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JS Fund of Funds (Formerly UTP-Fund of Funds)



Vision

To be Industry Leaders in Financial Services

Mission

Pursuit of Professional Excellence

Core Values

- Shareholder Value
- Integrity
- Commitment

ORGANIZATION

Management Company

JS Investments Limited
7th Floor, The Forum, G-20
Khayaban-e-Jami, Block-9, Clifton
Karachi-75600
Tel: (92 -21) 111-222-626 Fax: (92 -21) 5361724
E-mail:info@jsil.com
Website: www.jsil.com

Board of Directors

Munawar Alam Siddiqui	Chairman
Muhammad Najam Ali	Chief Executive Officer
Ali Raza Siddiqui	Executive Director
Nazar Mohammad Shaikh	
Siraj Ahmed Dadabhoy	
Lt.General (R) Masood Parwaiz	
Sadeq Sayeed	

Audit Committee

Nazar Mohammad Shaikh	Chairman
Munawar Alam Siddiqui	Member
Lt.General (R) Masood Parwaiz	Member

Chief Financial Officer & Company Secretary

Suleman Lalani

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S.,
Main Sharah-e-Faisal,
Karachi-74400 Pakistan.
Tel: (92 -21) 111 - 111 - 500
Fax: (92 -21) 4326061

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants
1st Floor, Shaikh Sultan Trust Building # 2
Beaumont Road
Karachi – 75530, Pakistan

Legal Adviser

Bawaney & Partners
Room No.404, 4th floor,
Beaumont Plaza,
Beaumont Road, Civil Lines
Karachi-75530.

Transfer Agent

Technology Trade (Private) Limited
241-C, Block 2, P.E.C.H.S, Karachi
Tel: (92 -21) 4391316-7
Fax: (92 -21) 4391318

DIRECTORS' REPORT TO THE UNIT HOLDERS

The Board of Directors of JS Investments Limited, the Management Company of JS Fund of Funds (formerly UTP – Fund of Funds) (the Fund), is pleased to present the Annual Report for the year ended June 30, 2008.

1. Review of Fund Performance

The Karachi stock market remained volatile during the year under review. The benchmark KSE -100 index after touching an all time high of 15,676.34 points on April 18, 2008 finally closed at 12,289.03 points registering a decline of 10.77 percent against 13,772.46 points at the close of the last fiscal year. A detailed market review is presented in the enclosed Fund Manager Report.

The net assets of the Fund increased from Rs. 144.880 million to Rs. 1,241.056 million during the year under review. During the year the Fund carried consolidation of units as a result of which two units of par value of Rs. 50 were consolidated into one unit of par value of Rs. 100 each. The net assets value per unit as on June 30, 2008 was Rs. 113.13 compared to beginning ex-distribution net assets value of Rs. 102.38 per unit showing an appreciation of 10.50 percent.

The net income of the Fund for the year ended June 30, 2008, including unrealized loss on investment, was Rs. 141.154 million, which works out to Rs. 12.87 per unit of the par value of Rs. 100.

The Board of Directors of the Management Company has declared a stock dividend of 10.0% of the opening net assets value per unit of Rs. 102.38 which translates into Rs. 10.24 per unit. An investor holding 100 units as on June 30, 2008 will receive 9.9524 units on ex-stock dividend price of Rs. 102.89 per unit. As the above distribution is more than 90% of the realized income for the year, the income of the Fund will not be subject to tax under Clause 99 of the Part I of the Second Schedule of Income Tax Ordinance, 2001.

2. Fund and Asset Manager Rating

The Pakistan Credit Rating Agency (PACRA) has assigned a 4-Star normal fund rating to JS Fund of Funds, which reflects a good performance relative to its peers.

PACRA has awarded an “AM2+” asset manager rating to JS Investments Limited. The rating denotes the company's very strong capacity to manage the risks inherent in asset management and the asset manager meets very high investment management industry standards and benchmarks.

3. Compliance

The Board of Directors of the Management Company states that:

- a. The financial statements, prepared by the Management Company, present fairly the state of affairs of the Fund, the results of its operations, cash flows and movement in net assets of the Fund.
- b. Proper books of accounts of the Fund have been maintained.
- c. Appropriate accounting policies have been consistently applied in preparation of financial statements, and financial estimates are based on reasonable and prudent judgment.
- d. International Financial Reporting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2007, requirements of the Trust Deed and directives of the Securities and Exchange Commission of Pakistan have been followed in preparation of the financial statements.
- e. The system of internal control is sound in design and has been effectively implemented and monitored.
- f. There are no significant doubts upon the Fund's ability to continue as a going concern.
- g. There has been no material departure from the best practices of the Code of Corporate Governance, as detailed in the listing regulations.
- h. A performance table / key financial data is given on page 09 of this annual report.
- i. The Directors have signed the “Statement of Ethics and Business Practices.”
- j. The number of units of the Fund held by the Chief Executive, directors and executives and their spouses as at June 30, 2008 are as follows:

JS Fund of Funds (Formerly UTP-Fund of Funds)

Name	Designation	Units Held
Ali Raza Siddiqui	Executive Director	2,413.22
Malik Zafar Javaid	Head of Operations	1,163.82

- k. Summary of units acquired / redeemed during the year by the Chief Executive, directors and executives, their spouses and minor children is provided below:

Name	Designation	Units Acquired	Units Redeemed
Malik Zafar Javaid	Head of Operations	1,163.82	0
Iftikhar Ahmed	Chief Technology Officer	0	2,215.92
Shafiq-ur-Rahman	Assistant Vice President	0	1,521.73
Kashif Rafi	Vice President	35,852.69	35,852.69

- l. The value of investments of the staff provident fund of JS Investments Limited, as per the audited accounts for the year ended June 30, 2008 was Rs. 23.063 million.

4. Meetings of the Directors

During the year seven meetings of the Board of Directors were held. The attendance of each director for these meetings is disclosed in the notes to the financial statements.

5. Auditors

The external auditors of the Fund KPMG Taseer Hadi & Co., Chartered Accountants, retire and being eligible offer themselves for reappointment. The Audit Committee of the Board of the Management Company has recommended reappointment of KPMG Taseer Hadi & Co., Chartered Accountants, as the Fund's auditors for the year ending June 30, 2009.

6. Acknowledgment

The Directors express their gratitude to the Securities and Exchange Commission of Pakistan for its valuable support, assistance and guidance. The Board also thanks the employees of the Management Company and the Trustee for their dedication and hard work and the unit holders for their confidence in the Management.

Karachi: September 15, 2008

Muhammad Najam Ali
Chief Executive Officer

FUND MANAGER'S REPORT

Fund Profile

Fund type	Open end - Fund of Funds
Fund launch date	31 October, 2005
Fund Assets (PKR mn):	1,241
Benchmark 1 (BM1):	BM FoF Funds
Listing	LSE
Trustee	Central Depository Company of Pakistan Ltd.
Auditors	KPMG Taseer Hadi & Co.
Risk profile	Medium
Management fee	1.00%
PACRA Rating	4 Star (Normal)

Investment Philosophy

JS FoF (formerly UTP FoF) is a fund of funds that aims to grow investor's capital in the long term while diversifying the asset manager risk bundled together with the benefits of an asset allocation fund. The fund operates a diverse portfolio of equity, balanced, fixed income and money market funds (both open and closed ended) with the option to adjust the asset mix as equity markets rise or fall and the economy strengthens or weakens. The fund during the period achieved its investment objective through its investment strategies. The investment strategy comprised of investment in fundamentally sound securities keeping in view both the market and the underlying economic sentiment in the country. The fund, during the year, outperformed the KSE30 index by over 2600 basis points. There was no significant change in the state of affairs of the fund during the period.

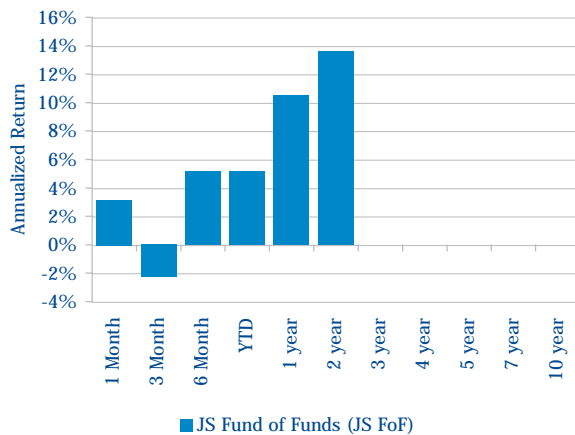
Market Review FY08

During the year under review, the KSE-100 index fell from 13,772 at June 29, 2007 to 12,289.03 on June 30, 2008, down by 10.8%. This was an election year for Pakistan with the new government finally in place. Further, the country is stricken with high inflation and burgeoning fiscal and current account deficits primarily due to the oil price shock and subsequent high global commodity prices. The State Bank, in a policy measure (announced on May 22, 2008), increased the discount rate by 150 basis points mainly to contain inflation and to address the decline in PKR versus USD. In light of these events, the KSE-100 index remained volatile during the period and made a low of 11,162.17 (June 23, 2008) and a high of 15,676.34 (April 18, 2008).

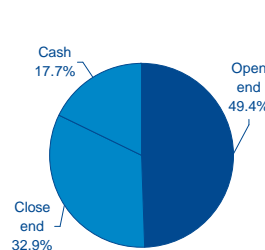
Foreign investors remained active in the local equity market. The Special Convertible Rupee Account (SCRA) balance is released by the State Bank on a daily basis. It is a popular barometer of the amount of foreign interest in the local capital markets. During FY08, SCRA shows that portfolio investment for FY08 was a net outflow of \$233 mn (gross inflow of 4.449bn and gross outflow of \$4.682bn).

Among the best performing sectors during the outgoing fiscal year were Investment Bank/Cos./Securities (up 52.7%), Refineries (up 29.1%) and Insurance (28.8%). On the flip side, among the worst performing sectors were Technology & Communication (down 30.8%), Automobile Assemblers (down 29.5%) and Tobacco (down 29.5%).

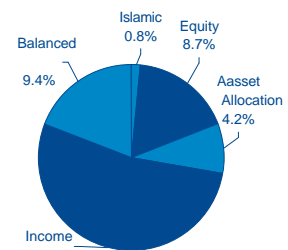
Performance (in percentage)



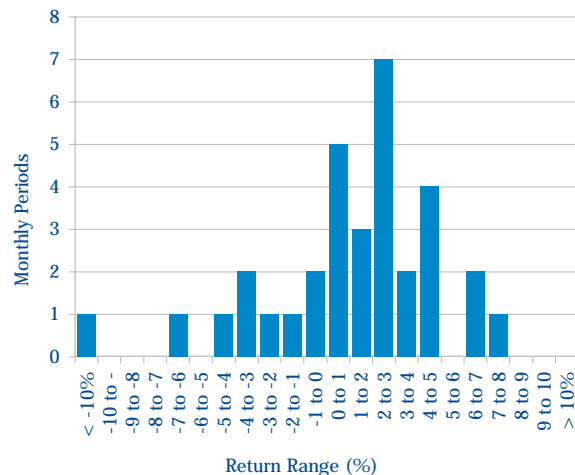
Asset Allocation



Sector Allocation



Distribution of Returns



JS Fund of Funds (Formerly UTP-Fund of Funds)

Benchmark Analysis	Benchmark 1
Alpha	0.6%
Annualized Alpha	8.1%
Beta	0.5
Correlation	0.4
R-squared	0.2

Statistical Analysis	Fund	BM1
Compound ROR	12.3%	9.6%
Standard Deviation	13.4%	11.3%
Cumulative Return	37.6%	28.76%
Cumulative VAMI	1,376	1,288
Sharpe (10.00%)	0.2	0.0
Largest Month Gain	7.4%	9.9%
Largest Month Loss	-10.7%	-6.9%
% Positive Months	72.7%	87.9%
% Negative Months	27.3%	12.1%

Split of Units

	Before	After
Par Value (PKR)	50	100
per unit		

Due to Par Value change, existing 2 (two) UTP FoF units were consolidated to 1 (one) JS FoF unit.

Effects on the NAV after Split

Ex-dividend NAV on June 30, 2007	PKR
Before	58.74
After	102.38

Returns on the Investments

	% of contribution
Equities*	-16.74%
Fixed Income / Bank Deposits*	6.62%
NAV Return	10.51%

Distribution (FY07)

	in %	in PKR
Stock dividend	15% on the opening	15.10
	NAV for FY07 (PKR 100.64)	

Effects on the NAV after Distribution

NAV per unit as on June 30, 2007	
Cum NAV (PKR)	117.48
Ex-NAV (PKR)	102.38

Proposed Distribution for the Year

The Board of Directors of the Management company in their meeting held on July 9, 2008 announced distribution of Rs. 10.24 per unit equivalent to 10% of the beginning net asset value.

Other Disclosures

The Management Company and / or any of its delegates have not received any soft commission from its brokers / dealers by virtue of transactions conducted by the Fund.

**The sum will not match NAV return because of net deductions and incase of open ended funds elements of income.*

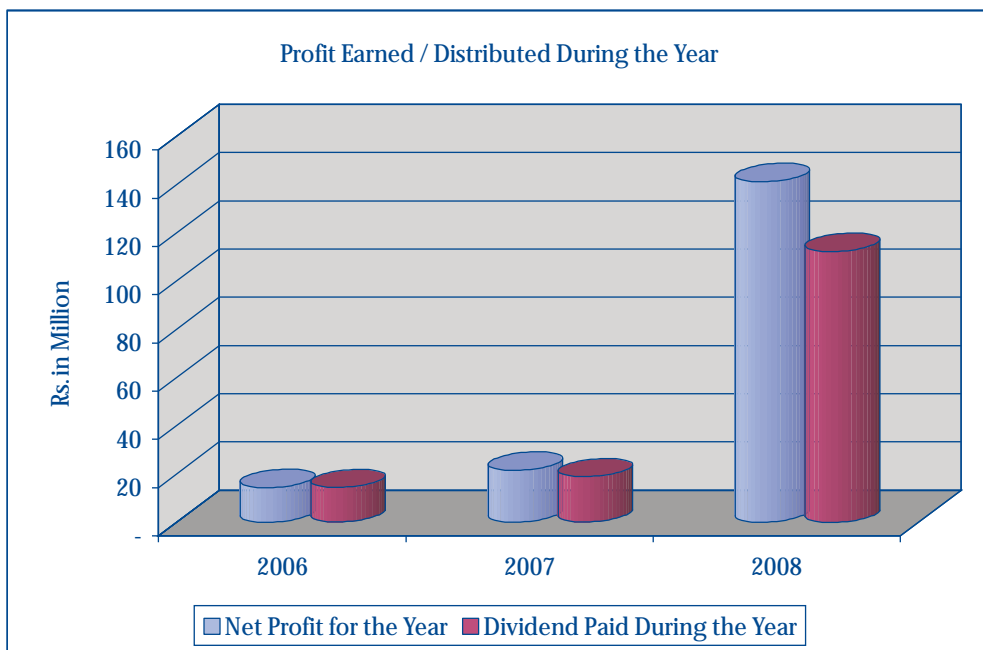
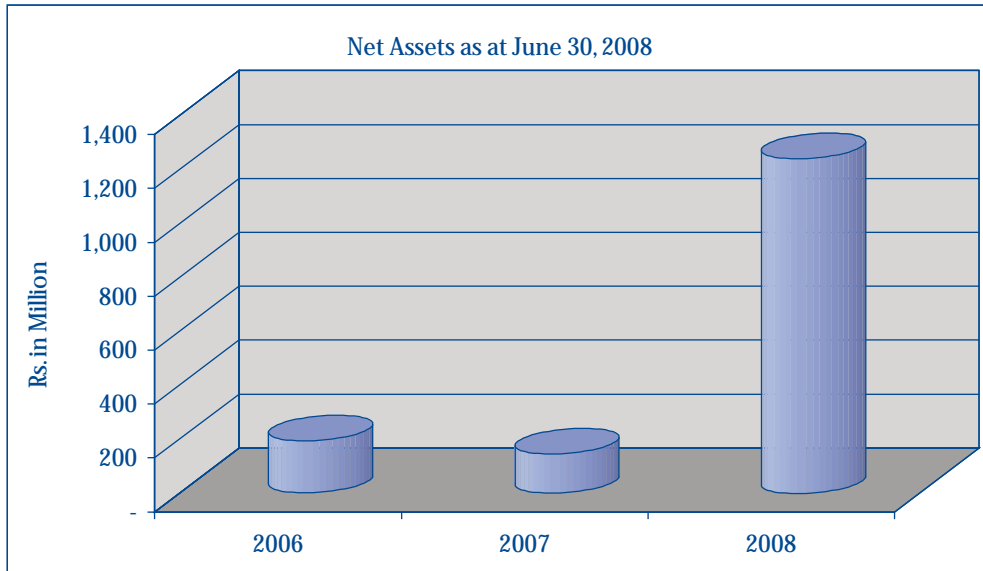
PERFORMANCE TABLE /KEY FINANCIAL DATA

	2008	2007	2006
(Rupees in million)			
Net assets	1,241	145	192
Total realized income	198	25	29
Total unrealized (loss)/gain in portfolio	(50.31)	(0.03)	(11)
Total expenses	7	4	4
Net income	141	21	14
Total expense to net assets ratio (%)	0.55	2.49	1.88
Total dividend distribution	112	19	14
Outstanding Units			
Number of units in issue - June 30th	10,969,747	1,233,302	1,770,643
Data Per Unit			
Net Asset value - Rupees (Ex-Dividend)	102.89	102.37	100.64
Net income - Rupees	12.87	17.34	8.10
Cash / stock dividend - Rupees	10.24	15.10	8.00
Date of announcement of cash / stock dividend	July 9, 2008	July 7, 2007	July 8, 2006
Dividend as % of NAV at the beginning of the year	10.00	15.00	8.00
Highest offer price during the year - Rupees	122.76	119.84	130.66
Lowest offer price during the year - Rupees	99.66	98.94	103.04
Highest repurchase price during the year - Rupees	119.18	117.48	128.08
Lowest repurchase price during the year - Rupees	97.68	96.98	101.02

Notes

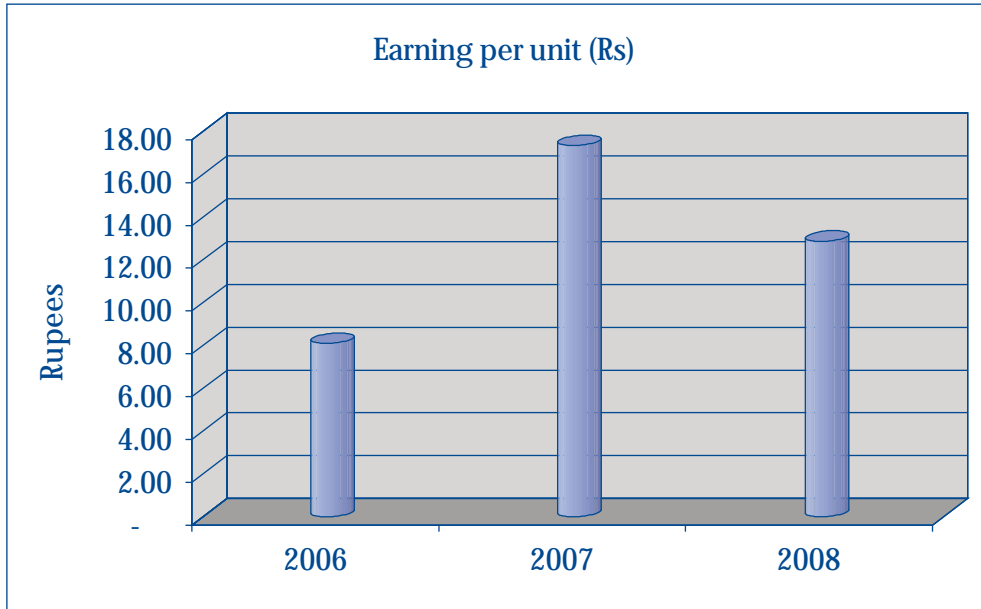
- JS Fund of Funds was launched on October 31, 2005.
- All previous figures have been restated wherever applicable due to change in par value from Rs. 50 to Rs.100 with effect from November 20, 2007.
- Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as go up.

JS Fund of Funds (Formerly UTP-Fund of Funds)





JS Fund of Funds (Formerly UTP-Fund of Funds)



JS Fund of Funds (Formerly UTP-Fund of Funds)

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

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of the Management Company of the JS Fund of funds (formerly UTP-Fund of funds) to comply with the listing regulation of the Lahore 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 of the Fund. 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 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 have not carried out any special review of the internal control system to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls.

Based on our review, nothing has come to our attention, which causes us to believe that the Statement of Compliance does not appropriately reflect the Fund's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as at 30 June 2008.

Karachi: September 15, 2008

KPMG Taseer Hadi & Co.
Chartered Accountants

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

This Statement is being presented in compliance with the Code of Corporate Governance ('the Code') contained in Regulation 43 of the Lahore Stock Exchange where 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.

JS Investments Limited 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. Presently, the Board includes five non-executive directors.
2. The directors have confirmed that none of them is serving as a director in 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 NBFC or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. The election of directors of the Management Company was held on December 26, 2007 upon completion of the three years' term of the previous Board. No casual vacancy has arisen subsequent to the election of directors.
5. The Management Company has prepared a "Statement of Ethics and Business Practices", which has been signed by all the directors and employees of the Management Company.
6. The Management Company has developed a vision / mission statement, overall corporate strategy and significant policies of the Fund which have been approved by the Board. A complete record of particulars of significant policies has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer and other executive directors, have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman, and in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter during the year. Written notices of the meetings of the Board of Directors, 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. The Chairman of the Board of Directors has completed the Board Development Series Certificate Program conducted by the Pakistan Institute of Corporate Governance ("PICG"). The Management Company intends to nominate other directors to the above program as and when these are announced by PICG.
10. During the year, there was no change of Chief Financial Officer / Company Secretary, however, the Head of Internal Audit was appointed in the current year. Their remuneration and terms and conditions of employment have been approved by the Board.
11. The Directors' Report has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The financial statements of the Fund were duly endorsed by the Chief Executive Officer and Chief Financial Officer before approval of the Board.
13. The directors, Chief Executive Officer and executives do not hold any interest in the units of the Fund other than those disclosed in the Directors' Report.
14. The Management Company has complied with all other corporate and financial reporting requirements of the Code with

JS Fund of Funds (Formerly UTP-Fund of Funds)

respect to the Fund.

15. The Board has formed an Audit Committee. It comprises of three non-executive directors.
16. The meetings of the Audit Committee are held every quarter prior to approval of interim and annual results of the Fund as required by the Code. The Board has approved terms of reference of the Audit Committee.
17. The Board has set-up an effective internal audit function headed by the Head of Internal Audit and Compliance. Prior to his appointment, the internal audit function was performed by a firm of Chartered Accountants.
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 units 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 to the Fund except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
20. We confirm that all other material principles contained in the Code have been complied with.

Karachi: September 15, 2008

Muhammad Najam Ali
Chief Executive Officer

TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 58(f) and Clause 9 of Schedule IV of the Non-Banking Finance Companies and Notified Entities Regulations, 2007

JS Fund of Funds (Fund), an open-end scheme was established under a trust deed dated April 19, 2005 executed between JS Investments Limited, as the management company and Central Depository Company of Pakistan Limited, as the trustee.

In our opinion, the management company has in all material respects managed the Fund during the year ended June 30, 2008 in accordance with the provisions of the following:

- (i) limitations imposed on the investment powers of the management company under the constitutive documents of the Fund;
- (ii) the pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the NBFC Regulations and the constitutive documents of the Fund.

For the purpose of information we would like to draw attention towards Regulation 64(5) of the NBFC Regulations, which inter alia requires that the exposure of the Fund to any person shall not, at any time, exceed an amount equal to ten percent of the total net assets of the Fund. However, we have noted instances where investments in the units of certain mutual funds exceeded the said limit of ten percent.

Karachi: September 26, 2008

Muhammad Hanif
Chief Executive Officer
Central Depository Company of Pakistan Limited

JS Fund of Funds (Formerly UTP-Fund of Funds)

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

We have audited the accompanying financial statements of JS Fund of Funds (formerly UTP – Fund of Funds) (“the Fund”), which comprise the statement of assets and liabilities as at 30 June 2008, and the income statement, cash flow statement, distribution statement and statement of movement in unit holders' funds for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management Company of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2007 and approved accounting standards as applicable in Pakistan. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Fund's affairs as at 30 June 2008, and of its financial performance, cash flows and transactions for the year then ended in accordance with approved accounting standards as applicable in Pakistan.

Emphasis of matter

Without qualifying our opinion, we draw attention to the fact that as of 30 June 2008 and on certain occasions during the year, the Fund had made investments in the units of certain individual mutual funds which is / were in excess of the limit of 10% of net assets prescribed under Non Banking Finance Companies and Notified Entities Regulations, 2007.

Other matters

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2007.

Karachi: September 15, 2008

KPMG Taseer Hadi & Co.
Chartered Accountants



FINANCIAL STATEMENTS

JS Fund of Funds (Formerly UTP-Fund of Funds)

JS Fund of Funds (Formerly UTP-Fund of Funds)

STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2008

	Note	2008	2007
Assets			
Bank balances	4	228,106,724	89,983,816
Investments	5	1,022,043,980	40,587,572
Receivables and prepayment	6	1,443,488	13,216,686
Security deposits	7	1,100,000	1,100,000
Preliminary expenses	8	425,206	625,206
Total assets		1,253,119,398	145,513,280
Liabilities			
Remuneration payable to the Management Company	9	566,084	123,325
Remuneration payable to the Trustee	10	183,899	57,534
Annual fee payable to Securities and Exchange Commission of Pakistan	11	384,889	164,428
Creditors, accrued and other liabilities	12	10,928,225	287,973
Total liabilities		12,063,097	633,260
Net assets	Rupees	1,241,056,301	144,880,020
Unit Holders' Fund (as per statement attached)	Rupees	1,241,056,301	144,880,020
			(Restated)
Number of units in issue	13 Number	10,969,747	1,233,302
Net asset value per unit	Rupees	113.13	117.47

The annexed notes from 1 to 22 and Annexure I form an integral part of these financial statements.

For JS Investments Limited (Formerly JS ABAMCO Limited)
(Management Company)

Muhammad Najam Ali
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

Ali Raza Siddiqui
Executive Director

JS Fund of Funds (Formerly UTP-Fund of Funds)

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008	2007
Income			
Net gain from transactions in mutual fund units / certificates		25,112,261	21,013,879
Dividend income		942,500	4,392,546
Return on bank balances		9,587,956	2,971,775
Element of income / (loss) and capital gains / (losses) in prices of units sold less those in units redeemed - net		<u>162,666,990</u>	<u>(3,356,177)</u>
		198,309,707	25,022,023
Unrealised loss on investment in mutual fund units / certificates - net		<u>(50,313,909)</u>	<u>(27,380)</u>
		147,995,798	24,994,643
Expenses			
Remuneration to the management company	9	2,585,870	1,629,708
Remuneration to the trustee	10	1,022,234	700,000
Securities transaction cost		1,699,486	66,629
Bank and settlement charges		119,652	29,295
Auditors' remuneration	14	296,925	303,000
Transfer agency fee		-	417,585
Annual fee to Securities and Exchange Commission of Pakistan	11	384,889	164,428
Amortization of preliminary expenses		200,000	200,000
Listing fee		25,000	25,000
Professional charges		116,666	32,669
Printing, stationary and postage		290,436	-
Mutual fund rating fee		100,000	-
Other expenses		-	37,896
		<u>6,841,158</u>	<u>3,606,210</u>
Net income	Rupees	<u>141,154,640</u>	<u>21,388,433</u>

The annexed notes from 1 to 22 and Annexure I form an integral part of these financial statements.

For JS Investments Limited (Formerly JS ABAMCO Limited)
(Management Company)

Muhammad Najam Ali
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

Ali Raza Siddiqui
Executive Director

JS Fund of Funds (Formerly UTP-Fund of Funds)

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year	141,154,640	21,388,433
Adjustments for:		
Net gain from transactions in mutual fund unit / certificates	(25,112,261)	(21,013,879)
Element of (income) / loss and capital (gains) / losses in prices of units sold less those in units redeemed - net	(162,666,990)	3,356,177
Unrealised loss on investment in mutual fund units / certificates - net	50,313,909	27,380
Operating income	3,689,298	3,758,111
Decrease / (Increase) in assets		
Receivables and prepayment	11,773,198	(11,753,457)
Preliminary expenses	200,000	200,000
	11,973,198	(11,553,457)
Increase / (decrease) in liabilities		
Remuneration payable to the management company	442,759	(46,498)
Remuneration payable to the trustee	126,365	(3)
Annual fee payable to Securities and Exchange Commission of Pakistan	220,461	21,390
Creditors, Accrued and other liabilities	10,640,252	33,136
	11,429,837	8,025
Cash generated from operations	27,092,333	(7,787,321)
Sale of held for trading investments	1,473,557,056	276,041,081
Purchase of held for trading investments	(2,480,215,112)	(109,593,012)
Cash (used in) / generated from operating activities	(979,565,723)	158,660,748
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received on issue of units	1,436,712,950	181,905
Cash paid on redemption of units	(317,116,928)	(71,401,372)
	1,119,596,022	(71,219,467)
Encashment of bonus units	(1,907,391)	(1,010,538)
Cash generated from / (used in) financing activities	1,117,688,631	(72,230,005)
Net increase in cash and cash equivalents	138,122,908	86,430,743
Cash and cash equivalents at beginning of the year	89,983,816	3,553,073
Cash and cash equivalents at end of the year	228,106,724	89,983,816

The annexed notes from 1 to 22 and Annexure I form an integral part of these financial statements.

For JS Investments Limited (Formerly JS ABAMCO Limited)
(Management Company)

Muhammad Najam Ali
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

Ali Raza Siddiqui
Executive Director

JS Fund of Funds (Formerly UTP-Fund of Funds)

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS FOR THE YEAR ENDED 30 JUNE 2008

	2008	2007
Net assets as at the beginning of the year	144,880,020	192,365,415
Cash received on issue of 14,398,447 * units (2007: 264,911)	1,436,712,950	181,905
Cash paid on redemption of 5,895,303** units (2007: 1,339,594)	(317,116,928)	(71,401,372)
	1,119,596,022	(71,219,467)
Encashment of bonus units	(1,907,391)	(1,010,538)
Element of income and capital (gains) / loss in prices of units sold less those in units redeemed - net	(162,666,990)	3,356,177
Net income for the year	141,154,640	21,388,433
Net assets as at the end of the year	Rupees <u>1,241,056,301</u>	<u>144,880,020</u> (Restated)
Net assets value per unit at beginning of the year	Rupees <u>117.47</u>	<u>108.64</u>
Net assets value per unit at end of the year	Rupees <u>113.13</u>	<u>117.47</u>

* This comprise of 3,410,453 units having face value of Rs. 50 each and 10,987,994 units having face value of Rs. 100 each. It also includes 326,538 (2007: 261,419) units issued as bonus units.

** This comprise of 2,396,524 units having face value of Rs. 50 each and 1,758,513 units having face value of Rs. 100 each. It also includes 1,740,266 additional units redeemed due to change in par value of units from Rs. 50 to Rs. 100.

The annexed notes from 1 to 22 and Annexure I form an integral part of these financial statements.

For JS Investments Limited (Formerly JS ABAMCO Limited)
(Management Company)

Muhammad Najam Ali
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

Ali Raza Siddiqui
Executive Director

JS Fund of Funds (Formerly UTP-Fund of Funds)

DISTRIBUTION STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	2008	2007
Undistributed income brought forward	21,549,870	14,326,581
Final distribution (bonus units at the rate of 10.24% and 15.10% for the years ended 30 June 2007 and 30 June 2006 respectively)	<u>(18,622,856)</u>	<u>(14,165,144)</u>
Net income up to 30 June 2007 (30 June 2006) less distribution	2,927,014	161,437
Net income (total recognised income and expense for the year)	141,154,640	21,388,433
Undistributed income carried forward	Rupees <u>144,081,654</u>	<u>21,549,870</u>

* It includes bonus units collected as cash dividend by unit holders amounting to Rs. 1,907,391 (2007: Rs. 1,010,538).

The annexed notes from 1 to 22 and Annexure I form an integral part of these financial statements.

For JS Investments Limited (Formerly JS ABAMCO Limited)
(Management Company)

Muhammad Najam Ali
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

Ali Raza Siddiqui
Executive Director

JS Fund of Funds (Formerly UTP-Fund of Funds)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008

1. LEGAL STATUS AND NATURE OF BUSINESS

JS Fund of Funds (formerly UTP-Fund of Funds) ("the Fund") has been established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and has been approved as an investment scheme by the Securities and Exchange Commission of Pakistan (SECP) on 11 April 2005. It has been constituted under a Trust Deed, dated 19 April 2005, between JS Investments Limited (formerly JS ABAMCO Limited) as the Management Company, a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited as the Trustee, also incorporated under the Companies Ordinance, 1984. The Fund commenced its operations from October 2005.

In accordance with the supplemental Trust Deed, dated 30 October 2007, approved by SECP, following significant changes have been made:

- the name of the fund has been changed from UTP-Fund of Funds to JS Fund of Funds;
- face value of the units issued by the fund has been changed from Rs. 50 per unit to Rs. 100 per unit.

The above changes are effective from 20 November 2007.

The Fund is an open end mutual fund and is listed on Lahore Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund.

The Fund's primary activity is to invest in the leading equity, fixed income, money market and balanced funds, including funds managed by JS investments Limited (formerly JS ABAMCO Limited), and provide investors an opportunity to gain from the performance of these funds through one investment in the Fund.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). Its registered office is located at 7th Floor, The Forum, Clifton, Karachi, Pakistan.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984, requirements of Trust Deed, Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2007. In case, the requirements differ, the provisions or directives of the Companies Ordinance, 1984, the requirements of the Trust Deed and Non Banking Finance Companies (Establishment and Regulation) Rules, 2003, Non Banking Finance Companies and Notified Entities Regulations, 2007 shall prevail.

2.2 Initial application of a standard or an interpretation

During the year, amendments to International Accounting Standards (IAS) 1, Presentation of Financial Statements relating to capital disclosures became effective and have resulted in certain disclosures. The related disclosure have been made in note 18.7 to the financial statements.

2.3 New accounting standards and IFRIC interpretations that are not yet effective

The following standards, amendments and interpretations of approved accounting standards, effective for accounting periods beginning on or after 1 July 2008 are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain increased disclosures:

IFRS 7 - Financial Instruments: Disclosures

IFRS 8 - Operating Segments

Revised IAS 1 - Presentation of financial statements

Revised IAS 23-Borrowing costs

IFRS 2 (amendment)-Share-based payments

IFRS 3 (amendment)-Business Combinations and consequential amendments to IAS 27-Consolidated and separate financial statements, IAS 28-Investment in associates and IAS 31-Interest in Joint Ventures.

IAS 32 (amendment)-Financial instruments: Presentation and consequential amendment to IAS 1- Presentation of Financial Statements

IFRIC 10 – Interim Financial Reporting and Impairment

IFRIC 11 – Group and Treasury Share Transactions

IFRIC 12 – Service Concession Arrangements

IFRIC 13- Customer Loyalty Programme

IFRIC 14 IAS 19- The Limit on Defined Benefit Asset, Minimum Funding Requirements and their interaction

IFRIC 15- Agreement for the Construction of Real Estate

IFRIC 16- Hedge of Net Investment in a Foreign Operation

2.4 Basis of measurement

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

2.5 Functional and presentation currency

These financial statements are presented in Pakistan Rupees, which is the functional and presentation currency of the Fund and rounded to the nearest Rupees.

2.6 Critical accounting estimates and judgments

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

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

Judgments made by management in the application of approved accounting standards, as applicable in Pakistan,

JS Fund of Funds (Formerly UTP-Fund of Funds)

that have significant effect on the financial statements and estimates with a significant risk of material judgment in the next year are as follows:

Investment stated at fair value

Management has determined fair value of certain investments by using quotation from active market. Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matter of judgment (e.g. valuation, interest rates, etc.) and therefore, can not be determined with precision.

Other assets

Judgment is involved in assessing the realisability of the assets balances.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Investments

All investments are initially recognised at cost, being the fair value of the consideration given.

The Fund currently maintains held for trading category of investments only. These represent investments which are acquired principally for the purposes of generating profit from short term fluctuation in price or are part of the portfolio in which there is recent actual pattern of short term profit taking.

The transaction cost associated with the acquisition of these investments are charged off to the income statement.

After initial recognition, the above investments are remeasured at fair value determined with reference to the year-end quoted rates. In respect of investments in closed end funds, the quoted price is determined with reference to the rates quoted in the Stock Exchange at the close of business at the balance sheet date. In case of open end funds, these are determined with reference to the redemption / repurchase price per unit prevailing as at the balance sheet date (as declared by the respective funds). Gains or losses on investments on remeasurement of these investments are recognised in income.

All regular way purchases / sales of investments in closed end funds are recognised on the trade date, i.e., the date that the Fund commits to purchase / sell the investments. Regular way purchases or sales of investment require delivery of securities within two days after the transaction date as required by the Stock Exchange regulations.

3.2 Securities under repurchase / resale arrangements

Transactions of purchase under resale (reverse-repo) of marketable and government securities, are entered into at contracted rates for specified periods of time. Securities purchased with a corresponding commitment to resell at a specified future date (reverse-repos) are not recognised in the statement of assets and liabilities. Amounts paid under these agreements are included in receivable in respect of reverse repurchase transactions / against continuous funding system. The difference between purchase and resale price is treated as income from reverse repurchase transactions and accrued over the life of the reverse-repo agreement.

3.3 Issue and redemption of units

Units are allocated at the offer price prevalent on the day on which applications for the purchase of units are received (however units are issued on the realisation of funds). The offer price represents the net assets value of units at the end of the day plus the allowable sales load. The sales load is payable to the Distribution Companies and the Management Company as processing fee.

Units redeemed are recorded at the redemption price prevalent on the day on which the units are redeemed. The redemption price represents the net assets value at the end of the day. Redemption of units is recorded on

acceptance of application for redemption.

3.4 Net assets value per unit

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

3.5 Revenue recognition

Gain or loss on sale of mutual fund units / certificates is accounted for in the period in which it arises.

Dividend income is recorded at the time of the closure of unit / certificate transfer book of the fund declaring the dividend. Dividend received on mutual fund units / certificates acquired after the announcement of dividend till the book closure date are not taken to income but adjusted (deduction) in the cost of investment.

Return on bank balances are recognised at effective profit rates based on a time proportion basis.

3.6 Element of income and capital gains in prices of units sold less those in units redeemed

An equalisation account called the "element of income / (loss) and capital gains included in prices of units sold less those in units redeemed" is created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption. This is recognised in the Income Statement currently.

3.7 Taxation

The Fund is exempt from taxation under clause 99 of the Part I of the 2nd Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its income excluding realised and unrealised capital gains for the year is distributed amongst the unit holders.

3.8 Provisions

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

3.9 Preliminary expenses

This represents expenses incurred on the formation of the Fund. These are amortised over a period of five years starting from 16 August 2005 (the date of the receipt of initial investment in the Fund) as stated in the offering document of the Fund (Refer note 8 to the financial statements).

3.10 Financial instruments

All the financial assets and financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to income directly.

3.11 Offsetting of financial assets and liabilities

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

JS Fund of Funds (Formerly UTP-Fund of Funds)

3.12 Impairment

The carrying amount of the Fund's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the assets recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceed its recoverable amount. Impairment losses are recognized in the income statement.

3.13 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances.

3.14 Other assets

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

3.15 Dividend distribution

Dividend distributions are recorded in the period in which the distributions are approved.

4.	BANK BALANCES		2008	2007
	In profit and loss sharing accounts	<i>4.1</i>	<u>228,106,724</u>	<u>89,983,816</u>
		<i>Rupees</i>	<u>228,106,724</u>	<u>89,983,816</u>
4.1	This includes bank balance of Rs. 107,400,454 (2007: Nil) with JS Bank Limited (a related party) that carries profit at 11% per annum. Other saving accounts carry profit rates ranging from 1% to 8% (2007: 1% to 11%) per annum.			
5.	INVESTMENTS - held for trading certificates / units of mutual funds			
	Closed end mutual funds	<i>5.1</i>	408,845,385	-
	Open end mutual funds	<i>5.2</i>	<u>613,198,595</u>	<u>40,587,572</u>
		<i>Rupees</i>	<u>1,022,043,980</u>	<u>40,587,572</u>

JS Fund of Funds (Formerly UTP-Fund of Funds)

	Number of certificates / units			Holding at the end of year	Market value	% of total investment		
	Holding at the beginning of the year	Acquired during the year	Bonus / rights received during the year				Disposed during the year	
Sectors / companies								
5.1	Quoted Closed end funds							
	<u>Managed by JS Investments Limited (formerly JS ABAMCO Limited)</u>							
	JS Value Fund Ltd (formerly BSJS Balanced Fund Ltd) (related party)	-	11,992,000	-	7,290,500	4,701,500	90,879,995	8.89
	JS Growth Fund (Formerly UTP-Growth Fund) (related party)	-	9,541,500	-	57,500	9,484,000	115,420,280	11.29
	UTP-Large Cap Fund (related party)	-	14,437,500	-	30,000	14,407,500	128,370,825	12.56
	<u>Managed by PICIC Asset Management Limited</u>							
	PICIC Growth Fund	-	3,120,500	-	-	3,120,500	74,174,285	7.26
							408,845,385	40.00
5.2	Quoted Open end funds							
	<u>Managed by JS Investments Limited (Formerly JS ABAMCO Limited)</u>							
	Unit Trust of Pakistan (related party)	-	1,505,414	-	734,775	770,639	116,998,363	11.45
	UTP-A30+ Fund (related party)	-	1,463,543	-	1,392,674	70,869	3,339,343	0.33
	UTP-Islamic Fund (related party)	24,655	129,760	6,332	141,997	18,751	9,799,123	0.96
	JS Aggressive Asset Allocation Fund (formerly UTP-Aggressive Asset Allocation Fund) (related party)	-	1,745,405	-	1,242,065	503,340	52,493,356	5.14
	JS Income Fund (formerly UTP-Income Fund) (related party)	-	1,454,209	-	1,399,535	54,673	5,689,852	0.56
	JS Aggressive Income Fund (related party)	-	1,232,698	-	539,533	693,165	71,271,207	6.97
	<u>Managed by Al Meezan Investment Limited</u>							
	Meezan Islamic Fund	122,363	230,122	31,873	384,358	-	-	-
	<u>Managed by Atlas Asset Management</u>							
	Atlas Income Fund	-	232,792	-	-	232,792	121,843,422	11.92
	<u>Managed by Crosby Asset Management (Pakistan) Limited</u>							
	Crosby Dragon Fund	-	616,414	-	-	616,414	105,092,424	10.28
	<u>Managed by Dawood Capital Management</u>							
	Dawood Money Market Fund	-	1,144,161	-	-	1,144,161	126,671,505	12.39
	<u>Managed by AKD Investment Management Limited</u>							
	AKD Opportunity Fund	214,105	299,021	18,488	531,615	-	-	-
	AKD Income Fund	-	2,405,379	16,652	2,422,030	-	-	-
	<u>Managed by MCB Asset Management Limited</u>							
	MCB Dynamic Stock Fund	-	233,472	-	233,472	-	-	-
	MCB Dynamic Allocation Fund	-	200,000	-	200,000	-	-	-
	<u>Managed by Arif Habib Investment Management Limited</u>							
	Pakistan Capital Market Fund	-	6,177,832	-	6,177,832	-	-	-
	Pakistan Stock Market Fund	-	419,716	-	419,716	-	-	-
	Pakistan International Element Islamic Fund	-	947,971	-	947,971	-	-	-
	Pakistan Income Fund	-	2,058,870	-	2,058,870	-	-	-
	<u>Managed by National Investment Trust Limited</u>							
	National Investment Trust	-	186,916	-	186,916	-	-	-
	<u>Managed by HBL Asset Management Limited</u>							
	HBL Stock Fund	-	50,000	-	50,000	-	-	-
	<u>Managed by National Fullerton Asset Management Limited</u>							
	NAFA Stock Fund	-	1,771,518	-	1,771,518	-	-	-
	<u>Managed by AMZ Asset Management Limited</u>							
	AMZ Stock Plus Fund	-	564,543	-	564,543	-	-	-
	AMZ Plus Income Fund	-	471,337	-	471,337	-	-	-
	<u>Managed by KASB Asset Management Limited</u>							
	KASB Stock Market Fund	-	262,513	-	262,513	-	-	-
						<i>Rupees</i>	613,198,595	60.00
	Market value of held for trading investments as at 30 June 2008					<i>Rupees</i>	1,022,043,980	100.00
	Cost of held for trading investments as at 30 June 2008					<i>Rupees</i>	1,072,357,890	

JS Fund of Funds (Formerly UTP-Fund of Funds)

5.3 Under the provisions of rule 71 (3) of the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 and regulation 64 (5) of Non Banking Finance Companies and Notified Entities Regulations, 2007, the investment of the Fund in any company shall not, at any time, exceed an amount equal to 10% of the total net asset value of the Fund at the time of investment or 10% of the issued capital of the investee company. At 30 June 2008, the Fund's investments in UTP Large Cap. Fund and Dawood Money Market Fund were 10.34 % and 10.21 % respectively of it's net assets as of that date. Arrangements are being made to comply with the above requirement.

5.4 The Securities and Exchange Commission of Pakistan vide its letter reference number NBFC-II/ JD(R)/Abamco-UTP FOF/727 has authorised the Fund to invest up to 50% of its assets in funds managed by JS Investments Limited (formerly JS ABAMCO Limited). At 30 June 2008, exposure of the Fund in funds managed by JS Investments Limited (formerly JS ABAMCO Limited) (the Management Company of the Fund) was 48% of the net assets of the Fund.

6. RECEIVABLES AND PREPAYMENT

	2008	2007
Dividend receivable	349,500	-
Prepaid listing fee	25,000	25,000
Return on bank balances	6.1 1,068,988	14,597
Receivables against transactions in marketable securities		
- Related party	-	4,140,278
- Others	-	9,036,811
	Rupees <u>1,443,488</u>	<u>13,216,686</u>

6.1 It includes bank return receivable from JS Bank Limited (a related party) amounting to Rs. 10,123 (2007: Nil).

7. SECURITY DEPOSITS

Central Depository Company of Pakistan Limited	100,000	100,000
National Clearing Company of Pakistan Limited	1,000,000	1,000,000
	Rupees <u>1,100,000</u>	<u>1,100,000</u>

8. PRELIMINARY EXPENSES

This represents expenses incurred on the formation of the Fund. The offering document of the Fund, approved by the Securities and Exchange Commission of Pakistan, permits the deferral of the expenses over a period not exceeding five years. Accordingly the said expenses are being amortised over a period of five years effective from 16 August 2005, the date of the receipt of the initial investment in the Fund.

Total preliminary expenses	1,000,000	1,000,000
Amortization of preliminary expenses to-date	(574,794)	(374,794)
	Rupees <u>425,206</u>	<u>625,206</u>

9. REMUNERATION TO THE MANAGEMENT COMPANY

As per the directive of the SECP (vide its letter reference given in note 5.4 above), the Management Company is entitled to remuneration for services rendered to the Fund upto a maximum of 1% per annum of the average daily net assets of the Fund. Accordingly, the management fee has been accrued at 1% per annum of the average daily net assets of the Fund. However, the Management Company has decided not to charge management remuneration on that part of net assets as are invested in mutual funds managed by the Management Company.

JS Fund of Funds (Formerly UTP-Fund of Funds)

	2008	2007
Balance at beginning of the year	123,325	169,823
Remuneration for the year	2,585,870	1,629,708
Paid during the year	(2,143,111)	(1,676,206)
Balance at end of the year	566,084	123,325

10. REMUNERATION TO THE TRUSTEE

The Trustee is entitled to a monthly remuneration as per the following tariff structure:

Net assets (Rupees in million) Tariff		
From	To	
1	100	Rs. 0.7 million or 0.2% per annum of net asset value, whichever is higher
1,000	& above	Rs. 2 million plus 0.10% per annum of net asset value exceeding Rs. 1,000 million

Balance at beginning of the year	57,534	57,537
Remuneration for the year	1,022,234	700,000
Paid during the year	(895,869)	(700,003)
Balance at end of the year	183,899	57,534

11. ANNUAL FEE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) in accordance with regulation 71 of the Non Banking Finance Companies and Notified Entities Regulation, 2007 whereby the Fund is required to pay SECP an amount equal to one tenth of 1% of the average daily net assets of the Fund with in 3 months of the close of year of account.

12. CREDITORS, ACCRUED AND OTHER LIABILITIES

Payable against transactions in mutual fund certificates	9,431,201	-
Payable against redemption of units	-	85,486
Printing and stationary	50,000	-
Sales load payable	12.1 1,221,011	338
Audit fees	195,000	194,000
Zakat payable	15	4,210
Other payable	30,998	3,939
	Rupees 10,928,225	287,973

12.1 It includes sales load payable to the JS Investments Limited (formerly JS ABAMCO Limited), the Management Company of the Fund, amounting to Rs. 438,619 (2007: Nil).

13. NUMBER OF UNITS IN ISSUE - RESTATED

As at 30 June 2008, 10,969,747 (2007: 1,233,302) 'A' class units at par value of Rs. 100 each were in issue. However, under the offering document, the Fund may issue B, C and D classes of units as well. The details of respective classes of units are as follows:

Class	Description
A	Units that shall be charged with front end load
B	Units that shall be charged with back end load
C	Units that shall be charged with contingent load
D	Units that shall be charged with front end load contingent load if redeemed within one month

JS Fund of Funds (Formerly UTP-Fund of Funds)

Irrespective of the different classes of units which may be issued, all units issued from time to time shall rank pari passu inter se and shall have equal rights in the net asset value of the Fund in proportion of their investment.

		2008	2007
Total outstanding at beginning of the year		1,233,302	1,770,643
Sales during the year		12,529,952	1,746
Bonus units issued		163,269	130,710
Redemption during the year		<u>(2,956,776)</u>	<u>(669,797)</u>
Total units in issue at the end of the year	13.1 Rupees	<u>10,969,747</u>	<u>1,233,302</u>

13.1 During the current year, face value of the units was changed from Rs. 50 to Rs. 100 per unit. Accordingly, the number of units in issue and the net asset value per unit as of 30 June 2007 have been adjusted for the above change. Previously as of 30 June 2007 these were reported as 2,466,603 units in issue and Rs. 58.74 as net asset value per unit.

14. AUDITORS' REMUNERATION

Annual audit fee		150,000	137,500
Fee for the review of half yearly financial statements		82,500	82,500
Fee for the review of statement of compliance with the code of corporate governance		25,000	25,000
Fee for other certifications		15,000	15,000
Out of pocket expenses		<u>24,425</u>	<u>43,000</u>
	Rupees	<u>296,925</u>	<u>303,000</u>

15. TAXATION - net

The Fund has filed return of income tax for the tax years 2006 and 2007, which are deemed to be assessed under section 120 of the Income Tax Ordinance, 2001. No provision for taxation has been made in the financial statements in view of the exemption under clause 99 of the Part I of the 2nd Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its income excluding realised and unrealised capital gains for the year is distributed among the unit holders. Details of distribution for the year ended 30 June 2008 are given in note 21 to the financial statements.

JS Fund of Funds (Formerly UTP-Fund of Funds)

16. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

16.1 Related parties / connected persons comprise the following:

Related party / Connected persons	Relationship	Details of transactions and balances
JS Investments Limited	Management Company	<i>Note 9, 12.1, 16.2 & 16.3</i>
Key Management Personnel	Directors and Head of departments of the Management Company	<i>16.2</i>
Jahangir Siddiqui & Company Limited	Holding Company of the Management Company	-
JS Global Capital Limited (formerly Jahangir Siddiqui Capital Markets Limited)	Associate Company of Holding Company of the Management Company	<i>16.3</i>
JS Bank Limited	Subsidiary of Holding Company of the Management Company	<i>4.1, 6.1 and 16.3</i>
JS ABAMCO Commodities Limited	Subsidiary of the Management Company	-
Central Depository Company of Pakistan Limited	Trustee of the Fund	<i>10</i>
JS Value Fund Limited (formerly BSJS Balanced Fund Limited)	Fund managed by JS Investments Limited	<i>5.1</i>
Unit Trust of Pakistan	----- do-----	<i>5.2</i>
UTP - Islamic Fund	----- do-----	<i>5.2</i>
JS Income Fund	----- do-----	<i>5.2</i>
(formerly UTP-Income Fund)		
UTP-Large Cap. Fund	----- do-----	<i>5.1</i>
JS Growth Fund	----- do-----	<i>5.1</i>
(formerly UTP-Growth Fund)		
UTP A 30+ Fund	----- do-----	<i>5.2</i>
JS Aggressive Asset Allocation Fund (formerly UTP-Aggressive Asset Allocation Fund)	----- do-----	<i>5.2</i>
JS Capital Protected Fund (formerly UTP-Capital Protected Fund)	----- do-----	-
JS Capital Protected Fund II (formerly UTP-Capital Protected Fund II)	----- do-----	-
JS Capital Protected Fund III	----- do-----	-
JS Fund of Funds (Formerly UTP-Fund of Funds)	----- do-----	-
JS Pension Savings Fund	----- do-----	-
JS Islamic Pension Savings Fund	----- do-----	-
JS Aggressive Income Fund	----- do-----	<i>5.2</i>
Pakistan Oilfields Limited	Company with common directors of the Management Company	-
Eye Television Network Limited	----- do-----	-
Al Abbas Sugar Mills Limited	----- do-----	-
Bankislami Pakistan Limited	----- do-----	-

JS Fund of Funds (Formerly UTP-Fund of Funds)

16.2 Details of transactions and balances of units with related parties during the year are as follows:

	2008 (Units)	2007	2008 (Rupees)	2007
- JS Investments Limited				
Bonus units issued:	<u>15,921</u>	<u>-</u>	<u>1,630,032</u>	<u>-</u>
Units sold:	<u>8,683,849</u>	<u>-</u>	<u>1,013,648,836</u>	<u>-</u>
Units redeemed:	<u>123,871</u>	<u>-</u>	<u>13,570,015</u>	<u>-</u>
Units held by:				
- JS Investments Limited	<u>8,683,849</u>	<u>107,949</u>	<u>982,442,494</u>	<u>12,681,140</u>
- Key Management Personnel	<u>3,577</u>	<u>2,657</u>	<u>404,686</u>	<u>312,107</u>

16.3 Details of other transactions with related parties during the year are as follows:

	2008	2007
JS Investments Limited		
Sales load for the year	<i>Rupees</i> <u>1,086,338</u>	<u>441</u>
JS Global Capital Limited (formerly Jahangir Siddiqui Capital Markets Limited)		
Brokerage fee	<i>Rupees</i> <u>483,060</u>	<u>-</u>

The amount disclosed represents the amount of brokerage paid to related party and not the purchase or sale value of securities transacted through them. The purchase or sale value have not been treated as transactions with related party as ultimate counter-parties are not related.

JS Growth Fund (formerly UTP-Growth Fund)

Dividend received	<i>Rupees</i> <u>8,675,500</u>	<u>-</u>
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UTP Large Cap. Fund

Dividend received	<i>Rupees</i> <u>1,773,500</u>	<u>300,000</u>
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JS Value Fund Limited (formerly BSJS Balanced Fund Limited)

Dividend received	<i>Rupees</i> <u>-</u>	<u>1,399,000</u>
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JS Bank Limited

Return on bank balances	<i>Rupees</i> <u>715,853</u>	<u>-</u>
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Remuneration of the management company and the trustee is determined in accordance with the terms disclosed in notes 9 and 10 respectively. Other transactions are in accordance with the agreed / commercial terms.

17. MARK-UP / PROFIT RATE RISK EXPOSURE AND CONCENTRATION OF CREDIT RISK

Information about the Fund's exposures to mark-up / profit rate risk based on contractual repricing and maturity dates, which ever is earlier, is as follows:

	Mark-up / return (%)	2008			Non mark-up / profit bearing	Total
		Profit / mark-up bearing Upto three months	three months to one year	More than one year		
On-balance sheet financial instruments						
Financial assets						
Bank balances	1 to 11	228,106,724	-	-	-	228,106,724
Investments		-	-	-	1,022,043,980	1,022,043,980
Other receivables		-	-	-	1,418,488	1,418,488
Security deposits		-	-	-	1,100,000	1,100,000
		<u>228,106,724</u>	<u>-</u>	<u>-</u>	<u>1,024,562,468</u>	<u>1,252,669,192</u>
Financial liabilities						
Remuneration payable to the Management Company		-	-	-	566,084	566,084
Remuneration payable to the Trustee		-	-	-	183,899	183,899
Annual fee payable to Securities and Exchange Commission of Pakistan		-	-	-	384,889	384,889
Creditors, accrued and other liabilities		-	-	-	10,928,225	10,928,225
		<u>-</u>	<u>-</u>	<u>-</u>	<u>12,063,097</u>	<u>12,063,097</u>
On-balance sheet gap - 2008 (a)	<i>Rupees</i>	<u>228,106,724</u>	<u>-</u>	<u>-</u>	<u>1,012,499,371</u>	<u>1,240,606,095</u>

(a) On-balance sheet gap represents the net amounts of on-balance sheet items.

	Profit (%)	2007			Non mark-up / profit bearing	Total
		Profit / mark-up bearing Upto three months	three months to one year	More than one year		
On-balance sheet financial instruments						
Financial assets						
Bank balances	1 to 11	89,983,816	-	-	-	89,983,816
Investments		-	-	-	40,587,572	40,587,572
Other receivables		-	-	-	13,191,686	13,191,686
Security deposits		-	-	-	1,100,000	1,100,000
		<u>89,983,816</u>	<u>-</u>	<u>-</u>	<u>54,879,258</u>	<u>144,863,074</u>
Financial liabilities						
Remuneration payable to the Management Company		-	-	-	123,325	123,325
Remuneration payable to the Trustee		-	-	-	57,534	57,534
Annual fee payable to Securities and Exchange Commission of Pakistan		-	-	-	164,428	164,428
Creditors, accrued and other liabilities		-	-	-	287,973	287,973
		<u>-</u>	<u>-</u>	<u>-</u>	<u>633,260</u>	<u>633,260</u>
On-balance sheet gap - 2007 (a)	<i>Rupees</i>	<u>89,983,816</u>	<u>-</u>	<u>-</u>	<u>54,245,998</u>	<u>144,229,814</u>

(a) On-balance sheet gap represents the net amounts of on-balance sheet items.

JS Fund of Funds (Formerly UTP-Fund of Funds)

18. RISK MANAGEMENT

The Fund primarily invests in a diversified portfolio of equity, fixed income, money market and balanced funds. Such investments are subject to varying degrees of risk, which emanate from various factors that include but are not limited to:

18.1 Market Risk

Market risk is the risk that the value of a financial instrument may fluctuate as a result of changes in market interest rates or the price of securities due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market.

The Fund manages market risk by monitoring exposure on securities by following the internal risk management policies and investment guidelines approved by its Board of Directors and regulations laid down by the Securities and Exchange Commission of Pakistan. At 30 June 2008, investments of Rs. 408.845 million (2007: Nil) were exposed to market risk.

18.2 Credit risk

Credit risk arises from the inability of the issuers of the instruments, the relevant financial institutions of counter party to a financial instrument, to fulfil their obligations. The risk is generally limited to principal amounts and accrued interest thereon, if any.

18.3 Credit risk management

The Funds' policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Board of Directors. In addition, the risk is managed through assignment of credit limits, obtaining adequate collaterals and by following strict credit evaluation criteria laid down by the management. The Fund does not expect to incur material credit losses on its financial assets.

18.4 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Funds' total credit exposure. Financial assets subject to credit risk as at 30 June 2008 amounted to Rs. 843.824 million (2007: Rs 144.863 million). The Funds' portfolio of financial assets is broadly diversified and transactions are entered into with diverse credit worthy counterparties thereby mitigating any significant concentration of credit risk.

18.5 Liquidity risk

Liquidity risk is the risk that the Fund may encounter difficulty in raising funds to meet its obligations and commitments. The Fund manages the liquidity risk by maintaining the maturities of financial assets and financial liabilities and investing a major portion of the Funds' assets in highly liquid financial assets.

18.6 Market rate of return (MROR) risk

MROR risk is the risk that the value of a financial instrument will fluctuate due to changes in the market interest rates. The Fund manages its investment portfolio in order to reduce the risk of loss in the market value of investments as a result of changes in market interest rates. In case the Fund expects economic uncertainty the portfolio will be restructured so as to comprise fixed income fund, money market fund, balanced fund, short maturity repurchase transactions, etc.

18.7 Unit holder's fund risk management

Management's objective when managing unit holders' funds is to safe guard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders' and to ensure reasonable safety of unit 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. The capital structure depends on the issuance and redemption of units.

19. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Fund is of the view that the fair market value of the financial assets and liabilities are not significantly different from their carrying values as its assets and liabilities are essentially for short term.

20. SUPPLEMENTARY NON FINANCIAL INFORMATION

The information regarding unit 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 has been disclosed in Annexure I to the financial statements.

21. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors of the management company have approved bonus units of Rs. 10.24 per unit for the year ended 30 June 2008 (2007: Rs. 15.1 per unit - restated) amounting to Rs. 112.330 million (2007: 18.623 million) in total, in their meeting held on 9 July 2008. These financial statements do not include the effect of the above final dividend that will be accounted for subsequent to the year end.

22. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by Board of Directors of Management Company on September 15, 2008.

For JS Investments Limited (Formerly JS ABAMCO Limited)
(Management Company)

Muhammad Najam Ali
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

Ali Raza Siddiqui
Executive Director

JS Fund of Funds (Formerly UTP-Fund of Funds)

ANNEXURE I

SUPPLEMENTARY NON FINANCIAL INFORMATION
AS REQUIRED UNDER SECTION 6(D), (F), (G), (H), (I), (J) AND (K)
OF THE FOURTH SCHEDULE TO THE NBFC REGULATIONS

(i) UNIT HOLDING PATTERN OF THE FUND

Category	Number of unit holders	Number of units held	Amount (at par Rs. 100)	% of total
Individuals	121	758,452	75,845,198	6.91
Associated Companies / Directors	2	8,686,262	868,626,215	79.18
Banks / Development Financial Institutions	2	261,258	26,125,757	2.38
Non Banking Finance Companies	1	129,646	12,964,564	1.18
Retirement Funds	13	999,595	99,959,529	9.11
Public Limited Companies	3	111,483	11,148,346	1.02
Others	3	23,051	2,305,075	0.21
	145	10,969,747	1,096,974,683	100.00

(ii) LIST OF TOP TEN BROKERS BY PERCENT OF THE COMMISSION PAID

Name of broker	Percentage of commission paid
JS Global Capital Limited	24.93%
Live Securities (Private) Limited	11.74%
Invest & Finance Securities (Private) Limited	10.75%
Invest Capital & Securities (Private) Limited	4.63%
KASB Securities Limited	4.55%
Global Securities Pakistan Limited	4.36%
Aziz Fida Hussain & Company (Private) Limited	4.34%
Standard Capital Securities (Private) Limited	3.95%
Khoja Capital Management Limited	3.58%
Invisor Securities (Private) Limited	3.57%

(iii) MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

- Mr. Muhammad Najam Ali
- Mr. Ali Raza Siddiqui
- Syed Ather Ahmed
- Mr. Saad Hashmey
- Mr. Ata Rahman

Mr. Muhammad Najam Ali - Chief Executive Officer

Mr. Najam Ali joined JS Investments Limited (Formerly JS ABAMCO Limited) as Chief Executive Officer in 2004. Prior to his appointment, he was the Executive Director and Head of the Non-Banking Finance Companies Department at the Securities and Exchange Commission of Pakistan (SECP) where he was involved in regulation, monitoring and enforcement for mutual funds, leasing, housing finance, investment banking, venture capital and discounting companies. Prior to his appointment to the SECP, he served as CEO of the Central Depository Company (CDC) which is Pakistan's only share depository established by Citigroup, IFC and Pakistan's stock exchanges, for 7 years. While at CDC, he also led the development of the National Clearing and Settlement System, which is the clearing system in Pakistan for securities transactions. His other assignments included his engagement as the Group Financial Controller and Head of Operations in addition to the Head of Money and Capital Markets at Fidelity Investment Bank. He has also worked as a chartered accountant with Robson Rhodes, a member firm of the RSM Group in the UK.

Mr. Najam Ali holds a Bachelors degree in Economics from the University of Michigan. He is also a qualified Chartered Accountant and holds memberships of the Institute of Chartered Accountants in England and Wales and the Institute of Chartered Accountants of Ontario, Canada.

He serves on the Boards of Directors of Pakistan Oilfields Limited and has also previously been a director of the National Clearing Company of Pakistan Limited and the Karachi Stock Exchange (Guarantee) Limited.

Mr. Ali Raza Siddiqui - Executive Director

Mr. Siddiqui joined JS Investments Limited as an Executive Director in 2005. Previously, he was Assistant Vice President at AIM Investments in Houston, a wholly-owned subsidiary of AMVESCAP plc.

At AIM, Mr. Siddiqui was part of a 5-person team responsible for the management of USD 60 billion in mutual fund assets. These included the AMVESCAP Global Portfolios (USD 4+ billion), Brown Brothers Investment Trust (USD 1+ billion) and STIT Treasury Portfolio (USD 10+ billion).

Mr. Siddiqui holds a Bachelors Degree from Cornell University, USA, with double majors in Economics and Government.

Syed Ather Ahmed - Chief Operating Officer

Mr. Ahmed joined JS Investments Limited in May 2007 and is presently looking after Sales, Business & Product Development, Marketing and Investment Finance activities of the Company. Prior to joining JS Investments Limited, Mr. Ahmed was associated with Standard Chartered Bank for almost 11 years. His last assignment with Standard Chartered was in the capacity of Director & Head of Transaction Banking Pakistan. Prior to this he also worked as Corporate Head Lahore for Standard Chartered Bank.

Mr. Ahmed earned his MSc. in Accounting & Finance from London School of Economics, UK, in addition to MBA degree from Lahore University of Management Sciences.

Mr. Saad Hashmey

Mr. Hashmey is the Head of Research and joined us in June 2007. He earned his BS (Economics) from London School of Economics and MBA from Washington University. Before joining us, he was associated with Capital One Equities Ltd. as a CEO. Mr. Hashmey's rich exposure also includes his associations abroad with Deutsche Bank (NY-USA), Friedman, Billings, Ramsey Group, Inc. (Washington-USA), Robert W. Baird & Co. Inc. (Washington-USA) in different Research oriented positions. Mr. Saad Hashmey's profile further includes his experience with local concerns like Capital One Equities Ltd as a CEO, as a Head of Research and with Taurus Securities (Pvt) Ltd. as an Senior Equity Analyst.

Mr. Ata Rehman

Mr. Rahman is the Head of Business Planning & Development. He has a Bachelor's in Business Administration from the National University of Singapore with concentration in Finance and Marketing. Mr. Rahman joined JS Investments Limited in March, 2006. Prior to this he was working in the Equity Research department of Credit Suisse Singapore, working in the commercial banks and conglomerate sector. He has also worked for the Securities lending and Prime brokerage desks at Credit Suisse Singapore.

(iv) MANAGER OF THE FUND

Mr. Kashif Rafi the fund manager of Fund of Funds. He is the MBA (Finance) from IBA Karachi. He is CA Foundation qualified from ICAP and CFA Level 1 qualified from CFA Institute. He is also the Fund Manager of other open end funds, namely JS Income Fund and UTP A30+ Fund.

JS Fund of Funds (Formerly UTP-Fund of Funds)

(v) DIRECTORS MEETING ATTENDANCES

Name of directors	Meeting Attended	Dates						
		07 July 2007	18 August 2007	24 October 2007	05 January 2008	11 February 2008	27 March 2008	24 April 2008
Mr. Munawar Alam Siddiqui	7	1	1	1	1	1	1	1
Mr. Muhammad Najam Ali	7	1	1	1	1	1	1	1
Mr. Nazar Mohammad Shaikh	6	1	-	1	1	1	1	1
Lt. General (Retd.) Masood Parwaiz	7	1	1	1	1	1	1	1
Mr. Sher Afgan Zuhair Siddiqui	2	-	1	1	-	-	-	-
Mr. Ali Raza Siddiqui	6	-	1	1	1	1	1	1
Mr. Sadeq Sayeed	3	-	-	1	1	1	-	-
Mr. Siraj A. Dadabhoy	2	-	-	-	-	1	-	1
Members attended		4	5	7	6	7	5	6

(vi) FUND AND ASSET MANAGER RATING

The Pakistan Credit Rating Agency (PACRA) has assigned normal and long term rating of a 4-Star fund to JS Fund of funds in its report dated 13 May 2008. The rating is a composite measure of two factors namely, returns and risk associated with the returns measured by sharpe ratio.

PACRA has awarded normal and long term asset manager rating of an "AM2+" to JS Investments Limited (formerly JS ABAMCO limited) in its report dated 28 April 2008. The rating denotes the company's very strong capacity to manage the risks inherent in asset management and the asset manager meets very high investment management industry standards and benchmarks.