CS/PSX/2021/0090
September 30, 2021

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

Dear Sir,

SUB: TRANSMISSION OF FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2021

We hereby inform you that the financial statements of the following funds under Management of UBL Fund Managers Limited for the year ended June 30, 2021 have been sent via email to Stock Exchange for onward submission to TREC Holders and are also available on Company's website at www.ublfunds.com:

1. Al Ameen Islamic Energy Fund;
2. Al Ameen Islamic Aggressive Income Fund;
3. Al Ameen Islamic Asset Allocation Fund;
4. Al Ameen Islamic Cash Fund;
5. Al Ameen Islamic Dedicated Equity Fund;
6. Al Ameen Islamic Financial Planning Fund – III;
7. Al Ameen Islamic Sovereign Fund;
8. Al Ameen Shariah Stock Fund;
9. Al Ameen Islamic Special Savings Fund;
10. UBL Asset Allocation Fund;
11. UBL Cash Fund;
12. UBL Dedicated Equity Fund;
13. UBL Financial Planning Fund;
14. UBL Financial Sector Fund;
15. UBL Government Securities Fund;
16. UBL Growth and Income Fund;
17. UBL Income Opportunity Fund;
18. UBL Liquidity Plus Fund;
19. UBL Money Market Fund;
20. UBL Pakistan Enterprise Exchange Traded Fund;
21. UBL Special Savings Fund II;
22. UBL Special Savings Fund; and
23. UBL Stock Advantage Fund.

You may please inform TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,

_____SD_______
Bilal Javaid
Company Secretary

viii) Analysis of the Collective Investment Scheme's performance

FY'21 Return:	5.87%
Standard Deviation (12m trailing):	0.45%
Sharpe Ratio (12m trailing):	(2.82)

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-21	30-Jun-20	Change	30-Jun-21	30-Jun-20	Change
Rupees (000)		%	Rupees		%
2,786,812	4,922,746	-43.4%	101.2969	101.1441	0.15

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

<u>DEBT MARKET REVIEW</u>

During FY21, market expectation of further rate cut faded away. The market remained keen on investing in short term treasury bills. The market participation was ~PKR 27.5 trillion in treasury bills auctions and the government accepted ~PKR 16 trillion. A clear preference was observed in 3 months tenor which constituted ~55% of the total participation followed by 6 months and 12 months with the participation of 37% and 8% respectively. However, significant interest was seen in the 6M T-Bills in the later part of the fiscal year as the government offered noteworthy term premium. During 2HFY21, the market participated PKR 8.3 trillion in 6M T-Bills as compared to PKR 1.7 trillion in 1HFY21. Moreover, the cutoff rates of T-bills on-average remained 25bps, 42bps and 52 bps higher during the 2HFY21 compared to 1HFY21 for the 3M, 6M and 12M T-Bills respectively.

A strong participation was witnessed in fixed rate PIBs. The market participation was ~PKR 2.4 trillion where the government proactively accepted ~PKR 1 trillion. The participation in fixed rate PIBs more than doubled during the 2HFY21 as compared to the 1HFY21 mainly on the back of the accommodative stance in monetary policy by SBP. Despite the heavy participation, the market demanded relatively higher yields. Therefore, yields of 3Y, 5Y and 10 PIBs increased by 148 bps, 138 bps and 125 bps respectively during FY21. In contrast, participation in the floater rate PIBs remained on the lower side in 2HFY21 as compared to 1HFY21, participation was dropped to ~PKR 700 billion in 2HFY21 compared to ~PKR 2,300 billion in 1HFY21. Total acceptance was PKR 1,600 billion during FY21.

On Islamic front, the total participation was PKR 498 billion in six variable rate Ijara sukuk auctions and the government accepted PKR 321 billion. In contrast, only PKR 77.6 billion participation was witnessed in the fixed rate Ijara sukuk out of which, the government accepted PKR 53 billion. However, only one auction took place in 2HFY21. The government accepted PKR 67 billion in variable rental rate sukuk and PKR 8 billion in fixed rental rate sukuks.

Yield curve comparison is given below:

Tenors	PKRV as at June 30, 2021	PKRV as at June 30, 2020	Change
3 Months	7.28	7.09	0.19
6 Months	7.53	7.05	0.48
1 Year	7.81	7.05	0.76
3 Years	8.99	7.53	1.46
5 Years	9.49	8.11	1.38
10 Years	9.94	8.69	1.25

x)

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 18, 2021	Nil	122,191	5.7790	106.9231	101.1441

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	4,731
10,000.0000 - 49,999.9999	431
50,000.0000 - 99,999.9999	52
100,000.0000 - 499,999.9999	36
500,000.0000 & Above	5
Total	**5,255**

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

	2021	2020	2019
NET ASSETS AS AT 30 JUNE - Rupees in '000	**2,786,812**	4,922,746	5,138,214
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *			
Class C units - Offer *	**102.4416**	102.287	102.1886
- Redemption	**101.2969**	101.1441	101.0468
RETURN OF THE FUND - %			
Total Return of the Fund	**5.87**	9.90	6.82
Capital Growth (per unit)	**0.16**	0.35	0.39
Date of Income Distribution	**-**	-	**2-Jul-18**
Income Distribution	-	-	3.0521
Date of Income Distribution	**18-Jun-20**	26-Jun-20	**24-Jun-19**
Income Distribution	**5.779**	9.9189	6.6827
AVERAGE ANNUAL RETURN - %			
Since Launch/ One Year	**5.87**	9.90	6.82
Second Year	**7.89**	6.58	4.93
Third Year	**7.53**	6.33	5.14
Since inception	**7.48**	7.64	7.39
OFFER / REPURCHASE DURING THE YEAR- Rupees *			
Highest price per unit - Class C units - Offer	**108.1137**	112.1783	108.7285
Highest price per unit - Class C units - Redemption	**106.9057**	110.9248	107.5136
Lowest price per unit - Class C units - Offer	**102.287**	102.1886	101.5083
Lowest price per unit - Class C units - Redemption	**101.1441**	101.0468	100.3741

* Front-end load @1% is applicable

PORTFOLIO COMPOSITION - %
Percentage of Net Assets as at 30 June

PORTFOLIO COMPOSITION BY CATEGORY - %			
Bank Balances	**16.60**	63.00	97.00
Sukuk exposure	**56.50**	32.00	-
Government Securities	**24.70**	2.00	-
Placements with Banks	**-**	-	2.00
Others	**2.20**	3.00	1.00

PORTFOLIO COMPOSITION BY MARKET - %			
Debt market	**100**	100	100

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

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED
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 with the exception of below paragraphs, managed the Fund during the year ended June 30, 2021 in accordance with the provision 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 14, 2021

الامین فنڈز
al-ameen funds

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 2021 have been in compliance with the Shariah principles.

During the year, PKR 15,236 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

Shariah Compliant
APPROVED
BY
Mufti Muhammad Najeeb Khan

KARACHI:
DATE: 17 September, 2021

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, 2021

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. Huma Pasha*
Executive Directors	Mr. Yasir Qadri
Non-Executive Directors	Mr. Imran Sarwar Ms. Sadia Saeed** Mr. Arif Akmal Saifie Syed Furrukh Zaeem
Female Director	Ms. Huma Pasha* Ms. Sadia Saeed**

* Ms. Huma was appointed as a director with effect from September 04, 2020
** Ms. Sadia Saeed has resigned effective July 19, 2021

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 the 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 Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board has a formal policy and transparent procedures for remuneration of its directors in accordance with the Act and these Regulations.

UBL FUND MANAGERS LIMITED
+92 21 111 825 262
info@ublfunds.com
4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
www.ublfunds.com

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. Huma Pasha
d. Ms. Sadia Saeed
e. Syed Furrukh Zaeem

Executives

a. Mr. Hadi Hassan Mukhi (Head of Compliance and Risk)
b. Mr. Umair Ahmed (Chief Financial Officer)
c. Mr. Zeeshan Quddus (Chief Business Development Officer)

10. The Board has approved appointment of 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 relevant requirements of the Regulations.

11. Chief Executive Officer (CEO) and CFO duly endorsed the financial statements 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. Huma Pasha*	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

Board Human Resource and Compensation Committee

Name	Designation	Type of Directorship
Mr. Azhar Hamid	Chairman	Independent Director
Ms. Huma Pasha*	Member	Independent Director
Mr. Yasir Qadri	Member	Executive 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 Saifi	Member	Non-Executive Director
Mr. Yasir Qadri	Member	Executive Director
Syed Furrukh Zaeem	Member	Non-Executive Director

* Ms. Huma was appointed as a director with effect from September 04, 2020
** Ms. Sadia Saeed has resigned effective July 19, 2021

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 were as per following:

a. The Board Audit Committee: quarterly - four meetings held

b. The Board Human Resource and Compensation Committee: quarterly – four meetings held

c. The Board Risk and Compliance Committee: quarterly - four meetings held

UBL FUND MANAGERS LIMITED
+92 21 111 825 262
info@ublfunds.com
4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

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 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 the CEO, CFO, Head of Internal Audit, 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, these 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. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 is as follows:

S.no	Non-Mandatory Requirement	Reg. No.	Explanation
1.	**Independent Director** The independent directors of each listed company shall not be less than two members or one third of the total members of the board, whichever is higher. When there are seven directors on the board of the company the fraction of independent director share comes at 2.33. The company may round up or provide reason for contrary.	6	The two independent directors have requisite education and extensive and suitable experience to carry out their responsibilities, therefore the Board has not appointed the third independent director.
2.	**Nomination Committee** The board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29	Currently, the board has not constituted a separate NC and the functions are being performed by the BHRCC

AZHAR HAMID
Chairman

Karachi.
Dated: **August 17, 2021**

UBL FUND MANAGERS LIMITED
+92 21 111 825 262
info@ublfunds.com
4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
www.ublfunds.com

pwc

A·F·FERGUSON&Co.

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) on behalf of Al Ameen Islamic Sovereign Fund (the Fund) for the year ended June 30, 2021. The Management Company of the Fund 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, 2021.

AFFerguson & Co

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: September 23, 2021

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>

KARACHI ▪ LAHORE ▪ ISLAMABAD

pwc

A·F·FERGUSON&Co.

INDEPENDENT AUDITOR'S REPORT

To the Unit Holders of Al-Ameen Islamic Sovereign Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Al-Ameen Islamic Sovereign Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2021, 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, 2021, 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 bank balances constitute the most significant component of the net asset value. Investments of the Fund as at June 30, 2021 amounted to Rs. 2,318.310 million and banks balances aggregated to Rs. 493.203 million. The existence and proper valuation of investments and existence of bank balances for the determination of NAV of the Fund as at June 30, 2021 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: ▪ 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 bank balances as at June 30, 2021 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;

AFco

pwc

A·F·FERGUSON&Co.

S.No.	Key Audit Matter	How the matter was addressed in our audit
		▪ 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.

Other Matter

The financial statements of the Fund for the year ended June 30, 2020 were audited by another firm of Chartered Accountants who had expressed an unqualified opinion thereon vide their report dated September 29, 2020.

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.

AFFCO

pwc A·F·FERGUSON&Co.

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 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**.

AFFerguson & Co

Chartered Accountants
Karachi
Date: September 23, 2021

AL-AMEEN ISLAMIC SOVEREIGN FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2021

	Note	2021	2020
		-------- (Rupees in '000) --------	
ASSETS			
Bank balances	4	493,203	3,145,030
Investments	5	2,318,310	1,684,875
Profit receivable	6	42,209	42,934
Prepayments and other receivables	7	1,696	121,857
Advance tax	8	544	534
Total assets		2,855,962	4,995,230
LIABILITIES			
Payable to UBL Fund Managers Limited - the Management Company	9	7,597	9,026
Payable to Central Depository Company of Pakistan Limited - the Trustee	10	188	349
Payable to the Securities and Exchange Commission of Pakistan	11	678	1,009
Accrued expenses and other liabilities	12	60,687	62,100
Total liabilities		69,150	72,484
NET ASSETS		2,786,812	4,922,746
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		2,786,812	4,922,746
CONTINGENCIES AND COMMITMENTS	13		
		--------- (Number of units) ---------	
NUMBER OF UNITS IN ISSUE	14	27,511,327	48,670,608
		--------------- (Rupees) ---------------	
NET ASSET VALUE PER UNIT		101.2969	101.1441

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

For UBL Fund Managers Limited
(Management Company)

SD	SD	SD
Chief Financial Officer	**Chief Executive Officer**	**Director**

AL-AMEEN ISLAMIC SOVEREIGN FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021	2020
		--------(Rupees in '000)--------	
Income			
Profit on bank balances		83,634	549,031
Profit on GoP Ijarah sukuks		26,002	2,110
Profit on sukuk certificates		121,788	14,414
Profit on term deposit musharika		4,703	4,815
Gain / (loss) on sale of investments - net		812	(2,900)
Net unrealised gain / (loss) on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	5.3	14,750	(2,625)
Total income		251,689	564,845
Expenses			
Remuneration of UBL Fund Managers Limited - the Management Company	9.1	33,914	50,452
Sindh sales tax on remuneration of the Management Company	9.2	4,409	6,559
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	10.1	2,538	3,780
Sindh sales tax on remuneration of the Trustee	10.2	330	491
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	11.1	678	1,009
Allocated expenses	9.4	3,391	5,045
Annual rating fee		260	259
Annual listing fee		28	28
Auditors' remuneration	15	807	787
Legal and professional charges		280	213
Bank charges		59	98
Shariah advisor fee		481	350
Brokerage expenses		350	23
Selling and marketing expenses		6,783	10,091
Other expenses	9.3	-	253
Total operating expenses		54,308	79,438
Net operating income for the year		197,381	485,407
Provision for Sindh Workers' Welfare Fund (SWWF)	12.2	(3,873)	(9,522)
Net profit for the year before taxation		193,508	475,885
Taxation	16	-	-
Net profit for the year after taxation		193,508	475,885
Allocation of net income for the year			
Net income for the year after taxation		193,508	475,885
Income already paid on units redeemed		(112,343)	(369,520)
		81,165	106,365
Accounting income available for distribution			
- Relating to capital gains		5,881	-
- Excluding capital gains		75,284	106,365
		81,165	106,365
Earnings per unit	17		

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

For UBL Fund Managers Limited
(Management Company)

SD	SD	SD
Chief Financial Officer	**Chief Executive Officer**	**Director**

AL-AMEEN ISLAMIC SOVEREIGN FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
	---------- (Rupees in '000) ----------	
Net profit for the year after taxation	193,508	475,885
Other comprehensive income for the year	-	-
Total comprehensive income for the year	193,508	475,885

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

For UBL Fund Managers Limited
(Management Company)

SD	SD	SD
Chief Financial Officer	**Chief Executive Officer**	**Director**

AL-AMEEN ISLAMIC SOVEREIGN FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2021

	2021			2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	----------(Rupees in '000)----------					
Net assets at the beginning of the year	4,851,190	71,556	4,922,746	5,069,644	68,570	5,138,214
Issuance of 56,041,596 (2020: 141,789,817) units						
- Capital value	5,668,278	-	5,668,278	14,327,407	-	14,327,407
- Element of income	126,335	-	126,335	677,765	-	677,765
Total amount received on issuance of units	5,794,613	-	5,794,613	15,005,172	-	15,005,172
Redemption of 77,200,877 (2020: 143,969,039) units						
- Capital value	(7,808,415)	-	(7,808,415)	(14,547,611)	-	(14,547,611)
- Element of (loss)	(81,106)	(112,343)	(193,449)	(353,347)	(369,520)	(722,867)
Total amount paid on redemption of units	(7,889,521)	(112,343)	(8,001,864)	(14,900,958)	(369,520)	(15,270,478)
Total comprehensive income for the year	-	193,508	193,508	-	475,885	475,885
Distribution for the year Rs. 5.7790 per unit declared on June 18, 2021 (2020: Rs. 9.9189 per unit declared on June 26, 2020)	(44,599)	(77,592)	(122,191)	(322,668)	(103,379)	(426,047)
Net assets at the end of the year	2,711,683	75,129	2,786,812	4,851,190	71,556	4,922,746
Undistributed income brought forward						
- Realised gain		74,181			68,570	
- Unrealised loss		(2,625)			-	
		71,556			68,570	
Accounting income available for distribution						
- Relating to capital gains		5,881			-	
- Excluding capital gains		75,284			106,365	
		81,165			106,365	
Distribution for the year Rs. 5.7790 per unit (2020: Rs. 9.9189 per unit)		(77,592)			(103,379)	
Undistributed income carried forward		75,129			71,556	
Undistributed income carried forward						
- Realised gain		60,379			74,181	
- Unrealised gain / (loss)		14,750			(2,625)	
		75,129			71,556	
			(Rupees)			**(Rupees)**
Net asset value per unit at the beginning of the year			101.1441			101.0468
Net asset value per unit at the end of the year			101.2969			101.1441

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

For UBL Fund Managers Limited
(Management Company)

SD	SD	SD
Chief Financial Officer	**Chief Executive Officer**	**Director**

AL-AMEEN ISLAMIC SOVEREIGN FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
	----------- (Rupees in '000) ----------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit for the year before taxation	193,508	475,885
Adjustments for:		
Profit on bank balances	(83,634)	(549,031)
Profit on GoP Ijarah sukuks	(26,002)	(2,110)
Profit on sukuk certificates	(121,788)	(14,414)
Profit on term deposit musharika	(4,703)	(4,815)
(Gain) / loss on sale of investments - net	(812)	2,900
Net unrealised (gain) / loss on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	(14,750)	2,625
Provision for Sindh Workers' Welfare Fund	3,873	9,522
	(247,816)	(555,323)
(Increase) / decrease in assets		
Investments	(617,873)	(1,787,500)
Prepayments and other receivables	120,161	(11,906)
	(497,712)	(1,799,406)
(Decrease) / increase in liabilities		
Payable to UBL Fund Managers Limited - the Management Company	(1,429)	2,801
Payable to Central Depository Company of Pakistan Limited - the Trustee	(161)	(83)
Payable to the Securities and Exchange Commission of Pakistan	(331)	(4,352)
Accrued expenses and other liabilities	5,989	15,377
	4,068	13,743
Profit received	236,853	574,192
Advance tax	(10)	-
Net cash used in operating activities	(311,109)	(1,290,909)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received against issuance of units (excluding refund of capital)	5,750,014	14,682,504
Amount paid against redemption of units	(8,001,864)	(15,270,478)
Cash distribution to unit holders	(88,868)	(103,379)
Net cash used in financing activities	(2,340,718)	(691,353)
Net decrease in cash and cash equivalents	(2,651,827)	(1,982,262)
Cash and cash equivalents at the beginning of the year	3,145,030	5,127,292
Cash and cash equivalents at the end of the year	493,203	3,145,030

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

For UBL Fund Managers Limited
(Management Company)

SD	SD	SD
Chief Financial Officer	**Chief Executive Officer**	**Director**

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Al-Ameen Islamic Sovereign Fund (the Fund), was established under the Trust Deed executed between UBL Fund Managers Limited (wholly owned subsidiary company of United Bank Limited) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on August 25, 2010 and was approved by the Securities and Exchange Commission of Pakistan (the SECP) on September 17, 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 November 7, 2010. 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.

1.2 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.

1.3 The Fund is an open ended mutual fund and is listed on the Pakistan Stock Exchange Limited. The units are offered for subscription on a continuous basis to the general public. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holders. The Fund has been categorised as a 'Shariah compliant income fund' pursuant to the provisions contained in Circular 7 of 2009 dated March 6, 2009 issued by the SECP.

1.4 The Management Company and the Fund have been reaffirmed a quality rating of AM1 dated December 31, 2020 and AA(f) dated January 7, 2021 by VIS Credit Rating Company respectively.

1.5 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.

1.6 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act “Sindh Trusts Act, 2020” as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act, 2020).

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

- 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 requirements of 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, 2020. 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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2020. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed 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 taxation (notes 3.7 and 16) and provision for Sindh Workers' Welfare Fund (note 12.2).

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. The provisioning policy approved by the Board of Directors has been placed on the Management Company's website as required by the SECP's circular.

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 an accrual basis.
- Profit from investments in sukuks is recognised on an accrual 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	2021	2020
		---------- (Rupees in '000) ---------	
4 BANK BALANCES			
- Savings accounts	4.1	484,188	3,134,643
- Current accounts	4.2	9,015	10,387
		493,203	3,145,030

4.1 The rate of return on these balances range from 4.50% to 7.25% (June 30, 2020: 2.31% to 8.25%) per annum. These include an amount held with a related party (United Bank Limited) amounting to Rs. 87.072 million (June 30, 2020: Rs. 27.984 million) on which return is earned at 6.5% per annum.

4.2 These include an amount held with a related party (United Bank Limited) amounting to Rs. 6.762 million (June 30, 2020: Rs. 6.673 million).

	Note	2021	2020
		---------- (Rupees in '000) ---------	
5 INVESTMENTS			
Financial assets 'at fair value through profit or loss'			
GoP Ijarah sukuks	5.1	705,510	84,875
Sukuk certificates	5.2	1,612,800	1,600,000
		2,318,310	1,684,875

5.1 GoP Ijarah sukuks - at fair value through profit or loss

Name of the security	Profit payments	Profit rate	Maturity date	As at July 01, 2020	Purchased during the year	Sold during the year	As at June 30, 2021	Carrying value as at June 30, 2021	Market value as at June 30, 2021	Unrealised appreciation / (diminution) as at June	Market value as a percentage of total invest-ments	Market value as a percentage of net assets
				---- (No. of certificates) ----				---- (Rupees in '000) ----			---- (%) ----	
GoP Ijarah sukuk	Semi-annually	6.27%	July 29, 2025	875,000	-	(875,000)	-	-	-	-	-	-
GoP Ijarah sukuk	Semi-annually	6.27%	July 29, 2025	-	2,600,000	(2,600,000)	-	-	-	-	-	-
GoP Ijarah sukuk	Semi-annually	7.20%	July 29, 2025	-	1,900,000	-	1,900,000	190,000	190,950	950	8.00%	7.00%
GoP Ijarah sukuk	Semi-annually	7.20%	July 29, 2025	-	500,000	-	500,000	50,100	50,250	150	2.00%	2.00%
GoP Ijarah sukuk	Semi-annually	7.20%	July 29, 2025	-	2,170,000	-	2,170,000	217,586	218,085	499	9.00%	8.00%
GoP Ijarah sukuk	Semi-annually	7.20%	July 29, 2025	-	200,000	-	200,000	20,064	20,100	36	1.00%	1.00%
GoP Ijarah sukuk	Semi-annually	7.20%	July 29, 2025	-	2,250,000	-	2,250,000	225,810	226,125	315	10.00%	8.00%
As at June 30, 2021				875,000	9,620,000	(3,475,000)	7,020,000	703,560	705,510	1,950	30.00%	26.00%
As at June 30, 2020								**87,500**	**84,875**	**(2,625)**	**5.04%**	**1.72%**

5.1.1 The nominal value of these GoP Ijarah sukuks is Rs 100 each.

5.2 Sukuk certificates - at fair value through profit or loss

Name of the security	Profit payments	Profit rate	Maturity date	As at July 01, 2020	Purchased during the year	Sold / matured during the year	As at June 30, 2021	Carrying value as at June 30, 2021	Market value as at June 30, 2021	Unrealised appreciation as at June 30, 2021	Market value as a percentage of total invest-ments	Market value as a percentage of net assets
				(No. of certificates)				(Rupees in '000)			(%)	
Pakistan Energy Sukuk - II	Semi-annually / At maturity	7.25% - 8.02%	May 21, 2030	320,000	-	-	320,000	1,600,000	1,612,800	12,800	70.00%	58.00%
As at June 30, 2021				320,000	-	-	320,000	1,600,000	1,612,800	12,800	70.00%	58.00%
As at June 30, 2020								**1,600,000**	**1,600,000**	**-**	**94.96%**	**32.50%**

5.2.1 The face value of these sukuk certificates is Rs 5,000 each.

		Note	2021	2020
			(Rupees in '000)	
5.3	**Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'**			
	Market value of investments	5.1 & 5.2	2,318,310	1,684,875
	Less: carrying value of investments	5.1 & 5.2	2,303,560	1,687,500
			14,750	(2,625)

6 PROFIT RECEIVABLE

	Note	2021	2020
Profit receivable on:			
Bank balances	6.1	7,031	26,410
GoP Ijarah sukuks		21,186	2,110
Sukuk certificates		13,992	14,414
		42,209	42,934

6.1 Profit receivable on savings accounts include an amount due from a related party (United Bank Limited) amounting to Rs. 1.633 million (June 30, 2020: Rs. 1.976 million).

7 PREPAYMENTS AND OTHER RECEIVABLES

	2021	2020
	(Rupees in '000)	
Prepaid fees	118	118
Receivable against sale of investments	-	97,100
Other receivables	1,578	24,639
	1,696	121,857

8 ADVANCE TAX

As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151. However, withholding tax on profit on bank deposit and debt securities paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide its Circular C.No.1 (43) DG (WHT) / 2008 - Vol.II - 66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholdee. The tax withheld on profit on bank balances and debt securities amounting to Rs. 0.544 million (June 30, 2020: Rs. 0.534 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit on bank balances and debt securities have been shown as advance tax under assets as at June 30, 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

9	PAYABLE TO UBL FUND MANAGERS LIMITED - THE MANAGEMENT COMPANY	Note	2021	2020
			---------- (Rupees in '000) ---------	
	Remuneration payable to the Management Company	9.1	2,222	4,124
	Sindh sales tax on remuneration payable to the Management Company	9.2	289	536
	Sales load and other payable		719	623
	Shariah advisor fee payable		142	350
	Selling and marketing expenses payable	9.3	2,817	2,548
	Allocated expenses payable	9.4	1,408	845
			7,597	9,026

9.1 The Management Company has charged its remuneration at the rate of 1% per annum of the average daily net assets during the year (June 30, 2020: 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, 2020: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

9.3 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company based on its own discretion has charged selling and marketing expenses at 0.2% per annum of daily net assets keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations, 2008.

9.4 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).

The Management Company based on its own discretion while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations, fixed a capping of 0.1% (June 30, 2020: 0.1%) per annum of average daily net assets.

10	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE	Note	2021	2020
			---------- (Rupees in '000) ---------	
	Remuneration payable to the Trustee	10.1	166	309
	Sindh sales tax on Trustee remuneration	10.2	22	40
			188	349

10.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.075% (June 30, 2020: 0.075%) per annum of average daily net assets.

10.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 13% (June 30, 2020: 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	2021	2020
			---------- (Rupees in 000) ----------	
	Annual fee payable	11.1	678	1,009

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) at the rate of 0.02% of average annual net assets of the Fund.

		Note	2021	2020
			---------- (Rupees in '000) ---------	
12	**ACCRUED EXPENSES AND OTHER LIABILITIES**			
	Auditors' remuneration payable		764	681
	Withholding tax payable		280	5
	Capital gain tax payable		2,858	1,404
	Legal and professional charges payable		110	98
	Sales load payable		1,765	230
	Brokerage payable		114	48
	Charity payable		16	1
	Dividend payable		2,824	14,100
	Zakat payable		886	333
	Provision for Federal Excise Duty and related Sindh Sales Tax on sales load	12.1	1,620	1,620
	Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the Management Company	12.1	14,993	14,993
	Provision for Sindh Workers' Welfare Fund	12.2	28,898	25,026
	Other payables		5,559	3,561
			60,687	62,100

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 and sales load were 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 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 30, 2013 till June 30, 2016 amounting to Rs. 14.993 million (June 30, 2020: Rs. 14.993 million) is being retained in these financial statements of the Fund as the matter is pending before the HSC. Had the provision for FED not been made, the Net Asset Value of the Fund as at June 30, 2021 would have been higher by Re. 0.5450 per unit (June 30, 2020: Re. 0.3081 per unit).

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 the Mutual Funds Association of Pakistan (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 SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The 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 and based on the legal opinion obtained by MUFAP, 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 Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

Had the provision for SWWF not been recorded in these financial statements of the Fund for the period from May 21, 2015 to June 30, 2021, the net asset value of the Fund as at June 30, 2021 would have been higher by Rs. 1.0504 per unit (June 30, 2020: Re. 0.5142 per unit).

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2021 and June 30, 2020.

14 NUMBER OF UNITS IN ISSUE

	2021	2020
	--------- Number of units ---------	
Total units in issue at the beginning of the year	48,670,608	50,849,830
Add: Units issued during the year	56,041,596	141,789,817
Less: Units redeemed during the year	(77,200,877)	(143,969,039)
Total units in issue at the end of the year	27,511,327	48,670,608

15 AUDITORS' REMUNERATION

	2021	2020
	---------- (Rupees in '000) ---------	
Annual audit fee	326	268
Fee for half yearly review	217	201
Fee for review of compliance with the requirements of the Code of Corporate Governance	82	76
Fee for other certifications / services	82	76
Out of pocket expenses and sales tax	100	166
	807	787

16 TAXATION

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 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, 2021 to the unit holders, as explained above, no provision for taxation has been made in these financial statements during the year.

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.

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 annualised total expense ratio (TER) of the Fund based for the year ended June 30, 2021 is 1.74% (June 30, 2020: 1.76%) which includes 0.27% (June 30, 2020: 0.35%) representing government levies such as sales tax, Sindh Workers' Welfare Fund and annual fee payable to the SECP. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an "income scheme".

19 FINANCIAL INSTRUMENTS BY CATEGORY

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

19.1 Al - Ameen Islamic Sovereign Fund

Particulars	As at June 30, 2021 At amortised cost	At fair value through profit or loss	Total
	---------- Rupees in '000	----------	----------
Financial assets			
Bank balances	493,203	-	493,203
Investments	-	2,318,310	2,318,310
Profit receivable	42,209	-	42,209
Other receivables	1,578	-	1,578
	536,990	2,318,310	2,855,300
Financial liabilities			
Payable to UBL Fund Managers Limited - the Management Company	7,597	-	7,597
Payable to Central Depository Company of Pakistan Limited - the Trustee	188	-	188
Accrued expenses and other liabilities	11,152	-	11,152
	18,937	-	18,937

Particulars	As at June 30, 2020 At amortised cost	At fair value through profit or loss	Total
	---------- Rupees in '000	----------	----------
Financial assets			
Bank balances	3,145,030	-	3,145,030
Investments	-	1,684,875	1,684,875
Profit receivable	42,934	-	42,934
Other receivables	121,739	-	121,739
	3,309,703	1,684,875	4,994,578
Financial liabilities			
Payable to UBL Fund Managers Limited - the Management Company	9,026	-	9,026
Payable to Central Depository Company of Pakistan Limited - the Trustee	349	-	349
Accrued expenses and other liabilities	18,719	-	18,719
	28,094	-	28,094

20 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Details of the members of the investment committee of the Fund as at June 30, 2021 are as follows:

S. No.	Name	Designation	Experience in years	Qualification
1	Mr. Yasir Qadri	Chief Executive Officer	25	MBA
2	Syed Suleman Akhtar	Chief Investment Officer	20	CFA, MBA
3	Mr. Muhammad Imran	Head of Investment Advisory	21	MBA
4	Mr. Hadi Hassan Muki	Head of Compliance	21	BCOM
5	Syed Sheeraz Ali	Fund Manager and Senior Analys	11	MBA
6	Mr. Muhammad Waseem	Head of Research	7	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:

- Al - Ameen Islamic Cash Fund
- Al - Ameen Islamic Aggressive Income Fund
- Al - Ameen Islamic Special Savings Fund
- Al - Ameen Islamic Sovereign Fund
- Al - Ameen Islamic Financial Planning Fund - III
- 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

21 UNIT HOLDING PATTERN OF THE FUND

Category	-------------------------June 30, 2021-------------------------		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total
Al - Ameen Islamic Sovereign Fund			
Individuals	5,218	2,369,910	85.04%
Associated company and key executives	4	12,441	0.45%
Insurance companies	4	95,376	3.42%
Banks and DFIs	-	-	0.00%
NBFCs	3	113,824	4.08%
Retirement funds	13	149,531	5.37%
Public limited companies	2	1,562	0.06%
Others	11	44,168	1.58%
	5,255	2,786,812	100%

Category	-------------------------June 30, 2020-------------------------		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total
Al - Ameen Islamic Sovereign Fund			
Individuals	4,490	1,686,183	34.25%
Associated company and key executives	5	500,482	10.17%
Insurance companies	2	2,306,636	46.86%
Banks and DFIs	1	4,989	0.10%
NBFCs	8	12,422	0.25%
Retirement funds	17	317,359	6.45%
Public limited companies	3	45,659	0.93%
Others	15	49,016	1.00%
	4,541	4,922,746	100%

22 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

22.1 Connected persons include United Bank Limited (Holding Company of the Management Company), UBL Fund Managers Limited (the 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 of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

22.4 Remuneration of the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

22.5 Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

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

	For the year ended June 30, 2021					
	Management Company	Associated companies and others * & **	Trustee	Funds under common management	Directors and Key Executives ***	Other connected persons / related parties ***
Transactions during the year	(Units in '000)					
Units issued	-	-	-	4,932	1,689	-
Units redeemed	-	-	-	26,614	1,689	-
	(Rupees in '000)					
Profit on saving accounts	-	10,247	-	-	-	-
Bank charges	-	51	-	-	-	-
Value of units issued	-	-	-	509,989	176,544	-
Value of units redeemed	-	-	-	2,750,284	176,965	-
Remuneration of UBL Fund Managers Limited - the Management Company	33,914	-	-	-	-	-
Sindh sales tax on remuneration of the Management Company	4,409	-	-	-	-	-
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	-	-	2,538	-	-	-
Sindh sales tax on remuneration of the Trustee	-	-	330	-	-	-
Shariah advisor fee	481	-	-	-	-	-
Selling and marketing expenses	6,783	-	-	-	-	-
Allocated expenses	3,391	-	-	-	-	-
CDS expense	-	-	6	-	-	-
Dividend paid	-	-	-	6,234	91	-

	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 ***
Transactions during the year	(Units in '000)					
Units issued	33	-	-	65,166	161	4,948
Units redeemed	33	-	-	82,477	80	-
	(Rupees in '000)					
Value of units issued	3,500	-	-	6,971,982	16,754	536,746
Value of units redeemed	3,532	-	-	8,774,432	8,514	-
Profit on saving accounts	-	205,088	-	-	-	-
Bank charges	-	70	-	-	-	-
Remuneration of UBL Fund Managers Limited - the Management Company	50,452	-	-	-	-	-
Sindh sales tax on remuneration of the Management Company	6,559	-	-	-	-	-
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	-	-	3,780	-	-	-
Sindh sales tax on remuneration of the Trustee	-	-	491	-	-	-
Shariah advisor fee	350	-	-	-	-	-
Selling and marketing expenses	10,091	-	-	-	-	-
Allocated expenses	5,045	-	-	-	-	-
CDS expense	-	-	1	-	-	-
Dividend paid	-	-	-	207,022	258	36,746

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

** These include transactions in relation to the entities where common directorship exist as at the reporting date

** These include transactions in relation to the entities w here common directorship exist as at the reporting date.

*** These include transactions in relation to those directors, key executives and other connected persons / related parties that exist as at the reporting date.

	As at June 30, 2021					
	Management Company	Associated companies and others * & **	Trustee	Funds under common management	Directors and Key Executives ***	Other connected persons / related parties ***
Balances held	(Units in '000)					
Units held	-	-	-	1,123	123	-
	(Rupees in '000)					
Value of units held	-	-	-	113,756	12,441	-
Bank balances	-	93,834	-	-	-	-
Profit receivable on bank balances	-	1,633	-	-	-	-
Remuneration payable to the Management Company	2,222	-	-	-	-	-
Sindh sales tax on remuneration payable to the Management Company	289	-	-	-	-	-
Remuneration payable to the Trustee	-	-	166	-	-	-
Sindh sales tax on Trustee remuneration	-	-	22	-	-	-
Sales load and other payable	719	1,751	-	-	-	-
Shariah advisor fees payable	142	-	-	-	-	-
Selling and marketing expenses payable	2,817	-	-	-	-	-
Allocated expenses payable	1,408	-	-	-	-	-

	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)					
Balances held						
Units held	-	-	-	22,805	123	4,948
	(Rupees in '000)					
Value of units held	-	-	-	2,306,592	12,441	-
Bank balances	-	34,657	-	-	-	-
Deposits	-	-	-	-	-	-
Profit receivable on bank balances	-	1,976	-	-	-	-
Remuneration payable to the Management Company	4,124	-	-	-	-	-
Sindh sales tax on remuneration payable to the Management Company	536	-	-	-	-	-
Remuneration payable to the Trustee	-	-	309	-	-	-
Sindh sales tax on Trustee remuneration	-	-	40	-	-	-
Sales and other load payable	623	230	-	-	-	-
Shariah advisor fee payable	350	-	-	-	-	-
Selling and marketing expenses payable	2,548	-	-	-	-	-
Allocated expenses payable	845	-	-	-	-	-

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

** These include balances in relation to the entities w here common directorship exist as at the reporting date.

*** These include balances in relation to those directors, key executives and other connected persons / related parties that exist as at the reporting date.

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

Profit 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, 2021, the Fund is exposed to such risk on its balances held with banks and investment in sukuk certificates. 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 savings accounts, sukuk certificates and GoP Ijarah sukuks on which profit rate range between 4.5% to 7.59% per annum.

In case of 100 basis points increase / decrease in interest rates on June 30, 2021, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs. 28.025 million (2020: Rs. 48.195 million).

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2021, the Fund does not hold any fixed rate instruments that may expose the Fund to profit rate

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, 2021 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, 2021 can be determined as follows:

23.1.2.1 Al - Ameen Islamic Sovereign Fund

Particulars	2021					
	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	More than one year		
		(Rupees in '000)				
Financial assets						
Bank balances	4.50% - 7.25%	484,188	-	-	9,015	493,203
Investments	7.20% - 7.59%	-	-	2,318,310	-	2,318,310
Profit receivable		-	-	-	42,209	42,209
Other receivables		-	-	-	1,578	1,578
Sub total		484,188	-	2,318,310	52,802	2,855,300
Financial liabilities						
Payable to UBL Fund Managers Limited - the Management Company		-	-	-	7,597	7,597
Payable to Central Depository Company of Pakistan Limited - the Trustee		-	-	-	188	188
Accrued expenses and other liabilities		-	-	-	11,152	11,152
Sub total		-	-	-	18,937	18,937
On-balance sheet gap (a)		484,188	-	2,318,310	33,865	2,836,363
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		484,188	-	2,318,310		
Cumulative profit rate sensitivity gap		484,188	484,188	2,802,498		

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	More than one year		
		(Rupees in '000)				
Financial assets						
Bank balances	2.31% - 8.25%	3,134,643	-	-	10,387	3,145,030
Investments	6.63% - 8.02%	-	-	1,684,875	-	1,684,875
Profit receivable		-	-	-	42,934	42,934
Other receivables		-	-	-	121,739	121,739
Sub total		3,134,643	-	1,684,875	175,060	4,994,578
Financial liabilities						
Payable to UBL Fund Managers Limited - the Management Company		-	-	-	9,026	9,026
Payable to Central Depository Company of Pakistan Limited - the Trustee		-	-	-	349	349
Accrued expenses and other liabilities		-	-	-	18,719	18,719
Sub total		-	-	-	28,094	28,094
On-balance sheet gap (a)		3,134,643	-	1,684,875	146,966	4,966,484
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		3,134,643	-	1,684,875		
Cumulative profit rate sensitivity gap		3,134,643	3,134,643	4,819,518		

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. The Fund does 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.

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 Al - Ameen Islamic Sovereign Fund

	2021						
	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	7,597	-	-	-	-	-	7,597
Payable to Central Depository Company of Pakistan Limited - the Trustee	188	-	-	-	-	-	188
Accrued expenses and other liabilities	10,388	764	-	-	-	-	11,152
	18,173	**764**	**-**	**-**	**-**	**-**	**18,937**

	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	9,026	-	-	-	-	-	9,026
Payable to Central Depository Company of Pakistan Limited - the Trustee	349	-	-	-	-	-	349
Accrued expenses and other liabilities	18,038	681	-	-	-	-	18,719
	27,413	**681**	**-**	**-**	**-**	**-**	**28,094**

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 Al - Ameen Islamic Sovereign Fund

	2021		2020	
	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	493,203	493,203	3,145,030	3,145,030
Investments	2,318,310	1,612,800	1,684,875	1,600,000
Profit receivable	42,209	21,023	42,934	40,824
Prepayments and other receivables	1,696	1,696	121,857	121,857
	2,855,418	2,128,722	4,994,696	4,907,711

The maximum exposure to credit risk before any enhancement as at June 30, 2021 is the carrying amount of the financial assets. Investment in government securities and its accrued profit, however, are not exposed to credit risk and have been excluded from the above analysis as these are guaranteed by the Government of Pakistan.

23.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its balances with banks, sukuk certificates and profit accrued on bank balances.

The credit rating profile of balances with banks and investments are as follows:

Rating	% of financial assets exposed to credit risk	
	2021	2020
Bank balances and profit accrued on bank balances		
AAA	16.45%	44.61%
AA+	0.05%	0.01%
AA-	0.02%	0.00%
AA	0.00%	18.14%
A	0.05%	0.00%
Sukuk certificates		
Unrated	56.48%	32.03%

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 market participants at the measurement date. 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 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 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, 2021 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

ASSETS	**2021**			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets 'at fair value through profit or loss'	**(Rupees in '000)**			
Sukuk certificates	-	1,612,800	-	1,612,800
GoP Ijarah sukuks	-	705,510	-	705,510
	-	2,318,310	-	2,318,310

ASSETS	**2020**			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets- 'at fair value through profit or loss'	**(Rupees in '000)**			
Sukuk certificates	-	1,600,000	-	1,600,000
GoP Ijarah sukuks	-	84,875	-	84,875
	-	1,684,875	**-**	1,684,875

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

Name of Broker:	**June 30, 2021 Percentage**
Summit Capital (Private) Limited	**50.36**
JS Global Capital Limited	**32.69**
ICON Securities (Private) Limited	**16.95**

Name of Broker:	**June 30, 2020 Percentage**
JS Global Capital Limited	**100**

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	August 10, 2020	September 24, 2020	October 29, 2020	December 7, 2020	February 25, 2021	April 28, 2021	Total Meetings attended
Name of Director:							
Mr. Arif Akmal Saifie	Yes	Yes	Yes	No	No	Yes	4
Mr. Azhar Hamid	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Imran Sarwar	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Yasir Qadri	Yes	Yes	Yes	Yes	Yes	Yes	6
Ms. Huma Pasha *	-	Yes	Yes	Yes	Yes	Yes	5
Ms. Sadia Saeed	Yes	Yes	Yes	Yes	Yes	Yes	6
Syed Furrukh Zaeem	Yes	Yes	Yes	Yes	Yes	Yes	6
Name of Key Executives:							
Mr. Bilal Javaid	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Umair Ahmed	Yes	Yes	Yes	Yes	Yes	Yes	6

* Ms. Huma Pasha appointed as Director with effect from September 04, 2020

28 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) had provided certain time bound relaxations to CISs operating in Pakistan in order to provide temporary relaxation against covid pandemic. All of the relaxations provided have expired prior to June 30, 2021.

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.

29 GENERAL

29.1 Figures have been rounded off to the thousand of Rupees unless otherwise stated.

29.2 Corresponding figures

Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure. There have been no significant reclassifications during the year, except as follows:

Reclassification from the statement of assets and liabilities	Reclassification to the statement of assets and liabilities	As at June 30, 2020
		Rupees in '000
Prepayments and other receivables	Bank balances	10,237

30 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 16th August, 2021 by the Board of Directors of the Management Company.

For UBL Fund Managers Limited
(Management Company)

SD	SD	SD
Chief Financial Officer	**Chief Executive Officer**	**Director**

AISSF

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	Yousuf Adil, Chartered Accountants
Banker	Dubai Islamic Bank Limited
Management Co. Rating	AM1 (VIS)

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'20	Aug'20	Sep'20	Oct'20	Nov'20	Dec'20	Jan'21	Feb'21	Mar'21	Apr'21	May'21	Jun'21	FYTD
AISSP-II	8.66%	1.60%	4.57%	4.36%	6.02%	3.84%	5.32%	6.82%	5.87%	5.16%	5.91%	5.19%	5.25%
Benchmark	7.04%	7.54%	7.57%	7.61%	7.68%	7.80%	7.76%	7.62%	7.68%	7.57%	7.28%	7.25%	7.53%

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 5.25% p.a. during FY21. %. Major exposure was taken into cash (52%) at the end of FY21.

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-20	Jul-21
Government Securities	0%	0%
Cash	67%	52%
GOP Ijarah Sukuk	0%	46%
Others	33%	2%
Placements with banks	0%	0%
Leverage	Nil	Nil

vii) Analysis of the Collective Investment Scheme's performance

FY'21 Return:	5.25%
Standard Deviation (12m trailing):	0.43%
Sharpe Ratio (12m trailing):	(4.43)

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-21	30-Jun-20	Change	30-Jun-21	22-Jun-20	Change
Rupees (000)		%	Rupees		%
157,107	202,339	(22.35)	100.8764	99.6458	5.25

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

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 and beyond from commencement of life of the Plan. The market review is as follows:

DEBT MARKET REVIEW

During FY21, market expectation of further rate cut faded away. The market remained keen on investing in short term treasury bills. The market participation was ~PKR 27.5 trillion in treasury bills auctions and the government accepted ~PKR 16 trillion. A clear preference was observed in 3 months tenor which constituted ~55% of the total participation followed by 6 months and 12 months with the participation of 37% and 8% respectively. However, significant interest was seen in the 6M T-Bills in the later part of the fiscal year as the government offered noteworthy term premium. During 2HFY21, the market participated PKR 8.3 trillion in 6M T-Bills as compared to PKR 1.7 trillion in 1HFY21. Moreover, the cutoff rates of T-bills on-average remained 25bps, 42bps and 52 bps higher during the 2HFY21 compared to 1HFY21 for the 3M, 6M and 12M T-Bills respectively.

A strong participation was witnessed in fixed rate PIBs. The market participation was ~PKR 2.4 trillion where the government proactively accepted ~PKR 1 trillion. The participation in fixed rate PIBs more than doubled during the 2HFY21 as compared to the 1HFY21 mainly on the back of the accommodative stance in monetary policy by SBP. Despite the heavy participation, the market demanded relatively higher yields. Therefore, yields of 3Y, 5Y and 10 PIBs increased by 148 bps, 138 bps and 125 bps respectively during FY21. In contrast, participation in the floater rate PIBs remained on the lower side in 2HFY21 as compared to 1HFY21, participation was dropped to ~PKR 700 billion in 2HFY21 compared to ~PKR 2,300 billion in 1HFY21. Total acceptance was PKR 1,600 billion during FY21.

On Islamic front, the total participation was PKR 498 billion in six variable rate Ijara sukuk auctions and the government accepted PKR 321 billion. In contrast, only PKR 77.6 billion participation was witnessed in the fixed rate Ijara sukuk out of which, the government accepted PKR 53 billion. However, only one auction took place in 2HFY21. The government accepted PKR 67 billion in variable rental rate sukuk and PKR 8 billion in fixed rental rate sukuks.

Yield curve comparison is given below:

Tenors	PKRV as at June 30, 2021	PKRV as at June 30, 2020	Change
3 Months	7.28	7.09	0.19
6 Months	7.53	7.05	0.48
1 Year	7.81	7.05	0.76
3 Years	8.99	7.53	1.46
5 Years	9.49	8.11	1.38
10 Years	9.94	8.69	1.25

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 --------------		
Dec 23, 2020	-	3,474	1.957	101.957	100
April 09, 2021	-	3,074	1.633	101.633	100
June 22, 2021	-	514	0.3358	101.1632	100.8274

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
	AISSF
0.0001 - 9,999.9999	19
10,000.0000 - 49,999.9999	12

50,000.0000 - 99,999.9999	3
100,000.0000 - 499,999.9999	4
500,000.0000 & Above	-
Total	**38**

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

	2021	2020
NET ASSETS AS AT 30 JUNE - Rupees in '000	**157,107**	202,339
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *		
Class A units - Offer	**100.8764**	99.65
- Redemption	**100.8764**	99.65
RETURN OF THE FUND - %		
Total Return of the Fund	**5.25**	-1.15
Capital Growth (per unit)	**1.31**	(1.15)
Date of Income Distribution	**-**	-
Dec 23, 2020	**1.957**	
Apr 09, 2021	**1.6333**	
Jun 22, 2021	**0.3358**	
Total Income Distribution	**3.93**	-
AVERAGE ANNUAL RETURN - %		
One Year	**5.25**	(1.15)
Second Year	**2.05**	-
OFFER / REPURCHASE DURING THE YEAR- Rupees *		
Highest price per unit - Class A units - Offer	**101.957**	101.00
Highest price per unit - Class A units - Redemption	**101.957**	101.00
Lowest price per unit - Class A units - Offer	**99.6585**	98.90
Lowest price per unit - Class A units - Redemption	**99.6585**	98.90

* Front end load @ 0% is applicable

PORTFOLIO COMPOSITION - %		
Percentage of Net Assets as at 30 June		
PORTFOLIO COMPOSITION BY CATEGORY - %		
Government Securities	**46**	0.00
Cash	**52**	67.00
Others	**2**	33.00
PORTFOLIO COMPOSITION BY MARKET - %		
Debt Market	**100**	100.00

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.

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED
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 the year ended June 30, 2021 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 14, 2021

الامین فنڈز
al-ameen funds

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 AISSF – AISSP-II in light of the shariah guidelines.

ii. 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.

iii. On the basis of information provided by the management, all operations of AISSF – AISSP-II for the year ended 30 June 2021 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

Shariah Compliance APPROVED BY Mufti Muhammad Najeeb Khan

KARACHI:
DATE: 17 September, 2021

Al-Ameen Financial Services (Pvt) Ltd.
+92 21 111 825 262
info@alameenfunds.com
4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.
www.alameenfunds.com

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

NAME OF FUND: Al Ameen Special Savings Fund

YEAR ENDED: **JUNE 30, 2021**

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 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. Huma Pasha*
Executive Directors	Mr. Yasir Qadri
Non-Executive Directors	Mr. Imran Sarwar Ms. Sadia Saeed** Mr. Arif Akmal Saifie Syed Furrukh Zaeem
Female Director	Ms. Huma Pasha* Ms. Sadia Saeed**

* Ms. Huma was appointed as a director with effect from September 04, 2020

** Ms. Sadia Saeed has resigned effective July 19, 2021

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 the 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 Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the 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. Huma Pasha
d. Ms. Sadia Saeed
e. Syed Furrukh Zaeem

Executives

a. Mr. Hadi Hassan Mukhi (Head of Compliance and Risk)
b. Mr. Umair Ahmed (Chief Financial Officer)
c. Mr. Zeeshan Quddus (Chief Business Development Officer)

10. The Board has approved appointment of 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 relevant requirements of the Regulations.

11. Chief Executive Officer (CEO) and CFO duly endorsed the financial statements 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. Huma Pasha*	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

Board Human Resource and Compensation Committee

Name	Designation	Type of Directorship
Mr. Azhar Hamid	Chairman	Independent Director
Ms. Huma Pasha*	Member	Independent Director
Mr. Yasir Qadri	Member	Executive 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 Saifi	Member	Non-Executive Director
Mr. Yasir Qadri	Member	Executive Director
Syed Furrukh Zaeem	Member	Non-Executive Director

* Ms. Huma was appointed as a director with effect from September 04, 2020
** Ms. Sadia Saeed has resigned effective July 19, 2021

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 were as per following:

a. The Board Audit Committee: quarterly - four meetings held
b. The Board Human Resource and Compensation Committee: quarterly – four 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 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 the CEO, CFO, Head of Internal Audit, 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, these 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. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 is as follows:

S.no	Non-Mandatory Requirement	Reg. No.	Explanation
1.	**Independent Director** The independent directors of each listed company shall not be less than two members or one third of the total members of the board, whichever is higher. When there are seven directors on the board of the company the fraction of independent director share comes at 2.33. The company may round up or provide reason for contrary.	6	The two independent directors have requisite education and extensive and suitable experience to carry out their responsibilities, therefore the Board has not appointed the third independent director.
2.	**Nomination Committee** The board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29	Currently, the board has not constituted a separate NC and the functions are being performed by the BHRCC

AZHAR HAMID
Chairman

Karachi.
Dated: **August 17, 2021**

YOUSUF ADIL

Yousuf Adil
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
KCHSU, Shahrah-e-Faisal
Karachi-75350
Pakistan

Tel: +92 (0) 21 3454 6494-7
Fax: +92 (0) 21-3454 1314
www.yousufadil.com

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 year ended June 30, 2021 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, 2021.

Yousuf Adil

Chartered Accountants

Place : Karachi
Date : September 24, 2021

◆YOUSUF ADIL

Yousuf Adil
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
KCHSU, Shahrah-e-Faisal
Karachi-75350
Pakistan

Tel: +92 (0) 21 3454 6494-7
Fax: +92 (0) 21-3454 1314
www.yousufadil.com

INDEPENDENT AUDITOR'S REPORT

To The Unit Holders of Al-Ameen Islamic Special Savings Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Al-Ameen Islamic Special Savings Fund** (the Fund), which comprise the statement of assets and liabilities as at June 30, 2021, 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, 2021, 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 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 is the key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
1.	**Valuation and existence of investments** As disclosed in note 6 to the financial statements the investments held by the Fund is amounted to Rs. 75.34 million as at June 30, 2021. The total investment amount is the significant account balance on the statement of assets and liabilities. This is one of the main driver of the Fund's performance and thus risk exists on this balance. The Fund invests primarily in government securities (i.e. Ijara Sukuks) and	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. In addition, (1) we performed valuation testing on sample of investments held as at June 30, 2021 by verifying the average rates quoted on a widely used electronic quotation system (PKISRV) rates), and (2) we performed existence testing of investments held as at June 30, 2021 by independently matching the securities held by the Fund as per internal records

S. No.	Key audit matter	How the matter was addressed in our audit
	there is a risk that these investments are incorrectly valued. 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. In view of the above, we have considered the valuation and existence of Investments as a Key Audit Matter. The disclosure regarding the investments are included in notes 4.2 and 6 to the financial statements.	with the securities appearing in the Investor Portfolio Services (IPS) account statement and examined reconciling items, if any.

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 UBL Fund Managers Limited (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.

Yousuf Adil
Chartered Accountants

Place: Karachi
Date: September 24, 2021

AL-AMEEN ISLAMIC SPECIAL SAVINGS FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2021

	Note	AISSP-II 2021	2020
		-------- (Rupees in '000) --------	
ASSETS			
Bank balances	5	**84,576**	147,686
Investments	6	**75,375**	-
Receivable against sale of investments		**-**	63,256
Profit receivable		**2,754**	692
Preliminary expenses and floatation costs	7	**373**	837
Advance income tax	8	**219**	219
Total assets		**163,297**	212,690
LIABILITIES			
Payable to UBL Fund Managers Limited - Management Company	9	**2,850**	1,257
Payable to Central Depository Company of Pakistan Limited - Trustee	10	**9**	9
Dividend payable		**2,603**	-
Payable to Securities and Exchange Commission of Pakistan	11	**40**	6
Accrued expenses and other liabilities	12	**688**	9,079
Total liabilities		**6,190**	10,351
Net Assets		**157,107**	202,339
Unit Holders' Fund (as per statement attached)		**157,107**	202,339
CONTINGENCIES AND COMMITMENTS	28		
		(Number of units)	
Number of Units in Issue	13	**1,557,417**	2,030,584
		-------- (Rupees in '000) --------	
Net Asset Value Per Unit		100.8764	99.6458
Face Value Per Unit		100	100

The annexed notes 1 to 29 form an integral part of these financial statements.

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD	SD	SD
Chief Executive Officer	**Chief Financial Officer**	**Director**

AL-AMEEN ISLAMIC SPECIAL SAVINGS FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

	Note	AISSP-II For the year ended June 30, 2021	AISSP-II For the period from March 11, 2020 to June 30, 2020
		-------- (Rupees in '000) --------	
INCOME			
Gain / (loss) on sale of investments - net		**690**	(2,477)
Financial income	14	**13,771**	3,005
Total income		**14,461**	528
EXPENSES			
Remuneration of UBL Fund Managers Limited - Management Company	9.1	**1,510**	239
Sindh Sales Tax on remuneration of the Management Company	9.2	**196**	31
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	**137**	22
Annual fee - Securities and Exchange Commission of Pakistan	11.1	**40**	6
Allocated expenses	9.3	**201**	32
Selling and marketing expenses	9.4	**805**	128
Auditor's remuneration	15	**422**	287
Bank charges		**5**	3
Listing fee		**30**	94
Legal and professional charges		**184**	97
Amortisation of preliminary expenses and floatation costs	7	**464**	163
Total expenses		**3,994**	1,102
Net operating income / (loss) for the year / period		**10,467**	(574)
Provision for Sindh Workers' Welfare Fund	12.1	**(205)**	-
Net income / (loss) for the year / period before taxation		**10,262**	(574)
Taxation	16	**-**	-
Net income / (loss) for the year / period after taxation		**10,262**	(574)
Allocation of net income for the year / period			
- Net income for the year / period after taxation		**10,262**	-
- Income already paid on units redeemed		**(1,762)**	-
Net income for the year / period available for distribution		**8,500**	-
Accounting income available for distribution			
- Relating to capital gains		**191**	-
- Excluding capital gains		**8,309**	-
		8,500	-
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	SD	SD
Chief Executive Officer	**Chief Financial Officer**	**Director**

AL-AMEEN ISLAMIC SPECIAL SAVINGS FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2021

	AISSP-II	
	For the year ended June 30, 2021	For the period from March 11, 2020 to June 30, 2020
	-------- (Rupees in '000) --------	
Net income / (loss) for the year / period after taxation	**10,262**	(574)
Other comprehensive income		
Items that may be reclassified subsequently to income statement		
Unrealised gain on re-measurement of investments classified at fair value through other comprehensive income		
- Net change in fair value recognized in other comprehensive income	**1,065**	**(2,477)**
- Realised (gain) / loss transferred to income statement	**(690)**	**2,477**
	375	**-**
Items that will not be reclassified subsequently to income statement	**-**	**-**
Total comprehensive income / (loss) for the year / period	**11,012**	(574)

The annexed notes 1 to 29 form an integral part of these financial statements.

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD	SD	SD
Chief Executive Officer	**Chief Financial Officer**	**Director**

AL-AMEEN ISLAMIC SPECIAL SAVINGS FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2021

	AISSP-II						
	For the year ended June 30, 2021				For the period from March 11, 2020 to June 30, 2020		
	------------------------------------ (Rupees in '000) ------------------------------------						
	Capital value	Undistributed Income / (loss)	Unrealised diminution on revaluation of investment classified as FVOCI	Total	Capital value	Undistributed loss	Total
Net assets at beginning of the year / period	202,913	(574)	-	202,339	-	-	-
Amount received on issuance of 1,369,864 units (2020: 2,041,318 units)							
- Capital value	136,501	-	-	136,501	204,132	-	204,132
- Element of income / (loss)	1,171	-	(25)	1,146	(150)	-	(150)
Total amount received on issuance of units	137,672	-	(25)	137,672	203,982	-	203,982
Amount paid on redemption of 1,843,031 units (2020: 10,734 units)							
- Capital value	(183,650)	-	-	(183,650)	(1,073)	-	(1,073)
- Element of income / (loss)	39	(1,762)	25	(1,698)	4	-	4
Total amount paid on redemption of units	(183,611)	(1,762)	25	(185,348)	(1,069)	-	(1,069)
Total comprehensive income / (loss) for the year / period	-	10,262	375	10,637	-	(574)	(574)
Interim distribution:							
Rs 1.957 per unit paid on December 23, 2020	(961)	(3,474)	-	(4,435)	-	-	-
Rs 1.633 per unit paid on April 9, 2021	(161)	(3,074)	-	(3,235)	-	-	-
Re 0.3358 per unit paid on June 22, 2021	(9)	(514)	-	(523)	-	-	-
Net income / (loss) for the year / period less distribution	(1,131)	3,200	375	2,444	-	(574)	(574)
Net assets at the end of the year / period	155,843	864	375	157,107	202,913	(574)	202,339
Undistributed loss brought forward comprising of:							
- Realised		(574)				-	
- Unrealised		-				-	
		(574)				-	
Accounting income available for distribution							
- Relating to capital gains		191				-	
- Excluding capital gains		8,309				-	
		8,500				-	
Net loss for the year / period after taxation		-				(574)	
Distribution during the year / period		(7,062)				-	
Undistributed income / (loss) carried forward - net		864				(574)	
Undistributed income / (loss) carried forward comprising of:							
- Realised		864				(574)	
- Unrealised		-				-	
		864				(574)	
				(Rupees)			(Rupees)
Net asset value per unit at the beginning of the year / period				99.6458			N/A
Net asset value per unit at the end of the year / period				100.8764			99.6458

The annexed notes 1 to 29 form an integral part of these financial statements.

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD	SD	SD
Chief Executive Officer	**Chief Financial Officer**	**Director**

AL-AMEEN ISLAMIC SPECIAL SAVINGS FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

	AISSP-II	
	For the year ended June 30, 2021	For the period from March 11, 2020 to June 30, 2020
	-------- (Rupees in '000) --------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the year / period before taxation	**10,262**	(574)
Adjustments for:		
Financial income	**(13,771)**	(3,005)
Gain on sale of investments - net	**(690)**	-
Provision for Sindh Workers' Welfare Fund	**205**	-
Amortisation of preliminary expenses and floatation costs	**464**	163
Cash used in operations before working capital changes	**(13,792)**	(2,842)
Decrease / (Increase) in assets		
Receivable against sale of investments	**63,256**	(63,256)
Investments - net	**(74,310)**	-
Preliminary expenses and floatation costs	**-**	(1,000)
	(11,054)	(64,256)
Increase / (Decrease) in liabilities		
Payable to UBL Fund Managers Limited - Management Company	**1,593**	1,257
Payable to Central Depository Company of Pakistan Limited - Trustee	**-**	9
Payable to Securities and Exchange Commission of Pakistan	**34**	6
Accrued expenses and other liabilities	**(8,596)**	9,079
	(6,969)	10,351
Cash generated from / (used in) operations	**(21,553)**	(57,321)
Financial income received	**11,709**	2,313
Income tax paid	**-**	(219)
Net cash used in operating activities	**(9,844)**	(55,227)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	**136,541**	203,982
Dividend paid	**(4,459)**	-
Payments against redemption of units	**(185,348)**	(1,069)
Net cash (used in) / generated from financing activities	**(53,266)**	202,913
Net (decrease) / increase in cash and cash equivalents	**(63,110)**	147,686
Cash and cash equivalents at the beginning of the year / period	**147,686**	-
Cash and cash equivalents at the end of the year / period	**84,576**	147,686

The annexed notes 1 to 29 form an integral part of these financial statements.

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD	SD	SD
Chief Executive Officer	**Chief Financial Officer**	**Director**

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 the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations). The Fund commenced its operations from 10 March, 2020 therefore prior year figures of income statement, statement of unit holder's fund and statement of cash flows are not comparable.

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, Beaumount 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 and 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 life of the Plan.

VIS Credit Rating Company has reaffirmed management quality rating of "AM1" (stable outlook) to the Management Company as on December 31, 2020.

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.

The Trust Act, 1882 has been repealed due to promulgation of Provisional Trust Act “Sindh Act 2020” as empowered under Eighteen Amendment to the Constitute of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Act 2020, has submitted trust Deed of Collective Investment Scheme to registrar acting under Sindh Act 2020 for registration.

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

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 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 and 4.2.3);
(ii) Impairment of financial assets (note 4.2.5);
(iii) Provision for taxation (notes 4.10 and 15); and
(iv) Provision for Sindh Workers' Welfare Fund (note 12.1).

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, 2021

- The following standards, amendments and interpretations are effective for the year ended June 30, 2021. 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.

- Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions

- Amendments to the conceptual framework for financial reporting, including amendments to references to the conceptual framework in IFRS

- Amendments to IFRS 3 'Business Combinations' - Definition of a business

- Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of material

- Amendments to IFRS 9 'Financial Instruments', IAS 39 'Financial Instruments: Recognition and Measurement' and IFRS 7 'Financial Instruments: Disclosures' - Interest rate benchmark reform

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 Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective from Accounting period beginning on or after
- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	January 01, 2021
- Amendment to IFRS 16 'Leases' - Covid-19 related rent concessions extended beyond June 30, 2021	April 01, 2021
- Amendments to IFRS 3 'Business Combinations' - Reference to the conceptual framework	January 01, 2022
- Amendments to IAS 16 'Property, Plant and Equipment' - Proceeds before intended use	January 01, 2022
- Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' - Onerous Contracts — cost of fulfilling a contract	January 01, 2022
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2023
- Amendments to IAS 1 'Presentation of Financial Statements' - Disclosure of accounting policies	January 01, 2023
- Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates	January 01, 2023
- Amendments to 'IAS 12 Income Taxes' - Amendments regarding deferred tax on leases and decommissioning obligations	January 01, 2023

Certain annual improvements have also been made to a number of IFRSs.

Other than the aforesaid standards, interpretations and amendments, the IASB has also issued 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. These policies have been applied consistently to all the 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.

4.2 Financial instruments

4.2.1 Classification of financial assets

IFRS 9 contains three principal classification categories for financial assets:

- 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. Gains or 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.

Financial assets at FVTPL

All financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in fair value are recognised in 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 (PKISRV) rates.

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 the 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 timeframe 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 period, 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. Moreover, super tax introduced in the Finance Act, 2015 is also not applicable on funds (Section 4B of 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 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) distribution 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 time proportionate basis.

4.13 Expenses

All expenses including Management fee, Trustee fee and SECP fee are recognised in the income statement on accrual basis.

		AISSP-II	
		2021	2020
5. BANK BALANCES	**Note**	**(Rupees in '000')**	
In local currency:			
- Profit and loss sharing account	5.1	**84,576**	147,686

5.1 Profit rates on this profit and loss sharing account is 6.6% (2020: 7.5%) per annum.

	Note	AISSP-II 2021	2020
		(Rupees in '000')	

7. PRELIMINARY EXPENSES AND FLOATATION COSTS

	Note	2021	2020
Preliminary expenses and floatation costs		**837**	1,000
Less: amortisation during the period	7.1	**(464)**	(163)
		373	837

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). Prior to receiving tax exemption certificate(s) from CIR, withholding agent had deducted advance tax under section 151 of ITO 2001 .

	Note	AISSP-II 2021	2020
		(Rupees in '000')	

9. PAYABLE TO UBL FUND MANAGERS LIMITED - MANAGEMENT COMPANY

	Note	2021	2020
Management fee (including Sindh Sales tax there against)	9.1 & 9.2	**113**	114
Allocated expenses	9.3	**100**	22
Selling and marketing expense	9.4	**397**	111
Back end load payable		**1,230**	-
Payable against formation cost		**1,010**	1,010
		2,850	1,257

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 year, 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 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, 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 based on its own discretion has currently fixed a maximum capping of 0.01% of the daily annual net assets of the scheme for allocation of such expenses to the Fund for the year.

9.4 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company based on its own discretion has charged selling and marketing expense at 0.1% per annum of dailyl net assets of the Fund during the year.

		AISSP-II	
		2021	2020
	Note	**(Rupees in '000')**	

6. INVESTMENTS

At fair value through other comprehensive income (FVOCI)

Government securities	6.1	**75,375**	-

6.1 Government securities

Issue Date	Note	Tenor	Face value: As at July 01, 2020	Face value: Purchased during the year / period	Face value: Sold during the year / period	Face value: As at June 30, 2021	Carrying value as at June 30, 2021	Market value as at June 30, 2021	Unrealized diminution as at June 30, 2021	Market value as percentage of total investments	Market value as percentage of net assets
			---------------- (No. of holdings)			------------------	--------- (Rupees in '000)		----------	---------------- %	----------------
GOP Ijara Sukuks											
April 30, 2020		5 Years	-	750	750	-	-	-	-	-	-
July 29, 2020		5 Years	-	650	650	-	-	-	-	-	-
July 29, 2020	6.1.1	5 Years	-	750	-	750	75,000	75,375	(375)	100%	48%
June 30, 2021			-	2,150	1,400	750	**75,000**	**75,375**	**(375)**	**100%**	**48%**
June 30, 2020			-	650	650	-	-	-	-	-	-

6.1.1 This Ijara Sukuk had a nominal value of Rs. 100,000 and yield of 7.2%.

		Note	AISSP-II 2021	2020
			-------- (Rupees in '000) --------	
10.	**PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE**			
	Trustee fee (including Sindh Sales tax there against)	10.1	**9**	9

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 0.065% of the daily net asset value of the Fund. The remuneration is paid to the Trustee monthly in arrears.

		Note	AISSP-II 2021	2020
			-------- (Rupees in '000) --------	
11.	**PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**			
	Annual fee	11.1	**40**	6

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.

		Note	AISSP-II 2021	2020
			-------- (Rupees in '000) --------	
12.	**ACCRUED EXPENSES AND OTHER LIABILITIES**			
	Auditor's remuneration		**281**	287
	Subscriptions pending		**-**	8,550
	Provision for Sindh Workers' Welfare Fund	12.1	**205**	-
	Dividend payable		**-**	-
	Others		**202**	242
			688	9,079

12.1 Provision for Sindh Workers Welfare Fund (SWWF) is being made on daily basis pursuant to Mutual Funds Association of Pakistan's (MUFAP's) recommendation to all its members on January 12, 2017 in view of a letter from Sindh Revenue Board (SRB) to certain mutual funds whereby SRB directed the mutual funds to register and pay SWWF for the accounting year closing on or after December 31, 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 Company has recorded SWWF. Had the provision not been made, it would have resulted in an increase in the net assets value per unit by Re. 0.013 per unit.

Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

		AISSP-II For the year ended June 30, 2021	For the period from March 11, 2020 to June 30, 2020
		------------ (Number of units) --------------	
13.	**NUMBER OF UNITS IN ISSUE**		
	Opening units	**2,030,584**	-
	Units issued during the year / period	**1,369,864**	2,041,318
	Units redeemed during the year / period	**(1,843,031)**	(10,734)
	Total units in issue at the end of the year / period	**1,557,417**	2,030,584

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 year ended June 30, 2021	For the period from March 11, 2020 to June 30, 2020
14. FINANCIAL INCOME	-------- (Rupees in '000) --------	
Markup / interest income on:		
- Profit and loss sharing accounts	**9,126**	**2,273**
- Markup on Sukkuk	**4,645**	**732**
	13,771	**3,005**
15 AUDITOR'S REMUNERATION		
Annual audit fee	**163**	160
Half yearly review fee	**82**	-
Review of compliance with the requirements of the Code of Corporate Governance	**46**	45
Other certifications	**46**	45
Out of pocket expenses and sales tax	**85**	37
	422	287

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 as cash dividend. Further, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% 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. 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 ended June 30, 2021, the Fund has distributed by way of cash dividend at minimum 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, to the unit holders. Accordingly, no provision for taxation has been recognised in these financial statements.

17. 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.

18. TOTAL EXPENSE RATIO

The total expense ratio of the Fund is 2.09% (2020: 1.06%) which includes 0.23% (2020: 0.04%) representing Government Levy, Sindh Workers' Welfare Fund, and the SECP fee. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Islamic Capital Protected Fund.

19. FINANCIAL INSTRUMENTS BY CATEGORY

The financial assets and liabilities carried on the statement of assets and liabilities are categorised as follows:

	AISSP-II	
	2021	**2020**
Financial assets at amortised cost	-------- (Rupees in '000) --------	
Bank balances	**84,576**	147,686
Receivable against sale of investments	**-**	63,256
Profit receivable	**2,754**	692
	87,330	211,634
Financial assets at FVOCI		
Investments	**75,375**	-

	AISSP-II	
	2021	2020
	-------- (Rupees in '000) --------	
Financial liabilities at amortised cost		
Payable to UBL Fund Managers Limited - Management Company	**2,850**	1,257
Payable to Central Depository Company of Pakistan Limited - Trustee	**9**	9
Accrued expenses and other liabilities	**483**	529
	3,342	1,795

20. 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 shariah compliant 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.

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 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 risk; currency risk, interest rate risk and other 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 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.

20.1.2 Profit rate risk

Profit 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, 2021, the Fund is exposed to such risk on bank balances and investments in government securities. 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 interest rate risk arises from the balances in savings accounts. During the year, the net income would have increased / (decreased) by Rs. 0.846 million (2020: Rs.1.477 million), had the interest rates on savings accounts with banks increased / (decreased) by 100 basis points.

b) Sensitivity analysis for fixed rate instruments

The Fund is exposed to Fair value interest rate risk for investment in government securities.

In case of 100 basis points increase / decrease in interest rates on June 30, 2021, with all other variables held constant, the total comprehensive income for the year and the net assets would have been lower / higher by Rs. 0.754 million (2020: Nil).

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 the settlement date.

June 30, 2021

Particulars	Interest rate	Total	Exposed to Yield / Interest rate risk: Upto three months	Exposed to Yield / Interest rate risk: More than three months and upto one year	Exposed to Yield / Interest rate risk: More than one year	Not exposed to Yield / Interest rate risk
	%	------------------------------------ (Rupees in '000)				------------------------------------
On-balance sheet financial instruments						
Financial assets						
Bank balances	6.60	84,576	84,576	-	-	-
Investments	6.26	75,375	-	-	75,375	-
Receivable against sale of investments		-	-	-	-	-
Profit receivable		2,754	-	-	-	2,754
		162,705	84,576	-	75,375	2,754
Financial liabilities						
Payable to UBL Fund Managers Limited - Management Company		2,850	-	-	-	2,850
Payable to Central Depository Company of Pakistan Limited - Trustee		9	-	-	-	9
Accrued expenses and other liabilities		483	-	-	-	483
		3,342	-	-	-	3,342
On-balance sheet gap (a)		159,363	84,576	-	75,375	(588)
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)			84,576	-	75,375	(588)
Cumulative interest rate sensitivity gap			84,576	-	75,375	(588)

June 30, 2020

Particulars	Interest rate	Total	Exposed to Yield / Interest rate risk: Upto three months	Exposed to Yield / Interest rate risk: More than three months and upto one year	Exposed to Yield / Interest rate risk: More than one year	Not exposed to Yield / Interest rate risk
	%	------------------------------------ (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
		1,795	-	-	-	1,795
On-balance sheet gap (a)		209,839	147,686	-	-	62,153
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)			147,686	-	-	62,153
Cumulative interest rate sensitivity gap			147,686	-	-	62,153

20.1.3 Other price risk

Price 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 (other than those arising from profit 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. As at June 30, 2021, the Fund does not hold any security which exposes the Fund to other price risk.

20.2 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.

For bank balances, the Fund keeps deposits with reputed financial institutions with reasonably high credit ratings. 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, Fund’s Trust Deed, the requirements of the NBFC Rules and the NBFC Regulations, and the guidelines / directives given by the SECP from time to time.

The maximum exposure to credit risk before considering any related collateral as at June 30, 2021 and June 30, 2020 is the carrying amount of the financial assets. None of these financial assets are 'impaired' nor 'past due but not impaired'. Investment in government securities (if any) are not exposed to credit risk as they are guaranteed by the Government of Pakistan.

The analysis below summarises the credit quality of the Fund's financial assets as at June 30, 2021 and June 30, 2020:

Name	**Balances held as at June 30, 2021**	**Latest available published rating as at June 30, 2021**	**Rating Agency**
	(Rupees)		
Bank balances and profit receivable on bank balances			
Dubai Islamic Bank Pakistan Limited	**85,076**	**AA / A-1+**	**VIS**

Name	Balances held as at June 30, 2020	Latest available published rating as at June 30, 2020	Rating Agency
	(Rupees)		
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.

20.3 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 mainly exposed to the 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, 2021			
	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	2,850	-	-	2,850
Payable to the Central Depository Company of Pakistan Limited - Trustee	9	-	-	9
Accrued expenses and other liabilities	483	-	-	483
	3,342	-	-	3,342
Unit holders's fund	157,107	-	-	157,107

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	529	-	-	529
	1,795	-	-	1,795
Unit holders's fund	202,339	-	-	202,339

21. 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 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.

22. 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' or '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, 2021			
ASSETS	**Level 1**	**Level 2**	**Level 3**	**Total**
	(Rupees in '000)			
Investment in securities - financial assets at fair value through other comprehensive income				
- Government securities	-	75,375	-	75,375

ASSETS	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
	------------------------ (Rupees in '000) ------------------------			
Investment in securities - financial assets at fair value through other comprehensive income				
- Government securities	-	-	-	-

There were no transfers between various levels of fair value hierarchy during the period. The estimated fair value of all other financial assets and liabilities at amortised cost is considered not significantly different from the carrying value as the items are short-term in nature.

23. 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, 2021 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	Hadi Hassan Muki	Head of Compliance	BCOM	20
5	Syed Sheeraz Ali	Fund Manager & Senior Analyst	MBA	10
6	Muhammad Waseem	Head Research	BBA, CFA	6

23.1 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.

24. PATTERN OF UNIT HOLDERS

Category	**------------ (As at June 30, 2021) ------------**		
	Number of unit holders	**Number of units held**	**Percentage of units held**
Individuals	**38**	**1,557,417**	**100%**
	38	**1,557,417**	**100%**

Category	------------ (As at June 30, 2020) ------------		
	Number of unit holders	Number of units held	Percentage of units held
Individuals	25	1,330,584	66%
Non Banking Finance Company	1	700,000	34%
	26	2,030,584	100%

25. TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID

The Fund has not engaged any broker during the year. All of the investments transactions have been directly executed.

26. 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.

26.1 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 **
	Year ended June 30, 2021					
	(Units)					
Transactions during the year						
Units issued	489	-	-	-	-	913,144
Units redeemed	700,489	-	-	-	-	-
	(Rupees in '000')					
Value of units issued	49	-	-	-	-	91,741
Value of units redeemed	70,096	-	-	-	-	-
Dividend paid	-	-	-	-	-	4,341
Remuneration (including sales tax)	1,706	-	137	-	-	-
Allocated expenses	201	-	-	-	-	-
Selling and marketing expenses	805	-	-	-	-	-
	As at June 30, 2021					
	(Units)					
Balances held						
Units held	-	-	-	-	-	1,109,726
	(Rupees in '000')					
Value of units held	-	-	-	-	-	111,945
Remuneration payable (including sales tax)	113	-	9	-	-	-
Allocated expenses payable	100	-	-	-	-	-
Selling and marketing expenses payable	397	-	-	-	-	-
Other payable	2,240	-	-	-	-	-

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)					
Transactions during the year						
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)					
Balances held						
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.

27. 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. 126	No. 127	No. 128	No. 129	No. 130	No. 131	Total meetings attended
	August 10, 2020	September 24, 2020	October 29, 2020	December 07, 2020	February 25, 2021	April 28, 2021	
Directors:							
Mr. Arif Akmal Saifie	✓	✓	✓	×	×	✓	4
Mr. Azhar Hamid	✓	✓	✓	✓	✓	✓	6
Mr. Imran Sarwar	✓	✓	✓	✓	✓	✓	6
Mr. Yasir Qadri	✓	✓	✓	✓	✓	✓	6
Ms. Huma Pasha *	N/A	✓	✓	✓	✓	✓	5
Ms. Sadia Saeed	✓	✓	✓	✓	✓	✓	6
Mr. Syed Furrukh Zaeem	✓	✓	✓	✓	✓	✓	6
Key Executives:							
Mr. Bilal Javaid	✓	✓	✓	✓	✓	✓	6
Mr. Umair Ahmed	✓	✓	✓	✓	✓	✓	6

* Ms. Huma Pasha appointed as Director with effect from September 04, 2020

28. **CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at the end of reporting year / period.

29. **GENERAL**

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

29.2 Comparative figures have been reclassified where necessary for better presentation and comparison.

29.3 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 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. 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.

30. **DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue on August 16, 2021 by the Board of Directors of the Management Company.

FOR UBL FUND MANAGERS LIMITED
(Management Company)

SD	SD	SD
Chief Executive Officer	**Chief Financial Officer**	**Director**

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 Bank of Khyber
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'20	Aug'20	Sep'20	Oct'20	Nov'20	Dec'20	Jan'21	Feb'21	Mar'21	Apr'21	May'21	Jun'21	FYTD
ASSF	12.86%	4.92%	-1.41%	-0.37%	4.29%	5.01%	4.01%	2.67%	-5.64%	-1.86%	7.94%	-1.48%	33.96%
Benchmark	14.75%	4.03%	-1.39%	-1.92%	4.44%	7.31%	4.29%	2.77%	-4.25%	-2.14%	10.17%	-2.70%	39.32%

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 33.96%. At the end of FY21, the fund's major exposure was concentrated in Oil and Gas Exploration Companies (22%), Fertilizer (10%) and Cements (16%). 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-20	Jun-21
Equities	91%	91%
Sukuks	0%	0%
GoP Ijarah Sukuks	0%	0%
Cash	7%	7%
Others	2%	2%
Leverage	Nil	Nil

viii) Analysis of the Collective Investment Scheme's performance

FY'21 Return:	33.96%
Standard Deviation (12m trailing):	15.50%
Sharpe Ratio (12m trailing):	1.73

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-21	30-Jun-20	Change	30-Jun-21	30-Jun-20	Change
Rupees (000)		%	Rupees		%
9,595,117	5,967,058	60.80	159.6817	119.5649	33.55

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

After the muted performance (+1.5% YoY) in the previous year, the benchmark KSE - 100 index came with a strong recovery during the year under review with the benchmark index increased by 37.5% YoY. The robust performance of local equity market was mainly driven by:

1) Ease in lock down restriction;

2) Improving macroeconomic indicators (above-expected GDP growth, higher remittances flows and benign current account);

3) Noticeable decline in COVID-19 cases from peak of 6,000 to below 2,000 cases;

4) Accommodative policy measures by the authorities to boost the economic activity and aggregate demand; and

5) Improving political situation (cracks in PDM opposition alliance and peaceful end to TLP protests).

Encouraging volumes were seen in the market with average traded value and volume increasing by 115% / 93% YoY, respectively. Foreigners remained net sellers offloading shares amounting to USD 387 million during the year. Among domestic investors, individuals and companies remained net buyers, mopping up shares worth USD 332 million and USD 137 million, respectively.

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 25, 2021	Nil	29,839	0.5000	162.5100	162.0100

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
	ASSF
0.0001 - 9,999.9999	8,755
10,000.0000 - 49,999.9999	358
50,000.0000 - 99,999.9999	54
100,000.0000 - 499,999.9999	33
500,000.0000 & Above	15
Total	**9,215**

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 Shariah Stock fund

	2021	2020	2019
NET ASSETS AS AT 30 JUNE - Rupees in '000	**9,595,117**	5,967,058	5,376,708
NET ASSETS VALUE PER UNIT AT 30 JUNE - Rupees *			
Class A Units - Offer	**164.2**	122.94	112.61
- Redemption	**159.68**	119.56	109.51
RETURN OF THE FUND - %			
One Year	**33.96**	10.36	(18.45)
Capital Growth (per unit)	**33.54**	9.40	(18.45)
Date of Income Distribution	**25-Jun-21**	29-Jun-20	-
Income Distribution	**0.5**	1.2846	-
AVERAGE ANNUAL RETURN - %			
One Year	**33.96**	10.36	(18.45)
Second Year	**22.16**	(6.82)	(15.42)
Third Year	**8.62**	2.18	(0.55)
Fourth Year	**3.37**	4.64	3.21
Fifth Year	**8.54**	8.38	7.98
Sixth Year	**9.53**	12.09	12.38
Since inception	**19.06**	17.70	18.44
OFFER / REPURCHASE DURING THE YEAR - Rupees *			
Highest price per unit - Class A - Offer	**170.43**	145.32	142.39
Highest price per unit - Class A - Redemption	**165.74**	141.32	138.47
Lowest price per unit - Class A - Offer	**125.42**	91.68	108.98
Lowest price per unit - Class A - Redemption	**121.97**	89.16	105.98

* Front-end load @2.5% is applicable

PORTFOLIO COMPOSITION
Percentage of Net Assets as at 30 June

PORTFOLIO COMPOSITION BY CATEGORY - %

Bank Balances	**7.10**	7.00	8.00
Sukuk certificates	-	-	-
Equity securities	**90.60**	91.00	91.00
Foreign Investments	-	-	-
others	**2.30**	2.00	1.00

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.

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED
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, 2021 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 14, 2021

al-ameen funds

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 ASSF in light of Shariah requirements. The following is a list of top equity investments of ASSF as on 30 June 2021 and their evaluation according to the screening criteria established by us:

			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)
S. No.	Top Equity Scrip Holdings	Nature of Business	<37%	<33%	<5%	>25%	A	< B
1	Mari Petroleum Company Limited	Oil & Gas Exploration Companies	0%	33%	5%	37%	457	1524
2	Lucky Cement Limited	Cement	26%	8%	1%	73%	-303	863
3	The Hub Power Company Limited	Power Generation & Distribution	14%	2%	14%	31%	2	80
4	Kohat Cement Company Limited	Cement	17%	0%	0%	73%	-20	206
5	Pakistan Petroleum Limited	Oil & Gas Exploration Companies	0%	15%	2%	30%	80	87
6	Meezan Bank Limited	Commercial Banks	N/A	N/A	N/A	N/A	N/A	115
7	Engro Corporation Limited	Fertilizer	35%	13%	4%	50%	-116	295
8	Oil & Gas Development Company Limited	Oil & Gas Exploration Companies	0%	19%	7%	25%	119	95
9	Kohinoor Textile Mills Limited	Textile Composite	28%	1%	0%	77%	-68	75
10	Fauji Fertilizer Company Limited	Fertilizer	21%	48%	5%	20%	27	106

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 2021 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.

al-ameen funds

During the year, an amount of PKR 16,380,552 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

KARACHI:
DATE: September 17, 2021

Mufti Muhammad Najeeb Khan
Member, Shariah Advisory Committee

Shariah Compliant
APPROVED
BY
Mufti Muhammad Najeeb Khan

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, 2021**

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. Huma Pasha*
Executive Directors	Mr. Yasir Qadri
Non-Executive Directors	Mr. Imran Sarwar Ms. Sadia Saeed** Mr. Arif Akmal Saifie Syed Furrukh Zaeem
Female Director	Ms. Huma Pasha* Ms. Sadia Saeed**

* Ms. Huma was appointed as a director with effect from September 04, 2020

** Ms. Sadia Saeed has resigned effective July 19, 2021

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 the 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 Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the 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. Huma Pasha
d. Ms. Sadia Saeed
e. Syed Furrukh Zaeem

Executives

a. Mr. Hadi Hassan Mukhi (Head of Compliance and Risk)
b. Mr. Umair Ahmed (Chief Financial Officer)
c. Mr. Zeeshan Quddus (Chief Business Development Officer)

10. The Board has approved appointment of 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 relevant requirements of the Regulations.

11. Chief Executive Officer (CEO) and CFO duly endorsed the financial statements 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. Huma Pasha*	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

Board Human Resource and Compensation Committee

Name	Designation	Type of Directorship
Mr. Azhar Hamid	Chairman	Independent Director
Ms. Huma Pasha*	Member	Independent Director
Mr. Yasir Qadri	Member	Executive 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 Saifi	Member	Non-Executive Director
Mr. Yasir Qadri	Member	Executive Director
Syed Furrukh Zaeem	Member	Non-Executive Director

* Ms. Huma was appointed as a director with effect from September 04, 2020
** Ms. Sadia Saeed has resigned effective July 19, 2021

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 were as per following:

a. The Board Audit Committee: quarterly - four meetings held
b. The Board Human Resource and Compensation Committee: quarterly – four 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 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 the CEO, CFO, Head of Internal Audit, 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, these 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. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 is as follows:

S.no	Non-Mandatory Requirement	Reg. No.	Explanation
1.	**Independent Director** The independent directors of each listed company shall not be less than two members or one third of the total members of the board, whichever is higher. When there are seven directors on the board of the company the fraction of independent director share comes at 2.33. The company may round up or provide reason for contrary.	6	The two independent directors have requisite education and extensive and suitable experience to carry out their responsibilities, therefore the Board has not appointed the third independent director.
2.	**Nomination Committee** The board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	29	Currently, the board has not constituted a separate NC and the functions are being performed by the BHRCC

AZHAR HAMID
Chairman

Karachi.
Dated: **August 17, 2021**

pwc

A·F·FERGUSON&Co.

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, 2021. The Management Company of the Fund 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, 2021.

AFFerguson & Co

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: September 23, 2021

pwc

A·F·FERGUSON&CO.

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, 2021, 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, 2021, 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, 2021 amounted to Rs. 9,084.062 million. The existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2021 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: ▪ 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, 2021 and reconciled it with the books and records of the Fund. Where such confirmation was not available, alternate audit procedures were performed; and ▪ Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies.

AFFCO

pwc A·F·FERGUSON&Co.

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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

AFFco

pwc

A·F·FERGUSON&Co.

- 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 23, 2021

AL-AMEEN SHARIAH STOCK FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2021

	Note	2021	2020
		-------- (Rupees in '000) --------	
ASSETS			
Bank balances	4	718,186	470,602
Investments - net	5	9,084,062	5,654,694
Dividend and profit receivable	6	3,767	26,575
Deposits, advances and other receivables	7	219,686	68,622
Advance tax	8	4,282	3,233
Total assets		10,029,983	6,223,726
LIABILITIES			
Payable to UBL Fund Managers Limited - the Management Company	9	120,291	49,782
Payable to Central Depository Company of Pakistan Limited - the Trustee	10	1,003	663
Payable to the Securities and Exchange Commission of Pakistan	11	1,733	1,155
Accrued expenses and other liabilities	12	311,839	205,068
Total liabilities		434,866	256,668
NET ASSETS		9,595,117	5,967,058
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		9,595,117	5,967,058
CONTINGENCIES AND COMMITMENTS	13		
		---------(Number of units)---------	
NUMBER OF UNITS IN ISSUE	14	60,089,029	49,906,442
		---------------(Rupees)---------------	
NET ASSET VALUE PER UNIT		159.6817	119.5649

The annexed notes 1 to 29 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD	SD	SD
Chief Executive Officer	**Chief Financial Officer**	**Director**

AL-AMEEN SHARIAH STOCK FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

	Note	2021	2020
		--------(Rupees in '000)--------	
INCOME			
Gain on sale of investments - net		1,022,030	98,558
Profit on bank deposits		22,028	46,953
Dividend income		438,536	228,665
Unrealised gain on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.1	1,191,736	228,259
Total income		2,674,330	602,435
EXPENSES			
Remuneration of UBL Fund Managers Limited - the Management Company	9.1	176,529	115,548
Sindh sales tax on remuneration of the Management Company	9.2	22,949	15,021
Allocated expenses	9.3	10,712	5,777
Selling and marketing expenses	9.4	167,408	59,349
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	10.1	9,649	6,772
Sindh sales tax on remuneration of the Trustee	10.2	1,254	880
Annual fee to the Securities and Exchange Commission of Pakistan	11.1	1,733	1,155
Auditors' remuneration	15	481	481
Bank charges		69	128
Brokerage and settlement charges		24,550	13,686
Listing fee		25	25
Legal and professional charges		195	213
Shariah advisor fee		480	350
Other expenses		180	4
Total expenses		416,214	219,389
Net operating income for the year		2,258,116	383,046
Provision for Sindh Workers' Welfare Fund	12.3	44,298	7,525
Net income for the year before taxation		2,213,818	375,521
Taxation	16	-	-
Net income for the year after taxation		2,213,818	375,521
Allocation of net income for the year			
- Net income for the year after taxation		2,213,818	375,521
- Income already paid on units redeemed		(823,443)	(41,212)
Net income for the year after taxation		1,390,375	334,309
Accounting income available for distribution			
- Relating to capital gains		1,390,375	285,605
- Excluding capital gains		-	48,704
		1,390,375	334,309
Earnings per unit	17		

The annexed notes 1 to 29 form an integral part of these financial statements.

(Management Company)

SD	SD	SD
Chief Executive Officer	**Chief Financial Officer**	**Director**

AL-AMEEN SHARIAH STOCK FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
	--------(Rupees in '000)--------	
Net income for the year after taxation	2,213,818	375,521
Other comprehensive income	-	-
Total comprehensive income for the year	2,213,818	375,521

The annexed notes 1 to 29 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD	SD	SD
Chief Executive Officer	**Chief Financial Officer**	**Director**

AL-AMEEN SHARIAH STOCK FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2021

	2021			2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at the beginning of the year	4,804,546	1,162,512	5,967,058	4,498,864	877,844	5,376,708
Amount received on issuance of 96,669,320 units (2020: 54,667,077 units)						
- Capital value	11,558,258	-	11,558,258	5,986,784	-	5,986,784
- Element of income	2,851,900	-	2,851,900	580,968	-	580,968
Total amount received on issuance of units	14,410,158	-	14,410,158	6,567,752	-	6,567,752
Amount paid on redemption of 86,486,733 units (2020: 53,856,932 units)						
- Capital value	(10,340,778)	-	(10,340,778)	(5,898,062)	-	(5,898,062)
- Element of loss	(1,801,857)	(823,443)	(2,625,300)	(350,659)	(41,212)	(391,871)
Total amount paid on redemption of units	(12,142,635)	(823,443)	(12,966,078)	(6,248,721)	(41,212)	(6,289,933)
Total comprehensive income for the year	-	2,213,818	2,213,818	-	375,521	375,521
Distribution for the year Rs. 0.5000 per unit declared on June 25, 2021 (2020: Rs. 1.2846 per unit declared on June 29, 2020)	-	(29,839)	(29,839)	(13,349)	(49,641)	(62,990)
Net assets at the end of the year	7,072,069	2,523,048	9,595,117	4,804,546	1,162,512	5,967,058
Undistributed income brought forward:						
- Realised income		934,253			2,093,625	
- Unrealised gain / (loss)		228,259			(1,215,781)	
		1,162,512			877,844	
Accounting income available for distribution						
- Related to capital gain		1,390,375			285,605	
- Excluding capital gain		-			48,704	
		1,390,375			334,309	
Distribution for the year Rs. 0.5000 per unit declared on June 25, 2021 (2020: Rs. 1.2846 per unit declared on June 29, 2020)		(29,839)			(49,641)	
Undistributed income carried forward		2,523,048			1,162,512	
Undistributed income carried forward						
- Realised income		1,331,312			934,253	
- Unrealised income		1,191,736			228,259	
		2,523,048			1,162,512	
			(Rupees)			**(Rupees)**
Net asset value per unit at the beginning of the year			119.5649			109.5135
Net asset value per unit at the end of the year			159.6817			119.5649

The annexed notes 1 to 29 form an integral part of these financial statements.

ASSF
AIAAF
AIAIF
USSP VIII

For UBL Fund Managers Limited
(Management Company)

SD	SD	SD
Chief Executive Officer	**Chief Financial Officer**	**Director**

AL-AMEEN SHARIAH STOCK FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2021

	2021	2020
	----------- (Rupees in '000) ---------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	2,213,818	375,521
Adjustments for:		
Gain on sale of investments - net	(1,022,030)	(98,558)
Profit on bank deposits	(22,028)	(46,953)
Dividend income	(438,536)	(228,665)
Unrealised gain on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	(1,191,736)	(228,259)
Provision for Sindh Workers' Welfare Fund (SWWF)	44,298	7,525
	(2,630,032)	(594,910)
Decrease in assets		
Investments - net	(1,215,602)	(274,415)
Deposits, advances and other receivables	(151,064)	(58,625)
	(1,366,666)	(333,040)
Increase / (decrease) in liabilities		
Payable to UBL Fund Managers Limited - the Management Company	70,509	32,316
Payable to Central Depository Company of Pakistan Limited - the Trustee	340	49
Payable to the Securities and Exchange Commission of Pakistan	578	(5,391)
Payable against purchase of investments	-	(96)
Accrued expenses and other liabilities	62,236	7,497
	133,663	34,375
Profit received on bank balances	21,987	48,712
Dividend received	461,385	246,311
Tax paid	(1,049)	-
Net cash used in operating activities	(1,166,894)	(223,031)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units (excluding refund of capital)	14,410,158	6,554,403
Payments against redemption of units	(12,966,078)	(6,238,326)
Dividend paid	(29,602)	(48,260)
Net cash generated from financing activities	1,414,478	267,817
Net increase in cash and cash equivalents during the year	247,584	44,786
Cash and cash equivalents at the beginning of the year	470,602	425,816
Cash and cash equivalents at the end of the year	718,186	470,602

The annexed notes 1 to 29 form an integral part of these financial statements.

For UBL Fund Managers Limited
(Management Company)

SD	SD	SD
Chief Executive Officer	**Chief Financial Officer**	**Director**

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 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.

1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules. The registered office of the Management Company is situated at 4th Floor, STSM Building, Beaumont Road, Civil Lines, Karachi.

1.3 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.

1.4 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.

1.5 The Management Company has been reaffirmed a quality rating of AM1 dated December 31, 2020 (2020: AM1 dated December 31, 2019) by VIS Credit Rating Company respectively.

1.6 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.

1.7 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act “Sindh Trusts Act, 2020” as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act, 2020, has submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act, 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;

- 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.

AIAIF

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

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, 2020. 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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2021. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed 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 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) and provision for Sindh Workers' Welfare Fund (note 12.3).

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 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.

3.3.2 Classification and subsequent measurement

ASSF
AIAAF
AIAIF

3.3.2.1 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.

3.3.3 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.

3.3.4 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.

3.3.5 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.

3.4 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 that 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.

3.13 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, 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).

3.14 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.

3.15 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.

4 BANK BALANCES

	Note	2021	2020
		----------- (Rupees in '000) -----------	
In local currency:			
Saving accounts	4.1	393,950	388,150
Current accounts	4.2	324,236	82,452
		718,186	470,602

4.1 Profit rates on these savings accounts range between 2.63% to 7% per annum (June 30, 2020: 2.31% to 7% per annum). These include an amount held with a related party (United Bank Limited) amounting to Rs. 388.327 million (June 30, 2020: Rs. 378.718 million) on which return is earned at 6.5% per annum (June 30, 2020: 7% per annum).

4.2 These include an amount held with a related party (United Bank Limited) amounting to Rs. 16.069 million (June 30, 2020: Rs. 4.706 million).

5 INVESTMENTS - NET

	Note	2021	2020
		----------- (Rupees in '000) -----------	
At fair value through profit or loss			
Equity securities	5.1	9,084,062	5,654,694
		9,084,062	5,654,694

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, 2020	Purchased / bonus received during the year	Sold during the year	As at June 30, 2021	Total carrying value as at June 30, 2021	Total market value as at June 30, 2021	Unrealised gain / (loss) as at June 30, 2021	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 L	5.1.2	885,972	84,000	956,260	13,712	3,078	3,075	(3)	0.03%	0.03%	0.00%*
Sui Northern Gas Pipelines Limited		-	1,757,619	1,757,619	-	-	-	-	-	-	-
						3,078	3,075	(3)	0.03%	0.03%	
Oil and gas exploration companies											
Oil & Gas Development Company Li		4,925,815	3,761,925	2,995,781	5,691,959	592,238	540,907	(51,331)	5.64%	5.95%	0.13%
Pakistan Petroleum Limited		4,069,992	4,454,000	2,044,090	6,479,902	585,923	562,650	(23,273)	5.86%	6.19%	0.24%
Pakistan Oilfields Limited		748,217	595,525	1,120,944	222,798	82,430	87,751	5,321	0.91%	0.97%	0.08%
Mari Petroleum Company Limited		495,340	370,720	177,650	688,410	911,293	1,049,405	138,112	10.94%	11.55%	0.52%
						2,171,884	2,240,713	68,829	23.35%	24.66%	
Fertilizer											
Engro Corporation Limited		2,117,159	1,333,998	1,608,590	1,842,567	549,405	542,839	(6,566)	5.66%	5.98%	0.32%
Engro Fertilizers Limited		4,140,828	3,237,940	6,426,623	952,145	59,991	66,907	6,916	0.70%	0.74%	0.07%
Fauji Fertilizer Company Limited		1,336,133	3,681,803	1,306,565	3,711,371	401,292	393,776	(7,516)	4.10%	4.33%	0.29%
						1,010,688	1,003,522	(7,166)	10.46%	11.05%	
Balance carried forward						3,185,650	3,247,310	61,660			

Name of investee company	Note	As at July 1, 2020	Purchased / bonus received during the year	Sold during the year	As at June 30, 2021	Total carrying value as at June 30, 2021	Total market value as at June 30, 2021	Unrealised gain / (loss) as at June 30, 2021	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--------------		
Balance brought forward						3,185,650	3,247,310	61,660			
Chemicals											
I.C.I Pakistan Limited		70,367	74,550	4,600	140,317	108,554	121,907	13,353	1.27%	1.34%	0.15%
Engro Polymer & Chemicals Limited		4,293,472	2,925,500	3,513,456	3,705,516	119,582	175,049	55,467	1.82%	1.93%	0.41%
Sitara Chemical Industries Limited		87,900	40,500	15,600	112,800	34,411	39,706	5,295	0.41%	0.44%	0.53%
						262,547	336,662	74,115	3.50%	3.71%	
Cement											
Cherat Cement Company Limited		9,790	-	8,900	890	78	158	80	0.00%*	0.00%*	0.00%*
Kohat Cement Company Limited		2,052,681	1,632,600	728,212	2,957,069	474,698	610,605	135,907	6.36%	6.72%	1.47%
Lucky Cement Limited	5.1.1	876,624	970,473	820,894	1,026,203	662,964	886,065	223,101	9.23%	9.75%	0.32%
D.G. Khan Cement Company Limitec		-	935,000	934,910	90	11	11	-*	0.00%*	0.00%*	0.00%*
Maple Leaf Cement Factory		-	2,575,000	503,500	2,071,500	93,613	97,319	3,706	1.01%	1.07%	0.19%
						1,231,364	1,594,158	362,794	16.60%	17.54%	
Paper and board											
Century Paper and Board Mills Limit		1,263,562	130,312	1,393,431	443	26	54	28	0.00%*	0.00%*	0.00%*
Packages Limited		128,613	-	128,613	-	-	-	-	-	-	-
						26	54	28	-	-	
Commercial banks											
Meezan Bank Limited		4,125,620	2,082,590	1,381,041	4,827,169	379,932	557,104	177,172	5.81%	6.13%	0.34%
						379,932	557,104	177,172	5.81%	6.13%	
Textile composite											
Nishat Mills Limited		2,358,822	2,161,000	1,465,440	3,054,382	278,449	284,974	6,525	2.97%	3.14%	0.87%
Interloop Limited		-	3,887,500	1,692,500	2,195,000	150,589	153,716	3,127	1.60%	1.69%	0.25%
Kohinoor Textile Mills Limited		4,380,100	3,423,000	2,052,603	5,750,497	253,411	432,437	179,026	4.51%	4.76%	1.92%
						682,449	871,127	188,678	9.08%	9.59%	
Power generation and distribution											
The Hub Power Company Limited		6,149,361	4,733,107	3,019,939	7,862,529	609,539	626,408	16,869	6.53%	6.90%	0.61%
Saif Power Limited		3,820,404	147,500	3,963,876	4,028	65	70	5	0.00%*	0.00%*	0.00%*
Lalpir Power Limited		1,075,500	50,000	1,125,500	-	-	-	-	-	-	-
PakGen Power Limited		4,550,138	196,500	4,746,638	-	-	-	-	-	-	-
Kot Addu Power Company Limited		-	2,766,000	2,766,000	-	-	-	-	-	-	-
K-Electric Limited		620,673	-	620,673	-	-	-	-	-	-	-
(Face value of Rs. 3.5 per share)											
						609,604	626,478	16,874	6.53%	6.90%	
Automobile parts and accessories											
Thal Limited		433,272	412,200	113,043	732,429	276,306	309,656	33,350	3.23%	3.41%	0.90%
(Face value of Rs. 5 per share)											
Honda Atlas Car (Pakistan) Limited		-	528,300	374,800	153,500	54,723	53,077	(1,646)	0.55%	0.58%	0.11%
Millat Tractors Limited		-	78,872	20,759	58,113	58,078	62,739	4,661	0.65%	0.69%	0.10%
Pak Suzuki Motor Company Limited		-	236,300	236,300	-	-	-	-	-	-	-
						389,107	425,472	36,365	4.43%	4.68%	
Glass & ceramics											
Shabbir Tiles & Ceramics Limited		-	4,239,500	689,118	3,550,382	89,000	118,405	29,405	1.23%	1.30%	1.48%
(Face value of Rs. 5 per share)											
						89,000	118,405	29,405	1.23%	1.30%	
Engineering											
International Steels Limited		-	1,141,346	503,893	637,453	54,812	59,544	4,732	0.62%	0.66%	0.15%
Agha Steel Industries Ltd.		-	3,110,500	1,554,872	1,555,628	54,248	52,471	(1,777)	0.55%	0.58%	0.27%
Mughal Iron & Steel Industries Limite		-	375,000	374,402	598	46	62	16	0.00%*	0.00%*	0.00%*
Aisha Steel Mills Limited		-	4,000,000	1,510,500	2,489,500	62,527	62,013	(514)	0.65%	0.68%	0.33%
International Industries Limited		-	496,300	122,500	373,800	76,267	78,879	2,612	0.82%	0.87%	0.28%
						247,900	252,969	5,069	2.64%	2.79%	
Food and personal care products											
Al Shaheer Corporation		2,452,513	500,000	2,952,513	-	-	-	-	-	-	-
Treet Corporation Limited		-	925,000	501,000	424,000	17,026	20,984	3,958	0.22%	0.23%	0.24%
						17,026	20,984	3,958	0.22%	0.23%	
Pharmaceuticals											
The Searle Company Limited	5.1.2	429,918	1,253,158	585,286	1,097,790	254,359	266,346	11,987	2.78%	2.93%	0.46%
Highnoon Laboratories Limited		330	192,721	9,118	183,933	105,724	110,360	4,636	1.15%	1.21%	0.48%
IBL HealthCare Limited		-	20,000	20,000	-	-	-	-	-	-	-
GlaxoSmithKline Consumer Healthcare Limited		20,000	187,800	47,959	159,841	43,781	39,975	(3,806)	0.42%	0.44%	0.14%
						403,864	416,681	12,817	4.35%	4.58%	
Balance carried forward						7,498,469	8,467,404	968,935			

Name of investee company	Note	As at July 1, 2020	Purchased / bonus received during the year	Sold during the year	As at June 30, 2021	Total carrying value as at June 30, 2021	Total market value as at June 30, 2021	Unrealised gain / (loss) as at June 30, 2021	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--------------		
Balance brought forward						7,498,469	8,467,404	968,935			
Technology & communication											
Systems Limited		1,297,990	217,380	936,786	578,584	99,868	324,134	224,266	3.38%	3.57%	0.42%
TPL Trakker Limited		-	566,000	566,000	-	-	-	-	-	-	-
						99,868	324,134	224,266	3.38%	3.57%	
Leather & Tanneries											
Service Global Footwear Limited		-	3,018,124	525,000	2,493,124	137,743	144,177	6,434	1.50%	1.59%	1.22%
						137,743	144,177	6,434	1.50%	1.59%	
Transport											
Pakistan International Bulk Terminal		-	10,748,500	4,917,490	5,831,010	72,984	66,357	(6,627)	0.69%	0.73%	0.33%
						72,984	66,357	(6,627)	0.69%	0.73%	
Vanaspati & Allied Industries											
Unity Foods Limited		-	11,216,472	11,216,472	-	-	-	-	-	-	-
						-	-	-	-	-	
Miscellaneous											
Syntethic Products Enterprises Limi		750,760	242,000	975,000	17,760	752	766	14	0.01%	0.01%	0.02%
Shifa International Hospitals Limited		-	390,500	19,867	370,633	82,510	81,224	(1,286)	0.85%	0.89%	0.60%
						83,262	81,990	(1,272)	0.86%	0.90%	
Total June 30, 2021						**7,892,326**	**9,084,062**	**1,191,736**			
Total June 30, 2020						5,426,435	5,654,694	228,259			

*Nil value due to rounding off difference.

5.1.1 These equity securities include 0.24 million shares (June 30, 2020: 0.24 million shares) pledged with the National Clearing Company of Pakistan Limited (NCCPL) having a market value of Rs. 207.226 million (June 30, 2020: Rs. 110.15 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 Sindh High Court, 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 Sindh High Court in favour of CISs.

During the year ended June 30, 2018, the Supreme Court of Pakistan (SCP) passed a judgment 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 ended June 30, 2020, the CISs filed a fresh constitutional petition vide CP 4653 dated July 11, 2019. In this regard, on July 15, 2019, the Sindh High Court issued notices to the relevant parties and 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, 2021:

Name of the investee company	June 30, 2021		June 30, 2020	
	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	2,177	9,709	1,536
The Searle Company Limited	59,600	14,460	59,600	11,874

	Note	2021	2020
		----------- (Rupees in '000) -----------	
6 DIVIDEND AND PROFIT RECEIVABLE			
Dividend receivable		1,164	24,013
Profit receivable on saving accounts	6.1	2,603	2,562
		3,767	26,575

6.1 These include profit due from a related party amounting to Rs. 1.955 million (June 30, 2020: Rs. 2.554 million).

	Note	2021	2020
		----------- (Rupees in '000) -----------	
7 DEPOSITS, ADVANCES 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
Receivable against sale of investments		121,473	66,022
Advances against Initial Public Offerings (IPO)	7.1	86,695	-
Other receivables		8,918	-
		219,686	68,622

7.1 During the current year, the Fund has participated in initial public offerings of Citi Pharma Limited and Pakistan Aluminium Beverage Cans Limited. In this regard, the Fund has paid advances amounting to Rs. 12.32 million and Rs. 74.375 million respectively.

8 ADVANCE TAX

As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under sections 151 and 150. However, withholding tax on dividend and profit on bank deposits paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide its Circular C.No.1 (43) DG (WHT) / 2008 - Vol.II - 66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholdee. The tax withheld on dividends and profit on bank deposits amounts to Rs. 4.282 million (June 30, 2020: Rs 3.233 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan (SCP) by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the SCP granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on dividends and profit on bank deposits has been shown as advance tax under assets as at June 30, 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

9 PAYABLE TO UBL FUND MANAGERS LIMITED - THE MANAGEMENT COMPANY

	Note	2021	2020
		(Rupees in '000)	
Remuneration payable to the Management Company	9.1	19,380	10,093
Sindh sales tax on remuneration payable to the Management Company	9.2	2,519	1,312
Allocated expenses payable	9.3	6,087	1,036
Sales load and conversion charges		4,950	7,721
Shariah advisor fee		141	350
Selling and marketing expenses	9.4	87,197	29,253
Other expenses		17	17
		120,291	49,782

9.1 The Management Company has charged its remuneration at the rate of 2% per annum of the average daily net assets from July 1, 2020 till June 6, 2021 and 2.5% per annum of the average daily net assets from June 7, 2021 till June 30, 2021 (June 30, 2020: 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% (2020: 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).

The Management Company, based on its own discretion while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations, fixed a capping of 0.1% per annum of average daily net assets until September 30, 2020. Thereafter the capping was revised to 0.13% of the average daily net assets.

9.4 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company based on its own discretion has charged selling and marketing expenses to the Fund as follows keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations, 2008.

From July 1, 2020 till September 30, 2020	2.03% per annum of average daily net assets
From October 1, 2020 till June 6, 2021	2% per annum of average daily net assets
From June 7, 2021 till June 30, 2021	1% per annum of average daily net assets

10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE

	Note	2021	2020
		(Rupees in '000)	
Remuneration payable to the Trustee	10.1	888	587
Sindh sales tax on Trustee remuneration	10.2	115	76
		1,003	663

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

Net Assets (Rs.)	Fee
Up to Rs. 1 billion	Rs. 0.7 million or 0.20% per annum of net assets, whichever is higher.
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% (2020: 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	2021	2020
		(Rupees in '000)	
Annual fee payable	11.1	1,733	1,155

11.1 In accordance with SRO No. 685 (1) / 2019 dated June 28, 2019 issued by the SECP, the Fund has charged the SECP fee at the rate of 0.02% (June 30, 2020: 0.02%) per annum of the average daily net assets during the current year.

12	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2021	2020
			----------- (Rupees in '000) -----------	
	Auditors' remuneration		328	330
	Sales load payable		6,011	1,163
	Tax deduction at source		2,441	3,818
	Zakat deducted at source		868	531
	Commission payable		10,816	9,688
	Capital gain tax payable		7,903	2,179
	Charity payable	12.1	20,198	3,818
	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	115,156	70,858
	Dividend payable		1,618	1,381
	Payable against purchase of investments		86,440	-
	Payable against redemption and conversion of units		153	51,607
	Others		322	110
			311,839	205,068

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. 16.38 million (2020: Rs. 5.58 million) has been recognised by the Fund as charity expense in these financial statements. The dividend income is recorded net of amount given in charity.

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, 2020: 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, 2021 would have been higher by Re. 0.9071 per unit (June 30, 2020: Rs. 1.0921 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 the Mutual Funds Association of Pakistan (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 SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The 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 and based on the legal opinion obtained by MUFAP, 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 Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

Had the provision for SWWF not been recorded in these financial statements of the Fund for the year, the net asset value per unit of the Fund as at June 30, 2021 would have been higher by Rs. 1.9164 per unit (June 30, 2020: Rs. 1.4198 per unit).

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2021 and as at June 30, 2020.

14 NUMBER OF UNITS IN ISSUE

	2021	2020
	----------- Number of units -----------	
Total units in issue at the beginning of the year	49,906,442	49,096,297
Units issued during the year	96,669,320	54,667,077
Units redeemed during the year	(86,486,733)	(53,856,932)
Total units in issue at the end of the year	60,089,029	49,906,442

15 AUDITORS' REMUNERATION

	2021	2020
	----------- (Rupees in '000) -----------	
Annual audit fee	203	199
Half yearly review	135	133
Review of compliance with the requirements of the Code of Corporate Governance	36	35
Other certifications	45	44
Out of pocket expenses and Sindh sales tax	62	70
	481	481

16 TAXATION

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 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, 2021 to the unit holders as explained above, no provision for taxation has been made in these financial statements.

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.

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, 2021 is 5.31% (June 30, 2020: 4.04%) which includes 0.84% (June 30, 2020: 0.46%) 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, 2021		
	At amortised cost	At fair value through profit or loss	Total
	Rupees in '000		
Financial assets			
Bank balances	718,186	-	718,186
Investments - net	-	9,084,062	9,084,062
Dividend and profit receivable	3,767	-	3,767
Deposits, advances and other receivables	219,686	-	219,686
	941,639	9,084,062	10,025,701
Financial liabilities			
Payable to UBL Fund Managers Limited - the Management Company	120,291	-	120,291
Payable to Central Depository Company of Pakistan Limited - the Trustee	1,003	-	1,003
Accrued expenses and other liabilities	125,886	-	125,886
	247,180	-	247,180

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
Deposits, advances and other receivables	68,622	-	68,622
	565,799	5,654,694	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	68,097	-	68,097
	118,542	-	118,542

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

Profit 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, 2021, 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 for the year and the net assets of the Fund by Rs. 3.940 million (2020: Rs 3.882 million).

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2021, 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, 2021 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, 2021 can be determined as follows:

	2021					
	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	2.63% - 7%	393,950	-	-	324,236	718,186
Investments - net		-	-	-	9,084,062	9,084,062
Dividend and profit receivable		-	-	-	3,767	3,767
Deposits, advances and other receivables		-	-	-	219,686	219,686
		393,950	-	-	9,631,751	10,025,701
Financial liabilities						
Payable to UBL Fund Managers Limited - the Management Company		-	-	-	120,291	120,291
Payable to Central Depository Company of Pakistan Limited - the Trustee		-	-	-	1,003	1,003
Accrued expenses and other liabilities		-	-	-	125,886	125,886
		-	-	-	247,180	247,180
On-balance sheet gap (a)		393,950	-	-	9,384,571	
Off-balance sheet financial instruments		-	-	-	-	
Off-balance sheet gap (b)		-	-	-	-	
Total profit rate sensitivity gap (a+b)		393,950	-	-	9,384,571	
Cumulative profit rate sensitivity gap		393,950	393,950	393,950		

	Effective yield / profit rate (%)	Exposed to yield / profit rate risk: Upto three months	Exposed to yield / profit rate risk: More than three months and up-to one year	Exposed to yield / profit rate risk: More than one year	Not exposed / yield to profit rate risk	Total
	2020					
		---------- (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
Deposits, advances and other receivables		-	-	-	68,622	68,622
		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		-	-	-	68,097	68,097
		-	-	-	118,542	118,542
On-balance sheet gap (a)		388,150	-	-	5,713,801	6,101,951
Off-balance sheet financial instruments		-	-	-	-	
Off-balance sheet gap (b)		-	-	-	-	
Total profit rate sensitivity gap (a+b)		388,150	-	-	5,713,801	
Cumulative profit rate sensitivity gap		388,150	388,150	388,150		

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, 2021, with all other variables held constant, the total income of the Fund for the year would increase / decrease by Rs. 454.203 million (2020: Rs. 282.735 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, 2021 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:

	2021		2020	
	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	718,186	718,186	470,602	470,602
Investments - net	9,084,062	-	5,654,694	-
Dividend and profit receivable	3,767	3,767	26,575	26,575
Deposits, advances and other receivables	219,686	219,686	68,622	68,622
	10,025,701	941,639	6,220,493	565,799

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. 9,084.062 million (June 30, 2020: Rs. 5,654.694 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. 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 and profit accrued on bank balances is as follows:

Rating	% of financial assets exposed to credit risk	
	2021	2020
Bank balances		
AAA	4.051%	6.222%
AA+	3.098%	1.340%
AA	0.002%	0.001%
A+	0.001%	0.001%
A	0.012%	0.001%

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.

20.3 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 equity securities and to daily 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 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 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.

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:

	2021						
	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	120,291	-	-	-	-	-	120,291
Payable to Central Depository Company of Pakistan Limited - the Trustee	1,003	-	-	-	-	-	1,003
Accrued expenses and other liabilities	125,558	328	-	-	-	-	125,886
	246,852	**328**	**-**	**-**	**-**	**-**	**247,180**

	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	49,782	-	-	-	-	-	49,782
Payable to Central Depository Company of of Pakistan Limited - the Trustee	663	-	-	-	-	-	663
Accrued expenses and other liabilities	67,767	330	-	-	-	-	68,097
	118,212	**330**	**-**	**-**	**-**	**-**	**118,542**

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, 2021, the Fund held the following financial instruments measured at fair values:

	As at June 30, 2021			
	Level 1	Level 2	Level 3	Total
ASSETS	Rupees in '000			
Investment in securities - financial assets 'at fair value through profit or loss'				
Equity securities	9,084,062	-	-	9,084,062
	9,084,062	-	-	9,084,062

	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
ASSETS	Rupees in '000			
Investment in securities - financial assets 'at fair value through profit or loss'				
Equity securities	5,654,694	-	-	5,654,694
	5,654,694	-	-	5,654,694

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

		June 30, 2021 (Percentage)
1	Taurus Securities Limited	16.03
2	Insight Securities (Private) Limited	6.49
3	Aba Ali Habib Securities (Private) Limited	5.86
4	Topline Securities (Private) Limited	5.59
5	Alfalah CLSA Securities (Private) Limited	4.99
6	JS Global Capital Limited	4.61
7	Intermarket Securities Limited	3.88
8	AKD Securities Limited	3.84
9	Spectrum Securities Limited	3.32
10	Next Capital Limited	3.32

		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

24 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Details of the members of the investment committee of the Fund as at June 30, 2021 are as follows:

S. No.	Name	Designation	Experience in years	Qualification
1	Mr. Yasir Qadri	Chief Executive Officer	25	MBA
2	Syed Suleman Akhtar	Chief Investment Officer	20	CFA, MBA
3	Mr. Irfan Nepal	Chief Dealer and Fund Manager	26	EMBA, MIBS
4	Mr. Hadi Hassan Muki	Head of Compliance	21	BCOM
5	Syed Shabbir Sardar Zaidi	Head of Equity – Islamic Funds	12	MAS, CFA
6	Mr. Muhammad Waseem	Head of Research	7	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 Asset Allocation Fund
- Al - Ameen Islamic Dedicated Equity Fund
- Al - Ameen Islamic Energy Fund
- Al - Ameen Islamic Financial Planning Fund - II
- Al - Ameen Islamic Retirement Savings Fund

25 PATTERN OF UNIT HOLDERS

Category	----------As at June 30, 2021----------		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total
Individuals	9,138	3,179,423	33.14
Associated companies and directors	8	29,167	0.30
Insurance companies	5	1,052,248	10.97
Retirement funds	35	4,896,229	51.03
Public limited companies	10	55,924	0.58
NBFC	1	161,777	1.69
Others	18	220,349	2.30
	9,215	9,595,117	100.00

Category	----------As at June 30, 2019----------		
	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
	9,299	5,967,058	100.00

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, 2021					
Transactions during the year	(Units in '000)					
Units issued	1,796	-	-	-	466	52
Units redeemed	783	-	-	-	508	-
	(Rupees in '000)					
Profit on savings accounts	-	17,662	-	-	-	-
Bank charges and other charges	-	50	-	-	-	-
Value of units issued	280,429	-	-	-	67,781	8,416
Value of units redeemed	123,005	-	-	-	75,432	-
Remuneration (including sales tax)	199,478	-	10,903	-	-	-
Shariah advisor fee	480	-	-	-	-	-
Allocated expenses	10,712	-	-	-	-	-
Selling and marketing expenses	167,408	-	-	-	-	-
CDS expense	-	-	371	-	-	-
Dividend paid	505	-	1	-	89	8,416
	Year ended June 30, 2020					
Transactions during the year	(Units in '000)					
Units issued	346	-	-	-	111	2,866
Units redeemed	346	-	-	-	62	-
	(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	-	-	-

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

** These include transactions in relation to the entities w here common directorship exist as at the reporting date.

*** These include transactions in relation to those directors, key executives and other connected persons / related parties that exist as at the reporting date.

Particulars	Management Company	Associated companies and others * & **	Trustee	Funds under common management	Directors and Key Executives ***	Other connected persons / related parties ***
	---------- As at June 30, 2021 ----------					
Balances held	---------- (Units in '000) ----------					
Units held	1,013	-	-	-	164	16,884
	---------- (Rupees in '000) ----------					
Value of units held	161,777	-	-	-	26,167	2,695,988
Bank balances	-	404,396	-	-	-	-
Deposits	-	-	100	-	-	-
Profit receivable	-	2,531	-	-	-	-
Remuneration payable (including sales tax)	21,899	-	1,003	-	-	-
Sales load payable	4,685	5,964	-	-	-	-
Allocated expenses payable	6,087	-	-	-	-	-
Shariah advisor fee payable	141	-	-	-	-	-
Selling and marketing expenses	87,197	-	-	-	-	-
Other payable	264	-	-	-	-	-
	---------- As at June 30, 2020 ----------					
Balances held	---------- (Units in '000) ----------					
Units held	-	-	-	-	186	22,321
	---------- (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 payable	29,253	-	-	-	-	-
Other payable	219	-	-	-	-	-

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

** These include balances in relation to the entities w here common directorship exist as at the reporting date.

*** These include balances in relation to those directors, key executives and other connected persons / related parties that exist as at the reporting date.

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	August 10, 2020	September 24, 2020	October 29, 2020	December 7, 2020	February 25, 2021	April 28, 2021	Total meetings attended
Name of Director:							
Mr. Arif Akmal Saifie	Yes	Yes	Yes	No	No	Yes	4
Mr. Azhar Hamid	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Imran Sarwar	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Yasir Qadri	Yes	Yes	Yes	Yes	Yes	Yes	6
Ms. Huma Pasha *	-	Yes	Yes	Yes	Yes	Yes	5
Ms. Sadia Saeed	Yes	Yes	Yes	Yes	Yes	Yes	6
Syed Furrukh Zaeem	Yes	Yes	Yes	Yes	Yes	Yes	6
Name of Key Executives:							
Mr. Bilal Javaid	Yes	Yes	Yes	Yes	Yes	Yes	6
Mr. Umair Ahmed	Yes	Yes	Yes	Yes	Yes	Yes	6

* Ms. Huma Pasha appointed as Director with effect from September 04, 2020

28 GENERAL

28.1 Rounding off

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

28.2 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) had provided certain time bound relaxations to CISs operating in Pakistan in order to provide temporary relaxation against covid pandemic. All of the relaxations provided have expired prior to June 30, 2021.

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.

28.3 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.

29 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 16-August-2021 by the Board of Directors of the Management Company.

For UBL Fund Managers Limited
(Management Company)

SD	SD	SD
Chief Executive Officer	**Chief Financial Officer**	**Director**

Al Ameen Islamic Shariah Stock Fund

1. Summary of Actual Proxy Voted By the Fund

	Resolutions	For	Against	Abstain*
Number	**7**	7	**-**	**-**
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.