
10. The Board has approved appointment of the Chief Financial Officer (CFO), the Company Secretary and the Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations.
 11. The Chief Executive Officer (CEO) and CFO duly endorsed the financial statements of the Fund before approval of the Board.
 12. The Board has formed committees comprising of members given below.

Board Audit Committee

Name	Designation	Type of Directorship
Ms. Naz Khan*	Chairman	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Imran Sarwar	Member	Non-Executive Director
Ms. Sadia Saeed	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director

Board Human Resource and Compensation Committee

Name	Designation	Type of Directorship
Mr. Azhar Hamid	Chairman	Independent Director
Mr. Yasir Qadri	Member	Executive Director
Ms. Naz Khan*	Member	Independent Director
Ms. Sadia Saeed	Member	Non-Executive Director
Syed Furrukh Zaeem	Member	Non-Executive Director

Board Risk and Compliance Committee

Name	Designation	Type of Directorship
Mr. Imran Sarwar	Chairman	Non-Executive Director
Mr. Azhar Hamid	Member	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director
Mr. Yasir Qadri	Member	Executive Director
Syed Furrugh Zaeem	Member	Non-Executive Director

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

*** Mr. Tauqeer Mazhar resigned as a director from January 30, 2020

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
14. The frequency of meetings of the committees was as follows:
 - a. The Board Audit Committee: quarterly - six meetings held
 - b. The Board Human Resource and Compensation Committee: quarterly - five meetings held
 - c. The Board Risk and Compliance Committee: quarterly - four meetings held
15. The Board has set up an effective internal audit function. The Function has suitably qualified and experienced staff for the purpose and they are conversant with the policies and procedures of the Management Company.
16. 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 and are registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on the code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the Partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of CEO, CFO, the Head of Internal Audit, the Company Secretary or directors of the Management Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of Regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with.
19. We confirm that any other significant requirements of the Regulations have been complied with.

AZHAR HAMID
Chairman

Karachi.
Dated: **September 25, 2020**



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Unit Holders of Al-Ameen Islamic Asset Allocation Fund

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") prepared by the Board of Directors of UBL Fund Managers Limited ("the Management Company") for the year ended 30 June 2020 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Management Company of the Fund. Our responsibility is to review whether the Statement of Compliance reflects the status of the Management Company's compliance with the provisions of the Regulations in respect of the Fund and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

As part of our audit of the 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 of Directors' 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 Regulations require the Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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 of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Management Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.



KPMG Taseer Hadi & Co.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Management Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Fund for the year ended 30 June 2020.

A handwritten signature in blue ink, appearing to read 'KPMG Taseer Hadi & Co.', written over a horizontal line.

KPMG Taseer Hadi & Co.
Chartered Accountants

Date: 29 September 2020

Karachi



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

Independent Auditors' Report

To the Unit holders of AI - Ameen Islamic Asset Allocation Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **AI - Ameen Islamic Asset Allocation Fund** ("the Fund"), which comprise the statement of assets and liabilities as at 30 June 2020, income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.



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Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2020, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting 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.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be



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expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditors' report is Zeeshan Rashid.

Date: 30 September 2020

Karachi

**KPMG Taseer Hadi & Co.
Chartered Accountants**

Al - Ameen Islamic Asset Allocation Fund

Statement of Assets and Liabilities

As at 30 June 2020

		2020	2019
	Note	------(Rupees in '000)-----	
Assets			
Bank balances	4	950,825	1,519,465
Term deposit Musharika	5	-	600,000
Investments	6	818,516	1,508,068
Profit receivable	7	10,029	27,414
Deposits and other receivables	8	193,276	7,685
Preliminary expenses and floatation costs	9	-	-
Advance tax	10	1,994	1,994
Total assets		1,974,640	3,664,626
Liabilities			
Payable to the Management Company	11	9,138	13,440
Payable to Central Depository Company of Pakistan Limited - Trustee	12	271	435
Payable to Securities and Exchange Commission of Pakistan	13	509	4,922
Dividend payable		34,918	-
Accrued expenses and other payables	14	52,593	46,692
Total liabilities		97,429	65,489
Net assets		1,877,211	3,599,137
Unit holders' fund (as per statement attached)		1,877,211	3,599,137
Contingencies and Commitments	19		
		------(Number of units)-----	
Number of units in issue	20	16,504,777	32,037,578
		------(Rupees)-----	
Net assets value per unit	3.8	113.7374	112.3411

The annexed notes 1 to 32 form an integral part of these financial statements.

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

Al - Ameen Islamic Asset Allocation Fund

Income Statement

For the year ended 30 June 2020

		2020	2019
	Note	------(Rupees in '000)-----	
Income			
Profit on bank deposits and Term Deposits Musharika calculated using the effective yield method	15	161,668	272,515
Profit / return on investments calculated using the effective yield method	16	14,005	11,803
Unrealised gain / (loss) on revaluation of investments classified at fair value through profit or loss	6.4	35,365	(355,071)
Dividend income		49,516	112,673
Realised gain / (loss) on sale of investments		110,759	(59,522)
Other income		35	124
Total Income / (Loss)		371,348	(17,478)
Expenses			
Remuneration of the Management Company	11.1	50,917	96,163
Sindh Sales Tax on the Management Company's remuneration	11.2	6,619	12,501
Allocation of expenses relating to the Fund	11.4/11.5	2,546	5,181
Selling and marketing expenses	11.4/11.5	12,887	20,724
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	12.1	3,545	6,181
Sindh Sales Tax on the Trustee's remuneration	12.2	461	804
Annual fee of Securities and Exchange Commission of Pakistan	13	509	4,922
Auditors' remuneration	17	475	429
Custody and settlement charges		482	947
Amortisation of preliminary expenses and floatation costs	9	-	87
Brokerage expenses		2,902	2,679
Legal and other professional charges		213	208
Shariah advisory fee	11.3	350	350
Charity	14.3	1,175	1,541
Listing Fee		28	28
Bank and other charges		84	206
Total operating expenses		83,193	152,951
Net income / (loss) from operating activities		288,155	(170,429)
Provision for Sindh Workers' Welfare Fund (SWWF)	14.2	(5,062)	-
Provision against non performing assets	6.2.1.1	(30,155)	-
Net income / (loss) for the year before taxation		252,938	(170,429)
Taxation	18	-	-
Net income / (loss) for the year after taxation		252,938	(170,429)
Allocation of net income / (loss) for the year after taxation			
Net income / (loss) for the year after taxation		252,938	-
Income already paid on units redeemed		(19,755)	-
		233,183	-
Accounting income available for distribution			
- Relating to capital gains		126,508	-
- Excluding capital gains		106,675	-
		233,183	-
Earnings per unit	3.13		

The annexed notes 1 to 32 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

AI - Ameen Islamic Asset Allocation Fund

Statement of Comprehensive Income

For the year ended 30 June 2020

	2020	2019
	------(Rupees in '000)-----	
Net income / (loss) for the year after taxation	252,938	(170,429)
Other comprehensive income for the year	-	-
Total comprehensive income / (loss) for the year	<u>252,938</u>	<u>(170,429)</u>

The annexed notes 1 to 32 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

AI - Ameen Islamic Asset Allocation Fund
Statement of Movement in Unit Holders' Fund
For the year ended 30 June 2020

	2020				2019			
	Capital value	Undistributed income	Unrealised appreciation on 'available for sale' investments	Total	Capital value	Undistributed income	Unrealised appreciation on 'available for sale' investments	Total
	----- (Rupees in '000) -----				----- (Rupees in '000) -----			
Net assets at 30 June 2019 / 30 June 2018	3,346,422	252,715	-	3,599,137	6,032,689	406,411	16,733	6,455,833
Adjustment due to adoption of IFRS 9	-	-	-	-	-	16,733	(16,733)	-
Net assets at 01 July 2019 / 01 July 2018	3,346,422	252,715	-	3,599,137	6,032,689	423,144	-	6,455,833
Issuance of 6,789,625 units (2019: 7,613,004 units)								
- Capital value	762,754	-	-	762,754	892,351	-	-	892,351
- Element of income	35,871	-	-	35,871	2,695	-	-	2,695
Total proceeds on issuance of units	798,625	-	-	798,625	895,046	-	-	895,046
Redemption of 22,322,426 units (2019: 30,652,720 units)								
- Capital value	(2,507,726)	-	-	(2,507,726)	(3,592,931)	-	-	(3,592,931)
- Element of (loss) / income	(97,496)	(19,755)	-	(117,251)	11,618	-	-	11,618
Total payments on redemption of units	(2,605,222)	(19,755)	-	(2,624,977)	(3,581,313)	-	-	(3,581,313)
Total comprehensive Income / (loss) for the year	-	252,938	-	252,938	-	(170,429)	-	(170,429)
Interim distribution for the year ended 30 June 2020: Rs. 9.58 per unit declared on 29 June 2020	(15,371)	(133,141)	-	(148,512)	-	-	-	-
Net income for the year less distribution	(15,371)	119,797	-	104,426	-	(170,429)	-	(170,429)
Net assets at end of the year	1,524,454	352,757	-	1,877,211	3,346,422	252,715	-	3,599,137
Undistributed income brought forward:								
- Realised income		607,786				406,411		
- Unrealised (loss) / income		(355,071)				16,733		
		252,715				423,144		
Accounting income available for distribution								
- Relating to capital gains	126,508				-			
- Excluding capital gains	106,675				-			
	233,183				-			
Net Loss for the year after taxation		-				(170,429)		
Interim distribution for the year ended 30 June 2020: Rs. 9.58 per unit declared on 29 June 2020		(133,141)						
Undistributed income carried forward		352,757				252,715		
Undistributed income carried forward comprises of:								
- Realised income		317,392				607,786		
- Unrealised income / (loss)		35,365				(355,071)		
		352,757				252,715		
			(Rupees)				(Rupees)	
Net assets value per unit at beginning of the year			112.3411				117.2141	
Net assets value per unit at end of the year			113.7374				112.3411	

The annexed notes 1 to 32 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

AI - Ameen Islamic Asset Allocation Fund

Cash Flow Statement

For the year ended 30 June 2020

	Note	2020 ----(Rupees in '000)----	2019
Cash Flows From Operating Activities			
Net income / (loss) for the year before taxation		252,938	(170,429)
Adjustments for:			
Profit on bank deposits and Term Deposits Musharika using the effective yield method	15	(161,668)	(272,515)
Profit / return on investments using the effective yield method	16	(14,005)	(11,803)
Unrealised (gain) / loss on sale of investments classified as 'at fair value through profit or loss		(35,365)	355,071
Dividend income		(49,516)	(112,673)
Realised (gain) / loss on sale of investments		(110,759)	59,522
Amortisation of preliminary expenses and floatation costs		-	87
Provision against non-performing asset		30,155	-
Provision against SWWF		5,062	-
		<u>(336,096)</u>	<u>17,689</u>
Net cash used in operations before working capital changes		(83,158)	(152,740)
Working capital changes			
<i>Decrease / (increase) in assets</i>			
Investments		620,551	616,621
Deposits and other receivables		-	(1,944)
Advance tax		-	(51)
		620,551	614,626
<i>(Decrease) / increase in liabilities</i>			
Payable to the Management Company		(4,302)	(2,210)
Payable to Central Depository Company of Pakistan Limited - Trustee		(164)	(272)
Payable to Securities and Exchange Commission of Pakistan		(4,413)	(2,466)
Payable against purchase of investments		-	-
Accrued expenses and other payables		839	(4,677)
		(8,040)	(9,625)
Profit and dividend received		242,575	402,402
Net cash flows generated from operating activities		771,928	854,663
Cash Flows From Financing Activities	22		
Proceeds from issuance of units		782,633	899,747
Payments on redemption of units		(2,624,977)	(3,581,313)
Dividend paid		(98,224)	-
Net cash flows used in financing activities		(1,940,568)	(2,681,566)
Net decrease in cash and cash equivalents		(1,168,640)	(1,826,903)
Cash and cash equivalents at beginning of the year		2,119,465	3,946,368
Cash and cash equivalents at end of the year		950,825	2,119,465
Cash and cash equivalents			
Bank balances		950,825	1,519,465
Term deposit musharika (TDM)		-	600,000
		950,825	2,119,465

The annexed notes 1 to 32 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

Al - Ameen Islamic Asset Allocation Fund

Notes to the Financial Statements

For the year ended 30 June 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

Al Ameen Islamic Asset Allocation Fund (the Fund) was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on 25 October 2013 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 11 October 2013 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund commenced its operations from 10 December 2013.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.

The objective of the Fund is to earn competitive riba free return by investing in various shariah compliant asset classes based on the market outlook. Under circular 7 dated 06 March 2009 issued by the SECP, the Fund has been categorised by the Management Company as an Islamic Asset Allocation Fund.

Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PRESENTATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

2.2 Standards and amendments effective during the year

There are number of new standards and amendments that are effective from 01 July, 2019 however these do not have a significant effect on the Fund's financial statements.

2.3 Standards, interpretations and amendments to accounting and reporting standards, that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2020:

- Amendment to IFRS 3 'Business Combinations' – Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 1 January 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.
- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for annual periods beginning on or after 1 January 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRS Standards.
- On 29 March 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallize. The companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of 1 January 2020, unless the new guidance contains specific scope outs.
- Interest Rate Benchmark Reform which amended IFRS 9, IAS 39 and IFRS 7 is applicable for annual financial periods beginning on or after 1 January 2020. The G20 asked the Financial Stability Board (FSB) to undertake a fundamental review of major interest rate benchmarks. Following the review, the FSB published a report setting out its recommended reforms of some major interest rate benchmarks such as IBORs. Public authorities in many jurisdictions have since taken steps to implement those recommendations. This has in turn led to uncertainty about the long-term viability of some interest rate benchmarks. In these amendments, the term 'interest rate benchmark reform' refers to the market-wide reform of an interest rate benchmark including its replacement with an alternative benchmark rate, such as that resulting from the FSB's recommendations set out in its July 2014 report 'Reforming Major Interest Rate Benchmarks' (the reform). The amendments made provide relief from the potential effects of the uncertainty caused by the reform. A company shall apply the exceptions to all hedging relationships directly affected by interest rate benchmark reform. The amendments are not likely to affect the financial statements of the Fund.

- Amendments to IFRS-16 - IASB has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after 1 June 2020, with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements, the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were not lease modifications. Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:
 - the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
 - any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
 - there is no substantive change to the other terms and conditions of the lease.
- Classification of liabilities as current or non-current (Amendments to IAS 1) effective for the annual period beginning on or after 1 January 2022. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual period beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarify what comprise the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for the annual period beginning on or after 1 January 2022. Clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc, are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

- The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022:
 - IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
 - IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
 - IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

The above amendments are effective from annual periods beginning on or after 01 July, 2020 and are not likely to have an impact on Fund's financial statements.

2.4 Critical accounting estimates and judgments

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas where various assumptions and estimates are significant to the Fund's financial statements or where judgment was exercised in the application of accounting policies are given below:

a) Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in note 3.2.1(i) - regarding the classification of investments.

b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the period ended 30 June 2020 is included in the following notes:

- Notes 3.2.1 (ii) and (iii) - Valuation of investments
- Notes 3.2.1 (v) and 3.16 - Impairment of financial assets and other assets

2.5 Basis of measurement

These financial statements have been prepared under the historical cost convention except for the investments which are stated at fair value.

2.6 Functional and presentation currency

These financial statements are presented in Pak Rupees which is the functional and presentation currency of the Fund. All amounts have been rounded to the nearest thousand, unless otherwise stated.

3 SIGNIFICANT ACCOUNTING POLICIES

The management has adopted the following significant policies for the preparation of these financial statements:

3.1 Cash and cash equivalents

Cash and cash equivalents are carried in the Statement of Assets and Liabilities at amortised cost. These comprise of deposits with banks and highly liquid investments with original maturities of three months or less and that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short term cash commitments rather than for investments for other purposes.

3.2 Financial assets

3.2.1 i. Classification

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt security is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Fund's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund's stated objectives for managing the financial assets are achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment on debt securities, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Fund considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

ii. Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs associated with these financial assets are charged to the Income Statement.

iii. Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any profit / markup or dividend income, are recognised in income statement.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective yield method. The amortised cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognised in income statement.
Debt securities at FVOCI	These assets are subsequently measured at fair value. Interest / markup income calculated using the effective yield method, foreign exchange gains and losses and impairment are recognised in income statement. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income statement.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to income statement.

The fair value of financial assets are determined as follows:

a) Debt securities (other than Government securities)

Debt securities are 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. 33 of 2012 dated 24 October 2012. In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorises 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) Government securities

The government securities are valued on the basis of rates announced by the Financial Markets Association of Pakistan.

c) Equity securities

The equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange.

iv. Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

v. Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The Fund has classified its financial assets as measured at: FVTPL or amortised cost. IFRS 9 has scoped out impairment for financial assets measured at 'fair value through profit or loss' where as for debt securities measured at amortised cost there are impairment requirements. However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated 21 November 2017 have deferred the applicability of impairment requirements of IFRS 9 in relation to debt securities for mutual funds and have instructed to continue to follow the requirements of Circular No. 33 of 2012 dated 24 October 2012. However, the circular does not cover impairment requirements for government debt securities. Based on the past performance management considers that there is no probability of default as in any adverse situation State Bank of Pakistan has the right to discharge government obligations by issuance of currency notes.

3.2.2 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

3.2.3 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and where the Fund has transferred substantially all risks and rewards of ownership.

3.2.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Assets and Liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.3 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

3.4 Unit holders' fund

Unit holders' fund representing the units issued by the Fund, is carried at the redemption amount representing the investors' right to a residual interest in the Fund's assets.

3.5 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received, by the distributors / Management Company during business hours, as of the close of the previous day on which the applications were received. The offer price represents the net assets value per unit as of the close of previous day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable.

Units redeemed are recorded at the redemption price, applicable to units as of the close of the previous day. The redemption price represents the net assets value per unit as of the close of the previous day on which the applications were received less any back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

3.6 Element of income

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net asset Value (NAV) at the beginning of the relevant accounting period.

Element of Income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund; however, to maintain same ex-dividend net assets value of all units outstanding on accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP) the refund of capital is made in the form of additional units at zero price.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. The income already paid (Element of Income) on redemption of units during the year are taken separately in statement of movement in unitholders' fund.

3.7 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

3.8 Net assets value per unit

The net assets value per unit as disclosed on the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units outstanding at the year end.

3.9 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders. Provided that for the purpose of determining distribution of at least ninety percent of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

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.

3.10 Revenue recognition

- Realised gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Unrealised gains / (losses) arising on mark to market of investments classified as Financial assets at fair value through profit or loss are included in the Income Statement in the year in which they arise.
- Profit on deposits with banks and profit / return on investments in debt and government securities is recognised using effective yield method.
- Dividend income is recognised when the right to receive the dividend is established.

3.11 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 at 2.5% of the par value of unit under the said 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.

3.12 Expenses

All expenses including Management fee, Trustee fee and Securities and Exchange Commission of Pakistan fee are recognised in the income statement on accrual basis.

3.13 Earnings per unit

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

3.14 Distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the period.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital if any based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

3.15 Preliminary expenses and floatation costs

The Fund has recorded all expenses incurred in connection with the incorporation, registration, establishment and authorisation of the Fund as preliminary expenses and floatation costs which are to be amortised by the Fund over a period of five years commencing from 11 December 2013 in accordance with the Trust Deed. Refer note 9 also.

3.16 Other assets

Other assets are stated at cost less impairment losses, if any.

4	BANK BALANCES	Note	2020 ----(Rupees in '000)----	2019
	In current accounts	4.1	39,110	32,260
	In savings accounts	4.2	911,715	1,487,205
			<u>950,825</u>	<u>1,519,465</u>

4.1 This includes balance with United Bank Limited - Corporate Division of Rs. 3.88 million (30 June 2019: Rs. 1.43 million), holding company of the Management Company (a related company).

4.2 This includes balance with United Bank Limited - Islamic Banking Division of Rs. 204.438 million (2019: Rs. 249.11 million), holding company of the Management Company (a related company). These carry profit rates ranging from 7% to 12.75% (30 June 2019: 6.3% to 12.25%) per annum.

5	TERM DEPOSIT MUSHARIKA	2020 ----(Rupees in '000)----	2019
	Term deposit musharika	-	600,000
		<u>-</u>	<u>600,000</u>

5.1 Profit rate on TDMs is between 11.35% to 12.50% (2019:11.35% to 12.50%) per annum with maturities up to 17 July 2019. All TDMs have been matured during the year.

6	INVESTMENTS	Note	2020 ----(Rupees in '000)----	2019
	Investments by Category			
	At fair value through profit or loss			
	- Quoted equity securities	6.1	735,050	1,398,436
	- Sukuk certificates	6.2	87,806	109,632
	Less: Provision against non-performing assets	6.2.1	(31,015)	-
			56,791	109,632
	- GOP Ijara Sukuk	6.3	26,675	-
			<u>818,516</u>	<u>1,508,068</u>

6.1 Quoted equity securities - 'at fair value through profit or loss'

Shares of listed companies - fully paid ordinary shares of Rs. 10 each unless stated otherwise.

Name of the investee company	As at 01 July 2019	Purchased during the year	Bonus / right issue	Sold during the year	As at 30 June 2020	Cost of holdings as at 30 June 2020	Market value as at 30 June 2020	Market value as Percentage of total investments	Market value as Percentage of net assets	Par value as a percentage of issued capital of the investee company
Note	(Number of shares)					(Rupees in '000)				
Cement										
Kohat Cement Company Limited	1,167,040	339,000	-	(1,243,344)	262,696	13,524	36,108	4.41%	1.92%	0.13%
Lucky Cement Limited	120,650	52,000	-	(91,800)	80,850	32,703	37,319	4.56%	1.99%	0.03%
Cherat Cement Company Limited	254,000	-	-	(254,000)	-	-	-	-	-	-
Pioneer Cement Limited	182,300	-	-	(182,300)	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	100,000	180,000	-	(280,000)	-	-	-	-	-	-
	1,823,990	571,000	-	(2,051,444)	343,546	46,227	73,427	8.97%	3.91%	0.16%
Oil and gas exploration companies										
Mari Petroleum Company Limited	133,686	41,100	13,000	(115,760)	72,026	65,852	89,071	10.88%	4.74%	0.05%
Oil & Gas Development Company Limited	1,148,800	446,000	-	(902,523)	692,277	79,379	75,458	9.22%	4.02%	0.02%
Pakistan Oilfields Limited	221,220	73,500	-	(204,300)	90,420	31,738	31,704	3.87%	1.69%	0.03%
Pakistan Petroleum Limited	699,425	161,200	109,585	(491,000)	479,210	55,385	41,586	5.08%	2.22%	0.02%
	2,203,131	721,800	122,585	(1,713,583)	1,333,933	232,354	237,819	29.05%	12.67%	0.12%
Oil and gas marketing companies										
Pakistan State Oil Company Limited	194,084	176,500	33,236	(294,500)	109,320	16,317	17,290	2.11%	0.92%	0.02%
	194,084	176,500	33,236	(294,500)	109,320	16,317	17,290	2.11%	0.92%	0.02%
Fertilizer										
Engro Fertilizers Limited	896,500	516,669	-	(871,000)	542,169	32,743	32,682	3.99%	1.74%	0.04%
Engro Corporation Limited	469,770	167,100	-	(350,400)	286,470	75,938	83,913	10.25%	4.47%	0.05%
Fauji Fertilizer Company Limited	782,000	96,789	-	(749,300)	129,489	12,369	14,242	1.74%	0.76%	0.01%
	2,148,270	780,558	-	(1,970,700)	958,128	121,050	130,837	15.98%	6.97%	0.10%
Chemical										
ICI Pakistan Limited	6,300	6,200	-	(2,300)	10,200	6,099	7,086	0.87%	0.38%	0.01%
Engro Polymer & Chemicals Limited	1,960,890	468,000	-	(1,906,000)	522,890	15,348	13,062	1.60%	0.70%	0.06%
Lotte Chemical Pakistan Limited	109,000	-	-	(109,000)	-	-	-	-	-	-
	2,076,190	474,200	-	(2,017,300)	533,090	21,447	20,148	2.47%	1.08%	0.07%
Glass and ceramics										
Tariq Glass Industries Limited	55,000	118,000	59,000	(232,000)	-	-	-	-	-	-
	55,000	118,000	59,000	(232,000)	-	-	-	-	-	-
Cable and electrical goods										
Pak Elektron Limited	700	-	-	-	700	14	16	0.00%	0.00%	0.00%
	700	-	-	-	700	14	16	0.00%	0.00%	0.00%
Pharmaceuticals										
The Searle Company Limited	80,044	74,000	-	(81,300)	72,744	14,271	14,493	1.77%	0.77%	0.03%
Highnoon Laboratories Limited	199	-	19	-	218	50	109	0.01%	0.00%	0.00%
	80,243	74,000	19	(81,300)	72,962	14,321	14,602	1.78%	0.77%	0.03%
Automobile parts and accessories										
Agriauto Industries Limited (Rs. 5 each)	200	-	-	(200)	-	-	-	-	-	-
Thal Limited (Rs. 5 each)	112,200	15,000	-	(60,922)	66,278	24,373	21,536	2.63%	1.15%	0.08%
	112,400	15,000	-	(61,122)	66,278	24,373	21,536	2.63%	1.15%	0.08%
Engineering										
Amreli Steels Limited	14,200	-	-	(14,200)	-	-	-	-	-	-
International Steels Limited	29,000	-	-	(29,000)	-	-	-	-	-	-
International Industries Limited	96,000	65,000	3,850	(144,600)	20,250	1,828	1,858	0.23%	0.10%	0.02%
	139,200	65,000	3,850	(187,800)	20,250	1,828	1,858	0.23%	0.10%	0.02%
Food and personal care products										
Shezan International Limited	1,100	-	-	-	1,100	465	246	0.03%	0.01%	0.01%
Al-Shaheer Corporation Limited	92,000	687,657	-	(296,500)	483,157	6,756	5,527	0.68%	0.29%	0.24%
	93,100	687,657	-	(296,500)	484,257	7,221	5,773	0.71%	0.30%	0.25%
Commercial banks										
Meezan Bank Limited	592,737	359,000	-	(480,500)	471,237	37,440	32,445	3.96%	1.73%	0.04%
	592,737	359,000	-	(480,500)	471,237	37,440	32,445	3.96%	1.73%	0.04%
Textile composite										
Kohinoor Textile Mills Limited	-	758,000	-	(173,000)	585,000	19,995	20,773	2.54%	1.11%	0.20%
Nishat Mills Limited	662,700	62,000	-	(409,000)	315,700	29,248	24,628	3.01%	1.31%	0.09%
	662,700	820,000	-	(582,000)	900,700	49,243	45,401	5.55%	2.42%	0.29%
Power generation and distribution										
The Hub Power Company Limited	2,198,141	193,500	-	(1,608,000)	783,641	61,322	56,814	6.94%	3.03%	0.06%
Lalpur Power Limited	1,061,500	-	-	-	1,061,500	13,800	12,388	1.51%	0.66%	-
Pakgen Power Limited	1,580,000	336,000	-	(911,277)	1,004,723	14,942	12,067	1.47%	0.64%	0.27%
Saif Power Limited	1,751,500	-	-	(941,305)	810,195	15,199	13,020	1.59%	0.69%	0.21%
K-Electric Limited (Rs. 3.5 each)	4,995,500	-	-	(4,995,500)	-	-	-	-	-	-
	11,586,641	529,500	-	(8,456,082)	3,660,059	105,263	94,289	11.51%	5.02%	0.54%
Paper and board										
Packages Limited	34,300	-	-	(15,000)	19,300	5,801	6,701	0.82%	0.36%	0.02%
	34,300	-	-	(15,000)	19,300	5,801	6,701	0.82%	0.36%	0.02%
Technology and communication										
Avanceon Limited	6,939	-	693	-	7,632	340	270	0.03%	0.01%	0.00%
Systems Limited	-	261,500	-	(98,600)	162,900	15,175	29,921	3.66%	1.59%	0.13%
	6,939	261,500	693	(98,600)	170,532	15,515	30,191	3.69%	1.60%	0.13%
Refinery										
National Refinery Limited	28,600	-	-	(28,600)	-	-	-	-	-	-
	28,600	-	-	(28,600)	-	-	-	-	-	-
Leather & Tanneries										
Service Industries Limited	-	800	-	(800)	-	-	-	-	-	-
	-	800	-	(800)	-	-	-	-	-	-
PHARMACEUTICALS										
Glaxosmithkline Consumer	-	10,000	-	-	10,000	2,810	2,717	0.33%	0.14%	0.01%
Healthcare Pakistan Limited	-	10,000	-	-	10,000	2,810	2,717	0.33%	0.14%	0.01%
	-	10,000	-	-	10,000	2,810	2,717	0.33%	0.14%	0.01%

6.1.1 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 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 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 Pakistan, has filed a petition in Honourable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on mutual funds based on the premise of exemptions available to mutual funds under clause 99 of Part I and clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. The Honourable Sindh High Court has granted stay order till the final outcome of the case. Investee companies of the Fund, in pursuance of the aforesaid amendment, withheld shares equivalent to 5% of bonus entitlement of the Fund having fair market value of Rs. 1.21 million (2019: Rs. 1.10 million) at year end. The Fund has included the shares withheld in its investments and recorded them at fair market value at year end.

6.1.2 Following shares have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in terms of Circular No. 11 dated 23 October 2007 issued by the SECP:

	2020 --- (Number of shares) ---	2019 ----- (Rupees in '000) -----	2020 ----- (Rupees in '000) -----	2019 ----- (Rupees in '000) -----
The Hub Power Company Limited	250,000	250,000	18,125	19,688
Pakistan Oilfields Limited	500	-	175	-
	<u>250,500</u>	<u>250,000</u>	<u>18,300</u>	<u>19,688</u>

6.2 Sukuk certificates classified as at fair value through profit or loss

Name of the Investee Company	As at 01 July 2019	Purchases during the year	Sales during the year	As at 30 June 2020	Carrying Value as at 30 June 2020	Market Value as at 30 June 2020	Market Value as Percentage of total investment	Market Value as Percentage of net assets
	----- (Number of certificates) -----				----- (Rupees in '000) -----			
Chemical								
Engro Corporation Limited	1,000	-	(1,000)	-	-	-	-	-
Investment Company								
Dawood Hercules Corporation Limited	270	-	-	270	18,838	19,088	2.33%	1.02%
Chemical								
Ghani Gases Limited	750	-	(90)	660	32,834	33,016	4.03%	1.76%
Cement								
Javedan Corporation Limited	-	350	-	350	33,770	35,702	4.36%	1.90%
					<u>85,442</u>	<u>87,806</u>	<u>10.72%</u>	<u>4.68%</u>

6.2.1 Provision for non-performing assets

	Note	2020 (Rupees in '000)	2019
Opening Balance of provision as at 30 June 2019		-	-
Provision recognised during the year		40,015	-
Reversal made during the year		(9,000)	-
Closing balance of provision as at 30 June 2020	6.2.1.1	<u>31,015</u>	<u>-</u>

6.2.1.1 During the year, sukuk of Ghani Gases Limited has been classified as non performing due to non recoverability of principal and markup as per repayment schedule. Provision has been recognised in accordance with the requirements of circular no 33 of 2012 dated 24 October 2012.

6.2.2 As at 30 June 2020, the carrying value of investment amounted to Rs. 85.426 million (2019: Rs. 112.12 million).

6.2.3 Significant terms and conditions of sukuk certificates outstanding as at 30 June 2020 are as follows:

Name of security	Issue date	Remaining principal (Per sukuk)	Mark-up rate (per annum)	Maturity date	Secured / unsecured	Rating
Dawood Hercules Corporation Limited	16 November 2017	70,000	KIBOR 3M + 1.00%	16 November 2022	Secured	AA
Ghani Gases Limited	2 February 2017	45,833	KIBOR 3M + 1.00%	2 February 2023	Secured	A-
Javedan Corporation Limited	4 October 2018	100,000	KIBOR 6M + 1.75%	4 October 2026	Secured	AA-

	As at 01 July 2019	Purchase during the year	Sold/ matured during the year	As at 30 June 2020	Carrying value as at 30 June 2020	Market Value as at 30 June 2020	Market Value Percentage of total investment	Percentage of net assets
	----- (No. of Holdings) -----				----- (Rupees in '000) -----			
Government of Pakistan								
GOP Ijarah Sukuk - 5 years	-	1,875,000	1,600,000	275,000	27,500	26,675	3.26%	1.42%
				<u>275,000</u>	<u>27,500</u>	<u>26,675</u>	<u>3.26%</u>	<u>1.42%</u>

	2020 (Rupees in '000)	2019
Market value of investments	849,531	1,508,066
Less: cost / carrying value of investments	<u>(814,166)</u>	<u>(1,863,137)</u>
	<u>35,365</u>	<u>(355,071)</u>

7 PROFIT RECEIVABLE

2020 2019
----(Rupees in '000)----

Profit receivable on:

Bank balances
Term deposit musharika
Investments
- Sukuk certificates
- GOP Ijara sukuk

6,627	14,671
-	10,023
1,292	2,720
2,110	-
10,029	27,414
10,029	27,414

8 DEPOSITS AND OTHER RECEIVABLES

Security deposit with Central Depository Company of Pakistan Limited - Trustee
Security Deposit with National Clearing Company of Pakistan Limited
Receivable against issuance of units
Receivable against sale of investments

100	100
2,500	2,500
2,871	2,250
187,805	2,835
193,276	7,685

9 PRELIMINARY EXPENSES AND FLOATATION COSTS

Preliminary expenses and floatation costs
Amortisation during the year

-	87
-	(87)
-	-

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

10 ADVANCE TAX

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 (ITO 2001). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule to the 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 12 May 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). 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, which has been recorded as receivable from the Tax Department in these financial statements. Refund of these amounts have been / will be claimed while filing the Income Tax Return of the respective tax year(s) in which these were deducted. The management is confident that the same shall be duly refunded.

11 PAYABLE TO THE MANAGEMENT COMPANY

Note 2020 2019
----(Rupees in '000)----

Management remuneration payable
Sindh Sales Tax on management remuneration
Sales load and other payables
Shariah advisory fee
Payable against allocation of expenses relating to the Fund
Selling and marketing expenses payable

11.1	3,156	6,051
11.2	410	787
	1,941	2,187
11.3	350	204
11.4/11.5	322	303
11.4/11.5	2,959	3,908
	9,138	13,440

- 11.1 SECP vide S.R.O. 639 (I)/2019 has substitute regulation 61 where by Management Company may charge variable fee or fixed fee or the combination of both which shall not exceed the limit disclosed in the Offering Document. During the year ended 30 June 2020, the Management Company has charged remuneration at the rate of 2% of average daily net assets.
- 11.2 Sindh Sales Tax has been charged at 13% (30 June 2019: 13%) on the management fee charged during the year.
- 11.3 As per amended NBFC Regulations dated 25 November 2015, the Management Company is entitled to charge shariah advisory fee from the Fund. Accordingly, the Management Company has charged Rs. 0.350 million (2019: Rs. 0.350 million) as shariah advisory fee under a contract signed with the shariah advisors.
- 11.4 The Management Company is charging 0.1% of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services. Further, Management Company has also charged selling and marketing expense of 0.40% from 01 July 2019 to 07 December 2019 and 0.625% from 08 December and onwards.
- 11.5 SECP vide S.R.O. 639 (I)/2019 has substituted clause (s) and (v) of sub regulation 3 of regulation 60 and accordingly has removed cap of charging 0.1% and 0.4% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation & valuation services and selling & Marketing expenses, respectively, provided that the total expense ratio remains within the allowed limit.

12	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2020 ----(Rupees in '000)----	2019
	Trustee Remuneration	12.1	240	385
	Sindh Sales Tax on the Trustee's remuneration	12.2	31	50
			<u>271</u>	<u>435</u>

- 12.1** 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 assets value of the Fund. The remuneration is paid to the Trustee on monthly basis in arrears. The tariff structure applicable to the Fund in respect of the trustee fee for the year ended 30 June 2020 is as follows:

Net assets:	Tariff per annum
- up to Rs. 1 billion	Rs. 0.7 million or 0.20% per annum of net assets of the Fund, whichever is higher
- exceeding Rs. 1 billion	Rs. 2 million plus 0.10% per annum of net assets of the Fund value exceeding Rs. 2 billion.

- 12.2** Sales tax at the rate of 13% (2019: 13%) on the remuneration of the Trustee is applied under the provisions of Sindh Sales Tax on Services Act, 2011, effective from 01 July, 2016.

13 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

SECP vide S.R.O. 685 (I)/2019 has revised its annual fee from 0.075% to 0.02% per annum of average daily net assets of the Fund, applicable from 01 July 2019.

14	ACCRUED EXPENSES AND OTHER PAYABLES	Note	2020 ----(Rupees in '000)----	2019
	Provision for indirect duties and taxes	14.1	15,834	15,834
	Provision for Sindh Workers' Welfare Fund	14.2	29,308	24,246
	Withholding tax payable		17	17
	Zakat deducted at source payable		896	2,307
	Sales tax payable		12	12
	Capital gains tax payable		122	82
	Auditors' remuneration payable		324	291
	Brokerage payable		1,628	888
	Charity payable	14.3	1,358	834
	Sales load payable		2,996	120
	Payable against legal and professional expenses		98	61
	Other payables		-	2,000
			<u>52,593</u>	<u>46,692</u>

- 14.1** 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 13 June 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 Honourable 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 up to 30 June 2016.

On 30 June 2016, the Honourable Sindh High Court had passed a judgement 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 01 July 2011 is ultra vires to the Constitution of Pakistan. On 23 September 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. 4.56 million (2019: Rs. 4.56 million) until the matter is resolved. Had the provision not been made, the net assets value per unit of the Fund as at 30 June 2020 would have been higher by Rs. 0.2763 per unit (2019: Rs. 0.1423) 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, since 30 June 2016, provision for FED has not been made.

- 14.2** 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 Honourable Lahore High Court (LHC) and the Honourable 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 Honourable Supreme Court of Pakistan (SCP). On 10 November 2016, the SCP passed a judgement declaring 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 filed a review petition in the SCP against the said judgement, 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 21 May 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 31 December 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 12 January 2017 the following:

- i) The provision against the Federal WWF held by the Mutual Funds till 30 June 2015 should be reversed on 12 January 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. 21 May 2015).

The above decisions were communicated to SECP and the Pakistan Stock Exchange Limited on 12 January 2017. In response to the aforementioned letter SECP vide its letter dated 01 February 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 12 January 2017.

Had the provision not been made, the net assets value per unit of the Fund as at 30 June 2020 would have been higher by Rs. 1.776 per unit (2019: Rs. 0.7568) per unit.

- 14.3** This represents amount attributable to income earned from shariah non-compliant avenues, earmarked for onward distribution as charity in accordance with the instructions of the Shariah Advisor.

15	PROFIT ON BANK DEPOSITS AND TERM DEPOSITS MUSHARIKA CALCULATED USING THE EFFECTIVE YIELD METHOD	2020	2019
		----(Rupees in '000)----	
	Profits on:		
	- Bank balances	159,322	247,673
	- Term deposit musharika (TDM)	2,346	24,842
		<u>161,668</u>	<u>272,515</u>
16	PROFIT / RETURN ON INVESTMENTS CALCULATED USING THE EFFECTIVE YIELD METHOD	2020	2019
		----(Rupees in '000)----	
	- GOP ijarah sukuks	2,110	-
	- Sukuk certificates	11,895	11,803
		<u>14,005</u>	<u>11,803</u>

17 AUDITORS' REMUNERATION

	2020	2019
	----(Rupees in '000)----	
Annual audit fee	238	215
Half yearly review fee	96	87
Review of CCG	45	40
	<u>379</u>	<u>342</u>
Sales tax	30	27
Out of pocket expenses	66	60
	<u>96</u>	<u>87</u>
	<u>475</u>	<u>429</u>

18 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the period as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the case may be, shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund has distributed more than ninety percent of the Fund's accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders during the year. Accordingly, no provision has been made in the financial statements for the year ended 30 June 2020.

19 CONTINGENCIES AND COMMITMENTS

Other than already disclosed in the financial statements, there are no contingencies and commitments as at 30 June 2020.

20 NUMBER OF UNITS IN ISSUE

	Note	2020	2019
		----- (Number of units) -----	
Total units in issue at the beginning of the year		32,037,578	55,077,294
Units issued during the year	20.1	6,789,625	7,613,004
Units redeemed during the year		(22,322,426)	(30,652,720)
Total units in issue at the end of the year		<u>16,504,777</u>	<u>32,037,578</u>

20.1 This includes 135,431 units issued in lieu of refund of capital.

20.2 The Management Company on 29 June, 2020 declared interim distribution of Rs. 9.58 per unit. The aggregate cash distribution amounted to Rs. 133.41 million was in addition to refund of capital as stated in note 20.1

21 TOTAL EXPENSE RATIO (TER)

In accordance with the Directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the year ended 30 June 2020 is 3.48% which includes 0.51% representing government levy, Sindh Worker's Welfare Fund and SECP fee. As per S.R.O 639 (I)/2019, the limit towards expense ratio has been revised from 4.00% to 4.50% for Equity, Balanced, Asset Allocation and Capital protected (dynamic asset allocation-direct exposure).

22 RECONCILIATION OF LIABILITIES ARISING OUT OF FINANCING ACTIVITIES

	Receivable against sale of units	Payable against redemption of units	Total
	----- (Rupees in '000) -----		
Opening balance as at 01 July 2019	2,250	-	2,250
Receivable against issuance of units	783,254	-	783,254
Payable against redemption of units	-	2,624,977	2,624,977
	<u>783,254</u>	<u>2,624,977</u>	<u>3,408,231</u>
Amount received on issuance of units	(782,633)	-	(782,633)
Amount paid on redemption of units	-	(2,624,977)	(2,624,977)
	<u>(782,633)</u>	<u>(2,624,977)</u>	<u>(3,407,610)</u>
Closing balance as at 30 June 2020	<u>2,871</u>	<u>-</u>	<u>2,871</u>

23 FINANCIAL INSTRUMENTS BY CATEGORY

2020			
At Amortised Cost	At fair value through other comprehensive income	At fair value through profit or loss	Total
(Rupees in '000)			
Financial Assets			
Bank balances	950,825	-	950,825
Term deposit musharika	-	-	-
Equity securities - Quoted	-	735,050	735,050
Sukuk certificates	-	56,791	56,791
GOP Ijara	-	26,675	26,675
Profit receivable	10,029	-	10,029
Deposits and other receivables	193,276	-	193,276
	1,154,130	818,516	1,972,646
Financial liabilities			
Payable to the Management Company		9,138	9,138
Payable to Central Depository Company of Pakistan Limited - Trustee		271	271
Dividend payable		34,918	34,918
Accrued expenses and other payables		7,329	7,329
		51,656	51,656
2019			
At Amortised Cost	At fair value through other comprehensive income	At fair value through profit or loss	Total
(Rupees in '000)			
Financial Assets			
Bank balances	1,519,465	-	1,519,465
Term deposit musharika	600,000	-	600,000
Equity securities - Quoted	-	1,398,436	1,398,436
Sukuk certificates	-	109,632	109,632
GOP Ijara	-	-	-
Dividend and profit receivable	27,414	-	27,414
Deposits and other receivables	7,685	-	7,685
	2,154,564	1,508,068	3,662,632
Financial liabilities			
Payable to the Management Company		13,440	13,440
Payable to Central Depository Company of Pakistan Limited - Trustee		435	435
Dividend payable		-	-
Accrued expenses and other payables		6,530	6,530
		20,487	20,487

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 Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee and custodian of the Fund, the directors and officers of the Management Company and unit holders holding 10% or more of the Fund's net assets.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, NBFC Regulations and the Trust Deed respectively.

All other transactions with related parties / connected persons are in the normal course of business, at contracted rates and terms determined in accordance with the market rates.

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

24.1 Transactions during the year

	Management Company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
2020						
----- (Rupees in '000) -----						
Units issued	-	-	-	-	1,103	-
Units redeemed	-	-	-	-	1,107	-
Profit on PLS saving accounts	-	124,200	-	-	-	-
Bank and other charges	-	64	-	-	-	-
Remuneration	50,917	-	3,545	-	-	-
Sales tax on remuneration	6,619	-	461	-	-	-
Allocation of expenses relating to the Fund	2,546	-	-	-	-	-
Central Depository Services Expenses	-	-	57	-	-	-
Selling and marketing expenses	12,887	-	-	-	-	-
Shariah advisory fee	350	-	-	-	-	-
2019						
----- (Rupees in '000) -----						
Units issued	-	-	-	-	796	-
Units redeemed	-	221,410	-	-	793	-
Profit on PLS saving accounts	-	149,263	-	-	-	-
Bank and other charges	-	185	-	-	-	-
Remuneration	96,163	-	6,181	-	-	-
Sales tax on remuneration	12,501	-	804	-	-	-
Allocation of expenses relating to the Fund	5,181	-	-	-	-	-
Central Depository Services Expenses	-	-	108	-	-	-
Selling and marketing expenses	20,724	-	-	-	-	-
Shariah advisory fee	350	-	-	-	-	-

24.2 Balances outstanding as at year end

2020						
----- (Rupees in '000) -----						
Units held (in units '000)	-	-	-	-	-	-
Units held (in rupees)	-	-	-	-	-	-
Bank balances*	-	208,320	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable **	3,566	-	271	-	-	-
Sales load and other payables	1,851	340	-	-	-	-
Conversion charges	90	-	-	-	-	-
Selling and marketing expenses payable	2,959	-	-	-	-	-
Shariah fee	350	-	-	-	-	-
Payable against allocated expenses	322	-	-	-	-	-
Profit receivable	-	2,326	-	-	-	-
2019						
----- (Rupees in '000) -----						
Units held (in units '000)	-	-	-	-	901	-
Units held (in rupees)	-	-	-	-	101,219	-
Bank balances*	-	250,541	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable **	6,838	-	435	-	-	-
Sales load and other payables	2,107	4	-	-	-	-
Conversion and settlement charges	80	-	-	-	-	-
Selling and marketing expenses payable	3,908	-	-	-	-	-
Shariah fee	204	-	-	-	-	-
Payable against allocated expenses	303	-	-	-	-	-
Profit receivable	-	5,553	-	-	-	-

* These carry profit rate ranging between 7% to 12.75% (2019: 6.3% - 11.25%) per annum.

** These balances are inclusive of Sindh Sales Tax payable.

25 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets (i.e. listed equity shares) are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The Fund's accounting policy on fair value measurements of investments is discussed in note 3.2 to these financial statements.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at fair value at the end of the year by the level in the fair value hierarchy into which the fair value measurement is categorised.

		2020					Fair value			
Note	On-balance sheet financial instruments	Carrying amount				Total	Level 1	Level 2	Level 3	Total
		At fair value through profit or loss	Designated as at fair value through profit or loss	At fair value through other comprehensive income	Amortized Cost					
----- (Rupees in '000) -----										
Financial assets measured at fair value										
	Quoted equity securities	735,050	-	-	-	735,050	735,050	-	-	735,050
	Sukuk Certificates	56,791	-	-	-	56,791	-	56,791	-	56,791
25.1	GOP Ijara Sukuk	26,675	-	-	-	26,675	-	26,675	-	26,675
		<u>818,516</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>818,516</u>				
Financial assets not measured at fair value										
25.2										
	Bank balances	-	-	-	950,825	950,825				
	Term deposit receipt	-	-	-	-	-				
	Profits receivable	-	-	-	10,029	10,029				
	Deposits and other receivables	-	-	-	193,276	193,276				
		<u>-</u>	<u>-</u>	<u>-</u>	<u>1,154,130</u>	<u>1,154,130</u>				
Financial liabilities not measured at fair value										
25.2										
	Payable to the Management Company	-	-	-	9,138	9,138				
	Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	271	271				
	Dividend Payable	-	-	-	34,918	34,918				
	Accrued expenses and other payables	-	-	-	7,329	7,329				
		<u>-</u>	<u>-</u>	<u>-</u>	<u>51,656</u>	<u>51,656</u>				
----- (Rupees in '000) -----										
		2019					Fair value			
Note	On-balance sheet financial instruments	Carrying amount				Total	Level 1	Level 2	Level 3	Total
		Mandatorily at fair value through profit or loss	Designated as at fair value through profit or loss	At fair value through other comprehensive income	Amortized Cost					
----- (Rupees in '000) -----										
Financial assets measured at fair value										
	Quoted equity securities	1,398,436	-	-	-	1,398,436	1,398,436	-	-	1,398,436
	Sukuk Certificates	109,632	-	-	-	109,632	-	109,632	-	109,632
		<u>1,508,068</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,508,068</u>				
Financial assets not measured at fair value										
25.2										
	Bank balances	-	-	-	1,519,465	1,519,465				
	Term deposit receipt	-	-	-	600,000	600,000				
	Profits receivable	-	-	-	27,414	27,414				
	Deposits and other receivables	-	-	-	7,685	7,685				
		<u>-</u>	<u>-</u>	<u>-</u>	<u>2,154,564</u>	<u>2,154,564</u>				
Financial liabilities not measured at fair value										
25.2										
	Payable to the Management Company	-	-	-	13,440	13,440				
	Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	435	435				
	Dividend Payable	-	-	-	-	-				
	Accrued expenses and other payables	-	-	-	6,530	6,530				
		<u>-</u>	<u>-</u>	<u>-</u>	<u>20,405</u>	<u>20,405</u>				

25.1 Valuation techniques used in determination of fair values within level 2:

Investments in GOP Ijara Sukuk are valued on the basis of the PKISRVs announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.

25.2 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

25.3 Net assets attributable to unitholders. The Fund routinely redeems and issues the units at the amount equal to the proportionate share of net assets of the Fund at the time of redemption, calculated on a basis consistent with that used in these financial statements. Accordingly, the carrying amount of net assets attributable to unitholders approximates their fair value. The units are categorized into Level 2 of the fair value hierarchy.

26 FINANCIAL RISK MANAGEMENT

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 credit risk, liquidity risk and market risk arising from the financial instruments it holds.

26.1 Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing 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.

Management of credit risk

The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of NBFC rules and regulations and guidelines given by SECP from time to time.

Credit risk is managed and controlled by the Management Company of the Fund in the following manner:

- The fund limits its exposure to credit risk by only investing in instruments and bank deposits that have a minimum "AA-" from a credit rating agency duly approved by the SECP.
- Investment transactions are carried out with large number of brokers, whose credit rating is taken into account so as to minimize the risk of default and transactions are settled or paid for only upon deliveries.
- The risk of counter party exposure due to failed trade causing a loss to the Fund is mitigated by a periodic review of trade reports, credit ratings and financial statements on a regular basis.
- Cash is held only with reputable banks (including related party).

The table below analyses the Fund's maximum exposure to credit risk:

	2020	2019
	----(Rupees in '000)----	
Financial assets exposed to credit risk		
Sukuk Certificates	56,791	109,632
Bank balances	950,825	1,519,465
Profit receivable	10,029	27,414
Deposits and other receivable	193,276	7,685
	<u>1,210,921</u>	<u>1,664,196</u>

All deposits with banks, CDC and NCCPL are highly rated and risk of default is considered minimal.

Credit risk arising on financial assets is monitored through a regular analysis of financial position of brokers and other parties. Further, all transactions in securities are executed through approved brokers, thus the risk of default is considered to be minimal. For Debt instruments settlement, Delivery versus Payment (DvP) mechanism applied by Trustee of the Fund minimize the credit risk. In accordance with the risk management policy of the Fund, the Investment Committee monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

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

	Rating Agency	Rating	2020	2019
			----(Rupees in '000)----	
Bank balances by rating category				
Allied Bank Limited	PACRA	AAA	10	10
National Bank of Pakistan	PACRA	AAA	41	137
United Bank Limited	VIS	AAA	208,320	249,391
Habib Bank Limited	VIS	AAA	705,641	16
Habib Metropolitan Bank Limited	PACRA	AA+	21	21
Meezan Bank Limited	VIS	AA+	18	17
Bank Alfalah Limited	PACRA	AA+	30,266	29,307
Faysal Bank Limited	PACRA	AA	11	10
Dubai Islamic Bank Limited	VIS	AA	89	432,515
Soneri Bank Limited	PACRA	AA-	53	804,371
BankIslami Pakistan Limited	PACRA	A+	71	2,140
MCB Islamic Bank Limited	PACRA	A	6,284	1,530
			<u>950,825</u>	<u>1,519,465</u>
Sukuk certificates by rating category				
AA+			-	5,025
AA			19,088	24,220
AA-			4,687	33,770
A-			33,016	46,617
			<u>56,791</u>	<u>109,632</u>
Investment in term deposit musharika				
Soneri Bank Limited	PACRA	AA-	-	-
BankIslami Pakistan Limited	PACRA	A+	-	290,000
MCB Islamic Bank Limited	PACRA	A	-	310,000
			<u>-</u>	<u>600,000</u>
GOP Ijara				
Government Guaranteed / AAA			26,675	-
Profit receivable			<u>10,029</u>	<u>27,414</u>
Deposits and other receivables			<u>193,276</u>	<u>7,685</u>

Concentration of credit risk

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 credit worthy counterparties thereby mitigating any significant concentration of credit risk.

The Fund's activities may give rise to settlement risk. 'Settlement risk' is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed.

For the majority of transactions, the Fund mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

26.2 Liquidity risk

'Liquidity risk' is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Fund's offering document provides for the daily creation and cancellation of units and it is therefore exposed to the liquidity risk of meeting unit holder's redemptions at any time. The Fund manages the liquidity risk by maintaining maturities of financial liabilities and investing a major portion of the Fund's assets in highly liquid financial assets. The Fund's investments are considered to be readily realisable as they are all invested in equity securities, government securities, sukuk certificate and saving accounts. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

In accordance with the risk management policy of the Fund, the Fund manager monitors the liquidity position on a daily basis, which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

In accordance with regulation 58(1)(k) of the NBFC Regulations, 2008, the Fund has the ability to borrow funds for meeting the redemption requests, with the approval of the Trustee, for a period not exceeding three months to the extent of fifteen percent of the net assets. However, no such borrowing has been obtained during the year.

Further, the Fund is also allowed in accordance with regulation 57 (10) of the NBFC Regulations, 2008, to defer redemption requests to the next dealing day, had such requests exceed ten percent of the total number of units in issue.

In addition to unit holders' fund, the analysis below summarizes the Fund's financial liabilities into relevant maturity grouping as at 30 June 2020:

	2020				Total
	Three months	Maturity Up to Six months	One year	More than one year	
Financial Liabilities	----- (Rupees in '000) -----				
Payable to Management Company	9,138	-	-	-	9,138
Payable to Central Depository Company of Pakistan Limited - Trustee	271	-	-	-	271
Dividend Payable	34,918	-	-	-	34,918
Accrued expenses and other payables	7,329	-	-	-	7,329
	<u>51,656</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>51,656</u>
Unit holders' fund	<u>1,877,211</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,877,211</u>
	2019				Total
	Three months	Maturity Up to Six months	One year	More than one year	
Financial Liabilities	----- (Rupees in '000) -----				
Payable to Management Company	13,440	-	-	-	13,440
Payable to Central Depository Company of Pakistan Limited - Trustee	435	-	-	-	435
Accrued expenses and other payables	6,530	-	-	-	6,530
	<u>20,405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,405</u>
Unit holders' fund	<u>3,599,137</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,599,137</u>

26.3 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 is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in the market profit rates. The Fund's profit rate is monitored on a quarterly basis by the board of directors.

a) Sensitivity analysis for variable rate instruments

As at 30 June 2020, the Fund hold Sukuk certificates which are classified as fair value through profit or loss, exposing the Fund to cash flow profit rate risk and fair value profit rate risk. In case of 100 basis points increase / decrease in mark-up rates on 30 June 2020, with all other variables held constant, the impact on the net assets and total comprehensive income for the year is as follows:

	Total Exposure	
	2020	2019
	----- (Rupees in '000) -----	
Bank balances	911,715	1,487,205
Sukuk certificates - at fair value through profit or loss	87,806	104,607
	<u>999,521</u>	<u>1,591,812</u>

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in profit rates at the year end would have increased / (decreased) the net assets and net income by Rs. 9.279 million (2019: Rs. 15.386 million), assuming all other variables held constant.

Fair value sensitivity analysis for variable rate instrument

A change in 100 basis points in profit rates at year end would have increased the net assets and net income by Rs. 1.930 million (2019: Rs. 2.439 million) and decreased the net assets and net income by Rs. 1.711 million (2019: Rs. 2.371 million). The analysis assumes all other variables remaining constant. Investment in term deposit musharika would not effect the income statement as measured at amortised cost.

b) Sensitivity analysis for fixed rate instruments

As at 30 June 2020, the Fund hold fixed rate Sukuk certificates which are classified as fair value through profit or loss', exposing the Fund to cash flow profit rate risk and fair value profit rate risk. In case of 100 basis points increase / decrease in mark-up rates on 30 June, 2020, with all other variables held constant, the impact on the net assets and net income for the year is as follows:

	Total Exposure	
	2020	2019
	----- (Rupees in '000) -----	
Term deposit musharika	-	600,000
Sukuk certificate - at fair value through profit or loss	-	5,025
GOP Ijara	26,675	-
	<u>26,675</u>	<u>605,025</u>

Fair value sensitivity analysis for fixed rate instrument

An increase in 100 basis points in profit rates at year end would have decreased the net assets and net income by Rs. 1.004 million (2019: Rs. 0.289 million) and decrease would result in increase the net assets and net income of current year by Rs. 1.2 million (2019: Rs. 0.292 million). The analysis assumes all other variables remaining constant.

	Profit rate (%)	2020				Not exposed to profit rate risk	Total
		Maturity Up to			More than one year		
		Three months	Six months	One year			
----- (Rupees in '000) -----							
On-balance sheet financial instruments							
Financial assets							
Bank balances	7% to 12.90%	911,715	-	-	-	39,110	950,825
Term deposit musharika	-	-	-	-	-	-	-
Investments classified as:							
At fair value through profit or loss'							
- Quoted Equity Securities		-	-	-	-	735,050	735,050
- Sukuk Certificates	KIBOR 3M-6M+ 8.31% - 11%	-	-	-	87,806	-	87,806
Profit receivable		-	-	-	-	10,029	10,029
Deposit and other receivables		-	-	-	-	193,276	193,276
Total financial assets		911,715	-	-	87,806	977,465	1,976,986
Financial liabilities							
Payable to Management Company		-	-	-	-	9,138	9,138
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	-	271	271
Dividend Payable		-	-	-	-	34,918	34,918
Accrued expenses and other payables		-	-	-	-	7,329	7,329
Total financial liabilities		-	-	-	-	51,656	51,656
On-balance sheet gap		911,715	-	-	87,806	925,809	1,925,330

		2019					
	Profit rate (%)	Three months	Maturity Up to Six months	One year	More than one year	Not exposed to profit rate risk	Total
----- (Rupees in '000) -----							
On-balance sheet financial instruments							
Financial assets							
Bank balances	6.30 - 12.25	1,487,205	-	-	-	32,260	1,519,465
Term deposit musharika	11.35-12.5	600,000	-	-	-	-	600,000
Investments classified as:							
At fair value through profit or loss'							
- Quoted Equity Securities		-	-	-	-	1,398,436	1,398,436
- Sukuk Certificates	KIBOR	-	-	-	109,632	-	109,632
	3M-6M+						
	1.00 - 13.5						
Receivable against sale of investment		-	-	-	-	-	-
Dividend and profit receivable		-	-	-	-	27,414	27,414
Deposit and other receivables		-	-	-	-	7,685	7,685
Total financial assets		2,087,205	-	-	109,632	1,465,795	3,662,632
Financial liabilities							
Payable to Management Company		-	-	-	-	13,440	13,440
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	-	435	435
Dividend Payable		-	-	-	-	-	-
Accrued expenses and other payables		-	-	-	-	6,530	6,530
Total financial liabilities		-	-	-	-	20,405	20,405
On-balance sheet gap		2,087,205	-	-	109,632	1,445,390	3,642,227

There is no off-balance sheet financial instrument that exist as at year ended 30 June 2020 and 30 June 2019.

ii) Foreign currency risk

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.

iii) Price risk

Equity price risk is the risk of unfavourable changes in the fair value of equity securities as a result of changes in the levels of KMI- 30 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 6.

The Fund also manages its exposure to price risk by analysing the investment portfolio by industrial sectors and benchmarking the sector weighting to that of the KSE-100 Index. The Fund's policy is to concentrate the investment portfolio in sectors where management believe the Fund can maximise the returns derived for the level of risk to which the Fund is exposed. The table below is a summary of the significant sector concentrations within the equity

Sector wise portfolio

	2020		2019	
	Funds equity portfolio	KMI-30 benchmark portfolio	Funds equity portfolio	KMI-30 benchmark portfolio
Automobile parts and accessories	2.93%	3.03%	2.92%	1.86%
Cable and electrical goods	0.00%	0.72%	0.00%	0.00%
Cement	9.99%	12.67%	8.69%	8.39%
Chemical	2.74%	1.58%	4.14%	1.40%
Commercial banks	4.41%	2.73%	3.69%	27.96%
Engineering	0.25%	1.01%	0.37%	0.37%
Fertilizer	17.80%	19.69%	9.52%	9.53%
Food and personal care products	0.79%	0.84%	0.12%	0.00%
Oil and gas exploration companies	32.35%	28.22%	34.10%	18.56%
Oil and gas marketing companies	2.35%	7.22%	2.35%	19.04%
Paper and board	0.91%	0.00%	0.74%	0.02%
Pharmaceuticals	2.36%	2.68%	0.84%	3.45%
Power generation and distribution	12.83%	10.46%	18.89%	4.71%
Technology and communication	4.11%	0.20%	0.02%	0.00%
Textile composite	6.18%	1.66%	4.42%	4.69%
Others	-	7.29%	9.19%	0.02%
	100.00%	100.00%	100.00%	100.00%

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:

	2020 ---(Rupees in '000)---	2019
Income statement	31,741	(156,518)
Unit holders' fund	31,741	(156,518)

26.4 Unit holders' fund risk management (Capital risk management)

The Fund's objective when managing unit holders' 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, 2008, 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.

In order to maintain or adjust the unit holders' fund structure, the Fund's policy is to perform the following:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to unit holders;
- Redeem and issue units in accordance with the constitutive documents of the Fund, which include the ability to restrict redemptions and require certain minimum holdings and issuance; and
- The Fund Manager / Investment Committee members and Chief Executive of the Management Company critically track the movement of 'Assets under Management'. The Board of Directors is updated about the Fund yield and movement of NAV and total Fund size at the end of each quarter.

26.5 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 behaviour. 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.

27 TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID BY THE FUND

**Commission
2020
%**

Name of Broker

Taurus Securities Limited	12.02%
Insight Securities (Private) Limited	7.14%
Foundation Securities (Private) Limited	6.80%
Intermarket Securities Limited	6.78%
Optimus Capital Management (Private) Limited	4.99%
Nael Capital (Private) Limited	4.62%
Aba Ali Habib Securities (Private) Limited	4.47%
BMA Capital Management Limited	4.34%
JS Global Capital Limited.	3.93%
Alfalah Clsa Securities (Private) Limited	3.73%

**Commission
2019
%**

Name of Broker

Topline Securities (Private) Limited	12.13
Taurus Securities Limited	7.35
Next Capital Limited	6.76
Foundation Securities (Private) Limited	6.00
Adam Securities (Private) Limited	5.30
Alfalah Securities (Private) Limited	4.64
Aba Ali Habib Securities (Private) Limited	4.20
BIPL Securities Limited	3.97
DJM Securities (Private) Limited	3.88
Multiline Securities (Private) Limited	3.81

28 INVESTMENT COMMITTEE

Details of the members of investment committee of the Fund are as follows:

S. No.	Name	Designation	Experience in years	Qualification
1	Yasir Qadri	Chief Executive Officer	24	MBA
2	Syed Suleman Akhtar	Chief Investment Officer	19	CFA, MBA
3	Muhammad Imran	Head of Investment advisory	20	MBA
4	Irfan Nepal	Chief Dealer & Fund Manager	26	MBA
5	Hadi Hassan Muki	Head of Compliance	20	BCOM
6	Syed Shabbir Sardar Zaidi*	Fund Manager & Senior Analyst	11	MAS, CFA
7	Syed Sheeraz Ali	Fund Manager & Senior Analyst	10	MBA
8	Mubashir Anis	Fund Manager Equity	8	BS, CFA
9	Muhammad Waseem	Head Research	6	BBA, CFA

*Syed Shabbir Sardar Zaidi is also Fund Manager of Al Ameen Islamic Sovereign Fund, Al Ameen Shariah Stock Fund, Al Ameen Islamic Energy Fund, Al Ameen Islamic Dedicated Equity Fund, Al Ameen Islamic Financial Planning Fund, Al Ameen Islamic Financial Planning Fund - II, Al Ameen Islamic Financial Planning Fund - III, and Al-Ameen Islamic Retirement Savings Fund.

29 DIRECTORS' MEETING ATTENDANCE

During the year, six meetings of the Board of Directors of the Management Company were held. The details of the attendance are as under:

	Dates	30 August 2019	17 September 2019	29 October 2019	9 December 2019	25 February 2020	30 April 2020
	Meetings attended						
Name of Director							
Mr. Arif Akmal Saifie *	1	N/A	N/A	N/A	N/A	N/A	Yes
Mr. Azhar Hamid	6	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Imran Sarwar	5	Yes	Yes	Yes	Yes	No	Yes
Mr. Yasir Qadri	6	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Naz Khan **	6	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Sadia Saeed	5	No	Yes	Yes	Yes	Yes	Yes
Syed Furrakh Zaeem	5	Yes	Yes	Yes	Yes	No	Yes
Mr. Tauqeer Mazhar ***	4	Yes	Yes	Yes	Yes	N/A	N/A
Name of Key Executives							
Mr. Bilal Javaid ***	3	N/A	N/A	N/A	Yes	Yes	Yes
Mr. Umair Ahmed	6	Yes	Yes	Yes	Yes	Yes	Yes
S.M. Aly Osman ****	3	Yes	Yes	Yes	N/A	N/A	N/A

* Mr. Arif Akmal Saifie appointed as Director with effect from March 20, 2020

** Ms. Naz Khan resigned as Director with effect from July 20, 2020

*** Mr. Tauqeer Mazhar resigned as Director with effect from January 30, 2020

**** Mr. Bilal Javaid appointed as Company Secretary with effect from February 25, 2020

***** S.M. Aly Osman resigned as Company Secretary with effect from November 30, 2019

30 PATTERN OF UNIT HOLDERS

Category	2020		
	Unit holders	Units held	Percentage
Individuals	1,633	13,682,533	82.90%
Associated companies and directors	-	-	0.00%
Insurance companies	-	-	0.00%
Retirement funds	18	2,611,113	15.82%
Public limited companies	1	23	0.00%
Others	8	211,108	1.28%
	1,660	16,504,777	100.00%
Category	2019		
	Unit holders	Units held	Percentage
Individuals	2,178	27,331,584	85.31
Associated companies and directors	1	901	-
Insurance companies	2	252,787	0.79
Retirement funds	26	2,737,844	8.55
Public limited companies	1	21	-
Others	17	1,714,441	5.35
	2,225	32,037,578	100.00

31 CREDIT RATING

VIS Credit Rating Agency has re-affirmed quality rating of 'AM1' (stable outlook) to the Management Company as on 31 December 2019 (30 June 2019: 'AM1') while the Fund is currently not rated.

32 GENERAL

32.1 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

32.2 Date of authorization for issue

These financials statements were authorised for issue by Board of Directors of the Management Company on September 24, 2020.

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

ASSF

Al-Ameen Shariah Stock Fund

INVESTMENT OBJECTIVE

ASSF is an open-end Equity Fund, investing primarily in Shariah compliant equities. The Fund seeks to maximize total returns and outperform its benchmark by investing in a combination of securities offering long term capital gains and dividend yield potential.

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	A. F. Ferguson & Co., Chartered Accountants
Bankers	Al-Baraka Islamic Banking Bank Alfalah Limited Dubai Islamic Bank Limited Habib Metropolitan Bank Limited Meezan Bank Limited United Bank Limited Bank Islami Pakistan Limited MCB Bank Limited National Bank of Pakistan Limited Allied Bank Limited
Management Co. Rating	AM 1 - VIS

Fund Manager's Report – Al-Ameen Shariah Stock Fund (ASSF)

- i) **Description of the Collective Investment Scheme category and type**
Islamic Equity / Open-end
- ii) **Statement of Collective Investment Scheme's investment objective**
ASSF is an open-end Equity Fund, investing primarily in Shariah compliant equities. The Fund seeks to maximize total returns and outperform its benchmark by investing in a combination of securities offering long term capital gains and dividend yield potential.
- 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**
KMI-30 Index
- v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
ASSF	-6.52%	-8.58%	9.12%	10.44%	14.15%	4.49%	3.00%	-8.36%	-23.95%	25.58%	-0.88%	0.54%	10.36%
Benchmark	-6.56%	-8.59%	10.65%	9.17%	12.31%	5.29%	1.58%	-11.39%	-24.20%	23.26%	-0.64%	-0.32%	1.62%

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

ASSF is an open-end Equity Fund, investing primarily in Shariah compliant equities. The Fund seeks to maximize total returns and outperform its benchmark by investing in a combination of securities offering long-term capital gains and dividend yield potential.

During the period under review, the fund posted return of 10.36%. At the end of FY20, the fund's major exposure was concentrated in Oil and Gas Exploration Companies (28%), Fertilizer (16%) and Cements (11%). At the end of period under review, the fund maintained an exposure of ~91% in equities.

- 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-19	Jun-20
Equities	91%	91%
Sukuks	0%	0%
GoP Ijarah Sukuks	0%	0%
Cash	8%	7%
Others	1%	2%
Leverage	Nil	Nil

viii) **Analysis of the Collective Investment Scheme's performance**

FY'20 Return:	10.36%
Standard Deviation (12m trailing):	28.66%
Sharpe Ratio (12m trailing):	(0.06)

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			NAV per unit		
30-Jun-20	30-Jun-19	Change	30-Jun-20	30-Jun-19	Change
Rupees (000)		%	Rupees		%
5,967,058	5,376,708	10.98	119.5649	109.5135	9.18

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

Stock Market Review for FY20

Please refer the relevant note in Directors' report.

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 29, 2020	-	62,990	1.2846	120.54	119.26

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
	ASSF
0.0001 - 9,999.9999	8850
10,000.0000 - 49,999.9999	366
50,000.0000 - 99,999.9999	39
100,000.0000 - 499,999.9999	35
500,000.0000 & Above	9
Total	9299

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

There were no unit splits during the period.

xv) Disclosure of circumstances that materially affect any interests of unit holders

Investment are subject to credit and market risk.

xvi) 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.

xvii) Summary of Actual Proxy Voted By the Fund:-

	Resolutions	For	Against	Abstain*
Number	5	5	-	-
Percentage	100%	100%	-	-

*Reasons for abstaining shall be disclosed (if applicable).

2. Details where Management Company did not participate in investee company's shareholders meetings (if applicable)

3. The proxy voting policy of the Fund is available on the website of UBL Fund Managers Limited (Management Company) and detailed information regarding actual proxies voted by the Management Company in respect of the Fund is also available without charge, upon request, to all unit holders.

PERFORMANCE TABLE

AI - Ameen Shariah Stock fund

	2020	2019	2018
NET ASSETS AS AT 30 JUNE - Rupees in '000	5,967,058	5,376,708	6,879,144
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *			
Class A Units - Offer	122.94	112.61	138.08
- Redemption	119.56	109.51	134.28
RETURN OF THE FUND - %			
One Year	10.36	(18.45)	(12.38)
Capital Growth (per unit)	9.19	(18.45)	(8.08)
Date of Income Distribution	29-Jun-20	-	-
Income Distribution	1.2846	-	-
Date of Income Distribution	-	-	-
Income Distribution	-	-	-
AVERAGE ANNUAL RETURN - %			
One Year	10.36	(18.45)	(12.38)
Second Year	(4.05)	(15.42)	8.41
Third Year	(6.82)	(0.55)	10.43
Fourth Year	2.18	3.21	14.59
Fifth Year	4.64	7.98	18.54
Sixth Year	8.38	12.38	23.72
Since inception	17.70	18.44	22.54
OFFER / REPURCHASE DURING THE YEAR - Rupees *			
Highest price per unit - Class A - Offer	145.32	142.39	159.83
Highest price per unit - Class A - Redemption	141.32	138.47	155.43
Lowest price per unit - Class A - Offer	91.68	108.98	128.59
Lowest price per unit - Class A - Redemption	89.16	105.98	125.05

* Front-end load @2.5% is applicable

PORTFOLIO COMPOSITION

Percentage of Net Assets as at 30 June

PORTFOLIO COMPOSITION BY CATEGORY - %

Bank Balances	7.00	8.00	9.00
Sukuk certificates	-	-	-
Equity securities	91.00	91.00	89.00
Foreign Investments	-	-	-
others	2.00	1.00	2.00

PORTFOLIO COMPOSITION BY MARKET - %

Equity market	100.00	100.00	100.00
Debt market	-	-	-

Note:

- The Launch date of the Fund is 24 December 2006

DISCLAIMER

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

Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



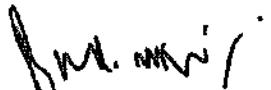
TRUSTEE REPORT TO THE UNIT HOLDERS

AL-AMEEN SHARIAH STOCK 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 Shariah Stock 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, 2020 in accordance with the provisions of the following:

- (i) 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.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 28, 2020



REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the Fund are issuing this report in accordance with the rules and regulations. 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.

- We have reviewed and approved the modes of investments of ASSF in light of Shariah requirements. The following is a list of top equity investments of ASSF as on 30 June 2020 and their evaluation according to the screening criteria established by us.

Sr.No.	ASSF	Nature of Business	Interest Bearing Debt to Total Assets	Non-Compliant Investments to Total Assets	Non-Compliant Income to Total Revenue	Illiquid Assets to Total Assets	Net Liquid Assets per Share (₹)	Share Market Price (₹)
			<37%	<3%	<5%	>25%	A	
1	Top Equity Scrip Holdings							
2	Engro Corporation	Manufacturer of Chemicals	23%	14%	5%	48%	(93.8)	340.0
3	Mari Petroleum Co. Ltd.	Explorer/Producer of Oil	0%	9%	4%	8%	455.4	1,413.0
4	Oil And Gas Development Co. Ltd.	Explorer/Producer of Oil	0%	18%	6%	16%	329.9	113.7
5	The Hujia Power Co. Ltd.	Generator of Electricity	33%	19%	1%	54%	16.9	83.6
6	Wafay Cement Co. Ltd.	Manufacturer of Cement	31%	1%	0%	73%	(242.3)	697.6
7	Pak Petroleum Ltd.	Explorer/Producer of Oil	0%	6%	1%	30%	64.2	100.6
8	Mossab Bank Ltd	Commercial Bank	N/A	N/A	N/A	N/A	N/A	87.5
9	Korah Cement Co. Ltd.	Manufacturer of Cement	22%	1%	0%	85%	(35.5)	170.2
10	Pak Oilfields Ltd.	Explorer/Producer of Oil	0%	6%	6%	13%	100.3	437.1
11	Engro Fertilizer Ltd.	Manufacturer of Fertilizers	23%	10%	1%	69%	(31.6)	62.4

In light of the above, we hereby certify that all the provisions of the Scheme and investments made on accounts of ASSF 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 ASSF for the year ended 30 June 2020 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 ASSF 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 a charity such proportion of the income from Investee companies in order to purify the earning of the Fund.

During the year, an amount of PKR 5,584,279 has been recognized as charity.

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



KARACHI:
DATE: 26 August 2020



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 BY UBL FUND MANAGERS LIMITED

NAME OF FUND: AL AMEEN SHARIAH STOCK FUND

YEAR ENDED: JUNE 30, 2020

The Securities and Exchange Commission of Pakistan (SECP) has exempted open-end collective investment schemes from the requirements of the Listed Companies (Code of Corporate Governance) Regulations (the Regulations). However, the Board of Directors (the Board) of UBL Fund Managers Limited [the Management Company of Al Ameen Shariah Stock Fund (the Fund)], for the purpose of establishing a framework of good governance has voluntarily opted to comply with the relevant provisions of the Regulations.

The Management Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven as per the following:
 - a. Male: Five Directors; and
 - b. Female: Two Directors.
2. The composition of the Board is as follows:

Category	Name
Independent Directors	Mr. Azhar Hamid Ms. Naz Khan*
Executive Directors	Mr. Yasir Qadri
Non-Executive Directors	Mr. Imran Sarwar Ms. Sadia Saeed Mr. Arif Akmal Saifie** Syed Furrukh Zaeem
Female Director	Ms. Naz Khan* Ms. Sadia Saeed

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including the Management Company.
4. 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.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Management Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Management Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.



8. The Board has a formal policy and transparent procedures for remuneration of its directors in accordance with the Act and these Regulations.
9. The following directors and executives have acquired the prescribed Directors' Training Program (DTP) certification:

Directors

- a. Mr. Imran Sarwar
- b. Mr. Yasir Qadri
- c. Ms. Naz Khan
- d. Ms. Sadia Saeed
- e. Syed Furrukh Zaeem

Executives

- a. Mr. Amin Gulamani (Head of Human Resources)
 - b. Mr. Hadi Hassan Mukhi (Head of Compliance and Risk)
 - c. Mr. Umair Ahmed (Chief Financial Officer)
 - d. Mr. Zeeshan Quddus (Chief Business Development Officer)
10. The Board has approved appointment of the Chief Financial Officer (CFO), the Company Secretary and the Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations.
 11. The Chief Executive Officer (CEO) and CFO duly endorsed the financial statements of the Fund before approval of the Board.
 12. The Board has formed committees comprising of members given below.

Board Audit Committee

Name	Designation	Type of Directorship
Ms. Naz Khan*	Chairman	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Imran Sarwar	Member	Non-Executive Director
Ms. Sadia Saeed	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director

Board Human Resource and Compensation Committee

Name	Designation	Type of Directorship
Mr. Azhar Hamid	Chairman	Independent Director
Mr. Yasir Qadri	Member	Executive Director
Ms. Naz Khan*	Member	Independent Director
Ms. Sadia Saeed	Member	Non-Executive Director
Syed Furrukh Zaeem	Member	Non-Executive Director

Board Risk and Compliance Committee

Name	Designation	Type of Directorship
Mr. Imran Sarwar	Chairman	Non-Executive Director
Mr. Azhar Hamid	Member	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director
Mr. Yasir Qadri	Member	Executive Director
Syed Furrugh Zaeem	Member	Non-Executive Director

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

*** Mr. Tauqeer Mazhar resigned as a director from January 30, 2020

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
14. The frequency of meetings of the committees was as follows:
 - a. The Board Audit Committee: quarterly - six meetings held
 - b. The Board Human Resource and Compensation Committee: quarterly - five meetings held
 - c. The Board Risk and Compliance Committee: quarterly - four meetings held
15. The Board has set up an effective internal audit function. The Function has suitably qualified and experienced staff for the purpose and they are conversant with the policies and procedures of the Management Company.
16. 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 and are registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on the code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the Partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of CEO, CFO, the Head of Internal Audit, the Company Secretary or directors of the Management Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of Regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with.
19. We confirm that any other significant requirements of the Regulations have been complied with.

AZHAR HAMID
Chairman

Karachi.
Dated: **September 25, 2020**

INDEPENDENT AUDITOR'S REVIEW REPORT**To the unit holders of Al Ameen Shariah Stock Fund****Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of UBL Fund Managers Limited (the Management Company) on behalf of Al Ameen Shariah Stock Fund (the Fund) for the year ended June 30, 2020. The Management Company of the Funds has opted to voluntarily comply with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Management Company of the Fund. Our responsibility is to review whether the Statement of Compliance reflects the status of the Management Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

As a part of our audit of the 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 of Directors' 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 Regulations require the Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. 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 of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Management Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Fund for the year ended June 30, 2020.



A. F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: September 29, 2020

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Al-Ameen Shariah Stock Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Al-Ameen Shariah Stock Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2020, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2020, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer note 5 to the financial statements)	
	Investments constitute the most significant component of the net asset value. Investments of the Fund as at June 30, 2020 amounted to Rs. 5,654.694 million. The existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2020 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none">Tested the design and operating effectiveness of the key controls for valuation of investments;Obtained independent confirmation for verifying the existence of the investment portfolio as at June 30, 2020 and reconciled it with the books and records of the Fund. Where such confirmation was not available, alternate audit procedures were performed; andRe-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies.



A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>



Other Matter

The financial statements of the Fund for the year ended June 30, 2019 were audited by another firm of Chartered Accountants who had expressed an unqualified opinion thereon vide their report dated September 24, 2019.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting 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.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of directors of the management company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.

Affco



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the management company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the management company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the management company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.

A.F. Ferguson & Co

Chartered Accountants

Karachi

Date: September 29, 2020

AL-AMEEN SHARIAH STOCK FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2020

	Note	2020 ----- (Rupees in '000) -----	2019 ----- (Rupees in '000) -----
ASSETS			
Bank balances	4	470,602	425,816
Investments - net	5	5,654,694	5,053,462
Dividend and profit receivable	6	26,575	40,396
Security deposits and other receivables	7	2,600	2,600
Receivable against sale of investments		66,022	7,397
Advance tax	8	3,233	3,233
Total assets		6,223,726	5,532,904
LIABILITIES			
Payable to UBL Fund Managers Limited - the Management Company	9	49,782	17,466
Payable to Central Depository Company of Pakistan Limited - the Trustee	10	663	614
Payable to the Securities and Exchange Commission of Pakistan	11	1,155	6,546
Payable against purchase of investments		-	96
Accrued expenses and other liabilities	12	205,068	131,474
Total liabilities		256,668	156,196
NET ASSETS		5,967,058	5,376,708
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		5,967,058	5,376,708
CONTINGENCIES AND COMMITMENTS			
	13		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE	14	49,906,442	49,096,297
		----- (Rupees) -----	
NET ASSET VALUE PER UNIT		119.5649	109.5135

The annexed notes 1 to 29 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AL-AMEEN SHARIAH STOCK FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020 ------(Rupees in '000)-----	2019
INCOME			
Gain / (loss) on sale of investments - net		98,558	(215,975)
Profit on bank deposits		46,953	58,911
Dividend income		234,249	306,362
Unrealised gain / (loss) on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.1	228,259	(1,215,781)
Total income / (loss)		608,019	(1,066,483)
EXPENSES			
Remuneration of UBL Fund Managers Limited - the Management Company	9.1	115,548	137,809
Sindh sales tax on remuneration of the Management Company	9.2	15,021	17,915
Allocated expenses	9.3	5,777	6,891
Selling and marketing expenses	9.4	59,349	27,562
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	10.1	6,772	7,890
Sindh sales tax on remuneration of the Trustee	10.2	880	1,026
Annual fee to the Securities and Exchange Commission of Pakistan	11.1	1,155	6,546
Auditors' remuneration	15	481	500
Bank charges		128	197
Brokerage and settlement charges		13,686	12,174
Listing fee		25	25
Legal and professional charges		213	208
Charity expense	12.1	5,584	4,810
Shariah advisor fee		350	350
Printing expenses		-	10
Other expenses		4	3
Total expenses		224,973	223,916
Net operating income / (loss) for the year		383,046	(1,290,399)
Provision for Sindh Workers' Welfare Fund	12.3	7,525	-
Net income / (loss) for the year before taxation		375,521	(1,290,399)
Taxation	16	-	-
Net income / (loss) for the year after taxation		375,521	(1,290,399)
Allocation of net income for the year			
- Net income / (loss) for the year after taxation		375,521	-
- Income already paid on units redeemed		(41,212)	-
Net income for the year after taxation		334,309	-
Accounting income available for distribution			
- Relating to capital gains		285,605	-
- Excluding capital gains		48,704	-
		334,309	-
Earnings per unit	17		

The annexed notes 1 to 29 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

**AL-AMEEN SHARIAH STOCK FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2020**

	2020	2019
	----- (Rupees in '000) -----	
Net income / (loss) for the year after taxation	375,521	(1,290,399)
Other comprehensive income	-	-
Total comprehensive income / (loss) for the year	<u><u>375,521</u></u>	<u><u>(1,290,399)</u></u>

The annexed notes 1 to 29 form an integral part of these financial statements.

**For UBL Fund Managers Limited
(Management Company)**

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AL-AMEEN SHARIAH STOCK FUND
STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2020

	2020			2019			
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Unrealised gain / (loss) on re-measurement of investments classified as 'fair value through other comprehensive income' - net	Total
	(Rs. in '000)						
Net assets at the beginning of the year	4,498,864	877,844	5,376,708	4,710,901	2,168,845	(602)	6,879,144
Effect of adoption of IFRS 9	-	-	-	-	(602)	602	-
Net assets at the beginning of the year - adjusted	4,498,864	877,844	5,376,708	4,710,901	2,168,243	-	6,879,144
Amount received on issuance of 54,667,077 units (2019: 29,204,792 units)							
- Capital value	5,986,784	-	5,986,784	3,921,619	-	-	3,921,619
- Element of income / (loss)	580,968	-	580,968	(144,586)	-	-	(144,586)
Total amount received on issuance of units	6,567,752	-	6,567,752	3,777,033	-	-	3,777,033
Amount paid on redemption of 53,856,932 units (2019: 31,339,854 units)							
- Capital value	(5,898,062)	-	(5,898,062)	(4,208,315)	-	-	(4,208,315)
- Element of (loss) / income	(350,659)	(41,212)	(391,871)	219,245	-	-	219,245
Total amount paid on redemption of units	(6,248,721)	(41,212)	(6,289,933)	(3,989,070)	-	-	(3,989,070)
Total comprehensive income / (loss) for the year	-	375,521	375,521	-	(1,290,399)	-	(1,290,399)
Distribution for the year Rs. 1.2846 per unit (2018: Rs. Nil per unit)	(13,349)	(49,641)	(62,990)	-	-	-	-
Net assets at the end of the year	4,804,546	1,162,512	5,967,058	4,498,864	877,844	-	5,376,708
Undistributed income brought forward:							
- Realised income		2,093,625			2,915,472		
- Unrealised loss		(1,215,781)			(746,627)		
		877,844			2,168,845		
Accounting income available for distribution							
- Related to capital gain		285,605			-		
- Excluding capital gain		48,704			-		
		334,309			-		
Net loss for the year after taxation		-			(1,290,399)		
Effect of adoption of IFRS 9		-			(602)		
Distribution during the year		(49,641)			-		
Undistributed income carried forward		1,162,512			877,844		
Undistributed income carried forward							
- Realised income		934,253			2,093,625		
- Unrealised income / (loss)		228,259			(1,215,781)		
		1,162,512			877,844		
		(Rupees)					(Rupees)
Net assets value per unit at the beginning of the year		109.5135					134.2760
Net assets value per unit at the end of the year		119.5649					109.5135

The annexed notes 1 to 29 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AL-AMEEN SHARIAH STOCK FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2020

	2020	2019
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the year before taxation	375,521	(1,290,399)
Adjustments for:		
(Gain) / loss on sale of investments - net	(98,558)	215,975
Profit on bank deposits	(46,953)	(58,911)
Dividend income	(234,249)	(306,362)
Unrealised (gain) / loss on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	(228,259)	1,215,781
Provision for Sindh Workers' Welfare Fund (SWWF)	7,525	-
	(600,494)	1,066,483
(Increase) / decrease in assets		
Investments - net	(274,415)	(169,305)
Receivable against sale of investments	(58,625)	34,006
	(333,040)	(135,299)
Increase / (decrease) in liabilities		
Payable to UBL Fund Managers Limited - the Management Company	32,316	(5,276)
Payable to Central Depository Company of Pakistan Limited - the Trustee	49	(148)
Payable to the Securities and Exchange Commission of Pakistan	(5,391)	(689)
Payable against purchase of investments	(96)	(4,860)
Accrued expenses and other liabilities	13,081	(4,944)
	39,959	(15,917)
Profit received on bank balances	48,712	58,427
Dividend received	246,311	303,516
Tax paid	-	(15)
Net cash used in operating activities	(223,031)	(13,204)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	6,554,403	3,782,791
Payments against redemption of units	(6,238,326)	(3,989,070)
Dividend paid	(48,260)	-
Net cash generated from / (used in) financing activities	267,817	(206,279)
Net increase / (decrease) in cash and cash equivalents during the year	44,786	(219,483)
Cash and cash equivalents at the beginning of the year	425,816	645,299
Cash and cash equivalents at the end of the year	470,602	425,816

The annexed notes 1 to 29 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AL-AMEEN SHARIAH STOCK FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

Al-Ameen Shariah Stock Fund (the Fund), was established under the Trust Deed entered into between UBL Fund Managers Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on September 11, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on November 16, 2006 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund commenced its operations from November 16, 2006.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

The Fund is an open ended mutual fund and is listed on the Pakistan Stock Exchange Limited. The units of the Fund are offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund at the option of the unit holders. The Fund has been categorised as a 'Shariah compliant equity fund' pursuant to the provisions contained in Circular 7 of 2009.

The investment objective of the Fund is to achieve long term capital growth by investing primarily in shariah compliant equity securities. The Fund seeks to maximise total returns and outperform its benchmark by investing in a combination of securities offering long term capital gains and dividend yield potential. The Fund invests in securities approved by its Shariah Advisory Board.

The Management Company has been re-affirmed a quality rating of AM1 by VIS Credit Rating Company dated December 31, 2019 (December 31, 2018: AM1).

The title to the assets of the Fund is held in the name of CDC as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except that investments have been measured at fair values.

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

2.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 3.3 and 5), provision for taxation (notes 3.13 and 16), provision for Federal Excise Duty (note 12.2) and Provision for Sindh Workers' Welfare Fund (note 12.3).

2.5 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2019. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

2.6 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

The following amendments would be effective from the dates mentioned below against the respective amendment:

Amendments	Effective date (accounting periods beginning on or after)
- IAS 1 - 'Presentation of financial statements' (amendment)	January 1, 2020
- IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendment)	January 1, 2020

These amendments may impact the financial statements of the Fund on adoption. The management is currently in the process of assessing the full impact of these amendments on the financial statements of the Fund.

There are certain other standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 1, 2020 but are considered not to be relevant or will not have any significant impact on the Fund's operations and, therefore, have not been disclosed in these financial statements.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years.

3.2 Cash and cash equivalents

These comprise balances with banks in savings and current accounts, cheques in hand and other short-term highly liquid investments with original maturities of three months or less.

3.3 Financial assets

3.3.1 Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the statement of assets and liabilities at fair value, with gains and losses recognised in the income statement, except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI. The management considers its investment in equity securities being managed as a group of assets and hence has classified them as FVPL. Accordingly, the irrevocable option has not been considered.

The dividend income from equity securities classified under FVPL is to be recognised in the income statement. Since all investments in equity investments have been designated as FVPL, the subsequent movement in the fair value of equity securities is routed through the income statement.

3.3.2 Impairment

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and at FVOCI. The Fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The 12 months ECL is recorded for all financial assets in which there is no significant increase in credit risk from the date of initial recognition, whereas a lifetime ECL is recorded for all remaining financial assets.

3.3.3 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

3.3.4 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the income statement.

3.3.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the income statement.

3.3.6 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement.

3.4 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the income statement.

3.5 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the 'Statement of Assets and Liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.6 Provisions

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

3.7 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

3.8 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as at the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company / distributors receive redemption applications during business hours of that day. The redemption price is equal to NAV as at the close of the business day, less any back-end load and an amount as the Management Company may consider to be an appropriate provision of duties and charges.

3.9 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.10 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income represents the difference between Net Asset Value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

3.11 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the income statement on the date when the transaction takes place.
- Unrealised gains / (losses) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the income statement in the year in which these arise.
- Dividend income is recognised when the right to receive the dividend is established.
- Profit on savings accounts with banks is recognised on a time proportion basis.

3.12 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and the Trustee and annual fee of the SECP are recognised in the income statement on an accrual basis.

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the year when the differences reverse, based on enacted tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders in cash. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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. Moreover, super tax introduced in the Finance Act, 2015 is also not applicable on funds (Section 4B of the Income Tax Ordinance, 2001).

Earnings / (loss) per unit is calculated by dividing the net income / (loss) of the year after taxation of the Fund by the weighted average number of units outstanding during the year.

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

4.1 Profit rates on these profit and loss sharing accounts range between 2.31% to 7% per annum (June 30, 2019: 6.2% to 12.25% per annum). These include an amount held by a related party (United Bank Limited) amounting to Rs. 378.718 million (June 30, 2019: Rs. 371.11 million) on which return is earned at 7% per annum (June 30, 2019: 11.25% per annum).

	Note	2020	2019
		-----	-----
		(Rupees in '000)	(Rupees in '000)
5 INVESTMENTS - NET			
At fair value through profit or loss			
- equity securities	5.1	5,654,694	5,053,462
		<u>5,654,694</u>	<u>5,053,462</u>

5.1 Investment at 'fair value through profit or loss'
(Ordinary Shares of Rs. 10 each unless indicated otherwise)

Name of investee company	Note	As at July 1, 2019	Purchased / bonus received during the year	Sold during the year	As at June 30, 2020	Total carrying value as at June 30, 2020	Total market value as at June 30, 2020	Unrealised gain / (loss) as at June 30, 2020	Market value as a percentage of net assets	Market value as a percentage of total value of Investment	Investment as a percentage of paid-up capital of investee company
-----Number of shares-----						-----Rupees in '000-----			-----Percentage-----		
Oil and gas marketing companies											
Pakistan State Oil Company Limited	5.1.2	1,158,054	1,733,067	2,005,149	885,972	137,961	140,125	2,164	2.35	2.48	0.19
						137,961	140,125	2,164	2.35	2.48	
Oil and gas exploration companies											
Oil & Gas Development Company Limited		3,877,021	3,408,782	2,359,988	4,925,815	597,792	536,914	(60,878)	9.00	9.50	0.11
Pakistan Petroleum Limited		2,268,379	3,142,375	1,340,762	4,069,992	463,277	353,194	(110,083)	5.92	6.25	0.15
Pakistan Oilfields Limited		730,370	430,560	412,713	748,217	280,972	262,347	(18,625)	4.40	4.64	0.26
Hascol Petroleum Limited		27,500	-	27,500	-	-	-	-	-	-	-
Mari Petroleum Company Limited		470,686	163,494	138,840	495,340	456,382	612,562	156,180	10.27	10.83	0.37
						1,798,423	1,765,017	(33,406)	29.59	31.22	
Fertilizer											
Engro Corporation Limited		1,749,648	1,221,178	853,667	2,117,159	598,353	620,158	21,805	10.39	10.97	0.37
Engro Fertilizers Limited		3,006,120	4,378,708	3,244,000	4,140,828	251,633	249,609	(2,024)	4.18	4.41	0.31
Fauji Fertilizer Company Limited		2,967,500	1,972,133	3,603,500	1,336,133	128,472	146,961	18,489	2.46	2.60	0.11
						978,458	1,016,728	38,270	17.03	17.98	
Chemicals											
I.C.I Pakistan Limited		4,017	71,350	5,000	70,367	48,131	48,885	754	0.82	0.86	0.08
Engro Polymer & Chemicals Limited		6,365,972	3,907,500	5,980,000	4,293,472	125,045	107,251	(17,794)	1.80	1.90	0.47
Lotte Chemicals Pakistan Limited		1,440,500	798,000	2,238,500	-	-	-	-	-	-	-
Sitara Chemical Industries Limited		91,900	-	4,000	87,900	26,886	24,358	(2,528)	0.41	0.43	0.41
						200,062	180,494	(19,568)	3.03	3.19	
Cement											
Cherat Cement Company Limited		1,115,900	890	1,107,000	9,790	276	853	577	0.01	0.02	0.01
Kohat Cement Company Limited		3,317,909	1,687,272	2,952,500	2,052,681	120,007	282,141	162,134	4.73	4.99	1.02
Lucky Cement Limited	5.1.1	465,534	845,990	434,900	876,624	369,189	404,632	35,443	6.78	7.16	0.27
Maple Leaf Cement Factory		958,000	225,000	1,183,000	-	-	-	-	-	-	-
Pioneer Cement Limited		228,856	-	228,856	-	-	-	-	-	-	-
						489,472	687,626	198,154	11.52	12.17	
Paper and board											
Century Paper and Board Mills		1,716,062	4,500	457,000	1,263,562	39,422	90,433	51,011	1.52	1.60	0.86
Packages Limited		214,013	19,000	104,400	128,613	39,540	44,656	5,116	0.75	0.79	0.14
						78,962	135,089	56,127	2.27	2.39	
Commerical banks											
Meezan Bank Limited		3,475,620	2,388,500	1,738,500	4,125,620	325,360	284,049	(41,311)	4.76	5.02	0.32
						325,360	284,049	(41,311)	4.76	5.02	
Textile composite											
Nishat Mills Limited		2,351,122	1,166,400	1,158,700	2,358,822	209,272	184,012	(25,260)	3.08	3.25	0.67
Kohinoor Textile Mills Limited		1,373,100	3,692,500	685,500	4,380,100	140,596	155,537	14,941	2.61	2.75	1.46
						349,868	339,549	(10,319)	5.69	6.00	
Power generation and distribution											
The Hub Pow er Company Limited		7,007,861	2,756,000	3,614,500	6,149,361	493,822	445,829	(47,993)	7.47	7.88	0.47
Saif Pow er Limited		1,902,000	1,939,904	21,500	3,820,404	71,640	61,394	(10,246)	1.03	1.09	0.99
Lalpir Pow er Limited		1,075,500	-	-	1,075,500	13,982	12,551	(1,431)	0.21	0.22	0.28
PakGen Pow er Limited		1,898,000	2,680,138	28,000	4,550,138	65,661	54,647	(11,014)	0.92	0.97	1.22
K-Electric Limited		8,969,736	705,937	9,055,000	620,673	2,704	1,868	(836)	0.03	0.03	0.00
						647,809	576,289	(71,520)	9.66	10.19	
Automobile parts and accessories											
Thal Limited (Face Value Rs. 5 per share)		274,650	231,322	72,700	433,272	152,621	140,787	(11,834)	2.36	2.49	0.53
						152,621	140,787	(11,834)	2.36	2.49	
Glass & ceramics											
Tariq Glass Industries Limited		68,700	1,252,500	1,321,200	-	-	-	-	-	-	-
						-	-	-	-	-	
Engineering											
Amreli Steels Limited		25,200	-	25,200	-	-	-	-	-	-	-
International Steels Limited		663	-	663	-	-	-	-	-	-	-
International Industries Limited		388,500	884,500	1,273,000	-	-	-	-	-	-	-
						-	-	-	-	-	

Name of investee company	Note	As at July 1, 2019	Purchased / bonus received during the year	Sold during the year	As at June 30, 2020	Total carrying value as at June 30, 2020	Total market value as at June 30, 2020	Unrealised gain / (loss) as at June 30, 2020	Market value as a percentage of net assets	Market value as a percentage of total value of Investment	Investment as a percentage of paid-up capital of investee company
-----Number of shares-----						-----Rupees in '000-----			-----Percentage-----		
Food and personal care products											
Al Shaheer Corporation		2,809,000	1,691,513	2,048,000	2,452,513	29,856	28,057	(1,799)	0.47	0.50	1.23
						29,856	28,057	(1,799)	0.47	0.50	
Pharmaceuticals											
The Searle Company Limited	5.1.2	384,718	370,200	325,000	429,918	82,953	85,653	2,700	1.44	1.51	0.20
Ferozsons Laboratories Limited		10,000	-	10,000	-	-	-	-	0.00	0.00	0.00
Highnoon Laboratories Limited		300	30	-	330	76	165	89	0.00	0.00	0.00
GlaxoSmithKline Consumer Healthcare Limited		-	20,000	-	20,000	5,588	5,434	(154)	0.09	0.10	0.02
						88,617	91,252	2,635	1.53	1.61	
Technology & communication											
Systems Limited		955,190	531,500	188,700	1,297,990	127,470	238,415	110,945	4.00	4.22	1.05
						127,470	238,415	110,945	4.00	4.22	
Refinery											
National Refinery Limited		86,500	-	86,500	-	-	-	-	-	-	-
						-	-	-	-	-	
Miscellaneous											
Syntethic Products Enterprises Limited		444,000	338,760	32,000	750,760	21,496	31,217	9,721	0.52	0.55	0.85
Pak Elektron Limited		500,000	-	500,000	-	-	-	-	-	-	-
						21,496	31,217	9,721	0.52	0.55	
Total June 30, 2020						5,426,435	5,654,694	228,259			
Total June 30, 2019						6,269,243	5,053,462	(1,215,781)			

5.1.1 These equity securities include 0.24 million shares (June 30, 2019: 0.24 million shares) pledged with the National Clearing Company of Pakistan Limited (NCCPL) having a market value of Rs. 110.15 million (June 30, 2019: Rs. 90.79 million) for guaranteeing settlement of the Funds trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

5.1.2 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance, 2001 as a result of which companies are liable to withhold five percent of the bonus shares to be issued. The shares so withheld shall only be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including the bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition has been filed by Collective Investment Schemes (CISs) through their Trustees in the Honourable High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule to the Income Tax Ordinance, 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the Honourable High Court of Sindh in favour of CISs.

During the year ended June 30, 2018, the Honourable Supreme Court of Pakistan (HSC) passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the last year. During the year, the CISs have filed a fresh constitutional petition vide CP 4653 dated July 11, 2019. In this regard, on July 15, 2019, the Honourable High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares, issued to the Funds in lieu of their investments, be created in the meantime. The matter is still pending adjudication and the Fund has included these shares in its portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the year were not withheld by the investee companies.

Below are the details of such shares as at June 30, 2020:

Name of the investee company	June 30, 2020		June 30, 2019	
	Bonus shares		Bonus shares	
	Number of shares	Market value	Number of shares	Market value
	Rupees in 000		Rupees in 000	
Pakistan State Oil Company Limited	9,709	1,536	8,091	1,370
The Searle Company Limited	59,600	11,874	59,600	8,730
	Note	2020	2019	
		----- (Rupees in '000) -----		
6 DIVIDEND AND PROFIT RECEIVABLE				
Dividend receivable		24,013	36,075	
Profit receivable on profit and loss sharing accounts	6.1	2,562	4,321	
		<u>26,575</u>	<u>40,396</u>	
6.1	These include profit due from a related party amounting to Rs. 2.554 million (June 30, 2019: Rs. 4.32 million).			
		2020	2019	
		----- (Rupees in '000) -----		
7 SECURITY DEPOSITS AND OTHER RECEIVABLES				
Security deposit with National Clearing Company of Pakistan Limited		2,500	2,500	
Security deposit with Central Depository Company of Pakistan Limited		100	100	
		<u>2,600</u>	<u>2,600</u>	
8 ADVANCE TAX				
The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the Ordinance) from withholding of tax under section 150, 150A, 151 and 233 of the Ordinance. The Federal Board of Revenue (FBR) through 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 Ordinance from Commissioner Inland Revenue (CIR). Prior to receiving the tax exemption certificates from CIR, various withholding agents have deducted advance tax under section 151 of the Ordinance. The management is confident that the same shall be refunded in future years.				
	Note	2020	2019	
		----- (Rupees in '000) -----		
9 PAYABLE TO UBL FUND MANAGERS LIMITED - THE MANAGEMENT COMPANY				
Remuneration payable to the Management Company	9.1	10,108	9,235	
Sindh sales tax on remuneration payable to the Management Company	9.2	1,314	1,201	
Allocated expenses payable	9.3	1,036	461	
Sales load and conversion charges		7,721	473	
Shariah advisor fee		350	204	
Selling and marketing expenses	9.4	29,253	5,892	
		<u>49,782</u>	<u>17,466</u>	
9.1	The Management Company has charged its remuneration at the rate of 2% per annum of the average daily net assets during the year (June 30, 2019: 2% per annum of the average daily net assets). The remuneration is payable to the Management Company monthly in arrears.			

- 9.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (2019: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.
- 9.3** In accordance with Regulation 60 of the NBFC Regulations, an asset management company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

Until June 19, 2019 there was a maximum cap of 0.1% per annum of the average annual net assets of the scheme or actual whichever is less, for allocation of such expenses to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 has removed the maximum cap of 0.1%.

Accordingly, the Management Company has currently fixed a maximum capping of 0.1% per annum of the average annual net assets of the scheme for allocation of such expenses to the Fund.

- 9.4** The SECP had allowed an asset management company to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e. from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expenses was 0.4% per annum of the average annual net assets of the Fund or actual expenses whichever is lower.

During the year, the SECP through its circular 11 dated July 5, 2019 has revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% has been removed and now an asset management company is required to set a maximum limit for charging such expenses to the Fund and the same should be approved by the Board of Directors of the management company as part of an annual plan. Furthermore, the time limit of three years has also been removed in the revised condition.

Accordingly, the Management Company has charged selling and marketing expenses to the Fund as follows:

From July 1, 2019 till December 7, 2019	0.4% per annum of average daily net assets
From December 8, 2019 till April 8, 2020	1.03% per annum of average daily net assets
From April 9, 2020 till June 30, 2020	2.03% per annum of average daily net assets

10	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE	Note	2020 ----- (Rupees in '000) -----	2019
	Remuneration payable to the Trustee	10.1	587	543
	Sindh sales tax on Trustee remuneration	10.2	76	71
			<u>663</u>	<u>614</u>

- 10.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as follows:

Previous Tariff		Revised Tariff (Flat Rate)
Net Assets (Rs.)	Fee	
Up to Rs. 1 billion	Rs. 0.7 million or 0.20% per annum of net assets, whichever is higher	0.065% per annum of net assets
Exceeding Rs. 1 billion	Rs. 2 million plus 0.10% per annum of net assets	

- 10.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (2019: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

11	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2020 ----- (Rupees in '000) -----	2019
	Annual fee payable	11.1	<u>1,155</u>	<u>6,546</u>

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

Effective from July 1, 2019, the SECP vide SRO No. 685(I)/2019 dated June 28, 2019, revised the rate of annual fee (applicable to all categories of CISs) to 0.02% per annum of the average annual net assets of the Fund. Previously, the rate of annual fee applicable to equity funds was 0.095% per annum of the average annual net assets. Accordingly, the Fund has charged the SECP fee at the rate of 0.02% per annum of the average annual net assets during the current year.

12	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2020	2019
			----- (Rupees in '000) -----	
	Auditors' remuneration		330	328
	Sales load payable		1,163	188
	Tax deduction at source		3,818	-
	Zakat deducted at source		531	1,204
	Commission payable		9,688	3,248
	Capital gain tax payable		2,179	723
	Charity payable	12.1	3,818	2,795
	Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	12.2	5,081	5,081
	Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the Management Company	12.2	54,504	54,504
	Provision for Sindh Workers' Welfare Fund	12.3	70,858	63,333
	Dividend payable		1,381	-
	Payable against redemption and conversion of units		51,607	-
	Others		110	70
			<u>205,068</u>	<u>131,474</u>

12.1 According to the instructions of the Shariah Advisory Board of the Fund, any income earned by the Fund from investments / portion of investments made in non shariah compliant avenues should be donated for charitable purposes directly by the Fund. An amount of Rs. 5.58 million (2019: Rs. 4.81 million) has been recognised by the Fund as charity expense in these financial statements.

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 54.504 million (June 30, 2019: Rs. 54.504 million) in respect of remuneration of the Management Company is being retained in these financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the Net Asset Value of the Fund as at June 30, 2020 would have been higher by Rs 1.09 per unit (June 30, 2019: Rs 1.11 per unit).

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

Had the provision for SWWF not been recorded in the financial statements of the Fund for the year, the net asset value per unit of the Fund as at June 30, 2020 would have been higher by Rs 1.42 per unit (June 30, 2019: Rs 1.29 per unit).

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2020 and as at June 30, 2019.

	2020	2019
	----- Number of units -----	
14 NUMBER OF UNITS IN ISSUE		
Total units in issue at the beginning of the year	49,096,297	51,231,359
Units issued during the year	54,667,077	29,204,792
Units redeemed during the year	(53,856,932)	(31,339,854)
Total units in issue at the end of the year	<u>49,906,442</u>	<u>49,096,297</u>

14.1 The par value of each unit is Rs. 100. The Management Company has set a minimum investment of Rs. 500.

14.2 All units carry equal rights and are entitled to dividend and share in the net asset value of the Fund.

	2020	2019
	----- (Rupees in '000) -----	
15 AUDITORS' REMUNERATION		
Annual audit fee	199	199
Half yearly review	133	133
Review of compliance with the requirements of the Code of Corporate Governance	35	35
Other certifications	44	44
Out of pocket expenses and Sindh sales tax	70	89
	<u>481</u>	<u>500</u>

16 TAXATION

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 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2020 to the unit holders as explained above, no provision for taxation has been made in these financial statements during the year.

17 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these financial statements as in the opinion of the Management Company, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

18 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the year ended June 30, 2020 is 4.04% (June 30, 2019: 3.25%) which includes 0.46% (June 30, 2019: 0.39%) representing government levies on the Fund such as sales taxes, Sindh Workers' Welfare Fund, annual fee payable to the SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for collective investment scheme categorised as an equity fund.

19 FINANCIAL INSTRUMENTS BY CATEGORY

The financial assets and liabilities carried on the Statement of Assets and Liabilities are categorised as follows:

Particulars	As at June 30, 2020		
	At amortised cost	At fair value through profit or loss	Total
Rupees in '000			
Financial assets			
Bank balances	470,602	-	470,602
Investments - net	-	5,654,694	5,654,694
Dividend and profit receivable	26,575	-	26,575
Security deposits and other receivables	2,600	-	2,600
Receivable against sale of investments	66,022	-	66,022
	<u>565,799</u>	<u>5,654,694</u>	<u>6,220,493</u>
Financial liabilities			
Payable to UBL Fund Managers Limited - Management Company	49,782	-	49,782
Payable to Central Depository Company of Pakistan Limited - Trustee	663	-	663
Accrued expenses and other liabilities	73,178	-	73,178
	<u>123,623</u>	<u>-</u>	<u>123,623</u>

Particulars	As at June 30, 2019		
	At amortised cost	At fair value through profit or loss	Total
Rupees in '000			
Financial assets			
Bank balances	425,816	-	425,816
Investments - net	-	5,053,462	5,053,462
Dividend and profit receivable	40,396	-	40,396
Security deposits and other receivables	2,600	-	2,600
Receivable against sale of investments	7,397	-	7,397
	<u>476,209</u>	<u>5,053,462</u>	<u>5,529,671</u>
Financial liabilities			
Payable to UBL Fund Managers Limited - Management Company	17,466	-	17,466
Payable to Central Depository Company of Pakistan Limited - Trustee	614	-	614
Accrued expenses and other liabilities	6,629	-	6,629
Payable against purchase of investment	96	-	96
	<u>24,805</u>	<u>-</u>	<u>24,805</u>

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's overall risk management programme seeks to maximise the returns derived for the level of risks to which the Fund is exposed and seeks to minimise potential adverse effects on the Fund's financial performance.

Risks of the Fund are being managed by the Fund manager in accordance with the approved policies of the Investment Committee which provides broad guidelines for management of risk pertaining to market risks (including price risk and profit rate risk) credit risk and liquidity risk. Further, the overall exposure of the Fund complies with the NBFC Regulations and the directives issued by the SECP.

The Fund primarily invests in a portfolio of equity securities of listed companies. The Fund's activities expose it to market risk (including currency risk, profit rate risk and price risk), credit risk and liquidity risk.

20.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal risk management policies and investment guidelines approved by the Investment Committee and the regulations laid down by the SECP.

Market risk comprises of three types of risks: currency risk, profit rate risk and price risk.

20.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. At present, the Fund has no exposure to currency risk as there are no financial assets or financial liabilities denominated in foreign currencies.

20.1.2 Profit rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits. As of June 30, 2020, the Fund is exposed to such risk on its balances held with banks.

a) Sensitivity analysis for variable rate instruments

An increase / decrease of 100 basis points in profit rates on the last repricing date, with all other variables held constant, would have increased / decreased the net income / loss for the year and the net assets of the Fund by Rs 3.882 million (2019: Rs 3.748 million).

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2020, the Fund does not hold any fixed rate instrument that may expose the Fund to fair value profit rate risk.

The composition of the Fund's investment portfolio and the KIBOR rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2020 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 financial instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2020 can be determined as follows:

2020					
Effective yield / profit rate (%)	Exposed to yield / profit rate risk			Not exposed / yield to profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		
----- (Rupees in '000) -----					

On-balance sheet financial instruments

Financial assets

Bank balances	2.31% - 7%	388,150	-	-	82,452	470,602
Investments - net		-	-	-	5,654,694	5,654,694
Dividend and profit receivable		-	-	-	26,575	26,575
Security deposits and other receivables		-	-	-	2,600	2,600
Receivable against sale of investments		-	-	-	66,022	66,022
		388,150	-	-	5,832,343	6,220,493

Financial liabilities

Payable to UBL Fund Managers Limited - the Management Company		-	-	-	49,782	49,782
Payable to Central Depository Company of Pakistan Limited - the Trustee		-	-	-	663	663
Accrued expenses and other liabilities		-	-	-	73,178	73,178
		-	-	-	123,623	123,623

On-balance sheet gap (a)

388,150	-	-	5,708,720
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Off-balance sheet financial instruments

-	-	-	-
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Off-balance sheet gap (b)

-	-	-	-
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Total profit rate sensitivity gap (a+b)

388,150	-	-	5,708,720
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Cumulative profit rate sensitivity gap

388,150	388,150	388,150
---------	---------	---------

2019					
Effective yield / profit rate (%)	Exposed to yield / profit rate risk			Not exposed / yield to profit rate risk	Total
	Upto three months	More than three months and up-to one year	More than one year		

(Rupees in '000)

On-balance sheet financial instruments**Financial assets**

Bank balances	6.2% - 12.25%	374,838	-	-	50,978	425,816
Investments - net		-	-	-	5,053,462	5,053,462
Dividend and profit receivable		-	-	-	40,396	40,396
Security deposits and other receivables		-	-	-	2,600	2,600
Receivable against sale of investments					7,397	7,397
		374,838	-	-	5,154,833	5,529,671

Financial liabilities

Payable to UBL Fund Managers Limited - Management Company		-	-	-	17,466	17,466
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	614	614
Accrued expenses and other liabilities		-	-	-	6,629	6,629
Payable against purchase of investment		-	-	-	96	96
		-	-	-	24,805	24,805

On-balance sheet gap (a)

374,838	-	-	5,130,028	5,504,866
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Off-balance sheet financial instruments

-	-	-	-	-
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Off-balance sheet gap (b)

-	-	-	-	-
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Total profit rate sensitivity gap (a+b)

374,838	-	-	5,130,028	
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Cumulative profit rate sensitivity gap

374,838	374,838	374,838		
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20.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market.

The Fund is primarily exposed to equity price risk because of investments held and classified by the Fund on the statement of assets and liabilities as 'financial assets at fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the Fund's constitutive documents. The Fund's constitutive documents / NBFC Regulations also limit investment in individual equity securities to not more than 15% of its net assets, or 15% of the issued capital of the investee company and the sector exposure limit to 35% of net assets.

In case of 5% increase / decrease in KMI 30 index on June 30, 2020, with all other variables held constant, the total income of the Fund for the year would increase / decrease by Rs. 282.735 million (2019: Rs.252.673 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as financial assets at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents the management's best estimate of a reasonable possible shift in the KMI-30 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI-30 Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2020 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI-30 Index.

20.2 Credit risk

20.2.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

	2020		2019	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- (Rupees in '000) -----				
Bank balances	470,602	470,602	425,816	425,816
Investments - net	5,654,694	-	5,053,462	-
Dividend and profit receivable	26,575	26,575	40,396	40,396
Security deposits and other receivables	2,600	2,600	2,600	2,600
Receivable against sale of investments	66,022	66,022	7,397	7,397
	<u>6,220,493</u>	<u>565,799</u>	<u>5,529,671</u>	<u>476,209</u>

The difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investment in equity securities of Rs. 5,654.694 million (June 30, 2019: Rs 5,053.462 million) is not exposed to credit risk as the transactions are done through PSX and settled through centralised clearing system.

20.2.2 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks and profit accrued on bank balances, dividend receivable and receivable against sale of units and against investments. For banks and financial institutions, the Fund keeps deposits with reputed financial institutions with reasonably high credit ratings. Credit risk on account of dividend receivable is minimal due to statutory protection. All transactions in listed securities are settled / paid for upon delivery using the system of National Clearing Company of Pakistan Limited. The risk of default in these transactions is considered minimal due to inherent systematic measures taken therein.

The credit rating profile of balances with banks is as follows:

Name of bank	Balances held by the Fund as at June 30, 2020	Latest available published rating as at June 30, 2020	Rating Agency
(Rupees in '000)			
Al Baraka Bank (Pakistan) Limited	51	A	PACRA
Bank Alfalah Limited	78,320	AA+	PACRA & VIS
Bank Al Habib	5,000	AA+	PACRA
Dubai Islamic Bank Pakistan Limited	66	AA	VIS
Meezan Bank Limited	24	AA+	VIS
United Bank Limited	383,424	AAA	VIS
Habib Metropolitan Bank Limited	40	AA+	PACRA
BankIslami Pakistan Limited	41	A+	PACRA
National Bank of Pakistan	61	AAA	PACRA
MCB Bank Limited	3,565	AAA	PACRA
Allied Bank Limited	10	AAA	PACRA
	<u>470,602</u>		

20.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Funds portfolio of financial assets is mainly held with credit worthy counterparties thereby mitigating any credit risk.

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. These unit holders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the Statement of Movement in Unit Holders' Fund.

The Fund's objectives when managing unit holders' fund are to safeguard the Fund's ability to continue as a going concern in order to provide returns for the benefits of the unit holders to maintain a strong base of assets to support the development of the investment activities of the Fund and to meet unexpected losses or opportunities. As required under the NBFC Regulations, every open end scheme shall maintain minimum fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of scheme. In order to comply with the requirement and to maintain or adjust the Unit Holders' Fund, the Fund's policy is to monitor the level of daily issuance and redemptions relative to the liquid assets and adjust the amount of distributions the Fund pays to the unit holders and to redeem and issue units in accordance with the constitutive documents of the Fund which includes the Fund's ability to restrict redemptions.

The fund manager, Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of 'Assets under Management'. The Board of Directors is updated regarding key performance indicators such as yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current year.

22 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date. Consequently, differences can arise between carrying value and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

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

22.1 Fair value hierarchy

International Financial Reporting Standard (IFRS) 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

As at June 30, 2020, the Fund held the following financial instruments measured at fair values:

As at June 30, 2020			
Level 1	Level 2	Level 3	Total
Rupees in '000-----			
ASSETS			
Investment in securities - financial assets 'at fair value through profit or loss'			
Equity securities	5,654,694	-	-
	5,654,694	-	5,654,694
As at June 30, 2019			
Level 1	Level 2	Level 3	Total
Rupees in '000-----			
ASSETS			
Investment in securities - financial assets 'at fair value through profit or loss'			
Equity securities	5,053,462	-	-
	5,053,462	-	5,053,462

23 LIST TOP TEN BROKERS / DEALERS BY PERCENTAGE OF THE COMMISSION PAID**June 30, 2020
(Percentage)**

1	Taurus Securities Limited	12.16
2	Insight Securities (Private) Limited	8.97
3	Alfalah CLSA Securities (Private) Limited	6.19
4	Habib Metropolitan Financial Services Limited	5.62
5	Foundation Securities (Private) Limited	5.43
6	BMA Capital Management Limited	4.71
7	Aba Ali Habib Securities (Private) Limited	4.40
8	Optimus Capital Management (Private) Limited	3.86
9	NAEL Capital (Private) Limited	3.75
10	DJM Securities (Private) Limited	3.72

**June 30, 2019
(Percentage)**

1	Foundation Securities (Private) Limited	8.16
2	Taurus Securities Limited	5.31
3	AFS Securities Limited	4.71
4	BMA Capital Management Limited	4.58
5	ADAM Securities Limited	4.44
6	Insight Securities (Private) Limited	4.36
7	Topline Securities (Private) Limited	4.26
8	DJM Securities (Private) Limited	4.20
9	Multiline Securities (Private) Limited	4.12
10	Habib Metropolitan Financial Services Ltd	4.04

24 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Details of the members of the investment committee of the Fund as at June 30, 2020 are as follows:

S. No.	Name	Designation	Experience in years	Qualification
1	Mr. Yasir Qadri	Chief Executive Officer	24	MBA
2	Mr. Syed Suleman Akhtar	Chief Investment Officer	19	CFA, MBA
3	Mr. Muhammad Imran	Head of Investment Advisory	20	MBA
4	Mr. Irfan Nepal	Chief Dealer and Fund Manager	26	EMBA
5	Mr. Hadi Hassan Mukhi	Head of Compliance	20	BCOM
6	Mr. Syed Shabbir Sardar Zaidi	Fund Manager and Senior Analyst	11	MAS, CFA
7	Mr. Syed Sheeraz Ali	Fund Manager and Senior Analyst	10	MBA
8	Mr. Mubashir Anis	Fund Manager Equity	8	BS, CFA
9	Mr. Muhammad Waseem	Head Research	6	BBA, CFA

24.1 The name of the Fund Manager is Mr. Shabbir Sardar Zaidi. Other funds being managed by the Fund Manager are as follows:

- Al - Ameen Islamic Sovereign Fund
- Al - Ameen Islamic Asset Allocation Fund
- Al - Ameen Islamic Dedicated Equity Fund
- Al - Ameen Islamic Energy Fund
- Al - Ameen Islamic Financial Planning Fund - II
- Al - Ameen Islamic Financial Planning Fund - III
- Al - Ameen Islamic Retirement Savings Fund

25 PATTERN OF UNIT HOLDERS

Category	As at June 30, 2020		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total
Individuals	9,232	2,310,329	38.72
Associated companies and directors	7	22,239	0.37
Insurance companies	3	388,586	6.51
Retirement funds	32	3,043,897	51.01
Public limited companies	6	63,655	1.07
Others	19	138,352	2.32
	<u>9,299</u>	<u>5,967,058</u>	<u>100.00</u>

Category	As at June 30, 2019		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total
Individuals	9,773	1,971,672	36.67
Associated companies and directors	6	16,466	0.31
Insurance companies	5	360,188	6.70
Retirement funds	39	2,522,283	46.91
Public limited companies	9	267,177	4.97
Others	30	238,922	4.44
	<u>9,862</u>	<u>5,376,708</u>	<u>100.00</u>

26 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

- 26.1** Connected persons include United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (Management Company) and funds under its management, Al-Ameen Islamic Financial Services (Private) Limited (subsidiary of the Management Company), entities under common management or directorships, Central Depository Company of Pakistan Limited (Trustee), directors and officers of the Management Company and unit holders owning 10% or more of the net assets of the Fund.
- 26.2** Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 26.3** Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 26.4** Remuneration of the Trustee is determined in accordance with the provisions of the Trust Deed.
- 26.5** Accounting and operational charges and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.
- 26.6** The details of the transactions with connected persons during the year and balances held with them at year end are as follows:

Particulars	Management Company	Associated companies and others *	Trustee	Funds under Common Management	Directors and Key Executives **	Other connected persons / related parties ***
Year ended June 30, 2020						
(Units in '000)						
Transactions during the year						
Units issued	346	-	-	-	111	2,866
Units redeemed	346	-	-	-	62	-

Particulars	Management Company	Associated companies and others *	Trustee	Funds under Common Management	Directors and Key Executives **	Other connected persons / related parties ***
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Year ended June 30, 2020

(Rupees in '000)

Profit on savings accounts	-	45,504	-	-	-	-
Bank charges and other charges	-	104	-	-	-	-
Value of units issued	35,000	-	-	-	13,505	352,369
Value of units redeemed	41,228	-	-	-	7,853	-
Remuneration (including sales tax)	130,569	-	7,652	-	-	-
Shariah advisor fee	350	-	-	-	-	-
Allocated expenses	5,777	-	-	-	-	-
Selling and marketing expenses	59,349	-	-	-	-	-
CDS expense	-	-	150	-	-	-

As at June 30, 2020

Balances held

(Units in '000)

Units held	-	-	-	-	186	22,321
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(Rupees in '000)

Value of units held	-	-	-	-	22,239	2,668,866
Bank balances	-	383,424	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable	-	2,554	-	-	-	-
Remuneration payable (including sales tax)	11,422	-	663	-	-	-
Sales load payable	7,502	1,160	-	-	-	-
Allocated expenses payable	1,036	-	-	-	-	-
Shariah advisor fee payable	350	-	-	-	-	-
Selling and marketing expenses	29,253	-	-	-	-	-
Other payable	219	-	-	-	-	-

Particulars	Management Company	Associated companies and others *	Trustee	Funds under Common Management	Directors and Key Executives **	Other connected persons / related parties ***
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Year ended June 30, 2019

Transactions during the year

(Units in '000)

Units issued	311	-	-	-	96	5,431
Units redeemed	311	-	-	-	123	-

Particulars	Management Company	Associated companies and others *	Trustee	Funds under Common Management	Directors and Key Executives **	Other connected persons / related parties ***
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Year ended June 30, 2019

(Rupees in '000)

Profit on savings accounts	-	51,840	-	-	-	-
Bank charges and other charges	-	159	-	-	-	-
Value of units issued	40,000	-	-	-	12,072	700,000
Value of units redeemed	41,678	-	-	-	15,677	-
Remuneration (including sales tax)	155,724	-	8,916	-	-	-
Shariah advisor fee	350	-	-	-	-	-
Allocated expenses	6,891	-	-	-	-	-
Selling and marketing expenses	27,562	-	-	-	-	-
CDS expense	-	-	326	-	-	-

As at June 30, 2019

Balances held

(Units in '000)

Units held	-	-	-	-	150	14,660
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Particulars	Management Company	Associated companies and others *	Trustee	Funds under Common Management	Directors and Key Executives **	Other connected persons / related parties ***
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As at June 30, 2019

(Rupees in '000)

Value of units held	-	167,005	-	-	16,427	1,605,468
Bank balances	-	371,113	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable	-	4,320	-	-	-	-
Remuneration payable (including sales tax)	10,418	-	614	-	-	-
Sales load payable	307	186	-	-	-	-
Allocated expenses payable	461	-	-	-	-	-
Shariah advisor fee payable	204	-	-	-	-	-
Selling and Marketing expenses payable	5,892	-	-	-	-	-
Other payable	184	-	-	-	-	-

* This represents Parent (including the related subsidiaries of the Parent) of the Management Company, associated companies / undertakings of the Management Company.

** These include transactions and balances in relation to those directors and key executives that existed as at year end. However, it does not include the transactions and balances if the director and key executive has resigned from the Management Company during the year.

*** These include unit holders having 10% or more holding in each year.

27 MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and attendance of its members are given below:

Particulars	Aug 30, 2019	Sept 17, 2019	Oct 19, 2019	Dec 9, 2019	Feb 25, 2020	Apr 20, 2020	Total meetings attended
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Directors:

Mr. Arif Akmal Saifie *	-	-	-	-	-	Yes	1
Mr. Azhar Hamid	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Imran Sarwar	Yes	Yes	Yes	Yes	No	Yes	5
Mr. Yasir Qadri	Yes	Yes	Yes	Yes	Yes	Yes	6
Ms. Naz Khan **	Yes	Yes	Yes	Yes	Yes	Yes	6
Ms. Sadia Saeed	No	Yes	Yes	Yes	Yes	Yes	5
Syed Furrugh Zaeem	Yes	Yes	Yes	Yes	No	Yes	5
Mr. Tauqeer Mazhar ***	Yes	Yes	Yes	Yes	-	-	4

Key Executives:

Mr. Bilal Javaid ****	-	-	-	Yes	Yes	Yes	3
Mr. Umair Ahmed	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. S.M. Aly Osman *****	Yes	Yes	Yes	-	-	-	3

* Mr. Arif Akmal Saifie was appointed as the Director with effect from March 20, 2020

** Ms. Naz Khan resigned as the Director with effect from July 20, 2020

*** Mr. Tauqeer Mazhar resigned as the Director with effect from January 30, 2020

**** Mr. Bilal Javaid appointed as the Company Secretary with effect from February 25, 2020

***** Mr. S.M. Aly Osman resigned as the Company Secretary with effect from November 30, 2019

28 GENERAL

28.1 Rounding off

Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

28.2 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

28.3 Operational risk management

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

The Management Company has made an assessment of Covid-19 on the credit risk and liquidity risk and believes that there is no significant impact on the Fund.

28.4 CORRESPONDING FIGURES

Comparative figures have been re-arranged and re-classified in these financial statements, wherever necessary, for the purpose of better presentation and disclosure. There have been no significant reclassifications in these financial statements, except as follows:

Reclassification from the statement of assets and liabilities	Reclassification to the statement of assets and liabilities	For the year ended June 30, 2019
-- Rupees in 000		

Security deposits and other receivables	Bank balances	5,229
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29 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on September 24, 2020 by the Board of Directors of the Management Company.

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AIDEF

Al-Ameen Islamic Dedicated Equity Fund

INVESTMENT OBJECTIVE

The investment objective of the Fund is to provide other 'Fund of Funds' schemes an avenue for investing in Shariah compliant Equities.

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	Deloitte Yousuf Adil & Co., Chartered Accountants
Bankers	Bank Alfalah Limited Faysal Bank Limited Bank Islami Pakistan Limited Allied Bank Limited Habib Metropolitan Bank Limited National Bank of Pakistan United Bank Limited Dubai Islamic Bank
Management Co. Rating	AM 1 -VIS

Fund Manager's Report – Al-Ameen Dedicated Equity Fund (AIDEF)

- i) **Description of the Collective Investment Scheme category and type**
Islamic Equity / Open-end
- ii) **Statement of Collective Investment Scheme's investment objective**
The investment objective of the Fund is to provide other 'Fund of Funds' schemes an avenue for investing in Shariah compliant Equities.
- 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**
KMI-30 Index
- v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AIDEF	-6.45%	-8.87%	8.89%	10.36%	13.77%	4.17%	2.62%	-8.32%	-24.31%	24.50%	0.29%	0.84%	8.87%
Benchmark	-6.56%	-8.59%	10.65%	9.17%	12.31%	5.29%	1.58%	-11.39%	-24.20%	23.26%	-0.64%	-0.32%	1.62%

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

The investment objective of the Fund is to provide other 'Fund of Funds' schemes an avenue for investing in Shariah compliant Equities. The fund manager maintained major exposure at around 80% of total assets in local equities at the end of FY20. The fund was invested in Oil & Gas Exploration (25%), Fertilizer (15%) and Cements (10%) sectors. The fund yielded return of 8.87% for FY20 as compared to benchmark return of 1.62%.

- 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-19	Jun-20
Equities	93%	80%
Sukuks	0%	0%
GoP Ijarah Sukuk	0%	0%
Cash	6%	18%
Others	1%	2%
Leverage	0%	0%

viii) **Analysis of the Collective Investment Scheme's performance**

FY'20 Return:	8.87%
Standard Deviation (12m trailing):	28.13%
Sharpe Ratio (12m trailing):	(0.12)

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			NAV per unit		
30-Jun-20	30-Jun-19	Change	30-Jun-20	30-Jun-19	Change
Rupees (000)		%	Rupees		%
416,749	4,657,059	(91.05)	104.54	96.02	8.87

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

Stock Market Review for FY20

Please refer the relevant note in Directors' report.

xi) **Disclosure on distribution (if any), comprising:-**

During the year no distribution has been made.

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
	AIDEF
0.0001 - 9,999.9999	1
10,000.0000 - 49,999.9999	1
50,000.0000 - 99,999.9999	0
100,000.0000 - 499,999.9999	3
500,000.0000 & Above	1
Total	7

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

There were no unit splits during the period.

xv) Disclosure of circumstances that materially affect any interests of unit holders

Investment are subject to credit and market risk.

xvi) 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.

xvii) Summary of Actual Proxy Voted By the Fund:-

	Resolutions	For	Against	Abstain*
Number	4	4	-	-
Percentage	100%	100%	-	-

*Reasons for abstaining shall be disclosed (if applicable).

2. Details where Management Company did not participate in investee company's shareholders meetings (if applicable)

3. The proxy voting policy of the Fund is available on the website of UBL Fund Managers Limited (Management Company) and detailed information regarding actual proxies voted by the Management Company in respect of the Fund is also available without charge, upon request, to all unit holders.

PERFORMANCE TABLE**AI - Ameen Islamic Dedicated Equity Fund**

	2020	2019	2018
NET ASSETS AS AT 30 JUNE - Rupees in '000	416,749	4,657,059	11,196,638
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *			
Class A Units - Offer	104.54	96.02	115.94
- Redemption	104.54	96.02	115.94
RETURN OF THE FUND - %			
One Year	8.87	(17.18)	(13.30)
Capital Growth (per unit)	8.87	(17.18)	(9.95)
Date of Income Distribution	-	-	-
Income Distribution	-	-	-
Date of Income Distribution	-	-	-
Income Distribution	-	-	-
AVERAGE ANNUAL RETURN - %			
One Year	8.87	(17.18)	(13.30)
Second Year	(4.16)	(15.24)	6.77
Third Year	(7.20)	(1.22)	7.84
Since inception	3.04	1.58	7.84
OFFER / REPURCHASE DURING THE YEAR - Rupees *			
Highest price per unit - Class A - Offer	121.9975	119.2419	135.2520
Highest price per unit - Class A - Redemption	121.9975	119.2419	135.2520
Lowest price per unit - Class A - Offer	77.3768	93.5137	108.2259
Lowest price per unit - Class A - Redemption	77.3768	93.5137	108.2259

PORTFOLIO COMPOSITION

Percentage of Net Assets as at 30 June

PORTFOLIO COMPOSITION BY CATEGORY - %

Bank Balances	18.00	6.00	8.00
Equity securities	80.00	93.00	89.00
others	2.00	1.00	3.00

PORTFOLIO COMPOSITION BY MARKET - %

Equity market	100.00	100.00	100.00
Debt market			

Note:

- The Launch date of the Fund is 4 January 2016

DISCLAIMER

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

Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahr-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcPakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AL-AMEEN ISLAMIC DEDICATED EQUITY 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 Dedicated Equity 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, 2020 in accordance with the provisions of the following:

- (i) 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.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 17, 2020

REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the Fund are issuing this report in accordance with the rules and regulations. 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 AIDEF in light of Shariah requirements. The following is a list of top equity investments of AIDEF as on 30 June 2020 and their evaluation according to the screening criteria established by us.

AIDEF			Interest Bearing Debt to Total Assets	Non-Compliant Investments to Total Assets	Non-Compliant Income to Total Revenue	Illiquid Assets to Total Assets	Net Liquid Assets to Share Price (A/B)	
Sr.No.	Top Equity Scrip Holdings	Nature of Business	<37%	<33%	<5%	>25%	A	B
1	Mari Petroleum Co. Ltd.	Explorer/Producer of Oil	0%	9%	4%	8%	463.4	1,413.0
2	Engro Corporation	Manufacturer of Chemicals	23%	14%	5%	49%	(93.8)	300.0
3	Oil And Gas Development Co. Ltd.	Explorer/Producer of Oil	0%	16%	6%	16%	125.9	115.7
4	Lucky Cement Co. Ltd.	Manufacturer of Cement	31%	1%	0%	72%	(242.5)	607.6
5	The Hub Power Co. Ltd.	Generator of Electricity	33%	19%	1%	34%	(6.9)	83.6
6	Pak Petroleum Ltd.	Explorer/Producer of Oil	0%	0%	1%	30%	54.2	100.6
7	Kohat Cement Co. Ltd.	Manufacturer of Cement	22%	1%	0%	83%	(35.5)	170.2
8	Engro Fertilizer Ltd.	Manufacturer of Fertilizers	23%	10%	1%	69%	(31.6)	62.2
9	Systems Ltd.	Technology & Communication	10%	8%	1%	19%	38.0	210.4
10	Pkt. Oilfields Ltd.	Explorer/Producer of Oil	0%	0%	6%	13%	100.5	437.1

In light of the above, we hereby certify that all the provisions of the Scheme and investments made on accounts of AIDEF 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 AIDEF for the year ended 30 June 2020 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 AIDEF 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 a charity such proportion of the income from investee companies in order to purify the earning of the Fund.

During the year, an amount of PKR 1,831,511 has been recognized as charity.



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



Mufti Muhammad Hassamul Haqueem
Member, Shariah Advisory Committee

KARACHI:
DATE: 26 August 2020



Mufti Muhammad Najeem Khan
Member, Shariah Advisory Committee

UBL Fund Managers Limited
Corporate Office
8th Floor, Executive Tower, Dolmen City Building,
Block 4, Clifton, Karachi, Pakistan.
Tel: (+9221) 35290080-95 Fax: (+9221) 35290070
info@alameenfunds.com

www.alameenfunds.com

Operations Office
4th Floor, STSM Building, Beaumont Road,
Civil Lines, Karachi, Pakistan.
Tel: (+9221) 111-825-262 Fax: (+9221) 35822798

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STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 BY UBL FUND MANAGERS LIMITED

NAME OF FUND: AL AMEEN ISLAMIC DEDICATED EQUITY FUND

YEAR ENDED: JUNE 30, 2020

The Securities and Exchange Commission of Pakistan (SECP) has exempted open-end collective investment schemes from the requirements of the Listed Companies (Code of Corporate Governance) Regulations (the Regulations). However, the Board of Directors (the Board) of UBL Fund Managers Limited [the Management Company of Al Ameen Islamic Dedicated Equity Fund (the Fund)], for the purpose of establishing a framework of good governance has voluntarily opted to comply with the relevant provisions of the Regulations.

The Management Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven as per the following:
 - a. Male: Five Directors; and
 - b. Female: Two Directors.
2. The composition of the Board is as follows:

Category	Name
Independent Directors	Mr. Azhar Hamid Ms. Naz Khan*
Executive Directors	Mr. Yasir Qadri
Non-Executive Directors	Mr. Imran Sarwar Ms. Sadia Saeed Mr. Arif Akmal Saifie** Syed Furrukh Zaeem
Female Director	Ms. Naz Khan* Ms. Sadia Saeed

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including the Management Company.
4. 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.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Management Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Management Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.



8. The Board has a formal policy and transparent procedures for remuneration of its directors in accordance with the Act and these Regulations.
9. The following directors and executives have acquired the prescribed Directors' Training Program (DTP) certification:

Directors

- a. Mr. Imran Sarwar
- b. Mr. Yasir Qadri
- c. Ms. Naz Khan
- d. Ms. Sadia Saeed
- e. Syed Furrukh Zaeem

Executives

- a. Mr. Amin Gulamani (Head of Human Resources)
 - b. Mr. Hadi Hassan Mukhi (Head of Compliance and Risk)
 - c. Mr. Umair Ahmed (Chief Financial Officer)
 - d. Mr. Zeeshan Quddus (Chief Business Development Officer)
10. The Board has approved appointment of the Chief Financial Officer (CFO), the Company Secretary and the Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations.
 11. The Chief Executive Officer (CEO) and CFO duly endorsed the financial statements of the Fund before approval of the Board.
 12. The Board has formed committees comprising of members given below.

Board Audit Committee

Name	Designation	Type of Directorship
Ms. Naz Khan*	Chairman	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Imran Sarwar	Member	Non-Executive Director
Ms. Sadia Saeed	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director

Board Human Resource and Compensation Committee

Name	Designation	Type of Directorship
Mr. Azhar Hamid	Chairman	Independent Director
Mr. Yasir Qadri	Member	Executive Director
Ms. Naz Khan*	Member	Independent Director
Ms. Sadia Saeed	Member	Non-Executive Director
Syed Furrukh Zaeem	Member	Non-Executive Director

Board Risk and Compliance Committee

Name	Designation	Type of Directorship
Mr. Imran Sarwar	Chairman	Non-Executive Director
Mr. Azhar Hamid	Member	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director
Mr. Yasir Qadri	Member	Executive Director
Syed Furrugh Zaeem	Member	Non-Executive Director

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

*** Mr. Tauqeer Mazhar resigned as a director from January 30, 2020

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
14. The frequency of meetings of the committees was as follows:
 - a. The Board Audit Committee: quarterly - six meetings held
 - b. The Board Human Resource and Compensation Committee: quarterly - five meetings held
 - c. The Board Risk and Compliance Committee: quarterly - four meetings held
15. The Board has set up an effective internal audit function. The Function has suitably qualified and experienced staff for the purpose and they are conversant with the policies and procedures of the Management Company.
16. 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 and are registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on the code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the Partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of CEO, CFO, the Head of Internal Audit, the Company Secretary or directors of the Management Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of Regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with.
19. We confirm that any other significant requirements of the Regulations have been complied with.

AZHAR HAMID
Chairman

Karachi.
Dated: **September 25, 2020**

INDEPENDENT AUDITOR'S REVIEW REPORT

To the unit holders of Al-Ameen Islamic Dedicated Equity Fund

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of UBL Fund Managers Limited (the Management Company) for Al-Ameen Islamic Dedicated Equity Fund for the year ended June 30, 2020 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Management Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Management Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

As a part of our audit of the 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 of Directors' 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 Regulations require the Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. 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 of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Management Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Fund for the year ended June 30, 2020.


Chartered Accountants

Place: Karachi

Date: September 30, 2020

INDEPENDENT AUDITOR'S REPORT

To The Unit Holders of Al-Ameen Islamic Dedicated Equity Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Al-Ameen Islamic Dedicated Equity Fund** (the Fund), which comprise the statement of assets and liabilities as at June 30, 2020, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2020, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
1.	<p>Valuation and existence of investments</p> <p>As disclosed in note 6 to the financial statements, investments amounted to Rs. 400.863 million as at June 30, 2020.</p> <p>The total investment amount is the most significant account balance on the statement of assets and liabilities. This is a main driver of the Fund's performance and</p>	<p>In auditing the valuation and existence of investments, we reviewed the processes and key controls relating to existence and valuation and evaluated the design and implementation of such controls.</p> <p>In addition, (1) we performed valuation testing on sample of investments held as at June 30,</p>

S. No.	Key audit matter	How the matter was addressed in our audit
	<p>thus risk exists on this balance. The Fund invests principally in listed equity securities and there is a risk that appropriate quoted prices may not be used to determine fair value.</p> <p>In addition, there is a risk that the Fund may have included investments in its financial statements which are not in the ownership of the Fund and thereby increasing the uncertainty in respect of existence of investments recorded as at year end.</p> <p>The disclosure regarding the investments are included in notes 4.2 and 6 to the financial statements.</p>	<p>2020 by verifying the prices quoted on the Pakistan Stock Exchange Limited, and (2) we performed existence testing of investments held as at June 30, 2020 by independently matching the securities held by the Fund as per internal records with the securities appearing in the Central Depository Company (CDC) account and investigated any reconciling items.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report in respect of the fund, but does not include the financial statements and our auditor's report thereon and the information related to any other fund.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting 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.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide to the Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Nadeem Yousuf Adil.


Chartered Accountants

Date: September 30, 2020

Place: Karachi

AL-AMEEN ISLAMIC DEDICATED EQUITY FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2020

		2020	2019
	Note	------(Rs. in '000)-----	
ASSETS			
Bank balances	5	88,513	292,902
Investments - net	6	400,863	4,437,957
Dividend and profit receivable	7	1,271	18,666
Security deposits and other receivables	8	7,973	10,779
Advance tax	9	2,168	2,168
Preliminary expenses and floatation costs	10	114	334
Total assets		500,902	4,762,806
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company	11	1,803	15,598
Payable to Central Depository Company of Pakistan Limited - Trustee	12	78	552
Payable to Securities and Exchange Commission of Pakistan	13	395	7,720
Accrued expenses and other liabilities	14	81,877	81,877
Total liabilities		84,153	105,747
Net Assets		416,749	4,657,059
Unit Holders' Fund (as per statement attached)		416,749	4,657,059
CONTINGENCIES AND COMMITMENTS			
	15.	----- (Number of units) -----	
Number of Units in Issue	16	3,986,581	48,499,585
		----- (Rupees) -----	
Net Asset Value Per Unit		104.54	96.02
Face Value Per Unit		100	100

The annexed notes 1 to 31 form an integral part of these financial statements.

FOR UBL FUND MANAGERS LIMITED
 (Management Company)

SD
 Chief Executive Officer

SD
 Chief Financial Officer

SD
 Director

AL-AMEEN ISLAMIC DEDICATED EQUITY FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2020

	Note	2020 ------(Rs. in '000)-----	2019 -----
INCOME			
Loss on sale of investments - net		(160,685)	(294,349)
Profit on bank deposits		12,496	73,238
Dividend income		80,203	365,486
Unrealised gain / (loss) on re-measurement of investments classified as financial assets at fair value through profit or loss - net	6.1	18,814	(1,076,130)
Total loss		(49,172)	(931,755)
EXPENSES			
Remuneration of UBL Fund Managers Limited - Management Company	11.1	39,543	162,532
Sindh Sales Tax on remuneration to the Management Company	11.2	5,141	21,129
Allocated expenses	11.3	1,972	8,127
Allocated selling and marketing expenses	11.4	7,909	32,506
Shariah advisor fee		350	350
Remuneration of Central Depository Company of Pakistan Limited - Trustee	12.1	3,244	10,313
Annual fee - Securities and Exchange Commission of Pakistan	13.1	395	7,720
Listing fee		28	28
Auditor's remuneration	17	327	331
Bank charges		11	34
Brokerage and settlement charges		8,890	17,579
Legal and professional charges		213	208
Charity expense	14.1	1,832	5,669
Amortization of preliminary and floatation cost		220	220
Other expenses		-	10
Total expenses		70,075	266,756
Net operating loss for the year		(119,247)	(1,198,511)
Provision for Sindh Workers' Welfare Fund	14.3	-	-
Net loss for the year before taxation		(119,247)	(1,198,511)
Taxation	18	-	-
Net loss for the year after taxation		(119,247)	(1,198,511)
Allocation of net income for the year			
- Net income for the year after taxation		-	-
- Income already paid on units redeemed		-	-
Net income for the year available for distribution		-	-
Accounting income available for distribution			
- Relating to capital gains		-	-
- Excluding capital gains		-	-
		-	-
Earnings per unit	19		

The annexed notes 1 to 31 form an integral part of these financial statements.

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

**AL-AMEEN ISLAMIC DEDICATED EQUITY FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2020**

	2020	2019
	----- (Rs. in '000) -----	
Net loss for the year after taxation	(119,247)	(1,198,511)
Other comprehensive income		
Items that may be reclassified subsequently to income statement	-	-
Items that will not be reclassified subsequently to income statement	-	-
Total comprehensive loss for the year	<u><u>(119,247)</u></u>	<u><u>(1,198,511)</u></u>

The annexed notes 1 to 31 form an integral part of these financial statements.

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AL-AMEEN ISLAMIC DEDICATED EQUITY FUND
STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2020

	2020			2019			
	(Rs. in '000)						
	Capital value	Undistributed Income	Total	Capital value	Undistributed Income	Unrealised gain / (loss) on re-measurement of investments classified as 'available for sale' - net	Total
Net assets at the beginning of the year	4,756,293	(99,234)	4,657,059	10,097,362	1,077,083	22,194	11,196,639
Transfer of unrealised diminution of investment classified as available for sale - net to undistributed income upon adoption of IFRS 9	-	-	-	-	22,194	(22,194)	-
Amount received on issuance of 20,496,028 units (2019: 37,960,076 units)							
- Capital value	1,968,029	-	1,968,029	4,401,148	-	-	4,401,148
- Element of income / (loss)							
- relating to net loss for the year after taxation	94,985	-	94,985	(278,026)	-	-	(278,026)
Total amount received on issuance of units	2,063,014	-	2,063,014	4,123,122	-	-	4,123,122
Amount paid on redemption of 65,009,032 units (2019: 86,031,958 units)							
- Capital value	(6,242,167)	-	(6,242,167)	(9,974,674)	-	-	(9,974,674)
- Element of (income) / loss							
- relating to net loss for the year after taxation	58,090	-	58,090	510,483	-	-	510,483
Total amount paid on redemption of units	(6,184,077)	-	(6,184,077)	(9,464,191)	-	-	(9,464,191)
Total comprehensive income for the year	-	(119,247)	(119,247)	-	(1,198,511)	-	(1,198,511)
Distribution for the year Rs. Nil per unit (2019: Rs. Nil)	-	-	-	-	-	-	-
Net loss for the year less distribution	-	(119,247)	(119,247)	-	(1,198,511)	-	(1,198,511)
Net assets at the end of the year	635,230	(218,481)	416,749	4,756,293	(99,234)	-	4,657,059
Undistributed loss brought forward comprising of:							
- Realised		976,896			2,165,657		
- Unrealised		(1,076,130)			(1,066,380)		
		(99,234)			1,099,277		
Accounting income available for distribution							
- Related to capital gain		-			-		
- Excluding capital gain		-			-		
		-			-		
Net loss for the year after taxation		(119,247)			(1,198,511)		
Distribution during the year		-			-		
Undistributed loss carried forward - net		(218,481)			(99,234)		
Undistributed loss carried forward comprising of:							
- Realised		(237,295)			976,896		
- Unrealised		18,814			(1,076,130)		
		(218,481)			(99,234)		
			(Rupees)				(Rupees)
Net asset value per unit at the beginning of the year		96.02					115.94
Net asset value per unit at the end of the year		104.54					96.02

The annexed notes 1 to 31 form an integral part of these financial statements.

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AL-AMEEN ISLAMIC DEDICATED EQUITY FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

	2020	2019
	------(Rs. in '000)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the year before taxation	(119,247)	(1,198,511)
Adjustments for:		
Dividend income	(80,203)	(365,486)
Profit on bank deposits	(12,496)	(73,238)
Loss on sale of investments - net	160,685	294,349
Amortization of preliminary and floatation cost	220	219
Unrealised (gain) / loss on re-measurement of investments classified as financial assets at fair value through profit or loss - net	(18,814)	1,076,130
Cash generated from operations before working capital changes	49,392	931,974
Decrease in assets		
Investments	3,895,223	4,456,807
Security deposits, advances and other receivables	2,806	55,662
	3,898,029	4,512,469
Decrease in liabilities		
Payable to UBL Fund Managers Limited - Management Company	(13,795)	(19,680)
Payable to Central Depository Company of Pakistan Limited - Trustee	(474)	(622)
Payable to Securities and Exchange Commission of Pakistan	(7,325)	(3,572)
Payable against purchase of investment	-	(29,336)
Accrued expenses and other liabilities	-	(4,770)
	(21,594)	(57,980)
Cash generated from operations	3,806,580	4,187,952
Dividend income received	95,138	391,422
Profit on bank deposits received	14,956	75,169
Net cash generated from operating activities	3,916,674	4,654,543
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	2,063,014	4,123,122
Payments against redemption of units	(6,184,077)	(9,464,191)
Net cash used in financing activities	(4,121,063)	(5,341,069)
Net decrease in cash and cash equivalents during the year	(204,389)	(686,526)
Cash and cash equivalents at the beginning of the year	292,902	979,428
Cash and cash equivalents at the end of the year	88,513	292,902

The annexed notes 1 to 31 form an integral part of these financial statements.

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AL-AMEEN ISLAMIC DEDICATED EQUITY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

Al-Ameen Islamic Dedicated Equity Fund (the "Fund"), was established under the Trust Deed executed between UBL Fund Managers Limited (the "Management Company" - a wholly owned subsidiary company of United Bank Limited) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on October 10, 2015 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on November 20, 2015 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced its operations from January 5, 2016.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

The Fund is an open ended mutual fund categorised as Shariah Compliant Equity Fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.

The investment objective of the Fund is to provide other 'Fund of Funds' schemes an avenue for investing in Shariah Compliant Equities. The Fund seeks to maximize total returns and outperform its benchmark by investing in a combination of securities offering superior risk adjusted returns. The Fund invests in securities approved by the Shariah Advisory Board.

VIS Credit Rating Company has assigned management quality rating of AM1 to the Management Company as on December 31, 2019.

Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

2.1.2 The SECP/Commission has through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Meanwhile, asset management companies shall continue to follow the requirements of Circular 33 of 2012. The Fund does not hold any debt instruments and therefore will not be subject to the impairment provisions of IFRS 9.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except that certain financial assets are measured at fair value.

2.3 Functional and presentation currency

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

2.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards applicable in Pakistan requires management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the year in which the estimates are revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements as a whole are as follows:

- (i) classification and measurement of financial assets (notes 4.2.1, 4.2.2, 4.2.3 and 6);
- (ii) impairment of financial assets (note 4.2.5);
- (iii) Provision for taxation (notes 4.6 and 18); and
- (iv) Provision for Sindh Workers' Welfare Fund (note 14.3).

3. NEW ACCOUNTING STANDARDS / AMENDMENTS AND IFRS INTERPRETATIONS

3.1 New accounting standards / amendments and IFRS interpretations that are effective for the year ended June 30, 2020

The following standards, amendments and interpretations are effective for the year ended June 30, 2020. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

IFRS 16 'Leases'

Amendments to IFRS 9 'Financial Instruments' - amendments regarding prepayment features with negative compensation and modification of financial liabilities

Amendments to IAS 28 'Investments in Associates and Joint Ventures' - amendments regarding long-term interests in associates and joint ventures

Amendments to IAS 19 'Employee Benefits' - amendments regarding plan amendment, curtailment or settlement

IFRIC 23 'Uncertainty over Income Tax Treatments'

IFRS 14 – Regulatory Deferral Accounts

Certain annual improvements have also been made to a number of IFRSs.

3.2 New accounting standards / amendments and IFRS interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective from accounting periods beginning on or after:
Amendments to the conceptual framework for financial reporting, including amendments to references to the conceptual framework in IFRS	January 01, 2020
Amendments to IFRS 3 'Business Combinations' - amendments regarding definition of a business	January 01, 2020
Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - amendments regarding definition of material	January 01, 2020
Amendments to IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: disclosures' - amendments regarding interest rate benchmark reform	January 01, 2020

**Effective from accounting
periods beginning on or after:**

Amendment to IFRS 16 'Leases' - amendments regarding Covid-19 related rent concessions	January 01, 2020
Amendments to IAS 1 'Presentation of Financial Statements' - amendments regarding classification of liabilities as current or non-current	January 01, 2023
Amendments to IFRS 3 'Business Combinations' - amendments regarding reference to the conceptual framework	January 01, 2022
Amendments to IAS 16 'Property, Plant and Equipment' - amendments regarding proceeds before intended use	January 01, 2022
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts — amendments regarding cost of fulfilling a contract	January 01, 2022

Certain annual improvements have also been made to a number of IFRSs which are also not expected to have material impact on financial reporting of the Fund.

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the SECP:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 17 – Insurance Contracts

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below and have been consistently applied to all years presented.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are carried in the statement of assets and liabilities at cost.

4.2 Financial Instruments

4.2.1 Classification of financial assets

IFRS 9 contains three principal classification categories for financial assets:

- Measured at amortized cost ("AC"),
- Fair value through other comprehensive income ("FVOCI") and
- Fair value through profit or loss ("FVTPL").

Financial assets at amortised cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- 1) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- 2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Financial assets at FVOCI

A financial asset is measured at FVOCI only if it meets both of the following conditions and is not designated as FVTPL:

- 1) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- 2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, for an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI, only dividend income is recognised in income statement. This election is made on an investment-by-investment basis.

FVOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI.

Financial assets at FVTPL

All other financial assets are classified at FVTPL (for example: equity held for trading and debt securities not classified either as AC or FVOCI).

In addition, on initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

4.2.2 Recognition and initial measurement of financial instruments

Financial assets and financial liabilities are recognised in the Fund's statement of assets and liabilities when the Fund becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4.2.3 Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured at amortised cost. Amortised cost is calculated using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Financial assets at FVOCI

All financial assets at FVOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value are recognised in other comprehensive income.

For debt instruments classified as financial assets at FVOCI, the amounts in other comprehensive income are reclassified to income statement on derecognition of financial assets. This treatment is in contrast to equity instruments classified as financial assets at FVOCI, where there is no reclassification on derecognition.

Financial assets at FVTPL

All financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the income statement.

4.2.4 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

Basis of valuation of equity securities:

The fair value of shares of listed companies is based on their prices quoted on the Pakistan Stock Exchange Limited at the reporting date without any deduction for estimated future selling costs.

4.2.5 Impairment

Under expected credit loss (ECL) model of IFRS 9, the Fund recognises loss allowances for ECLs on financial assets other than debt securities. The Fund measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Financial assets that are determined to have low credit risk at the reporting date; and
- Other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

As disclosed in note 2.1.2 of these financial statements, the Fund follows requirements of circular 33 of 2012 (the "circular") for impairment of debt securities. Under the circular, provision for non performing debt securities is made on the basis of time based criteria as prescribed under the circular. Impairment losses recognised on debt securities can be reversed through the income statement.

As allowed under circular no. 13 of 2009 dated May 04, 2009 issued by the SECP, the Management Company may also make provision against debt securities over and above minimum provision requirement prescribed in aforesaid circular, in accordance with the provisioning policy approved by the Board of Directors and disseminated by the Management Company on its website.

4.2.6 Classification and measurement of financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

4.2.7 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the entity has transferred substantially all risks and rewards of ownership.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

4.2.8 Regular way contracts

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention are recognised at the trade date. Trade date is the date on which the Fund commits to purchase or sell assets.

4.2.9 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

4.3 Derivatives

Derivative instruments are initially recognized at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement. Derivatives with positive fair values (unrealised gains) are included in other assets and derivatives with negative fair values (unrealised losses) are included in other liabilities in the statement of assets and liabilities.

4.4 Provisions

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

4.5 Collaterals

Cash collaterals provided by the Fund are identified in the statement of assets and liabilities as margin and are not included as a component of cash and cash equivalents. For collaterals other than cash, if the party to whom the collaterals are provided has a right by contract or custom to sell or re-pledge the collaterals, the Fund classifies those collaterals in the statement of assets and liabilities separately from other assets and identifies the assets as pledged collaterals. Where the party to whom the collaterals are provided does not have the right to sell or re-pledge, a disclosure of the collaterals provided is made in the notes to the financial statements.

4.6 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders (excluding distribution made by issuance of bonus units).

The Fund is also exempt from the Provisions of Section 113 (minimum tax) and section 113C (Alternative Corporate Tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

The Fund has not recognised any amount in respect of deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing in cash at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders.

4.7 Distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared.

Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted for the effect of refund of capital if any based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the year of investment.

4.8 Issuance and redemption of units

Units issued are allocated at the offer price, prevalent on the day on which the applications for purchase of units are received, however, units are issued on the receipt of cash / realisation of cheques. The offer price represents the net asset value per unit as at the close of the business day plus the allowable front-end sales load and provision of any duties and charges, if applicable. The sales load is payable to the Management Company.

Units redeemed are recorded at the redemption price, applicable to units for which the Fund receives redemption applications during the business hours of that day. The redemption price represents the net asset value per unit as at the close of the business day less any back-end load and an amount that the management company may consider to be an appropriate provision of duties and charges. Redemption of units is recorded on acceptance of application for redemption.

4.9 Element of income / (loss) included in prices of units issued less those in units redeemed

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.10 Net asset value per unit

The Net Asset Value (NAV) per unit, as 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 year end.

4.11 Revenue recognition

- Dividend income on equity securities is recognised in the income statement when the right to receive the dividend is established.

- Realised capital gains / losses arising on sale of investments are included in the income statement on the date at which the sale transaction takes place.
- Income on bank balances and term deposits is recognised on time proportionate basis.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the year in which they arise.

4.12 Expenses

All expenses including Management fee, Trustee fee and Securities and Exchange Commission of Pakistan fee are recognised in the Income Statement on accrual basis.

4.13 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represents expenditure incurred prior to the commencement of operations of the Fund and include underwriting commission, commission to the bankers to the issue, brokerage paid to the members of the stock exchange and other expenses. These cost are amortised over a period of five years starting from the end of initial offering period as per the requirements set out in the Trust Deed of the Fund and NBFC Regulations.

5.	BANK BALANCES	Note	2020	2019
			------(Rs. in '000)-----	-----
	In local currency:			
	- Saving accounts	5.1	75,771	285,581
	- Current accounts		<u>12,742</u>	<u>7,321</u>
			<u>88,513</u>	<u>292,902</u>
5.1	Profit rates on these saving accounts range between 2.31% to 7.25% (2019: 8.2% to 11.25%) per annum.			
6.	INVESTMENTS - NET	Note	2020	2019
			------(Rs. in '000)-----	-----
	At fair value through profit or loss			
	- equity securities	6.1	<u>400,863</u>	<u>4,437,957</u>

6.1 Equity securities - At fair value through profit or loss

(Ordinary Shares of Rs. 10 each unless indicated otherwise)

Ordinary Shares of Rs. 10 each unless indicated otherwise											
Name of Investee Company		As at July 1, 2019	Purchased / bonus/ rights received during the year	Sold during the year	As at June 30, 2020	Total carrying value as at June 30, 2020	Total market value as at June 30, 2020	Unrealised gain (loss) as at June 30, 2020	Market value as a percentage of net assets	Market value as a percentage of total Investments	Investment as a percentage of paid-up capital of investee company
Quoted investments	Note	Number of shares				Rupees in '000		%			
OIL AND GAS MARKETING COMPANIES											
Pakistan State Oil Company Limited	6.1.2	767,775	286,315	994,794	59,296	8,875	9,378	503	2.25	2.34	0.01
OIL AND GAS EXPLORATION COMPANIES											
Oil and Gas Development Company Limited		3,599,159	432,500	3,668,200	363,459	45,846	39,617	(6,229)	9.51	9.88	0.01
Pakistan Oilfields Limited		660,010	28,100	644,206	43,904	17,759	15,394	(2,365)	3.69	3.84	0.02
Pakistan Petroleum Limited		1,860,930	374,466	1,980,007	255,389	30,901	22,163	(8,738)	5.32	5.53	0.01
Mari Petroleum Company Limited		498,515	48,379	509,800	37,094	35,626	45,872	10,246	11.01	11.44	0.03
						130,132	123,046	(7,086)	29.53	30.69	
ENGINEERING											
Amreli Steels Limited		90	-	90	-	-	-	-	0.00	0.00	0.00
International Industries Limited		21,900	40	21,900	40	3	4	1	0.00	0.00	0.00
International Steels Limited		3,575	-	3,575	-	-	-	-	0.00	0.00	0.00
Mughal Iron and Steel Industries Limited		42	-	42	-	-	-	-	0.00	0.00	0.00
						3	4	1	0.00	0.00	
REFINERY											
National Refinery Limited		5,000	-	5,000	-	-	-	-	-	-	0.00
FERTILIZER											
Engro Corporation Limited	6.1.1	1,604,221	62,600	1,516,400	150,421	40,870	44,061	3,191	10.57	10.99	0.03
Engro Fertilizers Limited		2,576,761	327,655	2,615,761	288,655	17,271	17,400	129	4.18	4.34	0.02
Fauji Fertilizer Company Limited		2,671,000	138,000	2,717,300	91,700	9,992	10,086	94	2.42	2.52	0.01
Fatima Fertilizer Company Limited		-	70,000	-	70,000	1,679	1,871	192	0.45	0.47	0.00
						69,812	73,418	3,606	17.62	18.32	
CHEMICALS											
Engro Polymer and Chemicals Limited		5,860,454	643,000	6,338,500	164,954	4,573	4,121	(452)	0.99	1.03	0.02
I.C.I Pakistan Limited		110	5,000	1,950	3,160	2,209	2,195	(14)	0.53	0.55	0.00
Lotte Chemical Pakistan Limited		550,000	980,000	1,530,000	-	-	-	-	0.00	0.00	0.00
Sitara Chemical Industries Limited		44,750	-	31,104	13,646	4,174	3,781	(393)	0.91	0.94	0.06
Synthetic Products Enterprises Limited		-	719,000	563,000	156,000	5,503	6,487	984	1.56	1.62	0.00
						16,459	16,584	125	3.99	4.14	
CEMENT											
Cherat Cement Company Limited		117,458	32	117,136	354	10	31	21	0.01	0.01	0.00
Kohat Cement Company Limited		3,344,950	364,000	3,567,500	141,450	9,571	19,442	9,871	4.67	4.85	0.07
Lucky Cement Limited		348,210	117,800	404,000	62,010	26,023	28,623	2,600	6.87	7.14	0.02
Maple Leaf Cement Factory Limited		500,000	107,000	577,500	29,500	743	766	23	0.18	0.19	0.00
Pioneer Cement Limited		2,944	-	2,944	-	-	-	-	0.00	0.00	0.00
						36,347	48,862	12,515	11.73	12.19	
PAPER AND BOARD											
Century Paper & Board Mills Limited		1,481,655	1,000	1,342,156	140,499	4,385	10,056	5,671	2.41	2.51	0.10
Packages Limited		95,187	-	81,318	13,869	4,169	4,816	647	1.16	1.20	0.02
						8,554	14,872	6,318	3.57	3.71	
AUTOMOBILE ACCESSORIES											
Thal Limited		255,866	20,800	245,200	31,466	11,135	10,225	(910)	2.45	2.55	0.04
TEXTILE COMPOSITE											
Kohinoor Textile Mills Limited		1,708,900	152,500	1,450,669	410,731	11,121	14,585	3,464	3.50	3.64	0.14
Nishat Mills Limited		2,136,157	-	1,972,000	164,157	15,323	12,806	(2,517)	3.07	3.19	0.05
						26,444	27,391	947	6.57	6.83	
FOOD AND PERSONAL CARE PRODUCTS											
Al-Shaheer Corporation Limited		2,782,757	650,918	3,425,000	8,675	312	99	(213)	0.02	0.02	0.00
POWER GENERATION AND DISTRIBUTION											
K-Electric Limited (Face value of Rs. 3.5 per share)		8,546,764	-	8,538,934	7,830	34	24	(10)	0.01	0.01	0.00
Lalpur Power Limited		2,711,500	-	2,500,586	210,914	2,742	2,461	(281)	0.59	0.61	0.06
PAKGEN Power Limited		3,283,000	50,000	3,036,828	296,172	4,225	3,557	(668)	0.85	0.89	0.08
Saif Power Limited		2,095,000	-	1,878,363	216,637	4,064	3,481	(583)	0.84	0.87	0.06
The Hub Power Company Limited	6.1.1	6,206,785	462,178	6,283,233	385,730	29,754	27,965	(1,789)	6.71	6.98	0.03
						40,819	37,488	(3,331)	9.00	9.36	
TECHNOLOGY AND COMMUNICATION											
Systems Limited		950,340	-	862,600	87,740	8,420	16,116	7,696	3.87	4.02	0.07
CABLE & ELECTRICAL GOODS											
Pak Elektron Limited		900	470,100	470,100	900	16	21	5	0.01	0.01	0.00
GLASS AND CERAMICS											
Tariq Glass Industries Limited		37,424	-	37,424	-	-	-	-	0.00	0.00	0.00
COMMERCIAL BANKS											
Meezan Bank Limited		3,160,727	49,000	3,044,500	165,227	14,374	11,376	(2,998)	2.73	2.84	0.01
PHARMACEUTICALS											
The Searle Company Limited	6.1.2	15,500	10,500	450	25,550	4,343	5,090	747	1.22	1.27	0.01
Hightnoon Laboratories Limited		-	23,550	9,800	13,750	6,004	6,893	889	1.65	1.72	
						10,347	11,983	1,636	2.87	2.99	
Total June 30, 2020						382,049	400,863	18,814			
Total June 30, 2019						5,514,087	4,437,957	(1,076,130)			

- 6.1.1** The above equity securities include 0.38 million (2019: 2.1 million) shares pledged with National Clearing Company of Pakistan Limited having a market value (in aggregate) amounting to Rs. 49.592 million (2019: Rs. 163.375 million) for guaranteeing settlement of the Fund's trades in accordance with circular No. 11 dated October 23, 2007 issued by the SECP.
- 6.1.2** This includes gross bonus shares as per Fund's entitlement declared by the investee company. The Finance Act, 2014 had brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder were to be treated as income and a tax at the rate of 5 percent was 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 was to be collected at source by the investee company which was to be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 47 B and 99 of Second schedule of the Income Tax Ordinance, 2001. Consequently, the Honorable Sindh High Court granted stay order till the final outcome of the case. As of year end, 13,558 shares (June 30, 2019: 11,298) of PSO having a fair market value of Rs. 2.14 million (June 30, 2019: Rs. 1.92 million) and 15,045 shares (June 30, 2019: 15,045 shares) of Searle having a fair market value of Rs. 3 million (June 30, 2019: 2.21 million) are disputed. Such shares have not been deposited by the investee company in CDC account of the department of Income Tax. The Management Company is of the view that the decision will be in its favour and accordingly has recorded the bonus shares on gross basis. Through Finance Act, 2018, the tax on bonus shares was withdrawn.

	2020	2019
	------(Rs. in '000)-----	
7. DIVIDEND AND PROFIT RECEIVABLE		
Dividend receivable	140	15,075
Profit receivable on saving accounts	1,131	3,591
	<u>1,271</u>	<u>18,666</u>

8. SECURITY DEPOSITS AND OTHER RECEIVABLES

Security deposit with National Clearing Company of Pakistan Limited	2,500	2,500
Security deposit with the Central Depository Company of Pakistan Limited - Trustee	100	100
Receivable against sale of investments - net	5,373	8,179
	<u>7,973</u>	<u>10,779</u>

9. 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, 151 and 233 of ITO 2001. The Federal Board of Revenue (FBR), 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 financial year ended June 30, 2016, prior to receiving tax exemption certificate(s) from CIR various withholding agents had deducted advance tax under section 150 and 151 of ITO 2001. The Management Company has filed refund application and is confident that the same shall be refunded.

		2020	2019
		------(Rs. in '000)-----	
10. PRELIMINARY EXPENSES AND FLOATATION COSTS	Note		
Opening		334	553
Amortisation during the year	10.1	(220)	(219)
		<u>114</u>	<u>334</u>

- 10.1** The provisions of the Trust Deed and NBFC Regulations require the amortisation of preliminary expenses and floatation costs up to one percent of the IPO capital of the fund. As there was no public offering, the Management Company sought approval from SECP to amortise the preliminary expenses and floatation costs.

		2020	2019
		------(Rs. in '000)-----	
11. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY	Note		
Management fee (including Sindh Sales Tax there against)	11.1 & 11.2	777	9,181
Allocated expenses	11.3	84	409
Other payable		17	17
Shariah advisor fee		350	204
Selling and marketing expense	11.4	575	5,787
		<u>1,803</u>	<u>15,598</u>

- 11.1** SECP vide S.R.O. 639 (I) / 2019 dated June 20, 2019, has amended Regulation 61 of NBFC Regulations whereby an Asset Management Company may charge variable fee or fixed fee or the combination of both which shall not exceed the limit disclosed in the Offering Document. Moreover, it shall disclose in the Offering Document the maximum rate of management fee chargeable to Collective Investment Scheme within allowed expense ratio limit.

The Management Company has charged remuneration at the rate of 2% (2019: 2%) of daily net assets of the Fund.

- 11.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (2019: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

- 11.3** Allocated Expenses represents fee for registrar services, accounting, operations and valuation services. Until June 19, 2019 in accordance with Regulation 60 of the NBFC Regulations, the Management Company was entitled to charge expenses for registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of up to 0.1% of the average annual net assets of the scheme or actual whichever is less. However, SECP vide SRO 639 dated June 20, 2019 removed the maximum cap of 0.1%. Therefore, with effect from June 20, 2019, the Management Company can charge expenses related to registrar services, accounting, operations and valuation services to the CIS based on its discretion provided the Total Expense Ratio (refer note 19) prescribed by the SECP vide SRO 639 dated June 20, 2019 is complied with.

The Management Company has charged allocated expenses of Rs. 1.972 million (2019: Rs. 8.127 million) related to registrar services, accounting, operations and valuation services during the year ended June 30, 2020 by charging allocated expense at 0.10% (2019: 0.10%) per annum of the daily net assets of the Fund.

- 11.4** The SECP had allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e. from January 01, 2017 till December 31, 2019). The maximum cap of selling and marketing expense was 0.4% per annum of the net assets of the Fund or actual expenses whichever is lower.

During the year, the SECP through its circular 11 dated 05 July, 2019 has revised the conditions for charging of selling and marketing expenses to a Fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the asset management company is required to set a maximum limit for charging of such expense to the Fund and the same should be approved by the Board as part of annual plan. Further, the time limit of three years has also been removed in the revised conditions. Therefore, with effect from June 20, 2019, the Management Company can charge selling and marketing expenses to the CIS based on its discretion provided the Total Expense Ratio (refer note 19) prescribed by the SECP vide SRO 639 dated June 20, 2019 is complied with.

The Management Company has charged selling and marketing expenses of Rs. 7.909 million (2019: Rs. 32.506 million) during the year ended June 30, 2020 by charging selling and marketing expenses at 0.40% (2019: 0.40%) per annum of the average daily net assets of the Fund.

12. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2020	2019
		----- (Rs. in '000) -----	
Trustee fee	12.1	<u>78</u>	<u>552</u>

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

As per the Trust Deed and Offering Document, the tariff structure applicable to the Fund in respect of the Trustee fee during the year June 30, 2020 is as follows:

On net assets:

Up to Rs.1,000 million	Rs. 0.7 million or 0.20% p.a. of NAV, whichever is higher.
Over Rs. 1,000 million	Rs. 2.0 million plus 0.10% p.a. of NAV.

Trustee fee amounting to of Rs. 3.244 million (2019: Rs. 10.313 million) was charged during the year to the Fund.

13. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2020	2019
		----- (Rs. in '000) -----	
Annual fee	13.1	<u>395</u>	<u>7,720</u>

- 13.1** Under the provisions of the NBFC Regulations, a collective investment scheme classified as equity scheme is required to pay SECP an annual fee. SECP vide Circular No. 685/I (2019) dated June 28, 2019 revised its annual fee rate equivalent to 0.02% (2019: 0.095%) of the average annual net assets of the Fund.

14. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2020	2019
		----- (Rs. in '000) -----	
Auditor's remuneration		243	232
Commission payable		3,776	3,968
Charity payable	14.1	2,844	2,818
Provision for indirect duties and taxes	14.2	10,650	10,650
Provision for Sindh Workers' Welfare Fund	14.3	64,137	64,137
Payable against redemption of units		86	-
Other payables		141	72
		81,877	81,877

- 14.1** According to the instructions of the Shariah Advisory Board of the Fund, any income earned by the Fund from investments / portion of investments made in non-shariah compliant avenues, should be donated for charitable purposes directly by the Fund. An amount of Rs. 1.832 million (2019: Rs. 5.669 million) has been recognised by the Fund as charity expense in these financial statements.

- 14.2** 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 since June 13, 2013.

On 30 June 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 01 July 2011 is ultra vires to the Constitution of Pakistan. On 23 September 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. 10.650 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, 2020 would have been higher by Rs. 2.67 (June 30, 2019: Rs. 0.22) 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, provision for FED has not been recorded in these financial statements from July 01, 2016 onwards.

- 14.3** 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). On 10 November 2016 the SCP passed a judgment declaring 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 filed 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 during financial year ended June 30, 2017. 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), MUFAP had recommended to all its members to reverse the Federal WWF and start recording of Sindh WWF. Consequently, the Fund has recorded provision of Rs. Nil (June 2019: Rs. Nil) for the year and Rs. 64.137 million (June 2019: Rs. 64.137 million) in aggregate in respect of SWWF.

Had the provision not been made, it would have resulted in an increase in the net assets value per unit by Rs. 16.09 per unit (2019: Rs. 1.32 per unit).

15. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2020 and as at June 30, 2019.

	2020	2019
	-----Number of units-----	
16 NUMBER OF UNITS IN ISSUE		
Total units in issue at beginning of the year	48,499,585	96,571,467
Units issued during the year	20,496,028	37,960,076
Units redeemed during the year	(65,009,032)	(86,031,958)
Total units in issue at end of the year	<u>3,986,581</u>	<u>48,499,585</u>

16.1 The par value of each unit is Rs. 100. The Management Company has set a minimum investment of Rs. 500.

16.2 All units carry equal rights and are entitled to dividend and share in the net asset value of the Fund.

	2020	2019
	----- (Rs. in '000) -----	
17. AUDITOR'S REMUNERATION		
Annual audit fee	173	165
Review of Condensed Interim Financial Information	69	66
Review of compliance with the requirements of the Code of Corporate Governance	16	38
Other certifications	17	16
Out of pocket expenses and Sindh Sales Tax	52	46
	<u>327</u>	<u>331</u>

18. TAXATION

According to Regulation 63 of Non-Banking Finance Companies and Notified Entities Regulations, 2008, Management Company is required to distribute, by way of dividend, more than 90 percent of accounting income received or derived from sources other than capital gains (both realised and unrealised) during the year. Since the Fund has incurred net loss during the year ended June 30, 2020, no provision for taxation has been made in these financial statements.

19. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

20. TOTAL EXPENSE RATIO

On June 20, 2019, SECP wide SRO 639(I)/2019 has made certain amendments in Non-Banking Finance Companies and Notified Entities Regulations, 2008. As per said amendments capping of expense ratio of the Fund has now been increased from 4% to 4.5%.

As per Directive 23 of 2016 dated July 20, 2016 issued by the SECP, the Total Expense Ratio of the Fund is 3.55% (2019: 3.28%) as on June 30, 2020 and this includes 0.35% (2019: 0.39%) representing government levy and SECP fee.

21. FINANCIAL INSTRUMENTS BY CATEGORY

The financial assets and liabilities carried on the statement of assets and liabilities are categorised as follows:

	2020	2019
	----- (Rs. in '000) -----	
Financial assets		
At fair value through profit or loss		
Investments - net	400,863	4,437,957
At amortized cost		
Bank balances	88,513	292,902
Dividend and profit receivable	1,271	18,666
Security deposits and other receivables	7,973	10,779
	498,620	4,760,304
Financial liabilities		
At amortized cost		
Payable to UBL Fund Managers Limited - Management Company	1,803	15,598
Payable to Central Depository Company of Pakistan Limited - Trustee	78	552
Accrued expenses and other liabilities	7,090	7,090
Net assets attributable to redeemable units	416,749	4,657,059
	425,720	4,680,299

22. FINANCIAL RISK MANAGEMENT

The Fund's overall risk management programme seeks to maximise the returns derived for the level of risks to which the Fund is exposed and seeks to minimise potential adverse effects on the Fund's financial performance.

Monitoring and controlling risks are primarily set up to be performed based on the limits established by the internal controls set on different activities of the Fund by the Board of Directors. These controls and limits reflect the business strategy and market environment of the Fund as well as the level of risk that the Fund is willing to accept. In addition, the Fund monitors and measures the overall risk bearing capacity in relation to the aggregate risk exposure across all risks type and activities.

The Fund primarily invests in a portfolio of equity securities of listed companies. The Fund's activities expose it to a variety of financial risks, i.e., market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

22.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee and the regulations laid down by the SECP.

Market risk comprises three types of risks: currency risk, interest rate risk and other price risk.

22.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates.

The Fund has no exposure to foreign exchange risk as at June 30, 2020 as there are no financial assets or financial liabilities denominated in foreign currencies.

22.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2020, the Fund is exposed to such risk on bank balances. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Cash flow interest rate risk

The Fund's interest rate risk arises from the balances in savings accounts. The net income for the period would have increased / (decreased) by Rs. 0.757 million (2019: Rs. 2.856 million), had the interest rates on savings accounts with banks increased / (decreased) by 100 basis points.

b) Fair value interest rate risk

Since the Fund currently does not have any fixed rate instruments that are impacted by market interest rates, therefore, it is not exposed to fair value interest rate risk.

Yield / interest 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, it is based on the settlement date.

Particulars	June 30 , 2020					
	Effective yield / interest rate	Total	Exposed to interest rate risk			Not exposed to interest rate risk
			Up to three months	More than three months and up to one year	More than one year	
	%		(Rupees in '000)			

------(Rupees in '000)-----

On-balance sheet financial instruments

Financial assets

Bank balances	2.3 - 7.25	88,513	75,771	-	-	12,742
Investments		400,863	-	-	-	400,863
Dividend and profit receivable		1,271	-	-	-	1,271
Security deposits and other receivables		7,973	-	-	-	7,973
Sub total		498,620	75,771	-	-	422,849

Financial liabilities

Payable to UBL Fund Managers Limited - Management Company		1,803	-	-	-	1,803
Payable to the Central Depository Company of Pakistan Limited - Trustee		78	-	-	-	78
Accrued expenses and other liabilities		7,090	-	-	-	7,090
Net assets attributable to redeemable units		416,749	-	-	-	416,749
Sub total		425,720	-	-	-	425,720

On-balance sheet gap (a)

Off-balance sheet financial instrument

Off-balance sheet gap (b)

Total interest rate sensitivity gap (a) + (b)

Cumulative interest rate sensitivity gap

72,900	75,771	-	-	(2,871)
-	-	-	-	-
-	-	-	-	-
	75,771	-	-	(2,871)
	75,771	-	-	(2,871)

Particulars	June 30 , 2019					
	Effective yield / interest rate	Total	Exposed to interest rate risk			Not exposed to interest rate risk
			Up to three months	More than three months and up to one year	More than one year	
	%					

------(Rupees in '000)-----

On-balance sheet financial instruments

Financial assets

Bank balances	8.2 - 11.25	292,902	285,581	-	-	7,321
Investments		4,437,957	-	-	-	4,437,957
Dividend and profit receivable		18,666	-	-	-	18,666
Security deposits and other receivables		10,779	-	-	-	10,779
Sub total		4,760,304	285,581	-	-	4,474,723

Financial liabilities

Payable to UBL Fund Managers Limited - Management Company		15,598	-	-	-	15,598
Payable to the Central Depository Company of Pakistan Limited - Trustee		552	-	-	-	552
Accrued expenses and other liabilities		7,090	-	-	-	7,090
Net assets attributable to redeemable units		4,657,059	-	-	-	4,657,059
Sub total		4,680,299	-	-	-	4,680,299

On-balance sheet gap (a)

Off-balance sheet financial instrument

Off-balance sheet gap (b)

Total interest rate sensitivity gap (a) + (b)

Cumulative interest rate sensitivity gap

80,005	285,581	-	-	(205,576)
-	-	-	-	-
-	-	-	-	-
	285,581	-	-	(205,576)
	285,581	-	-	(205,576)

22.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market.

The Fund's equity securities are primarily exposed to equity price risk because of investments held and classified by the Fund on the statement of assets and liabilities as 'financial assets at fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the Fund's constitutive documents. The Fund's constitutive documents / NBFC Regulations also limit investment in individual equity securities to not more than 10% of its net assets, or 15% of the issued capital of the investee company and the sector exposure limit to 35% of net assets.

In case of 5% increase / decrease in the fair value of the Fund's equity securities at fair value through profit or loss on June 30, 2020, net income for the year would increase / decrease by Rs. 20.043 million (2019: Rs. 221.898 million) and net assets of the Fund would increase / decrease by the same amount.

The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KSE 100 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI index, is expected to change over the time. Accordingly, the sensitivity analysis prepared as of June 30, 2020 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of KSE 100 Index.

22.2 Credit risk

Credit risk represents the risk of loss if the counterparties fail to perform as contracted. The Fund's credit risk mainly arises from deposits with banks and financial institutions and credit exposure arising as a result of dividend receivable (if any) on equity securities.

For banks and financial institutions, the Fund keeps deposits with reputed financial institutions with reasonably high credit ratings. Credit risk on account of dividend receivable is minimal due to the statutory protection. All transactions in listed securities are settled / paid for upon delivery using the system of National Clearing Company of Pakistan Limited. The risk of default in these transactions is considered minimal due to inherent systematic measures taken therein. The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of the NBFC rules and the regulations and the guidelines given by the SECP from time to time.

The maximum exposure to credit risk before considering any collateral as at June 30, 2020 is the carrying amount of the financial assets. None of these assets are 'impaired' nor 'past due but not impaired'.

22.2.1 The analysis below summarises the credit quality of the Fund's financial assets as at June 30, 2020 and June 30, 2019:

Name of Institution	Balances held by the Fund as at June 30, 2020	Latest available published ratings at June 30, 2020	Rating agency
---------------------	--	--	---------------

(Rupees in '000)

Bank balances and profit receivable

Faysal Bank Limited	13	AA	PACRA
Bank Alfalah Limited	12,675	AA+	PACRA
United Bank Limited	76,719	AAA	VIS
Habib Metropolitan Bank	10	AA+	PACRA
Dubai Islamic Bank	142	AA	VIS
BankIslami Pakistan Limited	9	A+	PACRA
Allied Bank Limited	9	AAA	PACRA
National Bank of Pakistan	67	AAA	PACRA
	89,644		

Name of Institution	Balances held by the Fund as at June 30, 2019	Latest available published ratings at June 30, 2019	Rating agency
---------------------	--	--	---------------

(Rupees in '000)

Bank balances and profit receivable

Faysal Bank Limited	12	AA	PACRA
Bank Alfalah Limited	7,271	AA+	PACRA
United Bank Limited	289,022	AAA	VIS
Habib Metropolitan Bank	10	AA+	PACRA
Dubai Islamic Bank	127	AA	VIS
BankIslami Pakistan Limited	8	A+	PACRA
Allied Bank Limited	9	AAA	PACRA
National Bank of Pakistan	34	AAA	PACRA
	296,493		

Concentration of credit risk

Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The Fund mainly deals in equity securities which are primarily subject to price risk. The Fund's portfolio of other financial assets are entered into with diverse credit worthy counterparties thereby mitigating any significant concentration of credit risk.

The Fund's major bank balance is held with one bank. Management believes that such bank is a reputed institution and a related party.

22.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset or such obligations will have to be settled in a manner disadvantageous to the Fund.

The Fund is exposed to the daily settlement of equity securities and to daily cash redemption requests on a regular basis. Units are redeemable at the holders' option based on the Fund's net asset value per unit, at the time of redemption, calculated in accordance with the Fund's constitutive document and guidelines laid down by the SECP.

The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Fund's reputation. The Fund's policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily realised.

In order to manage the Fund's overall liquidity, the Fund also has the option to withhold daily redemption requests in excess of ten percent of the units in issue and such requests 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. Further, the Fund also has the ability to suspend redemptions of units with the approval of the Board of Directors of the Management Company in extraordinary circumstances.

The following table analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Particulars	----- As at June 30, 2020-----			
	Up to three months	More than three months and up to one year	More than one year	Total
----- Rupees in '000 -----				
Financial liabilities at amortised cost (excluding unit holders' fund)				
Payable to UBL Fund Managers Limited - Management Company	1,803	-	-	1,803
Payable to the Central Depository Company of Pakistan Limited - Trustee	78	-	-	78
Accrued expenses and other liabilities	7,090	-	-	7,090
	8,971	-	-	8,971
Unit holders' fund	416,749			416,749

Particulars	----- As at June 30, 2019-----			
	Up to three months	More than three months and up to one year	More than one year	Total
----- Rupees in '000 -----				
Financial liabilities at amortised cost (excluding unit holders' fund)				
Payable to UBL Fund Managers Limited - Management Company	15,598	-	-	15,598
Payable to the Central Depository Company of Pakistan Limited - Trustee	552	-	-	552
Accrued expenses and other liabilities	7,090	-	-	7,090
	23,240	-	-	23,240
Unit holders' fund	4,657,059	-	-	4,657,059

23. UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by the net assets attributable to unit holders / redeemable units. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. These unit holders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unit holders' fund.

The Fund's objective when managing unit holders' fund is to safeguard the Fund's ability to continue as a going concern in order to provide returns for the benefits of the unit holders to maintain a strong base of assets to support the development of the investment activities of the Fund and to meet unexpected losses or opportunities. As required under the NBFC Regulations, every open end scheme shall maintain minimum fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of scheme. In order to comply with the requirement and to maintain or adjust the Unit Holders' Fund, the Fund's policy is to perform the following:

- Monitor the level of daily issuance and redemptions relative to the liquid assets and adjust the amount of distributions the Fund pays to the unit holders;
- Redeem and issue units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and
- The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of 'Assets under Management'. The Board of Directors of the Management Company is updated regarding key performance indicators, e.g., yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current year.

24. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date. Consequently, differences can arise between carrying value and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Fair value of investments classified as 'at fair value through profit or loss' which are tradable in an open market is based on the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from the carrying value as the items are short-term in nature.

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

The table below provides information on financial assets carried at fair values, by valuation methods.

As at June 30, 2020				
	Level 1	Level 2	Level 3	Total
----- Rupees in '000-----				
ASSETS				
Investment in securities - financial assets at fair value through profit or loss				
- Equity securities	400,863	-	-	400,863
	400,863	-	-	400,863

As at June 30, 2019

ASSETS

Level 1	Level 2	Level 3	Total
----- Rupees in '000-----			
Investment in securities - financial assets at fair value through profit or loss - held for trading			
- Equity securities	4,437,957	-	4,437,957
	4,437,957	-	4,437,957

There were no transfers between various levels of fair value hierarchy during the year.

25. TOP TEN BROKERS / DEALERS BY PERCENTAGE OF THE COMMISSION CHARGED

	2020 (Percentage)
1. Al Falah Securities (Private) Limited	7.50
2. Topline Securities (Private) Limited	6.84
3. DJM Securities (Private) Limited	6.63
4. Inter Market Securities Limited	5.67
5. EFG Hermes Pakistan Limited	5.08
6. Insight Securities (Private) Limited	4.89
7. Taurus Securities Limited	4.83
8. Foundation Securities (Private) Limited	4.61
9. ABA Ali Habib Securities (Private) Limited	4.40
10. Alfa Adhi Securities (Private) Limited	4.34
	54.79
	2019 (Percentage)
1. Foundation Securities (Private) Limited	5.82
2. Inter Market Securities Limited	5.67
3. Taurus Securities Limited	5.54
4. Habib Metropolitan Financial Services	5.45
5. Al Falah Securities (Private) Limited	5.27
6. DJM Securities (Private) Limited	5.03
7. JS Global Limited	4.50
8. ABA Ali Habib Securities (Private) Limited	4.43
9. Adam Securities Limited	4.24
10. ELIXIR Securities (Private) Limited	4.13
	50.08

26. BRIEF PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

Details of the members of the investment committee of the Fund as at June 30, 2020 are as follows:

S. No.	Name	Designation	Qualification	Experience in years
1	Yasir Qadri	CEO	MBA	24
2	Syed Suleman Akhtar	Chief Investment Officer	CFA, MBA	19
3	Muhammad Imran	Head of Investment advisory	MBA	20
4	Irfan Nepal	Chief Dealer & Fund Manager	EMBA	26
5	Hadi Hassan Muki	Head of Compliance	BCOM	20
6	Syed Shabbir Sardar Zaidi	Fund Manager & Senior Analyst	MAS, CFA	11
7	Syed Sheeraz Ali	Fund Manager & Senior Analyst	MBA	10
8	Mubashir Anis	Fund Manager Equity	BS, CFA	8
9	Muhammad Waseem	Head Research	BBA, CFA	6

- 26.1** Mr. Shabbir Sardar Zaidi is Fund Manager of the Fund and he is also Fund Manager of Al-Ameen Islamic Sovereign Fund, Al-Ameen Islamic Asset Allocation Fund, Al-Ameen Shariah Stock Fund, Al-Ameen Islamic Energy Fund, Al-Ameen Islamic Retirement Savings Fund, Al-Ameen Islamic Financial Planning Fund - II and III.

27. PATTERN OF UNIT HOLDERS

Category	----- As at June 30, 2020-----	
	Number of units held	Percentage of units held %
NBFCs	3,965,985	99.48
Retirement funds	20,596	0.52
	3,986,581	100

Category	----- As at June 30, 2019-----	
	Number of units held	Percentage of units held %
NBFCs	48,481,738	99.96
Retirement funds	17,847	0.04
	48,499,585	100

28. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under common management or directorships, the Central Depository Company of Pakistan Limited (Trustee), Directors and Officers of Management Company, persons having 10% or more beneficial ownership of the units of the Fund and other collective investment schemes managed by the Management Company.

Transactions with the connected persons are at agreed / contracted rates.

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

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

28.1 Details of transactions with related parties / connected persons and balances held with them as at the year end are as follows:

Particulars	Management Company	Associated Companies and others*	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
-------------	--------------------	----------------------------------	---------	-------------------------------	------------------------------	---

-----For the year ended June 30, 2020 -----

----- (Units in '000) -----

Transactions during the period

Units issued	-	-	-	19,719	-	-
Units redeemed	-	-	-	61,650	-	-
	----- (Rupees in '000) -----					
Value of units issued	-	-	-	1,989,667	-	-
Value of units redeemed	-	-	-	5,825,525	-	-
Profit on savings accounts	-	12,478	-	-	-	-
Bank and other charges	-	1	-	-	-	-
Remuneration (including Sindh Sales Tax)	44,684	-	3,244	-	-	-
Allocated expenses	1,972	-	-	-	-	-
Shariah Advisor fee	350	-	-	-	-	-
CDS expenses	-	-	200	-	-	-
Selling and marketing expense	7,909	-	-	-	-	-

----- As at June 30, 2020 -----

----- (Units in '000) -----

Balances held

Units held	-	-	-	3,966	-	-
	----- (Rupees in '000) -----					
Value of units held	-	-	-	414,604	-	-
Bank balances	-	76,719	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable	777	-	78	-	-	-
Profit receivable	-	1,131	-	-	-	-
Allocated expenses payable	84	-	-	-	-	-
Other payable	17	-	-	-	-	-
Shariah advisor fee payable	350	-	-	-	-	-
Selling and marketing expense	575	-	-	-	-	-

Particulars	Management Company	Associated Companies and others*	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
-------------	--------------------	----------------------------------	---------	-------------------------------	------------------------------	---

-----For the year ended June 30, 2019 -----

----- (Units in '000) -----

Transactions during the period

Units issued	-	-	-	37,942	-	-
Units redeemed	-	-	-	78,500	-	-

----- (Rupees in '000) -----

Profit on savings accounts	-	73,237	-	-	-	-
Bank charges	-	35	-	-	-	-
Value of units issued	-	-	-	4,121,432	-	-
Value of units redeemed	-	-	-	8,596,368	-	-
Remuneration (including Sindh Sales Tax)	183,661	-	10,313	-	-	-
Allocated expenses	8,127	-	-	-	-	-
Shariah Advisor fee	350	-	-	-	-	-
CDS expenses	-	-	488	-	-	-
Selling and marketing expense	32,506	-	-	-	-	-

----- As at June 30, 2019 -----

----- (Units in '000) -----

Balances held

Units held	-	-	-	48,482	-	-
------------	---	---	---	--------	---	---

----- (Rupees in '000) -----

Value of units held	-	-	-	4,655,242	-	-
Bank balances	-	285,433	-	-	-	-
Deposits	-	-	100	-	-	-
Remuneration payable	9,181	-	552	-	-	-
Profit receivable	-	3,591	-	-	-	-
Allocated expenses payable	409	-	-	-	-	-
Other payable	17	-	-	-	-	-
Shariah advisor fee payable	204	-	-	-	-	-
Selling and marketing expense	5,787	-	-	-	-	-

* This represents parent (including the related subsidiaries of the parent) of the Management Company, associated companies / undertakings of the Management Company.

29. ATTENDANCE AT THE MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

During the year, six meetings of the Board of Directors of the Management Company were held. The details of the attendance are as under:

No. 120	No. 121	No. 122	No. 123	No. 124	No. 125	Total meetings attended
30-Aug-19	17-Sep-19	29-Oct-19	9-Dec-19	25-Feb-20	30-Apr-20	

Directors:

Mr. Arif Akmal Saifie *	-	-	-	-	-	✓	1
Mr. Azhar Hamid	✓	✓	✓	✓	✓	✓	6
Mr. Imran Sarwar	✓	✓	✓	✓	x	✓	5
Mr. Yasir Qadri	✓	✓	✓	✓	✓	✓	6
Ms. Naz Khan **	✓	✓	✓	✓	✓	✓	6
Ms. Sadia Saeed	x	✓	✓	✓	✓	✓	5
Syed Furrukh Zaeem	✓	✓	✓	✓	x	✓	5
Mr. Tauqeer Mazhar ***	✓	✓	✓	✓	-	-	4

Key Executives:

Mr. Bilal Javaid ****	-	-	-	✓	✓	✓	3
Mr. Umair Ahmed	✓	✓	✓	✓	✓	✓	6
S.M. Aly Osman *****	✓	✓	✓	-	-	-	3

* Mr. Arif Akmal appointed as Director with effect from March 20, 2020

** Ms. Naz Khan resigned as Director with effect from July 20, 2020

*** Mr. Tauqeer Mazhar resigned as Director with effect from January 30, 2020

**** Mr. Bilal Javaid appointed as Company Secretary with effect from February 25, 2020

***** S.M. Aly Osman resigned as Company Secretary with effect from November 30, 2019

30. GENERAL

30.1 Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

30.2 On March 11, 2020, the World Health Organisation made an assessment that the outbreak of a coronavirus (COVID-19) can be characterised as a pandemic. As a result, businesses have subsequently been affected amongst others with temporary suspension of travel, and closure of recreation and public facilities.

To alleviate the negative impact of the COVID-19 pandemic, the Government, Central Banks including financial institutions affiliated to those banks, and regulators have taken measures and issued directives to support businesses, including extensions of deadlines, facilitating continued business through social-distancing and easing pressure on credit and liquidity in the market.

The Management Company has made an assessment in order to evaluate the impact of COVID-19 pandemic over the financial performance of the Fund as well as the going concern assessment. As a result of such assessment, the management has not identified any material adverse impact on its financial performance due to COVID-19 pandemic situation.

31. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on September 24, 2020 by the Board of Directors of the Management Company.

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD
Chief Executive Officer

SD
Chief Financial Officer

SD
Director

AIFPF-II

Al-Ameen Islamic Financial Planning Fund

Al-Ameen Islamic Active Allocation Plan - VII - X

Al-Ameen Islamic Active Principal Preservation Plan-I

INVESTMENT OBJECTIVE

AIFPF-II is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.

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	BDO Ebrahim & Co
Bankers	United Bank Limited
Management Co. Rating	AM 1 (JCR-VIS)

Fund Manager's Report – Al-Ameen Islamic Financial Planning Fund – II

Al-Ameen Islamic Active Allocation Plan-IX (AIACTAP-IX)

- i) **Description of the Collective Investment Scheme category and type**
Shariah Compliant Fund of Funds Scheme/ Open-end
- ii) **Statement of Collective Investment Scheme's investment objective**
AIFPF is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.
- iii) **Explanation as to whether the Collective Investment Scheme achieved its stated objective**
The fund achieved its stated objective.
- iv) **Statement of benchmark(s) relevant to the Collective Investment Scheme**
Weighted Avg. of 3M average deposit rates of 3 AA rated islamic banks/windows as selected by MUFAP, 6M PKISRV rates and KMI-30 Index on basis of actual investment by the active allocation plan
- v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AIACTAP-IX	-4.38%	-3.39%	6.55%	7.11%	8.97%	2.93%	2.19%	-4.39%	-15.95%	16.63%	0.28%	0.67%	14.32%
Benchmark	-4.52%	-3.31%	6.51%	6.35%	8.08%	3.77%	1.74%	-6.41%	-15.98%	16.31%	-0.30%	-0.01%	8.79%

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

The "Al-Ameen Islamic Active Allocation Plan - IX is an Islamic Allocation Plan under the "Al-Ameen Islamic Financial Planning Fund". AIFPF is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.

The Fund was launched on 31-Aug-17. During FY20, AIACTAP-IX generated a return of 14.32% against the benchmark's return of 8.79%. In line with the fund's strategy, the fund's exposure to equity related funds (through Al-Ameen Islamic Dedicated Equity Fund) as at June'20 was maintained at 71%. The remaining funds were invested in Shariah Compliant income funds (through Al-Ameen Islamic Sovereign Fund). Net assets of the fund were PKR 360mn at the end of Jun'20.

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-19	Jun-20
Equity Funds	73%	71%
Money Market Funds	0%	0%
Income Funds	27%	27%
Others	0%	0%
Cash	0%	2%
Leverage	Nil	Nil

vii) Analysis of the Collective Investment Scheme's performance

FY'20 Return:	14.32%
Standard Deviation (12m trailing):	17.87%
Sharpe Ratio (12m trailing):	0.12

viii) 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			NAV per unit		
30-Jun-20	30-Jun-19	Change	30-Jun-20	30-Jun-19	Change
Rupees (000)		%	Rupees		%
360,666	2,807,982	-87.16	101.7779	89.0261	14.32

ix) Disclosure on the markets that the Collective investment Scheme has invested in including - review of the market(s) invested in and returns during the period
please refer to relevant section in Director's Report.

- x) **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 -----		
--	--	--	--	--	--

- xi) **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 state of affairs of the scheme.

- xii) **Breakdown of unit holdings by size**

Range of Units	Number of Investors
	AIFPF-II
0.0001 - 9,999.9999	50
10,000.0000 - 49,999.9999	28
50,000.0000 - 99,999.9999	7
100,000.0000 - 499,999.9999	2
500,000.0000 & Above	1
Total	88

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

There were no unit splits during the period.

- xiv) **Disclosure of circumstances that materially affect any interests of unit holders**

Investment are subject to credit and market risk.

- xv) **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.

Fund Manager's Report – Al-Ameen Islamic Financial Planning Fund – II

Al-Ameen Islamic Active Allocation Plan-X (AIACTAP-X)

- i) **Description of the Collective Investment Scheme category and type**
Shariah Compliant Fund of Funds Scheme/ Open-end
- ii) **Statement of Collective Investment Scheme's investment objective**
AIFPF is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.
- iii) **Explanation as to whether the Collective Investment Scheme achieved its stated objective**
The fund achieved its stated objective.
- iv) **Statement of benchmark(s) relevant to the Collective Investment Scheme**
Weighted Avg. of 3M average deposit rates of 3 AA rated islamic banks/windows as selected by MUFAP, 6M PKISRV rates and KMI-30 Index on basis of actual investment by the active allocation plan
- v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AIACTAP-X	-4.07%	-5.46%	6.09%	6.85%	7.97%	1.28%	2.16%	-4.31%	-15.31%	15.11%	0.28%	0.64%	8.13%
Benchmark	-4.23%	-5.37%	7.02%	6.04%	7.16%	1.52%	1.94%	-6.39%	-15.44%	15.21%	-0.24%	0.05%	3.83%

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

The "Al-Ameen Islamic Active Allocation Plan - X is an Islamic Allocation Plan under the "Al Ameen Islamic Financial Planning Fund II" with an objective to earn a potentially high return through active asset allocation between Islamic Equities and Islamic Income based on the Fund Manager's outlook on the asset classes. The fund was launched on 15-Dec-2017.

AIACTAP-X generated return of 8.13% vs the benchmark's return of 3.83% during the period under review. In line with the equity strategy, the plan's exposure to local equities (through Al-Ameen Islamic Dedicated Equity Fund) stood at 65% at the end of June'30. The remaining funds were invested in Al-Ameen Islamic Sovereign Fund. Net assets of the fund were PKR 145mn at the end of Jun'20.

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-19	Jun-20
Equity Funds	69%	65%
Money Market Funds	0%	0%
Income Funds	30%	30%
Others	0%	0%
Cash	1%	5%
Leverage	Nil	Nil

vii) Analysis of the Collective Investment Scheme's performance

FY'20 Return:	8.13%
Standard Deviation (12m trailing):	17.48%
Sharpe Ratio (12m trailing):	(0.23)

viii) 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			NAV per unit		
30-Jun-20	30-Jun-19	Change	30-Jun-20	30-Jun-19	Change
Rupees (000)		%	Rupees		%
145,032	1,250,940	-88.41	99.4093	91.9370	8.13

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

Please refer to relevant section in Director's Report.

- x) **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 -----		
--	--	--	--	--	--

- xi) **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 state of affairs of the scheme.

- xii) **Breakdown of unit holdings by size**

Range of Units	Number of Investors
	AIFPF-II
0.0001 - 9,999.9999	48
10,000.0000 - 49,999.9999	22
50,000.0000 - 99,999.9999	5
100,000.0000 - 499,999.9999	2
500,000.0000 & Above	-
Total	77

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

There were no unit splits during the period.

- xiv) **Disclosure of circumstances that materially affect any interests of unit holders**

Investment are subject to credit and market risk.

- xv) **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.

Fund Manager's Report – Al-Ameen Islamic Financial Planning Fund – II

Al-Ameen Islamic Active Principal Preservation Plan-I (AIAPPP-I)

- i) **Description of the Collective Investment Scheme category and type**
Shariah Compliant Fund of Funds Scheme/ Open-end
- ii) **Statement of Collective Investment Scheme's investment objective**
AIFPF is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.
- iii) **Explanation as to whether the Collective Investment Scheme achieved its stated objective**
The fund achieved its stated objective.
- iv) **Statement of benchmark(s) relevant to the Collective Investment Scheme**
Weighted Avg. of 3M average deposit rates of 3 AA rated islamic banks/windows as selected by MUFAP, 6M PKISRV rates and KMI-30 Index on basis of actual investment by the plan
- v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AIAPPP-I	-0.11%	-1.58%	2.35%	3.07%	4.51%	2.12%	1.70%	-2.68%	-8.64%	1.18%	0.29%	0.50%	2.06%
Benchmark	-0.52%	-1.09%	2.57%	2.79%	4.11%	2.60%	1.34%	-4.28%	-7.95%	1.12%	0.51%	0.55%	1.10%

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

The "Al Ameen Islamic Active Principal Preservation Plan I" is an Islamic Allocation Plan under the "Al-Ameen Islamic Financial Planning Fund II". AIFPF is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.

The fund was launched on 20-Mar-18. During FY20, AIAPPP-I generated a return of 2.06%. As per the fund's strategy, majority exposure of 99% was maintained in Shariah Compliant Income Funds (through Al-Ameen Islamic Sovereign Fund) at the end of June'30. Net assets of the fund were PKR 932mn at the end of Jun'20.

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-19	Jun-20
Equity Funds	23%	0%
Money Market Funds	0%	0%
Income Funds	77%	99%
Others	0%	0%
Cash	0%	1%
Leverage	Nil	Nil

vii) Analysis of the Collective Investment Scheme's performance

FY'20 Return:	2.06%
Standard Deviation (12m trailing):	7.33%
Sharpe Ratio (12m trailing):	(1.37)

viii) 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			NAV per unit		
30-Jun-20	30-Jun-19	Change	30-Jun-20	30-Jun-19	Change
Rupees (000)		%	Rupees		%
931,722	1,812,804	-48.60	106.2091	104.0633	2.06

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

Please refer to relevant section in Director's Report.

- x) **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 -----		
--	--	--	--	--	--

- xi) **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 state of affairs of the scheme.

- xii) **Breakdown of unit holdings by size**

Range of Units	Number of Investors
	AIFPF-II
0.0001 - 9,999.9999	444
10,000.0000 - 49,999.9999	143
50,000.0000 - 99,999.9999	21
100,000.0000 - 499,999.9999	11
500,000.0000 & Above	--
Total	619

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

There were no unit splits during the period.

- xiv) **Disclosure of circumstances that materially affect any interests of unit holders**

Investment are subject to credit and market risk.

- xv) **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 Active Allocation Plan-IX

	2020	2019	2018
NET ASSETS AS AT 30 JUNE - Rupees in '000	360,666	2,807,982	3,610,270
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *			
Class A units - Offer	101.7779	89.0261	99.1053
- Redemption	101.7779	87.2456	95.1411
RETURN OF THE FUND - %			
Total Return of the Fund	14.32	(10.17)	(0.89)
Capital Growth (per unit)	14.32	(10.17)	(0.89)
Date of Income Distribution	-	-	-
Income Distribution	-	-	-
AVERAGE ANNUAL RETURN - %			
One Year	14.32	(10.17)	(0.89)
Second Year	2.08	(5.53)	-
Third Year	1.09	-	-
OFFER / REPURCHASE DURING THE YEAR- Rupees *			
Highest price per unit - Class A units - Offer	108.4182	101.3608	106.2887
Highest price per unit - Class A units - Redemption	108.4182	99.3336	102.0372
Lowest price per unit - Class A units - Offer	80.4136	87.0294	94.1822
Lowest price per unit - Class A units - Redemption	78.8053	85.2888	90.4149
* Contingent load @ 0% is applicable			
PORTFOLIO COMPOSITION - %			
Percentage of Net Assets as at 30 June			
PORTFOLIO COMPOSITION BY CATEGORY - %			
Equity Funds	71	73	75
Income Funds	27	27	25
Cash	2	-	-

PORTFOLIO COMPOSITION BY MARKET - %

Mutual Funds	100	100	100
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Note:

- The Launch date of Fund is 31 August 2017

DISCLAIMER

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

PERFORMANCE TABLE

Al-Ameen Islamic Active Allocation Plan-X

	2020	2019	2018
NET ASSETS AS AT 30 JUNE - Rupees in '000	145,032	1,250,940	1,718,622
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *			
Class A units - Offer	99.4093	91.9370	101.6568
- Redemption	99.4093	90.0983	97.5905
RETURN OF THE FUND - %			
Total Return of the Fund	8.13	(9.53)	1.66
Capital Growth (per unit)	8.13	(9.38)	1.66
Date of Income Distribution	-	2-Jul-18	-
Income Distribution	-	0.0368	-
AVERAGE ANNUAL RETURN - %			
One Year	8.13	(9.53)	1.66
Second Year	(0.70)	(3.94)	-
Third Year	0.09	-	-

OFFER / REPURCHASE DURING THE YEAR- Rupees *

Highest price per unit - Class A units - Offer	106.4677	103.9842	108.6891
Highest price per unit - Class A units - Redemption	106.4677	101.9045	104.3415
Lowest price per unit - Class A units - Offer	81.6959	89.7950	99.1413
Lowest price per unit - Class A units - Redemption	80.0620	87.9991	95.1756

* Contingent load @ 0% is applicable

PORTFOLIO COMPOSITION - %

Percentage of Net Assets as at 30 June

PORTFOLIO COMPOSITION BY CATEGORY - %

Bank Balances	5	1	1
Equity Funds	65	69	72
Money Market Funds	0	-	4
Income Funds	30	30	23

PORTFOLIO COMPOSITION BY MARKET - %

Mutual Funds	100	100	100
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Note:

- The Launch date of Fund is 15th December 2017

DISCLAIMER

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

PERFORMANCE TABLE

Al Ameen Islamic Active Principal Preservation Plan - I

	2020	2019	2018
NET ASSETS AS AT 30 JUNE - Rupees in '000	931,722	1,812,804	2,149,930
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *			
Class A units - Offer	106.2091	104.0633	100.4416
- Redemption	106.2091	101.9820	96.4239
RETURN OF THE FUND - %			
Total Return of the Fund	2.06	3.61	0.44
Capital Growth (per unit)	2.06	3.61	0.44
Date of Income Distribution	-	-	-
Income Distribution	-	-	-
AVERAGE ANNUAL RETURN - %			
One Year	2.06	3.61	0.44
Second Year	2.84	2.03	-
Third Year	2.04	-	-
OFFER / REPURCHASE DURING THE YEAR- Rupees *			
Highest price per unit - Class A units - Offer	117.8168	104.9328	101.2026
Highest price per unit - Class A units - Redemption	115.4605	102.8341	97.1545
Lowest price per unit - Class A units - Offer	101.7947	96.1138	100.0000
Lowest price per unit - Class A units - Redemption	99.7588	94.1915	96.0000
* Contingent load @ 0% is applicable			
PORTFOLIO COMPOSITION - %			
Percentage of Net Assets as at 30 June			
PORTFOLIO COMPOSITION BY CATEGORY - %			
Equity Funds	-	23	9
Money Market Funds	-	-	91
Income Funds	99	77	-
Cash	1	-	-
PORTFOLIO COMPOSITION BY MARKET - %			
Mutual Funds	100	100	100

Note:

- The Launch date of Fund is 20th March 2018

DISCLAIMER

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

Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND-II

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 Financial Planning Fund-II (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, 2020 in accordance with the provisions of the following:

- (i) 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.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 25, 2020



REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the fund are issuing this report in accordance with the rules and regulations. The scope of the report is to express an opinion on the Shariah Compliance of the Funds activities.

In the capacity of Shariah Advisors, we have prescribed criteria and procedures to be followed in ensuring Shariah Compliance in every investment.

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 of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

In light of the above, we hereby certify that:

- We have reviewed and approved the modes of investments of AIFPF-II- AIACTAP-VII in light of the shariah guidelines.
- All the provisions of the Scheme and investments made on account of AIFPF-II- AIACTAP-VII by UBL Fund Managers are Shariah compliant and in accordance with the criteria established.
- On the basis of information provided by the management, all operations of AIFPF-II- AIACTAP-VII for the year ended 30 June 2020 have been in compliance with the Shariah principles.

During the year, PKR Nil amount 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 Kafeem
Member, Shariah Advisory Committee



Mufti Muhammad Najeem Khan
Member, Shariah Advisory Committee

KARACHI:
DATE: 26 August 2020



REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the fund are issuing this report in accordance with the rules and regulations. The scope of the report is to express an opinion on the Shariah Compliance of the Funds activities.

In the capacity of Shariah Advisors, we have prescribed criteria and procedures to be followed in ensuring Shariah Compliance in every investment.

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 of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

In light of the above, we hereby certify that:

- We have reviewed and approved the modes of investments of AIFPF-II- AIACTAP-VIII in light of the shariah guidelines.
- All the provisions of the Scheme and investments made on account of AIFPF-II- AIACTAP-VIII by UBL Fund Managers are Shariah compliant and in accordance with the criteria established.
- On the basis of information provided by the management, all operations of AIFPF-II- AIACTAP-VIII for the year ended 30 June 2020 have been in compliance with the Shariah principles.

During the year, PKR Nil amount has been recognized as charity.

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



Mufti Muhammad Hassan Kareem
Member, Shariah Advisory Committee



Mufti Muhammad Nazeek Khan
Member, Shariah Advisory Committee

KARACHI:
DATE: 26 August 2020



REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the fund are issuing this report in accordance with the rules and regulations. The scope of the report is to express an opinion on the Shariah Compliance of the Funds activities.

In the capacity of Shariah Advisors, we have prescribed criteria and procedures to be followed in ensuring Shariah Compliance in every investment.

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 of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

In light of the above, we hereby certify that:

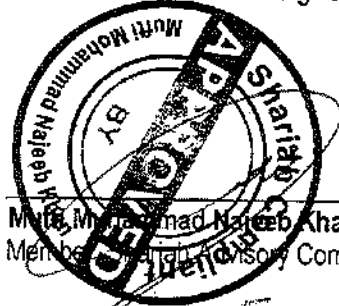
- We have reviewed and approved the modes of investments of AIFPF-II- AIACTAP-IX in light of the shariah guidelines.
- All the provisions of the Scheme and investments made on account of AIFPF-II- AIACTAP-IX by UBL Fund Managers are Shariah compliant and in accordance with the criteria established.
- On the basis of information provided by the management, all operations of AIFPF-II- AIACTAP-IX for the year ended 30 June 2020 have been in compliance with the Shariah principles.

During the year, PKR Nil amount has been recognized as charity.

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



Mufti Muhammad Haaseem Kaleem
Member, Shariah Advisory Committee



Mufti Muhammad Najeem Khan
Member, Shariah Advisory Committee

KARACHI:
DATE: 26 August 2020

UBL Fund Managers Limited
Corporate Office
8th Floor, Executive Tower, Dolmen City Building,
Block 4, Clifton, Karachi, Pakistan.
Tel: (+9221) 35290080-95 Fax: (+9221) 35290070
info@alameenfunds.com

Operations Office
4th Floor, STSM Building, Beaumont Road,
Civil Lines, Karachi, Pakistan.
Tel: (+9221) 111-825-262 Fax: (+9221) 35622798

www.alameenfunds.com

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REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the fund are issuing this report in accordance with the rules and regulations. The scope of the report is to express an opinion on the Shariah Compliance of the Funds activities.

In the capacity of Shariah Advisors, we have prescribed criteria and procedures to be followed in ensuring Shariah Compliance in every investment.

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 of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

In light of the above, we hereby certify that:

- i. We have reviewed and approved the modes of investments of AIFPF-II- AIACTAP-X in light of the shariah guidelines.
- ii. All the provisions of the Scheme and investments made on account of AIFPF-II- AIACTAP-X by UBL Fund Managers are Shariah compliant and in accordance with the criteria established.
- iii. On the basis of information provided by the management, all operations of AIFPF-II- AIACTAP-X for the year ended 30 June 2020 have been in compliance with the Shariah principles.

During the year, PKR Nil amount has been recognized as charity.

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



Mufti Muhammad Masood Kaleem
Member, Shariah Advisory Committee



Mufti Muhammad Najeem Khan
Member, Shariah Advisory Committee

KARACHI:
DATE: 26 August 2020



REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the fund are issuing this report in accordance with the rules and regulations. The scope of the report is to express an opinion on the Shariah Compliance of the Funds activities.

In the capacity of Shariah Advisors, we have prescribed criteria and procedures to be followed in ensuring Shariah Compliance in every investment.

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 of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

In light of the above, we hereby certify that:

- We have reviewed and approved the modes of investments of AIFPF-II- AIAPPP-I in light of the shariah guidelines.
- All the provisions of the Scheme and investments made on account of AIFPF-II- AIAPPP-I by UBL Fund Managers are Shariah compliant and in accordance with the criteria established.
- On the basis of information provided by the management, all operations of AIFPF-II- AIAPPP-I for the year ended 30 June 2020 have been in compliance with the Shariah principles.

During the year, PKR nil amount has been recognized as charity.

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



Mufti Muhammad Hassan Kaleem
Member, Shariah Advisory Committee



Mufti Muhammad Najeem Khan
Member, Shariah Advisory Committee

KARACHI:
DATE: 26 August 2020



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 BY UBL FUND MANAGERS LIMITED

NAME OF FUND: AL AMEEN ISLAMIC FINANCIAL PLANNING FUND – II

YEAR ENDED: JUNE 30, 2020

The Securities and Exchange Commission of Pakistan (SECP) has exempted open-end collective investment schemes from the requirements of the Listed Companies (Code of Corporate Governance) Regulations (the Regulations). However, the Board of Directors (the Board) of UBL Fund Managers Limited [the Management Company of Al Ameen Islamic Financial Planning Fund – II (the Fund)], for the purpose of establishing a framework of good governance has voluntarily opted to comply with the relevant provisions of the Regulations.

The Management Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven as per the following:
 - a. Male: Five Directors; and
 - b. Female: Two Directors.
2. The composition of the Board is as follows:

Category	Name
Independent Directors	Mr. Azhar Hamid Ms. Naz Khan*
Executive Directors	Mr. Yasir Qadri
Non-Executive Directors	Mr. Imran Sarwar Ms. Sadia Saeed Mr. Arif Akmal Saifie** Syed Furrukh Zaeem
Female Director	Ms. Naz Khan* Ms. Sadia Saeed

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including the Management Company.
4. 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.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Management Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Management Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.



8. The Board has a formal policy and transparent procedures for remuneration of its directors in accordance with the Act and these Regulations.
9. The following directors and executives have acquired the prescribed Directors' Training Program (DTP) certification:

Directors

- a. Mr. Imran Sarwar
- b. Mr. Yasir Qadri
- c. Ms. Naz Khan
- d. Ms. Sadia Saeed
- e. Syed Furrukh Zaeem

Executives

- a. Mr. Amin Gulamani (Head of Human Resources)
 - b. Mr. Hadi Hassan Mukhi (Head of Compliance and Risk)
 - c. Mr. Umair Ahmed (Chief Financial Officer)
 - d. Mr. Zeeshan Quddus (Chief Business Development Officer)
10. The Board has approved appointment of the Chief Financial Officer (CFO), the Company Secretary and the Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations.
 11. The Chief Executive Officer (CEO) and CFO duly endorsed the financial statements of the Fund before approval of the Board.
 12. The Board has formed committees comprising of members given below.

Board Audit Committee

Name	Designation	Type of Directorship
Ms. Naz Khan*	Chairman	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Imran Sarwar	Member	Non-Executive Director
Ms. Sadia Saeed	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director

Board Human Resource and Compensation Committee

Name	Designation	Type of Directorship
Mr. Azhar Hamid	Chairman	Independent Director
Mr. Yasir Qadri	Member	Executive Director
Ms. Naz Khan*	Member	Independent Director
Ms. Sadia Saeed	Member	Non-Executive Director
Syed Furrukh Zaeem	Member	Non-Executive Director

Board Risk and Compliance Committee

Name	Designation	Type of Directorship
Mr. Imran Sarwar	Chairman	Non-Executive Director
Mr. Azhar Hamid	Member	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director
Mr. Yasir Qadri	Member	Executive Director
Syed Furrugh Zaeem	Member	Non-Executive Director

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

*** Mr. Tauqeer Mazhar resigned as a director from January 30, 2020

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
14. The frequency of meetings of the committees was as follows:
 - a. The Board Audit Committee: quarterly - six meetings held
 - b. The Board Human Resource and Compensation Committee: quarterly - five meetings held
 - c. The Board Risk and Compliance Committee: quarterly - four meetings held
15. The Board has set up an effective internal audit function. The Function has suitably qualified and experienced staff for the purpose and they are conversant with the policies and procedures of the Management Company.
16. 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 and are registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on the code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the Partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of CEO, CFO, the Head of Internal Audit, the Company Secretary or directors of the Management Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of Regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with.
19. We confirm that any other significant requirements of the Regulations have been complied with.

AZHAR HAMID
Chairman

Karachi.
Dated: **September 25, 2020**



Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE UNITHOLDERS OF UBL AL AMEEN ISLAMIC FINANCIAL PLANNING FUND - II ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 AS ADOPTED BY THE BOARD OF DIRECTORS OF UBL FUND MANAGERS LIMITED

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) as adopted by the Board of Directors (the Board) of UBL Fund Managers Limited, the Management Company of UBL Al Ameen Islamic Financial Planning Fund - II (the Fund) for the year ended June 30, 2020 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Management Company of the Fund. Our responsibility is to review whether the Statement of Compliance reflects the status of the Fund's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

As a part of our audit of the 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 Regulations require the Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. 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 of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Fund's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Fund for the year ended June 30, 2020.

We draw attention to the following paragraph as detailed in the Statement of Compliance:

"The Securities and Exchange Commission of Pakistan (SECP) through its letter dated April 18, 2018 to Mutual Funds Association of Pakistan (MUFAP) has exempted the open-end collective investment schemes from the requirements of the Code of Corporate Governance. However, the Board of Directors of UBL Fund Managers Limited, the Management Company of the Fund, for the purpose of establishing a framework of good governance whereby a Fund is managed by best practice of corporate governance, has voluntarily opted to comply with the relevant provisions of the Listed Companies (Code of Corporate Governance) Regulations 2019 (The Code)."

Accordingly, our opinion is in relation to Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019 as adopted by the Board of Directors of the Management Company.

KARACHI

DATED: SEPTEMBER 25, 2020

CHARTERED ACCOUNTANTS
Engagement Partner: Zulfikar Ali Causer

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS**Report on the audit of the financial statements****Opinion**

We have audited the financial statements of Al Ameen Islamic Financial Planning Fund II ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2020, and the income statement, statement of comprehensive income, statement of cash flows and statement of movement in unit holders' fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2020, and its financial performance and its cash flows for the year then ended in accordance with approved accounting and reporting standards as applicable in Pakistan.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

S.NO	Key audit matter(s)	How the matter was addressed in our audit
1.	Existence and valuation of investments As disclosed in note 6 to the financial statements of the Fund for the year ended June 30, 2020, the investments held by the Fund comprised of investments in mutual funds managed by the Asset Management Company 'of the Fund which represent 98.3278% of the total assets of the Fund as at the year end.	Our audit procedures included the following: <ul style="list-style-type: none">We tested controls over acquisition, disposals and periodic valuation of the said investments and performed substantive audit procedures on year-end balance of portfolio including review of unitholders' statement and re-performance of valuation of mutual funds units on the basis of net assets value per unit of the investee funds at year end.

S.NO	Key audit matter(s)	How the matter was addressed in our audit
	<p>As these investments represent a significant element of the statement of assets and liabilities, a discrepancy in the valuation or existence of investments could cause the NAV to be materially misstated which would also impact the Fund's reported performance as the valuation of investments is the main driver of movements in the performance of the Fund.</p> <p>In view of the significance of these investments in relation to the total assets and the NAV of the Fund, we have considered the existence and valuation of such investments as a key audit matter.</p>	<ul style="list-style-type: none"> We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and documented and reviewed the adequacy of disclosures as may be applicable in situations of non-compliance. We also evaluated the adequacy of the overall disclosures in the financial statements in respect of investments in mutual funds instruments in accordance with the requirements of the Regulations and whether the Fund's disclosures in relation to the valuation of debt instruments are compliant with the relevant accounting standards.
2.	<p>Recognition, measurement and presentation of 'Element of Income'</p> <p>Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) stipulates the requirements for recognition, measurement and presentation of element of income.</p> <p>As per the NBFC Regulations, element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unitholders' fund. Furthermore, the NBFC Regulations also prescribes certain disclosure requirements with respect to presentation of element of income in the 'Statement of Movement in Unit Holders' Fund'.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We reviewed the processes and controls implemented by the Fund relating to the production and review of system generated reports and manual workings for the purpose of calculations of element of income or loss, bifurcation of amount paid on redemption of units into "capital value" and "income already paid on units redeemed" and checked the accuracy of refund of capital value at the time of distribution. We evaluated the accuracy of system generated reports and manual workings produced by the Fund to ensure that the data is consistent with source documents and the said workings are in compliance with all the statutory provisions relating to element of income or loss.

S.NO	Key audit matter(s)	How the matter was addressed in our audit
	<p>The NBFC Regulations explains that the accounting income as appearing in the 'Income Statement' excludes the amount of element of income and accounting income available for distribution as appearing in the 'Income Statement' excludes income already paid on units redeemed. However, at the time of distribution, in order to maintain the same ex-dividend net asset value of all units outstanding on the date of distribution, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution.</p> <p>Due to the complex calculations involved in determining the element of income, the related impact on financial statements and ensuring compliance with the NBFC Regulations, we considered recognition, measurement and presentation of 'Element of Income' as a key audit matter.</p>	<ul style="list-style-type: none"> We assessed the appropriateness of the recognition, measurement and presentation of "element of income / loss" in accordance with the provisions of the NBFC Regulations. We also considered the guidelines issued by MUFAP in respect of the accounting for element of income / loss as per the NBFC Regulations and assessed its implementation by the Fund. We also evaluated the adequacy of disclosures with respect to element of income / loss along with the adequacy of disclosures with respect to 'Income Statement' and 'Statement of Movement in Unit Holders' Fund' in accordance with the NBFC Regulations, the requirements of the relevant financial reporting standards and the guidance issued by MUFAP in relation thereto.

Information other than the financial statements and auditor's report thereon

The Management Company is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management Company and its Board of Directors

The Management Company ("UBL Fund Management Limited") of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and approved accounting and reporting standards as applicable in Pakistan and for such internal control as the Management Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Company is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Management Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.
- Conclude on the appropriateness of the Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in accordance with the relevant provisions of the Trust Deed, NBFC Rules and NBFC Regulations.

The engagement partner on the audit resulting in this independent auditor's report is Zulfikar Ali Causer.

KARACHI

DATED: 24 SEP 2020



BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS



AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND - II
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2020

June 30, 2020						
	AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I	Total
Note	(Rupees in '000)					
ASSETS						
Bank balances	5	1,124	1,015	7,952	6,911	24,145
Investments	6	-	-	354,185	141,476	1,422,073
Profit receivable	7	-	-	17	14	31
Prepayments and other receivables	8	-	-	-	10	10
Preliminary expenses and floatation costs	9	-	-	-	-	-
TOTAL ASSETS		1,124	1,015	362,137	148,404	933,579
LIABILITIES						
Payable to UBL Fund Managers Limited - Management Company	10	85	119	136	236	676
Payable to Central Depository Company of Pakistan Limited - Trustee	11	-	6	23	61	100
Payable to Securities and Exchange Commission of Pakistan	12	42	72	158	256	644
Accrued expenses and other liabilities	13	997	818	1,154	3,146	7,419
TOTAL LIABILITIES		1,124	1,015	1,471	3,372	8,839
NET ASSETS		-	-	360,666	145,032	931,722
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		-	-	360,666	145,032	931,722
CONTINGENCIES AND COMMITMENTS						
14	(Number of Units)					
NUMBER OF UNITS IN ISSUE	15	-	-	3,543,642	1,458,945	8,772,520
		(Rupees)				
NET ASSETS VALUE PER UNIT		-	-	101.7779	99.4093	106.2091

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

For UBL Fund Managers Limited
(Management Company)

SD
CHIEF EXECUTIVE OFFICER

SD
CHIEF FINANCIAL OFFICER

SD
DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND - II
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2019

		June 30, 2019				
		AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-1
		(Rupees in '000)				
		Total				
		Note				
ASSETS						
Bank balances	5	9,598	3,689	427	11,171	1,758
Investments	6	410,403	539,496	2,810,917	1,241,385	1,813,291
Profit receivable	7	85	145	14	39	4
Prepayments and other receivables	8	7	-	-	-	10
Preliminary expenses and floatation costs	9	-	-	-	-	-
TOTAL ASSETS		420,093	543,330	2,811,358	1,252,595	1,815,063
LIABILITIES						
Payable to UBL Fund Managers Limited - Management Company	10	85	106	281	151	196
Payable to Central Depository Company of Pakistan Limited - Trustee	11	33	50	213	97	126
Payable to Securities and Exchange Commission of Pakistan	12	909	2,856	2,510	1,195	1,523
Accrued expenses and other liabilities	13	325	316	372	212	414
TOTAL LIABILITIES		1,352	3,328	3,376	1,655	2,259
NET ASSETS		418,741	540,002	2,807,982	1,250,940	1,812,804
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		418,741	540,002	2,807,982	1,250,940	1,812,804
CONTINGENCIES AND COMMITMENTS	14					
		(Number of Units)				
NUMBER OF UNITS IN ISSUE	15	5,028,658	6,672,280	31,541,094	13,606,488	17,420,200
		(Rupees)				
NET ASSETS VALUE PER UNIT		83.2709	80.9322	89.0261	91.9370	104.0633

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

For UBL Fund Managers Limited
(Management Company)

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND - II
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2020

		For the period ended February 20, 2020	For the period ended May 29, 2020	For the year ended June 30, 2020			
		ALIACTAP-VII	ALIACTAP-VIII	ALIACTAP-IX	ALIACTAP-X	ALIAPPP-I	TOTAL
Note		(Rupees in '000)					
INCOME							
		1,042	2,307	4,094	4,343	713	12,499
		44,816	33,843	(118,629)	104,097	26,870	90,997
		-	-	8,181	2,161	(14,986)	(4,644)
		-	-	-	-	-	-
		-	-	2,798	4,625	12,183	19,606
		45,858	36,150	(103,556)	115,226	24,780	118,458
EXPENSES							
	11.1	169	285	626	458	1,009	2,547
	12.1	43	72	158	116	256	645
	9	-	-	-	-	-	-
	16	74	59	58	59	59	309
		7	6	6	6	6	31
		15	11	37	52	12	127
		46	32	32	32	32	174
	17	214	361	792	579	1,276	3,222
	10.2	70	70	70	72	73	355
		-	-	-	7	11	18
		638	896	1,779	1,381	2,734	7,428
		45,220	35,254	(105,335)	113,845	22,046	111,030
	13.1	(888)	(691)	-	(2,232)	(432)	(4,243)
		44,332	34,563	(105,335)	111,613	21,614	106,787
	18	-	-	-	-	-	-
		44,332	34,563	(105,335)	111,613	21,614	106,787
		-	-	-	(106,522)	(2,166)	(108,688)
		44,332	34,563	(105,335)	5,091	19,448	(1,901)
		-	-	-	1,006	9,655	
		-	-	-	4,085	9,793	
		-	-	-	5,091	19,448	
Earnings per unit	19						

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

For UBL Fund Managers Limited
(Management Company)

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND - II
INCOME STATEMENT (Continued)
FOR THE YEAR ENDED JUNE 30, 2019

		June 30, 2019					
		AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I	TOTAL
Note		(Rupees in '000)					
INCOME							
	Profit on bank balances	1,820	486	166	428	182	3,082
	Capital (loss) / gain on sale of investments - net	14,661	(264,836)	34,792	9,710	102,463	(103,210)
	Unrealised (loss) / gain on re-measurement of investments classified as financial assets at fair value through profit or loss - held for trading - net	(44,504)	(54,120)	(373,296)	(160,330)	(39,127)	(671,377)
	Dividend income	138	360	310	171	3,697	4,676
	Other income	1,376	7,136	9,807	7,329	11,568	37,216
	Total (loss) / income	(26,509)	(310,974)	(328,221)	(142,692)	78,783	(729,613)
EXPENSES							
	Remuneration of Central Depository Company of Pakistan Limited - Trustee	11.1	1,056	3,318	2,919	1,388	10,440
	Annual fee of Securities and Exchange Commission of Pakistan	12.1	909	2,857	2,511	1,195	8,995
	Amortisation of preliminary expenses and floatation costs	9	1,380	-	-	-	1,380
	Auditors' remuneration	16	70	69	70	70	349
	Listing fee		22	6	5	6	45
	Bank charges		28	18	20	14	102
	Legal and professional charges		22	29	29	42	151
	Allocated expenses	17	1,212	3,809	3,347	2,030	11,992
	Shariah advisory fee	10.2	76	76	71	71	365
	Other expenses		172	2	2	2	180
	Total operating expenses		4,947	10,184	8,974	5,517	33,999
	Net (loss) / income from operating activities		(31,456)	(321,158)	(337,195)	(147,069)	(763,612)
	Provision for Sindh Workers' Welfare Fund	13.1	-	-	-	-	-
	Net (loss) / income for the year / period before taxation		(31,456)	(321,158)	(337,195)	(147,069)	(763,612)
	Taxation	18	-	-	-	-	-
	Net (loss) / income for the year / period after taxation		(31,456)	(321,158)	(337,195)	(147,069)	(763,612)
	Allocation of net loss / income for the year / period						
	Income already paid on units redeemed		-	-	-	(10,792)	(10,792)
	Net (loss) / income for the year / period available for distribution		(31,456)	(321,158)	(337,195)	(147,069)	(774,404)
	Net (loss) / income for the year / period available for distribution						
	Relating to capital gains		-	-	-	62,474	
	Excluding capital gains		-	-	-	-	
			-	-	-	62,474	
	Earnings per unit	19					

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

For UBL Fund Managers Limited
(Management Company)

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND - II
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2020

	For the period ended February 20, 2020 AIACTAP- VII	For the period ended May 29, 2020 AIACTAP- VIII	For the year ended June 30, 2020 AIACTAP-IX	For the year ended June 30, 2020 AIACTAP-X	For the year ended June 30, 2020 AIAPPP-I	TOTAL
	(Rupees in '000)					
Net income/ (loss) for the year after taxation	44,332	34,563	(105,335)	111,613	21,614	106,787
Other comprehensive income						
Items that may be reclassified subsequently to income statement	-	-	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-	-	-
Total comprehensive income/ (loss) for the year	<u>44,332</u>	<u>34,563</u>	<u>(105,335)</u>	<u>111,613</u>	<u>21,614</u>	<u>106,787</u>

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

For UBL Fund Managers Limited
(Management Company)

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND - II
STATEMENT OF COMPREHENSIVE INCOME (Continued)
FOR THE YEAR ENDED JUNE 30, 2019

	June 30, 2019				
	AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I
	(Rupees in '000)				
					TOTAL
Net (loss) / income for the year / period after taxation	(31,456)	(321,158)	(337,195)	(147,069)	73,266
Other comprehensive income					
Items that may be reclassified subsequently to income statement	-	-	-	-	-
Items that will not be reclassified subsequently to income statement	-	-	-	-	-
Total comprehensive (loss) / income for the year / period	(31,456)	(321,158)	(337,195)	(147,069)	73,266

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

For UBL Fund Managers Limited
(Management Company)

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND - II
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

	June 30, 2020					
	AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I	TOTAL
	(Rupees in '000)					
CASH FLOWS FROM OPERATING ACTIVITIES						
Net income / (loss) for the year before taxation	44,332	34,563	(105,335)	111,613	21,614	106,787
Adjustments for:						
Capital (gain) / loss on sale of investments - net	(44,816)	(33,843)	118,629	(104,097)	(26,870)	(90,997)
Profit on bank balances	(1,042)	(2,307)	(4,094)	(4,343)	(713)	(12,499)
Amortisation of preliminary expenses and floatation cost	-	-	-	-	-	-
Dividend income	-	-	-	-	-	-
Unrealised loss on re-measurement of investments	-	-	-	-	-	-
classified as financial assets at 'fair value through profit or loss' - net	-	-	(8,181)	(2,161)	14,986	4,644
	(45,858)	(36,150)	106,354	(110,601)	(12,597)	(98,852)
Cash (used in) / generated from operations before working capital changes	(1,526)	(1,587)	1,019	1,012	9,017	7,935
Working capital changes						
Decrease / (increase) in assets						
Investments - net	455,219	573,339	2,346,284	1,206,167	898,763	5,479,772
Other receivable	7	-	-	-	-	7
	455,226	573,339	2,346,284	1,206,167	898,763	5,479,779
(Decrease) / increase in liabilities						
Payable to UBL Fund Managers Limited - Management Company	-	13	(145)	(51)	40	(143)
Payable to the Central Depository Company of Pakistan Limited - Trustee	(33)	(44)	(190)	(87)	(65)	(419)
Payable to the Securities and Exchange Commission of Pakistan	(867)	(2,784)	(2,352)	(1,079)	(1,267)	(8,349)
Accrued expenses and other liabilities	672	503	782	2,934	890	5,781
	(228)	(2,312)	(1,905)	1,717	(402)	(3,130)
Profit received on bank balances	1,127	2,451	4,108	4,365	703	12,754
Net cash generated from operating activities	454,599	571,891	2,349,506	1,213,261	908,081	5,497,338
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts from issuance of units	-	-	15,134	28,203	6,070	49,407
Payments against redemption of units	(463,073)	(574,565)	(2,357,115)	(1,245,724)	(908,766)	(5,549,243)
Dividend received	-	-	-	-	-	-
Distributions during the year	-	-	-	-	-	-
Net cash (used in) / generated from financing activities	(463,073)	(574,565)	(2,341,981)	(1,217,521)	(902,696)	(5,499,836)
Net (decrease) / increase in cash and cash equivalents	(8,474)	(2,674)	7,525	(4,260)	5,385	(2,498)
Cash and cash equivalents at the beginning of the year	9,598	3,689	427	11,171	1,758	26,643
Cash and cash equivalents at the end of the year	1,124	1,015	7,952	6,911	7,143	24,145

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

For UBL Fund Managers Limited
(Management Company)

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND - II
STATEMENT OF CASH FLOWS (Continued)
FOR THE YEAR ENDED JUNE 30, 2019

	For the year ended June 30, 2019					
	AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I	TOTAL
	(Rupees in '000)					
CASH FLOWS FROM OPERATING ACTIVITIES						
Net (loss) / income for the year / period before taxation	(31,456)	(321,158)	(337,195)	(147,069)	73,266	(763,612)
Adjustments for:						
Capital loss / (gain) on sale of investments - net	(14,661)	264,836	(34,792)	(9,710)	(102,463)	103,210
Profit on bank balances	(1,820)	(486)	(166)	(428)	(182)	(3,082)
Amortisation of preliminary expenses and floatation cost	1,380	-	-	-	-	1,380
Dividend income	(138)	(360)	(310)	(171)	(3,697)	(4,676)
Unrealised loss / (gain) on re-measurement of investments classified as financial assets at fair value through profit or loss - held for trading - net	44,504	54,120	373,296	160,330	39,127	671,377
	29,265	318,110	338,028	150,021	(67,215)	768,209
Cash generated from / (used in) operations before working capital changes	(2,191)	(3,048)	833	2,952	6,051	4,597
Working capital changes						
Decrease / (increase) in assets						
Investments - net	1,200,033	3,466,923	463,919	321,785	400,947	5,853,607
Other receivable	754	-	-	-	(10)	744
	1,200,787	3,466,923	463,919	321,785	400,937	5,854,351
(Decrease) / increase in liabilities						
Payable to UBL Fund Managers Limited - Management Company	(203)	(643)	(343)	(147)	(510)	(1,846)
Payable to the Central Depository Company of Pakistan Limited - Trustee	(87)	(265)	(50)	(28)	(28)	(458)
Payable to the Securities and Exchange Commission of Pakistan	(459)	(561)	121	469	1,067	637
Accrued expenses and other liabilities	281	275	255	152	378	1,341
	(468)	(1,194)	(17)	446	907	(326)
Profit received on bank balances	1,789	364	175	418	242	2,988
Net cash generated from / (used in) operating activities	1,199,917	3,463,045	464,910	325,601	408,137	5,861,610
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts from issuance of units	6,542	38,739	19,497	2,002	46,647	113,427
Payments against redemption of units	(1,207,507)	(3,503,375)	(484,590)	(321,993)	(457,039)	(5,974,504)
Dividend received	138	360	310	171	3,697	4,676
Distributions during the year / period	-	-	-	(622)	-	(622)
Net cash (used in) / generated from financing activities	(1,200,827)	(3,464,276)	(464,783)	(320,442)	(406,695)	(5,857,023)
Net (decrease) / increase in cash and cash equivalents	(910)	(1,231)	127	5,159	1,442	4,587
Cash and cash equivalents at the beginning of the year / period	10,508	4,920	300	6,012	316	22,056
Cash and cash equivalents at the end of the year / period	9,598	3,689	427	11,171	1,758	26,643

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

For UBL Fund Managers Limited
(Management Company)

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMDEE ISLAMIC FINANCIAL PLANNING FUNDS
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	AACTAP-VII			AACTAP-VIII			AACTAP-IX			AACTAP-X			AACTAP-XI			For the year ended June 30, 2020		
	For the year ended June 30, 2020			For the year ended June 30, 2020			For the year ended June 30, 2020			For the year ended June 30, 2020			For the year ended June 30, 2020			For the year ended June 30, 2020		
	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total
	(Rupiah in '000)			(Rupiah in '000)			(Rupiah in '000)			(Rupiah in '000)			(Rupiah in '000)			(Rupiah in '000)		
Net assets at the beginning of the year	668,548	(249,867)	418,681	1,267,291	(827,289)	340,002	1,776,955	(370,973)	2,147,928	1,368,760	(117,800)	1,250,960	1,760,919	71,865	1,832,784	5,214,573	(1,494,944)	3,719,629
Insurance of FNU, NAL, 163,642, 316,354, 36,023 units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Capital value of units	-	-	-	-	-	-	14,598	-	14,598	29,181	-	29,181	3,892	-	3,892	49,261	-	49,261
- Element of (loss) / income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Due to net (loss accrued) / income earned	-	-	-	-	-	-	568	-	568	(890)	-	(890)	178	-	178	(1,145)	-	(1,145)
Total proceeds on issuance of units	-	-	-	-	-	-	15,134	-	15,134	28,291	-	28,291	6,070	-	6,070	49,487	-	49,487
Redemption of 1,024,638 6,672,250 22,165,464 12,441,829 8,704,365 units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Capital value of units	(618,743)	-	(618,743)	(549,492)	-	(549,492)	(2,397,469)	-	(2,397,469)	(1,149,910)	-	(1,149,910)	(985,697)	-	(985,697)	(3,217,819)	-	(3,217,819)
- Element of (income) / loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Due to net (income earned) / loss incurred	(44,732)	-	(44,732)	(54,163)	-	(54,163)	(50,345)	-	(50,345)	6,788	(1,912,222)	(99,814)	(983)	(7,140)	(7,649)	77,115	(1,08,488)	(31,453)
Total payments on redemption of units	(663,475)	-	(663,475)	(603,655)	-	(603,655)	(2,447,814)	-	(2,447,814)	(1,143,122)	-	(1,143,122)	(986,680)	-	(986,680)	(3,140,704)	-	(3,140,704)
Total comprehensive (loss) / income for the year	-	44,332	44,332	-	34,363	34,363	-	(105,335)	(105,335)	-	111,613	111,613	-	21,614	21,614	-	196,787	196,787
Distribution during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Re 0.0368 per unit declared on July 02, 2018 as cash dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net (loss) / income for the year less distribution	-	44,332	44,332	-	34,363	34,363	-	(105,335)	(105,335)	-	111,613	111,613	-	21,614	21,614	-	196,787	196,787
Net assets at the end of the year	-	-	-	-	-	-	816,954	(476,108)	340,846	2,177,761	(117,187)	2,060,574	1,847,532	93,479	1,941,011	5,264,060	(1,494,944)	3,769,116
Undistributed (loss) / income brought forward comprises of:																		
Realized (loss) / gain	(295,393)	-	(295,393)	(779,207)	-	(779,207)	2,323	-	2,323	42,230	-	42,230	118,992	-	118,992	(322,765)	-	(322,765)
Unrealized (loss) / gain	(44,546)	-	(44,546)	(54,700)	-	(54,700)	(773,286)	-	(773,286)	(160,330)	-	(160,330)	(93,129)	-	(93,129)	(871,377)	-	(871,377)
Total undistributed (loss) / income brought forward	(340,939)	-	(340,939)	(833,907)	-	(833,907)	(770,963)	-	(770,963)	(118,100)	-	(118,100)	(74,137)	-	(74,137)	(1,194,142)	-	(1,194,142)
Income available for distribution:																		
Referring to capital gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Excluding capital gains	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net loss for the year	-	44,332	44,332	-	34,363	34,363	-	(105,335)	(105,335)	-	111,613	111,613	-	21,614	21,614	-	196,787	196,787
Distribution during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Re 0.0368 per unit declared on July 02, 2018 as cash dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Undistributed (loss) / income carried forward	-	(795,475)	(795,475)	-	(792,425)	(792,425)	-	(480,100)	(480,100)	-	(117,187)	(117,187)	-	(93,111)	(93,111)	-	(1,494,944)	(1,494,944)
Undistributed (loss) / income carried forward comprises of:																		
Realized (loss) / gain	(295,475)	-	(295,475)	(792,425)	-	(792,425)	(484,480)	-	(484,480)	(114,870)	-	(114,870)	(96,299)	-	(96,299)	(1,491,360)	-	(1,491,360)
Unrealized (loss) / gain	-	-	-	-	-	-	8,181	-	8,181	7,151	-	7,151	(14,986)	-	(14,986)	(4,044)	-	(4,044)
Total undistributed (loss) / income carried forward	-	(795,475)	(795,475)	-	(792,425)	(792,425)	(476,299)	-	(476,299)	(107,719)	-	(107,719)	(111,285)	-	(111,285)	(1,495,404)	-	(1,495,404)
Net assets value per unit at the beginning of the year	(Rupiah) 61.7703			(Rupiah) 80.9322			(Rupiah) 80.0561			(Rupiah) 91.0730			(Rupiah) 84.0631			(Rupiah) 105.7501		
Net assets value per unit at end of the year	-			-			-			-			-			-		

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

For UBL Fund Managers Limited
(Management Company)

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SD

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND-II
STATEMENT OF MOVEMENT IN UNIT HOLDERS FUNDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2019

	AIACFAP-VII			AIACFAP-VIII			AIACFAP-IX			AIACFAP-X			AIACFAP-XI			For the year ended June 30, 2019		
	For the year ended June 30, 2019			For the year ended June 30, 2019			For the year ended June 30, 2019			For the year ended June 30, 2019			For the year ended June 30, 2019			For the year ended June 30, 2019		
	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total	Capital value	Undistributed loss	Total
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the year / period	1,869,513	(218,351)	1,651,162	4,832,827	(506,231)	4,326,596	3,644,048	(33,778)	3,610,270	1,688,731	29,891	1,718,622	2,140,539	9,391	2,149,930	14,174,858	(719,078)	13,455,780
Issuance of 72,639, 450,452, 200,285, 20,021 and 447,357 units																		
- Capital value of units	6,548	-	6,548	40,585	-	40,585	19,841	-	19,841	2,035	-	2,035	44,953	-	44,953	113,962	-	113,962
- Element of income / (loss) during the year / period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Due to net (loss incurred) / income earned	(6)	-	(6)	(1,840)	-	(1,840)	(744)	-	(744)	(75)	-	(75)	1,694	-	1,694	(415)	-	(535)
Total proceeds on issuance of units	6,542	-	6,542	38,739	-	38,739	19,497	-	19,497	2,062	-	2,062	46,647	-	46,647	113,427	-	113,427
Redemption of 13,241,004, 41,790,035, 5,087,741, 3,319,630 and 4,432,137 units																		
- Capital value of units	(1,204,409)	-	(1,204,409)	(3,765,219)	-	(3,765,219)	(504,222)	-	(504,222)	(337,343)	-	(337,343)	(445,171)	-	(445,171)	(6,256,364)	-	(6,256,364)
- Element of income / (loss) during the year / period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Due to net (income earned) / loss incurred	(7,098)	-	(7,098)	261,844	-	261,844	19,632	-	19,632	15,350	-	15,350	(1,076)	-	(1,076)	202,652	(10,792)	281,860
Total payments on redemption of units	(1,207,507)	-	(1,207,507)	(3,503,375)	-	(3,503,375)	(484,590)	-	(484,590)	(321,993)	-	(321,993)	(446,247)	-	(446,247)	(5,963,712)	(10,792)	(5,974,504)
Total comprehensive (loss) / income for the year / period	-	(31,456)	(31,456)	-	(321,158)	(321,158)	-	(337,195)	(337,195)	-	(147,069)	(147,069)	-	73,266	73,266	-	(763,612)	(763,612)
Distribution during the year / period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Re. 0.0368 per unit declared on July 02, 2018 as cash dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net (loss) / income for the year / period less distribution	-	(31,456)	(31,456)	-	(321,158)	(321,158)	-	(337,195)	(337,195)	-	(147,069)	(147,069)	-	73,266	73,266	-	(764,234)	(764,234)
Net assets at the end of the year / period	648,148	(249,807)	398,341	1,367,191	(827,389)	539,802	3,138,955	(370,971)	2,807,982	1,368,248	(117,808)	1,250,440	1,740,039	71,865	1,811,904	8,124,171	(1,494,104)	6,630,067
Undistributed (loss) / income brought forward comprises of:																		
Realised gain	(100,847)	-	(100,847)	(231,536)	-	(231,536)	18,168	-	18,168	14,866	-	14,866	(4,400)	-	(4,400)	(306,957)	-	(306,957)
Unrealised loss	(118,504)	-	(118,504)	(728,695)	-	(728,695)	(11,911)	-	(11,911)	13,025	-	13,025	13,791	-	13,791	(412,121)	-	(412,121)
Total undistributed loss brought forward	(219,351)	-	(219,351)	(960,231)	-	(960,231)	(33,778)	-	(33,778)	29,891	-	29,891	9,391	-	9,391	(719,078)	-	(719,078)
(Loss) / income available for distribution:																		
Relating to capital gain	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Establishing capital gain	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net loss for the year	(31,456)	-	(31,456)	(321,158)	-	(321,158)	(337,195)	-	(337,195)	(147,069)	-	(147,069)	62,474	-	62,474	(774,404)	-	(774,404)
Distribution during the year / period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Re. 0.0368 per unit declared on July 02, 2018 as cash dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Undistributed (loss) / income carried forward	(749,987)	-	(749,987)	(927,389)	-	(927,389)	(770,971)	-	(770,971)	(117,808)	-	(117,808)	71,865	-	71,865	(1,094,304)	-	(1,094,304)
Undistributed (loss) / income carried forward comprises of:																		
Realised (loss) / gain	(225,281)	-	(225,281)	(772,269)	-	(772,269)	3,325	-	3,325	42,558	-	42,558	110,992	-	110,992	(822,726)	-	(822,726)
Unrealised (loss) / gain	(44,504)	-	(44,504)	(45,120)	-	(45,120)	(175,296)	-	(175,296)	(145,118)	-	(145,118)	(30,127)	-	(30,127)	(671,379)	-	(671,379)
Total undistributed (loss) / income carried forward	(249,987)	-	(249,987)	(827,389)	-	(827,389)	(770,971)	-	(770,971)	(117,808)	-	(117,808)	71,865	-	71,865	(1,094,304)	-	(1,094,304)
	(Rupees)		(Rupees)		(Rupees)		(Rupees)		(Rupees)		(Rupees)		(Rupees)		(Rupees)			
Net assets value per unit at the beginning of the year / period	90.1436		90.0985	90.0985		90.1953	101.6468		100.4416									
Net assets value per unit at the end of the year / period	83.2710		80.0122	80.0122		80.0261	91.9179		104.0611									

The annexed notes from 1 to 28 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND- II
NOTES TO AND FORMING PART OF FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Al Ameen Islamic Financial Planning Fund - II (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-end mutual fund. It was constituted under the Trust Deed, dated August 29, 2016 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under repealed Companies Ordinance, 1984 (now Companies Act, 2017) and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has also been approved by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 4th floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
- 1.2 The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.
- 1.3 The Fund is an open ended shariah compliant fund of fund scheme and is listed on the Pakistan Stock Exchange Limited. The units of Al-Ameen Islamic Active Allocation Plan - VII, Al-Ameen Islamic Active Allocation Plan - VIII, Al-Ameen Islamic Active Allocation Plan - IX, Al-Ameen Islamic Active Allocation Plan - X, and Al-Ameen Islamic Principal Preservation Plan-I of the Fund were initially offered to public on February 14, 2017, May 19, 2017, August 25, 2017, December 8, 2017, November 8, 2017 and March 19, 2018 respectively. Subsequent to the Initial Public Offering, the offer of Units of the Allocation Plans at the Initial Offer Price is discontinued. The Units of the Allocation Plans could then be purchased at their Offer price and redeemed at the Redemption Price, which shall be calculated on the basis of Net Asset Value (NAV) of each Allocation Plan. The units are transferable and can be redeemed by surrendering them to the Fund at the option of unit holder. The Fund consists of multiple plans and aims to generate return for investors in line with their risk tolerance level. The duration of the Fund is perpetual however the allocation plans have a standard time frame of two years. Each Allocation Plan announces separate NAVs which rank pari passu inter se according to its number of Units. Units are offered for public subscription on a continuous basis.
- 1.4 The Fund mainly makes investments in designated authorised investments approved by the Shariah Advisory Board and offers Shariah Compliant returns to the investors. Under Circular 07 dated March 6, 2009 issued by the SECP, the Fund is categorised as a Shariah Compliant Fund of Funds.
- 1.5 Title to the assets of the Fund are held in the name of the CDC as the Trustee of the Fund.

Currently, five plans (i.e. Al-Ameen Islamic Active Allocation Plan - VII, Al-Ameen Islamic Active Allocation Plan - VIII, Al-Ameen Islamic Active Allocation Plan - IX, Al-Ameen Islamic Active Allocation Plan - X, and Al-Ameen Islamic Principal Preservation Plan-I) have been introduced. The brief description of the plans is as follows:

Al-Ameen Islamic Active Allocation Plan - VII (AIACTAP-VII)

An Islamic allocation plan with an objective to earn potentially high returns through active asset allocation between Islamic Equity scheme(s) and Islamic Income scheme(s). The Management Company actively manages the allocations, from time to time, based on the outlook for the asset-classes and may invest up to 100% in Islamic Equity, Islamic Income and Islamic Money Market schemes. The un-invested amounts or funds, if any, shall be kept in cash and/ or near cash instruments where near cash instruments include cash in Islamic Bank and/ or Islamic Banking windows of conventional bank account (excluding TDRs) with rating not lower than AA- (AA minus) or any other rating allowed by the SECP from time to time.

Al-Ameen Islamic Active Allocation Plan - VII (AIACTAP-VII) was due to mature on February 20, 2019. However in prior year, the Management Company of the Fund, vide 10th supplement to the offering document of the Fund issued on January 28, 2019, extended the duration of AIACTAP-VII by one year till February 20, 2020. It has matured during the year.

Al-Ameen Islamic Active Allocation Plan - VIII (AIACTAP-VIII)

An Islamic allocation plan with an objective to earn potentially high returns through active asset allocation between Islamic Equity scheme(s) and Islamic Income scheme(s). The Management Company actively manages the allocations, from time to time, based on the outlook for the asset-classes and may invest up to 100% in Islamic Equity, Islamic Income and Islamic Money Market schemes. The un-invested amounts or funds, if any, shall be kept in cash and/ or near cash instruments where near cash instruments include cash in Islamic Bank and/ or Islamic Banking windows of conventional bank account (excluding TDRs) with rating not lower than AA- (AA minus) or any other rating allowed by the SECP from time to time.

Al-Ameen Islamic Active Allocation Plan - VIII (AIACTAP-VIII) was due to mature on May 29, 2019. However in prior year, the Management Company of the Fund, vide 11th supplement to the offering document of the Fund issued on March 20, 2019, extended the duration of AIACTAP-VIII by one year till May 29, 2020. It has matured during the year.

Al-Ameen Islamic Active Allocation Plan - IX (AIACTAP-IX)

An Islamic allocation plan with an objective to earn potentially high returns through active asset allocation between Islamic Equity scheme(s) and Islamic Income scheme(s). The Management Company actively manages the allocations, from time to time, based on the outlook for the asset-classes and may invest up to 95% in Islamic Equity, 95% in Islamic Income and 5% to 100% in Islamic Money Market schemes. The un-invested amounts or funds, if any, shall be kept in cash and/ or near cash instruments where near cash instruments include cash in Islamic Bank and/ or Islamic Banking windows of conventional bank account (excluding TDRs) with rating not lower than AA- (AA minus) or any other rating allowed by the SECP from time to time.

Al-Ameen Islamic Active Allocation Plan - IX (AIACTAP-IX) was due to mature on 30 August, 2019. However, during the year, the Management Company of the Fund, vide 12th supplement to the offering document of the Fund issued on August 5, 2019, has extended the duration of AIACTAP-IX by one year till August 30, 2020.

Al-Ameen Islamic Active Allocation Plan - X (AIACTAP-X)

An Islamic allocation plan with an objective to earn potentially high returns through active asset allocation between Islamic Equity scheme(s) and Islamic Income scheme(s). The Management Company actively manages the allocations, from time to time, based on the outlook for the asset-classes and may invest up to 95% in Islamic Equity, 95% in Islamic Income and 5% to 100% in Islamic Money Market schemes. The un-invested amounts or funds, if any, shall be kept in cash and/ or near cash instruments where near cash instruments include cash in Islamic Bank and/ or Islamic Banking windows of conventional bank account (excluding TDRs) with rating not lower than AA- (AA minus) or any other rating allowed by the SECP from time to time.

Al-Ameen Islamic Active Allocation Plan - X (AIACTAP-X) is due to mature on December 15, 2020 unless the Management Company decides otherwise.

Al-Ameen Islamic Principal Preservation Plan-I (AIAPPP)

An Islamic Principal Preservation plan with an objective to earn a potentially high return through dynamic asset allocation between Islamic Equity, Islamic Sovereign Income and Islamic Money Market based collective investment schemes, while providing principal preservation of the initial investment value including front end load at completion of twenty four months and beyond till maturity of the plan. Investment segment of the Plan may invest upto 50% in Islamic Equity Scheme(s) category, 100% in Islamic Money Marker/Sovereign Income Scheme(s) and 10% in Cash in Islamic Windows Account.

Al-Ameen Islamic Principal Preservation Plan - I (AIAPPP) is due to mature on September 19, 2020 unless the Management Company decides otherwise.

- 1.6 VIS Credit Rating Company Limited has assigned an asset manager quality rating of 'AM1' (stable outlook) to the Management Company as at June 30, 2020.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017, the provisions of and directives issued under the Companies Act, 2017, along with part VIIIA of the repealed Companies Ordinance, 1984 and the NBFC Rules, Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except investments that are stated at fair values. These financial statements have been prepared by following accrual basis of accounting except for cash flows information.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees, which is the Fund's functional and presentation currency.

2.4 Use of estimates and judgments

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of approved accounting standards, as applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material judgment in the next year are as follows:

Classification and measurement of financial assets and financial liabilities

For details please refer notes 4.2.1.1 and 21 to these financial statements.

Impairment of financial assets

For details please refer note 4.2.1.2 to these financial statements.

Provision for taxation

For details please refer notes 4.7 and 18 to these financial statements.

Sindh Workers' Welfare Fund

For details please refer note 13.1 to these financial statements.

Other assets

Judgment is involved in assessing the realisability of other assets balances.

3 NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED STANDARDS

3.1 Standards / amendments that are effective in current year and relevant to the Company

The Company has adopted the standards / amendments to the following approved accounting standards as applicable in Pakistan which became effective during the year from the dates mentioned below against the respective standard:

		Effective date (annual periods beginning on or after)
IFRS 9	Financial Instruments - amendments regarding prepayment features with negative compensation and modifications of financial liabilities	January 01, 2019
IFRIC 23	Uncertainty over Income Tax Treatments	January 01, 2019

Other than the amendments to standards mentioned above, there are certain annual improvements made to IFRS that became effective during the year:

		Effective date (annual periods beginning on or after)
Annual improvements to IFRSs (2015 – 2017) Cycle:		
IFRS 3	Business Combinations	January 01, 2019
IFRS 11	Joint Arrangements	January 01, 2019
IAS 12	Joint Arrangements	January 01, 2019
IAS 23	Borrowing Costs	January 01, 2019

3.2 Amendments that are effective in current year and not relevant to the Company

The Company has adopted the amendments to the following approved accounting standards as applicable in Pakistan which became effective during the year from the dates mentioned below against the respective standard:

IFRS 8	Operating Segments - Amendments regarding prepayment features with negative compensation and modifications of financial liabilities	January 01, 2019
IFRS 16	Leases - Original issue	January 01, 2019
IAS 19	Employee benefits - Amendments regarding plan amendments, curtailments or settlements	January 01, 2019
IAS 28	Investments in Associates and Joint Ventures - Amendments regarding long-term interests in associates and joint ventures	January 01, 2019
IFRS 14	Regulatory Deferral Accounts - Original issue	July 01, 2019

3.3 Amendments not yet effective

The following amendments to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard:

		Effective date (annual periods beginning on or after)
Amendments to IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update these pronouncements with regard to references to and quotes from the framework or to indicate where they refer to different version of the Conceptual Framework.		January 01, 2020
IFRS 3	Business Combinations - amendments to clarify the definition of a business	January 01, 2020
IFRS 3	Business Combinations - amendments updating a reference to the Conceptual Framework	January 01, 2022
IFRS 4	Insurance Contracts - Amendments regarding the expiry date of the deferral approach	January 01, 2023
IFRS 7	Financial Instruments: Disclosures - Amendments regarding pre-replacement issues in the context of the IBOR reform	January 01, 2020
IFRS 9	Financial Instruments - Amendments regarding pre-replacement issues in the context of the IBOR reform	January 01, 2020
IFRS 9	Financial Instruments - Amendments regarding the interaction of IFRS 4 and IFRS 9	January 01, 2023
IFRS 16	Leases - Amendment to provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification	January 01, 2020
IFRS 17	Insurance Contracts - Amendments to address concerns and implementation challenges that were identified after IFRS 17 was published	January 01, 2023
IAS 1	Presentation of Financial Statements - amendments regarding the definition of materiality	January 01, 2020
IAS 1	Presentation of Financial Statements - Amendments regarding the classification of liabilities	January 01, 2022

		Effective date (annual periods beginning on or after)
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors - amendments regarding the definition of materiality	January 01, 2020
IAS 16	Property, Plant and Equipment - Amendments prohibiting a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use	January 01, 2022
IAS 37	Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding the costs to include when assessing whether a contract is onerous	January 01, 2022
IAS 39	Financial Instruments: Recognition and Measurement - Amendments regarding pre-replacement issues in the context of the IBOR reform	January 01, 2020

The annual improvements to IFRSs that are effective from the dates mentioned below against respective standards:

Annual improvements to IFRSs (2018 – 2020) Cycle:

IFRS 1	First-time Adoption of International Financial Reporting Standards	January 01, 2022
IFRS 9	Financial Instruments	January 01, 2022
IFRS 41	Agriculture	January 01, 2020

3.4 Standards or interpretations not yet effective

The following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which have not been adopted locally by the Securities and Exchange Commission of Pakistan (SECP):

IFRS 1	First Time Adoption of International Financial Reporting Standards
IFRS 17	Insurance Contracts

The Company expects that the adoption of the other amendments and interpretations of the standards will not have any material impact and therefore will not affect the Company's financial statements in the period of initial application.

4 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statement are set below. These accounting policies have been consistently applied unless otherwise stated.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are carried in the statement of assets and liabilities at nominal values.

4.2 Financial instruments

4.2.1 Financial assets

4.2.1.1 Classification and measurement of financial assets and financial liabilities

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or fair value through profit and loss (FVTPL). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in income statement.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (see (ii) below). Interest income, foreign exchange gains and losses and impairment are recognised in income statement.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in income statement. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income statement.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to income statement.

4.2.1.2 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

For financial assets classified as 'at amortized cost', a provision for impairment is established when there is objective evidence that the Fund will not be able to collect all amounts due according to the original terms. The provision against these amounts is made as per the provisioning policy duly formulated and approved by the Board of Directors of the Management Company in accordance with the requirements of the SECP.

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.
- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Fund's financial assets include mainly investments and bank balances.

4.2.1.3 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

4.2.1.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

4.4 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

4.5 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement.

4.6 Provisions

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

4.7 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders.

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.

The Fund provides for deferred taxation using the balance sheet liability method on all major temporary differences between the amounts used for financial reporting purposes and the amounts used for taxation purposes. In addition, the Fund also records deferred tax asset on unutilised tax losses to the extent that it is no longer probable that the related tax benefit will be realised. However, the Fund has not recognised any amount in respect of deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders.

4.8 Proposed distributions

Distributions declared subsequent to the year end are considered as non-adjusting events and are recognised in the financial statements in the year in which such distributions are declared.

4.9 Issuance and redemption of units

Units are allocated at the offer price prevalent on the day on which funds for purchase of units are realised. The offer price represents the net asset value per unit at the end of the preceding day. Issue of units is also recorded on realisation of funds.

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 preceding day. Redemption of units is recorded on acceptance of application for redemption.

4.10 Element of income

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.11 Net asset value per unit

The Net Asset Value (NAV) per unit, as 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.

4.12 Revenue recognition

- Gains / (losses) arising on sale of investments is accounted for in the year in which it arises.
- Unrealised (loss) / gain on revaluation of investments classified as financial assets at fair value through profit or loss is included in the income statement in the year in which it arises.
- Profit on bank balances and term deposits is recorded on accrual basis.

4.13 Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the year end exchange rates are recognised in the income statement.

4.14 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations and the Trust Deed respectively.

4.15 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund and include underwriting commission, brokerage paid to the members of the stock exchange and other expenses. These costs are being amortised over a period of two years commencing from the date of plan, in accordance with the Trust Deed of the Fund and NBFC Regulations.

5 BANK BALANCES

		AICTAP-VII	AICTAP-VIII	AICTAP-IX	AICTAP-X	AIAPP-I	Total
June 30, 2020							
(Rupees in '000)							
Cash at bank	Note						
PLS accounts	5.1	-	-	65	2,727	7,143	9,935
Current accounts		1,124	1,015	7,887	4,184	-	14,210
		1,124	1,015	7,952	6,911	7,143	24,145
June 30, 2019							
(Rupees in '000)							
Cash at bank							
PLS accounts	5.1	9,139	3,689	52	5,552	1,758	20,190
Current accounts		459	-	375	5,619	-	6,453
		9,598	3,689	427	11,171	1,758	26,643

- 5.1 Profit rate on these PLS accounts range between 7.0% to 12.75% per annum (June 30, 2019: 4.1% to 11.25% per annum). This comprises of amounts held by a related party (United Bank Limited).

6 INVESTMENTS

6.1 Financial assets classified as at fair value through profit or loss

		AICTAP-VII	AICTAP-VIII	AICTAP-IX	AICTAP-X	AIAPP-I	Total
June 30, 2020							
(Rupees in '000)							
Units of mutual funds	6.2	-	-	354,185	141,476	926,412	1,422,073
June 30, 2019							
(Rupees in '000)							
Units of mutual funds	6.2	410,403	539,496	2,810,917	1,241,385	1,813,291	6,815,492

6.2 Units of mutual funds

Name of investee funds	At the beginning of the year	Purchased during the year	Sold during the year	At the end of the year	Carrying value as at June 30, 2020	Market value as at June 30, 2020	Unrealised gain / (loss)	Market value as at June 30, 2019	Market value as Percentage of net assets	Market value as Percentage of investment
	No. of holdings				(Rupees in '000)					
Al Ameen Islamic Active Allocation Plan - IX										
Al Ameen Islamic Sovereign Fund	7,488,011	16,236,051	22,759,215	964,847	98,707	97,584	(1,123)	756,640	27.06%	27.55%
Al Ameen Islamic Cash Fund	-	-	-	-	-	-	-	-	0.00%	0.00%
Al Ameen Islamic Dedicated Equity Fund	21,393,663	3,859,887	22,798,978	2,454,572	247,297	256,601	9,304	2,054,277	71.15%	72.45%
Total	28,881,674	20,095,938	45,558,193	3,419,419	346,004	354,185	8,181	2,810,917	98.20%	100.00%
Al Ameen Islamic Active Allocation Plan - X										
Al Ameen Islamic Sovereign Fund	3,684,241	7,058,616	10,305,098	437,759	45,151	44,274	(877)	372,281	30.53%	31.29%
Al Ameen Islamic Cash Fund	-	-	-	-	-	-	-	-	0.00%	0.00%
Al Ameen Islamic Dedicated Equity Fund	9,051,024	1,754,793	9,876,010	929,807	94,164	97,202	3,038	869,104	67.02%	68.71%
Total	12,735,265	8,813,409	20,181,108	1,367,566	139,315	141,476	2,161	1,241,385	97.55%	100.00%
Al Ameen Islamic Active Principal Preservation Plan-I										
Al Ameen Islamic Sovereign Fund	13,749,058	16,096,263	20,685,999	9,159,222	941,396	926,411	(14,985)	1,389,298	99.43%	100.00%
Al Ameen Islamic Cash Fund	-	-	-	-	-	-	-	-	0.00%	0.00%
Al Ameen Islamic Dedicated Equity Fund	4,415,549	5,443,080	9,859,521	8	2	1	(1)	423,993	0.00%	0.00%
Total	18,164,607	21,540,243	30,545,520	9,159,330	941,398	926,412	(14,986)	1,813,291	99.43%	100.00%
Total investments in units of mutual funds										
Al Ameen Islamic Sovereign Fund	24,921,310	39,390,930	53,750,312	10,561,928	1,085,254	1,068,269	(16,985)	2,518,219	74.32%	75.12%
Al Ameen Islamic Cash Fund	-	-	-	-	-	-	-	-	0.00%	0.00%
Al Ameen Islamic Dedicated Equity Fund	34,860,236	11,058,660	42,534,509	3,384,387	341,463	353,804	12,341	3,347,374	24.61%	24.88%
Total	59,781,546	50,449,590	96,284,821	13,946,315	1,426,717	1,422,073	(4,644)	5,865,593	98.93%	100.00%

7 PROFIT RECEIVABLES

Profit receivable on profit and loss sharing accounts

AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I	Total
June 30, 2020					

-	-	-	17	14	31
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AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I	Total
June 30, 2019					

Profit receivable on profit and loss sharing accounts

85	145	14	39	4	287
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8 PREPAYMENTS AND OTHER RECEIVABLES

Prepayments

Other receivables

AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I	Total
June 30, 2020					

(Rupees in '000)

-	-	-	-	-	-
-	-	-	-	10	10
-	-	-	-	10	10

AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I	Total
June 30, 2019					

(Rupees in '000)

Prepayments

Other receivables

7	-	-	-	-	7
-	-	-	-	10	10
7	-	-	-	10	17

9 PRELIMINARY EXPENSES AND FLOATATION COSTS

Preliminary expenses and floatation cost

Amortisation during the year

Balance as at June 30, 2020

AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I	Total
June 30, 2020					

(Rupees in '000)

-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I	Total
June 30, 2019					

(Rupees in '000)

Preliminary expenses and floatation cost

Amortisation during the year

Balance as at June 30, 2019

1,380	-	-	-	-	1,380
(1,380)	-	-	-	-	(1,380)
-	-	-	-	-	-

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund and are being amortised over a period of two years commencing from February 21, 2017 as per the requirements set out in the Trust Deed.

10 PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

		AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I	Total
		June 30, 2020					
		(Rupees in '000)					
Remuneration payable	10.1	-	-	-	-	-	-
Shariah Advisor fee payable	10.2	77	77	71	73	73	371
Conversion charges payable		9	7	5	3	3	26
Allocated expenses payable	17	-	35	60	24	160	279
		85	119	136	100	236	676

		AIACTAP-VII	AIACTAP-VIII	AIACTAP-IX	AIACTAP-X	AIAPPP-I	Total
		June 30, 2019					
		(Rupees in '000)					
Remuneration payable	10.1	-	-	-	-	-	-
Shariah Advisor fee payable	10.2	47	47	41	41	41	217
Conversion charges payable		3	4	3	1	1	12
Allocated expenses payable	17	35	55	237	109	154	590
		85	106	281	151	196	819

- 10.1 As per the requirements of the NBFC Regulations, the Management Company shall not charge any fee if the fund makes investment in the CIS managed by the same Management Company. During the year, the Fund has invested in the units of the CIS managed by the same Management Company and, accordingly, it has not charged any amount on account of remuneration to Management Company.
- 10.2 As per NBFC Regulations, the Management Company is entitled to charge Shariah Advisory fee from the Fund. Accordingly, the Management Company has charged Rs. 0.280 million as Shariah Advisory fee and has allocated the same to Al-Ameen Islamic Active Allocation Plan - IX, Al-Ameen Islamic Active Allocation Plan - X and Al-Ameen Islamic Active Principal Preservation Plan - I respectively under a contract signed with the Shariah Advisors.

11 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

AICTAP-VII	AICTAP-VIII	AICTAP-IX	AICTAP-X	AIAPPP-I	Total
June 30, 2020					
(Rupees in '000)					

Trustee fee payable (including Sindh sales tax)	11.1 & 11.2	-	6	23	10	61	100
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AICTAP-VII	AICTAP-VIII	AICTAP-IX	AICTAP-X	AIAPPP-I	Total
June 30, 2019					
(Rupees in '000)					

Trustee fee payable (including Sindh sales tax)	11.1 & 11.2	33	50	213	97	126	519
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- 11.1 The Trustee is entitled to a monthly remuneration for the services rendered to the Fund under the provisions of the Trust Deed and Offering Document as per the tariff structure specified therein, based on the daily net asset value of the Fund. The remuneration is paid to the Trustee monthly in arrears.

As per the Trust Deed and Offering Document, the tariff structure applicable to the Fund in respect of the Trustee fee during the year ended June 30, 2020 is as follows:

Up to Rs.1,000 million	0.07% Per Annum of Net Assets
Over Rs. 1,000 million	

- 11.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

12 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

AICTAP-VII	AICTAP-VIII	AICTAP-IX	AICTAP-X	AIAPPP-I	Total
June 30, 2020					
(Rupees in '000)					

Annual fee payable	12.1	42	72	158	116	256	644
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AICTAP-VII	AICTAP-VIII	AICTAP-IX	AICTAP-X	AIAPPP-I	Total
June 30, 2019					
(Rupees in '000)					

Annual fee payable	12.1	909	2,856	2,510	1,195	1,523	8,993
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- 12.1 Under the provisions of NBFC Regulations, a collective investment scheme classified as fund of funds scheme is required to pay as annual fee to the SECP, an amount equal to 0.02% of the average annual net assets of the Fund.

13 ACCRUED EXPENSES AND OTHER LIABILITIES

	AICTAP-VII	AICTAP-VIII	AICTAP-IX	AICTAP-X	AIAPPP-I	Total
June 30, 2020						
(Rupees in '000)						
Auditors' remuneration payable	78	63	62	62	62	328
Provision for Sindh Workers' Welfare Fund 13.1	888	691	-	2,232	432	4,243
Other payables	31	63	1,092	852	810	2,848
	997	818	1,154	3,146	1,304	7,419

	AICTAP-VII	AICTAP-VIII	AICTAP-IX	AICTAP-X	AIAPPP-I	Total
June 30, 2019						
(Rupees in '000)						
Auditors' remuneration payable	44	43	43	43	43	216
Provision for Sindh Workers' Welfare Fund 13.1	-	-	-	-	-	-
Other payables	281	273	329	169	371	1,423
	325	316	372	212	414	1,639

13.1 Provision for Sindh Workers' Welfare Fund

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 High Court of Sindh (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). On November 10, 2016 the SCP passed a judgment declaring 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 filed 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 financial statements of Mutual Funds. Accordingly, the Fund has recorded these adjustments in its books of account on January 12, 2017.

As at June 30, 2020, the provision in relation to SWWF amounted to Rs 0.888 million, Rs. 0.691 million, Rs. 0 million, Rs. 2.232 million and Rs. 0.432 million. (2019: Rs 0.00 million) in Al-Ameen Islamic Active Allocation Plan - VII, Al-Ameen Islamic Active Allocation Plan - VIII, Al-Ameen Islamic Active Allocation Plan - IX, Al-Ameen Islamic Active Allocation Plan - X, and Al-Ameen Islamic Principal Preservation Plan-I respectively. Had the provision not been made, the net asset value per unit as at June 30, 2020 would have been higher by Re. 0.00, Rs. 0.00, Re. 0.00, Rs. 1.53 and Re. 0.05 (2019: Re. 0.00) per unit of Al-Ameen Islamic Active Allocation Plan - VII, Al-Ameen Islamic Active Allocation Plan - VIII, Al-Ameen Islamic Active Allocation Plan - IX, Al-Ameen Islamic Active Allocation Plan - X, and Al-Ameen Islamic Principal Preservation Plan-I respectively.

14 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2020 and at June 30, 2019.

15 NUMBER OF UNITS IN ISSUE

	AICTAP-VII	AICTAP-VIII	AICTAP-IX	AICTAP-X	AIAPPP-I	Total
For the year ended June 30, 2020						
Total units in issue at the beginning of the year	5,028,658	6,672,280	31,541,094	13,606,488	17,420,200	74,268,720
Add: Units issued	-	-	163,642	316,536	56,623	536,802
Less: Units redeemed	(5,028,658)	(6,672,280)	(28,161,095)	(12,464,078)	(8,704,303)	(61,030,414)
Total units in issue at the end of the year	-	-	3,543,642	1,458,945	8,772,520	13,775,108

	AICTAP-VII	AICTAP-VIII	AICTAP-IX	AICTAP-X	AIAPPP-I	Total
For the year ended June 30, 2019						
Total units in issue at the beginning of the year	18,317,023	48,011,863	36,428,630	16,906,117	21,404,780	141,068,413
Add: Units issued	72,639	450,452	200,205	20,021	447,557	1,190,874
Less: Units redeemed	(13,361,004)	(41,790,035)	(5,087,741)	(3,319,650)	(4,432,137)	(67,990,567)
Total units in issue at the end of the year / period	5,028,658	6,672,280	31,541,094	13,606,488	17,420,200	74,268,720

16 AUDITORS' REMUNERATION

	AICTAP-VII	AICTAP-VIII	AICTAP-IX	AICTAP-X	AIAPPP-I	Total
For the year ended June 30, 2020						
(Rupees in '000)						
Annual audit fee	31	31	31	31	31	156
Half yearly review fee	12	12	12	12	12	60
Fee for review of compliance with the	4	4	4	4	4	20
Fee for other certifications / services	4	4	4	4	4	20
Out of pocket expenses and sales tax	11	11	11	11	11	55
	74	59	58	59	59	309

	AICTAP-VII	AICTAP-VIII	AICTAP-IX	AICTAP-X	AIAPPP-I	Total
For the year ended June 30, 2019						
(Rupees in '000)						
Annual audit fee	43	43	43	43	43	215
Half yearly review fee	16	16	16	16	16	80
Fee for review of compliance with the	3	3	3	3	3	15
Fee for other certifications / services	3	3	3	3	3	15
Out of pocket expenses and sales tax	5	4	5	5	5	24
	70	69	70	70	70	349

17 ALLOCATED EXPENSES

As per regulation 60(3)(s) of the NBFC Regulations, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the scheme. During the year, the Management Company has continued to charge 0.1% of the average annual net assets.

18 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed 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, the Fund has incurred net loss, therefore the Management Company has not made provision for taxation.

19 EARNINGS PER UNIT

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

20 TOTAL EXPENSE RATIO

As per Directive 23 of 2016 dated July 20, 2016 issued by Securities and Exchange Commission of Pakistan, the total expense ratio of the fund as on June 30, 2020 of AIACTAP-IX, AIACTAP-X, and AIAPPP-I is 0.23%, 0.63%, 0.25% respectively and this includes 0.03%, 0.42%, 0.06% respectively representing Government levy, Workers' Welfare Fund and SECP fee.

FINANCIAL INSTRUMENTS BY CATEGORY

As at June 30, 2020, the financial assets carried on the statement of assets and liabilities are categorised either at amortised cost or financial assets at fair value through profit or loss. The financial liabilities carried on the statement of assets and liabilities are categorised as at amortised cost i.e. liabilities other than 'at fair value through profit or loss'.

Al-Ameen Islamic Active Allocation Plan - VII

Particulars	As at June 30, 2020		
	Amortized Cost	Financial assets 'at fair value through profit or loss'	Total

Financial assets

Bank balances	-	-	-
Investments	-	-	-
Mark-up / interest receivable	-	-	-
	-	-	-

Particulars	As at June 30, 2020		
	Amortized Cost	Financial Liabilities 'at fair value through profit or loss'	Total

Rupees in '000

Financial liabilities

Payable to UBL Fund Managers Limited - Management Company	85	-	85
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-
Accrued expenses and other liabilities	997	-	997
	1,083	-	1,083

Particulars	As at June 30, 2019		
	Amortized Cost	Financial assets 'at fair value through profit or loss'	Total

Rupees in '000

Financial assets

Bank balances	9,598	-	9,598
Investments	-	410,403	410,403
Mark-up / interest receivable	85	-	85
	9,683	410,403	420,086

Particulars	As at June 30, 2019		
	Amortized Cost	Financial Liabilities 'at fair value through profit or loss'	Total

Rupees in '000

Financial liabilities

Payable to UBL Fund Managers Limited - Management Company	85	-	85
Payable to Central Depository Company of Pakistan Limited - Trustee	29	-	29
Accrued expenses and other liabilities	325	-	325
	439	-	439

Al-Ameen Islamic Active Allocation Plan - VIII

Particulars	As at June 30, 2020		
	Amortized Cost	Financial assets 'at fair value through profit or loss'	Total
Financial assets			
Bank balances	-	-	-
Investments	-	-	-
Mark-up / interest receivable	-	-	-
	-	-	-

Particulars	As at June 30, 2020		
	Amortized Cost	Financial Liabilities 'at fair value through profit or loss'	Total
----- Rupees in '000 -----			
Financial liabilities			
Payable to UBL Fund Managers Limited - Management Company	-	119	119
Payable to Central Depository Company of Pakistan Limited - Trustee	-	5	5
Accrued expenses and other liabilities	-	818	818
	-	942	942

Particulars	As at June 30, 2019		
	Amortized Cost	Financial assets 'at fair value through profit or loss'	Total
Financial assets			
Bank balances	3,689	-	3,689
Investments	-	539,496	539,496
Mark-up / interest receivable	145	-	145
	3,834	539,496	543,330

Particulars	As at June 30, 2019		
	Amortized Cost	Financial liabilities 'at fair value through profit or loss'	Total
----- Rupees in '000 -----			
Financial liabilities			
Payable to UBL Fund Managers Limited - Management Company	106	-	106
Payable to Central Depository Company of Pakistan Limited - Trustee	44	-	44
Accrued expenses and other liabilities	316	-	316
	466	-	466

Al-Ameen Islamic Active Allocation Plan - IX

Particulars	As at June 30, 2020		
	Amortized Cost	Financial assets 'at fair value through profit or loss'	Total
----- Rupees in '000 -----			
Financial assets			
Bank balances	7,952	-	7,952
Investments	-	354,185	354,185
Mark-up / interest receivable	-	-	-
	<u>7,952</u>	<u>354,185</u>	<u>362,137</u>

Particulars	As at June 30, 2020		
	Amortized Cost	Financial liabilities 'at amortized cost'	Total
----- Rupees in '000 -----			
Financial liabilities			
Payable to UBL Fund Managers Limited - Management Company	136	-	136
Payable to Central Depository Company of Pakistan Limited - Trustee	21	-	21
Accrued expenses and other liabilities	<u>1,154</u>	<u>-</u>	<u>1,154</u>
	<u>1,311</u>	<u>-</u>	<u>1,311</u>

Particulars	As at June 30, 2019		
	Amortized Cost	Financial assets 'at fair value through profit or loss'	Total
----- Rupees in '000 -----			
Financial assets			
Bank balances	427	-	427
Investments	-	2,810,917	2,810,917
Mark-up / interest receivable	14	-	14
	<u>441</u>	<u>2,810,917</u>	<u>2,811,358</u>

Particulars	As at June 30, 2019		
	Amortized Cost	Financial Liabilities 'at fair value through profit or loss'	Total
----- Rupees in '000 -----			
Financial liabilities			
Payable to UBL Fund Managers Limited - Management Company	281	-	281
Payable to Central Depository Company of Pakistan Limited - Trustee	188	-	188
Accrued expenses and other liabilities	<u>372</u>	<u>-</u>	<u>372</u>
	<u>841</u>	<u>-</u>	<u>841</u>

Al-Ameen Islamic Active Allocation Plan - X

Particulars	As at June 30, 2020		
	Amortized Cost	Financial assets 'at fair value through profit or loss'	Total
----- Rupees in '000 -----			
Financial assets			
Bank balances	6,911	-	6,911
Investments	-	141,476	141,476
Mark-up / interest receivable	17	-	17
	<u>6,928</u>	<u>141,476</u>	<u>148,404</u>

Particulars	As at June 30, 2020		
	Amortized Cost	Financial liabilities 'at fair value through profit or loss'	Total
----- Rupees in '000 -----			
Financial liabilities			
Payable to UBL Fund Managers Limited - Management Company	100	-	100
Payable to Central Depository Company of Pakistan Limited - Trustee	9	-	9
Accrued expenses and other liabilities	3,146	-	3,146
	<u>3,255</u>	<u>-</u>	<u>3,255</u>

Particulars	As at June 30, 2019		
	Amortized Cost	Financial assets 'at fair value through profit or loss'	Total
----- Rupees in '000 -----			
Financial assets			
Bank balances	11,171	-	11,171
Investments	-	1,241,385	1,241,385
Mark-up / interest receivable	39	-	39
	<u>11,210</u>	<u>1,241,385</u>	<u>1,252,595</u>

Particulars	As at June 30, 2019		
	Amortized Cost	Financial liabilities 'at fair value through profit or loss'	Total
----- Rupees in '000 -----			
Financial liabilities			
Payable to UBL Fund Managers Limited - Management Company	151	-	151
Payable to Central Depository Company of Pakistan Limited - Trustee	86	-	86
Accrued expenses and other liabilities	212	-	212
	<u>449</u>	<u>-</u>	<u>449</u>

Al-Ameen Islamic Active Principal Preservation Plan-I

Particulars	As at June 30, 2020		
	Amortized Cost	Financial assets 'at fair value through profit or loss'	Total
----- Rupees in '000 -----			
Financial assets			
Bank balances	7,143	-	7,143
Investments	-	926,412	926,412
Mark-up / interest receivable	14	-	14
Other receivable	10		
	<u>7,167</u>	<u>926,412</u>	<u>933,569</u>

Particulars	As at June 30, 2020		
	Amortized Cost	Financial liabilities 'at fair value through profit or loss'	Total
----- Rupees in '000 -----			
Financial liabilities			
Payable to UBL Fund Managers Limited - Management Company	236	-	236
Payable to Central Depository Company of Pakistan Limited - Trustee	54	-	54
Accrued expenses and other liabilities	1,304	-	1,304
	<u>1,594</u>	<u>-</u>	<u>1,594</u>

Particulars	As at June 30, 2019		
	Amortized Cost	Financial assets 'at fair value through profit or loss'	Total
----- Rupees in '000 -----			
Financial assets			
Bank balances	1,758	-	1,758
Investments	-	1,813,291	1,813,291
Mark-up / interest receivable	4	-	4
Other receivable	10		
	<u>1,772</u>	<u>1,813,291</u>	<u>1,815,053</u>

Particulars	As at June 30, 2019		
	Amortized Cost	Financial liabilities 'at fair value through profit or loss'	Total
----- Rupees in '000 -----			
Financial liabilities			
Payable to UBL Fund Managers Limited - Management Company	196	-	196
Payable to Central Depository Company of Pakistan Limited - Trustee	112	-	112
Accrued expenses and other liabilities	414	-	414
	<u>722</u>	<u>-</u>	<u>722</u>

22 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties comprise of United Bank Limited (holding Company of Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under common management or directorships, Central Depository company of Pakistan Limited (Trustee), the Directors and Officers of Management Company and persons having 10% or more beneficial ownership of the units of the Fund.

Remuneration to the Management Company and the trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations and the Trust Deed respectively. Other transactions with the related parties / connected persons have been carried out at agreed / commercial terms.

22.1 Details of transaction with the related parties and balances with them at the period end are as follows:

	Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
----- (Rupees in '000) -----						
<u>Al Ameen Islamic Active Allocation Plan - VII</u>						
Transactions during the year ended June 30, 2020						
Profit on PLS accounts	-	1,042	-	-	-	-
Bank charges	-	15	-	-	-	-
Listing fee	-	7	-	-	-	-
Allocated expenses	214	-	-	-	-	-
Dividend received	-	-	-	-	-	-
Purchase of securities	-	-	-	72,863	-	-
Sale of securities	-	-	-	212,200	-	-
Shariah advisory fees paid	70	-	-	-	-	-
Remuneration of Trustee	-	-	169	-	-	-
Transactions during the year ended June 30, 2019						
Profit on PLS accounts	-	1,820	-	-	-	-
Bank charges	-	28	-	-	-	-
Allocated expenses	1,212	-	-	-	-	-
Dividend received	-	-	-	138	-	-
Purchase of securities	-	-	-	1,073,559	-	-
Sale of securities	-	-	-	2,273,605	-	-
Bonus units issued	-	-	-	-	-	-
Shariah advisory fees paid	29	-	-	-	-	-
Remuneration of Trustee	-	-	1,056	-	-	-
<u>Al Ameen Islamic Active Allocation Plan - VIII</u>						
Transactions during the year ended June 30, 2020						
Units purchased	-	-	-	-	-	-
Profit on PLS accounts	-	2,307	-	-	-	-
Bank charges	-	11	-	-	-	-
Listing fee	-	6	-	-	-	-
Allocated expenses	361	-	-	-	-	-
Purchase of securities	-	-	-	63,269	-	-
Sale of securities	-	-	-	269,855	-	-
Shariah advisory fees paid	70	-	-	-	-	-
Remuneration of Trustee	-	-	285	-	-	-
Transactions during the year ended June 30, 2019						
Profit on PLS accounts	-	486	-	-	-	-
Bank charges	-	18	-	-	-	-
Listing fee	-	6	-	-	-	-
Allocated expenses	3,809	-	-	-	-	-
Dividend received	-	-	-	360	-	-
Purchase of securities	-	-	-	4,092,817	-	-
Sale of securities	-	-	-	7,559,827	-	-
Shariah advisory fees paid	29	-	-	-	-	-
Remuneration of Trustee	-	-	3,318	-	-	-

Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
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----- (Rupees in '000) -----

Al Ameen Islamic Active Allocation Plan - IX

Transactions during the year ended June 30, 2020

Profit on PLS accounts	-	4,094	-	-	-
Bank charges	-	37	-	-	-
Listing fee	-	6	-	-	-
Allocated expenses	792	-	-	-	-
Dividend received	-	-	-	-	-
Purchase of securities	-	-	2,057,168	-	-
Sale of securities	-	-	4,403,531	-	-
Shariah advisory fees paid	41	-	-	-	-
Remuneration of Trustee	-	-	626	-	-

Transactions during the year ended June 30, 2019

Profit on PLS accounts	-	166	-	-	-
Bank charges	-	20	-	-	-
Listing fee	-	5	-	-	-
Allocated expenses	3,347	-	-	-	-
Dividend received	-	-	310	-	-
Purchase of securities	-	-	2,040,645	-	-
Sale of securities	-	-	2,503,475	-	-
Shariah advisory fees paid	30	-	-	-	-
Remuneration of Trustee	-	-	2,919	-	-

Al Ameen Islamic Active Allocation Plan - X

Transactions during the year ended June 30, 2020

Profit on PLS accounts	-	4,343	-	-	-
Bank charges	-	52	-	-	-
Listing fee	-	6	-	-	-
Allocated expenses	579	-	-	-	-
Dividend received	-	-	-	-	-
Purchase of securities	-	-	918,859	-	-
Sale of securities	-	-	2,125,016	-	-
Shariah advisory fees paid	41	-	-	-	-
Remuneration of Trustee	-	-	458	-	-

Transactions during the year ended June 30, 2019

Profit on PLS accounts	-	428	-	-	-
Bank charges	-	22	-	-	-
Listing fee	-	6	-	-	-
Allocated expenses	1,594	-	-	-	-
Dividend received	-	-	171	-	-
Purchase of securities	-	-	1,337,516	-	-
Sale of securities	-	-	1,659,294	-	-
Shariah advisory fees paid	30	-	-	-	-
Remuneration of Trustee	-	-	1,388	-	-

Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
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----- (Rupees in '000) -----

Al Ameen Islamic Active Principal Preservation Plan-I

Transactions during the year ended June 30, 2020

Profit on PLS accounts	-	713	-	-	-
Bank charges	-	12	-	-	-
Listing fee	-	6	-	-	-
Allocated expenses	1,276	-	-	-	-
Dividend received	-	-	-	-	-
Purchase of securities	-	-	2,215,354	-	-
Sale of securities	-	-	3,114,136	-	-
Shariah advisory fees paid	41	-	-	-	-
Remuneration of Trustee	-	-	1,009	-	-

Transactions during the year ended June 30, 2019

Profit on PLS accounts	-	182	-	-	-
Bank charges	-	14	-	-	-
Listing fee	-	6	-	-	-
Allocated expenses	2,030	-	-	-	-
Dividend received	-	-	3,697	-	-
Purchase of securities	-	-	5,699,546	-	-
Sale of securities	-	-	6,100,579	-	-
Shariah advisory fees paid	30	-	-	-	-
Remuneration of Trustee	-	-	1,759	-	-

Al Ameen Islamic Active Allocation Plan - VII

Balances held as at June 30, 2020

Investment	-	-	-	-	-
Bank balances	-	1,124	-	-	-
Payable to Central Depository Company of Pakistan Limited	-	-	-	-	-
- Trustee	-	-	-	-	-
Allocated expenses payable	-	-	-	-	-
Shariah Advisor fee payable	77	-	-	-	-
Conversion charges payable	9	-	-	-	-
Profit receivable	-	-	-	-	-

Balances held as at June 30, 2019

Investment	-	-	410,403	-	-
Bank balances	-	9,598	-	-	-
Securities	-	-	-	-	-
Payable to Central Depository Company of Pakistan Limited	-	-	-	-	-
- Trustee	-	-	33	-	-
Allocated expenses payable	35	-	-	-	-
Shariah Advisor fee payable	47	-	-	-	-
Conversion charges payable	3	-	-	-	-
Profit receivable	-	85	-	-	-

Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
----- (Rupees in '000) -----					

Al Ameen Islamic Active Allocation Plan - VIII

Balances held as at June 30, 2020

Units held (in Units '000)	-	-	-	-	-
Units held (in Rupees '000)	-	-	-	-	-
Investment	-	-	-	-	-
Bank balances	-	1,015	-	-	-
Payabl Comp	-	-	-	-	-
- Trustee	-	-	6	-	-
Allocated expenses payable	-	-	-	-	-
Shariah Advisor fee payable	77	-	-	-	-
Conversion charges payable	7	-	-	-	-
Profit receivable	-	-	-	-	-

Balances held as at June 30, 2019

Units held (in Units '000)	-	-	-	-	-
Units held (in Rupees '000)	-	-	-	-	-
Investment	-	-	539,496	-	-
Bank balances	-	3,689	-	-	-
Payable to Central Depository Company of Pakistan Limited	-	-	-	-	-
- Trustee	-	-	50	-	-
Allocated expenses payable	55	-	-	-	-
Shariah Advisor fee payable	47	-	-	-	-
Conversion charges payable	4	-	-	-	-
Profit receivable	-	145	-	-	-

Al Ameen Islamic Active Allocation Plan - IX

Balances held as at June 30, 2020

Units held (in Units '000)	-	-	-	-	1,959
Units held (in Rupees '000)	-	-	-	-	199,383
Investment	-	-	354,185	-	-
Bank balances	-	7,952	-	-	-
Payable to Central Depository Company of Pakistan Limited	-	-	-	-	-
- Trustee	-	-	23	-	-
Allocated expenses payable	60	-	-	-	-
Shariah Advisor fee payable	71	-	-	-	-
Conversion charges payable	5	-	-	-	-
Profit receivable	-	1	-	-	-

Balances held as at June 30, 2019

Units held (in Units '000)	-	-	-	-	12
Units held (in Rupees '000)	-	-	-	-	1,068
Investment	-	-	2,810,917	-	-
Bank balances	-	427	-	-	-
Payable to Central Depository Company of Pakistan Limited	-	-	-	-	-
- Trustee	-	-	213	-	-
Allocated expenses payable	237	-	-	-	-
Shariah Advisor fee payable	41	-	-	-	-
Conversion charges payable	3	-	-	-	-
Profit receivable	-	14	-	-	-

Management Company	Associated Companies	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties
(Rupees in '000)					

Al Ameen Islamic Active Allocation Plan - X

Balances held as at June 30, 2020

Units held (in Units '000)	-	-	-	-	396
Units held (in Rupees '000)	-	-	-	-	39,366
Investment	-	-	141,476	-	-
Bank balances	-	6,911	-	-	-
Payable to Central Depository Company of Pakistan Limited	-	-	-	-	-
- Trustee	-	-	10	-	-
Allocated expenses payable	24	-	-	-	-
Shariah Advisor fee payable	73	-	-	-	-
Conversion charges payable	3	-	-	-	-
Profit receivable	-	17	-	-	-

Balances held as at June 30, 2019

Investment	-	-	1,241,385	-	-
Bank balances	-	11,171	-	-	-
Payable to Central Depository Company of Pakistan Limited	-	-	-	-	-
- Trustee	-	-	97	-	-
Allocated expenses payable	109	-	-	-	-
Shariah Advisor fee payable	41	-	-	-	-
Conversion charges payable	1	-	-	-	-
Profit receivable	-	39	-	-	-

Al Ameen Islamic Active Principal Preservation Plan-I

Balances held as at June 30, 2020

Units held (in Units '000)	-	-	-	-	-
Units held (in Rupees '000)	-	-	-	-	-
Investment	-	-	926,412	-	-
Bank balances	-	7,143	-	-	-
Payable to Central Depository Company of Pakistan Limited	-	-	-	-	-
- Trustee	-	-	61	-	-
Allocated expenses payable	160	-	-	-	-
Shariah Advisor fee payable	73	-	-	-	-
Sales load payable	-	-	-	-	-
Profit receivable	-	14	-	-	-

Balances held as at June 30, 2019

Units held (in Units '000)	-	-	-	-	2,975
Units held (in Rupees '000)	-	-	-	-	309,588
Investment	-	-	1,813,291	-	-
Bank balances	-	1,758	-	-	-
Payable to Central Depository Company of Pakistan Limited	-	-	-	-	-
- Trustee	-	-	126	-	-
Allocated expenses payable	154	-	-	-	-
Shariah Advisor fee payable	41	-	-	-	-
Sales load payable	-	-	-	-	-
Profit receivable	-	4	-	-	-

BRIEF PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

Details of the members of the Investment Committee of the Fund are as follows:

S. No.	Name	Designation	Experience in years	Qualification
1	Yasir Qadri	CEO	24	MBA
2	Syed Suleman Akhtar	Chief Investment Officer	19	CFA, MBA
3	Muhammad Imran	Head of Investment advisory	20	MBA
4	Irfan Nepal	Chief Dealer & Fund Manager	25	EMBA
5	Hadi Hassan Muki	Head of Compliance	20	BCOM
6	Syed Shabbir Sardar Zaidi	Fund Manager & Senior Analyst	11	MAS, CFA
7	Syed Sheeraz Ali	Fund Manager & Senior Analyst	10	MBA
8	Mubashir Anis	Fund Manager Equity	8	BS, CFA
9	Muhammad Waseem	Head Research	6	BBA, CFA

Shabbir Sardar Zaidi is the Fund Manager of the Fund. He is also the Fund Manager of Al-Ameen Islamic Sovereign Fund, Al-Ameen Islamic Dedicated Equity Fund, Al-Ameen Islamic Financial Planning Fund, Al-Ameen Islamic Financial Planning Fund - III and Al-Ameen Islamic Retirement Savings Fund.

24 PATTERN OF UNIT HOLDING

Category	Al-Ameen Islamic Active Allocation Plan - VII		
	June 30, 2020		
	Number of unit holders	Number of units held	Percentage of units held
Individuals	-	-	0.00%
Retirement funds	-	-	0.00%
Others	-	-	0.00%
	-	-	0.00%

Category	Al-Ameen Islamic Active Allocation Plan - VII		
	June 30, 2019		
	Number of unit holders	Number of units held	Percentage of units held
Individuals	278	3,870,970	76.98%
Retirement funds	9	570,137	11.34%
Others	5	587,551	11.68%
	292	5,028,658	100.00%

Category	Al-Ameen Islamic Active Allocation Plan - VIII		
	June 30, 2020		
	Number of unit holders	Number of units held	Percentage of units held
Individuals	-	-	0%
Others	-	-	0%
Public limited companies	-	-	0%
Retirement funds	-	-	0%
	-	-	0.00%

Category	Al-Ameen Islamic Active Allocation Plan - VIII		
	June 30, 2019		
	Number of unit holders	Number of units held	Percentage of units held
Individuals	291	6,045,389	90.60%
Others	3	118,979	1.78%
Public limited companies	1	25,063	0.38%
Retirement funds	5	482,849	7.24%
	300	6,672,280	100.00%

Category	Al-Ameen Islamic Active Allocation Plan - IX		
	June 30, 2020		
	Number of unit holders	Number of units held	Percentage of units held
Associated company and key executives	-	-	0%
Individuals	82	3,004,749	84.79%
Others	1	29,180	0.82%
Public limited companies	1	382,981	10.81%
Retirement funds	4	126,732	3.58%
	88	3,543,642	100.00%

Category	Al-Ameen Islamic Active Allocation Plan - IX		
	June 30, 2019		
	Number of unit holders	Number of units held	Percentage of units held
Associated company and key executives	1	12,049	0.04%
Individuals	1,805	26,693,735	84.63%
Others	19	2,301,893	7.30%
Public limited companies	2	660,960	2.10%
Retirement funds	20	1,872,457	5.94%
	1,847	31,541,094	100.00%

Category	Al-Ameen Islamic Active Allocation Plan - X		
	June 30, 2020		
	Number of unit holders	Number of units held	Percentage of units held
Individuals	74	1,173,401	80.43%
Public limited companies	1	250,443	17.17%
Retirement funds	2	35,102	2.41%
Public limited companies	-	-	0.00%
Others	-	-	0.00%
	77	1,458,945	100.00%

Category	Al-Ameen Islamic Active Allocation Plan - X		
	June 30, 2019		
	Number of unit holders	Number of units held	Percentage of units held
Individuals	912	10,678,022	78.48%
Insurance companies	1	97,479	0.72%
Retirement funds	15	1,339,433	9.84%
Public limited companies	2	1,082,313	7.95%
Others	7	409,241	3.01%
	937	13,606,488	100.00%

Category	Al-Ameen Islamic Active Principal Preservation Plan-I		
	June 30, 2020		
	Number of unit holders	Number of units held	Percentage of units held
Individuals	591	7,620,426	86.87%
Others	12	401,831	4.58%
Public Limited Companies	-	-	0.00%
Retirement funds	16	750,263	8.55%
	619	8,772,520	100.00%

Category	Al-Ameen Islamic Active Principal Preservation Plan-I		
	June 30, 2019		
	Number of unit holders	Number of units held	Percentage of units held
Individuals	870	15,298,472	87.82%
Others	14	911,531	5.23%
Public limited companies	2	149,325	0.86%
Retirement funds	19	1,060,872	6.09%
	905	17,420,200	100.00%

25 ATTENDANCE AT THE MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

During the year, seven meetings of the Board of Directors of the Management Company were held. The details of the attendance are as under:

Particulars	August 30, 2019	September 17, 2019	October 29, 2019	December 09, 2019	February 25, 2020	April 30, 2020	Total meetings attended
Name of Directors:							
Mr. Arif Akmal Saifie *	N/A	N/A	N/A	N/A	N/A	✓	1
Mr. Azhar Hamid	✓	✓	✓	✓	✓	✓	6
Mr. Inwan Sarwar	✓	✓	✓	✓	x	✓	5
Mr. Yasir Qadri	✓	✓	✓	✓	✓	✓	6
Ms. Naz Khan **	✓	✓	✓	✓	✓	✓	6
Ms. Sadia Saeed	x	✓	✓	✓	✓	✓	5
Syed Furukh Zaeem	✓	✓	✓	✓	x	✓	5
Mr. Tauqeer Mazhar ***	✓	✓	✓	✓	N/A	N/A	4
Name of Key Executives:							
Mr. Bilal Javaid ****	N/A	N/A	N/A	✓	✓	✓	3
Mr. Umair Ahmed	✓	✓	✓	✓	✓	✓	6
S.M. Aly Osman *****	✓	✓	✓	N/A	N/A	N/A	3

* Mr. Arif Akmal appointed as Director with effect from March 20, 2020

** Ms. Naz Khan resigned as Director with effect from July 20, 2020

*** Mr. Tauqeer Mazhar resigned as Director with effect from January 30, 2020

**** Mr. Bilal Javaid appointed as Company Secretary with effect from February 25, 2020

***** S.M. Aly Osman resigned as Company Secretary with effect from November 30, 2019

26 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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, the Fund's constitutive documents and the regulations and the directives issued by the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the 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, liquidity risk and credit risk arising from the financial instruments it holds.

26.1 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices. The Management Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee and the regulations laid down by the SECP. Market risk comprises of three types of risk: currency risk, interest rate risk and price risk.

26.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates.

The Fund has no exposure to foreign exchange risk as at June 30, 2020, as the Fund has no financial assets or liabilities denominated in foreign currencies.

26.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2020, the Fund is exposed to such risk on its balances held with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

The Fund's cash flow interest rate risk arises from balances in saving accounts. The net income or loss for the year would have higher or lower by Rs. 0.0007 million (June 30, 2019: 0.0005 million), 0.0273 million (June 30, 2019: Rs.0.0555) and 0.0714 million (June 30, 2019: Rs.0.0176 million) in Al-Ameen Islamic Active Allocation Plan - IX, Al-Ameen Islamic Active Allocation Plan - X, Al-Ameen Islamic Active Principal Preservation Plan-I respectively had the interest rates on savings accounts with bank increased / (decreased) by 100 basis points.

b) Sensitivity analysis for fixed rate instruments

Since the Fund currently does not have any fixed rate instruments that are impacted by market interest rates, therefore, it is not exposed to fair value interest rate risk.

Yield / interest 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.

Al-Ameen Islamic Active Allocation Plan - VII

Particulars	June 30, 2020					
	Effective yield / interest rate	Total	Exposed to yield/interest rate risk			Not exposed to yield/interest rate risk
			Upto three months	More than three months and upto one year	More than one year	
	%	----- (Rupees in '000) -----				
On-balance sheet financial instruments						
Financial assets						
Bank balances	7.0 - 12.75	1,124	1,124	-	-	-
Investments		-	-	-	-	-
Mark-up / interest receivable		-	-	-	-	-
Sub total		1,124	1,124	-	-	-
Financial liabilities						
Payable to UBL Fund Managers Limited - Management Company		85	-	-	-	85
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	-	-
Accrued expenses and other liabilities		997	-	-	-	997
Sub total		1,083	-	-	-	1,083
On-balance sheet gap (a)		41	1,124	-	-	(1,083)
Off-balance sheet financial instrument		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)			1,124	-	-	
Cumulative interest rate sensitivity gap			1,124	-	-	

Al-Ameen Islamic Active Allocation Plan - VIII

Particulars	June 30, 2020					
	Effective yield / interest rate	Total	Exposed to yield/interest rate risk			Not exposed to yield/interest rate risk
			Upto three months	More than three months and upto one year	More than one year	
	%	(Rupees in '000)				
On-balance sheet financial instruments						
Financial assets						
Bank balances	7.0 - 12.75	1,015	1,015	-	-	-
Investments		-	-	-	-	-
Mark-up / interest receivable		-	-	-	-	-
Sub total		1,015	1,015	-	-	-
Financial liabilities						
Payable to UBL Fund Managers Limited - Management Company		119	-	-	-	119
Payable to Central Depository Company of Pakistan Limited - Trustee		5	-	-	-	5
Accrued expenses and other liabilities		818	-	-	-	818
Sub total		942	-	-	-	942
On-balance sheet gap (a)		73	1,015	-	-	(942)
Off-balance sheet financial instrument		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)			1,015	-	-	
Cumulative interest rate sensitivity gap			1,015	-	-	

Al-Ameen Islamic Active Allocation Plan - IX

Particulars	June 30 , 2020					
	Effective yield / interest rate	Total	Exposed to yield/interest rate risk			Not exposed to yield/interest rate risk
			Upto three months	More than three months and upto one year	More than one year	
	%	(Rupees in '000)				
On-balance sheet financial instruments						
Financial assets						
Bank balances	7.0 - 12.75	7,952	7,952	-	-	-
Investments		354,185	-	-	-	354,185
Mark-up / interest receivable		-	-	-	-	-
Sub total		362,137	7,952	-	-	354,185
Financial liabilities						
Payable to UBL Fund Managers Limited - Management Company		136	-	-	-	136
Payable to Central Depository Company of Pakistan Limited - Trustee		20	-	-	-	20
Accrued expenses and other liabilities		1,154	-	-	-	1,154
Sub total		1,310	-	-	-	1,310
On-balance sheet gap (a)		360,827	7,952	-	-	352,875
Off-balance sheet financial instrument		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)			7,952	-	-	
Cumulative interest rate sensitivity gap			7,952	-	-	

Al-Ameen Islamic Active Allocation Plan - X

APAMEEN Islamic Active Allocation Fund - A						
Particulars	June 30, 2020					
	Effective yield / interest rate	Total	Exposed to yield/interest rate risk			Not exposed to yield/interest rate risk
			Upto three months	More than three months and upto one year	More than one year	
	%	(Rupees in '000)				
On-balance sheet financial instruments						
Financial assets						
Bank balances	7.0 - 12.75	6,911	6,911	-	-	-
Investments		141,476	-	-	-	141,476
Mark-up / interest receivable		17	-	-	-	17
Sub total		148,404	6,911	-	-	141,493
Financial liabilities						
Payable to UBL Fund Managers Limited - Management Company		100	-	-	-	100
Payable to Central Depository Company of Pakistan Limited - Trustee		9	-	-	-	9
Accrued expenses and other liabilities		3,146	-	-	-	3,146
Sub total		3,255	-	-	-	3,255
On-balance sheet gap (a)		145,149	6,911	-	-	138,238
Off-balance sheet financial instrument		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)			6,911	-	-	
Cumulative interest rate sensitivity gap			6,911	-	-	

Al-Ameen Islamic Active Principal Preservation Plan-I (AIAPPP-I)

Al-Ameen Islamic Active & Principal Preservation Fund-I (AIAFI-1)						
Particulars	Effective yield / interest rate	Total	June 30, 2020			Not exposed to yield/interest rate risk
			Exposed to yield/interest rate risk			
			Upto three months	More than three months and upto one year	More than one year	
	%		----- (Rupees in '000) -----			
On-balance sheet financial instruments						
Financial assets						
Bank balances	7.0 - 12.75	7,143	7,143	-	-	-
Investments		926,412	-	-	-	926,412
Mark-up / interest receivable		14	-	-	-	14
Other receivable		10	-	-	-	10
Sub total		933,579	7,143	-	-	926,436
Financial liabilities						
Payable to UBL Fund Managers Limited - Management Company		236	-	-	-	236
Payable to Central Depository Company of Pakistan Limited - Trustee		54	-	-	-	54
Accrued expenses and other liabilities		1,304	-	-	-	1,304
Sub total		1,594	-	-	-	1,594
On-balance sheet gap (a)		931,985	7,143	-	-	924,842
Off-balance sheet financial instrument		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)			7,143	-	-	
Cumulative interest rate sensitivity gap			7,143	-	-	

Al-Ameen Islamic Active Allocation Plan - VII

Particulars	June 30, 2019					Not exposed to yield/interest rate risk
	Effective yield / interest rate	Total	Exposed to yield/interest rate risk			
			Upto three months	More than three months and upto one year	More than one year	
	%	(Rupees in '000)				
On-balance sheet financial instruments						
Financial assets						
Bank balances	4.1 - 11.25	9,598	9,598	-	-	-
Investments		410,403	-	-	-	410,403
Mark-up / interest receivable		85	-	-	-	85
Sub total		420,086	9,598	-	-	410,488
Financial liabilities						
Payable to UBL Fund Managers Limited - Management Company		85	-	-	-	85
Payable to Central Depository Company of Pakistan Limited - Trustee		29	-	-	-	29
Accrued expenses and other liabilities		325	-	-	-	325
Sub total		439	-	-	-	439
On-balance sheet gap (a)		419,647	9,598	-	-	410,049
Off-balance sheet financial instrument						
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)			9,598	-	-	
Cumulative interest rate sensitivity gap			9,598	-	-	

Al-Ameen Islamic Active Allocation Plan - VIII

Particulars	June 30, 2019					Not exposed to yield/interest rate risk
	Effective yield / interest rate	Total	Exposed to yield/interest rate risk			
			Upto three months	More than three months and upto one year	More than one year	
	%	(Rupees in '000)				
On-balance sheet financial instruments						
Financial assets						
Bank balances	4.1 - 11.25	3,689	3,689	-	-	-
Investments		539,496	-	-	-	539,496
Mark-up / interest receivable		145	-	-	-	145
Sub total		543,330	3,689	-	-	539,641
Financial liabilities						
Payable to UBL Fund Managers Limited - Management Company		106	-	-	-	106
Payable to Central Depository Company of Pakistan Limited - Trustee		44	-	-	-	44
Accrued expenses and other liabilities		316	-	-	-	316
Sub total		466	-	-	-	466
On-balance sheet gap (a)		542,864	3,689	-	-	539,175
Off-balance sheet financial instrument		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)			3,689	-	-	
Cumulative interest rate sensitivity gap			3,689	-	-	

Al-Ameen Islamic Active Allocation Plan - IX

Particulars	June 30, 2019					Not exposed to yield/interest rate risk
	Effective yield / interest rate	Total	Exposed to yield/interest rate risk			
			Upto three months	More than three months and upto one year	More than one year	
	%	(Rupees in '000)				
On-balance sheet financial instruments						
Financial assets						
Bank balances	4.1 - 11.25	427	427	-	-	-
Investments		2,810,917	-	-	-	2,810,917
Mark-up / interest receivable		14	-	-	-	14
Sub total		2,811,358	427	-	-	2,810,931
Financial liabilities						
Payable to UBL Fund Managers Limited - Management Company		281	-	-	-	281
Payable to Central Depository Company of Pakistan Limited - Trustee		188	-	-	-	188
Accrued expenses and other liabilities		372	-	-	-	372
Sub total		841	-	-	-	841
On-balance sheet gap (a)		2,810,517	427	-	-	2,810,090
Off-balance sheet financial instrument		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)			427	-	-	
Cumulative interest rate sensitivity gap			427	-	-	

Al-Ameen Islamic Active Allocation Plan - X

Particulars	June 30, 2019					Not exposed to yield/interest rate risk
	Effective yield / interest rate	Total	Exposed to yield/interest rate risk			
			Upto three months	More than three months and upto one year	More than one year	
	%	(Rupees in '000)				
On-balance sheet financial instruments						
Financial assets						
Bank balances	4.1 - 11.25	11,171	11,171	-	-	-
Investments		1,241,385	-	-	-	1,241,385
Mark-up / interest receivable		39	-	-	-	39
Sub total		1,252,595	11,171	-	-	1,241,424
Financial liabilities						
Payable to UBL Fund Managers Limited - Management Company		151	-	-	-	151
Payable to Central Depository Company of Pakistan Limited - Trustee		86	-	-	-	86
Accrued expenses and other liabilities		212	-	-	-	212
Sub total		449	-	-	-	449
On-balance sheet gap (a)		1,252,146	11,171	-	-	1,240,975
Off-balance sheet financial instrument		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)			11,171	-	-	
Cumulative interest rate sensitivity gap			11,171	-	-	

Al-Ameen Islamic Active Principal Preservation Plan-I (AIAPPP-I)

Particulars	June 30, 2019				
	Effective yield / interest rate	Total	Exposed to yield/interest rate risk		
			Upto three months	More than three months and upto one year	More than one year
	%		(Rupees in '000)		
On-balance sheet financial instruments					
Financial assets					
Bank balances	4.1 - 11.25	1,758	1,758	-	-
Investments		1,813,291	-	-	1,813,291
Mark-up / interest receivable		4	-	-	4
Other receivable		10	-	-	10
Sub total		1,815,063	1,758	-	1,813,305
Financial liabilities					
Payable to UBL Fund Managers Limited - Management Company		196	-	-	196
Payable to Central Depository Company of Pakistan Limited - Trustee		112	-	-	112
Accrued expenses and other liabilities		414	-	-	414
Sub total		722	-	-	722
On-balance sheet gap (a)		1,814,341	1,758	-	1,812,583
Off-balance sheet financial instrument		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total interest rate sensitivity gap (a) + (b)			1,758	-	-
Cumulative interest rate sensitivity gap			1,758	-	-

26.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market.

The Fund's exposure to price risk is limited to the fair value of the respective funds in which it invests. The Fund manages its exposure to price risk by investing in Shariah Compliant Mutual Funds as per the respective Allocation Plan in line with the risk tolerance of the investor and benchmarking the sector weighting to that of average daily return of KMI 30 index and 6 months deposit rate of AA- rated (and above) Islamic Banks, based on actual proportion of investment in Equity and Income/ Money Market.

26.2 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Fund.

The Fund is exposed to non-payment of redemptions request on a regular basis. Units are redeemable at the 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 document and guidelines laid down by the SECP.

26.2.1 Management of liquidity risk

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed of.

The Fund can borrow, with the prior approval of the trustee, for meeting redemption requests. The maximum amount available to the Fund from borrowings is limited to the extent of 15% of total assets at the time of borrowing with repayment within 90 days of such borrowings. No such borrowings were made during the year.

In order to manage the Fund's overall liquidity, the Fund also has the option to withhold daily redemption requests in excess of ten percent of the units in issue and such requests 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. Further the Fund also has the ability to suspend redemptions of units with the approval of Board of Directors of the Management Company in extraordinary circumstances. An interval of six working days between the receipt of a redemption request and issuance of against it to the holder provides a cushion in the repayment of on-demand redemption of units. However, during the year no such option was exercised or considered necessary.

The following table analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Al-Ameen Islamic Active Allocation Plan - VII

Particulars	June 30, 2020			
	Upto three months	More than three months and upto one year	Over one year	Total
Rupees in '000				
Financial liabilities				
Payable to UBL Fund Managers Limited - Management Company	85	-	-	85
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	-
Accrued expenses and other liabilities	997	-	-	997
Total liabilities	1,083	-	-	1,083

Al-Ameen Islamic Active Allocation Plan - VIII

Particulars	June 30, 2020			
	Upto three months	More than three months and upto one year	Over one year	Total
Rupees in '000				
Financial liabilities				
Payable to UBL Fund Managers Limited - Management Company	119	-	-	119
Payable to Central Depository Company of Pakistan Limited - Trustee	5	-	-	5
Accrued expenses and other liabilities	818	-	-	818
Total liabilities	942	-	-	942

Al-Ameen Islamic Active Allocation Plan - IX

Particulars	June 30, 2020			
	Upto three months	More than three months and upto one year	Over one year	Total
Rupees in '000				
Financial liabilities				
Payable to UBL Fund Managers Limited - Management Company	136	-	-	136
Payable to Central Depository Company of Pakistan Limited - Trustee	20	-	-	20
Accrued expenses and other liabilities	1,154	-	-	1,154
Total liabilities	1,310	-	-	1,310

Al-Ameen Islamic Active Allocation Plan - X

Particulars	June 30, 2020			
	Upto three months	More than three months and upto one year	Over one year	Total
Rupees in '000				
Financial liabilities				
Payable to UBL Fund Managers Limited - Management Company	100	-	-	100
Payable to Central Depository Company of Pakistan Limited - Trustee	9	-	-	9
Accrued expenses and other liabilities	3,146	-	-	3,146
Total liabilities	3,255	-	-	3,255

Al-Ameen Islamic Active Principal Preservation Plan-I (AIAPPP-I)

Particulars	June 30, 2020			
	Upto three months	More than three months and upto one year	Over one year	Total
Rupees in '000				
Financial liabilities				
Payable to UBL Fund Managers Limited - Management Company	236	-	-	236
Payable to Central Depository Company of Pakistan Limited - Trustee	54	-	-	54
Accrued expenses and other liabilities	1,304	-	-	1,304
Total liabilities	1,594	-	-	1,594

Al-Ameen Islamic Active Allocation Plan - VII

Particulars	June 30, 2019			
	Upto three months	More than three months and upto one year	Over one year	Total
Rupees in '000				
Financial liabilities				
Payable to UBL Fund Managers Limited - Management Company	85	-	-	85
Payable to Central Depository Company of Pakistan Limited - Trustee	29	-	-	29
Accrued expenses and other liabilities	325	-	-	325
Total liabilities	439	-	-	439

Al-Ameen Islamic Active Allocation Plan - VIII

Particulars	June 30, 2019			
	Upto three months	More than three months and upto one year	Over one year	Total
Rupees in '000				
Financial liabilities				
Payable to UBL Fund Managers Limited - Management Company	106	-	-	106
Payable to Central Depository Company of Pakistan Limited - Trustee	44	-	-	44
Accrued expenses and other liabilities	316	-	-	316
Total liabilities	466	-	-	466

Al-Ameen Islamic Active Allocation Plan - IX

Particulars	June 30, 2019			
	Upto three months	More than three months and upto one year	Over one year	Total
Rupees in '000				
Financial liabilities				
Payable to UBL Fund Managers Limited - Management Company	281	-	-	281
Payable to Central Depository Company of Pakistan Limited - Trustee	188	-	-	188
Accrued expenses and other liabilities	372	-	-	372
Total liabilities	841	-	-	841

Al-Ameen Islamic Active Allocation Plan - X

Particulars	-----June 30, 2019-----			
	Upto three months	More than three months and upto one year	Over one year	Total

----- Rupees in '000 -----

Financial liabilities

Payable to UBL Fund Managers Limited - Management Company	151	-	-	151
Payable to Central Depository Company of Pakistan Limited - Trustee	86	-	-	86
Accrued expenses and other liabilities	212	-	-	212
Total liabilities	449	-	-	449

Al-Ameen Islamic Active Principal Preservation Plan-I (AIAPPP-I)

Particulars	-----June 30, 2019-----			
	Upto three months	More than three months and upto one year	Over one year	Total

----- Rupees in '000 -----

Financial liabilities

Payable to UBL Fund Managers Limited - Management Company	196	-	-	196
Payable to Central Depository Company of Pakistan Limited - Trustee	112	-	-	112
Accrued expenses and other liabilities	414	-	-	414
Total liabilities	722	-	-	722

26.3 Credit risk

Credit risk represents the risk of a loss if the counterparties fail to perform as contracted. The Fund's credit risk mainly arises from deposits with banks and financial institutions and credit exposure arising as a result of dividend receivable on units of mutual funds.

Management of credit risk

For banks and financial institutions, the Fund keeps deposits with reputed institutions. Credit risk on account of dividend receivable is minimal due to the statutory protections. Further, all transactions in the Fund are executed only in underlying funds, thus the risk of default is considered to be minimal. The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of the NBFC Rules and the Regulations and the guidelines given by the SECP from time to time.

26.3.1 The maximum exposure to credit risk as at reporting date is tabulated below:

Financial Asset	Al-Ameen Islamic Active Allocation Plan - VII	Al-Ameen Islamic Active Allocation Plan - VIII	Al-Ameen Islamic Active Allocation Plan - IX	Al-Ameen Islamic Active Allocation Plan - X	Al-Ameen Islamic Active Principal Preservation Plan-I	Total
June 30, 2020						
.....Rupees in '000'.....						
Balances with banks	1,124	1,015	7,952	6,911	7,143	24,145
Investments	-	-	354,185	141,476	926,412	1,422,073
Profit receivable	-	-	-	17	14	31
Other receivable	-	-	-	-	10	10
	<u>1,124</u>	<u>1,015</u>	<u>362,137</u>	<u>148,404</u>	<u>933,579</u>	<u>1,446,259</u>

Financial Asset	Al-Ameen Islamic Active Allocation Plan - VII	Al-Ameen Islamic Active Allocation Plan - VIII	Al-Ameen Islamic Active Allocation Plan - IX	Al-Ameen Islamic Active Allocation Plan - X	Al-Ameen Islamic Active Principal Preservation Plan-I	Total
June 30, 2019						
.....Rupees in '000'.....						
Balances with banks	9,598	3,689	427	11,171	1,758	26,643
Investments	410,403	539,496	2,810,917	1,241,385	1,813,291	6,815,492
Profit receivable	85	145	14	39	4	287
Other receivable	-	-	-	-	10	10
	<u>420,086</u>	<u>543,330</u>	<u>2,811,358</u>	<u>1,252,595</u>	<u>1,815,063</u>	<u>6,842,432</u>

26.3.2 The analysis below summarises the credit quality of the banks with which the Fund's financial assets are kept in profit and loss sharing accounts as at reporting date:

	Rating agency	Al Ameen Islamic Active Allocation Plan - VII	Al Ameen Islamic Active Allocation Plan - VIII	Al Ameen Islamic Active Allocation Plan - IX	Al Ameen Islamic Active Allocation Plan - X	Al Ameen Islamic Active Principal Preservation Plan I- AIAPPP-I	Latest available published rating as at June 29, 2020
June 30, 2020							
Rupees in '000'							
United Bank Limited	JCR-VIS	1,124	1,015	7,952	6,911	7,143	AAA
		1,124	1,015	7,952	6,911	7,143	

Particulars	Rating agency	Al Ameen Islamic Active Allocation Plan - VII	Al Ameen Islamic Active Allocation Plan - VIII	Al Ameen Islamic Active Allocation Plan - IX	Al Ameen Islamic Active Allocation Plan - X	Al Ameen Islamic Active Principal Preservation Plan I- AIAPPP-I	Latest available published rating as at June 30, 2018
June 30, 2019							
Rupees in '000'							
United Bank Limited	JCR-VIS	9,598	3,689	427	11,171	1,758	AAA
		9,598	3,689	427	11,171	1,758	

Concentration on credit risk

Concentration of risk arises when a number of financial instruments or contracts are entered into the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

The Fund's major bank balances are held with a single bank (related party). The management believes that the bank is a reputed institution.

27 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by the net assets attributable to unit holders / redeemable units. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. The Fund's objective when managing the unit holders' fund is to safeguard the Fund's ability to continue as a going concern in order to provide returns for the benefits of the unit holders to maintain a strong base of assets to support the development of the investment activities of the Fund and to meet unexpected losses or opportunities. As required under the NBFC Regulations, every open end scheme shall maintain minimum fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of scheme. In order to comply with the requirement and to maintain or adjust the Unit Holders' Fund, the Fund's policy is to perform the following:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to unit holders;

- Redeem and issue units in accordance with the constitutive documents of the Fund, which include the ability to restrict redemptions and require certain minimum holdings and issuance; and
- The Fund Manager / Investment Committee members and the Chief Executive Officer critically track the movement of 'Assets under Management'. The Board of Directors is updated regarding key performance indicators e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current year / period.

28 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged or liability can be settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from the carrying value as the items are short-term in nature or periodically repriced.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13, the Fund shall classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs)

Al Ameen Islamic Active Allocation - VII

Fair value

----- As at June 30, 2020 -----

Level 1	Level 2	Level 3
---------	---------	---------

----- Rupees in '000-----

Financial assets measured at fair valueInvestment in mutual funds - financial assets
at fair value through profit or loss

-	-	-
-	-	-

Fair value

----- As at June 30, 2019 -----

Level 1	Level 2	Level 3
---------	---------	---------

----- Rupees in '000-----

Financial assets measured at fair valueInvestment in mutual funds - financial assets
at fair value through profit or loss

410,403	-	-
410,403	-	-

Al Ameen Islamic Active Allocation - VIII

Fair value

----- As at June 30, 2020 -----

Level 1	Level 2	Level 3
---------	---------	---------

----- Rupees in '000-----

Financial assets measured at fair valueInvestment in mutual funds - financial assets
at fair value through profit or loss

-	-	-
-	-	-

Fair value

----- As at June 30, 2019 -----

Level 1	Level 2	Level 3
---------	---------	---------

----- Rupees in '000-----

Financial assets measured at fair valueInvestment in mutual funds - financial assets
at fair value through profit or loss

539,496	-	-
539,496	-	-

Al Ameen Islamic Active Allocation - IX

Fair value

----- As at June 30, 2020 -----

Level 1	Level 2	Level 3
---------	---------	---------

----- Rupees in '000-----

Financial assets measured at fair valueInvestment in mutual funds - financial assets
at fair value through profit or loss

354,185	-	-
354,185	-	-

Fair value

----- As at June 30, 2019 -----

Level 1	Level 2	Level 3
---------	---------	---------

----- Rupees in '000-----

Financial assets measured at fair valueInvestment in mutual funds - financial assets
at fair value through profit or loss

2,810,917	-	-
2,810,917	-	-

Al Ameen Islamic Active Allocation - X

Fair value

----- As at June 30, 2020 -----

Level 1	Level 2	Level 3
---------	---------	---------

----- Rupees in '000-----

Financial assets measured at fair value

Investment in mutual funds - financial assets
at fair value through profit or loss

141,476	-	-
141,476	-	-

Al Ameen Islamic Active Allocation - X

Fair value

----- As at June 30, 2019 -----

Level 1	Level 2	Level 3
---------	---------	---------

----- Rupees in '000-----

Financial assets measured at fair value

Investment in mutual funds - financial assets
at fair value through profit or loss

1,241,385	-	-
1,241,385	-	-

Al Ameen Islamic Active Principal Preservation Plan-I

Fair value

----- As at June 30, 2020 -----

Level 1	Level 2	Level 3
---------	---------	---------

----- Rupees in '000-----

Financial assets measured at fair value

Investment in mutual funds - financial assets
at fair value through profit or loss

926,412	-	-
926,412	-	-

Fair value

----- As at June 30, 2019 -----

Level 1	Level 2	Level 3
---------	---------	---------

----- Rupees in '000-----

Financial assets measured at fair value

Investment in mutual funds - financial assets
at fair value through profit or loss

1,813,291	-	-
1,813,291	-	-

Transfers during the year / period

During the year ended June 30, 2020, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 financial instruments.

29 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue by Board of Directors of the Management Company on 24-Sep-2020.

30 GENERAL

30.1 Figures has been rounded off to the nearest thousand rupees unless otherwise stated.

30.2 On March 11, 2020, the World Health Organisation made an assessment that the outbreak of a coronavirus (COVID-19) can be characterised as a pandemic. As a result, businesses have subsequently been affected amongst others with temporary suspension of travel, and closure of recreation and public facilities.

To alleviate the negative impact of the COVID-19 pandemic, the Government, Central Banks including financial institutions affiliated to those banks, and regulators have taken measures and issued directives to support businesses, including extensions of deadlines, facilitating continued business through social-distancing and easing pressure on credit and liquidity in the market.

The Management Company has made an assessment in order to evaluate the impact of COVID-19 pandemic over the financial performance of the Fund as well as the going concern assessment. As a result of such assessment, the management has not identified any material adverse impact on its financial performance due to COVID-19 pandemic situation.

**For UBL Fund Managers Limited
(Management Company)**

SD

CHIEF EXECUTIVE OFFICER

SD

CHIEF FINANCIAL OFFICER

SD

DIRECTOR

AIFPF-III

Al-Ameen Islamic Financial Planning Fund

Al Ameen Islamic Active Allocation Plan - XI

Al Ameen Islamic Active Principal Preservation Plan II-IV

INVESTMENT OBJECTIVE

AIFPF-III is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.

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)
Auditor	KPMG Taseer Hadi & Co.
Bankers	United Bank Limited Soneri Bank Limited
Management Co.Rating	AM1 (JCR-VIS)

Fund Manager's Report – Al-Ameen Islamic Financial Planning Fund – III

Al-Ameen Islamic Active Principal Preservation Plan-II (AIAPPP-II)

- i) **Description of the Collective Investment Scheme category and type**
Shariah Compliant Fund of Funds Scheme/ Open-end
- ii) **Statement of Collective Investment Scheme's investment objective**
AIFPF is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.
- iii) **Explanation as to whether the Collective Investment Scheme achieved its stated objective**
The fund achieved its stated objective.
- iv) **Statement of benchmark(s) relevant to the Collective Investment Scheme**
Weighted Avg. of 3M average deposit rates of 3 AA rated islamic banks/windows as selected by MUFAP, 6M PKISRV rates and KMI-30 Index on basis of actual investment by the plan
- v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AIAPPP-II	-0.71%	-1.55%	2.30%	2.83%	4.16%	2.06%	1.66%	-2.58%	-8.51%	1.68%	0.30%	0.49%	1.51%
Benchmark	-0.66%	-1.08%	2.57%	2.59%	3.85%	2.24%	1.31%	-4.21%	-7.92%	1.56%	0.51%	0.55%	0.69%

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

The "Al-Ameen Islamic Active Principal Preservation Plan-II" is an Islamic Allocation Plan under the "Al-Ameen Islamic Financial Planning Fund - III". AIFPF is an Open-end Shariah Compliant fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.

The fund was launched on 28-May-18. During FY20, AIAPPP-II generated a return of 1.51%. As per the fund manager's strategy, majority exposure of 100% was maintained in Shariah Compliant Income Funds (through Al-Ameen Islamic Sovereign Fund) at the end of June'30. Net assets of the fund were PKR 502mn at the end of Jun'20.

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-19	Jun-20
Equity Funds	23%	0%
Money Market Funds	0%	0%
Income Funds	76%	100%
Others	0%	0%
Cash	0%	0%
Leverage	Nil	Nil

vii) Analysis of the Collective Investment Scheme's performance

FY'20 Return:	1.51%
Standard Deviation (12m trailing):	7.18%
Sharpe Ratio (12m trailing):	(1.48)

viii) 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			NAV per unit		
30-Jun-20	30-Jun-19	Change	30-Jun-20	30-Jun-19	Change
Rupees (000)		%	Rupees		%
501,580	682,637	-26.52	105.5804	104.0124	1.50

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

Please refer to relevant section in Director's Report.

- x) **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 -----		
--	--	--	--	--	--

- xi) **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 state of affairs of the scheme.

- xii) **Breakdown of unit holdings by size**

Range of Units	Number of Investors
	AIFPF-III
0.0001 - 9,999.9999	333
10,000.0000 - 49,999.9999	80
50,000.0000 - 99,999.9999	20
100,000.0000 - 499,999.9999	3
500,000.0000 & Above	-
Total	436

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

There were no unit splits during the period.

- xiv) **Disclosure of circumstances that materially affect any interests of unit holders**

Investment are subject to credit and market risk.

- xv) **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.

Fund Manager's Report – Al-Ameen Islamic Financial Planning Fund – III

Al-Ameen Islamic Active Principal Preservation Plan-III (AIAPPP-III)

- i) **Description of the Collective Investment Scheme category and type**
Shariah Compliant Fund of Funds Scheme/ Open-end
- ii) **Statement of Collective Investment Scheme's investment objective**
AIFPF is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.
- iii) **Explanation as to whether the Collective Investment Scheme achieved its stated objective**
The fund achieved its stated objective.
- iv) **Statement of benchmark(s) relevant to the Collective Investment Scheme**
Weighted Avg. of 3M average deposit rates of 3 AA rated islamic banks/windows as selected by MUFAP, 6M PKISRV rates and KMI-30 Index on basis of actual investment by the plan
- v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AIAPPP-III	-0.85%	-2.01%	2.57%	3.42%	5.14%	2.26%	1.78%	-2.55%	-8.73%	2.12%	0.28%	0.51%	3.25%
Benchmark	-0.82%	-1.44%	2.85%	3.13%	4.75%	2.76%	1.52%	-4.16%	-8.27%	2.27%	0.47%	0.53%	2.89%

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

The "Al-Ameen Islamic Active Principal Preservation Plan-III" is an Islamic Allocation Plan under the "Al-Ameen Islamic Financial Planning Fund - III". AIFPF is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.

The Fund was launched on 25-Sep-18. In FY20, AIAPPP-III generated a return of 3.25% against benchmark's return of 2.89%. As per the fund manager's strategy, majority exposure of 97% was maintained in Shariah Compliant Income Funds (through Al-Ameen Islamic Sovereign Fund) while 3% exposure was maintained in Equity funds (through Al-Ameen Islamic Dedicated Equity Fund) at the end of June'30. Net assets of the fund were PKR 603mn at the end of Jun'20.

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-19	Jun-20
Equity Funds	27%	3%
Money Market Funds	0%	0%
Income Funds	72%	97%
Others	0%	0%
Cash	1%	0%
Leverage	Nil	Nil

vii) Analysis of the Collective Investment Scheme's performance

FY'20 Return:	3.25%
Standard Deviation (12m trailing):	7.73%
Sharpe Ratio (12m trailing):	(1.15)

viii) 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			NAV per unit		
30-Jun-20	30-Jun-19	Change	30-Jun-20	30-Jun-19	Change
Rupees (000)			Rupees		
602,689	672,097	-10.33	105.5206	102.2033	3.24

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

Please refer to relevant section in Director's Report.

- x) **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 -----		
--	--	--	--	--	--

- xi) **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 state of affairs of the scheme.

- xii) **Breakdown of unit holdings by size**

Range of Units	Number of Investors
	AIFPF-III
0.0001 - 9,999.9999	220
10,000.0000 - 49,999.9999	76
50,000.0000 - 99,999.9999	12
100,000.0000 - 499,999.9999	6
500,000.0000 & Above	1
Total	315

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

There were no unit splits during the period.

- xiv) **Disclosure of circumstances that materially affect any interests of unit holders**

Investment are subject to credit and market risk.

- xv) **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.

Fund Manager's Report – Al-Ameen Islamic Financial Planning Fund – III

Al-Ameen Islamic Active Principal Preservation Plan-IV (AIAPPP-IV)

- i) **Description of the Collective Investment Scheme category and type**
Shariah Compliant Fund of Funds Scheme/ Open-end
- ii) **Statement of Collective Investment Scheme's investment objective**
AIFPF is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.
- iii) **Explanation as to whether the Collective Investment Scheme achieved its stated objective**
The fund achieved its stated objective.
- iv) **Statement of benchmark(s) relevant to the Collective Investment Scheme**
Weighted Avg. of 3M average deposit rates of 3 AA rated islamic banks/windows as selected by MUFAP, 6M PKISRV rates and KMI-30 Index on basis of actual investment by the plan
- v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AIAPPP-IV	-0.19%	-1.35%	2.46%	4.09%	6.25%	2.47%	2.59%	-3.22%	-7.53%	4.31%	0.26%	0.51%	10.35%
Benchmark	-0.82%	-1.15%	2.66%	3.78%	5.86%	3.01%	1.59%	-3.90%	-7.77%	4.49%	0.40%	0.49%	8.11%

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

The "Al-Ameen Islamic Active Principal Preservation Plan-IV" is an Islamic Allocation Plan under the "Al-Ameen Islamic Financial Planning Fund - III". AIFPF is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.

The fund was launched on 18-Dec-18. Since inception, AIAPPP-IV generated a return of 10.35% against benchmark of 8.11%. As per the fund manager's strategy, majority exposure of 90% was maintained in Shariah Compliant Income Funds (through Al-Ameen Islamic Sovereign Fund) while 9% exposure was maintained in Equity funds (through Al-Ameen Islamic Dedicated Equity Fund) at the end of June'20. Net assets of the fund were PKR 149mn at the end of Jun'20.

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-19	Jun-20
Equity Funds	26%	9%
Money Market Funds	0%	0%
Income Funds	70%	90%
Others	0%	0%
Cash	3%	1%
Leverage	Nil	Nil

vii) Analysis of the Collective Investment Scheme's performance

FY'20 Return:	10.35%
Standard Deviation (12m trailing):	8.42%
Sharpe Ratio (12m trailing):	(0.21)

viii) 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			NAV per unit		
30-Jun-20	30-Jun-19	Change	30-Jun-20	30-Jun-19	Change
Rupees (000)		%	Rupees		%
149,450	280,426	-46.7	112.0424	101.5360	10.34

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

Please refer to relevant section in Director's Report.

- x) **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 -----		
--	--	--	--	--	--

- xi) **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 state of affairs of the scheme.

- xii) **Breakdown of unit holdings by size**

Range of Units	Number of Investors
	AIFPF-III
0.0001 - 9,999.9999	82
10,000.0000 - 49,999.9999	25
50,000.0000 - 99,999.9999	-
100,000.0000 - 499,999.9999	2
500,000.0000 & Above	-
Total	109

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

There were no unit splits during the period.

- xiv) **Disclosure of circumstances that materially affect any interests of unit holders**

Investment are subject to credit and market risk.

- xv) **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.

Fund Manager's Report – Al-Ameen Islamic Financial Planning Fund – III

Al-Ameen Islamic Active Allocation Plan-XI (AIACTAP-XI)

- i) **Description of the Collective Investment Scheme category and type**
Shariah Compliant Fund of Funds Scheme/ Open-end
- ii) **Statement of Collective Investment Scheme's investment objective**
AIFPF is an Open-end Shariah Compliant Fund of funds that aims to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the Investor.
- iii) **Explanation as to whether the Collective Investment Scheme achieved its stated objective**
The fund achieved its stated objective.
- iv) **Statement of benchmark(s) relevant to the Collective Investment Scheme**
Weighted Avg. of 3M average deposit rates of 3 AA rated islamic banks/windows as selected by MUFAP, 6M PKISRV rates and KMI-30 Index on basis of actual investment by the active allocation plan
- v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AIACTAP-XI	-3.75%	-6.12%	6.61%	7.61%	8.68%	3.00%	2.16%	-4.31%	-14.78%	16.69%	0.25%	0.63%	13.80%
Benchmark	-4.36%	-5.67%	7.95%	6.87%	8.02%	3.72%	1.77%	-6.41%	-16.02%	16.31%	-0.30%	-0.02%	8.14%

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

The "Al-Ameen Islamic Active Allocation Plan - XI is an Islamic Allocation Plan under the "Al-Ameen Islamic Financial Planning Fund - III" with an objective to earn a potentially high return through active asset allocation between Islamic Equities and Islamic Income based on the Fund Manager's outlook on the asset classes. The fund was launched on 5-Apr-2019.

AIACTAP-XI generated a return of 13.80% vs the benchmark's return of 8.14% during FY20 period. In line with the equity strategy, the plan's exposure to local equities (through Al-Ameen Islamic Dedicated Equity Fund) stood at 68% at the end of June'20. The remaining funds were invested in Al-Ameen Islamic Sovereign Fund.

The net assets of the plan as at June 30, 2020 were PKR 43.07 million representing net assets value of PKR 105.8910 per unit.

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-19	Jun-20
Equity Funds	69%	69%
Money Market Funds	0%	0%
Income Funds	30%	29%
Others	0%	0%
Cash	1%	1%
Leverage	Nil	Nil

vii) Analysis of the Collective Investment Scheme's performance

FY'20 Return:	13.80%
Standard Deviation (12m trailing):	18.74%
Sharpe Ratio (12m trailing):	0.09

viii) 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			NAV per unit		
30-Jun-20	30-Jun-19	Change	30-Jun-20	30-Jun-19	Change
Rupees (000)		%	Rupees		%
43,074	61,357	-29.80	105.8910	94.0590	12.58

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

Please refer to relevant section in Director's Report.

- x) **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 -----		
29-JUNE-20	--	459	1.1386	106.7592	105.6206

- xi) **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 state of affairs of the scheme.

- xii) **Breakdown of unit holdings by size**

Range of Units	Number of Investors
	AIFPF-III
0.0001 - 9,999.9999	29
10,000.0000 - 49,999.9999	7
50,000.0000 - 99,999.9999	-
100,000.0000 - 499,999.9999	1
500,000.0000 & Above	-
Total	37

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

There were no unit splits during the period.

- xiv) **Disclosure of circumstances that materially affect any interests of unit holders**

Investment are subject to credit and market risk.

- xv) **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 Active Principal Preservation Plan - II

	2020	2019	2018
NET ASSETS AS AT 30 JUNE - Rupees in '000	501,580	682,637	761,974
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *			
Class A units - Offer	105.5804	104.0124	100.6354
- Redemption	105.5804	101.9322	96.6100
RETURN OF THE FUND - %			
Total Return of the Fund	1.51	3.36	0.64
Capital Growth (per unit)	1.51	3.36	0.64
Date of Income Distribution	-	-	-
Income Distribution	-	-	-
AVERAGE ANNUAL RETURN - %			
One Year	1.51	3.36	0.64
Second Year	2.44	2.00	-
Third Year	1.84	-	-
OFFER / REPURCHASE DURING THE YEAR- Rupees *			
Highest price per unit - Class A units - Offer	116.2388	104.9910	100.6510
Highest price per unit - Class A units - Redemption	113.914	102.8912	96.6250
Lowest price per unit - Class A units - Offer	101.1639	96.1619	100.0214
Lowest price per unit - Class A units - Redemption	99.1406	94.2387	96.0205
* Contingent load @ 2% is applicable			
PORTFOLIO COMPOSITION - %			
Percentage of Net Assets as at 30 June			
PORTFOLIO COMPOSITION BY CATEGORY - %			
Equity Funds	-	23.00	9.00
Income Funds	100.00	77.00	-
Money Market Funds	-	-	91.00
PORTFOLIO COMPOSITION BY MARKET - %			
Mutual Funds	100	100	100

Note:

- The Launch date of Fund is 28 May 2018

DISCLAIMER

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

PERFORMANCE TABLE

Al Ameen Islamic Active Principal Preservation Plan - III

	2020	2019
NET ASSETS AS AT 30 JUNE - Rupees in '000	602,689	672,097
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *		
Class A units - Offer	105.5206	102.2033
- Redemption	103.4102	98.1151
RETURN OF THE FUND - %		
Total Return of the Fund	3.25	2.20
Capital Growth (per unit)	3.18	2.20
Date of Income Distribution	-	-
Income Distribution	-	-
AVERAGE ANNUAL RETURN - %		
One Year	3.25	2.20
Second Year	2.73	
OFFER / REPURCHASE DURING THE YEAR- Rupees *		
Highest price per unit - Class A units - Offer	115.8689	103.4533
Highest price per unit - Class A units - Redemption	113.5515	99.3152
Lowest price per unit - Class A units - Offer	98.7902	99.2622
Lowest price per unit - Class A units - Redemption	94.8386	95.2917

* Contingent load @ 4% is applicable

PORTFOLIO COMPOSITION - %

Percentage of Net Assets as at 30 June

PORTFOLIO COMPOSITION BY CATEGORY - %

Equity Funds	3	27
Income Funds	97	72
Bank Balances	-	1

PORTFOLIO COMPOSITION BY MARKET - %

Mutual Funds	100	100
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Note:

- The Launch date of Fund is 25 Sep 2018

DISCLAIMER

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

PERFORMANCE TABLE

Al Ameen Islamic Active Principal Preservation Plan - IV

	2020	2019
NET ASSETS AS AT 30 JUNE - Rupees in '000	149,450	280,426
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *		
Class A units - Offer	112.0424	101.5360
- Redemption	109.8016	97.4746
RETURN OF THE FUND - %		
Total Return of the Fund	10.35	1.80
Capital Growth (per unit)	9.37	1.53
Date of Income Distribution	-	28-Jun-19
Income Distribution	-	0.2677
AVERAGE ANNUAL RETURN - %		
One Year	10.35	1.80
Second Year	6.075	
OFFER / REPURCHASE DURING THE YEAR- Rupees *		
Highest price per unit - Class A units - Offer	119.4728	103.0347
Highest price per unit - Class A units - Redemption	117.0833	98.9133
Lowest price per unit - Class A units - Offer	99.3858	99.8745
Lowest price per unit - Class A units - Redemption	95.4104	95.8795

* Contingent load @ 4% is applicable

PORTFOLIO COMPOSITION - %

Percentage of Net Assets as at 30 June

PORTFOLIO COMPOSITION BY CATEGORY - %

Equity Funds	9	26
Income Funds	90	70
Bank Balances	1	4

PORTFOLIO COMPOSITION BY MARKET - %

Mutual Funds	100	100
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Note:

- The Launch date of Fund is 18 Dec 2018

DISCLAIMER

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

PERFORMANCE TABLE

Al-Ameen Islamic Active Allocation Plan-XI

	2020	2019
NET ASSETS AS AT 30 JUNE - Rupees in '000	43,074	61,357
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *		
Class A units - Offer	105.891	94.0590
- Redemption	103.7732	90.2966
RETURN OF THE FUND - %		
Total Return of the Fund	13.80	(5.94)
Capital Growth (per unit)	12.59	(5.94)
Date of Income Distribution	29-Jun-2020	
Income Distribution	1.1386	-
AVERAGE ANNUAL RETURN - %		
One Year	13.8	(5.94)
Second Year	3.93	
OFFER / REPURCHASE DURING THE YEAR- Rupees *		
Highest price per unit - Class A units - Offer	112.3807	100.0892
Highest price per unit - Class A units - Redemption	107.8855	96.0856
Lowest price per unit - Class A units - Offer	83.6592	92.3239
Lowest price per unit - Class A units - Redemption	80.3128	88.6309

* Back end load @ 2% is applicable

PORTFOLIO COMPOSITION - %

Percentage of Net Assets as at 30 June

PORTFOLIO COMPOSITION BY CATEGORY - %

Equity Funds	69	69
Income Funds	29	30
Bank Balances	1	1

PORTFOLIO COMPOSITION BY MARKET - %

Mutual Funds	100	100
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Note:

- The Launch date of Fund is 5 Apr 2019

DISCLAIMER

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

Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahra-e-Faisal
Karachi - 74400. Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcPakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AL-AMEEN ISLAMIC FINANCIAL PLANNING FUND-III

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 Financial Planning Fund-III (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, 2020 in accordance with the provisions of the following:

- (i) 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.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 25, 2020



REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the fund are issuing this report in accordance with the rules and regulations. The scope of the report is to express an opinion on the Shariah Compliance of the Funds activities.

In the capacity of Shariah Advisors, we have prescribed criteria and procedures to be followed in ensuring Shariah Compliance in every investment.

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 of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

In light of the above, we hereby certify that:

- We have reviewed and approved the modes of investments of AIFPF-III- AIAPPP-II in light of the shariah guidelines.
- All the provisions of the Scheme and investments made on account of AIFPF-III- AIAPPP-II by UBL Fund Managers are Shariah compliant and in accordance with the criteria established.
- On the basis of information provided by the management, all operations of AIFPF-III- AIAPPP-II for the year ended 30 June 2020 have been in compliance with the Shariah principles.

During the year, PKR Nil amount 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: 26 August 2020



REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the fund are issuing this report in accordance with the rules and regulations. The scope of the report is to express an opinion on the Shariah Compliance of the Funds activities.

In the capacity of Shariah Advisors, we have prescribed criteria and procedures to be followed in ensuring Shariah Compliance in every investment.

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 of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

In light of the above, we hereby certify that:

- We have reviewed and approved the modes of investments of AIFPF-III- AIAPPP-III in light of the shariah guidelines.
- All the provisions of the Scheme and investments made on account of AIFPF-III- AIAPPP-III by UBL Fund Managers are Shariah compliant and in accordance with the criteria established.
- On the basis of information provided by the management, all operations of AIFPF-III- AIAPPP-III for the year ended 30 June 2020 have been in compliance with the Shariah principles.

During the year, PKR Nil amount has been recognized as charity.

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



Mufti Muhammad Hassan Kaleem
Member, Shariah Advisory Committee



Mufti Muhammad Najeeb Khan
Member, Shariah Advisory Committee

KARACHI:
DATE: 26 August 2020



REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the fund are issuing this report in accordance with the rules and regulations. The scope of the report is to express an opinion on the Shariah Compliance of the Funds activities.

In the capacity of Shariah Advisors, we have prescribed criteria and procedures to be followed in ensuring Shariah Compliance in every investment.

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 of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

In light of the above, we hereby certify that:

- We have reviewed and approved the modes of investments of AIFPF-III- AIAPPP-IV in light of the shariah guidelines.
- All the provisions of the Scheme and investments made on account of AIFPF-III- AIAPPP-IV by UBL Fund Managers are Shariah compliant and in accordance with the criteria established.
- On the basis of information provided by the management, all operations of AIFPF-III- AIAPPP-IV for the year ended 30 June 2020 have been in compliance with the Shariah principles.

During the year, PKR Nil amount 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 Kalsoon
Member, Shariah Advisory Committee

KARACHI:
DATE: 26 August 2020


Mufti Muhammad Najeeb Khan
Member, Shariah Advisory Committee



REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the fund are issuing this report in accordance with the rules and regulations. The scope of the report is to express an opinion on the Shariah Compliance of the Funds activities.

In the capacity of Shariah Advisors, we have prescribed criteria and procedures to be followed in ensuring Shariah Compliance in every investment.

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 of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

In light of the above, we hereby certify that:

- We have reviewed and approved the modes of investments of AIFPF-III- AIACTAP-XI in light of the shariah guidelines.
- All the provisions of the Scheme and investments made on account of AIFPF-III- AIACTAP-XI by UBL Fund Managers are Shariah compliant and in accordance with the criteria established.
- On the basis of information provided by the management, all operations of AIFPF-III- AIACTAP-XI for the year ended 30 June 2020 have been in compliance with the Shariah principles.

During the year, PKR Nil amount has been recognized as charity.

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



Mufti Muhammad Hassan Kaleem
Member, Shariah Advisory Committee



Mufti Muhammad Najeem Khan
Member, Shariah Advisory Committee

KARACHI:
DATE: 26 August 2020



STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 BY UBL FUND MANAGERS LIMITED

NAME OF FUND: AL AMEEN ISLAMIC FINANCIAL PLANNING FUND – III

YEAR ENDED: JUNE 30, 2020

The Securities and Exchange Commission of Pakistan (SECP) has exempted open-end collective investment schemes from the requirements of the Listed Companies (Code of Corporate Governance) Regulations (the Regulations). However, the Board of Directors (the Board) of UBL Fund Managers Limited [the Management Company of Al Ameen Islamic Financial Planning Fund – III (the Fund)], for the purpose of establishing a framework of good governance has voluntarily opted to comply with the relevant provisions of the Regulations.

The Management Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven as per the following:
 - a. Male: Five Directors; and
 - b. Female: Two Directors.
2. The composition of the Board is as follows:

Category	Name
Independent Directors	Mr. Azhar Hamid Ms. Naz Khan*
Executive Directors	Mr. Yasir Qadri
Non-Executive Directors	Mr. Imran Sarwar Ms. Sadia Saeed Mr. Arif Akmal Saifie** Syed Furrukh Zaeem
Female Director	Ms. Naz Khan* Ms. Sadia Saeed

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including the Management Company.
4. 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.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Management Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Management Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.



8. The Board has a formal policy and transparent procedures for remuneration of its directors in accordance with the Act and these Regulations.
9. The following directors and executives have acquired the prescribed Directors' Training Program (DTP) certification:

Directors

- a. Mr. Imran Sarwar
- b. Mr. Yasir Qadri
- c. Ms. Naz Khan
- d. Ms. Sadia Saeed
- e. Syed Furrukh Zaeem

Executives

- a. Mr. Amin Gulamani (Head of Human Resources)
 - b. Mr. Hadi Hassan Mukhi (Head of Compliance and Risk)
 - c. Mr. Umair Ahmed (Chief Financial Officer)
 - d. Mr. Zeeshan Quddus (Chief Business Development Officer)
10. The Board has approved appointment of the Chief Financial Officer (CFO), the Company Secretary and the Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations.
 11. The Chief Executive Officer (CEO) and CFO duly endorsed the financial statements of the Fund before approval of the Board.
 12. The Board has formed committees comprising of members given below.

Board Audit Committee

Name	Designation	Type of Directorship
Ms. Naz Khan*	Chairman	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Imran Sarwar	Member	Non-Executive Director
Ms. Sadia Saeed	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director

Board Human Resource and Compensation Committee

Name	Designation	Type of Directorship
Mr. Azhar Hamid	Chairman	Independent Director
Mr. Yasir Qadri	Member	Executive Director
Ms. Naz Khan*	Member	Independent Director
Ms. Sadia Saeed	Member	Non-Executive Director
Syed Furrukh Zaeem	Member	Non-Executive Director

Board Risk and Compliance Committee

Name	Designation	Type of Directorship
Mr. Imran Sarwar	Chairman	Non-Executive Director
Mr. Azhar Hamid	Member	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director
Mr. Yasir Qadri	Member	Executive Director
Syed Furrugh Zaeem	Member	Non-Executive Director

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

*** Mr. Tauqeer Mazhar resigned as a director from January 30, 2020

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
14. The frequency of meetings of the committees was as follows:
 - a. The Board Audit Committee: quarterly - six meetings held
 - b. The Board Human Resource and Compensation Committee: quarterly - five meetings held
 - c. The Board Risk and Compliance Committee: quarterly - four meetings held
15. The Board has set up an effective internal audit function. The Function has suitably qualified and experienced staff for the purpose and they are conversant with the policies and procedures of the Management Company.
16. 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 and are registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on the code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the Partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of CEO, CFO, the Head of Internal Audit, the Company Secretary or directors of the Management Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of Regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with.
19. We confirm that any other significant requirements of the Regulations have been complied with.

AZHAR HAMID
Chairman

Karachi.
Dated: **September 25, 2020**



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Unit Holders of Al-Ameen Islamic Financial Planning Fund - III

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") prepared by the Board of Directors of UBL Fund Managers Limited ("the Management Company") for the year ended 30 June 2020 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Management Company of the Fund. Our responsibility is to review whether the Statement of Compliance reflects the status of the Management Company's compliance with the provisions of the Regulations in respect of the Fund and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

As part of our audit of the 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 of Directors' 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 Regulations require the Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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 of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Management Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.



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Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Management Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Fund for the year ended 30 June 2020.

A handwritten signature in blue ink, appearing to read 'KPMG Taseer Hadi & Co.', written over a horizontal line.

KPMG Taseer Hadi & Co.
Chartered Accountants

Date: 29 September 2020

Karachi



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

Independent Auditors' Report

To the Unit holders of AI - Ameen Islamic Financial Planning Fund - III

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **AI - Ameen Islamic Financial Planning Fund - III** ("the Fund"), which comprise the statement of assets and liabilities as at 30 June 2020, income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.



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Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2020, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting 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.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be



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expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

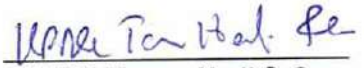
Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditors' report is Zeeshan Rashid.

Date: 29 September 2020

Karachi


KPMG Taseer Hadi & Co.
Chartered Accountants

AI - Ameen Islamic Financial Planning Fund - III

Statement of Assets and Liabilities

As at 30 June 2020

	Note	2020					2019				
		AIAPPP- II	AIAPPP- III	AIAPPP- IV	AIACTAP-XI	Total	AIAPPP- II	AIAPPP- III	AIAPPP- IV	AIACTAP-XI	Total
		(Rupees in '000)									
Assets											
Bank balances	4	354	414	992	576	2,336	670	6,273	9,556	547	17,046
Investments	5	502,973	603,536	149,482	43,169	1,299,160	682,694	666,762	273,687	62,811	1,685,954
Profits receivable		26	15	2	2	45	27	57	62	2	148
Prepayments and other receivables		1,517	22	34	23	1,596	68	80	77	6	231
Preliminary expenses and floatation cost	6	191	-	-	-	191	707	-	-	-	707
Total Assets		505,061	603,987	150,510	43,770	1,303,328	684,166	673,172	283,382	63,366	1,704,086
Liabilities											
Payable to the Management Company	7	182	197	120	97	596	119	122	89	1,010	1,340
Payable to Central Depository Company of Pakistan Limited - Trustee	8	34	40	10	3	87	58	56	23	11	148
Payable to Securities and Exchange Commission of Pakistan	9	124	130	42	11	307	558	402	115	12	1,087
Accrued expenses and other payables	10	3,141	931	888	585	5,545	794	495	2,729	976	4,994
Total liabilities		3,481	1,298	1,060	696	6,535	1,529	1,075	2,956	2,009	7,570
Net assets		501,580	602,689	149,450	43,074	1,296,793	682,637	672,097	280,426	61,357	1,696,517
Unit holders' fund (as per the statement attached)		501,580	602,689	149,450	43,074	1,296,793	682,637	672,097	280,426	61,357	1,696,517
Contingencies and commitments	14	(Number of units)					(Number of units)				
Number of units in issue	15	4,750,697	5,711,578	1,333,873	406,776		6,563,029	6,576,072	2,761,839	652,328	
		(Rupees)					(Rupees)				
Net assets value per unit	3.8	105.5804	105.5206	112.0424	105.8910		104.0124	102.2033	101.5360	94.0590	

The annexed notes from 1 to 25 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

AI - Ameen Islamic Financial Planning Fund - III

Income Statement

For the year ended 30 June 2020

Note	For the year ended 30 June 2020				Total	For the year ended 30 June 2019	For the period from 25 September 2018 to 30 June 2019	For the period from 18 December 2018 to 30 June 2019	For the period from 05 April 2019 to 30 June 2019	Total	
	AIAPPP- II	AIAPPP- III	AIAPPP- IV	AIACTAP-XI		AIAPPP- II	AIAPPP- III	AIAPPP- IV	AIACTAP-XI		
	(Rupees in '000)										
Income											
Realised gain on sale of investments	16,501	28,378	15,794	2,684	63,357	38,707	30,342	8,839	428	78,316	
Unrealised (loss) / gain on revaluation of investments at fair value through profit or loss	5.2	(8,085)	(9,373)	(3,006)	965	(19,499)	(15,485)	(15,545)	(4,602)	(4,687)	(40,319)
Dividend income	-	-	-	-	-	1,550	613	670	-	2,833	
Profit on bank deposits calculated using the effective yield method	177	330	745	47	1,299	79	313	415	17	824	
Other Income	2,623	2,377	4,350	859	10,209	3,508	1,649	473	270	5,900	
Total Income / (loss)	11,216	21,712	17,883	4,555	55,366	28,359	17,372	5,795	(3,972)	47,554	
Expenses											
Allocation of expenses relating to the Fund	7.1	619	651	209	53	1,532	744	536	153	16	1,449
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	8	489	515	165	42	1,211	779	546	154	16	1,495
Annual fee of Securities and Exchange Commission of Pakistan	9	124	130	42	11	307	558	402	115	12	1,087
Auditors' remuneration	11	93	93	93	93	372	160	85	49	26	320
Shariah advisory fee	7.2	90	90	90	90	360	164	105	61	22	352
Formation cost	6	516	-	-	-	516	507	-	-	-	507
Listing fee		7	7	7	7	28	27	-	-	-	27
Bank charges		84	21	18	12	135	43	14	8	1	66
Legal and professional charges		40	40	40	40	160	130	43	24	16	213
Total operating expenses		2,062	1,547	664	348	4,621	3,112	1,731	564	109	5,516
Net income / (loss) from operating activities		9,154	20,165	17,219	4,207	50,745	25,247	15,641	5,231	(4,081)	42,038
Provision for Sindh Workers' Welfare Fund	10.1	(180)	(395)	(338)	(85)	(998)	(495)	(307)	(103)	-	(905)
Net income / (loss) for the year before taxation		8,974	19,770	16,881	4,122	49,747	24,752	15,334	5,128	(4,081)	41,133
Taxation	12	-	-	-	-	-	-	-	-	-	-
Net income / (loss) for the year after taxation		8,974	19,770	16,881	4,122	49,747	24,752	15,334	5,128	(4,081)	41,133
Allocation of net income for the year after taxation											
Net income / (loss) for the year after taxation		8,974	19,770	16,881	4,122	49,747	24,752	15,334	5,128	-	45,214
Income already paid on units redeemed		(929)	(184)	(9,798)	(82)	(10,993)	(2,645)	(988)	(173)	-	(3,806)
Accounting income available for distribution		8,045	19,586	7,083	4,040	38,754	22,107	14,346	4,955	-	41,408
Accounting income available for distribution											
- Relating to capital gains		7,456	18,816	3,180	3,565	33,017	20,620	13,803	4,063	-	38,486
- Excluding capital gains		589	770	3,903	475	5,737	1,487	543	892	-	2,922
		8,045	19,586	7,083	4,040	38,754	22,107	14,346	4,955	-	41,408

The annexed notes from 1 to 25 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

AI - Ameen Islamic Financial Planning Fund - III

Statement of Comprehensive Income

For the year ended 30 June 2020

	For the year ended 30 June 2020				Total	For the year ended 30 June 2019 AIAPPP- II	For the period from 25 September 2018 to 30 June 2019 AIAPPP- III	For the period from 18 December 2018 to 30 June 2019 AIAPPP- IV	For the period from 05 April 2019 to 30 June 2019 AIACTAP-XI	Total
	AIAPPP- II	AIAPPP- III	AIAPPP- IV	AIACTAP-XI						
	(Rupees in '000)									
Net income / (loss) for the year after taxation	8,974	19,770	16,881	4,122	49,747	24,752	15,334	5,128	(4,081)	41,133
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-
Total comprehensive income / (loss) for the year	8,974	19,770	16,881	4,122	49,747	24,752	15,334	5,128	(4,081)	41,133

The annexed notes from 1 to 25 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

AI - Ameen Islamic Financial Planning Fund - III

Statement of Movement in Unit Holders' Fund

For the year ended 30 June 2020

	AIAPPP-II			AIAPPP-III			AIAPPP-IV			AIACTAP-XI			Total		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the year	655,723	26,914	682,637	657,751	14,346	672,097	276,199	4,227	280,426	65,438	(4,081)	61,357	1,655,111	41,406	1,696,517
Issuance of 94, 329,831, 5,795, 3,257 units															
- Capital Value	10	-	10	33,710	-	33,710	588	-	588	306	-	306	34,614	-	34,614
- Element of (loss) / income	-	-	-	(281)	-	(281)	1	-	1	38	-	38	(242)	-	(242)
Total proceeds on issuance of units	10	-	10	33,429	-	33,429	589	-	589	344	-	344	34,372	-	34,372
Redemption of 1,812,426, 1,194,325, 1,433,761, 248,809 units															
- Capital value	(188,515)	-	(188,515)	(122,064)	-	(122,064)	(145,578)	-	(145,578)	(23,403)	-	(23,403)	(479,560)	-	(479,560)
- Element of (loss) / income	(597)	(929)	(1,526)	(359)	(184)	(543)	6,930	(9,798)	(2,868)	1,195	(82)	1,113	7,169	(10,993)	(3,824)
Total payments on redemption of units	(189,112)	(929)	(190,041)	(122,423)	(184)	(122,607)	(138,648)	(9,798)	(148,446)	(22,208)	(82)	(22,290)	(472,391)	(10,993)	(483,384)
Total comprehensive income for the year	-	8,974	8,974	-	19,770	19,770	-	16,881	16,881	-	4,122	4,122	-	49,747	49,747
AI Ameen Islamic Active Allocation Plan-XI interim distribution for the year ended 30 June 2020:															
Rs. 1.1386 per unit declared on 29 June 2020	-	-	-	-	-	-	-	-	-	-	(459)	(459)	-	(459)	(459)
Net income for the year less distribution	-	8,974	8,974	-	19,770	19,770	-	16,881	16,881	-	3,663	3,663	-	49,288	49,288
Net assets at end of the year	466,621	34,959	501,580	568,757	33,932	602,689	138,140	11,310	149,450	43,574	(500)	43,074	1,217,092	79,701	1,296,793
Undistributed income brought forward:															
- Realised income		42,399			29,891			8,829			606			81,725	
- Unrealised loss		(15,485)			(15,545)			(4,602)			(4,687)			(40,319)	
		<u>26,914</u>			<u>14,346</u>			<u>4,227</u>			<u>(4,081)</u>			<u>41,406</u>	
Accounting income available for distribution															
- Relating to capital gains		7,456			18,816			3,180			3,565			33,017	
- Excluding capital gains		589			770			3,903			475			5,737	
		<u>8,045</u>			<u>19,586</u>			<u>7,083</u>			<u>4,040</u>			<u>38,754</u>	
AI Ameen Islamic Active Allocation Plan-XI interim distribution for the year ended 30 June 2020:															
Rs. 1.1386 per unit declared on 29 June 2020		-			-			-			(459)			(459)	
Undistributed income carried forward		<u>34,959</u>			<u>33,932</u>			<u>11,310</u>			<u>(500)</u>			<u>79,701</u>	
Undistributed income carried forward comprises of:															
- Realised income		43,044			43,305			14,316			(1,465)			99,200	
- Unrealised (loss) / income		(8,085)			(9,373)			(3,006)			965			(18,499)	
		<u>34,959</u>			<u>33,932</u>			<u>11,310</u>			<u>(500)</u>			<u>79,701</u>	
		(Rupees)			(Rupees)			(Rupees)			(Rupees)				
Net assets value per unit at beginning of the year		<u>104.0124</u>			<u>102.2033</u>			<u>101.5360</u>			<u>94.0590</u>				
Net assets value per unit at end of the year		<u>105.5804</u>			<u>105.5206</u>			<u>112.0424</u>			<u>105.8910</u>				

The annexed notes from 1 to 25 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

AI - Ameen Islamic Financial Planning Fund - III
Statement of Movement in Unit Holders' Fund
For the year ended 30 June 2019

	For the year ended 30 June 2019			For the period from 25 September 2018 to 30 June 2019			For the period from 18 December 2018 to 30 June 2019			For the period from 05 April 2019 to 30 June 2019			Total		
	AIAPPP-II			AIAPPP-III			AIAPPP-IV			AIACTAP-XI			Total		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the year	757,167	4,807	761,974	-	-	-	-	-	-	-	-	-	757,167	4,807	761,974
Issuance of Nil, 6,998,519, 2,878,384, 721,817 units															
- Capital Value	-	-	-	699,852	-	699,852	287,838	-	287,838	72,182	-	72,182	1,059,872	-	1,059,872
- Element of income / (loss)	-	-	-	13	-	13	19	-	19	(21)	-	(21)	11	-	11
Total proceeds on issuance of units	-	-	-	699,865	-	699,865	287,857	-	287,857	72,161	-	72,161	1,059,883	-	1,059,883
Redemption of 1,008,604, 422,447, 116,545, 69,489 units															
- Capital value	(101,501)	-	(101,501)	(42,245)	-	(42,245)	(11,655)	-	(11,655)	(6,949)	-	(6,949)	(162,350)	-	(162,350)
- Element of income / (loss)	57	(2,645)	(2,588)	131	(988)	(857)	7	(173)	(166)	226	-	226	421	(3,806)	(3,385)
Total payments on redemption of units	(101,444)	(2,645)	(104,089)	(42,114)	(988)	(43,102)	(11,648)	(173)	(11,821)	(6,723)	-	(6,723)	(161,929)	(3,806)	(165,735)
Total comprehensive income for the year / period	-	24,752	24,752	-	15,334	15,334	-	5,128	5,128	-	(4,081)	(4,081)	-	41,133	41,133
AI Ameen Principle Preservation Plan - IV interim distribution for the year ended 30 June 2019: Rs. 0.2677 per unit declared on 28 June 2019	-	-	-	-	-	-	(10)	(728)	(738)	-	-	-	(10)	(728)	(738)
Net income / (loss) for the year less distribution	-	24,752	24,752	-	15,334	15,334	(10)	4,400	4,390	-	(4,081)	(4,081)	(10)	40,405	40,395
Net assets at end of the year	655,723	26,914	682,637	657,751	14,346	672,097	276,199	4,227	280,426	65,438	(4,081)	61,357	1,655,111	41,406	1,696,517
Undistributed income brought forward:															
- Realised income		1,971												1,971	
- Unrealised income		2,836												2,836	
		4,807												4,807	
Accounting income available for distribution															
- Relating to capital gains	20,620			13,803			4,063			-			38,486		
- Excluding capital gains	1,487			543			892			-			2,922		
	22,107			14,346			4,955			-			41,408		
AI Ameen Principle Preservation Plan- IV interim distribution for the year ended 30 June 2019: Rs. 0.2677 per unit declared on 28 June 2019	-			-			(728)			-			(728)		
Undistributed income / (loss) carried forward	26,914			14,346			4,227			(4,081)			40,680		
Undistributed income / (loss) carried forward comprises of:															
- Realised income	42,399			29,891			8,829			606			81,724		
- Unrealised loss	(15,485)			(15,545)			(4,602)			(4,687)			(40,318)		
	26,914			14,346			4,227			(4,081)			41,406		
	(Rupees)			(Rupees)			(Rupees)			(Rupees)			(Rupees)		
Net assets value per unit at beginning of the year	100.6354														
Net assets value per unit at end of the year / period	104.0124			102.2033			101.5360			94.0590					

The annexed notes from 1 to 25 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

AI - Ameen Islamic Financial Planning Fund - III

Cash Flow Statement

For the year ended 30 June 2020

	For the year ended 30 June 2020 AIAPPP- II	For the year ended 30 June 2020 AIAPPP- III	For the year ended 30 June 2020 AIAPPP- IV	For the year ended 30 June 2020 AICTAP-XI	Total	For the year ended 30 June 2019 AIAPPP- II	For the period from 25 September 2018 to 30 June 2019 AIAPPP- III	For the period from 18 December 2018 to 30 June 2019 AIAPPP- IV	For the period from 05 April 2019 to 30 June 2019 AICTAP-XI	Total
Cash Flows From Operating Activities										
Net income / (loss) for the year before taxation	8,974	19,770	16,881	4,122	49,747	24,752	15,334	5,128	(4,081)	41,133
Adjustments for:										
Realised gain on sale of investments	(16,501)	(28,378)	(15,794)	(2,684)	(63,357)	(38,707)	(30,342)	(8,839)	(428)	(78,316)
Net unrealised loss / (gain) on revaluation of investments at fair value through profit or loss	8,085	9,373	3,006	(965)	19,499	15,485	15,545	4,602	4,687	40,319
Dividend income	-	-	-	-	-	(1,550)	(613)	(670)	-	(2,833)
Profit on bank deposits calculated using the effective yield method	(177)	(330)	(745)	(47)	(1,299)	(79)	(313)	(415)	(17)	(824)
Amortisation of formation cost	-	-	-	-	-	507	-	-	-	507
Provision for Sindh Worker's Welfare Fund	180	395	338	85	998	495	307	103	-	905
	(8,413)	(18,940)	(13,195)	(3,611)	(44,159)	(23,849)	(15,416)	(5,219)	4,242	(40,242)
Net cash generated from / (used in) operations before working capital changes	561	830	3,686	511	5,588	903	(82)	(91)	161	891
Working capital changes										
<i>Decrease / (increase) in assets</i>										
Investments	188,137	82,231	136,993	23,291	430,652	115,829	(651,965)	(269,449)	(67,070)	(872,655)
Preliminary expenses and floatation cost	516	-	-	-	516	(104)	-	-	-	(104)
Prepayments and other receivables	(1,449)	58	43	(17)	(1,365)	(68)	(80)	(77)	(6)	(231)
	187,204	82,289	137,036	23,274	429,803	115,657	(652,045)	(269,526)	(67,076)	(872,990)
<i>Increase / (decrease) in liabilities</i>										
Payable to Management Company	63	75	31	(913)	(744)	(4,512)	122	89	1,010	(3,291)
Payable to Central Depository Company of Pakistan Limited - Trustee	(24)	(16)	(14)	(8)	(62)	(12)	56	23	11	78
Payable to Securities and Exchange Commission of Pakistan	(434)	(272)	(73)	(1)	(780)	505	402	115	12	1,034
Accrued expenses and other payables	2,167	41	(2,179)	(476)	(447)	(9,384)	188	2,626	976	(5,594)
	1,772	(172)	(2,235)	(1,398)	(2,033)	(13,403)	768	2,853	2,009	(7,773)
Dividend received	-	-	-	-	-	1,550	613	669	-	2,832
Profits received	178	372	806	47	1,403	52	256	353	15	676
Net cash generated from / (used in) operating activities	189,715	83,319	139,293	22,434	434,761	104,759	(650,490)	(265,742)	(64,891)	(876,364)
Cash Flows From Financing Activities										
Proceeds from issuance of units	10	33,429	589	344	34,372	-	699,865	287,847	72,161	1,059,873
Payments on redemption of units	(190,041)	(122,607)	(148,446)	(22,290)	(483,384)	(104,089)	(43,102)	(11,821)	(6,723)	(165,735)
Total distribution to unit holders	-	-	-	(459)	(459)	-	(728)	-	-	(728)
Net cash (used in) / generated from financing activities	(190,031)	(89,178)	(147,857)	(22,405)	(449,471)	(104,089)	656,763	275,298	65,438	893,410
Net (decrease) / increase in cash and cash equivalents	(316)	(5,859)	(8,564)	29	(14,710)	670	6,273	9,556	547	17,046
Cash and cash equivalents at beginning of the year	670	6,273	9,556	547	17,046	-	-	-	-	-
Cash and cash equivalents at end of the year	354	414	992	576	2,336	670	6,273	9,556	547	17,046
Cash and cash equivalents										
Bank balances	354	414	992	576	2,336	670	6,273	9,556	547	17,046

The annexed notes from 1 to 25 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

AI - Ameen Islamic Financial Planning Fund - III

Notes to the Financial Statements

For the year ended 30 June 2020

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 AI-Ameen Islamic Financial Planning Fund - III (the fund) was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited), as the Management Company, and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on 3 January 2018, and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 22 January 2018 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund commenced its operations from 28 May 2018.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

The Fund is an open ended mutual fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders.

Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

- 1.2 The Fund is an Open-end Shariah Compliant Fund of funds Scheme that aims to generate returns on Investment as per the respective Allocation Plan by investing via underlying mutual funds. These comprises the following:

1.2.1 AI-Ameen Islamic Active Principal Preservation Plan – II (AIAPPP- II)

AIAPPP-II is an Islamic Principal Preservation Plan under “AI-Ameen Islamic Financial Planning Fund - III” with an objective to earn potentially high return through dynamic asset allocation between Islamic Dedicated Equity, Islamic Sovereign Income and Islamic Money Market based Collective Investment Schemes, PLS and term deposit musharika while providing principal preservation of the Initial Investment Value including Front end load at completion of twenty four months and beyond till maturity of the plan.

AI-Ameen Islamic Active Principal Preservation Plan - II (AIAPPP II) is due to mature on 27 November 2020, unless the Management Company decides otherwise.

1.2.2 AI-Ameen Islamic Active Principal Preservation Plan – III (AIAPPP- III)

AIAPPP-III is an Islamic Principal Preservation Plan under “AI-Ameen Islamic Financial Planning Fund - III” with an objective to earn potentially high return through dynamic asset allocation between Islamic Dedicated Equity, Islamic Sovereign Income and Islamic Money Market based Collective Investment Schemes, PLS and term deposit musharika while providing principal preservation of the Initial Investment Value including Front end load at completion of thirty months and beyond till maturity of the plan.

AI-Ameen Islamic Active Principal Preservation Plan - III (AIAPPP III) is due to mature on 24 March 2021, unless the Management Company decides otherwise.

1.2.3 AI-Ameen Islamic Active Principal Preservation Plan – IV (AIAPPP- IV)

AIAPPP-IV is an Islamic Principal Preservation Plan under “AI-Ameen Islamic Financial Planning Fund - III” with an objective to earn potentially high return through dynamic asset allocation between Islamic Dedicated Equity, Islamic Sovereign Income and Islamic Money Market based Collective Investment Schemes, PLS and term deposit musharika while providing principal preservation of the Initial Investment Value including Front end load at completion of thirty months and beyond till maturity of the plan.

1.2.4 AI-Ameen Islamic Active Allocation Plan - XI (AIACTAP-XI)

AIACTAP-XI is an Islamic Allocation Plan under "AI-Ameen Islamic Financial Planning Fund - III" with an objective to earn a potentially high return through active asset allocation between Islamic Equity scheme, Islamic Income scheme and Islamic Money Market Schemes based on the Fund Manager's outlook on the asset classes.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

2.2 Standards and amendments effective during the year

There are number of new standards and amendments that are effective from 01 July, 2019 however these do not have a significant effect on the Fund's financial statements.

2.3 Standards, interpretations and amendments to accounting and reporting standards, that are not yet effective:

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2020:

- Amendment to IFRS 3 'Business Combinations' – Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 1 January 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.
- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for annual periods beginning on or after 1 January 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRS Standards.
- On 29 March 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallize. The companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of 1 January 2020, unless the new guidance contains specific scope outs.
- Interest Rate Benchmark Reform which amended IFRS 9, IAS 39 and IFRS 7 is applicable for annual financial periods beginning on or after 1 January 2020. The G20 asked the Financial Stability Board (FSB) to undertake a fundamental review of major interest rate benchmarks. Following the review, the FSB published a report setting out its recommended reforms of some major interest rate benchmarks such as IBORs. Public authorities in many jurisdictions have since taken steps to implement those recommendations. This has in turn led to uncertainty about the long-term viability of some interest rate benchmarks. In these amendments, the term 'interest rate benchmark reform' refers to the market-wide reform of an interest rate benchmark including its replacement with an alternative benchmark rate, such as that resulting from the FSB's recommendations set out in its July 2014 report 'Reforming Major Interest Rate Benchmarks' (the reform). The amendments made provide relief from the potential effects of the uncertainty caused by the reform. A company shall apply the exceptions to all hedging relationships directly affected by interest rate benchmark reform. The amendments are not likely to affect the financial statements of the Fund.

- Amendments to IFRS-16 - IASB has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after 1 June 2020, with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements, the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were not lease modifications. Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:
 - the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
 - any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
 - there is no substantive change to the other terms and conditions of the lease.
- Classification of liabilities as current or non-current (Amendments to IAS 1) effective for the annual period beginning on or after 1 January 2022. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual period beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarifies what comprise the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for the annual period beginning on or after 1 January 2022. Clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognized in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.
- The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022:
 - IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
 - IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
 - IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

The above amendments are effective from annual periods beginning on or after 01 July, 2020 and are not likely to have an impact on Fund's financial statements.

2.4 Critical accounting estimates and judgments

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas where various assumptions and estimates are significant to the Fund's financial statements or where judgment was exercised in the application of accounting policies are given below:

a) Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in note 3.2.1(i) - regarding the classification of investments.

b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the year ended 30 June 2020 is included in the following notes:

- Notes 3.2.1(ii and iii) - Valuation of investments
- Notes 3.2.1(v) and 3.16- Impairment of financial assets and other assets

2.5 Basis of measurement

These financial statements have been prepared under the historical cost convention except for the investments which are stated at fair value.

2.6 Functional and presentation currency

These financial statements are presented in Pak Rupees which is the functional and presentation currency of the Fund. All amounts have been rounded to the nearest thousand, unless otherwise stated.

3 SIGNIFICANT ACCOUNTING POLICIES

The management has adopted the following significant policies for the preparation of these financial statements:

3.1 Cash and cash equivalents

Cash and cash equivalents are carried in the Statement of Assets and Liabilities at amortised cost. These comprise of deposits with banks and highly liquid investments with original maturities of three months or less and that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short term cash commitments rather than for investments for other purposes.

3.2 Financial assets

3.2.1 i. Classification

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt security is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Fund's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund's stated objectives for managing the financial assets are achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment on debt securities, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Fund considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

ii. **Initial recognition and measurement**

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs associated with these financial assets are charged to the Income Statement.

iii. **Subsequent measurement**

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any profit / markup or dividend income, are recognised in income statement.
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Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective yield method. The amortised cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognised in income statement.
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Debt securities at FVOCI	These assets are subsequently measured at fair value. Interest / markup income calculated using the effective yield method, foreign exchange gains and losses and impairment are recognised in income statement. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income statement.
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Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to income statement.
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The fair value of financial assets are determined as follows:

- Basis of valuation of units of mutual funds

Investments in the units of open end funds are re-measured at fair value with reference to redemption prices and the resultant gain or loss on remeasurement of value of investment is recognised in the income statement.

iv. **Reclassifications**

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

v. **Impairment of financial assets**

Financial assets at amortised cost

Provision for non performing debt securities and other exposure is made in accordance with the criteria specified in Circular No. 33 of 2012 dated 24 October 2012 issued by SECP. However, the circular does not cover impairment requirements for government debt securities. Based on the past performance management considers that there is no probability of default as in any adverse situation State Bank of Pakistan has the right to discharge government obligations by issuance of currency notes. The provisioning policy has been duly formulated and approved by the Board of Directors of the Fund.

3.2.2 **Regular way contracts**

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

3.2.3 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and where the Fund has transferred substantially all risks and rewards of ownership.

3.2.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.3 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

3.4 Unitholders' Fund

Unitholders' Fund representing the units issued by the Fund, is carried at the redemption amount representing the investors' right to a residual interest in the Fund's assets.

3.5 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received, by the distributors / Management Company during business hours, as of the close of the previous day on which the applications were received. The offer price represents the net assets value per unit as of the close of previous day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable.

Units redeemed are recorded at the redemption price, applicable to units as of the close of the previous day. The redemption price represents the net assets value per unit as of the close of the previous day on which the applications were received less any back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

3.6 Element of income

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net asset Value (NAV) at the beginning of the relevant accounting period.

Element of Income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund; however, to maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP) the refund of capital is made in the form of additional units at zero price.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. The income already paid (Element of Income) on redemption of units during the year are taken separately in statement of movement in unitholders' fund.

3.7 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

3.8 Net assets value per unit

The net assets value per unit as disclosed on the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units outstanding at the end of the year.

3.9 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders. Provided that for the purpose of determining distribution of at least ninety percent of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

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.

3.10 Revenue recognition

- Realised gains / (losses) arising on redemption and sale of units are included in the Income Statement on the date at which the transaction takes place.
- Unrealised gains / (losses) arising on mark to market of units classified as 'at fair value through profit or loss' are included in the Income Statement in the year in which they arise.
- Profit on saving accounts is recognised using effective yield method.
- Dividend income is recognised when the right to receive dividend is established i.e. on the announcement by mutual fund declaring the dividend.

3.11 Zakat payable

Zakat payment is the responsibility of each unit holder. Nevertheless, the Fund follows the provision of Zakat and Ushr Ordinance, 1980. Units held by individual resident Pakistani unit holders are subject to Zakat at 2.5% of par value of unit under the said 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.

3.12 Expenses

All expenses including Management fee, Trustee fee and Securities and Exchange Commission of Pakistan fee are recognised in the Income Statement on accrual basis.

3.13 Earnings per unit

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

3.14 Distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital if any based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

3.15 Preliminary expenses and floatation cost

This represents expenses incurred on the formation of the Fund. As permitted in the Non-Banking Finance Companies and Notified Entities Regulations, 2008, these expenses are being amortised to the income statement over a period of two years (effective from 28 May 2018). Refer note 6 also.

3.16 Other assets

Other assets are stated at cost less impairment losses, if any.

4 BANK BALANCES

Note	2020					2019				
	AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI	Total	AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI	Total
	(Rupees in '000)									
4.1	354	414	992	576	2,336	670	6,273	9,556	547	17,046

4.1 These balances includes balance with United Bank Limited (holding company of the Management Company) of Rs. 1.761 million (2019: Rs. 16.499 million) carrying profit ranging from 7 to 12.75% per annum (2019: 7.75% to 12% per annum).

5 INVESTMENTS

Note	2020					2019				
	AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACAP-XI	Total	AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACAP-XI	Total
	(Rupees in '000)									
5.1	502,973	603,536	149,482	43,169	1,299,160	682,694	666,762	1,329,398	62,811	1,685,954

5.1 Units of Mutual Funds - Open Ended

Name of investee funds	As at 1 July 2019	Purchased during the year	Sold / Matured during the year	As at 30 June 2020	Carrying value as at 30 June 2020	Market value as at 30 June 2020	Market value as at 30 June 2019	Market Value as Percentage of total investments	Market Value as Percentage of net assets
Held by AIAPPP - II	(No. of holdings)				(Rupees in '000)			%	
Al-Ameen Islamic Dedicated Equity Fund	1,662,605	2,272,705	3,935,310	-	-	-	159,648	-	-
Al-Ameen Islamic Sovereign Fund	5,176,274	3,519,524	3,722,963	4,972,835	511,058	502,973	523,046	100.00%	100.28%
Investments as at 30 June 2020	6,838,879	5,792,229	7,658,273	4,972,835	511,058	502,973	682,694	100.00%	100.28%
Held by AIAPPP - III									
Al-Ameen Islamic Dedicated Equity Fund	1,887,384	2,750,687	4,474,746	163,325	16,591	17,074	181,232	2.83%	2.83%
Al-Ameen Islamic Sovereign Fund	4,805,001	9,366,114	8,372,831	5,798,284	596,318	586,462	485,530	97.17%	97.31%
Investments as at 30 June 2020	6,692,385	12,116,801	12,847,577	5,961,609	612,909	603,536	666,762	100.00%	100.14%
Held by AIAPPP - IV									
Al-Ameen Islamic Dedicated Equity Fund	770,997	1,486,129	2,128,345	128,781	13,238	13,463	74,033	9.01%	9.01%
Al-Ameen Islamic Sovereign Fund	1,975,852	2,983,505	3,614,556	1,344,801	139,250	136,019	199,654	90.99%	91.01%
Investments as at 30 June 2020	2,746,849	4,469,634	5,742,901	1,473,582	152,488	149,482	273,687	100.00%	100.02%
Held by AIACTAP - XI									
Al-Ameen Islamic Dedicated Equity Fund	455,614	468,237	634,352	289,499	29,165	30,264	43,749	70.11%	70.26%
Al-Ameen Islamic Sovereign Fund	188,643	294,017	355,067	127,593	13,039	12,905	19,062	29.89%	29.96%
Investments as at 30 June 2020	644,257	762,254	989,419	417,092	42,204	43,169	62,811	100.00%	100.22%

5.1.1 All the plans will be primarily investing in the above funds.

5.2 Unrealized (loss) / gain on revaluation of investments classified 'at fair value through profit or loss'

Note	2020					2019					
	AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI	Total	AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI	Total	
(Rupees in '000)											
Market value of investments	5.1	502,973	603,536	149,482	43,169	1,299,160	682,694	666,762	273,687	62,811	1,685,954
Less: Cost / carrying value of investments	5.1	(511,058)	(612,909)	(152,488)	(42,204)	(1,318,659)	(698,179)	(682,307)	(278,289)	(67,498)	(1,726,273)
		(8,085)	(9,373)	(3,006)	965	(19,499)	(15,485)	(15,545)	(4,602)	(4,687)	(40,319)

6 PRELIMINARY EXPENSES AND FLOATATION COST

Deferred formation cost		707	-	-	-	707	1,111	-	-	-	1,111
Further cost incurred		-	-	-	-	-	103	-	-	-	103
Amortisation during the year	6.1	(516)	-	-	-	(516)	(507)	-	-	-	(507)
Unamortised formation cost at end of the year		191	-	-	-	191	707	-	-	-	707

- 6.1 As per the offering documents all preliminary and floatation expenses of the Fund including expenses incurred in connection with the establishment and authorization of the Fund, including execution and registration of the Constitutive Documents, issue, legal costs, printing, circulation and publication of the Offering Document, and all expenses incurred for announcing the Fund and other expenses during and up to the Initial Offering Period (IOP), shall be borne and reimbursed by the Fund to the Management Company subject to the audit of expenses. Such formation cost shall be amortised over a period of not less than two years effective from 28 May 2018. Deferred formation cost shall be borne by the Fund and amortised within the maturity of fund which is 30 months.

7 PAYABLE TO THE MANAGEMENT COMPANY

		2020					2019				
		AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI	Total	AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI	Total
		(Rupees in '000)									
Payable against allocation of expenses relating to the Fund	7.1	90	101	25	7	223	58	56	23	5	142
Shariah advisory fee	7.2	90	90	90	90	360	61	61	61	22	205
Sales load payable		2	1	-	-	3	-	-	-	983	983
Other payable		-	5	5	-	10	-	5	5	-	10
		182	197	120	97	596	119	122	89	1,010	1,340

- 7.1 SECP vide S.R.O. 639 (I)/2019 has substituted clause (s) and (v) of sub regulation 3 of regulation 60 and accordingly has removed cap of charging 0.1% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation & valuation services respectively, provided that total expense ratio remains within the allowed limit. The Management Company is charging 0.1% of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services.

- 7.2 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. 0.36 million (2019: Rs. 0.35) million as shariah advisory fee.

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

		2020					2019				
		AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI	Total	AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI	Total
		(Rupees in '000)									
Trustee remuneration	8.1	30	35	9	3	77	51	50	20	10	131
Sindh Sales Tax on Trustee remuneration	8.2	4	5	1	-	10	7	6	3	1	17
		34	40	10	3	87	58	56	23	11	148

- 8.1 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 assets value of the Fund. The remuneration is paid to the Trustee on monthly basis in arrears. The tariff structure applicable to the Fund in respect of the trustee fee has been revised effective from 01 July 2019 where by the revised tariff is 0.070% per annum of average daily net assets.

- 8.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 13% on the remuneration of Trustee through Sindh Sales Tax on Services Act, 2011, effective from 01 July, 2016.

9 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

SECP vide S.R.O. 685 (I)/2019 has revised its annual fee from 0.075% to 0.02% per annum of average daily net assets of the Fund, applicable from 01 July 2019.

10 ACCRUED EXPENSES AND OTHER PAYABLES

	Note	2020					2019				
		AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI	Total	AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI	Total
		(Rupees in '000)									
Provision against Sindh Workers' Welfare Fund	10.1	771	702	440	85	1,998	591	307	103	-	1,001
Auditors' remuneration payable	11	97	67	30	27	221	94	63	26	26	209
Sales load payable		-	31	302	203	536	-	71	2,378	646	3,094
Other payables		2,273	131	116	270	2,790	109	54	222	304	689
		3,141	931	888	585	5,545	794	495	2,729	976	4,994

- 10.1 Provision for Sindh Workers Welfare Fund is being made on a daily basis pursuant to MUFAP's recommendation to all its members on 12 January 2017 against the backdrop of the Sindh Revenue Board (SRB) going forward letter to certain mutual funds in January 2016 whereby SRB directed the mutual funds to register and pay Sindh Workers Welfare Fund (SWWF) for the accounting year closing on or after 31 December 2013. This is on the premise that mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001 and hence SWWF is payable by them. Though MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF but as a matter of abundant caution the Management has recorded SWWF. Had the provision not been made, Net Asset Value per unit of the Fund as at 30 June 2020 would have been higher by Rs. 0.1623 per unit for AIAPPP-II, Rs. 0.1230 per unit for AIAPPP-III, Rs. 0.3299 for AIAPPP-IV and Rs. 0.2089 for AIACTAP-XI per unit (2019: Rs. 0.0901 per unit for AIAPPP-II, Rs. 0.0446 per unit for AIAPPP-III and Rs. 0.0374 for AIAPPP-IV per unit)

11 AUDITORS' REMUNERATION

	2020					2019				
	AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI	Total	AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI	Total
(Rupees in '000)										
Annual audit fee	54	54	54	54	216	62	33	19	7	121
Half year fee	18	18	18	18	72	32	18	11	-	61
Review of CCG	16	16	16	16	64	58	29	15	13	115
Out of pocket expenses	5	5	5	5	20	8	5	4	6	23
	93	93	93	93	372	160	85	49	26	320

12 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the case may be, shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund has distributed more than 90% of the Fund's accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders during the year. Accordingly, no provision has been made in the financial statements for the year ended 30 June 2020.

13 TOTAL EXPENSE RATIO

The Securities and Exchange Commission of Pakistan (SECP) vide directive no. SCD/PRDD/Direction/ 18/2016 dated 20 July 2016, requires that Collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. The total expense ratio shall be capped up to 2.5% in case management fee is charged and up to 0.5% incase no management fee is charged.

	30 June 2020			
	AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP - XI
Total expense ratio	0.36%	0.30%	0.48%	0.81%
Government levy, SWWF and SECP fee	0.06%	0.09%	0.19%	0.19%

14 CONTINGENCIES AND COMMITMENTS

Other than already disclosed in the financial statements, there are no contingencies and commitments as at 30 June 2020.

15 NUMBER OF UNITS IN ISSUE

Note

	2020				2019			
	AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI	AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI
	(Number of units)							
Total units in issue at the beginning of the year	6,563,029	6,576,072	2,761,839	652,328	7,571,633	-	-	-
Units issued during the year	94	329,831	5,795	3,257	-	6,998,519	2,878,384	721,817
Units redeemed during the year	(1,812,426)	(1,194,325)	(1,433,761)	(248,809)	(1,008,604)	(422,447)	(116,545)	(69,489)
Total units in issue at the end of the year	4,750,697	5,711,578	1,333,873	406,776	6,563,029	6,576,072	2,761,839	652,328

15.1 The Management Company on June 29, 2020 declared interim distribution for AIACTAP-XI of Rs. 1.1386 per unit. The aggregate cash distribution amounted to Rs. 0.459 million.

16 RECONCILIATION OF LIABILITIES ARISING OUT OF FINANCING ACTIVITIES

2020			2019		
AIAPPP - II					
Receivable against sale of units	Payable against redemption of units	Total	Receivable against sale of units	Payable against redemption of units	Total
(Rupees in '000)					

Opening balance as at 1 July 2019/2018

Receivable against issuance of units

Payable against redemption of units

Amount received on issuance of units

Amount paid on redemption of units

Closing balance as at 30 June 2020/2019

-	-	-	-	-	-	-
10	-	10	-	-	-	-
-	190,041	190,041	-	104,089	104,089	104,089
10	190,041	190,051	-	104,089	104,089	104,089
(10)	-	(10)	-	-	-	-
-	(190,041)	(190,041)	-	(104,089)	(104,089)	(104,089)
(10)	(190,041)	(190,051)	-	(104,089)	(104,089)	(104,089)
-	-	-	-	-	-	-

2020			2019		
AIAPPP - III					
Receivable against sale of units	Payable against redemption of units	Total	Receivable against sale of units	Payable against redemption of units	Total
(Rupees in '000)					

Opening balance as at 1 July 2019

Receivable against issuance of units

Payable against redemption of units

Amount received on issuance of units

Amount paid on redemption of units

Closing balance as at 30 June 2020/2019

-	-	-	-	-	-	-
33,429	-	33,429	699,865	-	699,865	699,865
-	122,607	122,607	-	43,102	43,102	43,102
33,429	122,607	156,036	699,865	43,102	742,967	742,967
(33,429)	-	(33,429)	(699,865)	-	(699,865)	(699,865)
-	(122,607)	(122,607)	-	(43,102)	(43,102)	(43,102)
(33,429)	(122,607)	(156,036)	(699,865)	(43,102)	(742,967)	(742,967)
-	-	-	-	-	-	-

Opening balance as at 1 July 2019

Receivable against issuance of units

Payable against redemption of units

Amount received on issuance of units

Amount paid on redemption of units

Closing balance as at 30 June 2020/2019

2020			2019		
AIAPPP - IV					
Receivable against sale of units	Payable against redemption of units	Total	Receivable against sale of units	Payable against redemption of units	Total
----- (Rupees in '000) -----					
-	-	-	-	-	-
589	-	589	287,847	-	287,847
-	148,446	148,446	-	11,821	11,821
589	148,446	149,035	287,847	11,821	299,668
(589)	-	(589)	(287,847)	-	(287,847)
-	(148,446)	(148,446)	-	(11,821)	(11,821)
(589)	(148,446)	(149,035)	(287,847)	(11,821)	(299,668)
-	-	-	-	-	-

Opening balance as at 1 July 2019

Receivable against issuance of units

Payable against redemption of units

Amount received on issuance of units

Amount paid on redemption of units

Closing balance as at 30 June 2020/2019

2020			2019		
AIACTAP - XI					
Receivable against sale of units	Payable against redemption of units	Total	Receivable against sale of units	Payable against redemption of units	Total
(Rupees in '000)					
-	-	-	-	-	-
344	-	344	72,161	-	72,161
-	22,290	22,290	-	6,723	6,723
344	22,290	22,634	72,161	6,723	78,884
(344)	-	(344)	(72,161)	-	(72,161)
-	(22,290)	(22,290)	-	(6,723)	(6,723)
(344)	(22,290)	(22,634)	(72,161)	(6,723)	(78,884)
-	-	-	-	-	-

17 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 Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee and custodian of the Fund, the directors and officers of the Management Company and unit holders holding 10% or more of the Fund's net assets.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, NBFC Regulations and the Trust Deed respectively. Other transactions with the related parties / connected persons have been carried out at agreed terms.

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

	2020						2019					
	Management Company	Trustee	Funds under common management	Associated companies	Directors and key executives	Other connected persons / related parties	Management Company	Trustee	Funds under common management	Associated companies	Directors and key executives	Other connected persons / related parties
AIAPPP-II	----- Transactions during the year -----						----- Transactions during the year -----					
	(Rupees in '000)						(Rupees in '000)					
Dividend income	-	-	-	-	-	-	-	-	1,550	-	-	-
Profit on saving account	-	-	-	177	-	-	-	-	-	79	-	-
Remuneration	-	433	-	-	-	-	-	689	-	-	-	-
Sales tax on remuneration	-	56	-	-	-	-	-	90	-	-	-	-
Purchase of Collective Investment Scheme units at cost	-	-	565,603	-	-	-	-	-	2,109,161	-	-	-
Sale of Collective Investment Scheme units at cost	-	-	1,240,455	-	-	-	-	-	2,224,970	-	-	-
Allocation of expenses relating to the Fund	619	-	-	-	-	-	744	-	-	-	-	-
Shariah advisory fee	90	-	-	-	-	-	164	-	-	-	-	-
Bank charges	-	-	-	84	-	-	-	-	-	43	-	-
	----- Balances held -----						----- Balances held -----					
	(Rupees in '000)						(Rupees in '000)					
Investment in Collective Investment Scheme (units in '000)	-	-	4,973	-	-	-	-	-	6,839	-	-	-
Investment in Collective Investment Scheme (Rupees in '000)	-	-	502,973	-	-	-	-	-	682,694	-	-	-
Bank balance*	-	-	-	354	-	-	-	-	-	670	-	-
Profit receivable	-	-	-	26	-	-	-	-	-	27	-	-
Remuneration payable**	-	34	-	-	-	-	-	58	-	-	-	-
Allocation of expenses relating to the Fund	90	-	-	-	-	-	58	-	-	-	-	-
Shariah advisory fee	90	-	-	-	-	-	61	-	-	-	-	-
Conversion charges and other payables	2	-	-	-	-	-	-	-	-	-	-	-

* These carry profit ranges from 7% to 12.75% per annum.

** This balance is inclusive of Sindh Sales Tax.

* These carry profit ranges from 7.75% to 11.25% per annum.

** This balance is inclusive of Sindh Sales Tax.

	2020						2019					
	Management Company	Trustee	Funds under common management	Associated companies	Directors and key executives	Other connected persons / related parties	Management Company	Trustee	Funds under common management	Associated companies	Directors and key executives	Other connected persons / related parties
AIAPPP-III	Transactions during the year						Transactions during the year					
	(Rupees in '000)						(Rupees in '000)					
Units Issued	-	-	-	-	-	-	-	-	-	-	-	100,092
Units Redeemed	-	-	-	-	-	-	-	-	-	-	-	-
Dividend income	-	-	-	-	-	-	-	-	613	-	-	-
Profit on saving account	-	-	-	330	-	-	-	-	-	313	-	-
Remuneration	-	456	-	-	-	-	-	483	-	-	-	-
Sales tax on remuneration	-	58	-	-	-	-	-	63	-	-	-	-
Purchase of Collective Investment Scheme units at cost	-	-	1,244,419	-	-	-	-	-	2,523,720	-	-	-
Sale of Collective Investment Scheme units at cost	-	-	1,298,258	-	-	-	-	-	1,871,573	-	-	-
Allocation of expenses relating to the Fund	651	-	-	-	-	-	536	-	-	-	-	-
Shariah advisory fee	90	-	-	-	-	-	105	-	-	-	-	-
Bank charges	-	-	-	21	-	-	-	-	-	14	-	-
	Balances held						Balances held					
	(Rupees in '000)						(Rupees in '000)					
Units held (units in '000)	-	-	-	-	-	968	-	-	-	-	-	968
Units held (Rupees in '000)	-	-	-	-	-	102,157	-	-	-	-	-	98,945
Investment in Collective Investment Scheme (units in '000)	-	-	5,962	-	-	-	-	-	6,692	-	-	-
Investment in Collective Investment Scheme (Rupees in '000)	-	-	603,536	-	-	-	-	-	666,762	-	-	-
Bank balance*	-	-	-	414	-	-	-	-	-	6,273	-	-
Profit receivable	-	-	-	15	-	-	-	-	-	57	-	-
Remuneration payable**	-	40	-	-	-	-	-	56	-	-	-	-
Allocation of expenses relating to the Fund	101	-	-	-	-	-	56	-	-	-	-	-
Shariah advisory fee	90	-	-	-	-	-	61	-	-	-	-	-
Conversion and Other payables	6	-	-	-	-	-	5	-	-	-	-	-
Sales load payable	-	-	-	-	-	-	-	-	-	70	-	-

* These carry profit ranges from 7% to 12.75% per annum.

** This balance is inclusive of Sindh Sales Tax.

* These carry profit ranges from 7.75% to 11.25% per annum.

** This balance is inclusive of Sindh Sales Tax.

	2020						2019					
	Management Company	Trustee	Funds under common management	Associated companies	Directors and key executives	Other connected persons / related parties	Management Company	Trustee	Funds under common management	Associated companies	Directors and key executives	Other connected persons / related parties
AIAPPP-IV	----- Transactions during the year -----						----- Transactions during the year -----					
	----- (Rupees in '000) -----						----- (Rupees in '000) -----					
Units issued	-	-	-	-	-	-	-	-	-	-	802	121,306
Dividend income	-	-	-	-	-	-	-	-	670	-	-	-
Profit on saving account	-	-	-	745	-	-	-	-	-	415	-	-
Remuneration	-	146	-	-	-	-	-	137	-	-	-	-
Sales tax on remuneration	-	19	-	-	-	-	-	17	-	-	-	-
Purchase of Collective Investment Scheme units at cost	-	-	462,339	-	-	-	-	-	1,006,185	-	-	-
Sale of Collective Investment Scheme units at cost	-	-	583,536	-	-	-	-	-	737,210	-	-	-
Allocation of expenses relating to the Fund	209	-	-	-	-	-	153	-	-	-	-	-
Shariah advisory fee	90	-	-	-	-	-	61	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	2	314
Bank charges	-	-	-	18	-	-	-	-	-	8	-	-
	----- Balances held -----						----- Balances held -----					
	----- (Rupees in '000) -----						----- (Rupees in '000) -----					
Units held (units in '000)	-	-	-	-	8	477	-	-	-	-	8	1,173
Units held (Rupees in '000)	-	-	-	-	899	53,410	-	-	-	-	814	119,140
Investment in Collective Investment Scheme (units in '000)	-	-	1,474	-	-	-	-	-	2,747	-	-	-
Investment in Collective Investment Scheme (Rupees in '000)	-	-	149,482	-	-	-	-	-	273,687	-	-	-
Bank balance*	-	-	-	992	-	-	-	-	-	9,556	-	-
Profit receivable	-	-	-	2	-	-	-	-	-	62	-	-
Remuneration payable**	-	10	-	-	-	-	-	23	-	-	-	-
Allocation of expenses relating to the Fund	25	-	-	-	-	-	23	-	-	-	-	-
Shariah advisory fee	90	-	-	-	-	-	61	-	-	-	-	-
Conversion charges and other payables	5	-	-	-	-	-	5	-	-	-	-	-
Sales load payable	-	-	-	-	-	-	-	-	-	2,378	-	-

* These carry profit ranges from 7% to 12.75% per annum.

** This balance is inclusive of Sindh Sales Tax.

* These carry profit ranges from 7.75% to 11.25% per annum.

** This balance is inclusive of Sindh Sales Tax.

	2020						2019					
	Management Company	Trustee	Funds under common management	Associated companies	Directors and key executives	Other connected persons / related parties	Management Company	Trustee	Funds under common management	Associated companies	Directors and key executives	Other connected persons / related parties
AICTAP-XI	Transactions during the year						Transactions during the year					
	(Rupees in '000)						(Rupees in '000)					
Units issued	-	-	-	-	-	1,463	-	-	-	-	-	28,302
Profit on saving account	-	-	-	-	-	-	-	-	-	17	-	-
Remuneration	-	37	-	-	-	-	-	14	-	-	-	-
Sales tax on remuneration	-	5	-	-	-	-	-	2	-	-	-	-
Purchase of Collective Investment Scheme units at cost	-	-	78,400	-	-	-	-	-	249,390	-	-	-
Sale of Collective Investment Scheme units at cost	-	-	99,007	-	-	-	-	-	182,319	-	-	-
Allocation of expenses relating to the Fund	53	-	-	-	-	-	16	-	-	-	-	-
Shariah advisory fee	90	-	-	-	-	-	22	-	-	-	-	-
Bank charges	-	-	-	-	-	-	-	-	-	-	-	-
	Balances held						Balances held					
	(Rupees in '000)						(Rupees in '000)					
Units held (units in '000)	-	-	-	-	-	195	-	-	-	-	-	283
Units held (Rupees in '000)	-	-	-	-	-	20,688	-	-	-	-	-	26,629
Investment in Collective Investment Scheme (units in '000)	-	-	417	-	-	-	-	-	644	-	-	-
Investment in Collective Investment Scheme (Rupees in '000)	-	-	43,169	-	-	-	-	-	62,811	-	-	-
Remuneration payable*	-	3	-	-	-	-	-	11	-	-	-	-
Allocation of expenses relating to the Fund	7	-	-	-	-	-	5	-	-	-	-	-
Shariah advisory fee	90	-	-	-	-	-	22	-	-	-	-	-
Sales load payable	-	-	-	-	-	-	983	-	-	646	-	-

* This balance is inclusive of Sindh Sales Tax.

18 FINANCIAL INSTRUMENTS BY CATEGORY

AIAPPP-II

Financial Assets

Bank Balances
Investments
Profits Receivable
Prepayments and other receivables

2020			
At Amortised cost	At fair value through other comprehensive income	At fair value through profit or loss	Total
------(Rupees in '000) -----			
354	-	-	354
-	-	502,973	502,973
26	-	-	26
1,517	-	-	1,517
1,897	-	502,973	504,870

Financial Liabilities

Payable to the Management Company
Payable to the Central Depository Company of Pakistan Limited-Trustee
Accrued expenses and other payables

At Amortised cost	Total
------(Rupees in '000) -----	
182	182
34	34
2,370	2,370
2,586	2,586

AIAPPP-III

Financial Assets

Bank Balances
Investments
Profits Receivable
Prepayments and other receivables

2020			
At Amortised cost	At fair value through other comprehensive income	At fair value through profit or loss	Total
------(Rupees in '000) -----			
414	-	-	414
-	-	603,536	603,536
15	-	-	15
22	-	-	22
451	-	603,536	603,986

Financial Liabilities

Payable to the Management Company
Payable to the Central Depository Company of Pakistan Limited-Trustee
Accrued expenses and other payables

At Amortised cost	Total
------(Rupees in '000) -----	
197	197
40	40
229	229
466	466

2019

At Amortised cost	At fair value through other comprehensive income	At fair value through profit or loss	Total
------(Rupees in '000) -----			
670	-	-	670
-	-	682,694	682,694
27	-	-	27
63	-	-	63
760	-	682,694	683,454

At Amortised cost	Total
------(Rupees in '000) -----	
119	119
58	58
203	203
380	380

2019

At Amortised cost	At fair value through other comprehensive income	At fair value through profit or loss	Total
------(Rupees in '000) -----			
6,273	-	-	6,273
-	-	666,762	666,762
57	-	-	57
65	-	-	65
6,395	-	666,762	673,157

At Amortised cost	Total
------(Rupees in '000) -----	
122	122
56	56
188	188
366	366

AIAPPP-IV**Financial Assets**

Bank Balances
Investments
Profits Receivable
Prepayments and other receivables

2020			
At Amortised cost	At fair value through other comprehensive income	At fair value through profit or loss	Total
------(Rupees in '000) -----			
992	-	-	992
-	-	149,482	149,482
2	-	-	2
34	-	-	34
1,028	-	149,482	150,510

Financial Liabilities

Payable to the Management Company
Payable to the Central Depository Company of Pakistan Limited-Trustee
Accrued expenses and other payables

At Amortised cost	Total
------(Rupees in '000) -----	
120	120
10	10
448	448
578	578

AIACTAP-XI**Financial Assets**

Bank Balances
Investments
Profits Receivable
Prepayments and other receivables

2020			
At Amortised cost	At fair value through other comprehensive income	At fair value through profit or loss	Total
------(Rupees in '000) -----			
576	-	-	576
-	-	43,169	43,169
2	-	-	2
23	-	-	23
601	-	43,169	43,770

Financial Liabilities

Payable to the Management Company
Payable to the Central Depository Company of Pakistan Limited-Trustee
Accrued expenses and other payables

At Amortised cost	Total
------(Rupees in '000) -----	
97	97
3	3
500	500
600	600

2019

At Amortised cost	At fair value through other comprehensive income	At fair value through profit or loss	Total
------(Rupees in '000) -----			
9,556	-	-	9,556
-	-	273,687	273,687
62	-	-	62
68	-	-	68
9,686	-	273,687	283,373

At Amortised cost	Total
------(Rupees in '000) -----	
89	89
23	23
2626	2,626
2,738	2,738

2019

At Amortised cost	At fair value through other comprehensive income	At fair value through profit or loss	Total
------(Rupees in '000) -----			
547	-	-	547
-	-	62,811	62,811
-	-	-	-
2	-	-	2
549	-	62,811	63,360

At Amortised cost	Total
------(Rupees in '000) -----	
1,010	1,010
11	11
976	976
1,997	1,997

19 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets (i.e. listed equity shares) are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The Fund's accounting policy on fair value measurements of investments is discussed in note 3.2 to these financial statements.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at fair value at the end of the year by the level in the fair value hierarchy into which the fair value measurement is categorised.

On-balance sheet financial instruments

30 June 2020

Al-Ameen Islamic Active Principal Preservation Plan – II									
Note	Carrying amount					Fair value			
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets measured at fair value									
- Investments	502,973	-	-	-	502,973	502,973	-	-	502,973
Financial assets not measured at fair value	19.1								
- Bank balances	-	-	-	354	354				
- Profits receivable	-	-	-	26	26				
- Prepayments and other receivables	-	-	-	1,517	1,517				
	-	-	-	1,897	1,897				
Financial liabilities not measured at fair value	19.1								
- Payable to the Management Company	-	-	-	182	182				
- Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	34	34				
- Accrued expenses and other payables	-	-	-	2,370	2,370				
	-	-	-	2,586	2,586				

30 June 2019

Al-Ameen Islamic Active Principal Preservation Plan – II									
Note	Carrying amount					Fair value			
	Mandatorily at fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets measured at fair value									
- Investments	682,694	-	-	-	682,694	682,694	-	-	682,694
Financial assets not measured at fair value	19.1								
- Bank balances	-	-	-	670	670				
- Profits receivable	-	-	-	27	27				
- Prepayments and other receivables	-	-	-	63	63				
	-	-	-	760	760				
Financial liabilities not measured at fair value	19.1								
- Payable to the Management Company	-	-	-	119	119				
- Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	58	58				
- Accrued expenses and other payables	-	-	-	203	203				
	-	-	-	380	380				

30 June 2020

Al-Ameen Islamic Active Principal Preservation Plan – III									
Note	Carrying amount					Fair value			
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets measured at fair value									
- Investments	603,536	-	-	-	603,536	603,536	-	-	603,536
Financial assets not measured at fair value	19.1								
- Bank balances	-	-	-	414	414				
- Profits receivable	-	-	-	15	15				
- Prepayments and other receivables	-	-	-	22	22				
	-	-	-	451	451				
Financial liabilities not measured at fair value	19.1								
- Payable to the Management Company	-	-	-	197	197				
- Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	40	40				
- Accrued expenses and other payables	-	-	-	229	229				
	-	-	-	466	466				

30 June 2019

Al-Ameen Islamic Active Principal Preservation Plan – III

Note	Carrying amount					Fair value			
	Mandatorily at fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets measured at fair value									
- Investments	666,762	-	-	-	666,762	666,762	-	-	666,762
Financial assets not measured at fair value									
19.1									
- Bank balances	-	-	-	6,273	6,273				
- Profits receivable	-	-	-	57	57				
- Prepayments and other receivables	-	-	-	65	65				
	-	-	-	6,395	6,395				
Financial liabilities not measured at fair value									
19.1									
- Payable to the Management Company	-	-	-	122	122				
- Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	56	56				
- Accrued expenses and other payables	-	-	-	188	188				
	-	-	-	366	366				

30 June 2020

Al-Ameen Islamic Active Principal Preservation Plan – IV

Note	Carrying amount					Fair value			
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
Financial assets measured at fair value									
- Investments	149,482	-	-	-	149,482	149,482	-	-	149,482
Financial assets not measured at fair value									
19.1									
- Bank balances	-	-	-	992	992				
- Profits receivable	-	-	-	2	2				
- Prepayments and other receivables	-	-	-	34	34				
	-	-	-	1,028	1,028				
Financial liabilities not measured at fair value									
19.1									
- Payable to the Management Company	-	-	-	120	120				
- Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	10	10				
- Accrued expenses and other payables	-	-	-	448	448				
	-	-	-	578	578				

30 June 2019

Al-Ameen Islamic Active Principal Preservation Plan – IV

Note	Carrying amount					Fair value			
	Mandatorily at fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----									
Financial assets measured at fair value									
- Investments	273,687	-	-	-	273,687	273,687	-	-	273,687
Financial assets not measured at fair value	19.1								
- Bank balances	-	-	-	9,556	9,556				
- Profits receivable	-	-	-	62	62				
- Prepayments and other receivables	-	-	-	68	68				
	-	-	-	9,686	9,686				
Financial liabilities not measured at fair value	19.1								
- Payable to the Management Company	-	-	-	89	89				
- Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	23	23				
- Accrued expenses and other payables	-	-	-	2,626	2,626				
	-	-	-	2,738	2,738				

30 June 2020

Al-Ameen Islamic Active Asset Allocation Plan – XI

Note	Carrying amount					Fair value			
	At fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive	Amortised cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----									
Financial assets measured at fair value									
- Investments	43,169	-	-	-	43,169	43,169	-	-	43,169
Financial assets not measured at fair value	19.1								
- Bank balances	-	-	-	576	576				
- Profits receivable	-	-	-	2	2				
- Prepayments and other receivables	-	-	-	23	23				
	-	-	-	601	601				
Financial liabilities not measured at fair value	19.1								
- Payable to the Management Company	-	-	-	97	97				
- Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	3	3				
- Accrued expenses and other payables	-	-	-	500	500				
	-	-	-	600	600				

30 June 2019

30 June 2019		Al-Ameen Islamic Active Asset Allocation Plan – XI							
Note	Carrying amount					Fair value			
	Mandatorily at fair value through profit or loss	Designated as at fair value through profit or loss	Fair value through other comprehensive income	Amortized cost	Total	Level 1	Level 2	Level 3	Total
						----- (Rupees in '000) -----			
Financial assets measured at fair value									
- Investments	62,811	-	-	-	62,811	62,811	-	-	62,811
Financial assets not measured at fair value									
19.1									
- Bank balances	-	-	-	547	547				
- Profits receivable	-	-	-	2	2				
- Prepayments and other receivables	-	-	-	-	-				
	-	-	-	549	549				
Financial liabilities not measured at fair value									
19.1									
- Payable to the Management Company	-	-	-	1,010	1,010				
- Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	11	11				
- Accrued expenses and other payables	-	-	-	976	976				
	-	-	-	1,997	1,997				

19.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

19.2 Net assets attributable to unitholders. The Fund routinely redeems and issues the units at the amount equal to the proportionate share of net assets of the Fund at the time of redemption, calculated on a basis consistent with that used in these financial statements. Accordingly, the carrying amount of net assets attributable to unitholders approximates their fair value. The units are categorized into Level 2 of the fair value hierarchy.

20 FINANCIAL RISK MANAGEMENT

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 credit risk, liquidity risk and market risk arising from the financial instruments it holds.

20.1 Credit Risk

Credit risk is the risk of financial loss to the Fund if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from bank balances.

The carrying amount of financial assets represents the maximum credit exposure.

Credit risk is managed and controlled by the Management Company of the Fund in the following manner:

- Where the investment committee makes an investment decision, the rating and credit worthiness of the issuer is taken into account along with the financial background so as to minimise the risk of default.
- Analysing credit ratings and obtaining adequate collaterals wherever appropriate / relevant.
- The risk of counterparty exposure due to failed trades causing a loss to the Fund is mitigated by a periodic review of the credit ratings and financial statements on a regular basis.
- Cash is held only with reputable banks with high quality external credit enhancements.

The table below analyses the Fund's maximum exposure to credit risk:

Bank balances by rating category	Rating Agency	Rating	2020				Total
			AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI (Rupees in '000)	
United Bank Limited	VIS	AAA	354	414	992	-	1,760
Soneri Bank Limited	PACRA	AA-	-	-	-	576	576
			354	414	992	576	2,336
Profit receivable			26	15	2	2	45
Prepayment and other receivables			1,517	22	34	23	1,595

Credit risk arising on financial assets is monitored through a regular analysis of financial position of brokers and other parties. Further, all transactions in securities are executed through approved brokers, thus the risk of default is considered to be minimal. For Debt instruments settlement, Delivery versus Payment (DvP) mechanism applied by Trustee of the Fund minimize the credit risk. In accordance with the risk management policy of the Fund, the Investment Committee monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

All deposits with Banks are highly rated and risk of default is considered minimal. Further, investment in government securities is not exposed to credit risk.

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.

The Fund's activities may give rise to settlement risk. 'Settlement risk' is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed.

For the majority of transactions, the Fund mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

20.2 Liquidity risk

'Liquidity risk' is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Fund's offering document provides for the daily The Fund's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

The Fund aims to maintain the level of cash and cash equivalents and other highly marketable securities at an amount in excess of expected cash outflows on financial liabilities. The Fund is exposed to cash 'redemptions of its units on a regular basis. Units are redeemable at the 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 document and guidelines laid down by Securities and Exchange Commission of Pakistan (SECP).

In accordance with the risk management policy of the Fund, the Fund manager monitors the liquidity position on a daily basis, which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

The Fund invests primarily in open end mutual funds, which under normal market conditions are readily convertible to cash. As a result, the Fund may be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirement.

	2020					2019				
	Al-Ameen Islamic Active Principal Preservation Plan – II					Al-Ameen Islamic Active Principal Preservation Plan – II				
	Maturity Up to			More than one year	Total	Maturity Up to			More than one year	Total
	Three months	Six months	One year			Three months	Six months	One year		
	(Rupees in '000)					(Rupees in '000)				
Financial Liabilities										
Payable to Management Company	182	-	-	-	182	119	-	-	-	119
Payable to Central Depository Company of Pakistan Limited - Trustee	34	-	-	-	34	58	-	-	-	58
Accrued expenses and other payables	2,370	-	-	-	2,370	203	-	-	-	203
Total Liabilities	2,586	-	-	-	2,586	380	-	-	-	380
Unit holder's fund	501,580	-	-	-	501,580	682,637	-	-	-	682,637

	2020					2019				
	Al-Ameen Islamic Active Principal Preservation Plan – III					Al-Ameen Islamic Active Principal Preservation Plan – III				
	Maturity Up to			More than one year	Total	Maturity Up to			More than one year	Total
	Three months	Six months	One year			Three months	Six months	One year		
	(Rupees in '000)					(Rupees in '000)				
Financial Liabilities										
Payable to Management Company	197	-	-	-	197	122	-	-	-	122
Payable to Central Depository Company of Pakistan Limited - Trustee	40	-	-	-	40	56	-	-	-	56
Accrued expenses and other payables	229	-	-	-	229	188	-	-	-	188
Total Liabilities	466	-	-	-	466	366	-	-	-	366
Unit holder's fund	602,689	-	-	-	602,689	672,097	-	-	-	672,097

	2020					2019				
	Al-Ameen Islamic Active Principal Preservation Plan – IV					Al-Ameen Islamic Active Principal Preservation Plan – IV				
	Maturity Up to			More than one year	Total	Maturity Up to			More than one year	Total
	Three months	Six months	One year			Three months	Six months	One year		
	(Rupees in '000)					(Rupees in '000)				
Financial Liabilities										
Payable to Management Company	120	-	-	-	120	89	-	-	-	89
Payable to Central Depository Company of Pakistan Limited - Trustee	10	-	-	-	10	23	-	-	-	23
Accrued expenses and other payables	448	-	-	-	448	2,626	-	-	-	2,626
Total Liabilities	578	-	-	-	578	2,738	-	-	-	2,738
Unit holder's fund	149,450	-	-	-	149,450	280,426	-	-	-	280,426

	2020					2019				
	Al-Ameen Islamic Active Asset Allocation Plan – XI					Al-Ameen Islamic Active Asset Allocation Plan – XI				
	Maturity Up to			More than one year	Total	Maturity Up to			More than one year	Total
	Three months	Six months	One year			Three months	Six months	One year		
	(Rupees in '000)					(Rupees in '000)				
Financial Liabilities										
Payable to Management Company	97	-	-	-	97	1,010	-	-	-	1,010
Payable to Central Depository Company of Pakistan Limited - Trustee	3	-	-	-	3	11	-	-	-	11
Accrued expenses and other payables	500	-	-	-	500	976	-	-	-	976
Total Liabilities	600	-	-	-	600	1,997	-	-	-	1,997
Unit holder's fund	43,074	-	-	-	43,074	61,357	-	-	-	61,357

20.3 Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the fund's income or the value of its holdings of financial instruments, market variables such as interest rates, foreign exchange rates and debt security prices.

The Fund manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee and regulations laid down by the Securities and Exchange Commission of Pakistan. The maximum risk resulting from financial instruments equals their fair values.

i) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in the market interest rates. The Fund's profit rate risk is monitored on a quarterly basis by the board of directors. Since the Fund does not have investments in fixed rate security, therefore it is not exposed to profit rate fair value risk. As of 30 June 2020, the Fund is only exposed to profit rate cash flow risk.

As at 30 June 2020, the balances that may be exposed to profit rate risk are as follows:

	2020					2019				
	AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI	Total	AIAPPP - II	AIAPPP - III	AIAPPP - IV	AIACTAP-XI	Total
	(Rupees in '000)									
Variable rate instruments										
Bank balances	354	414	992	576	2,336	670	6,273	9,556	547	17,046

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the year end would have increased / (decreased) the net assets and net income by Rs. 0.004 million, 0.004 million, 0.010 million and 0.006 million of AIAPPP-II, AIAPPP-III, AIAPPP-IV and AIACTAP-XI respectively. (2019: Rs. 0.01 million, 0.06 million, 0.1 million and 0.01 million of AIAPPP-II, AIAPPP-III, AIAPPP-IV and AIACTAP-XI respectively).

AIAPPP-II	Yield / Interest rate	2020				Total	Yield / Interest rate	2019				Total
		Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk			Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	
		Up to three months	More than three months and up to one year	More than one year				Up to three months	More than three months and up to one year	More than one year		
%						%						
----- (Rupees in '000) -----												
On-balance sheet financial instruments												
Financial assets												
Bank balances	7 - 12.75	354	-	-	-	354	7.75 - 12	670	-	-	-	670
Investments		-	-	-	502,973	502,973		-	-	-	682,694	682,694
Profits receivable		-	-	-	26	26		-	-	-	27	27
Prepayment and other receivables		-	-	-	1,517	1,517		-	-	-	63	63
		354	-	-	504,516	504,870		670	-	-	682,784	683,454
Financial liabilities												
Payable to the Management Company					182	182		-	-	-	119	119
Payable to Central Depository Company of Pakistan Limited -Trustee					34	34		-	-	-	58	58
Accrued expenses and other payables		-	-	-	2,370	2,370		-	-	-	203	203
		-	-	-	2,586	2,586		-	-	-	380	380
On-balance sheet gap		354	-	-	501,930	502,284		670	-	-	682,404	683,074
Off-balance sheet financial instruments		-	-	-	-	-		-	-	-	-	-
Off-balance sheet gap		-	-	-	-	-		-	-	-	-	-

AIAPPP-III	2020						2019					
	Yield / Interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total	Yield / Interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Up to three months	More than three months and up to one year	More than one year				Up to three months	More than three months and up to one year	More than one year		
%	----- (Rupees in '000) -----					%	----- (Rupees in '000) -----					
On-balance sheet financial instruments												
Financial assets												
Bank balances	7 - 12.75	414	-	-	-	414	7.75 - 12	6,273	-	-	-	6,273
Investments		-	-	-	603,536	603,536		-	-	-	666,762	666,762
Profits receivable		-	-	-	15	15		-	-	-	57	57
Prepayment and other receivables		-	-	-	22	22		-	-	-	65	65
		414	-	-	603,572	603,986		6,273	-	-	666,884	673,157
Financial liabilities												
Payable to the Management Company		-	-	-	197	197		-	-	-	122	122
Payable to Central Depository Company of Pakistan Limited -Trustee		-	-	-	40	40		-	-	-	56	56
Accrued expenses and other payables		-	-	-	229	229		-	-	-	188	188
		-	-	-	466	466		-	-	-	366	366
On-balance sheet gap		414	-	-	603,106	603,520		6,273	-	-	666,517	672,790
Off-balance sheet financial instruments		-	-	-	-	-		-	-	-	-	-
Off-balance sheet gap		-	-	-	-	-		-	-	-	-	-

AIAPPP-IV	2020						2019					
	Yield / Interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total	Yield / Interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Up to three months	More than three months and up to one year	More than one year				Up to three months	More than three months and up to one year	More than one year		
%	----- (Rupees in '000) -----					%	----- (Rupees in '000) -----					
On-balance sheet financial instruments												
Financial assets												
Bank balances	7 - 12.75	992	-	-	-	992	7.75 - 12	9,556	-	-	-	9,556
Investments		-	-	-	149,482	149,482		-	-	-	273,687	273,687
Profits receivable		-	-	-	2	2		-	-	-	62	62
Prepayment and other receivables		-	-	-	34	34		-	-	-	68	68
		992	-	-	149,518	150,510		9,556	-	-	273,817	283,373
Financial liabilities												
Payable to the Management Company		-	-	-	120	120		-	-	-	89	89
Payable to Central Depository Company of Pakistan Limited -Trustee		-	-	-	10	10		-	-	-	23	23
Accrued expenses and other payables		-	-	-	448	448		-	-	-	2,626	2,626
		-	-	-	578	578		-	-	-	2,738	2,738
On-balance sheet gap		992	-	-	148,940	149,932		9,556	-	-	271,079	280,635
Off-balance sheet financial instruments		-	-	-	-	-		-	-	-	-	-
Off-balance sheet gap		-	-	-	-	-		-	-	-	-	-

AIACTAP-XI	2020					2019						
	Yield / Interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total	Yield / Interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Up to three months	More than three months and up to one year	More than one year				Up to three months	More than three months and up to one year	More than one year		
%	(Rupees in '000)					%	(Rupees in '000)					
On-balance sheet financial instruments												
Financial assets												
Bank balances	7 - 12.75	576	-	-	-	576	7.75 - 12	547	-	-	-	547
Investments		-	-	-	43,169	43,169		-	-	-	62,811	62,811
Profits receivable		-	-	-	2	2		-	-	-	2	2
Prepayment and other receivables		-	-	-	23	23		-	-	-	-	-
		576	-	-	43,194	43,770		547	-	-	62,813	63,360
Financial liabilities												
Payable to the Management Company		-	-	-	97	97		-	-	-	1,010	1,010
Payable to Central Depository Company of Pakistan Limited -Trustee		-	-	-	3	3		-	-	-	11	11
Accrued expenses and other payables		-	-	-	500	500		-	-	-	976	976
		-	-	-	600	600		-	-	-	1,997	1,997
On-balance sheet gap		576	-	-	42,594	43,170		547	-	-	60,816	61,363
Off-balance sheet financial instruments		-	-	-	-	-		-	-	-	-	-
Off-balance sheet gap		-	-	-	-	-		-	-	-	-	-

ii) Foreign currency risk

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.

ii) Price risk

The Fund is exposed to price risk i.e. the risk of unfavourable changes in the fair value of securities as a result changes in the value of individual net assets value of open end funds, which arises from investments measured at fair value through income statement. The price risk exposure of the Fund arises from investments in mutual funds only. The Fund's 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.

In case of investments classified as at fair value through profit or loss, a 5% increase or decrease in the fair values of the investments, would have increased or decreased the income statement and the unit holders fund by Rs. 25.149 million, Rs. 30.177 million, Rs. 7.474 million and Rs. 2.158 of AIAPPP-II, AIAPPP-III, AIAPPP-IV and AIACTAP-XI respectively. (2019: Rs. 35.135 million, Rs. 33.338 million, Rs. 13.684 million and Rs. 3.141 of AIAPPP-II, AIAPPP-III, AIAPPP-IV and AIACTAP-XI respectively).

20.4 Unit holders' fund risk management (Capital risk 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 2008, 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.

In order to maintain or adjust the unit holders' Fund structure, the Fund's policy is to perform the following:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to unit holders;
- Redeem and issue units in accordance with the constitutive documents of the Fund, which include the ability to restrict redemptions and require certain minimum holdings and issuance; and
- The Fund Manager / Investment Committee members and Chief Executive of the management company critically track the movement of 'Assets under Management'. The Board of Directors is updated about the Fund yield and movement of NAV and total Fund size at the end of each quarter.

20.5 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 behaviour. 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.

21 INVESTMENT COMMITTEE

Details of the members of investment committee of the Fund are as follows:

S. No.	Name	Designation	Experience in years	Qualification
1	Yasir Qadri	Chief Executive Officer	24	MBA
2	Syed Suleman Akhtar	Chief Investment Officer	19	CFA, MBA
3	Muhammad Imran	Head of Investment advisory	20	MBA
4	Irfan Nepal	Chief Dealer & Fund Manager	26	MBA
5	Hadi Hassan Muki	Head of Compliance	20	BCOM
6	Syed Shabbir Sardar Zaidi*	Fund Manager & Senior Analyst	11	MAS, CFA
7	Syed Sheeraz Ali	Fund Manager & Senior Analyst	10	MBA
8	Mubashir Anis	Fund Manager Equity	8	BS, CFA
9	Muhammad Waseem	Head Research	6	BBA, CFA

*Syed Shabbir Sardar Zaidi is also Fund Manager of Al Ameen Islamic Sovereign Fund, Al Ameen Islamic Asset Allocation Fund, Al Ameen Shariah Stock Fund, Al Ameen Islamic Energy Fund, Al Ameen Islamic Dedicated Equity Fund, Al Ameen Islamic Financial Planning Fund, Al Ameen Islamic Financial Planning Fund - II, Al Ameen Islamic Financial Planning Fund - IV and Al-Ameen Islamic Retirement Savings Fund.

22 DIRECTORS' MEETING ATTENDANCE

During the year, six meetings of the Board of Directors of the Management Company were held. The details of the attendance are as under:

	Dates	30 August 2019	17 September 2019	29 October 2019	9 December 2019	25 February 2020	30 April 2020
	Meetings attended						
Name of Director							
Mr. Arif Akmal Saifie *	1	N/A	N/A	N/A	N/A	N/A	Yes
Mr. Azhar Hamid	6	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Imran Sarwar	5	Yes	Yes	Yes	Yes	No	Yes
Mr. Yasir Qadri	6	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Naz Khan **	6	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Sadia Saeed	5	No	Yes	Yes	Yes	Yes	Yes
Syed Furrukh Zaeem	5		Yes	Yes	Yes	No	Yes
Mr. Tauqeer Mazhar ***	4	Yes	Yes	Yes	Yes	N/A	N/A
Name of Key Executives							
Mr. Bilal Javaid ***	3	N/A	N/A	N/A	Yes	Yes	Yes
Mr. Umair Ahmed	6	Yes	Yes	Yes	Yes	Yes	Yes
S.M. Aly Osman ****	3	Yes	Yes	Yes	N/A	N/A	N/A

* Mr. Arif Akmal Saifie appointed as Director with effect from March 20, 2020.

** Ms. Naz Khan resigned as Director with effect from July 20, 2020.

*** Mr. Tauqeer Mazhar resigned as Director with effect from January 30, 2020.

**** Mr. Bilal Javaid appointed as Company Secretary with effect from February 25, 2020.

***** S.M. Aly Osman resigned as Company Secretary with effect from November 30, 2019.

23 PATTERN OF UNIT HOLDERS

Category	2020			2019		
	AIAPPP-II			AIAPPP-II		
	Number of Unit holders	Units held	Percentage	Number of Unit holders	Units held	Percentage
Individuals	424	3,905,334	82.21%	579	5,479,470	83.49%
Retirement Funds	8	495,241	10.42%	9	535,305	8.16%
Others	4	350,122	7.37%	5	548,254	8.35%
	436	4,750,697	100%	593	6,563,029	100%

Category	2020			2019		
	-----AIAPPP-III-----			-----AIAPPP-III-----		
	Number of		Percentage	Number of		Percentage
	Unit holders	Units held		Unit holders	Units held	
Individuals	305	3,930,004	68.81%	374	4,580,780	69.66%
Retirement Funds	7	614,977	10.77%	7	614,977	9.35%
Others	3	1,166,597	20.43%	4	1,380,315	20.99%
	315	5,711,578	100%	385	6,576,072	100%

Category	2020			2019		
	-----AIAPPP-IV-----			-----AIAPPP-IV-----		
	Number of		Percentage	Number of		Percentage
	Unit holders	Units held		Unit holders	Units held	
Associated Company and Key Executives	1	8,021	0.60%	1	8,021	0.29%
Individuals	107	1,140,058	85.47%	133	1,968,012	71.26%
Retirement Funds	-	-	0.00%	1	416,300	15.07%
Others	1	185,794	13.93%	2	369,506	13.38%
	109	1,333,873	100%	137	2,761,839	100%

Category	2020			2019		
	-----AIACTAP-XI-----			-----AIACTAP-XI-----		
	Number of		Percentage	Number of		Percentage
	Unit holders	Units held		Unit holders	Units held	
Individuals	36	397,432	97.70%	47	514,590	78.89%
Retirement Funds	-	-	-	-	-	-
Others	1	9,344	2.30%	2	137,738	21.11%
	37	406,776	100%	49	652,328	100%

24 CREDIT RATING

VIS Credit Rating Agency has re-affirmed quality rating of 'AM1' (stable outlook) to the Management Company as on 31 December 2019 (30 June 2019: 'AM1') while the Fund is currently not rated.

25 GENERAL

25.1 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

25.2 These financials statements were authorized for issue by Board of Directors of the Management Company on 24-Sep-2020.

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

AIEF

AL AMEEN ISLAMIC ENERGY FUND

INVESTMENT OBJECTIVE

The "Al-Ameen Islamic Energy Fund" shall aim to provide investors with long term capital growth from an actively managed portfolio of Shariah Compliant listed equities belonging to the Energy Sectors.

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)
Auditor	KPMG Taseer Hadi & Co, Chartered Accountants
Bankers	BankIslami Pakistan Limited United Bank Limited
Management Co.Rating	AM1 (VIS)

Fund Manager's Report – Al-Ameen Energy Fund (AIEF)

- i) **Description of the Collective Investment Scheme category and type**
Islamic Equity / Open-end
- ii) **Statement of Collective Investment Scheme's investment objective**
The "Al-Ameen Islamic Energy Fund" shall aim to provide investors with long term capital growth from an actively managed portfolio of Shariah Compliant listed equities belonging to the Energy Sectors.
- 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**
KMI-30 Index
- v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AIEF	-	-	-	-	-	1.40%	0.55%	-14.08%	-25.90%	23.66%	2.49%	-2.25%	-19.59%
Benchmark	-	-	-	-	-	2.83%	1.58%	-11.39%	-24.20%	23.26%	-0.64%	-0.32%	-14.35%

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

AIEF aims to provide investors with long term capital growth from an actively managed portfolio of Shariah Compliant listed equities belonging to the Energy Sectors. The fund posted a negative return of -19.59% since inception due to decline in oil prices.

The fund's Net Assets stood at PKR 233mn at the end of the period and the fund was invested in Equities (92%) and Cash (6%).

- 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-19	Jun-20
Equities	0%	92%
Sukuks	0%	0%
GoP Ijarah Sukuks	0%	0%
Cash	0%	6%
Others	0%	2%
Spread Transaction	0%	0%
Leverage	Nil	Nil

viii) **Analysis of the Collective Investment Scheme's performance**

FY'20 Return: -19.59%
 Standard Deviation (12m trailing): n/a
 Sharpe Ratio (12m trailing): n/a

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			NAV per unit		
30-Jun-20	12-Dec-19	Change	30-Jun-20	12-Dec-19	Change
Rupees (000)		%	Rupees		%
233,057	100,000	133.06	80.4144	100.00	-19.59

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

Stock Market Review for FY19

Prolonging its losing streaks, Pakistan equity market witnessed another year of dismissal performance where the benchmark index posted loss of 19% during FY19 for the second consecutive year. Major reasons for the decline in KSE-100 index were the expectations of rate hikes, subdued economic growth, deteriorating macroeconomic conditions, mushrooming twin deficits and large PKR currency devaluation against USD. With growing uncertainties, market participants remained cautious, keeping average market-traded volumes depressed (96.3mn). Foreign participants remained net sellers with cumulative sell off of USD 356mn during FY19.

Equity market started the fiscal year on a positive note, with the benchmark index returning ~2% in the Jan-19. However delays in finalization of IMF program in the absence of any substantial alternative macroeconomic remedy dragged the stock market for the remaining fiscal year with the benchmark index registering a continual decline for the remaining 5 months. Among the sectors, Cement, Oil and Gas marketing, Refinery, Automobile and insurance were the major sector which negatively contributed in the index during the period under review.

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-		
No Distribution					

- i) **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.
- ii) **Breakdown of unit holdings by size**

Range of Units	Number of Investors
	AIEF
0.0001 - 9,999.9999	232
10,000.0000 - 49,999.9999	30
50,000.0000 - 99,999.9999	-
100,000.0000 - 499,999.9999	9
500,000.0000 & Above	1
Total	272

- iii) **Disclosure on unit split (if any), comprising:-**
There were no unit splits during the period.
- iv) **Disclosure of circumstances that materially affect any interests of unit holders**
Investment are subject to credit and market risk.
- v) **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.

Al Ameen Islamic Energy Fund

xii) Summary of Actual Proxy Voted By the Fund

	Resolutions	For	Against	Abstain*
Number	2	2	-	-
Percentage	100%	100%	-	-

*Reasons for abstaining shall be disclosed (if applicable).

2. Details where Management Company did not participate in investee company's shareholders meetings (if applicable)

3. The proxy voting policy of the Fund is available on the website of UBL Fund Managers Limited (Management Company) and detailed information regarding actual proxies voted by the Management Company in respect of the Fund is also available without charge, upon request, to all unit holders.

PERFORMANCE TABLE

Al Ameen Islamic Energy Fund

2020

NET ASSETS AS AT 30 JUNE - Rupees in '000 **233,057**

NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *

Class A units - Offer	83.1404
- Redemption	80.4144

RETURN OF THE FUND - %

Total Return of the Fund	(19.59)
Capital Growth (per unit)	(19.59)
Date of Income Distribution	-
Income Distribution	-

AVERAGE ANNUAL RETURN - %

One Year	(19.59)
----------	----------------

OFFER / REPURCHASE DURING THE YEAR- Rupees *

Highest price per unit - Class A units - Offer	110.8795
Highest price per unit - Class A units - Redemption	107.2439
Lowest price per unit - Class A units - Offer	64.1925
Lowest price per unit - Class A units - Redemption	62.0877

* Front end load @ 3% is applicable

PORTFOLIO COMPOSITION - %

Percentage of Net Assets as at 30 June

PORTFOLIO COMPOSITION BY CATEGORY - %

Equities	92
Cash	6
Others	2

PORTFOLIO COMPOSITION BY MARKET - %

Equity Market	100
---------------	------------

Note:

- The Launch date of Fund is 13th December 2019

DISCLAIMER

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

Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahr-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AL-AMEEN ISLAMIC ENERGY 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 Energy 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 period from December 13, 2019 to June 30, 2020 in accordance with the provisions of the following:

- (i) 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.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 17, 2020



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REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the Fund are issuing this report in accordance with the rules and regulations. 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.

- We have reviewed and approved the modes of investments of AIEF in light of Shariah requirements. The following is a list of top equity investments of AIEF as on 30 June 2020 and their evaluation according to the screening criteria established by us.

Sr.No.	Top Equity Scrip Holdings	Nature of Business	Interest Bearing Debt to Total Assets	Non-Compliant Investments to Total Assets	Non-Compliant Income to Total Revenue	Illiquid Assets to Total Assets	Net Liquid Assets to Share (A)	Share Market Price (B)
			<37%	<33%	<5%	>25%	A	B
1	Oil And Gas Development Co. Ltd.	Explorer/Producer of Oil	0%	16%	6%	16%	125.9	125.7
2	Mari Petroleum Co. Ltd.	Explorer/Producer of Oil	0%	9%	2%	8%	485.4	1,413.0
3	Pak Petroleum Ltd.	Explorer/Producer of Oil	0%	0%	1%	30%	64.2	100.6
4	Pak Oilfields Ltd.	Explorer/Producer of Oil	0%	0%	0%	13%	100.3	437.1
5	Pakistan State Oil	Oil Marketing company	29%	3%	0%	20%	74.6	191.4
6	The Hub Power Co. Ltd.	Generator of Electricity	33%	19%	1%	34%	(6.9)	89.6
7	Pakistan Power Ltd.	Generator of Electricity	3%	3%	3%	3%	2.0	19.0
8	Kor Addu Power Co. Ltd.	Generator of Electricity	0%	0%	0%	0%	(8.1)	29.9
9	K Electric Ltd.	Generator of Electricity	N/A	N/A	N/A	N/A	N/A	3.8
10	Sail Power Ltd.	Generator of Electricity	3%	5%	9%	9%	(2.0)	17.3

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

- On the basis of information provided by the management, all operations of AIEF for the year ended 30 June 2020 have been in compliance with the Shariah principles.

UBL Fund Managers Limited
Corporate Office

8th Floor, Executive Tower, Dolmen City Building,
Block 4, Clifton, Karachi, Pakistan.

Tel: (+9221) 35290080-95 Fax: (+9221) 35290070
info@alameenfunds.com

Operations Office

4th Floor, STSM Building, Beaumont Road,
Civil Lines, Karachi, Pakistan.

Tel: (+9221) 111-825-262 Fax: (+9221) 35622798

www.alameenfunds.com

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al ameen funds

- 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 AIEF 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 a charity such proportion of the income from Investee companies in order to purify the earning of the Fund.

During the year, an amount of PKR 58,009 has been recognized as charity.

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



Mufti Muhammad Hassan Kaleem
Member, Shariah Advisory Committee



Mufti Muhammad Najeeb Khan
Member, Shariah Advisory Committee

KARACHI:

DATE: 26 August 2020

UBL Fund Managers Limited
Corporate Office

8th Floor, Executive Tower, Dolmen City Building,
Block 4, Clifton, Karachi, Pakistan.
Tel: (+9221) 35290080-95 Fax: (+9221) 35290070
info@alameenfunds.com

Operations Office

4th Floor, STSM Building, Beaumont Road,
Civil Lines, Karachi, Pakistan.
Tel: (+9221) 111-825-262 Fax: (+9221) 35622798

www.alameenfunds.com

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STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 BY UBL FUND MANAGERS LIMITED

NAME OF FUND: AL AMEEN ISLAMIC ENERGY FUND

YEAR ENDED: JUNE 30, 2020

The Securities and Exchange Commission of Pakistan (SECP) has exempted open-end collective investment schemes from the requirements of the Listed Companies (Code of Corporate Governance) Regulations (the Regulations). However, the Board of Directors (the Board) of UBL Fund Managers Limited [the Management Company of Al Ameen Islamic Energy Fund (the Fund)], for the purpose of establishing a framework of good governance has voluntarily opted to comply with the relevant provisions of the Regulations.

The Management Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven as per the following:
 - a. Male: Five Directors; and
 - b. Female: Two Directors.
2. The composition of the Board is as follows:

Category	Name
Independent Directors	Mr. Azhar Hamid Ms. Naz Khan*
Executive Directors	Mr. Yasir Qadri
Non-Executive Directors	Mr. Imran Sarwar Ms. Sadia Saeed Mr. Arif Akmal Saifie** Syed Furrukh Zaeem
Female Director	Ms. Naz Khan* Ms. Sadia Saeed

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including the Management Company.
4. 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.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Management Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Management Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.



8. The Board has a formal policy and transparent procedures for remuneration of its directors in accordance with the Act and these Regulations.
9. The following directors and executives have acquired the prescribed Directors' Training Program (DTP) certification:

Directors

- a. Mr. Imran Sarwar
- b. Mr. Yasir Qadri
- c. Ms. Naz Khan
- d. Ms. Sadia Saeed
- e. Syed Furrukh Zaeem

Executives

- a. Mr. Amin Gulamani (Head of Human Resources)
 - b. Mr. Hadi Hassan Mukhi (Head of Compliance and Risk)
 - c. Mr. Umair Ahmed (Chief Financial Officer)
 - d. Mr. Zeeshan Quddus (Chief Business Development Officer)
10. The Board has approved appointment of the Chief Financial Officer (CFO), the Company Secretary and the Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations.
 11. The Chief Executive Officer (CEO) and CFO duly endorsed the financial statements of the Fund before approval of the Board.
 12. The Board has formed committees comprising of members given below.

Board Audit Committee

Name	Designation	Type of Directorship
Ms. Naz Khan*	Chairman	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Imran Sarwar	Member	Non-Executive Director
Ms. Sadia Saeed	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director

Board Human Resource and Compensation Committee

Name	Designation	Type of Directorship
Mr. Azhar Hamid	Chairman	Independent Director
Mr. Yasir Qadri	Member	Executive Director
Ms. Naz Khan*	Member	Independent Director
Ms. Sadia Saeed	Member	Non-Executive Director
Syed Furrukh Zaeem	Member	Non-Executive Director

Board Risk and Compliance Committee

Name	Designation	Type of Directorship
Mr. Imran Sarwar	Chairman	Non-Executive Director
Mr. Azhar Hamid	Member	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director
Mr. Yasir Qadri	Member	Executive Director
Syed Furrugh Zaeem	Member	Non-Executive Director

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

*** Mr. Tauqeer Mazhar resigned as a director from January 30, 2020

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
14. The frequency of meetings of the committees was as follows:
 - a. The Board Audit Committee: quarterly - six meetings held
 - b. The Board Human Resource and Compensation Committee: quarterly - five meetings held
 - c. The Board Risk and Compliance Committee: quarterly - four meetings held
15. The Board has set up an effective internal audit function. The Function has suitably qualified and experienced staff for the purpose and they are conversant with the policies and procedures of the Management Company.
16. 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 and are registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on the code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the Partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of CEO, CFO, the Head of Internal Audit, the Company Secretary or directors of the Management Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of Regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with.
19. We confirm that any other significant requirements of the Regulations have been complied with.

AZHAR HAMID
Chairman

Karachi.
Dated: **September 25, 2020**



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Unit Holders of Al-Ameen Islamic Energy Fund

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") prepared by the Board of Directors of UBL Fund Managers Limited ("the Management Company") for the period from 13 December 2019 to 30 June 2020 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Management Company of the Fund. Our responsibility is to review whether the Statement of Compliance reflects the status of the Management Company's compliance with the provisions of the Regulations in respect of the Fund and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

As part of our audit of the 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 of Directors' 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 Regulations require the Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. 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 of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Management Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.



KPMG Taseer Hadi & Co.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Management Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Fund for the period from 13 December 2019 to 30 June 2020.

A handwritten signature in blue ink, appearing to read 'KPMG Taseer Hadi & Co.', written over a horizontal line.

KPMG Taseer Hadi & Co.
Chartered Accountants

Date: 29 September 2020

Karachi



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

Independent Auditors' Report

To the Unit holders of AI - Ameen Islamic Energy Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **AI - Ameen Islamic Energy Fund** ("the Fund"), which comprise the statement of assets and liabilities as at 30 June 2020, income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the period from 13 December 2019 to 30 June 2020, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2020, and of its financial performance and its cash flows for the period from 13 December 2019 to 30 June 2020 in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.



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Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report for the period from 13 December 2019 to 30 June 2020, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting 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.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be



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expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditors' report is Zeeshan Rashid.

Date: 29 September 2020

Karachi

**KPMG Taseer Hadi & Co.
Chartered Accountants**

Al-Ameen Islamic Energy Fund

Statement of Assets and Liabilities

As at 30 June 2020

	Note	(Rupees in '000)
Assets		
Bank balances	4	15,538
Investments	5	219,972
Profits receivable	6	377
Deposits and other receivables	7	2,583
Preliminary expenses and floatation costs	8	889
Advance tax	9	144
Total assets		239,503
Liabilities		
Payable to the Management Company	10	4,805
Payable to Central Depository Company of Pakistan Limited - Trustee	11	44
Payable to Securities and Exchange Commission of Pakistan	12	20
Accrued expense and other payables	13	1,577
Total liabilities		6,446
Net assets		233,057
Unit holders' fund (as per the statement attached)		233,057
Contingencies and Commitments	15	(Number of units)
Number of units in issue	17	2,898,200
		(Rupees)
Net assets value per unit	3.8	80.4144

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

Al-Ameen Islamic Energy Fund

Income Statement

For the period from 3 December 2019 to 30 June 2020

(Commenced operations from 13 December 2019)

Note (Rupees in '000)

Income

Profit on bank deposits calculated using the effective yield method		1,243
Realized loss on sale of investments		(11,720)
Unrealized loss on revaluation of investments at fair value through profit or loss	5.2	(16,102)
Dividend income		1,910
Total loss		(24,669)

Expenses

Remuneration of the Management Company	10.1	1,994
Sindh Sales tax on the Management Company's remuneration	10.2	259
Selling and marketing expenses	10.4	1,523
Allocation of expenses relating to the Fund	10.4	100
Remuneration of Central Depository Company of Pakistan Limited - Trustee	11	225
Annual fee of Securities and Exchange Commission of Pakistan	12	20
Auditors' remuneration	14	297
Bank charges		18
Listing fees		28
Legal and professional charges		155
Brokerage expenses		764
Shariah Advisory Fee		350
Amortization of preliminary expenses and floatation costs	8	111
Charity expense	13.2	58
Other expenses		198
Total operating expenses		6,100

Net loss from operating activities **(30,769)**

Provision for Sindh Workers' Welfare Fund -

Net loss for the period before taxation **(30,769)**

Taxation 16 -

Net loss for the period after taxation **(30,769)**

Earnings per unit 3.13

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

Al-Ameen Islamic Energy Fund

Statement of Comprehensive Income

*For the period from 3 December 2019 to 30 June 2020
(Commenced operations from 13 December 2019)*

(Rupees in '000)

Net loss for the period after taxation	(30,769)
Other comprehensive income for the period	-
Total comprehensive loss for the period	<u>(30,769)</u>

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

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

Al-Ameen Islamic Energy Fund

Statement of Movement in Unit Holders' Fund

For the period from 3 December 2019 to 30 June 2020
(Commenced operations from 13 December 2019)

	Capital value	Undistributed income	Total
	----- (Rupees in '000) -----		
Issuance of 7,951,653 units			
- Capital value	795,165	-	795,165
- Element of income	(71,515)	-	(71,515)
Total proceeds on issuance of units	723,650	-	723,650
Redemption of 5,053,453 units			
- Capital value	(505,345)	-	(505,345)
- Element of loss	45,521	-	45,521
Total payments on redemption of units	(459,824)	-	(459,824)
Total comprehensive loss for the period	-	(30,769)	(30,769)
Distribution during the period	-	-	-
Net income for the period less distribution	-	(30,769)	(30,769)
Net assets at end of the period	263,826	(30,769)	233,057
Accounting income available for distribution :			
- Relating to capital gains		-	
- Excluding capital gains		-	
		-	
Total comprehensive loss for the period		(30,769)	
Undistributed loss carried forward		(30,769)	
Undistributed loss carried forward comprise of :			
- Realised		(14,667)	
- Unrealised		(16,102)	
		(30,769)	
			(Rupees)
Net assets value per unit at end of the period			80.4144

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

**For UBL Fund Managers Limited
(Management Company)**

SD
Chief Executive Officer

SD
Director

SD
Chief Financial Officer

Al-Ameen Islamic Energy Fund

Cash Flow Statement

For the period from 3 December 2019 to 30 June 2020

(Commenced operations from 13 December 2019)

Note (Rupees in '000)

Cash Flows From Operating Activities

Net loss for the period before taxation (30,769)

Adjustments for:

Profit on bank deposits calculated using the effective yield method

(1,243)

Realised loss on sale of investments

11,720

Unrealised loss on revaluation of investments fair value through profit or loss

16,102

Dividend Income

(1,910)

Provision for Sindh Workers' Welfare Fund

-

24,669

Net cash used in operations before working capital changes

(6,100)

Working capital changes

(Increase) in assets

Investments

(246,251)

Deposits and other receivables

(3,785)

Advance tax

(144)

Preliminary expenses and floatation costs

(889)

(251,069)

Increase in liabilities

Payable to the Management Company

4,805

Payable to Central Depository Company of Pakistan Limited - Trustee

44

Payable to Securities and Exchange Commission of Pakistan

20

Accrued expenses and other payables

1,577

6,446

Profit on bank received during the period

2,776

Net cash flows used in operating activities

(247,948)

Cash flows from financing activities

18

Proceeds from issuance of units

723,310

Payments on redemption of units

(459,824)

Net cash flows generated from financing activities

263,486

Net increase in cash & cash equivalents during the period

15,538

Cash and cash equivalents at end of the period

15,538

Cash and cash equivalents

Bank balances

15,538

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

For UBL Fund Managers Limited
(Management Company)

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

Al-Ameen Islamic Energy Fund

Notes to the Financial Statements

For the period from 3 December 2019 to 30 June 2020

(Commenced operations from 13 December 2019)

1 LEGAL STATUS AND NATURE OF BUSINESS

Al Ameen Islamic Energy Fund (the Fund) was established under the Non Banking Finance Companies (Establishment & Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and was approved as an open end mutual fund by the Securities and Exchange Commission of Pakistan ('SECP'). It was constituted under a Trust Deed, dated 3 January 2018 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 registered office of the Management Company is situated at 4th Floor STSM Building, Beaumont Road, Civil Lines Karachi.

The Fund is an open end mutual fund and was listed on Pakistan Stock Exchange (PSX) on 7 February 2020. 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 at the option of the unit holder. Further, SECP vide letter no. SCD/AMCW/AIEF/154/2019 dated 3 December 2019 gave approval of Offering Document which superseded previous approval dated 16 May 2018. Accordingly, the Fund became notified entity on 3 December 2019. During the Pre Initial Offering Period (i.e on 12 December 2019), the Fund received Rs.100 million. The Fund commenced its operations from 13 December 2019.

The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio of Shariah Compliant listed equities belonging to the Energy Sectors.

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 BASIS OF PRESENTATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations have been followed.

2.2 Standards and amendments effective during the period

There are number of new standards and amendments that are effective from 01 July, 2019 however these do not have a significant effect on the Fund's financial statements.

2.3 Standards, interpretations and amendments to accounting and reporting standards, that are not yet effective:

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 July 2020.

- Amendment to IFRS 3 'Business Combinations' – Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 1 January 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.
- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for annual periods beginning on or after 1 January 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. In addition, the IASB has also issued guidance on how to make materiality judgments when preparing their general purpose financial statements in accordance with IFRS Standards.
- On 29 March 2018, the International Accounting Standards Board (the IASB) has issued a revised Conceptual Framework for Financial Reporting which is applicable immediately contains changes that will set a new direction for IFRS in the future. The Conceptual Framework primarily serves as a tool for the IASB to develop standards and to assist the IFRS Interpretations Committee in interpreting them. It does not override the requirements of individual IFRSs and any inconsistencies with the revised Framework will be subject to the usual due process – this means that the overall impact on standard setting may take some time to crystallize. The companies may use the Framework as a reference for selecting their accounting policies in the absence of specific IFRS requirements. In these cases, companies should review those policies and apply the new guidance retrospectively as of 1 January 2020, unless the new guidance contains specific scope outs.
- Interest Rate Benchmark Reform which amended IFRS 9, IAS 39 and IFRS 7 is applicable for annual financial periods beginning on or after 1 January 2020. The G20 asked the Financial Stability Board (FSB) to undertake a fundamental review of major interest rate benchmarks. Following the review, the FSB published a report setting out its recommended reforms of some major interest rate benchmarks such as IBORs. Public authorities in many jurisdictions have since taken steps to implement those recommendations. This has in turn led to uncertainty about the long-term viability of some interest rate benchmarks. In these amendments, the term 'interest rate benchmark reform' refers to the market-wide reform of an interest rate benchmark including its replacement with an alternative benchmark rate, such as that resulting from the FSB's recommendations set out in its July 2014 report 'Reforming Major Interest Rate Benchmarks' (the reform). The amendments made provide relief from the potential effects of the uncertainty caused by the reform. A company shall apply the exceptions to all hedging relationships directly affected by interest rate benchmark reform. The amendments are not likely to affect the financial statements of the Fund.
- Amendments to IFRS-16- IASB has issued amendments to IFRS 16 (the amendments) to provide practical relief for lessees in accounting for rent concessions. The amendments are effective for periods beginning on or after 1 June 2020, with earlier application permitted. Under the standard's previous requirements, lessees assess whether rent concessions are lease modifications and, if so, apply the specific guidance on accounting for lease modifications. This generally involves remeasuring the lease liability using the revised lease payments and a revised discount rate. In light of the effects of the COVID-19 pandemic, and the fact that many lessees are applying the standard for the first time in their financial statements, the Board has provided an optional practical expedient for lessees. Under the practical expedient, lessees are not required to assess whether eligible rent concessions are lease modifications, and instead are permitted to account for them as if they were not lease modifications. Rent concessions are eligible for the practical expedient if they occur as a direct consequence of the COVID-19 pandemic and if all the following criteria are met:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- any reduction in lease payments affects only payments originally due on or before 30 June 2021; and
- there is no substantive change to the other terms and conditions of the lease.
- Classification of liabilities as current or non-current (Amendments to IAS 1) effective for the annual period beginning on or after 1 January 2022. These amendments in the standards have been added to further clarify when a liability is classified as current. The standard also amends the aspect of classification of liability as non-current by requiring the assessment of the entity's right at the end of the reporting period to defer the settlement of liability for at least twelve months after the reporting period. An entity shall apply those amendments retrospectively in accordance with IAS 8.
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) effective for the annual period beginning on or after 1 January 2022 amends IAS 1 by mainly adding paragraphs which clarifies what comprise the cost of fulfilling a contract, Cost of fulfilling a contract is relevant when determining whether a contract is onerous. An entity is required to apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Restatement of comparative information is not required, instead the amendments require an entity to recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16) effective for the annual period beginning on or after 1 January 2022. Clarifies that sales proceeds and cost of items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management e.g. when testing etc., are recognised in profit or loss in accordance with applicable Standards. The entity measures the cost of those items applying the measurement requirements of IAS 2. The standard also removes the requirement of deducting the net sales proceeds from cost of testing. An entity shall apply those amendments retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.
- The following annual improvements to IFRS standards 2018-2020 are effective for annual reporting periods beginning on or after 1 January 2022.
 - IFRS 9 – The amendment clarifies that an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf, when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognize a financial liability.
 - IFRS 16 – The amendment partially amends Illustrative Example 13 accompanying IFRS 16 by excluding the illustration of reimbursement of leasehold improvements by the lessor. The objective of the amendment is to resolve any potential confusion that might arise in lease incentives.
 - IAS 41 – The amendment removes the requirement in paragraph 22 of IAS 41 for entities to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

The above amendments are effective from annual periods beginning on or after 1 July 2020 and are not likely to have an impact on Fund's financial statements.

2.3 Critical accounting estimates and judgments

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas where various assumptions and estimates are significant to the Fund's financial statements or where judgment was exercised in the application of accounting policies are given below:

a) Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in note 3.2.1(i) - regarding the classification of investments.

b) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for the period from 13 December 2019 to 30 June 2020 is included in the following notes:

- Note 3.2.1(ii) - Valuation of investments
- Note 3.2.1(iv) and 3.16 - Impairment of financial assets and other assets

2.4 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for the instruments which are stated at fair value.

2.5 Functional and presentation currency

These financial statements are presented in Pak Rupees which is the functional and presentation currency of the Fund. All amounts have been rounded to the nearest thousand, unless otherwise stated.

3 SIGNIFICANT ACCOUNTING POLICIES

The principle accounting policies applied in the preparation of the financial statements are set out below.

3.1 Cash and cash equivalents

Cash and cash equivalents are carried in the Statement of Assets and Liabilities at amortised cost. These comprise of deposits with banks and highly liquid investments with original maturities of three months or less and that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short term cash commitments rather than for investments for other purposes.

3.2 Financial assets

3.2.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs associated with these financial assets are charged to the Income Statement.

i. Classification

On initial recognition, a financial asset is classified as measured at: amortised cost, FVOCI or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Fund's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund's stated objectives for managing the financial assets are achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment on debt securities, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Fund considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

ii. Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any profit / mark-up or dividend income, are recognised in income statement.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective yield method. The amortised cost is reduced by impairment losses. Interest / mark-up income, foreign exchange gains and losses and impairment are recognised in income statement.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to income statement.

The fair value of financial assets are determined as follows:

a) Equity securities

The equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange.

iii. Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

iv. Impairment of financial assets

Investments in equity instruments are outside the scope of the impairment requirements, because they are accounted for either:

- at FVTPL; or
- at FVTOCI, with no reclassification of any fair value gains or losses to profit or loss.

3.2.2 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

3.2.3 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and where the Fund has transferred substantially all risks and rewards of ownership.

3.2.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Assets and Liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.3 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

3.4 Unit holders' fund

Unit holders' fund representing the units issued by the Fund, is carried at the redemption amount representing the investors' right to a residual interest in the Fund's assets.

3.5 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received, by the distributors / Management Company during business hours, as of the close of the previous day on which the applications were received. The offer price represents the net assets value per unit as of the close of previous day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable.

Units redeemed are recorded at the redemption price, applicable to units as of the close of the previous day. The redemption price represents the net assets value per unit as of the close of the previous day on which the applications were received less any back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

3.6 Element of income

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net Assets Value (NAV) at the beginning of the relevant accounting period.

Element of Income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund; however, to maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP) the refund of capital is made in the form of additional units at zero price.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the period under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the period. The income already paid (Element of Income) on redemption of units during the period are taken separately in statement of movement in unit holders' fund.

3.7 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

3.8 Net assets value per unit

The net assets value per unit as disclosed on the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units outstanding at the period end.

3.9 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders. Provided that for the purpose of determining distribution of at least ninety percent of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

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.

3.10 Revenue recognition

- Realised gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Unrealised gains / (losses) arising on mark to market of investments classified as Financial assets at fair value through profit or loss are included in the Income Statement in the year in which they arise.
- Profit on deposits with banks is recognised using effective yield method.
- Dividend income is recognised when the right to receive the dividend is established.

3.11 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 at 2.5% of the par value of unit under the said 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.

3.12 Expenses

All expenses including Management fee, Trustee fee and Securities and Exchange Commission of Pakistan fee are recognised in the income statement on accrual basis.

3.13 Earnings per unit

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

3.14 Distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital if any based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

3.15 Preliminary expenses and floatation costs

The Fund has recorded all expenses incurred in connection with the incorporation, registration, establishment and authorisation of the Fund as preliminary expenses and floatation costs which are to be amortised by the Fund over a period of five years commencing from 13 December 2019 in accordance with the Trust Deed.

3.16 Other assets

Other assets are stated at cost less impairment losses, if any.

	Note	30 June 2020 (Rupees in '000)
4 BANK BALANCES		
Savings accounts	4.1	<u>15,538</u>
		<u><u>15,538</u></u>
4.1	This includes balance with United Bank Limited holding company of the Management Company (a related company) of Rs. 2.30 million carrying profit rate ranging from 6.50% to 12.25% per annum.	
5 INVESTMENTS	Note	30 June 2020 (Rupees in '000)
At fair value through profit or loss		
- Listed equity securities	5.1	<u>219,972</u>
		<u><u>219,972</u></u>

5.1 Listed equity securities classified as 'at fair value through profit or loss

Shares of listed companies - fully paid ordinary shares of Rs. 10 each unless stated otherwise

Name of the Investee Company		Purchases during the period	Bonus/ rights Issue	Sales during the period	As at 30 June 2020	Cost of holdings as at 30 June 2020	Market value as at 30 June 2020	Market value as Percentage of total investments	Market value as a percentage of net assets	Par value as a percentage of issued capital of the investee company
	Note	----- (Number of shares) -----				----- (Rupees in '000) -----		----- %-----		
Oil and gas exploration companies										
Mari Petroleum Company Limited	5.1.1	50,240	-	15,740	34,500	40,597	42,664	19.40	18.31	0.03
Oil & Gas Development Company Limited	5.1.1	682,600	-	279,600	403,000	45,290	43,927	19.97	18.85	0.01
Pakistan Oilfields Limited	5.1.1	149,006	-	55,200	93,806	30,545	32,891	14.95	14.11	0.03
Pakistan Petroleum Limited	5.1.1	659,007	-	224,291	434,716	47,268	37,725	17.15	16.19	0.02
		<u>1,540,853</u>	<u>-</u>	<u>574,831</u>	<u>966,022</u>	<u>163,700</u>	<u>157,207</u>	<u>71.47</u>	<u>67.46</u>	<u>0.09</u>
Oil and gas marketing companies										
Attock Petroleum Limited		2,400	-	700	1,700	645	519	0.24	0.22	0.00
Pakistan State Oil Company Limited	5.1.1	267,724	-	114,200	153,524	25,632	24,281	11.04	10.42	0.03
Sui Northern Gas Pipelines Limited		113,000	-	112,500	500	41	28	0.01	0.01	0.00
		<u>383,124</u>	<u>-</u>	<u>227,400</u>	<u>155,724</u>	<u>26,318</u>	<u>24,828</u>	<u>11.29</u>	<u>10.65</u>	<u>0.03</u>
Power generation and distribution										
The Hub Power Company Limited	5.1.1	550,233	-	224,800	325,433	26,673	23,594	10.73	10.12	0.03
K-Electric Limited (having face value of Rs 3.5 per share)		1,505,434	-	715,000	790,434	3,254	2,379	1.08	1.02	0.00
Pakgen Power Limited		607,945	-	15,000	592,945	10,536	7,121	3.24	3.06	0.16
Saif Power Limited		198,363	-	60,000	138,363	2,972	2,223	1.01	0.95	0.04
Kot Addu Power Company Limited	5.1.1	130,000	-	-	130,000	2,621	2,620	1.19	1.12	0.01
		<u>2,991,975</u>	<u>-</u>	<u>1,014,800</u>	<u>1,977,175</u>	<u>46,056</u>	<u>37,937</u>	<u>17.25</u>	<u>16.27</u>	<u>0.24</u>
Total as at 30 June 2020						<u>236,074</u>	<u>219,972</u>			

- 5.1.1 Following shares have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in terms of Circular No. 11 dated October 23, 2007 issued by the SECP:

	30 June 2020	
	Number of shares	Rupees in '000
Mari Petroleum Company Limited	12,000	14,840
Oil & Gas Development Company Limited	200,000	21,800
Pakistan Oilfields Limited	10,000	3,506
Pakistan Petroleum Limited	100,000	8,678
Pakistan State Oil Company Limited	20,000	3,163
The Hub Power Company Limited	50,000	3,625
KOT Addu Power Company Limited	50,000	1,008
	<u>442,000</u>	<u>56,620</u>

5.2	Unrealized loss on revaluation of investments at fair value through profit or loss	30 June 2020 (Rupees in '000)
	Market value of investments	219,972
	Less: cost / carrying value of investments	<u>(236,074)</u>
		<u>(16,102)</u>

6	PROFITS RECEIVABLE	Note	30 June 2020 (Rupees in '000)
	Profit receivable on Savings account		<u>377</u>
			<u>377</u>

7	DEPOSITS AND OTHER RECEIVABLES	
	Security Deposit with National Clearing Company of Pakistan Limited	700
	Receivable against issuance of units	340
	Receivable against sale of investments	<u>1,543</u>
		<u>2,583</u>

8	PRELIMINARY EXPENSES AND FLOATATION COSTS	
	Preliminary expenses and floatation costs	8.1 1,000
	Amortisation during the period	<u>(111)</u>
		<u>889</u>

- 8.1 The Fund has recorded all expenses incurred in connection with the incorporation, registration, establishment and authorisation of the Fund as preliminary expenses and floatation costs which are to be amortised by the Fund over a period of five years commencing from 13 December 2019 in accordance with the Trust Deed.

9 ADVANCE TAX

The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 (ITO 2001). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule to the 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 12 May 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). 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. which has been recorded as receivable from the Tax Department in these financial statements. Refund of these amounts have been / will be claimed while filing the Income Tax Return of the respective tax year(s) in which these were deducted. The management is confident that the same shall be duly refunded.

10	PAYABLE TO THE MANAGEMENT COMPANY	Note	30 June 2020 (Rupees in '000)
	Management remuneration payable	10.1	388
	Sindh Sales Tax on management remuneration	10.2	50
	Sales load and other payables		2,838
	Shariah advisory fee	10.3	350
	Payable against selling and marketing expense	10.4	1,131
	Payable against allocation of expenses relating to the Fund	10.4	<u>48</u>
			<u>4,805</u>

- 10.1 SECP vide S.R.O. 639 (I)/2019 has substitute regulation 61 where by Management Company may charge variable fee or fixed fee or the combination of both which shall not exceed the limit disclosed in the Offering Document. During the period ended 30 June 2020, the Management Company has charged remuneration at the rate of 2% of average daily net assets.

- 10.2 Sindh Sales Tax has been charged at 13% on the management fee charged during the period.

- 10.3 As per amended NBFC Regulations dated 25 November 2015, the Management Company is entitled to charge shariah advisory fee from the Fund. Accordingly, the Management Company has charged Rs. 0.35 million as shariah advisory fee under a contract signed with the shariah advisors.

- 10.4 SECP vide S.R.O. 639 (I)/2019 has substituted clause (s) and (v) of sub regulation 3 of regulation 60 and accordingly has removed cap of charging 0.1% and 0.4% per annum of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services and selling and marketing expenses respectively, provided total expense ratio remains within the allowed limit.

The Management Company is charging 0.1% of average daily net assets on account of fee and expenses related to registrar services, accounting, operation and valuation services. Further, Management Company has also charged selling and marketing expense of 1.03% from 13 December 2019 to 08 April 2020 and 2.03% from 09 April and onwards.

11	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	<i>Note</i>	30 June 2020 (Rupees in '000)
	Trustee Remuneration	11.1	39
	Sindh Sales Tax on the Trustee's remuneration	11.2	5
			44

- 11.1** The Trustee is entitled to a monthly 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 on monthly basis in arrears. The tariff structure applicable to the Fund in respect of the trustee fee for the year ended 30 June 2020 is as follows:

Net Assets	Tariff
- Up to Rs. 1 billion	- 0.20% per annum of Net Assets, whichever is higher
- Exceeding Rs. 1 billion	- Rs. 2 million plus 0.10% p.a. of Net Assets, on amount exceeding Rs.1 billion.

- 11.2** Sales tax at the rate of 13% (2019: 13%) on the remuneration of the Trustee is applied under the provisions of Sindh Sales Tax on Services Act, 2011, effective from 01 July, 2016.

12 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

SECP vide S.R.O. 685 (I)/2019 has revised its annual fee from 0.075% to 0.02% per annum of average daily net assets of the Fund, applicable from 01 July 2019.

13	ACCRUED EXPENSES AND OTHER PAYABLES	<i>Note</i>	30 June 2020 (Rupees in '000)
	Provision for Sindh Workers' Welfare Fund	13.1	-
	Auditors' remuneration payable		151
	Sales load payable		76
	Brokerage payable		894
	Charity payable	13.2	58
	Capital gains tax payable		255
	Other payables		143
			1,577

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

Since the Fund is in loss hence no provision for SWWF has been recorded in these financial statements.

- 13.2 This represents amount attributable to income earned from shariah non-compliant avenues, earmarked for onward distribution as charity in accordance with the instructions of the Shariah Advisor.

14	AUDITORS' REMUNERATION	30 June 2020 (Rupees in '000)
	Annual audit fee	150
	Half yearly review fee	50
	Review of CCG	50
	Out of pocket expenses	25
		<u>275</u>
	Sales tax	22
		<u>297</u>

15 CONTINGENCIES AND COMMITMENTS

Other than already disclosed in the financial statements, there are no contingencies and commitments as at 30 June 2020.

16 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the case may be, shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. Since, no distributable income has been earned by the Fund, therefore, no dividend has been distributed.

17	NUMBER OF UNITS IN ISSUE	2020 (Number of units)
	Units issued during the period	7,951,653
	Units redeemed during the period	(5,053,453)
	Total units in issue at the end of the period	<u>2,898,200</u>

18 TOTAL EXPENSE RATIO (TER)

In accordance with the Directive 23 of 2016 dated 20 July 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the period ended 30 June 2020 is 3.37% which includes 0.24% representing government levy, Sindh Worker's Welfare Fund and SECP fee. As per S.R.O 639 (I)/2019, the limit towards expense ratio has been revised from 4% to 4.50% for Equity, Balanced, Asset Allocation and Capital protected (dynamic asset allocation-direct exposure).

19	RECONCILIATION OF LIABILITIES ARISING OUT OF FINANCING ACTIVITIES	Receivable against sale of units	Payable against redemption of units	Total
		----- (Rupees in '000) -----		
	Receivable against issuance of units	723,650	-	723,650
	Payable against redemption of units	-	459,824	(459,824)
		723,650	459,824	263,826
	Amount received on issuance of units	(723,310)	-	(723,310)
	Amount paid on redemption of units	-	(459,824)	459,824
		(723,310)	(459,824)	(263,486)
	Closing balance as at 30 June 2020	<u>340</u>	<u>-</u>	<u>340</u>

20 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 (Subsidiary of the Management Company), entities under the common management or directorship, Central Depository Company of Pakistan Limited as trustee and custodian of the Fund, the directors and officers of the Management Company and unit holders holding 10% or more of the Fund's net assets.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules, NBFC Regulations and the Trust Deed respectively. Other transactions with the related parties / connected persons have been carried out at agreed terms.

Details of transactions with related parties / connected persons and balances with them at the period end are as follows:

	Management company	Associated companies	Trustee	Funds under common management	Directors and key executives	Other connected persons / related parties
For the period from 13 December 2019 to 30 June 2020						
Transactions during the period						
	(Rupees in '000)					
Units issued	125,000	1,050	-	-	7,312	-
Units redeemed	-	760	-	-	1,012	-
Profit on PLS saving accounts	-	76	-	-	-	-
Bank and other charges	-	2	-	-	-	-
Allocation of expenses relating to the Fund	100	-	-	-	-	-
Remuneration of the Management Company	1,994	-	225	-	-	-
Sindh Sales tax on the Management Company's remuneration	259	-	-	-	-	-
Shariah advisor fee	350	-	-	-	-	-
Selling and marketing expense	1,523	-	-	-	-	-
As at 30 June 2020						
(Rupees in '000)						
Balances held						
Units held (units in '000)	1,304	3	-	-	74	-
Units held (Rupees in '000)	104,879	265	-	-	5,955	-
Bank balances*	-	2,300	-	-	-	-
Profit receivable	-	35	-	-	-	-
Remuneration payable**	388	-	44	-	-	-
Sales load and other payables	2,838	76	-	-	-	-
Payable against allocated expenses	48	-	-	-	-	-
Payable against selling and marketing expense	1,131	-	-	-	-	-
Shariah advisor fee	350	-	-	-	-	-

* These carry profit rate ranging between 6.5% - 11.75% per annum.

** These balances are inclusive of Sindh Sales Tax payable.

21 FINANCIAL INSTRUMENTS BY CATEGORY

	2020			Total
	At Amortised Cost	At fair value through other comprehensive income	At fair value through profit or loss	
Financial Assets				
Bank balances	15,538	-	-	15,538
Equity securities - Quoted	-	-	219,972	219,972
Profits receivable	377	-	-	377
Deposits and other receivables	2,583	-	-	2,583
	<u>18,498</u>	<u>-</u>	<u>219,972</u>	<u>238,470</u>
Financial liabilities				
Payable to the Management Company			4,805	4,805
Payable to Central Depository Company of Pakistan Limited - Trustee			44	44
Accrued expenses and other payables			1,322	1,322
			<u>6,171</u>	<u>6,171</u>

22 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The Fund's accounting policy on fair value measurements of investments is discussed in note 3.2 to these financial statements.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurement using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at fair value at the end of the year by the level in the fair value hierarchy into which the fair value measurement is categorized

Note	2020					Fair value			
	Carrying amount								
	At fair value through profit or loss	Designated as at fair value through profit or loss	At fair value through other comprehensive income	At amortised cost	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)					(Rupees in '000)			
Financial assets measured at fair value									
Equity securities - Quoted	219,972	-	-	-	219,972	219,972	-	-	219,972
	<u>219,972</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>219,972</u>				
Financial assets not measured at fair value									
22.1									
Bank balances	-	-	-	15,538	15,538				
Profits receivable	-	-	-	377	377				
Deposits and other receivables	-	-	-	2,583	2,583				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,498</u>	<u>18,498</u>				
Financial liabilities not measured at fair value									
22.1									
Payable to the Management Company	-	-	-	4,805	4,805				
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	44	44				
Accrued expenses and other payables	-	-	-	1,322	1,322				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,171</u>	<u>6,171</u>				

22.1 The Fund has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

22.2 Net assets attributable to unit holders. The Fund routinely redeems and issues the units at the amount equal to the proportionate share of net assets of the Fund at the time of redemption, calculated on a basis consistent with that used in these financial statements. Accordingly, the carrying amount of net assets attributable to unit holders approximates their fair value. The units are categorized into Level 2 of the fair value hierarchy.

23 FINANCIAL RISK MANAGEMENT

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 credit risk, liquidity risk and market risk arising from the financial instruments it holds.

23.1 Credit Risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing 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.

Management of credit risk

The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of NBFC rules and regulations and guidelines given by SECP from time to time.

Credit risk is managed and controlled by the management company of the Fund in the following manner:

- The fund limits its exposure to credit risk by only investing in instruments and bank deposits that have a minimum "AA-" from a credit rating agency duly approved by the SECP.
- Investment transactions are carried out with large number of brokers, whose credit rating is taken into account so as to minimize the risk of default and transactions are settled or paid for only upon deliveries.
- The risk of counter party exposure due to failed trade causing a loss to the Fund is mitigated by a periodic review of trade reports, credit ratings and financial statements on a regular basis.
- Cash is held only with reputable banks (including related party).

The table below analyses the Fund's maximum exposure to credit risk:

	30 June 2020 (Rupees in '000)
Financial assets exposed to credit risk	
Bank balances	15,538
Profit receivable	377
Deposits and other receivables	2,583
	<u>18,498</u>

All deposits with banks and NCCPL are highly rated and risk of default is considered minimal.

Credit risk arising on financial assets is monitored through a regular analysis of financial position of brokers and other parties. Further, all transactions in securities are executed through approved brokers, thus the risk of default is considered to be minimal. In accordance with the risk management policy of the Fund, the Investment Committee monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

The analysis below summarizes the credit quality of the Fund's portfolio in total as on 30 June 2020

Bank balances by rating category	Rating	Rating	(Rupees in '000)
BankIslami Pakistan Limited	PACRA	A+	13,238
United Bank Limited	VIS	AAA	2,300
			<u>15,538</u>
Profits receivable			<u>377</u>
Deposits and other receivables			<u>2,583</u>

Concentration of credit risk

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.

The Fund's activities may give rise to settlement risk. 'Settlement risk' is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed.

For the majority of transactions, the Fund mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

23.2 Liquidity risk

'Liquidity risk' is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Fund's offering document provides for the daily creation and cancellation of units and it is therefore exposed to the liquidity risk of meeting unit holder's redemptions at any time. The Fund manages the liquidity risk by maintaining maturities of financial liabilities and investing a major portion of the Fund's assets in highly liquid financial assets. The Fund's investments are considered to be readily realisable as they are all invested in government securities and saving accounts. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

In accordance with the risk management policy of the Fund, the Fund manager monitors the liquidity position on a daily basis, which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

In accordance with regulation 58(1)(k) of the NBFC Regulations, 2008, the Fund has the ability to borrow funds for meeting the redemption requests, with the approval of the Trustee, for a period not exceeding three months to the extent of fifteen percent of the net assets. However, no such borrowing has been obtained during the period from 13 December 2019 to 30 June 2020.

Further, the Fund is also allowed in accordance with regulation 57 (10) of the NBFC Regulations, 2008, to defer redemption requests to the next dealing day, had such requests exceed ten percent of the total number of units in issue.

In addition to unit holders' fund, the analysis below summarizes the Fund's financial liabilities into relevant maturity grouping as at 30 June 2020:

	30 June 2020				Total
	Maturity Up to				
	Three months	Six months	One year	More than one	
Financial Liabilities	(Rupees in '000)				
Payable to Management Company	4,805	-	-	-	4,805
Payable to Central Depository Company of Pakistan Limited - Trustee	44	-	-	-	44
Accrued expenses and other payables	1,322	-	-	-	1,322
Total Liabilities	6,171	-	-	-	6,171
Unit holders' fund	233,057	-	-	-	233,057

23.3 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 interest rates, foreign exchange rates and debt security prices.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in the market interest rates. The Fund's interest rate risk is monitored on a daily basis by the board of directors.

As at 30 June 2020, the balances that may be exposed to interest rate risk are as follows:

	30 June 2020
<i>Variable rate instruments</i>	(Rupees in '000)
Bank balances	<u>15,538</u>

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the year end would have increased / (decreased) the net assets and net income by Rs. 0.155 million, assuming all other variables held constant.

ii) Foreign Currency risk

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.

iii) Price risk

Equity price risk is the risk of unfavourable changes in the fair value of equity securities as a result of changes in the levels of KMI- 30 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 5.1.

Sector wise portfolio	30 June 2020	
	Funds equity portfolio	KMI-30 benchmark portfolio (%)
Oil and gas exploration companies	71.70%	28.22%
Power generation and distribution	17.25%	10.46%
Oil and gas marketing companies	11.05%	7.22%
Others	0.00%	54.10%
	<u>100.00%</u>	<u>100.00%</u>

In case of 5% increase / (decrease) in fair values of the fund equity securities, net income of the Fund would increase / (decrease) by Rs. 10.481 million and net assets of the Fund would increase / (decrease) by the same amount as a result of gain / (loss) in equity securities at fair value through profit or loss. The analysis is based on the increase / (decrease) of equity index by 5% with all other variables held constant.

23.4 Unit holders' fund risk management (Capital risk 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 2008, 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.

In order to maintain or adjust the unit holders' fund structure, the Fund's policy is to perform the following:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to unit holders;
- Redeem and issue units in accordance with the constitutive documents of the Fund, which include the ability to restrict redemptions and require certain minimum holdings and issuance; and
- The Fund Manager / Investment Committee members and Chief Executive of the Fund critically track the movement of 'Assets under Management'. The Board of Directors is updated about the Fund yield and movement of NAV and total Fund size at the end of each quarter.

23.5 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 behaviour. 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.

24 TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID BY THE FUND

Commission
2020

Name of Broker

Khadim Ali Shah Bukhari Securities (Private) Limited.	22.13
Intermarket Securities Limited	19.00
JS Global Capital Limited.	18.27
DJM Securities (Private) Limited	16.71
Arif Habib Limited	13.21
Alfa ADHI Securities	10.68
	<u>100.00</u>

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- The Fund Manager / Investment Committee members and Chief Executive of the Fund critically track the movement of 'Assets under Management'. The Board of Directors is updated about the Fund yield and movement of NAV and total Fund size at the end of each quarter.

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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 behaviour. Operational risk arise from all of the Fund's activities.

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- 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.

24 TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID BY THE FUND

Commission 2020

Name of Broker

Khadim Ali Shah Bukhari Securities (Private) Limited.	22.13
Intermarket Securities Limited	19.00
JS Global Capital Limited.	18.27
DJM Securities (Private) Limited	16.71
Arif Habib Limited	13.21
Alfa ADHI Securities	10.68
	<u>100.00</u>

25 INVESTMENT COMMITTEE

Details of the members of investment committee of the Fund are as follows:

S.No.	Name	Designation	Experience in years	Qualification
1	Mr. Yasir Qadri	Chief Executive Officer	24	MBA
2	Syed Suleman Akhtar	Chief Investment Officer	19	CFA, MBA
3	Mr. Muhammad Imran	Head of Investment advisory	20	MBA
4	Mr. Irfan Nepal	Chief Dealer & Fund Manager	26	EMBA
5	Mr. Hadi Hassan Muki	Head of Compliance	20	BCOM
6	Mr. Syed Shabbir Sardar Zaidi*	Fund Manager & Senior Analyst	11	MAS, CFA
7	Mr. Syed Sheeraz Ali	Fund Manager & Senior Analyst	10	MBA
8	Mr. Mubashir Anis	Fund Manager Equity	8	BS, CFA
9	Mr. Muhammad Waseem	Head Research	6	BBA, CFA

*Syed Shabbir Sardar Zaidi is also Fund Manager of Al Ameen Islamic Sovereign Fund, Al-Ameen Islamic Asset Allocation Fund, Al-Ameen Shariah Stock Fund, Al-Ameen Islamic Dedicated Equity Fund, Al-Ameen Islamic Financial Planning Fund, Al-Ameen Islamic Financial Planning Fund - II, Al Ameen Islamic Financial Planning Fund – III and Al-Ameen Islamic Retirement Savings Fund.

26 DIRECTORS' MEETING ATTENDANCE

During the year, six meetings of the Board of Directors of the Management Company were held. The details of the attendance are as under:

Name of Director	Meetings attended	Dates					
		30 August 2019	17 September 2019	29 October 2019	9 December 2019	25 February 2020	30 April 2020
Mr. Arif Akmal Saifie *	1	N/A	N/A	N/A	N/A	N/A	Yes
Mr. Azhar Hamid	6	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Imran Sarwar	5	Yes	Yes	Yes	Yes	No	Yes
Mr. Yasir Qadri	6	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Naz Khan **	6	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Sadia Saeed	5	No	Yes	Yes	Yes	Yes	Yes
Syed Furukh Zaeem	5	Yes	Yes	Yes	Yes	No	Yes
Mr. Tauqeer Mazhar ***	4	Yes	Yes	Yes	Yes	N/A	N/A
Name of Key Executives							
Mr. Bilal Javaid ***	3	N/A	N/A	N/A	Yes	Yes	Yes
Mr. Umair Ahmed	6	Yes	Yes	Yes	Yes	Yes	Yes
S.M. Aly Osman ****	3	Yes	Yes	Yes	N/A	N/A	N/A

* Mr. Arif Akmal Saifie appointed as Director with effect from March 20, 2020.

** Ms. Naz Khan resigned as Director with effect from July 20, 2020.

*** Mr. Tauqeer Mazhar resigned as Director with effect from January 30, 2020.

**** Mr. Bilal Javaid appointed as Company Secretary with effect from February 25, 2020.

***** S.M. Aly Osman resigned as Company Secretary with effect from November 30, 2019.

27 PATTERN OF UNIT HOLDERS

Category	30 June 2020		
	Unit holders	Number of Units held	Percentage
Individuals	249	1,248,308	43.07%
NBFC	1	1,304,235	45.00%
Retirement funds	18	159,660	5.51%
Public limited companies	1	2,202	0.08%
Others	3	183,795	6.34%
	272	2,898,200	100%

28 NON COMPLIANCE OF NBFC REGULATIONS

As per NBFC regulation 37, sub-regulation 7 (h) 'An Asset Management Company shall not enter, on behalf of a Collective Investment Scheme, into transactions with any broker that exceed [fifteen] per cent of the commission [payable] by a Collective Investment Scheme in any one accounting year. However commission for brokerage to various brokers exceeds the defined limit. Details are mentioned in Note 24.

29 CREDIT RATING

VIS Credit Rating Company has re-affirmed quality rating of 'AM1' (stable outlook) to the Management Company as on 31 December 2019 (30 June 2019: AM1) while the fund is currently non-rated.

30 GENERAL

30.1 Impact of COVID-19

The COVID-19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts.

The Securities and Exchange Commission of Pakistan (SECP) has provided the following relaxations to the asset management companies operating in Pakistan for a specific period:

- a) The time period to regularise the exposure limits breach under Regulation 55(13) of the NBFC Regulations has been extended from four months to six months;
- b) Maximum limit for application of discretionary discount as per the Annexure-I, Chapter 3 of Circular 33 of 2012 has been enhanced;
- c) The time period for classification of a debt security to non-performing category has been extended from 15 days to 180 days as per the requirements of Annexure-II of Circular 33 of 2012;
- d) Time period to ensure compliance with minimum fund size for Open End Schemes under Regulation 54(3b) of the NBFC regulations has been increased to 180 days for Open End Schemes;
- e) Time for announcement of daily NAV as per the regulatory requirement is extended from 18:30 pm to the start of the next working day.

30.2 Date of authorisation for issue

These financials statements were authorised for issue by Board of Directors of the Management Company on **September 24, 2020.**

**For UBL Fund Managers Limited
(Management Company)**

SD

Chief Executive Officer

SD

Director

SD

Chief Financial Officer

AISF

Al-Ameen Islamic Special Savings Fund

INVESTMENT OBJECTIVE

Al-Ameen Islamic Special Savings Funds is an open-end Shariah Compliant Capital Protected Fund that aims to not only provide its unit-holders capital preservation but competitive regular returns from a portfolio of shariah compliant fixed income investments in line with the risk tolerance of the Investor.

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	Deloitte
Bankers	Dubai Islamic Bank Limited
Management Co. Rating	AM1

Fund Manager's Report – Al-Ameen Islamic Special Savings Fund

Al-Ameen Islamic Active Special Savings Plan-II (AISSP-II)

- i) **Description of the Collective Investment Scheme category and type**
Shariah Compliant Fund of Funds Scheme/ Open-end
- ii) **Statement of Collective Investment Scheme's investment objective**
The "Al-Ameen Islamic Special Savings Plan-II (AISSP-II)" is an Allocation Plan under "Al-Ameen Islamic Special Savings Fund" with an objective to earn competitive regular return with capital preservation for unit holders who held their investment within Plan for Twenty Four (24) months & beyond from commencement of Life of Plan.
- iii) **Explanation as to whether the Collective Investment Scheme achieved its stated objective**
The fund achieved its stated objective.
- iv) **Statement of benchmark(s) relevant to the Collective Investment Scheme**
Six (6) Months PKISRV Rates
- v) **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Monthly Yield*	Jul'19	Aug'19	Sep'19	Oct'19	Nov'19	Dec'19	Jan'20	Feb'20	Mar'20	Apr'20	May'20	Jun'20	FYTD
AISSP-II	-	-	-	-	-	-	-	-	9.02%	5.05%	-20.88%	9.32%	-1.15%
Benchmark	-	-	-	-	-	-	-	-	5.99%	5.32%	5.93%	6.72%	5.97%

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

AISSP-II is an open-end Shariah Compliant Cash Plan with an objective to earn competitive regular return with capital preservation for unit holders who held their investment within Plan for Twenty Four (24) months & beyond from commencement of Life of Plan. The fund yielded return of -1.15% p.a. during FY20. %. Major exposure was taken into cash (67%) at the end of FY20.

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-19	Jun-20
Government Securities	0%	0%
Cash	0%	67%
GoP Ijara Sukuks	0%	0%

Others	0%	33%
Placements with banks	0%	0%
Leverage	0%	0%

vii) Analysis of the Collective Investment Scheme's performance

FY'20 Return: -1.15%

Standard Deviation (12m trailing): n/a

Sharpe Ratio (12m trailing): n/a

viii) 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			NAV per unit		
30-Jun-20	10-Mar-20	Change	30-Jun-20	10-Mar-20	Change
Rupees (000)		%	Rupees		%
202,339	70,000	189.06	99.6458	100.00	-0.35

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

Debt Market Review for FY20

During FY20, market appetite for the government securities remained strong. In twelve PIB auctions in FY20, heavy participation amounting to PKR ~5 trillion was observed, out of this Government preemptively accepted PKR ~1.9 trillion. Strong participation was mainly on the back of interest rate's peaked-out expectation in the beginning of the financial year along with the overall improvement in the fiscal position and estimates of higher external financing. Due to momentous demand, government leveraged its position by slashing the cut off rates by 628, 536 and 456 bps for 3Y, 5Y and 10Y PIBs respectively during the Fiscal year 2020.

In case of floating rate PIBs, government introduced 3Y floater PIB and 5Y floater PIB in addition to the existing 10Y floater PIB from June'20. Total participation of PKR ~1578 billion was observed in the floating rate PIB against the target of PKR ~900 billion. While government accepted PKR ~818 billion during FY'20

- x) **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 -----	
-	-	-			

- xi) **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 state of affairs of the scheme.

- xii) **Breakdown of unit holdings by size**

Range of Units	Number of Investors
	AISSP-II
0.0001 - 9,999.9999	10
10,000.0000 - 49,999.9999	9
50,000.0000 - 99,999.9999	4
100,000.0000 - 499,999.9999	2
500,000.0000 & Above	1
Total	26

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

There were no unit splits during the period.

- xiv) **Disclosure of circumstances that materially affect any interests of unit holders**

Investment are subject to credit and market risk.

- xv) **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 Special Savings Plan-II

2020

NET ASSETS AS AT 30 JUNE - Rupees in '000 **202,339**

NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *

Class A units - Offer	99.6458
- Redemption	99.6458

RETURN OF THE FUND - %

Total Return of the Fund	(1.15)
Capital Growth (per unit)	(1.15)
Date of Income Distribution	-
Income Distribution	-

AVERAGE ANNUAL RETURN - %

One Year	(1.15)
----------	---------------

OFFER / REPURCHASE DURING THE YEAR- Rupees *

Highest price per unit - Class A units - Offer	100.9964
Highest price per unit - Class A units - Redemption	100.9964
Lowest price per unit - Class A units - Offer	98.8956
Lowest price per unit - Class A units - Redemption	98.8956

* Front end load @ 0% is applicable

PORTFOLIO COMPOSITION - %

Percentage of Net Assets as at 30 June

PORTFOLIO COMPOSITION BY CATEGORY - %

Government Securities	-
Cash	67
Others	33

PORTFOLIO COMPOSITION BY MARKET - %

Debt Market	100
-------------	------------

Note:

- The Launch date of Fund is 11th March 2020

DISCLAIMER

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

Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S, Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AL-AMEEN ISLAMIC SPECIAL SAVINGS 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 Special Savings 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 period from March 11, 2020 to June 30, 2020 in accordance with the provisions of the following:

- (i) 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.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 28, 2020

REPORT OF THE SHARIAH ADVISORY COMMITTEE

We, the Shariah Advisors of the fund are issuing this report in accordance with the rules and regulations. The scope of the report is to express an opinion on the Shariah Compliance of the Funds activities.

In the capacity of Shariah Advisors, we have prescribed criteria and procedures to be followed in ensuring Shariah Compliance in every investment.

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 of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the prescribed criteria.

In light of the above, we hereby certify that:

- We have reviewed and approved the modes of investments of AISSF-AISSP-II in light of the shariah guidelines.
- All the provisions of the Scheme and investments made on account of AISSF-AISSP-II by UBL Fund Managers are Shariah compliant and in accordance with the criteria established.
- On the basis of information provided by the management, all operations of AISSF-AISSP-II for the year ended 30 June 2020 have been in compliance with the Shariah principles.

During the year, NIL amount has been recognized as charity.

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



Mufti Muhammad Hassan Kaleem
Member, Shariah Advisory Committee



Mufti Muhammad Wajeeb Khan
Member, Shariah Advisory Committee

KARACHI:
DATE: 26 August 2020

UBL Fund Managers Limited
Corporate Office
8th Floor, Executive Tower, Dolmen City Building,
Block 4, Clifton, Karachi, Pakistan.
Tel: (+9221) 35290080-95 Fax: (+9221) 35290070
info@alameenfunds.com

Operations Office
4th Floor, STSM Building, Beaumont Road,
Civil Lines, Karachi, Pakistan.
Tel: (+9221) 111-825-262 Fax: (+9221) 35622798

www.alameenfunds.com

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STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 BY UBL FUND MANAGERS LIMITED

NAME OF FUND: AL AMEEN ISLAMIC SPECIAL SAVINGS FUND

YEAR ENDED: JUNE 30, 2020

The Securities and Exchange Commission of Pakistan (SECP) has exempted open-end collective investment schemes from the requirements of the Listed Companies (Code of Corporate Governance) Regulations (the Regulations). However, the Board of Directors (the Board) of UBL Fund Managers Limited [the Management Company of Al Ameen Islamic Special Savings Fund (the Fund)], for the purpose of establishing a framework of good governance has voluntarily opted to comply with the relevant provisions of the Regulations.

The Management Company has complied with the requirements of the Regulations in the following manner:

1. The total number of directors are seven as per the following:
 - a. Male: Five Directors; and
 - b. Female: Two Directors.
2. The composition of the Board is as follows:

Category	Name
Independent Directors	Mr. Azhar Hamid Ms. Naz Khan*
Executive Directors	Mr. Yasir Qadri
Non-Executive Directors	Mr. Imran Sarwar Ms. Sadia Saeed Mr. Arif Akmal Saifie** Syed Furrukh Zaeem
Female Director	Ms. Naz Khan* Ms. Sadia Saeed

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including the Management Company.
4. 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.
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Management Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Management Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of Board.



8. The Board has a formal policy and transparent procedures for remuneration of its directors in accordance with the Act and these Regulations.
9. The following directors and executives have acquired the prescribed Directors' Training Program (DTP) certification:

Directors

- a. Mr. Imran Sarwar
- b. Mr. Yasir Qadri
- c. Ms. Naz Khan
- d. Ms. Sadia Saeed
- e. Syed Furrukh Zaeem

Executives

- a. Mr. Amin Gulamani (Head of Human Resources)
 - b. Mr. Hadi Hassan Mukhi (Head of Compliance and Risk)
 - c. Mr. Umair Ahmed (Chief Financial Officer)
 - d. Mr. Zeeshan Quddus (Chief Business Development Officer)
10. The Board has approved appointment of the Chief Financial Officer (CFO), the Company Secretary and the Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with the relevant requirements of the Regulations.
 11. The Chief Executive Officer (CEO) and CFO duly endorsed the financial statements of the Fund before approval of the Board.
 12. The Board has formed committees comprising of members given below.

Board Audit Committee

Name	Designation	Type of Directorship
Ms. Naz Khan*	Chairman	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Imran Sarwar	Member	Non-Executive Director
Ms. Sadia Saeed	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director

Board Human Resource and Compensation Committee

Name	Designation	Type of Directorship
Mr. Azhar Hamid	Chairman	Independent Director
Mr. Yasir Qadri	Member	Executive Director
Ms. Naz Khan*	Member	Independent Director
Ms. Sadia Saeed	Member	Non-Executive Director
Syed Furrukh Zaeem	Member	Non-Executive Director

Board Risk and Compliance Committee

Name	Designation	Type of Directorship
Mr. Imran Sarwar	Chairman	Non-Executive Director
Mr. Azhar Hamid	Member	Independent Director
Mr. Arif Akmal Saifie**	Member	Non-Executive Director
Mr. Tauqeer Mazhar***	Member	Non-Executive Director
Mr. Yasir Qadri	Member	Executive Director
Syed Furrugh Zaeem	Member	Non-Executive Director

* Ms. Naz Khan has resigned dated July 20, 2020

** Mr. Arif Akmal Saifie was appointed as a director from March 20, 2020

*** Mr. Tauqeer Mazhar resigned as a director from January 30, 2020

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
14. The frequency of meetings of the committees was as follows:
 - a. The Board Audit Committee: quarterly - six meetings held
 - b. The Board Human Resource and Compensation Committee: quarterly - five meetings held
 - c. The Board Risk and Compliance Committee: quarterly - four meetings held
15. The Board has set up an effective internal audit function. The Function has suitably qualified and experienced staff for the purpose and they are conversant with the policies and procedures of the Management Company.
16. 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 and are registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on the code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the Partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of CEO, CFO, the Head of Internal Audit, the Company Secretary or directors of the Management Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of Regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with.
19. We confirm that any other significant requirements of the Regulations have been complied with.

SD

AZHAR HAMID
Chairman

Karachi.
Dated: **September 25, 2020**

INDEPENDENT AUDITOR'S REVIEW REPORT

To the unit holders of Al-Ameen Islamic Special Saving Fund

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of UBL Fund Managers Limited (the Management Company) for Al-Ameen Islamic Special Saving Fund for the period from March 11, 2020 to June 30, 2020 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Management Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Management Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

As a part of our audit of the 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 of Directors' 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 Regulations require the Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. 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 of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Management Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Fund for the period from March 11, 2020 to June 30, 2020.

Deloitte Yousuf Adil
Chartered Accountants

Place: Karachi

Date: September 30, 2020

INDEPENDENT AUDITOR'S REPORT

To The Unit Holders of Al-Ameen Islamic Special Saving Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Al-Ameen Islamic Special Saving Fund** (the Fund), which comprise the statement of assets and liabilities as at June 30, 2020, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and statement of cash flows for the period from March 11, 2020 to June 30, 2020, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2020, and of its financial performance and its cash flows for the period from March 11, 2020 to June 30, 2020 in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report in respect of the fund, but does not include the financial statements and our auditor's report thereon and the information related to any other fund.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide to the Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Nadeem Yousuf Adil.


Chartered Accountants

Date: September 30, 2020

Place: Karachi

**AL-AMEEN ISLAMIC SPECIAL SAVINGS FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2020**

	Note	AISSP-II June 30, 2020 (Rupees in '000')
ASSETS		
Bank balances	5	147,686
Receivable against sale of investments		63,256
Profit receivable on bank balances		692
Preliminary expenses and floatation costs	7	837
Advance income tax	8	219
Total assets		212,690
LIABILITIES		
Payable to UBL Fund Managers Limited - Management Company	9	1,257
Payable to Central Depository Company of Pakistan Limited - Trustee	10	9
Payable to Securities and Exchange Commission of Pakistan	11	6
Accrued expenses and other liabilities	12	9,079
Total liabilities		10,351
Net Assets		202,339
Unit Holders' Fund (as per statement attached)		202,339
CONTINGENCIES AND COMMITMENTS		
	27	
		(Number of units)
Number of Units in Issue	13	2,030,584
		---(Rupees)---
Net Asset Value Per Unit		99.6458
Face Value Per Unit		100

The annexed notes 1 to 29 form an integral part of these financial statements.



FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

AL-AMEEN ISLAMIC SPECIAL SAVINGS FUND
INCOME STATEMENT
FOR THE PERIOD FROM MARCH 11, 2020 TO JUNE 30, 2020

AISSP-II
For the period
from March 11,
2020 to June 30,
2020
(Rupees in '000')

Note

INCOME

Loss on sale of investments - net	(2,477)
Financial income	3,005
Total income	528

EXPENSES

Remuneration of UBL Fund Managers Limited - Management Company	9.1	239
Sindh Sales Tax on remuneration of the Management Company	9.2	31
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	22
Annual fee - Securities and Exchange Commission of Pakistan	11.1	6
Allocated expenses	9.3	32
Allocated selling and marketing expenses	9.4	128
Auditor's remuneration	14	287
Bank charges		3
Listing fee		94
Legal and professional charges		97
Amortisation of preliminary expenses and floatation costs	7	163
Total expenses		1,102
Net operating loss for the period		(574)
Provision for Sindh Workers' Welfare Fund		-
Net loss for the period before taxation		(574)
Taxation	15	-
Net loss for the period after taxation		(574)

Allocation of net income for the period

- Net income for the period after taxation	-
- Income already paid on units redeemed	-
Net income for the period available for distribution	-

Accounting income available for distribution

- Relating to capital gains	-
- Excluding capital gains	-
	-

Earnings per unit 16

The annexed notes 1 to 29 form an integral part of these financial statements.



FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**AL-AMEEN ISLAMIC SPECIAL SAVINGS FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM MARCH 11, 2020 TO JUNE 30, 2020**

**AISSP-II
For the period from
March 11, 2020 to
June 30, 2020**

(Rupees in '000')

Net loss for the period after taxation	(574)
Other comprehensive income	
Items that may be reclassified subsequently to income statement	-
Items that will not be reclassified subsequently to income statement	-
Total comprehensive loss for the period	(574)

The annexed notes 1 to 29 form an integral part of these financial statements.



FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**AL-AMEEN ISLAMIC SPECIAL SAVINGS FUND
STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND
FOR THE PERIOD FROM MARCH 11, 2020 TO JUNE 30, 2020**

AISSP-II		
For the period from March 11, 2020 to June 30, 2020		
(Rupees in '000')		
Capital value	Undistributed loss	Total
-	-	-
Net assets at beginning of the period		
Amount received on issuance of 2,041,318 units		
- Capital value	-	204,132
- Element of loss	-	(150)
Total amount received on issuance of units	-	203,982
Amount paid on redemption of 10,734 units		
- Capital value	-	(1,073)
- Element of income	-	4
Total amount paid on redemption of units	-	(1,069)
Total comprehensive loss for the period	(574)	(574)
Distribution for the period	-	-
Net loss for the period less distribution	(574)	(574)
Net assets at the end of the period	(574)	202,339
Undistributed income brought forward comprising of:		
- Realised	-	-
- Unrealised	-	-
Accounting income available for distribution		
- Realised	-	-
- Unrealised	-	-
Net loss for the period after taxation	(574)	-
Distribution during the period	-	-
Undistributed loss carried forward - net	(574)	-
Undistributed loss carried forward comprising of:		
- Realised	(574)	-
- Unrealised	-	-
	(574)	-
		(Rupees)
Net asset value per unit at the end of the period		99.6458

The annexed notes 1 to 29 form an integral part of these financial statements.

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FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD

Director

**AL-AMEEN ISLAMIC SPECIAL SAVINGS FUND
STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM MARCH 11, 2020 TO JUNE 30, 2020**

**AISSP-II
For the period
from March 11,
2020 to June 30,
2020
(Rupees in '000')**

CASH FLOWS FROM OPERATING ACTIVITIES

Net loss for the period before taxation (574)

Adjustments for:

Financial income	(3,005)
Amortisation of preliminary expenses and floatation costs	163
Cash used in operations before working capital changes	(2,842)

Increase in assets

Receivable against sale of investments	(63,256)
Preliminary expenses and floatation costs	(1,000)
	(64,256)

Increase in liabilities

Payable to UBL Fund Managers Limited - Management Company	1,257
Payable to Central Depository Company of Pakistan Limited - Trustee	9
Payable to Securities and Exchange Commission of Pakistan	6
Accrued expenses and other liabilities	9,079
	10,351
Cash used in operations	(57,321)

Financial income received	2,313
Income tax paid	(219)
Net cash used in operating activities	(55,227)

CASH FLOWS FROM FINANCING ACTIVITIES

Receipts from issuance of units	203,982
Payments against redemption of units	(1,069)
Net cash generated from financing activities	202,913

Net increase in cash and cash equivalents	147,686
Cash and cash equivalents at the beginning of the period	-

Cash and cash equivalents at the end of the period	147,686
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The annexed notes 1 to 29 form an integral part of these financial statements.



FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD

Chief Executive Officer

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Chief Financial Officer

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Director

AL-AMEEN ISLAMIC SPECIAL SAVINGS FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM MARCH 11, 2020 TO JUNE 30, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

Al-Ameen Islamic Special Savings Fund (the "Fund"), was established under the Trust Deed executed between UBL Fund Managers Limited (the Management Company - a wholly owned subsidiary company of United Bank Limited) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on 15 July, 2019 and was approved by the Securities and Exchange Commission of Pakistan (SECP) for registration on 28 August, 2019 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Fund commenced its operations from 10 March, 2020. Accordingly these financial statements have been prepared for the period from March 11, 2020 to June 30, 2020.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules, 2003. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

The Fund is an open ended shariah compliant mutual fund categorised as Islamic Capital Protected Fund. The Fund consists of one plan namely, Al-Ameen Special Savings Plan - II (the "Plan") which is listed on the Pakistan Stock Exchange Limited.

The "Al-Ameen Islamic Special Savings Plan - II (AISSP-II)" is an allocation plan under the Fund with an objective to earn competitive regular return with capital preservation for unit holders who held their investment within Plan for Twenty Four (24) months & beyond from commencement of life of the Plan.

Class A units are the capital preserved units which are issued in Pre-IPO, IPO and subscription period of the Plan. As per the first supplement to the offering document of the Fund dated December 5, 2019, the subscription period of the plan was for 90 days until June 11, 2020. The subscription period is extended to August 10, 2020 vide third supplement to the offering document dated June 12, 2020. Back end load is applicable after the subscription period until the completion of 24 months of life of the Plan.

VIS Credit Rating Company has assigned management quality rating of AM1 to the Management Company as on December 31, 2019.

Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

2.1.2 The SECP/Commission through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Currently, the Asset Management Companies are required to continue to follow the requirements of Circular 33 of 2012 for impairment of debt securities.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except that certain financial assets are measured at fair value.

2.3 Functional and presentation currency

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

2.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the year in which the estimates are revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements as a whole are as follows:

- (i) classification and measurement of financial assets (notes 4.2.1, 4.2.2, 4.2.3 and 6); and
- (ii) impairment of financial assets (note 4.2.5);

3. NEW ACCOUNTING STANDARDS / AMENDMENTS AND IFRS INTERPRETATIONS

3.1 New accounting standards / amendments and IFRS interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective from accounting periods beginning on or after:
Amendments to IFRS 3 'Business Combinations' - amendments regarding definition of a business	January 01, 2020
Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - amendments regarding definition of material	January 01, 2020
Amendments to IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures' - amendments regarding interest rate benchmark reform	January 01, 2020
Amendment to IFRS 16 'Leases' - amendments regarding Covid-19 related rent concessions	January 01, 2020
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2023
Amendments to IFRS 3 'Business Combinations' - amendments regarding reference to the conceptual framework	January 01, 2022
Amendments to IAS 16 'Property, Plant and Equipment' - amendments regarding proceeds before intended use	January 01, 2022
Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts — amendments regarding cost of fulfilling a contract	January 01, 2022

Other than the aforesaid standards, interpretations and amendments, the International Accounting Standards Board (IASB) has also issued the following standards which have not been adopted locally by the SECP:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 17 – Insurance Contracts

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are carried in the statement of assets and liabilities at cost.

4.2 Financial instruments

4.2.1 Classification of financial assets

IFRS 9 contains three principal classification categories for financial assets:

- Measured at amortized cost ("AC"),
- Fair value through other comprehensive income ("FVOCI") and
- Fair value through profit or loss ("FVTPL").

Financial assets at amortised cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- 1) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- 2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Financial assets at FVOCI

A financial asset is measured at FVOCI only if it meets both of the following conditions and is not designated as FVTPL:

- 1) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- 2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, for an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI, only dividend income is recognised in income statement. This election is made on an investment-by-investment basis.

FVOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI.

Financial assets at FVTPL

All other financial assets are classified at FVTPL (for example: equity held for trading and debt securities not classified either as AC or FVOCI).

In addition, on initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

4.2.2 Recognition and initial measurement of financial instruments

Financial assets and financial liabilities are recognised in the Fund's statement of assets and liabilities when the Fund becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4.2.3 Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured at amortised cost. Amortised cost is calculated using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Financial assets at FVOCI

All financial assets at FVOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in other comprehensive income.

For debt instruments classified as financial assets at FVOCI, the amounts in other comprehensive income are reclassified to income statement on derecognition of financial assets. This treatment is in contrast to equity instruments classified as financial assets at FVOCI, where there is no reclassification on derecognition.

Financial assets at FVTPL

All financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the income statement.

4.2.4 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

Basis of valuation of government securities:

The government securities not listed on stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKIRSV) rates) which are based on the remaining tenor of the security.

4.2.5 Impairment

Under expected credit loss (ECL) model of IFRS 9, the Fund recognises loss allowances for ECLs on financial assets other than debt securities. The Fund measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Financial assets that are determined to have low credit risk at the reporting date; and
- Other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

As disclosed in note 2.1.2 of these financial statements, the Fund follows requirements of circular 33 of 2012 (the "circular") for impairment of debt securities. Under the circular, provision for non performing debt securities is made on the basis of time based criteria as prescribed under the circular. Impairment losses recognised on debt securities can be reversed through the income statement.

As allowed under circular no. 13 of 2009 dated May 04, 2009 issued by the SECP, the Management Company may also make provision against debt securities over and above minimum provision requirement prescribed in aforesaid circular, in accordance with the provisioning policy approved by the Board of Directors and disseminated by the Management Company on its website.

4.2.6 Classification and measurement of financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

4.2.7 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the entity has transferred substantially all risks and rewards of ownership.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

4.2.8 Regular way contracts

All purchases and sales of securities that require delivery within the time frame established by regulation or market convention are recognised at the trade date. Trade date is the date on which the Fund commits to purchase or sell assets.

4.2.9 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

4.3 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement. Derivatives with positive fair values (unrealised gains) are included in other assets and derivatives with negative fair values (unrealised losses) are included in other liabilities in the statement of assets and liabilities.

4.4 Provisions

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

4.5 Collaterals

Cash collaterals provided by the Fund are identified in the statement of assets and liabilities as margin and are not included as a component of cash and cash equivalents. For collaterals other than cash, if the party to whom the collaterals are provided has a right by contract or custom to sell or re-pledge the collaterals, the Fund classifies that collaterals in the statement of assets and liabilities separately from other assets and identifies the assets as pledged collaterals. Where the party to whom the collaterals are provided does not have the right to sell or re-pledge, a disclosure of the collaterals provided is made in the notes to the financial statements.

4.6 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represents expenditure incurred prior to the commencement of operations of the Fund and include underwriting commission, commission to the bankers to the issue, brokerage paid to the members of the stock exchange and other expenses. These costs are amortised over a period of twenty four months starting from the commencement of life of the Plan as per the requirements set out in the Trust Deed of the Fund and NBFC regulations.

4.7 Issuance and redemption of units

Units issued are allocated at the offer price, prevalent on the day on which the applications for purchase of units are received, however, units are issued on the receipt of cash / realisation of cheques. The offer price represents the net asset value per unit as at the close of the business day plus the allowable front-end sales load and provision of any duties and charges, if applicable. The sales load is payable to the Management Company.

Units redeemed are recorded at the redemption price, applicable to units for which the Fund receives redemption applications during the business hours of that day. The redemption price represents the net asset value per unit as at the close of the business day less any back-end load and an amount that the management company may consider to be an appropriate provision of duties and charges. Redemption of units is recorded on acceptance of application for redemption.

4.8 Element of income / (loss) included in prices of units issued less those in units redeemed

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.9 Net assets value per unit

The net assets value (NAV) per unit, as disclosed in the statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units of the Fund in circulation at the period end.

4.10 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders (excluding distribution made by issuance of bonus units).

The Fund is also exempt from the Provisions of Section 113 (minimum tax) and section 113C (Alternative Corporate Tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

The Fund has not recognised any amount in respect of deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future periods by distributing in cash at least ninety percent of its accounting income for the period as reduced by capital gains, whether realised or unrealised, to its unit holders.

4.11 Distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted for the effect of refund of capital if any based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the year of investment.

4.12 Revenue recognition

- Realised capital gains / losses arising on sale of investments are included in the income statement on the date at which the sale transaction takes place.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the year in which they arise.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through other comprehensive income' are included in the statement of other comprehensive income in the year in which they arise.
- Profit on investments in government securities is recognised using effective yield method.
- Profit on bank balances is recognised on a time proportionate basis.

4.13 Expenses

All expenses including Management fee, Trustee fee and Securities and Exchange Commission of Pakistan fee are recognised in the Income Statement on accrual basis.

		AISSP-II June 30, 2020 (Rupees in '000')
5. BANK BALANCES	Note	
In local currency:		
- Profit and loss sharing account	5.1	<u>147,686</u>

5.1 Profit rates on this profit and loss sharing account range between 7.5% per annum.

		AISSP-II June 30, 2020 (Rupees in '000')
6. INVESTMENTS	Note	
At fair value through other comprehensive income (FVOCI)		
Government securities	6.1	<u>-</u>

6.1 Government securities

		Purchased during the period	Sold during the period	As at June 30, 2020	Carrying value as at June 30, 2020	Market value as at June 30, 2020
		----- (No. of holdings) -----				----- (Rupees in '000') -----
Government of Pakistan						
Ijara Sukuk - 5 years	6.1.1	650	(650)	-	-	-

6.1.1 This Ijara Sukuk had a nominal value of Rs. 100,000.

		AISSP-II June 30, 2020 (Rupees in '000')
7. PRELIMINARY EXPENSES AND FLOATATION COSTS	Note	
Preliminary expenses and floatation costs		1,000
Less: amortisation during the period	7.1	<u>(163)</u>
		<u>837</u>

7.1 The provisions of the Trust Deed and NBFC Regulations require the amortisation of preliminary expenses and floatation costs up to 1.5% of the net assets at the close of IPO capital of the Fund. This cost is amortised over 24 months period.

8. ADVANCE INCOME 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, 151 and 233 of ITO 2001. The Federal Board of Revenue (FBR), 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 current period, prior to receiving tax exemption certificate(s) from CIR, withholding agent had deducted advance tax under section 151 of ITO 2001. The Management Company is confident that the same shall be refunded after filing of Income Tax Return for Tax Year 2020.

		AISSP-II June 30, 2020 (Rupees in '000')
9. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY	Note	
Management fee (including Sindh Sales tax there against)	9.1 & 9.2	114
Allocated expenses	9.3	22
Selling and marketing expense	9.4	111
Other payable		<u>1,010</u>
		<u>1,257</u>

9.1 SECP vide S.R.O. 639 (I) / 2019 dated June 20, 2019, has amended Regulation 61 of NBFC Regulations whereby an Asset Management Company may charge variable fee or fixed fee or the combination of both which shall not exceed the limit disclosed in the Offering Document. Moreover, it shall disclose in the Offering Document the maximum rate of management fee chargeable to Collective Investment Scheme within allowed expense ratio limit. The remuneration is payable to the Management Company on monthly basis in arrears. During the period, the Management Company has charged remuneration at the rate of 0.75% per annum of daily net assets.

9.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

9.3 Allocated Expenses represents fee for registrar services, accounting, operations and valuation services. In accordance with Regulation 60 of the NBFC Regulations and SRO 639 (I) / 2019 dated June 20, 2019, the Management Company is entitled to charge expenses for registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS). Therefore, the Management Company can charge allocated expenses to the CIS based on its discretion provided the Total Expense Ratio (refer note 17) prescribed by the SECP vide SRO 639 (I) / 2019 dated June 20, 2019 is complied with.

The Management Company has charged allocated expenses of Rs. 0.032 million related to registrar services, accounting, operations and valuation services during the period ended June 30, 2020 by charging allocated expense at 1% per annum of the daily net assets of the Fund.

9.4 In accordance with Regulation 60 of the NBFC Regulations and SRO 639 (I) / 2019 dated June 20, 2019, the Management Company is entitled to charge selling and marketing expenses to all categories of Collective Investment Scheme (CIS). As per Regulation 60 of the NBFC Regulations and SRO 639 (I) / 2019 dated June 20, 2019, the asset management company is required to set a maximum limit for charging of such expense to the Fund and the same should be approved by the Board as part of annual plan. Therefore, the Management Company can charge selling and marketing expenses to the CIS based on its discretion provided the Total Expense Ratio (refer note 17) prescribed by the SECP vide SRO 639 (I) / 2019 dated June 20, 2019 is complied with.

The Management Company has charged allocated expenses of Rs. 0.128 million related to selling and marketing expenses during the period ended June 30, 2020 by charging selling and marketing expense at 0.4% per annum of the average daily net assets of the Fund.

		AISSP-II June 30, 2020 (Rupees in '000')
10.	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note
	Trustee fee	10.1 <u><u>9</u></u>

10.1 The Trustee is entitled to a monthly remuneration for the services rendered to the Fund under the provisions of the Trust Deed and the Offering Document at 0.06% of the daily net asset value of the Fund. The remuneration is paid to the Trustee monthly in arrears.

		AISSP-II June 30, 2020 (Rupees in '000')
11.	PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note
	Annual fee	11.1 <u><u>6</u></u>

11.1 In accordance with NBFC Regulations a collective investment scheme classified as open end scheme is required to pay to the SECP an amount equal to 0.02% of the average annual net assets of the Fund as annual fee.

		AISSP-II June 30, 2020 (Rupees in '000')
12.	ACCRUED EXPENSES AND OTHER LIABILITIES	Note
	Auditor's remuneration	14 <u>287</u>
	Subscriptions pending	<u>8,550</u>
	Others	<u>242</u>
		<u><u>9,079</u></u>

AISSP-II
For the period
from March 11,
2020 to June 30,
2020
Number of units

13. NUMBER OF UNITS IN ISSUE

Units issued during the period	2,041,318
Units redeemed during the period	(10,734)
	<hr/>
Total units in issue at the end of the period	2,030,584
	<hr/>

13.1 The par value of each unit is Rs. 100. The Management Company has set minimum amount of investment of Rs. 100,000 during Pre-IPO, IPO and subscription and Rs. 1,000 thereafter.

13.2 All units carry equal rights and are entitled to dividend and share in the net asset value of the Fund.

AISSP-II
For the period
from March 11,
2020 to June 30,
2020
(Rupees in '000')

14. AUDITOR'S REMUNERATION

Annual audit fee	173
Review of compliance with the requirements of the Code of Corporate Governance	49
Other certifications	49
Out of pocket expenses	16
	<hr/>
	287
	<hr/>

15. TAXATION

According to Regulation 63 of Non-Banking Finance Companies and Notified Entities Regulations, 2008, Management Company is required to distribute, by way of dividend, more than 90 percent of accounting income received or derived from sources other than capital gains (both realised and unrealised) during the period. Since the Fund has incurred net loss during the period ended June 30, 2020, no provision for taxation has been made in these financial statements.

16. EARNINGS PER UNIT

Earnings per unit has not been disclosed as in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

17. TOTAL EXPENSE RATIO

On June 20, 2019, SECP wide SRO 639(I)/2019 has made certain amendments in NBFC Regulations. As per said amendments capping of expense ratio of the Fund is 2.5%.

As per Directive 23 of 2016 dated July 20, 2016 issued by SECP, the Total Expense Ratio of the Fund is 1.06% as on June 30, 2020 and this includes 0.04% representing government levy and SECP fee.

18. FINANCIAL INSTRUMENTS BY CATEGORY

The financial assets and liabilities carried on the statement of assets and liabilities are categorised as follows:

AISSP-II
June 30, 2020
(Rupees in '000')

Financial assets at amortised cost

Bank balances	147,686
Receivable against sale of investments	63,256
Profit receivable on bank balances	692
	<u>211,634</u>

Financial liabilities at amortised cost

Payable to UBL Fund Managers Limited - Management Company	1,257
Payable to Central Depository Company of Pakistan Limited - Trustee	9
Accrued expenses and other liabilities	529
Net assets attributable to units redeemable	<u>202,339</u>
	<u>204,134</u>

19. FINANCIAL RISK MANAGEMENT

The Fund's overall risk management programme seeks to maximise the returns derived for the level of risks to which the Fund is exposed and seeks to minimise potential adverse effects on the Fund's financial performance.

Monitoring and controlling risks are primarily set up to be performed based on the limits established by the internal controls set on different activities of the Fund by the Board of Directors. These controls and limits reflect the business strategy and market environment of the Fund as well as the level of risk that the Fund is willing to accept. In addition, the Fund monitors and measures the overall risk bearing capacity in relation to the aggregate risk exposure across all risks type and activities.

The Fund primarily invests in a portfolio of fixed income securities. The Fund's activities expose it to a variety of financial risks, i.e., market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee and the regulations laid down by the SECP.

Market risk comprises of three types of risks: currency risk, interest rate risk and other price risk.

19.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency exchange rates.

At present, the Fund has no exposure to currency risk as there are no financial assets or financial liabilities denominated in foreign currencies.

19.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2020, the Fund is exposed to such risk on bank balances. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed

a) Cash flow interest rate risk

The Fund's interest rate risk arises from the balances in savings accounts. During the period, the net income would have increased / (decreased) by Rs. 1.477 million, had the interest rates on savings accounts with banks increased / (decreased) by 100 basis points.

b) Fair value interest rate risk

Since the Fund currently does not have any fixed rate instruments that are impacted by market interest rates, therefore, it is not exposed to fair value interest rate risk.

Yield / interest 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.

June 30, 2020						
Particulars	Interest rate	Total	Exposed to Yield / Interest rate risk			Not exposed to Yield / Interest rate risk
			Upto three months	More than three months and upto one year	More than one year	
			%			
			(Rupees in '000)			
On-balance sheet financial instruments						
Financial assets						
Bank balances	7.5	147,686	147,686	-	-	-
Receivable against sale of investments		63,256	-	-	-	63,256
Profit receivable on bank balances		692	-	-	-	692
		211,634	147,686	-	-	63,948
Financial liabilities						
Payable to UBL Fund Managers Limited - Management Company		1,257	-	-	-	1,257
Payable to Central Depository Company of Pakistan Limited - Trustee		9	-	-	-	9
Accrued expenses and other liabilities		529	-	-	-	529
Net assets attributable to units redeemable		202,339	-	-	-	202,339
		204,134	-	-	-	204,134
On-balance sheet gap (a)		7,500	147,686	-	-	(140,186)
Off-balance sheet financial instruments						
		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)			147,686	-	-	(140,186)
Cummulative interest rate sensitivity gap			147,686	-	-	(140,186)

19.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market.

Since the Fund currently does not have any instruments that are impacted by market price, therefore, it is not exposed to price risk.

19.2 Credit risk

Credit risk represents the risk of loss if the counterparties fail to perform as contracted. The Fund's credit risk mainly arises from bank balances and receivable against sale of investments.

For bank balances, the Fund keeps deposits with reputed financial institutions with reasonably high credit ratings. All transactions in listed securities are settled / paid for upon delivery using the system of National Clearing Company of Pakistan Limited. The risk of default in receivable against these transactions is considered minimal due to inherent systematic measures taken therein. The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of the NBFC rules and the regulations and the guidelines given by the SECP from time to time.

The maximum exposure to credit risk before considering any related collateral as at June 30, 2020 is the carrying amount of the financial assets. None of these are 'impaired' nor 'past due but not impaired'.

The analysis below summarises the credit quality of the Fund's financial assets as at June 30, 2020:

Name	Balances held as at June 30, 2020 (Rupees)	Latest available published rating as at June 30, 2020	Rating Agency
Bank balances and profit receivable on bank balances			
Dubai Islamic Bank Pakistan Limited	148,378	AA	VIS
Receivable against sale of investment			
JS Bank Limited	63,256	AA-	PACRA

Concentration of credit risk

Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The Fund's transactions are entered into with credit worthy counterparties thereby mitigating any significant concentration of credit risk.

19.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset or such obligations will have to be settled in a manner disadvantageous to the Fund.

Management of liquidity risk:

The Fund is exposed to daily cash redemption requests on a regular basis. Units are redeemable at the holders' option based on the Fund's net asset value per unit, at the time of redemption, calculated in accordance with the Fund's constitutive document and guidelines laid down by the SECP.

The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Fund's reputation. The Fund's policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily realised.

In order to manage the Fund's overall liquidity, the Fund also has the option to withhold daily redemption requests in excess of ten percent of the units in issue and such requests 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. Further, the Fund also has the ability to suspend redemptions of units with the approval of the Board of Directors of the Management Company in extraordinary circumstances.

The following table analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Particulars	As at June 30, 2020			
	Upto three months	More than three months and up to one year	More than one year	Total
Rupees in '000'				
Financial liabilities				
(excluding unit holders' fund)				
Payable to UBL Fund Managers Limited - Management Company	1,257	-	-	1,257
Payable to the Central Depository Company of Pakistan Limited - Trustee	9	-	-	9
Accrued expenses and other liabilities	9,079	-	-	9,079
	10,345	-	-	10,345
Net assets attributable to redeemable units	202,339	-	-	202,339

20. UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by the net assets attributable to unit holders / redeemable units. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. These unit holders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unit holders' fund.

The Fund's objective when managing unit holders' fund is to safeguard the Fund's ability to continue as a going concern in order to provide returns for the benefits of the unit holders to maintain a strong base of assets to support the development of the investment activities of the Fund and to meet unexpected losses or opportunities. As required under the NBFC Regulations, every open end scheme shall maintain minimum fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of scheme. In order to comply with the requirement and to maintain or adjust the Unit Holders' Fund, the Fund's policy is to perform the following:

- Monitor the level of daily issuance and redemptions relative to the liquid assets and adjust the amount of distributions the Fund pays to the unit holders;
- Redeem and issue units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

- The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of 'Assets under Management'. The Board of Directors of the Management Company is updated regarding key performance indicators, e.g., yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current period.

21. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date. Consequently, differences can arise between carrying value and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

As at reporting date, the Fund does not hold any instruments which are measured at fair value. The estimated fair value of all financial assets and liabilities at amortised cost is considered not significantly different from the carrying value as the items are short-term in nature.

22. BRIEF PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

Details of the members of the investment committee of the Fund as at June 30, 2020 are as follows:

S. No.	Name	Designation	Qualification	Experience in years
1	Yasir Qadri	CEO	MBA	24
2	Syed Suleman Akhtar	Chief Investment Officer	CFA, MBA	19
3	Muhammad Imran	Head of Investment advisory	MBA	20
4	Irfan Nepal	Chief Dealer & Fund Manager	EMBA	26
5	Hadi Hassan Muki	Head of Compliance	BCOM	20
6	Syed Shabbir Sardar Zaidi	Fund Manager & Senior Analyst	MAS, CFA	11
7	Syed Sheeraz Ali	Fund Manager & Senior Analyst	MBA	10
8	Mubashir Anis	Fund Manager Equity	BS, CFA	8
9	Muhammad Waseem	Head Research	BBA, CFA	6

- 22.1 Syed Sheeraz Ali is the Fund Manager of the Fund. He is also the Fund Manager of UBL Liquidity Plus Fund, UBL Money Market Fund, UBL Cash Fund, UBL Government Securities Fund, UBL Income Opportunity Fund, UBL Growth and Income Fund, UBL Asset Allocation Fund, UBL Financial Planning Fund, UBL Special Savings Fund, UBL Special Savings Fund II, UBL Retirement Savings Fund, Al-Ameen Islamic Cash Fund, Al-Ameen Islamic Aggressive Income Fund, Al-Ameen Islamic Financial Planning Fund, Al-Ameen Islamic Cash Plan and Al-Ameen Islamic Retirement Saving Fund.

23. PATTERN OF UNIT HOLDERS

Category	As at June 30, 2020		
	Number unit holders	Number of units held	Percentage units held
Individuals	25	1,330,584	0.66
Non Banking Finance Company	1	700,000	0.34
	26	2,030,584	1.00

24. TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID

The Fund has not engaged any broker during the period. All of the investments transactions have been directly executed.

25. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (Management Company), Al-Ameen Islamic Financial Services (Private) Limited (Subsidiary of the Management Company), entities under common management or directorships, the Central Depository Company of Pakistan Limited (Trustee), Directors and Officers of Management Company, persons having 10% or more beneficial ownership of the units of the Fund and other collective investment schemes managed by the Management Company.

Transactions with the connected persons are at agreed / contracted rates.

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

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

25.1 Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in these financial statements are as follows:

Particulars	Management Company	Associated Companies and others*	Trustee	Funds under Common Management	Directors and Key Executives	Other Connected persons / related parties **
----- Period ended June 30, 2020 -----						
----- (Units) -----						
<u>Transactions during the year</u>						
Units issued	700,000	-	-	-	-	928,570
----- (Rupees in '000') -----						
Value of units issued	70,000	-	-	-	-	92,562
Remuneration (including sales tax)	270	-	22	-	-	-
Allocated expenses	32	-	-	-	-	-
Selling and marketing expenses	128	-	-	-	-	-
----- As at June 30, 2020 -----						
----- (Units) -----						
<u>Balances held</u>						
Units held	700,000	-	-	-	-	928,570
----- (Rupees in '000') -----						
Value of units held	69,752	-	-	-	-	92,528
Remuneration payable (including sales tax)	114	-	9	-	-	-
Allocated expenses payable	22	-	-	-	-	-
Selling and marketing expenses payable	111	-	-	-	-	-
Other payable	1,010	-	-	-	-	-

* This represents parent (including the related subsidiaries of the parent) of the Management Company, associated companies / undertakings of the Management Company.

** This represents the persons having 10% or more holding in the period.

26. ATTENDANCE AT THE MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

During the period, six meetings of the Board of Directors of the Management Company were held. The details of the attendance are as under:

No. 120	No. 121	No. 122	No. 123	No. 124	No. 125	Total meetings attended
August 30, 2019	September 17, 2019	October 29, 2019	December 09, 2019	February 25, 2020	April 30, 2020	

Directors:

Mr. Arif Akmal Saifie *	-	-	-	-	✓	1
Mr. Azhar Hamid	✓	✓	✓	✓	✓	6
Mr. Imran Sarwar	✓	✓	✓	✓	x	5
Mr. Yasir Qadri	✓	✓	✓	✓	✓	6
Ms. Naz Khan **	✓	✓	✓	✓	✓	6
Ms. Sadia Saeed	x	✓	✓	✓	✓	5
Mr. Syed Furrukh Zaeem	✓	✓	✓	✓	x	5
Mr. Tauqeer Mazhar ***	✓	✓	✓	✓	-	4

Key Executives:

Mr. Bilal Javaid ***	-	-	-	✓	✓	3
Mr. Umair Ahmed	✓	✓	✓	✓	✓	6
S.M. Aly Osman ****	✓	✓	✓	-	-	3

* Mr. Arif Akmal appointed as Director with effect from March 20, 2020

** Ms. Naz Khan resigned as Director with effect from July 20, 2020

*** Mr. Tauqeer Mazhar resigned as Director with effect from January 30, 2020

**** Mr. Bilal Javaid appointed as Company Secretary with effect from February 25, 2020

***** S.M. Aly Osman resigned as Company Secretary with effect from November 30, 2019

27. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2020.

28. GENERAL

28.1 On March 11, 2020, the World Health Organisation made an assessment that the outbreak of a coronavirus (COVID-19) can be characterised as a pandemic. As a result, businesses have subsequently been affected amongst others with temporary suspension of travel, and closure of recreation and public facilities.

To alleviate the negative impact of the COVID-19 pandemic, the Government, Central Banks including financial institutions affiliated to those banks, and regulators have taken measures and issued directives to support businesses, including extensions of deadlines, facilitating continued business through social-distancing and easing pressure on credit and liquidity in the market.

The Fund Management Company has made an assessment in order to evaluate the impact of COVID-19 pandemic over the financial performance of the Fund as well as the going concern assessment. As a result of such assessment, the management has not identified any material adverse impact on its financial performance due to COVID-19 pandemic situation

28.2 Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

29. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on September 24, 2020 by the Board of Directors of the Management Company.



FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD

Chief Executive Officer

SD

Chief Financial Officer

SD









Director









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