

CONTENTS

Mission & Vision Statement	02
Fund Information	03
Report of the Directors of the Management Company	05
Report of the Fund Managers of the Management Company	08
Report of the Trustee	09
Statement of Compliance with the Best Practices of the Code of Corporate Governance	10
Review Report to the Certificate holders of Pak Oman Advantage Fund on the Statement of Compliance with the Best Practices of Code of Corporate Governance	12
Independent Auditors' Report to the Certificate holders	13
Statement of Assets and Liabilities	14
Income Statement	15
Statement of Comprehensive Income	16
Distribution Statement	17
Statement of changes in Equity and Reserve per Certificate	18
Cash Flow Statement	19
Statement of movement in Equity And Reserve per Certificate	20
Notes to the Financial Statements	21
Pattern of Certificate Holding	43
Categories of Certificate Holders	44
Pattern of Certificate Holding as per requirements of Code of Corporate Governance	45
Statement of Income and Expenditure of Management Company in relation to the Fund	46
Performance Table	47



Our Mission

“To provide KIBOR linked floating rate returns to investors with limited investment tenure on a very low risk basis”.

Our Vision

“POAF aims to provide a return based on very low risk profile that suits conservative investors who aim to preserve the principal and earn over the normal bank rate of return”.



FUND INFORMATION

MANAGEMENT COMPANY

Pak Oman Asset Management Company Limited
Horizon Vista, Mezzanine Floor - 2
Plot No Commercial – 10 Scheme – 5,
Block 4, Clifton, Karachi – 75600,
Phone: (9221) 35361465-68
Fax: (9221) 35361469
Web site: www.pakomanfunds.com

BOARD OF DIRECTOR OF THE MANAGEMENT COMPANY

H.E. Yahya Bin Said Bin Abdullah Al-Jabri	Chairman
Mr. Humayun Murad	Director
Mr. Agha Ahmed Shah	Director
Mr. Sulaiman Hamad Al Harthy	Director
Mr. Ali Said Ali	Director
Mr. Saif Said Salim Al Yazidi	Director
Mr. Parveiz Usman	Director
Ms. Hina Ghazanfar	MD & CEO

AUDIT COMMITTEE

Mr. Humayun Murad	Chairman
Mr. Sulaiman Hamad Al Harthy	Member
Mr. Saif Said Salim Al Yazidi	Member

INVESTMENT COMMITTEE

Mr. Ali Said Ali	Chairman
Mr. Agha Ahmed Shah	Member
Mr. Sulaiman Hamad Al Harthy	Member
Mr. Saif Said Salim Al Yazidi	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Saif Said Salim Al Yazidi	Chairman
Mr. Humayun Murad	Member
Ms. Hina Ghazanfar	Member

UNIT HEAD FINANCE

Mr. Syed Raheel Ahmed Shah

COMPANY SECRETARY

Mr. Asif Javed



TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B Block -B, Main Shahrah -e-Faisal,
Karachi

AUDITORS

A.F.Fergusons & Co.
Chartered Accountants
State Life Building No. 1C,
Off I.I.Chundrigar Road,
Karachi-4716, Pakistan

BANKER TO THE FUND

Bank Al-Falah Ltd
The Bank of Punjab
Albarka Islamic Bank
NIB Bank Limited
MCB Bank Limited

LEGAL ADVISER

Mohsin Tayebaly & Co.
2nd Floor, Dime Center, BC-4, Block 9
KDA Scheme 5, Clifton, Karachi.
Phone: (9221) 35375658-9

TRANSFER AGENT

THK Associated (Pvt) Ltd.
Ground Floor, State Life Building -3
Dr. Ziauddin Ahmed Road,
Karachi-75530
Phone: (9221) 111-000-322

RATING OF THE FUND

A+(f) (PACRA)



REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors (BOD) of Pak Oman Asset Management Company Limited, the Management Company of Pak Oman Advantage Fund (POAF) is pleased to present the audited financial statements of the Fund for the year ended June 30, 2013.

Economic Review

The financial year 2013 witnessed the successful democratic transformation of political power. As a result of which PML-N came into power with Mr. Nawaz Sharif becoming the new premier of the country. During the first month of power, the new government took important economic measures by drafting energy policy, resolution of circular debt and announcing the budget for the year FY14. The new government looked serious in its resolve to revive the economy by addressing the most important issues and increasing the investment in development of infrastructure to facilitate the public and business community.

On the macroeconomic front, the country recorded a GDP growth of 3.6% during the period FY13 as against a growth of 4.4% in the year FY12. The current account deficit of the country stood at USD 2.3bn which is 51% down on YoY basis. The main contributors to the decline were 64% in services deficit (which was supported by Coalition Support Fund inflows of USD 1.8bn) and 4% lower trade deficit. The country repaid the loans of USD 4.8bn during the year, of which IMF installments comprised of USD 2.9bn. Such heavy repayments exerted pressure on foreign exchange reserves, which declined to USD 11.02bn from the level of USD 15.28bn at the beginning of the year. As a result the local currency devalued by 5.4% against USD during the year.

The average CPI inflation was 7.4% against the target of 9.5%. The lower inflation supported the monetary policy decision to cut the discount rate four times during the year from 12% to 9%.

The country attracted USD 1.45bn worth foreign direct investment during the year as compared to FDI of USD 820.6mn last year, showing an upsurge of 76% YoY. The oil & gas, food and financial sectors attracted the major portion of the foreign investment. Remittances posted a growth of 5.56% and reached the level of USD 13.9bn against remittances of USD 13.2bn in the last fiscal year.

IMF loan, which is due in September, will provide some relief to foreign reserves and will help stabilize the currency. We anticipate that focus on privatization, sale of 3G license and foreign investment in infrastructural projects will remain the lifeline in the betterment of the economy in the coming one year.

Money Market

The average overnight repo rate stood at 9.32% for the year ended June 30, 2013. The State Bank of Pakistan conducted twenty six T-bill auctions during the year and assimilated PKR 5,073.82bn collectively from all the auctions. The breakup of which is as follows: PKR 903.69bn in the 3-month tenor, PKR 2,242.75bn in the 6-month tenor and PKR 1,927.38bn in the 12-month tenor. Twelve PIB auctions were also conducted during the year. SBP accepted PKR 248.70bn against the participation of PKR 603.04bn. Besides T-bill and PIB auctions, two Government of Pakistan Ijara Sukuks auctions were also conducted by SBP of which collective amount accepted equaled to PKR 90.04bn against participation of PKR 196.85bn all at 6 Month T-Bill weighted average yield.

Operating Performance

The Fund during the year ended June 30, 2013, earned a total income of PKR 100.165mn. The income for the year comprised mainly of profit on Sukuk and TFCs amounting to PKR64.519mn, profit on government securities amounting to PKR25.151mn, loss on sale of investments of PKR2.546mn, profit earned on deposits with banks amounting to PKR30.402mn and other income amounting to PKR 0.093. The unrealized gain on investments at fair value through profit or loss and the provision against debt securities for the year were PKR8.813mn and PKR13.733mn respectively. After accounting for expenses of PKR21.915mn, the net income for the year was PKR78.250mn which translates into the gain of PKR 0.78/certificate outstanding as at June 30, 2013. The net assets of the fund as at June 30, 2013 were PKR 1,119.403mn, resulting in a net asset value of PKR 11.19/certificate.

Emphasis of Matter Paragraph

The Auditors has drawn attention to note 1.4 to the accompanying financial statements which interalia states that a clarification for application of clause 65 of the NBFC Regulations to the Fund has been sought from the Securities and Exchange Commission of Pakistan (the SECP) by the Management Company which is at present under consideration of SECP. The Auditors have however remarked in their report that their opinion was not qualified in respect of this matter.



Future Outlook

During the year, the inflation remained in single digit despite heavy government borrowing, which provided policy makers room for monetary easing. However, the trend of inflation will revert back to double digit in the next fiscal year, which may trigger gradual increment of discount rate.

Going forward, agreement with IMF will be crucial in determining interest rate direction as this may turn tides towards monetary tightening of around 50-100 basis points in the next fiscal year.

Investment Policy

Investment Policy of the Fund is stated in Clause 2.2 of the Offering Document. The Investment Policy of the Scheme is constructed to help ensure overall compliance with the investment objective stated above. The Investment Policy shall focus on selecting investments, executing transactions and constructing a portfolio to match the investment objective. The Investment Policy of the Scheme shall select instruments from within the specified Authorized Investments as stated in Clause 2.3 of the Offering Document.

Statement on Corporate and Financial Reporting Framework

- These financial statements, prepared by the management of the Fund, present its state of affairs fairly, the result of its operations, cash flows and changes in equity.
- Proper books of accounts of the Fund have been maintained.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed and explained.
- The system of internal control is sound in design and has been effectively implemented and monitored: and
- There are no significant doubts upon the Fund's ability to continue as a going concern other than that disclosed in note 1.4 to the financial statements.
- The Directors, Executives of the Management Company including their spouse and minor children do not hold any interest in the certificates of the Fund other than those disclosed in the page 45 of the financial statements.
- During the year, there have been no trades in the certificates of the Fund carried out by the Directors, CEO, CFO / Company Secretary and their spouses.
- Pattern of certificates holding is given on page 45 of the financial statements.
- Key financial data for the year ended June 30, 2013 and previous five years given as annexure A

The number of board and committees' meeting held during the year and attendance by each director is as follows

	Designation	Board		Audit Committee		Investment Committee	
		Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
H. E. Yahya Bin Said Bin Abdullah Al-Jabri	Chairman	5	4	2	2	0	0
Agha Ahmed Shah	Director	5	3	0	0	2	1
Mr. Humayun Murad	Director	5	4	4	4	0	0
Mr. Parveiz Usman*	Director	0	0	0	0	0	0
Mr. Sulaiman Hammad Al Harry	Director	5	4	4	4	2	2
Mr. Ali Said Ali	Director	5	4	0	0	2	2
Mr. Saif Said Salim Al Yazidi	Director	5	5	2	2	2	2
Ms. Hina Ghazanfar	MD & CEO	5	5	4	4	2	2

* Mr. Parveiz Usman was appointed as Director of the Management Company on 11 June 2013.



Mr. Agha Ahmed Shah is a certified director from Pakistan Institute of Corporate Governance. In addition H. E. Yahya Bin Said Bin Abdullah Al-Jabri, Chairman and Mr. Humayun Murad, Director meets the criteria of exemption under clause (xi) of CCG and is accordingly exempted from directors' training program.

Dividend

The Board has approved a cash dividend for the year ended June 30, 2013 @ Rs. 0.7434 per certificate i.e. 7.43 %.

Re-Appointment of Auditors

The present auditors M/s A.F. Ferguson & Co. Chartered Accountants retired and being eligible offered themselves for re-appointment. The Audit Committee of the Management Company recommended and the Board of Directors approved their re-appointment as auditors for the year ending June 30, 2014.

Mutual Fund Rating

The Pakistan Credit Rating Agency (PACRA) has assigned a stability rating of 'A+(A Plus)' to the Fund. Further, Quality Rating of the Management Company is 'AM3'; by the Credit Rating Agency JCR-VIS which is defined as stable management quality.

Acknowledgement

We thank all our investors who have placed their confidence in us. We also offer our sincere gratitude to the Securities and Exchange Commission of Pakistan, the Trustee - Central Depository Company of Pakistan Limited and the management of the Karachi Stock Exchange. We also wish to place on record our appreciation for the personnel of the Management Company.

October 21, 2013
Muscat - Oman.

For and on behalf of the Board
Hina Ghazanfar
MD & CEO



REPORT OF THE FUND MANAGERS OF THE MANAGEMENT COMPANY

Pak Oman Asset Management Company Limited, the Management Company of Pak Oman Advantage (the fund) is pleased to present the Annual Fund Manager's Report of the Fund for the year ended June 30, 2013.

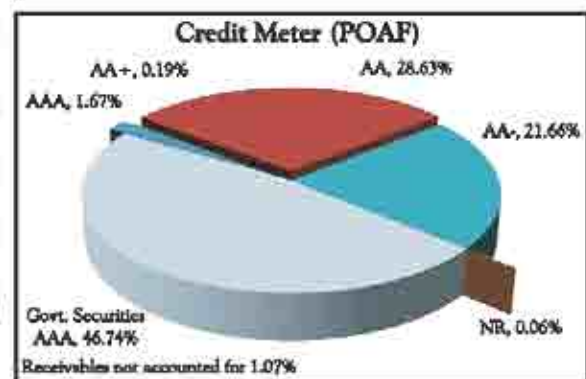
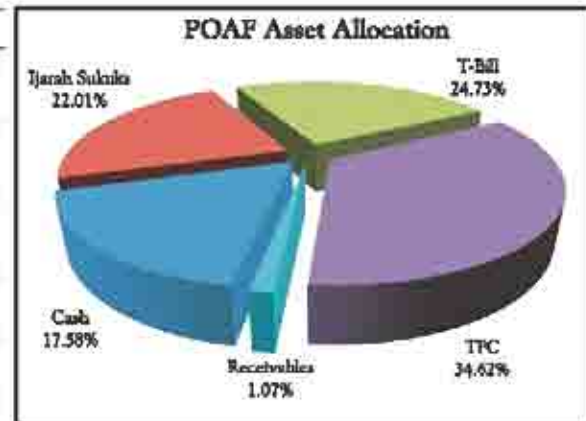
INVESTMENT OBJECTIVE:

The Basic Objective of Fund is to provide low risk fixed income returns to investors by investing in instruments that carry minimal credit, liquidity and price risks.

Terms and Structure	
Type of Scheme	Closed – End Fund
Nature of Scheme	Fixed Income
Inception Date	May 10th, 2007
Face Value	PKR 10 per Certificate
Fund Size	PKR 1.12bn
NAV (Jun 30th, 2013)	PKR 11.1940 per Unit
Benchmark	3 – Month KIBOR
Duration	8 Years
Fund Stability Rating	A+ (f) (PACRA)
AMC Rating	AM3- (JCR – VIS)
Listing	KSE Limited
KSE Symbol	POAF
Trustee	CDC Pakistan Limited
Auditor	A.F. Ferguson & Co.
Legal Advisor	Mohsin Tayebaly & Co.
Registrar	THK Associates (Pvt.) Limited
Management Fee	1.25% p.a.
Fund Manager	Mr Imran Rahim Khan,
Investment Committee	Ms. Hina Ghazanfar (CEO) Mr. Ahmed Nabeel (Chief Investment Advisor) Mr. Imran Rahim Khan (Fixed Income Fund Manager)

Fund Returns	POAF	Benchmark
Year-to-Date (YTD)	7.27%	9.87%

Asset Allocation (% of Assets)	June 2013	June 2012
TFCs	34.62	53.21
T-bill	24.73	5.51
Ijarah / Sukuks	22.01	6.66
Cash	17.58	31.52
Others Including Recievables	1.07	3.10
Leverage	0.00	0.00



POAF Performance	
Yield since inception (%) (Absolute)	79.33
Year to date return (FY13) (%)	7.27
Risk free rate (1 Yr TB) (%)	9.79
Sharpe Ratio	-0.24
Distribution(FY13)(PKR)	1.02

Fund Review

Pak Oman Advantage Fund generated a return of 7.27% for the year ended June 30, 2013. The fund faced revaluation losses & provisioning of PACE Pakistan TFC during the year and thus underperformed the benchmark of 9.87%. During the year, the CPI inflation remained within the targeted range set by government. The average CPI inflation was 7.4% against the target of 9.5%. The lower inflation supported the monetary policy decision to cut the discount rate four times during the year from 12% to 9%.

The Management Company is of the view that in accordance with the Fund's offering document, the Fund has a fixed life of eight (8) years which will be completed by March 15, 2015. Further, the investors at the time of launch of the Fund had based their decision to invest in the Fund keeping in view its fixed duration of eight (8) years and the investment policy of the Fund was made on the similar basis. Accordingly, a clarification for application of clause 65 of the NIBFC Regulations to the Fund has been sought from the SECP by the Management Company which is at present under consideration of the SECP.

August 30, 2013
Karachi.



Pak Oman Advantage Fund

Mr. Imran Rahim Khan
Fixed Income Fund Manager

TRUSTEE REPORT TO THE CERTIFICATE HOLDERS PAKOMAN ADVANTAGE FUND

We Central Depository Company of Pakistan Limited, being the Trustee of Pak Oman Advantage Fund (the Fund) are of the opinion that Pak Oman Asset Management Company Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2013 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; and
- (ii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and the constitutive documents of the Fund.

As also highlighted in the Trustee Report for the period ended December 31, 2012, attention of the Certificate Holders is drawn towards Regulation 65 of the NBFC Regulations which requires that the Management Company upon expiry of five years starting from November 1, 2007 or the date of launch of the Fund whichever is later, hold within one month of such period a meeting of the Certificate Holders to seek their approval to convert the fund into an open end scheme or revoke the closed end scheme.

As per S.R.O.1399 (1)/2012 issued by Securities and Exchange Commission of Pakistan (SECP), the time line to hold such meeting was further extended till January 31, 2013 however, the Management Company did not comply with the said directive with a plea that as per the offering documents, the Fund has a fixed life of eight years and investors have also based their decision to invest in this Fund keeping in view the duration of the Fund. Accordingly, the Management Company has applied to SECP to allow continuation of the Fund for the rest of its life ending on March 15, 2015, the reply of which is still awaited.

October 25, 2013
Karachi

Muhammad Hanif Jakhura
Chief Executive Officer
Central Depository Company of Pakistan Limited



STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED JUNE 30, 2013

This statement is being presented to comply with the Code of Corporate Governance ('the Code') contained in regulation No. 35 of listing regulations of Karachi Stock Exchange where Pak Oman Advantage Fund (the Fund) is listed. The purpose of the Code is to establish a framework of good governance, whereby a listed entity is managed in compliance with the best practices of corporate governance.

Pak Oman Asset Management Company Limited (the Management Company) which manages the affairs of the Fund has applied the principles contained in the Code in the following manner:

- 1 The Management Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of directors. At present the Board includes:

Category	Names
Independent Directors	Mr Humayun Murad Mr. Saif Said Salim Al Yazidi
Executive Directors	Ms. Hina Ghazanfar (MD & CEO)
Non-Executive Directors	H.E. Yahya Bin Said Abdullah Al-Jabri Mr. Agha Ahmed Shah Mr. Sulaiman Hammad Al Harthy Mr. Ali Said Ali Mr. Parveiz Usman

The independent directors meet the criteria of independence under clause i (b) of the Code.

- 2 The directors of the Management Company have confirmed that none of them is serving as a director on more than ten listed companies, including the Management Company.
- 3 All the resident directors of the Management Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
- 4 A casual vacancy had occurred on the Board of the Management Company on April 28, 2012 which the Management Company filled on June 11, 2013.
- 5 The Management Company has prepared a "Code of Conduct", and has ensured that appropriate steps have taken place to disseminate it throughout the company along-with its supporting policies and procedures.
- 6 The Board of Management Company has developed a vision / mission statement, overall corporate strategy and significant policies of the company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
- 7 All the powers of the Board have been duly exercised and decisions on material transactions including the determination of the remuneration and terms and conditions of the employment of the Chief Executive Officer have been taken by the Board. However there has been no new appointment of the Chief Executive Officer.
- 8 The meetings of the Board were presided over by the Chairman and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.



- 9 One of the directors on the Board have obtained certification from the directors' training program offered by a local institution that meet the criteria specified by the Securities and Exchange Commission of Pakistan. In addition, two directors meet the criteria of exemption under clause (xi) of Code and are accordingly exempted from directors' training program.
- 10 The Directors' Report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
- 11 The financial statements of the Fund were duly endorsed by Chief Executive Officer and Unit Head Finance before the approval of the board.
- 12 The Directors, Chief Executive Officer and Executives do not hold any interest in the certificates of the Fund other than those disclosed in the Directors' Report.
- 13 The Management Company has complied with all the corporate and financial reporting requirements of the Code with respect to the Fund.
- 14 The Board of Management Company has formed an Audit Committee. It comprises of three members, two of them are non-executive directors and chairman of the committee is non independent director. Appointment of an independent director as the chairman of the committee is due at the time of next election.
- 15 The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Fund and as required by the code except for the first quarter ended September 30, 2013. The terms of reference of the committee have been formed and advised to the committee for compliance.
- 16 The board has formed an HR and Remuneration Committee in its meeting held on October 14, 2012. It comprises of three members, of whom two are non-executive directors and the chairman of the committee is an independent director.
- 17 The Board of Management Company has set up an effective internal audit function.
- 18 The statutory auditors of the Fund have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan (ICAP), that they or any of the partners of the firm, their spouses and minor children do not hold certificates of the Fund and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by the ICAP.
- 19 The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
- 20 The 'closed period', prior to the announcement of interim / final results, and business decisions, which may materially affect the certificate price of Fund's was determined and intimated to directors, employees and stock exchange.
- 21 Material / price sensitive information has been disseminated among all market participants at once through stock exchange.
- 22 We confirm that all other applicable material principles enshrined in the Code have been complied with.

October 21, 2013
Karachi

Hina Ghazanfar
MD & CEO



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

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance for the year ended June 30, 2013 prepared by the Board of Directors of Pak Oman Asset Management Company Limited, the Management Company of Pak Oman Advantage Fund (the Fund), to comply with the Listing Regulation No. 35 (Chapter XI) of the Karachi Stock Exchange where the Fund is listed.

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

As part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board's statement on internal control covers all the risks and controls or to form an opinion on the effectiveness of such internal controls, the Management Company's corporate governance procedures and risks. Further, Listing Regulation 35(x) of the Karachi Stock Exchange requires the Management Company to place before the Board of Directors for their consideration and approval, related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price recording proper justification for using such alternate pricing mechanism.

Further, all such transactions are also required to be separately placed before the audit committee. We are only required and have ensured compliance of the above requirements to the extent of approval of related party transactions by the Board of Directors and placement of such transactions before the audit committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length prices or not.

Based on our review, nothing has come to our attention, which causes us to believe that the Statement of Compliance does not appropriately reflect status of the Management Company's compliance for and on behalf of the Fund, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the Fund for the year ended June 30, 2013.

As stated in paragraphs 4 and 15 of the annexed statement, requirements of clauses (iii) and (xxvii) of the Code with respect to filling up a casual vacancy and holding of meeting of audit committee at least once in every quarter have not been complied with. Further, as stated in paragraph 16 of the annexed statement, requirement of clause (xxv) of the Code with respect to formation of Human Resource and Remuneration Committee was not complied with upto October 14, 2012.

October 30, 2013
Karachi

A.F.Fergusons & Co.
Chartered Accountants



Pak Oman Advantage Fund

INDEPENDENT AUDITORS' REPORT TO THE CERTIFICATE HOLDERS

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Pak Oman Advantage Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2013, and the related income statement, statement of comprehensive income, distribution statement, statement of changes in equity, statement of movement in equity and reserves per certificate and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management Company's responsibility for the financial statements

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

Auditor's responsibility

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Fund as at June 30, 2013 and of its financial performance, cash flows and transactions for the year then ended in accordance with the approved accounting standards as applicable in Pakistan.

Emphasis of matter paragraph

We draw attention to note 1.4 to the accompanying financial statements which inter alia states that a clarification for application of clause 65 of the NBFC Regulations to the Fund has been sought from the Securities and Exchange Commission of Pakistan (the SECP) by the Management Company which is at present under consideration of SECP. Our opinion is not qualified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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.

October 30, 2013
Karachi.

Chartered Accountants
Audit Engagement Partner: Saad Kaliya

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2013

	Note	2013	2012
-----Rupees in '000-----			
Assets			
Balances with banks	6	199,125	368,179
Investments	7	921,703	754,189
Profit receivable	8	8,368	27,183
Deposits	9	3,702	3,702
Total assets		1,132,898	1,153,253
Liabilities			
Payable to Pak Oman Asset Management Company Limited (POAMCL) - management company of the Fund	10	1,455	1,349
Payable to Central Depository Company of Pakistan Limited (CDC) - trustee of the Fund	11	103	113
Payable to Securities and Exchange Commission of Pakistan (SECP)	12	837	830
Dividend payable		266	253
Accrued expenses and other liabilities	13	10,834	9,036
Total liabilities		13,495	11,581
Net assets		1,119,403	1,141,672
Certificate holders' equity (as per statement attached)			
Issued, subscribed and paid-up capital			
100,000,000 ordinary certificates of Rs 10 each issued as fully paid-up in cash (2012: 100,000,000 ordinary certificates of Rs 10 each)		1,000,000	1,000,000
Revenue reserves			
Undistributed income		119,364	142,894
Surplus / (deficit) on revaluation of 'available for sale' investments		39	(1,222)
		1,119,403	1,141,672
Net assets value per certificate - (Rupees)	20	11.19	11.42

The annexed notes 1 to 26 form an integral part of these financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

MD & CEO



Pak Oman Advantage Fund

Director

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2013

	Note	2013	2012
-----Rupees in '000-----			
Income			
Net realised gain / (loss) on sale of investments	14	2,546	(659)
Profit on:			
- term finance and sukuk certificates	15	64,519	89,241
- government securities		25,151	17,257
- savings accounts with banks		30,402	33,335
- placement with financial institutions		-	1,100
Other Income		93	214
		122,711	140,488
Unrealised (loss) / gain on re-measurement of investments 'at fair value through profit or loss' (net)		(8,813)	1,432
Provision on investments	7.2.1.3	(13,733)	(11,237)
		(22,546)	(9,805)
Total income		100,165	130,683
Expenses			
Remuneration to POAMCL - management company of the Fund	10	16,457	16,046
Remuneration to CDC - trustee of the Fund	11	1,380	1,361
Annual fee to the SECP	12	837	830
Auditors' remuneration	16	619	611
Fees and subscription		454	394
Bank and settlement charges		526	598
Other expenses	17	1,642	2,272
Total expenses		21,915	22,112
Net income for the year		78,250	108,571
Earnings per certificate - basic and diluted (Rupees)	18	0.78	1.09

The annexed notes 1 to 26 form an integral part of these financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

MD & CEO



Pak Oman Advantage Fund

Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2013

	Note	2013	2012
		-----Rupees in '000-----	
Net income for the year		78,250	108,571
Other comprehensive income:			
<i>Items that may be reclassified subsequently to income statement</i>			
(Deficit) / surplus on revaluation of 'available for sale investments' - (net)		(12,688)	765
Surplus / (deficit) released to income statement on disposal of 'available for sale investments'		216	(1,969)
Provision against a non performing debt security included in income statement	7.2.1.3	13,733	11,237
Other comprehensive income for the year		1,261	10,033
Total comprehensive income for the year		79,511	118,604

The annexed notes 1 to 26 form an integral part of these financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

MD & CEO

Director



Pak Oman Advantage Fund

DISTRIBUTION STATEMENT

FOR THE YEAR ENDED JUNE 30, 2013

	2013	2012
	-----Rupees in '000-----	
Undistributed income brought forward	142,894	136,053
Net income for the year	78,250	108,571
Less: Final distribution for the year ended June 30, 2012 in the form of cash dividend @10.178% (June 30, 2011: 10.173%)	(101,780)	(101,730)
	(23,530)	6,841
Undistributed income carried forward	119,364	142,894

The annexed notes 1 to 26 form an integral part of these financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

MD & CEO

Director



Pak Oman Advantage Fund

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2013

	Issued, subscribed and paid-up capital	Undistributed income	Surplus / (deficit) on revaluation of investments	Total
	-----Rupees in '000-----			
Balance as at July 1, 2011	1,000,000	136,053	(11,255)	1,124,798
Comprehensive income for the year				
Net income for the year ended June 30, 2012	-	108,571	-	108,571
<i>Other comprehensive income</i>				
- Surplus on revaluation of 'available for sale investments' (net)	-	-	765	765
- Surplus released to income statement on disposal of available for sale investments'	-	-	(1,969)	(1,969)
- Provision against non performing debt security included in income statement	-	-	11,237	11,237
<i>Total other comprehensive income</i>	-	-	10,033	10,033
Total comprehensive income for the year ended June 30, 2012	-	108,571	10,033	118,604
<i>Transactions with owners</i>				
Final distribution in the form of cash dividend @ 10.173%	-	(101,730)	-	(101,730)
Balance as at 30 June 2012	1,000,000	142,894	(1,222)	1,141,672
Comprehensive income for the year				
Net income for the year ended June 30, 2013	-	78,250	-	78,250
<i>Other comprehensive income</i>				
- Surplus on revaluation of 'available for sale investments' (net)	-	-	(12,688)	(12,688)
- Surplus released to income statement on disposal of 'available for sale investments'	-	-	216	216
- Provision against non performing debt security included in income statement	-	-	13,733	13,733
<i>Total other comprehensive income</i>	-	-	1,261	1,261
Total comprehensive income for the year ended June 30, 2013	-	78,250	1,261	79,511
<i>Transactions with owners</i>				
Final distribution for the year ended June 30, 2012 in the form of cash dividend @10.178%	-	(101,780)	-	(101,780)
Balance as at 30 June 2013	1,000,000	119,364	39	1,119,403

The annexed notes 1 to 26 form an integral part of these financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

MD & CEO



Pak Oman Advantage Fund

Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2013

	Note	2013	2012
-----Rupees in '000-----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year		78,250	108,571
Adjustments for:			
Profit on:			
- term finance and sukuk certificates		(64,519)	(89,241)
- government securities		(25,151)	(17,257)
- savings accounts with banks		(30,402)	(33,335)
- placement with financial institutions		-	(1,100)
Unrealised loss / (gain) on re-measurement of investments 'at fair value through profit or loss' (net)		8,813	(1,432)
Net realised (gain) / loss on sale of investments		(2,546)	659
Provision against Investments		13,733	11,237
		(21,822)	(21,898)
(Increase) / decrease in assets			
Investments (net)		(186,253)	6,354
Deposits		-	(3,002)
		(186,253)	3,352
Increase in liabilities			
Payable to POAMCL - management company of the Fund		106	(1,424)
Payable to CDC - trustee of the Fund		(10)	-
Payable to the SECP		7	27
Accrued expenses and other liabilities		1,798	2,225
		1,901	828
Profit received on			
- term finance and sukuk certificates		80,549	88,290
- government securities		25,001	17,379
- savings accounts with banks		33,337	33,224
- placement with financial institutions		-	1,100
Net cash (outflow) / inflow from operating activities		(67,287)	122,275
CASH FLOW FROM FINANCING ACTIVITY			
Dividend paid		(101,767)	(101,714)
Net cash outflow from financing activity		(101,767)	(101,714)
Net (decrease) / increase in cash and cash equivalents during the year		(169,054)	20,561
Cash and cash equivalents at the beginning of the year		368,179	347,618
Cash and cash equivalents at the end of the year	6	199,125	368,179

The annexed notes 1 to 26 form an integral part of these financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

MD & CEO



Pak Oman Advantage Fund

Director

**STATEMENT OF MOVEMENT IN EQUITY AND
RESERVE PER CERTIFICATE
FOR THE YEAR ENDED JUNE 30, 2013**

	2013	2012
	-----Rupees in '000-----	
Net assets value per certificate at the beginning of the year	11.42	11.25
Net realised gain / (loss) on sale of investments	0.03	(0.01)
Profit on:		
- term finance and sukuk certificates	0.65	0.90
- government securities	0.25	0.17
- savings accounts with banks	0.30	0.34
- placement with financial institutions	-	0.01
Unrealised (loss) / gain on re-measurement of investments 'at fair value through profit or loss' (net)	(0.09)	0.01
Provision on investments	(0.14)	(0.11)
Expenses	(0.22)	(0.22)
Net income for the year	0.78	1.09
Final distribution for the year ended June 30, 2012 in the form of cash dividend @10.178% (June 30, 2011: 10.173%)	(1.02)	(1.02)
Surplus on revaluation of 'available for sale investments' (net)	0.01	0.10
Net assets value per certificate at the end of the year	<u>11.19</u>	<u>11.42</u>

The annexed notes 1 to 26 form an integral part of these financial statements.

For Pak Oman Asset Management Company Limited
(Management Company)

MD & CEO

Director



Pak Oman Advantage Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Pak Oman Advantage Fund (the Fund) was established as a closed-end scheme under a Trust Deed executed between Pak Oman Asset Management Company Limited (the Management Company) as the management company and the Central Depository Company of Pakistan Limited (the Trustee) as the trustee of the Fund. The Trust Deed was executed on February 12, 2007 and was approved by the Securities and Exchange Commission of Pakistan (the SECP) on March 16, 2007 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). At present the Non-Banking Finance Companies and Notified Entities Regulation, 2008 issued by the SECP through SRO No. 1203(I)/2008 dated November 21, 2008 (NBFC Regulations) are also applicable on the Fund. The registered office of the Management Company is situated at Horizon Vista, Mezzanine Floor - 2, Plot No. Commercial - 10 Scheme -5, Block 4, Clifton, Karachi, Pakistan.
- 1.2 The Fund is a closed-end scheme and its certificates are listed on the Karachi Stock Exchange. The investment objective of the Fund is to provide low risk fixed income returns to investors by investing in instruments that carry minimal credit, liquidity and price risks. The Fund invests in term finance certificates issued by commercial banks, sukuk certificates, government securities, short term placements in financial institutions, etc. The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under NBFC Rules and NBFC Regulations.
- 1.3 Title to the assets of the Fund are held in the name of the Trustee.
- 1.4 In accordance with clause 65 of the NBFC Regulations (read with SRO 1399(I)/2012 and 1492(I)/2012 dated November 28, 2012 and December 26, 2012 respectively) an asset management company managing a closed end fund had to hold a meeting of the certificate holders of the closed end scheme upto January 31, 2013 to seek their approval for conversion of the closed end fund into an open end scheme or revocation of the closed end scheme, subject to applicable provisions of the NBFC Rules and the NBFC Regulations. The Management Company is, however, of the view that in accordance with the Fund's offering document, it (the Fund) has a fixed life of eight (8) years which will be completed by March 15, 2015. Further, the investors at the time of launch of the Fund had based their decision to invest in the Fund keeping in view its fixed duration of eight (8) years and the investment policy of the Fund was made on the similar basis. Accordingly, a clarification for application of clause 65 of the NBFC Regulations to the Fund has been sought from the SECP by the Management Company which is at present under consideration of the SECP.

In view of the above, the Management Company believes that the SECP will allow the Fund to complete its fixed life of eight years and, therefore, these financial statements have been prepared on a 'going concern' basis.

2 BASIS OF PRESENTATION AND ACCOUNTING CONVENTION

These financial statements are presented in Pakistan Rupees which is the functional currency of the Fund and the figures have been rounded off to the nearest thousand Rupees. These financial statements have been prepared under the historical cost convention, unless otherwise specifically stated.

3 STATEMENT OF COMPLIANCE

- 3.1 These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations and the directives issued by the SECP.

Wherever, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the said directives differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the said directives take precedence.

- 3.2 New standards, amendments to approved accounting standards and new interpretations



3.2.1 New standards, amendments to approved accounting standards and interpretations which became effective during the year ended June 30, 2013:

There were certain new standards, amendments to the approved accounting standards and new interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) interpretations which became effective during the year but are considered not to be relevant or have any significant effect on the Fund's operations and are, therefore, not disclosed in these financial statements except for the amendment to IAS 1 'Presentation of Financial statements' regarding 'other comprehensive income'.

The primary change resulting from this amendment is that the Fund has grouped items presented in 'other comprehensive income' on the basis of whether they are potentially reclassifiable to income statement subsequently (reclassification adjustments).

3.2.2 New standards, amendments to approved accounting standards and new interpretations, that are not yet effective:

There are certain new standards, amendments to the approved accounting standards and new interpretations that are mandatory for accounting periods beginning on or after July 1, 2013, but are considered not to be relevant or have any significant effect on the Company's operations and are, therefore, not disclosed in these financial statements.

4 USE OF ESTIMATES AND JUDGMENTS

The preparation of these financial statements in conformity with the approved accounting standards requires the Management Company to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation and critical judgment in applying accounting policies that have significant effect on the amounts recognised in these financial statements are as follows:

- (a) Classification and valuation of financial instruments (notes 5.1, 5.11 and 7)
- (b) Recognition of provision for current and deferred taxation (note 5.4).

5 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 from previous year, unless otherwise specifically stated.

5.1 Financial instruments

5.1.1 Classification

The Fund classifies its financial instruments in the following categories:

(a) Investments 'at fair value through profit or loss'

- Financial instruments categorised as 'held for trading'

These include financial instruments acquired principally for the purpose of generating profit from short-term fluctuations in prices or dealers' margins or are securities included in a portfolio in which a pattern of short-term profit taking exists.

- Financial instruments designated 'at fair value through profit or loss upon initial recognition'.

Any financial asset within the scope of International Accounting Standard 39 'Financial instruments: Recognition and measurement' (IAS 39) may be designated when initially recognised as a 'financial asset at fair value through profit or loss' except for investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured.

All purchases and sales of investments in this category are recognised using trade date accounting.



(b) Held to maturity

These are securities acquired by the Fund with the intention and ability to hold them upto maturity.

All purchases and sales of investments in this category are recognised using trade date accounting.

(c) Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those classified by the Fund as at 'fair value through profit or loss' or 'available for sale'.

All purchases and sales of investments in this category are recognised using trade date accounting.

(d) Available for sale

These financial assets are non-derivatives that are either designated in this category or are not classified in any of the other categories.

All purchases and sales of investments in this category are recognised using trade date accounting.

5.1.2 Recognition

The Fund recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

5.1.3 Measurement

Financial instruments are measured initially at fair value (transaction price) plus, in case of a financial asset or financial liability not at 'fair value through profit or loss', transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial asset or financial liability at 'fair value through profit or loss' are expensed immediately.

Subsequent to initial recognition, instruments classified as 'financial assets at fair value through profit or loss' and 'available for sale' are measured at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' are recognised in the income statement for the year. Changes in the fair value of instruments classified as 'available for sale' are recognised in the 'statement of comprehensive income' as 'other comprehensive income' until derecognised or impaired, while the accumulated fair value adjustments in 'other comprehensive income', upon sale of investments are included in the income statement for the year.

Financial assets classified as loans and receivables and held-to-maturity are carried at amortised cost using the effective yield method, less impairment losses, if any.

Financial liabilities, other than those at 'fair value through profit or loss', are measured at amortised cost using the effective yield method.

5.1.4 Fair value measurement principles

- (a) The government securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system which are based on the remaining tenor of the securities.
- (b) The fair value of other debt securities and derivatives are based on the value determined and announced by Mutual Funds Association of Pakistan (MUFAP) in accordance with the criteria laid down in circular No. 1/2009 dated January 6, 2009 (the Circular No. 1), circular No. 3/2010 dated January 20, 2010 (the Circular No. 3) and circular No. 33/2012 dated October 24, 2012 (the Circular No. 33) issued by the SECP.
- (c) The fair value of equity securities is based on the prices quoted by the relevant stock exchanges.



5.1.5 Derecognition

The Fund derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with IAS 39.

The Fund uses weighted average method to determine realised gains and losses on derecognition.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

5.2 Provisions

A provision is recognised in the balance sheet when the Fund has a legal or constructive obligation as result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

5.3 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represented expenditure incurred prior to the commencement of operations of the Fund. In accordance with the Trust Deed approved by the SECP, these costs were amortised over a period of five years commencing from May 10, 2007.

5.4 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 90 percent of its accounting income for the period, as reduced by capital gains, whether realised or unrealised, is distributed amongst the certificate holders. Accordingly, the Fund has not recorded a tax liability in respect of income relating to the current period as the Fund intends to avail this exemption.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

The Fund provides for deferred taxation using the balance sheet liability method on all major temporary differences between the amounts attributed to assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. In addition, the Fund also records deferred tax asset on unutilised tax losses to the extent that these will be available for set off against future taxable profits. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. However, the Fund has not recognised any amount of deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing at least 90 percent of its annual accounting income as reduced by capital gains, whether realised or unrealised to its certificate holders every year.

5.5 Performance statement

The Fund presents two performance statements (i.e. the income statement and the statement of comprehensive income) in accordance with the requirements of IAS 1 (revised) 'Presentation of financial statements'.

5.6 Revenue recognition

- (a) Gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- (b) Unrealised gains / (losses) arising on revaluation of securities classified as 'at fair value through profit or loss' are included in the income statement in the period in which these arise.
- (c) Income from placements, bank deposits and investments in debt and government securities are recognised using the rate of return implicit in the instrument on a time proportionate basis except for investments in non-performing debt securities where profit is recorded on a receipt basis.

5.7 Expenses

All expenses, including Management Company remuneration and custodian fee, are recognised in the income statement on an accrual basis.



5.8 Offsetting financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in the 'statement of assets and liabilities' if the Fund has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

5.9 Cash and cash equivalents

Cash comprises balance held with banks. Cash equivalents for cash flow purposes are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

5.10 Distributions and bonus issues

Distributions declared (including distribution in the form of bonus issues) subsequent to the balance sheet date are considered as a non-adjusting event and are recognised in the period in which they are authorised or approved. In accordance with regulation No. 63 of the NBFC Regulations the Fund is required to distribute 90% of its net accounting income other than unrealised capital gains to the certificate holders.

5.11 Impairment

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. This objective evidence of impairment for investments in debt securities is determined in accordance with the provisioning criteria for non performing debt securities specified by the SECP vide its Circular No. 1 of 2009 dated January 6, 2009, Circular No.3 of 2010 dated January 20, 2010, Circular No. 33 of 2012 dated October 24, 2012 and the provisioning criteria / policy for non performing exposures approved by the Board of Directors of the Management Company in accordance with the requirements of SECP vide its Circular No. 13 of 2009 dated May 4, 2009. The amount of impairment is the higher of the amount determined under the above provisioning criteria.

In accordance with the policy approved by the Board of Directors of the Management Company, the debt security will be further provided, in addition to the minimum criteria defined in the above circulars, if any single event and / or together with a group of events in relation to the financial assets and the investee institution, materially corroborates the objective evidence of the continuity of non performance. The provision criteria for restructured issues would be the same as given in the above circulars of the SECP.

In respect of other financial assets, assessment of impairment is carried out at each balance sheet date to determine whether there is any objective evidence of impairment. It is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of the asset. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. All impairment losses are recognised in the income statement.

6 BALANCES WITH BANKS

	Note	2013 -----Rupees in '000-----	2012
In savings accounts	6.1	198,699	368,146
In current accounts		426	33
		<u>199,125</u>	<u>368,179</u>

6.1 The savings accounts carry profit rates ranging from 6% to 11% (2012: 2.5% to 12.30%) per annum. The balance includes Rs 198.697 million (2012: Rs 367.399 million) with a related party on which return is earned at 8.3% to 11% (2012: 7.5% to 12.30%) per annum.



7 INVESTMENTS	Note	2013	2012
		-----Rupees in '000-----	
Investments - at 'fair value through profit or loss'	7.1	827,940	445,866
Investments - 'available for sale'	7.2	93,763	308,323
		<u>921,703</u>	<u>754,189</u>
7.1 Investments - at 'fair value through profit or loss'			
Listed term finance certificates	7.1.1	297,829	304,306
Unlisted term finance certificates	7.1.2	-	-
Unlisted sukuk certificates	7.1.3	569	1,133
Government securities	7.1.4	529,542	140,427
		<u>827,940</u>	<u>445,866</u>

7.1.1 Listed term finance certificates

Name of the investee company	Maturity date	Profit rate	As at July 1, 2013	Purchase during the year	Sale / redemptions during the year	As at June 30, 2013	Amortised cost as at June 30, 2013	Fair value as at June 30, 2013	Unrealised (loss) / gain as at June 30, 2013	Percentage in relation to	
			Number			Number	Rupees in '000			Net assets of the Fund on the basis of investments (for note 7.1.1.2 below)	Total market value of investments
										%	
Commercial banks											
Allied Bank Limited - I	December 6, 2014	6 Months Xibor + base rate of 1.90%	1,000	-	-	1,000	3,787	3,782	(5)	0.34	0.41
Abtaf Bank Limited - I	February 4, 2013	6 Months Xibor + base rate of 1.50%	6,000	-	6,000	-	-	-	-	-	-
Abtaf Bank Limited - II	October 31, 2013	6 Months Xibor + base rate of 1.50%	12,589	-	-	12,589	62,938	63,003	65	3.63	6.84
Abtaf Bank Limited - IV (note 7.1.1.1)	December 23, 2021	6 Months Xibor + base rate of 1.75%	-	82	13	69	74,126	73,487	(639)	6.56	2.97
Bank AlFalah Limited - II	November 23, 2013	6 Months Xibor + base rate of 1.50%	12,100	-	12,100	-	-	-	-	-	-
Bank AlFalah Limited - III	November 25, 2013	6 Months Xibor + base rate of 1.50%	6,400	-	-	6,400	30,766	30,642	(124)	0.92	1.16
Bank AlFalah Limited - IV	February 20, 2011	6 Months Xibor + base rate of 1.50%	-	6,123	-	6,123	30,625	31,105	480	2.78	3.37
Bank AlFalah Ltd - (Sud)	December 2, 2017	Fixed 15%	14,133	2,146	12,961	5,320	17,411	17,737	326	1.58	1.81
Bank AlFalah Ltd - (Kuwait)	December 2, 2017	6 Months Xibor + base rate of 2.50%	-	3,000	-	3,000	16,338	15,745	(593)	1.41	3.71
Faysal Bank Limited	February 10, 2013	6 Months Xibor + base rate of 1.95%	2,971	-	2,971	-	-	-	-	-	-
Faisal Bank Limited - I	November 12, 2014	6 Months Xibor + base rate of 1.40%	-	4,000	-	4,000	15,349	15,071	(278)	1.35	1.64
Sonnet Bank Limited	May 5, 2013	6 Months Xibor + base rate of 1.60%	10,600	-	10,600	-	-	-	-	-	-
United Bank Limited - II	March 15, 2013	Fixed 9.49%	1,330	-	1,330	-	-	-	-	-	-
Bank Al Falaq Ltd - II	February 7, 2013	6 Months Xibor + base rate of 1.95%	3,000	-	-	3,000	15,443	15,131	(312)	1.35	1.64
Bank Al Falaq Ltd - III	June 15, 2017	Fixed rate of 15.50%	-	10,760	4,960	5,800	32,508	31,249	(1,259)	2.79	3.39
Standard Chartered Bank (Pakistan) Limited	June 29, 2022	6 Months Xibor + base rate of 0.75%	-	3,800	-	3,800	19,773	18,477	(1,296)	1.69	2.05
										16.43	32.10
Lending											
City Lending Pakistan Limited (note 7.1.1.1)	June 30, 2014	3 Months Xibor + base rate of 2.15%	350	-	300	30	2,038	1,995	(43)	0.58	0.21
Total							<u>301,122</u>	<u>297,829</u>	<u>(3,293)</u>		
Total cost of investment								<u>291,011</u>			



7.1.1.1 All term finance certificates have a nominal value of Rs 5,000 each, other than term finance certificates of Orix Leasing Pakistan Limited and Askari Bank Limited - IV which have a face value of Rs 100,000 and Rs 1,000,000 respectively.

7.1.1.2 Net assets are as defined in regulation 66 of NBFC Regulations.

7.1.2 Unlisted term finance certificates

Name of the investee company	Maturity date	Profit rate	As at July 1, 2012	Purchases / received during the year	Sales / redemptions during the year	As at June 30, 2013	Accrued cost as at June 30, 2013	Fair value as at June 30, 2013	Unrealised (loss) / gain as at June 30, 2013	Percentage in relation to	
										Net assets of the Fund on the basis of investments (See note 7.1.1.2 above)	Total market value of investments
			Number of certificates			Rupees in '000			%		
Others											
Agritech Limited - (formerly Pak American Fertilisers Limited) - notes 7.1.2.1 and 7.1.2.2	January 1, 2017	6 Months KIBOR+base rate of 1.75%		168	-	168	-	-	-	-	-
				168	-	168	-	-	-	-	-

7.1.2.1 These term finance certificates have a nominal value of Rs 5,000 each.

7.1.2.2 On May 29, 2010, i.e. the scheduled redemption, the accrued profit aggregating Rs 0.84 million was not received by the Fund. In accordance with the requirements of the Circular No. 1 of 2009 the TFCs were classified as 'non performing assets' and the profit receivable of Rs 0.84 million was provided for, and no further profit was accrued thereafter. The Fund disposed off its investment in such TFCs on December 20, 2010. On January 11, 2012, Agritech Limited transferred its zero coupon TFCs to the Fund's security account maintained with the Central Depository Company of Pakistan Limited against the overdue markup due as of May 29, 2010. However, the same are being carried at nil value in these financial statements as the Management Company is of the view that such additional TFCs represent markup for the period when the TFCs of Agritech Limited were classified as non-performing and such markup shall only be recognised on a receipt basis.

7.1.3 Unlisted sukuk certificates

Name of the investee company	Maturity date	Profit rate	As at July 1, 2012	Purchases / received during the year	Sales / redemptions during the year	As at June 30, 2013	Accrued cost as at June 30, 2013	Fair value as at June 30, 2013	Unrealised (loss) / gain as at June 30, 2013	Percentage in relation to	
										Net assets of the Fund on the basis of investments (See note 7.1.1.2 above)	Total market value of investments
			Rupees in '000					%			
Cement											
Kohat Cement Company Limited (notes 7.1.3.1 & 7.1.3.2)	September 20, 2016	3 months KIBOR + 1.50%	1,000	-	-	1,000	381	369	188	0.05	0.06
Maple Leaf Cement Factory Limited - additional sukuk certificates (note 7.1.3.3)	March 31, 2013	3 months KIBOR + 1%	214	-	214	-	-	-	-	-	-
Total							381	369	188		
Total cost of investment								171			

7.1.3.1 The remaining nominal value of sukuk certificates of Kohat Cement Company Limited is Rs 758 each.

7.1.3.2 The sukuk certificates of Kohat Cement Company Limited were restructured in May 2009, February 2010 and September 2011. Under the latest revised terms, the first principal was due on September 20, 2011, which was received accordingly. The security will mature on September 20, 2016. Under the latest revised terms the profit rate is 3 months KIBOR plus 1.5% which started accruing from June 20, 2011. The profit for the period September 20, 2011 to June 20, 2012 was taken to a frozen account and the profit for the period June 20, 2012 to September 20, 2016 is being charged and received regularly on a quarterly basis. The frozen account will be adjusted through payments to be made from June 20, 2014 to September 20, 2016.

7.1.3.3 At the time of signing of the first addendum on March 30, 2010 between Maple Leaf Cement Factory Limited (MLCFL) and the investment agents of the sukuk certificates, the Fund had received an amount of Rs 1.069 million representing approximately 50% of the markup due upto March 3, 2010 and the repayment of the balance markup till the said date was settled by issuance of certain additional sukuk certificates. Those additional sukuk certificates were carried at nil value in the books of account of the Fund as the same were received against the mark up pertaining to the period when MLCFL was a 'non-performing' security. On March 31, 2013 the scheduled redemption date of those additional sukuk certificates an amount of Rs 1.135 million has been received by the Fund which has been recorded as income for the year.

7.1.4 Government certificates

Name of the investee company	Maturity date	Profit rate	As at July 1, 2012	Purchases / received during the year	Sales / redemptions during the year	As at June 30, 2013	Amortised cost as at June 30, 2013	Fair value as at June 30, 2013	Unrealised (loss) / gain as at June 30, 2013	Percentage in relation to	
										Net assets of the Fund on the basis of investments (See note 7.1.1.2 above)	Total market value of investments
										Rupees in '000	
										%	
Treasury bills - Government of Pakistan											
-do-	July 26, 2012	11.82%	-	600	600	-	-	-	-	-	-
-do-	September 6, 2012	11.85%	650	-	650	-	-	-	-	-	-
-do-	January 24, 2013	11.85%	-	310	310	-	-	-	-	-	-
-do-	July 25, 2013	11.85%	-	330	330	-	-	-	-	-	-
-do-	August 8, 2013	11.54%	-	1,780	1,780	-	-	-	-	-	-
-do-	November 28, 2013	9.34%	-	1,500	1,500	-	-	-	-	-	-
-do-	December 12, 2013	9.34%	-	1,000	-	1,000	96,068	96,148	80	8.59	10.43
-do-	May 29, 2014	9.14%	-	1,500	-	-	-	-	-	-	-
-do-	June 11, 2014	9.15%	-	2,000	1,000	1,000	92,053	92,138	85	8.23	9.99
-do-	June 26, 2014	8.96%	-	1,000	-	1,000	91,880	91,860	(20)	8.21	9.96
Pakistan Investment Bonds - Government of Pakistan											
-do-	July 19, 2015	11.25%	-	50	50	-	-	-	-	-	-
GoP Ijara Sukuk - VI	December 20, 2013	9.20%	600	940	-	1,540	157,630	154,216	(3,614)	13.78	16.73
GoP Ijara Sukuk - VII	March 7, 2014	10.28%	150	-	-	150	15,371	15,028	(343)	1.34	1.65
GoP Ijara Sukuk - XII	June 28, 2015	9.18%	-	800	-	800	82,048	80,152	(1,896)	7.16	8.70
Total							535,290	529,542	(5,708)		
Total cost of investment							549,000				

7.1.4.1 All treasury bills, Pakistan investment bonds and GoP Ijara Sukuks have a nominal value of Rs 100,000 each.

Note

2013
2012
-----Rupees in '000-----

7.2 Investments - 'available for sale'

Listed term finance certificates

93,763 308,323

7.2.1 Listed term finance certificates

Name of the investee company	Maturity date	Profit rate	As at July 1, 2012	Purchases / received during the year	Sales / redemptions during the year	As at June 30, 2013	Amortised cost as at June 30, 2013	Fair value as at June 30, 2013	Unrealised (loss) / gain as at June 30, 2013	Percentage in relation to	
										Net assets of the Fund on the basis of investments (See note 7.1.1.2 above)	Total market value of investments
										Rupees in '000	
										%	
Commercial banks											
Bank Al-Habib Limited - I	July 15, 2011	See note 7.2.1.1	12,000	-	12,000	-	-	-	-	-	-
Bank Alfalah Limited - II	November 23, 2012	6 months KIBOR + 1.50%	5,000	-	5,000	-	-	-	-	-	-
Aksof Bank Limited - I	February 4, 2013	6 months KIBOR + 1.50%	19,400	-	19,400	-	-	-	-	-	-
Bank Alfalah Limited - III	November 25, 2013	6 months KIBOR + 1.50%	11,000	-	-	11,000	18,308	18,300	(8)	1.63	1.99
United Bank Limited - III	September 8, 2014	6 months KIBOR + 1.70%	18,000	-	-	18,000	44,990	45,210	220	4.04	4.91
Allied Bank Limited - I	December 6, 2014	6 months KIBOR + 1.90%	6,000	-	-	6,000	30,426	30,253	(173)	2.70	3.28
Miscellaneous										8.37	10.18
PACE (Pakistan) Limited (note 7.2.1.2 and note 7.3)	February 15, 2013	6 months KIBOR + 1.50%	5,000	-	-	5,000	-	-	-	-	-
Total							93,724	93,763	39		
Total cost of investment							93,724				

* Provision of Rs 24.970 million has been netted off from the amortised cost of the investment amounting to Rs 24.970 million.

7.2.1.1 Term finance certificate of Bank Al Habib Limited carry a profit equal to 6 months KIBOR plus 1.5% per annum, receivable semi annually in arrears with 3.5% floor, 10% cap per annum.

7.2.1.2 On August 15, 2011 i.e. the scheduled redemption date as per the restructured agreement, principal repayment alongwith the accrued profit aggregating Rs 0.005 million and Rs 1.962 million respectively were not received by the Fund. Accordingly, in accordance with the requirements of the circular No. 33 dated October 24, 2012 issued by the SECP, the investment in PACE (Pakistan) Limited has been fully provided as of June 30, 2013.

7.2.1.3 Provision on investments	Note	2013	2012
		-----Rupees in '000-----	
Balance as at July 1		11,237	-
Provision for the year		13,733	11,237
Balance as on June 30	7.2.1	24,970	11,237

7.3 The following investments of the Fund are below 'investment grade' securities:

Name of investee company	Type of Investment	Value of investment before Provision	Provision held as at June 30, 2013	Value of investment after Provision	Percentage of net assets	Percentage of total assets
		-----Rupees in '000-----			-----%-----	
Kohat Cement Company Limited	Non- traded sukuk	381	-	381	0.03	0.03
PACE (Pakistan) Limited	Non performing TFC	24,970	24,970	-	-	-
Maple Leaf Cement Factory Limited - additional sukuk certificates	Non- traded sukuk	-	-	-	-	-
		25,351	24,970	381		

8 PROFIT RECEIVABLE

	Note	2013	2012
		-----Rupees in '000-----	
Profit receivable on term finance certificates		8,076	23,956
Profit receivable on saving accounts with a bank		292	3,227
		8,368	27,183

9 DEPOSITS

	Note	2013	2012
Security deposits with Central Depository Company of Pakistan Limited	9.1	200	200
Security deposits with National Clearing Company of Pakistan Limited		3,502	3,502
		3,702	3,702

9.1 These deposits are interest free and are expected to be recovered at the end of the Fund's life.

10 PAYABLE TO PAK OMAN ASSET MANAGEMENT COMPANY LIMITED - MANAGEMENT COMPANY OF THE FUND

This balance represents remuneration payable to the Management Company. In accordance with the offering document, management remuneration is calculated at the rate of 1.25% on net asset value at the end of each day which may increase to 3% with the approval of the Commission during the first 5 years of the scheme and 2% thereafter.



11 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE OF THE FUND

This balance represents remuneration payable to the Trustee of the Fund. The Trustee is entitled to monthly remuneration for services under the provisions of the Trust Deed. The schedule of remuneration is as follows:

Upto Rs 250 million

0.2% per annum of the daily average net assets of the Fund.

Net assets ranging between Rs 250 million to Rs 500 million

Rs 0.5 million plus 0.15% per annum of the daily average net assets of the Fund exceeding Rs 250 million.

Net assets ranging between Rs 500 million to Rs 2,000 million

Rs 0.875 million plus 0.08% per annum of the daily average net assets of the Fund exceeding Rs 500 million.

Net assets ranging between Rs 2,000 million to Rs 5,000 million

Rs 2.075 million plus 0.06% per annum of the daily average net assets of the Fund exceeding Rs 2,000 million.

Exceeding Rs 5,000 million

Rs 3.875 million plus 0.05% per annum of the daily average net assets of the Fund exceeding Rs 5,000 million.

12 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee payable to Securities and Exchange Commission of Pakistan (the SECP) in accordance with Rule 62 of the NBFC Regulations 2008, whereby the Fund is required to pay annual fee to the SECP at the rate of 0.075% of the average daily net assets of the Fund.

13 ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	2013	2012
-----Rupees in '000-----			
Auditor's remuneration		584	379
Workers' Welfare Fund	13.1	10,155	8,590
Others		95	67
		10,834	9,036

- 13.1 The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a Constitutional Petition has been filed by certain CISs through their trustees in the High Court of Sindh (SHC), challenging the applicability of WWF to the CISs, which is pending adjudication.

During the year ended June 30, 2011, a clarification was issued by the ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However, on December 14, 2010, the Ministry filed its responses against the Constitutional Petition requesting the Court to dismiss the petition. Thereafter, show cause notices were issued by the Federal Board of Revenue (FBR) to certain mutual funds for the collection of WWF. In respect of such show cause notices, mutual funds have been granted stay by SHC on the basis of the pending Constitutional Petition as referred to above.

During the year ended June 30, 2012, the Lahore High Court (LHC) in another Constitutional Petition relating to the amendments brought in the WWF Ordinance through the Finance Act, 2006 and the Finance Act, 2008 has declared the said amendments as unlawful and unconstitutional. While, the Constitutional Petition filed in the SHC is still pending.



During the current year a larger bench of the High Court of Sindh (SHC) has passed an order declaring that the amendments introduced in the WWF Ordinance through Finance Acts 2006 and 2008 do not suffer from any constitutional or legal infirmity. However, the other amendments made in the WWF Ordinance through Finance Act 2006 and 2008 (which include the question of the scope of WWF Ordinance) have not yet been addressed. The Management Company is of the view that the aforementioned constitutional petition filed by the mutual funds to challenge WWF has not been affected by the aforementioned judgment passed by the larger bench of the SHC and the stay granted to mutual funds in separate constitutional petition remains intact.

As the matter relating to levy of WWF is currently pending in SHC, the Management Company, as a matter of prudence, has decided to maintain a provision for WWF amounting to Rs 10.155 million as at June 30, 2013, which includes provision amounting to Rs 1.565 million recorded during the year.

Had the above recognition not been made, the net asset value per unit of the Fund as at June 30, 2013 would have been higher by Rs 0.10 per certificate (i.e. 0.91% of the net assets value).

	2013	2012
	-----Rupees in '000-----	
14 NET GAIN / (LOSS) ON SALE OF INVESTMENTS		
Classified as 'available-for-sale financial assets'	216	(1,969)
Classified as 'at fair value through profit or loss'	2,330	1,310
	<u>2,546</u>	<u>(659)</u>
15 PROFIT ON TERM FINANCE AND SUKUK CERTIFICATES		
Classified as 'available-for-sale financial assets'	24,951	55,921
Classified as 'at fair value through profit or loss'	39,568	33,320
	<u>64,519</u>	<u>89,241</u>
16 AUDITORS' REMUNERATION		
Audit Fee	300	275
Fee for the review of half yearly condensed interim financial statements	150	125
Fee for the review of statement of compliance with the Code of Corporate Governance	75	75
Out of pocket expenses	94	136
	<u>619</u>	<u>611</u>
17 OTHER EXPENSES		
Workers' Welfare Fund	1,565	2,171
Others	77	101
	<u>1,642</u>	<u>2,272</u>
18 EARNINGS PER CERTIFICATE - BASIC AND DILUTED		
Net income for the year	<u>78,250</u>	<u>108,571</u>
	(Number of certificates)	
Number of certificates in issue	<u>100,000,000</u>	<u>100,000,000</u>
Basic earnings per certificate	<u>0.78</u>	<u>1.09</u>

There is no dilutive effect on the basic earnings per certificate of the Fund.



19 CONNECTED PERSONS / RELATED PARTIES

The connected persons include Pak Oman Asset Management Company Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee and Pak Oman Investment Company Limited being the holding company of the Management Company. Bank Alfalah Limited and National Insurance Corporation Limited having certificate holdings of 15% and 10% respectively. Other connected persons are other collective investment schemes managed by the Management Company i.e. Pak Oman Advantage Asset Allocation Fund (POAAAF), Pak Oman Islamic Asset Allocation Fund (POIAAF), Pak Oman Advantage Islamic Income Fund (POAIIF) and Pak Oman Government Securities Fund (POGSF).

Transactions with connected persons are entered into in the normal course of business, at contracted rates and terms determined in accordance with market rates. The remunerations to the Management Company and the Trustee are payable in accordance with the NBFC Regulations and the Trust Deed respectively.

19.1 Transactions and balances with connected persons / related parties

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

19.1.1 Pak Oman Asset Management Company Limited - Management Company of the Fund

	2013	2012
	~~~~~Rupees in '000~~~~~	
Balance payable at beginning of the year	1,349	2,773
Remuneration for the year	16,457	16,046
	<u>17,806</u>	<u>18,819</u>
Payments made during the year	(16,351)	(17,470)
Balance at the of the year	<u>1,455</u>	<u>1,349</u>
Investment of Pak Oman Asset Management Company Limited in the certificates of the Fund	<u>2,500</u>	<u>2,500</u>
Distributions paid	<u>254</u>	<u>254</u>

#### 19.1.2 Central Depository Company of Pakistan Limited - Trustee of the Fund

Balance payable at beginning of the year	113	113
Trustee remuneration for the year	1,380	1,361
Central Depository System charges for the year	235	325
	<u>1,728</u>	<u>1,799</u>
Amount paid during the year	(1,625)	(1,686)
Balance at the end of the year	<u>103</u>	<u>113</u>

#### 19.1.3 Bank Alfalah Limited

Deposit with bank as at year end	<u>198,697</u>	<u>367,399</u>
Profit due from bank deposits as at year end	<u>292</u>	<u>3,227</u>
Profit for the year on bank deposits	<u>30,377</u>	<u>29,129</u>
Bank charges for the year	<u>58</u>	<u>20</u>





	-----Rupees in '000-----	
Investment in Term Finance Certificates of Bank Alfalah Limited	See notes 7.1.1 and 7.2.1	
Profit on TFCs for the year	15,781	19,002
Profit receivable against TFCs as at year end	1,920	7,637
Investment of Bank Alfalah Limited in certificates of the Fund	150,000	150,000
Distributions paid	15,267	15,260
<b>19.1.4 National Insurance Company Limited</b>		
Investment of National Insurance Company Limited in certificates of the Fund	100,000	100,000
Distributions paid	10,178	10,173
<b>19.1.5 Pak Oman Investment Company Limited</b>		
	2013	2012
	-----Rupees in '000-----	
Investment of Pak Oman Investment Company Limited in certificates of the Fund	271,090	271,090
Distributions paid	27,592	27,578
<b>20 NET ASSET VALUE PER CERTIFICATE</b>		
Total net assets	1,119,403	1,141,672
	No. of certificates	
Total certificates in issue	100,000,000	100,000,000
	-----Rupees in '000-----	
Net assets value per certificate	11.19	11.42

## 21 RISK MANAGEMENT

The Fund invests primarily in a portfolio of high quality debt securities. Such investments are subject to varying degrees of risk. These risks emanate from various factors that include, but are not limited to:

### 21.1 Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund, resulting in a financial loss to the Fund. In the Fund's case it arises principally from debt securities held, bank balances, profit / mark up recoverable etc.

The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by its Investment Committee, its Trust Deed and the requirements of NBFC Rules and Regulations.

Credit risk is managed by the Management Company of the Fund in the following manner:

- Where the investment committee makes an investment decision, the credit rating and credit worthiness of the issuer is taken into account alongwith the financial background so as to minimise the risk of default.
- Assignment of credit ratings and obtaining adequate collaterals wherever appropriate / relevant.
- The risk of counterparty exposure due to failed trades causing a loss to the Fund is mitigated by periodic review of trade reports, credit ratings and its financial statements on regular basis.
- Cash is held only with reputable banks with high quality external credit enhancements.



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 Fund receives a monthly rating update, against which investments are reviewed. The Fund, however, also invests in unrated instruments based on internal ratings assigned by the Fund manager using an approach that is consistent with the approach used by the rating agencies. The credit rating wise analysis of investments in debt instruments as at June 30, 2013 and 2012 have been tabulated as follows:

	2013	2012
	----- (%) -----	
Government guaranteed	57.45	18.62
AA+	0.22	3.75
A+	-	7.95
AAA	2.05	-
AA	13.63	12.75
AA-	26.59	56.78
Non-rated	0.06	0.15
	<u>100.00</u>	<u>100.00</u>

Credit Rating wise analysis of balances with banks and placements of the Fund are tabulated below:

	2013	2012
	----- (%) -----	
AA	99.79	99.89
A1+	0.01	0.01
AA+	0.05	0.03
A	0.03	0.01
AA-	0.12	0.06
	<u>100.00</u>	<u>100.00</u>

#### Exposure to credit risk

In summary, compared to the maximum amount included in statement of assets and liabilities, the maximum exposure to credit risk is as follows:

	2013		2012	
	Statement of assets and liabilities	Maximum exposure	Statement of assets and liabilities	Maximum exposure
	-----Rupees in '000-----			
Investments				
- Available-for-sale investments	93,763	93,763	308,323	308,323
- At fair value through profit or loss on initial recognition	827,940	298,398	445,866	305,439
Profit receivable	8,368	8,368	27,183	27,183
Deposits	3,702	3,702	3,702	3,702
Bank balances	199,125	199,125	368,179	368,179
	<u>1,132,898</u>	<u>603,356</u>	<u>1,153,253</u>	<u>1,012,826</u>

The Management Company believes that the credit risk associated with such financial assets is minimal because such balances are held with reputable counter parties.



## 21.2 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect group of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure.

Details of the Fund's concentration of credit risk of investments by industrial distribution / economic sectors are as follows:

	2013		2012	
	(Rs in '000)	Percentage	(Rs in '000)	Percentage
Commercial banks	389,597	99.35	570,628	92.97
Leasing	1,995	0.51	28,268	4.61
Cement	569	0.14	1,133	0.18
Miscellaneous	-	-	13,733	2.24
	<u>392,161</u>	<u>100.00</u>	<u>613,762</u>	<u>100.00</u>

## 21.3 Settlement risk

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

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

## 21.4 Liquidity risk

Liquidity risk is the risk that the Fund may encounter difficulty in raising funds to meet its obligations and commitments. 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. Its policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

### Maturity analysis for financial liabilities

The analysis below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts below represent the contractual undiscounted cash flows.

	2013			
	Carrying amount	Less than 1 month	1 to 3 months	
	-----Rupees in '000-----			
<b>Financial liabilities</b>				
Payable to Management Company	1,455	1,455	-	-
Remuneration payable to Trustee	103	103	-	-
Annual fee payable to SECP	-	-	-	-
Accrued expenses and other liabilities	679	95	584	-
Dividend payable	266	266	-	-
	<u>2,503</u>	<u>1,919</u>	<u>584</u>	<u>-</u>
	2012			
<b>Financial liabilities</b>				
Payable to Management Company	1,349	1,349	-	-
Remuneration payable to Trustee	113	113	-	-
Annual fee payable to SECP	-	-	-	-
Accrued expenses and other liabilities	446	67	379	-
Dividend payable	253	253	-	-
	<u>2,161</u>	<u>1,782</u>	<u>379</u>	<u>-</u>



### 21.5 Fair value of financial assets and liabilities

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction.

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:

- Level 1: Quoted price (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).
- Level 3: Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The following table analyses, within the fair value hierarchy, the Fund's financial assets (by class) measured at fair value at June 30, 2013:

#### Financial assets

	2013			Total
	Level 1	Level 2	Level 3	
	-----Rupees in '000-----			
<b>At fair value through profit or loss</b>				
Term finance certificates	-	297,829	-	297,829
Sukuk certificates	-	569	-	569
Government securities	-	529,542	-	529,542
<b>Available-for-sale</b>				
Term Finance Certificates	-	93,763	-	93,763
	-	921,703	-	921,703

	2012			Total
	Level 1	Level 2	Level 3	
	-----Rupees in '000-----			
<b>At fair value through profit or loss</b>				
Term finance certificates	-	304,306	-	304,306
Sukuk certificates	-	1,133	-	1,133
Government securities	-	140,427	-	140,427
<b>Available-for-sale</b>				
Term Finance Certificates	-	294,590	13,733	308,323
	-	740,456	13,733	754,189



## 21.6 Financial instruments by category

	2013				Total
	Loans and receivables	Financial assets at fair value through profit or loss upon initial recognition	Available for sale	Financial liabilities measured at amortised cost	
-----Rupees in '000-----					
<b>On balance sheet - financial assets</b>					
Balances with banks	199,125	-	-	-	199,125
Investments	-	827,940	93,763	-	921,703
Profit receivable	8,368	-	-	-	8,368
Deposits	3,702	-	-	-	3,702
	<u>211,195</u>	<u>827,940</u>	<u>93,763</u>	<u>-</u>	<u>1,132,898</u>
<b>2012</b>					
<b>On balance sheet - financial liabilities</b>					
Payable to Pak Oman Asset Management Company Limited - Management Company of the Fund	-	-	-	1,455	1,455
Payable to Central Depository Company of Pakistan Limited - Trustee of the Fund	-	-	-	103	103
Dividend payable	-	-	-	266	266
Accrued expenses and other liabilities	-	-	-	679	679
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,503</u>	<u>2,503</u>
<b>On balance sheet - financial assets</b>					
Balances with banks	368,179	-	-	-	368,179
Investments	-	445,866	308,323	-	754,189
Profit receivable	27,183	-	-	-	27,183
Deposits	3,702	-	-	-	3,702
	<u>399,064</u>	<u>445,866</u>	<u>308,323</u>	<u>-</u>	<u>1,153,253</u>
<b>On balance sheet - financial liabilities</b>					
Payable to Pak Oman Asset Management Company Limited - Management Company of the Fund	-	-	-	1,349	1,349
Payable to Central Depository Company of Pakistan Limited - Trustee of the Fund	-	-	-	113	113
Dividend payable	-	-	-	253	253
Accrued expenses and other liabilities	-	-	-	446	446
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,161</u>	<u>2,161</u>

## 21.7 Certificate Holder's Fund Risk Management

Management's objective when managing certificate holders' funds is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its certificate holders' and to ensure reasonable safety of certificate holders' funds.

The Fund manages its investment portfolio and other assets by monitoring return on net assets and makes adjustments to it in the light of changes in markets conditions. In order to maintain or adjust capital structure, the Fund may adjust the amount of dividend paid to certificate holders. The Fund is not exposed to the externally imposed minimum certificate capital maintenance requirement.



## 21.8 Market risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not relating to changes in the obligor's/issuer's credit standing) will affect the Fund's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

### Management of market risks

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 regulations laid down by the Securities and Exchange Commission of Pakistan. The maximum risk resulting from financial instruments equals their fair values.

The Fund is exposed to interest rate risk only.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Fund's interest rate exposure arises on investment in debt securities, government securities and saving accounts maintained with banks. Most of the Fund's interest bearing assets carry variable interest rates (and mature within a period ranging from one month to five years), except for the exposure in fixed rate instruments in certain term finance certificates and treasury bills aggregating Rs 329.132 million. However, to enhance the earning potential of the Fund, the Fund invests in variable rate instruments as most of the instruments currently available are indexed to KIBOR. The Fund monitors the interest rate environment on a regular basis and may also alter the portfolio mix of fixed and floating rate securities. Other risk management procedures are the same as those mentioned in the credit risk management.

At 30 June 2013, details of the interest rate profile of the Fund's interest bearing financial instruments were as follows:

	(Rs 'in '000)
<b>Fixed rate</b>	
Financial assets	<u>329,132</u>
<b>Variable rate instruments</b>	
Financial assets	<u>791,270</u>

The composition of the Fund's investment portfolio, KIBOR rates and the trade rates announced by MUFAP is expected to change over time. Accordingly, the actual trading results may differ from the below sensitivity analysis and the difference could be material.

### Fair value sensitivity analysis for fixed rate instruments

A change of 50 basis points in interest rates at the year end would have increased / (decreased) the income for the year by Rs 1.650 million (2012: Rs 0.053 million) primarily due to mark up income. The analysis assumes that all other variables remain constant.

### Cash flow value sensitivity analysis for variable rate instruments

A change of 50 basis points in interest rates at the year end would have increased / (decreased) the income for the year by Rs 3.996 million (2012: Rs 5.262 million) primarily due to mark up income. The analysis assumes that all other variables remain constant.

A summary of the Fund's interest rate position, categorised by the earlier of contractual re-pricing or maturity date, is as follows:

	Mark-up / profit %	Up to one month	One to three months	Three months to six months	Above six months	Total
2013						
-----Rupees in '000-----						
Bank balances	6 to 11	-	199,125	-	-	199,125
Investments	9.49 to 15.5	-	-	392,161	529,542	921,703
Total assets		-	199,125	392,161	529,542	1,120,828



	Mark-up / profit %	Up to one month	One to three months	Three months to six months	Above six months	Total
2012						
-----Rupees in '000-----						
Bank balances	6 to 11	-	368,179	-	-	368,179
Investments	9.49 to 15.5	-	-	613,762	140,427	754,189
Total assets		-	368,179	613,762	140,427	1,122,368

## 21.9 Operational risks

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

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

The primary responsibility for the development and implementation of controls over operational risk rests with the Board of Directors of the Management Company. This responsibility encompasses the controls in the following areas:

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

## 22 OPERATING SEGMENTS

Operating segments are reported in a manner consistent with the internal reporting used by the Chief Operating Decision Maker (CODM). The investment committee of the Management Company has been identified as the CODM, which is responsible for allocating resources and assessing performance of the operating segments. The Fund manager works under the supervision of the investment committee and follows the direction given by the committee.

The investment committee is responsible for the Fund's entire portfolio and considers the business to have a single operating segment. The investment committee's asset allocation decisions are based on a single integrated investment strategy and the Fund's performance is evaluated on an overall basis.

The internal reporting provided to the investment committee for the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of approved accounting standards as applicable in Pakistan.

There are no change in the reportable segments during the year.

The Fund is domiciled in Pakistan. The Fund's income is generated from resources invested in the term finance certificates, government securities, short term placements and balances maintained with the bank which are based in Pakistan. Revenue from counterparties which exceed 10% of the Fund's total revenue aggregates Rs 67.59 million (2012: Rs 72.02 million).



## 23 SUPPLEMENTARY NON FINANCIAL INFORMATION

The information regarding certificate holding pattern, top brokers, members of the Investment Committee, Fund Manager, meetings of the Board of Directors of the Management Company and rating of the Fund and the Management Company are as follows:

### 23.1 Certificate holding pattern of the Fund

Category	2013			2012		
	Number of investors	Investment face value (Rs in '000)	% of total	Number of investors	Investment face value (Rs in '000)	% of total
Individuals	116	2,364	0.23%	119	10,353	1.03%
Insurance Companies	3	107,848	10.78%	3	107,858	10.79%
Banks / DFIs	13	738,427	73.85%	13	738,427	73.84%
Public Limited Companies	3	78,265	7.83%	3	78,265	7.83%
Others	15	73,096	7.31%	14	65,097	6.51%
	150	1,000,000	100.00%	145	1,000,000	100.00%

### 23.2 List of top brokers by percentage of commission

2013	2012
JS Global Capital Limited	Alafalah Securities (Private) Limited
Pearl Securities Limited	KASB Securities Limited
KASB Securities Limited	IGI Finex Securities
JS Global Capital Limited	JS Global Capital Limited
Invest Capital Markets Limited	
Elixir Securities Pakistan (Pvt.) Limited	
Invest & Finance Securities Limited	

### 23.3 Details of members of investment committee of the management company

Members	Designation	Qualification
Ms. Hina Ghazanfar	MD & CEO	MBA
Mr. Ahmed Nabeel	CIA	MBA
Mr. Imran Rahim Khan	Fund Manager	MBA & MA Economics

### 23.4 Details of fund manager

Name	Qualification	Funds managed
Mr. Imran Rahim Khan	MBA & MA Economics	Pak Oman Government Securities Fund Pak Oman Advantage Fund Pak Oman Advantage Islamic Income Fund





23.5 Details of attendance at meetings of board of directors of the management company

	Designation	Dates of Board of Directors meetings and directors present therein				
		July 4, 2012	October 14, 2012	October 15, 2012	February 5, 2013	April 27, 2013
H. E. Yahya Bin Said Bin Abdullah Al-Jabri	Chairman	A	P	P	P	P
Agha Ahmed Shah, Esq.	Director	P	P	P	A	A
Mr. Humayun Murad	Director	P	P	P	P	A
Mr. Sulaiman Hammad Al Harty	Director	A	P	P	P	P
Mr. Ali Said Ali	Director	A	P	P	P	P
Mr. Saif Said Salim Al Yazidi	Director	P	P	P	P	P
Mr. Parvaiz Usman*	Director	NA	NA	NA	NA	NA
Ms. Hina Ghazanfar	MD & CEO	P	P	P	P	P

*Mr. Parveiz Usman was appointed as Director of the Management Company on 11 June 2013.

23.6 Rating of the fund and the management company

PACRA has assigned an A + (f) (Single A Plus ; fund) Fund stability rating to the Fund which reflects the moderate degree of stability and returns at moderate risk level.

Further JCR-VIS has assigned an AM3- rating to the management company which is defined as good management quality.

24 PERFORMANCE TABLE

	2013	2012	2011	2010
Net assets (Rupees in '000) *	1,119,403	1,141,672	1,124,798	1,110,794
Net income (Rupees in '000)	78,250	108,571	111,133	104,272
Net assets value (NAV) per certificate as (Rupees) *	11.19	11.42	11.25	11.12
Basic earnings per certificate (Rupees)	0.78	1.09	1.11	1.04
Dividend distribution:				
- Final distribution	-	10.18%	10.17%	10.38%
- Distribution dates		18-Sep-12	23-Aug-11	18-Aug-10
Highest NAV per certificate during the year (Rupees)	11.80	11.53	11.26	11.24
Lowest NAV per certificate during the year (Rupees)	10.19	10.15	10.01	10.24
Weighted average portfolio duration (years)	2.04	1.16	2.99	3.23
Total return	7.83%	10.86%	11.11%	10.43%
Average annual return as at June 30, 2013	One year 7.83%	Two years 9.34%	Three years 9.93%	Four years 10.06%

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

*The distribution for the year ended is made subsequent to the year end, therefore, is not accounted for in the respective statements as also explained in note 25.



**25 SUBSEQUENT EVENTS**

The Board of Directors of the Management Company in its meeting held on October 21, 2013 has announced a dividend of 7.43% (2012: 10.17%) amounting to Rs 74.34 million (2012: Rs 101.780 million). These financial statements do not include the effect of the appropriations for such dividend which will be accounted for in the financial statements for the year ending June 30, 2014.

**26 DATE OF AUTHORISATION FOR ISSUE**

These financial statements have been authorised for issue on October 21, 2013 by the Board of Directors of the Management Company.

For Pak Oman Asset Management Company Limited  
(Management Company)

MD & CEO

Director



Pak Oman Advantage Fund

PATTERN OF CERTIFICATE HOLDING  
AS AT 30 JUNE 2013

NO. OF SHAREHOLDERS	←-HAVING SHARES→		SHARES HELD	PERCENTAGE
	FROM	TO		
25	1	100	277	0.0003
64	101	500	30867	0.0309
12	501	1000	11600	0.0116
10	1001	5000	30175	0.0302
6	5001	10000	42817	0.0428
2	10001	15000	20744	0.0207
1	15001	20000	15500	0.0155
1	20001	25000	24700	0.0247
1	65001	70000	69323	0.0693
1	95001	100000	96000	0.0960
2	240001	245000	481000	0.4810
1	245001	250000	250000	0.2500
1	285001	290000	285199	0.2852
1	495001	500000	499599	0.4996
1	795001	800000	800000	0.8000
2	960001	965000	1923000	1.9230
2	995001	1000000	2000000	2.0000
1	1695001	1700000	1700000	1.7000
2	1920001	1925000	3846000	3.8460
1	1995001	2000000	2000000	2.0000
2	2400001	2405000	4807000	4.8070
1	2880001	2885000	2883499	2.8835
1	3495001	3500000	3500000	3.5000
1	4985001	4990000	4990000	4.9900
3	4995001	5000000	15000000	15.0000
1	7580001	7585000	7583700	7.5837
2	9995001	10000000	20000000	20.0000
1	12105001	12110000	12109000	12.1090
1	14995001	15000000	15000000	15.0000
150		Company Total	100000000	100.0000

For Pak Oman Asset Management Company Limited  
(Management Company)

MD &amp; CEO

Director



Pak Oman Advantage Fund

**CATEGORIES OF CERTIFICATE HOLDERS**  
AS AT 30 JUNE 2013

Particulars	No of Folio	Balance Share	Percentage
BANKS, DFI & NBF1	13	73842699	73.8427
INSURANCE COMPANIES	3	10784798	10.7848
GENERAL PUBLIC (LOCAL)	115	235403	0.2354
GENERAL PUBLIC (FORGEIN)	1	1000	0.001
OTHERS	15	7309600	7.3096
PUBLIC SECTOR COS. & CORP.	3	7826500	7.8265
Company Total	150	100000000	100

For Pak Oman Asset Management Company Limited  
(Management Company)

MD & CEO

Director



Pak Oman Advantage Fund

**PATTERN OF CERTIFICATE HOLDINGS AS PER REQUIREMENTS OF  
CODE OF CORPORATE GOVERNANCE  
AS AT 30 JUNE 2013**

Particulars	No. of Certificates held
Individuals	235,903
Non-resident	-
Associated companies	-
- Pak Oman Investment Company Limited	27,109,000
- Pak Oman Microfinance Bank Limited	2,403,500
- National Logistic Cell - SRBF	5,423,000
Chief Executive & his spouse	-
Directors and their spouses	500
Executives	-
Public sector companies and corporations	3,403,500
Banks	12,583,700
Development financial institutions	9,796,499
Non-banking finance companies	6,950,000
Non-banking finance institutions	-
Insurance companies	784,798
Provident and Gratuity Fund	6,300,000
Others	9,600
Shareholders holding ten percent or more other than associated companies and directors	
- Bank Alfalah Limited	15,000,000
- National Insurance Company Limited	10,000,000
<b>Total</b>	<b>100,000,000</b>

For Pak Oman Asset Management Company Limited  
(Management Company)

MD & CEO

Director



Pak Oman Advantage Fund

**STATEMENT OF INCOME & EXPENDITURE OF MANAGEMENT  
COMPANY IN RELATION TO THE FUND  
FOR THE YEAR ENDED JUNE 30, 2013**

	(Rupees in '000)
<b>INCOME</b>	
Management Company's remuneration	16,457
<b>OPERATING EXPENSES</b>	
Salaries and allowances	10,626
Travelling and accommodation	537
Rent, rates and taxes	821
Utilities	542
Communication	26
Fees and subscriptions	921
Printing, stationery and periodicals	458
Depreciation	454
Legal and professional charges	462
Repairs and maintenance	212
Transportation	869
Insurance	27
Entertainment	158
	-
	<u>16,115</u>
Net income for the year	<u>342</u>

Note: The above expenses are allocated based on the income earned by the Management Company. Other revenue and expense not relating to the fund has not been included in the above statement.

For Pak Oman Asset Management Company Limited  
(Management Company)

MD & CEO

Director



Pak Oman Advantage Fund

## Annexure A

### PERFORMANCE TABLE

	2013	2012	2011	2010	2009	2008
Net assets (Rupees in '000) *	1,119,403.00	1,141,672.00	1,124,798.00	1,110,794.00	1,083,658.00	1,114,720.00
Net income (Rupees in '000)	78,250.00	108,571.00	111,133.00	104,272.00	106,718.00	101,943.00
Net assets value (NAV) per certificate as (Rupees) *	11.19	11.42	11.25	11.12	10.84	11.15
Basic earnings per certificate (Rupees)	0.78	1.09	1.11	1.04	1.07	1.02
Dividend distribution:						
- Final distribution	7.43%	10.18%	10.17%	10.38%	9.60%	10.84%
- Distribution dates	21-Oct-13	18-Sep-12	23-Aug-11	18-Aug-10	18-Aug-09	20-Aug-08
Highest NAV per certificate during the year (Rupees)	11.80	11.53	11.26	11.24	11.42	11.15
Lowest NAV per certificate during the year (Rupees)	10.19	10.15	10.01	10.24	9.35	10.26
Total return	7.83%	10.86%	11.11%	10.43%	10.67%	10.68%

For Pak Oman Asset Management Company Limited  
(Management Company)

MD & CEO

Director



Pak Oman Advantage Fund

