

UBL Liquidity Plus Fund  
Financial Statements  
For the year ended 30 June 2009

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## UBL Liquidity Plus Fund



### Investment Objective

To provide competitive returns by investing in a portfolio of low-risk and short-duration assets while maintaining high liquidity.

### Fund Information

Management Company	UBL Fund Managers Limited
Trustee	Central Depository Company of Pakistan Limited. 99-B, Block-B, S.M.C.H.S., Main Shahra-e-faisal, Karachi. Tel: (+9221) 111-111-500
Distribution Company	United Bank Limited (For detail of others visit <a href="http://www.UBLFunds.com">www.UBLFunds.com</a> )
Auditors	Ford Rhodes Sidat Hyder & Co. - Chartered Accountants
Legal Advisor	Rasheed A. Akhund - Advocate
Bankers	United Bank Limited Bank Alfalah Limited Deutsche Bank A. G. Allied Bank Limited Habib Metropolitan Bank Limited NIB Bank Limited Standard Chartered Bank Limited, Pakistan Soneri Bank Limited



## TRUSTEE REPORT TO THE UNIT HOLDERS

### UBL LIQUIDITY PLUS FUND

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

The UBL Liquidity Plus Fund (the Fund), an open-end Fund was established under a trust deed dated May 7, 2009, executed between UBL Fund Managers 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 period from June 19, 2009 to June 30, 2009 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) Rule, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

KAMRAN QAZI

Chief Financial Officer & Company Secretary  
Central Depository Company of Pakistan Limited

Karachi:  
October 06, 2009

**CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED**

Head Office: CDC House, 99-B, Block 'B', S.M.C.H.S., Main Sharah-e-Faisal, Karachi-74400, Pakistan. Ph: (92-21) 111-111-500, Fax: (92-21) 4326061  
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## 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 ( the Statement) contained in the code of Corporate Governance ( the Code) for the period from 19 June 2009 to 30 June 2009, prepared by the Board of Directors of the Management Company of the UBL Liquidity Plus Fund (the Fund) to comply with Chapter XI of the Islamabad Stock Exchange (Guarantee) Limited, where the Funds is listed.

The responsibility for compliance with the Code 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 reflect the status of the Management Company' s compliance with the provisions of the Code in respect of the Fund and report if it does not. 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 four 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 and 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 to Board' s statement on internal control cover 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 does not appropriately reflect the status of the Management Company' s compliance, in all material respects, with the best practices contained in the Code in respect of the Fund for the period ended 30 June 2009.

Karachi  
Dated: 21 August 2009

*Ford Rhodes Sidat Hyder & Co.*  
CHARTERED ACCOUNTANTS


A member firm of Ernst & Young Global Limited

## STATEMENT OF COMPLIANCE BY UBL LIQUIDITY PLUS FUND WITH THE CODE OF CORPORATE GOVERNANCE FOR THE PERIOD ENDED 30 JUNE 2009

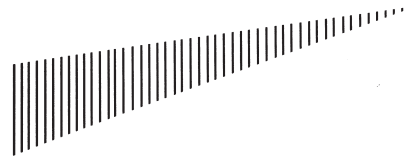
This statement is being presented to comply with the Code of Corporate Governance ("the Code") contained in chapter XI of Listing Regulations of Islamabad Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of Corporate Governance. The board of directors ("the Board") of UBL Fund Managers Limited ("Management Company"), which is an unlisted public company, manages the affairs of UBL Liquidity Plus Fund ("the Fund"). The Fund being a unit trust open end scheme does not have its own board of directors. The Management Company has applied the principles contained in the Code to the Fund, whose units are listed as a security on the Islamabad Stock Exchange, in the following manner:

1. The Management Company encourages representation of non-executive directors. All the directors, except the Chief Executive Officer of the Management Company are non-executive directors.
2. The existing directors have confirmed that none of them are serving as a director in more than ten listed companies, including the Management Company.
3. All the directors of the Management Company have confirmed that they are registered as taxpayers and none of them have defaulted in payment of any loan to a banking company, a DFI or an NBFC or, being a member of a stock exchange, have been declared as a defaulter by that stock exchange.
4. During the period a casual vacancy occurred on the Board. The board has proposed an independent director to fill the casual vacancy. Application for prior approval of his appointment was submitted before the Securities and Exchange Commission of Pakistan. SECP approved his appointment on August 19, 2009.
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, corporate strategy and significant policies for the Fund that have been approved by the Board. A complete record of particulars of significant policies along with the dates on which these were approved or amended has been maintained. The Board of the Management Company has defined the materiality level of the Fund.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and terms and conditions of employment of the CEO have been taken by the Board.
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. In order to apprise the directors for their duties and responsibilities and the requirements of the Code, relevant material was sent for their orientation purpose. Furthermore, directors are conversant of the relevant laws applicable to the Management Company, its policies and procedures and provisions of Memorandum and Articles of association and are aware of their duties and responsibilities.
10. The directors' report relating to the Fund for the period ended June 30, 2009 has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
11. No new appointments of CFO, Company Secretary and Head of Internal Audit were made during the period.

12. The financial statements of the Fund were duly endorsed by the CEO and CFO of the management company before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the units of the Fund and shares of the Management Company other than disclosed in the Directors Report.
14. The Management Company has complied with all the applicable corporate and financial reporting requirements of the Code.
15. The Board has formed an audit committee. It comprises of three members, all of whom are non executive directors of the Management Company including the chairman of the committee.
16. The meetings of the audit committee were held once in every quarter and prior to the approval of interim and final results of the Fund as required by the Code. The terms of reference have been approved in the meeting of the board of directors and the committee has been advised to ensure compliance with those terms of reference.
17. The Management Company has outsourced the internal audit function of the Fund to M/s. M. Yousuf Adil Saleem & Co., Chartered Accountants who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Fund.
18. The statutory auditors of the Fund have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the management company or units of the Fund and that the firm and all its partners are in compliance with the International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
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. We confirm that all other material principles contained in the Code have been complied with.

  
**MIR MUHAMMAD ALI, CFA**  
**CHIEF EXECUTIVE OFFICER**

**KARACHI:**  
**21 AUGUST 2009**



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## INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

We have audited the accompanying financial statements of **UBL Liquidity Plus Fund** (the Fund), which comprise the statement of assets and liabilities as at 30 June 2009, and the related income statements of income, distribution, cash flows and movement in unit holders' fund for the period from 19 June 2009 to 30 June 2009, and a summary of significant accounting policies and other explanatory notes.

### Management's responsibility for the financial statements

The Management Company of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations 2008 (the NBFC Regulations) and 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

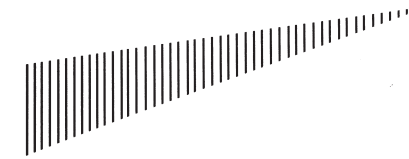
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 2009 and of its financial performance, cash flows and transactions for the period then ended in accordance with approved accounting standards as applicable in Pakistan.

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### Other matters

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Trust Deed, NBFC Rules and NBFC Regulations.

Karachi  
Dated: 21 August 2009

*Ford Rhodes Sidat Hyder & Co.*  
CHARTERED ACCOUNTANTS  
Audit Engagement Partner: Omar Chughtai

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## STATEMENT OF ASSETS AND LIABILITIES


AS AT 30 JUNE 2009

	Note	2009 (Rupees in '000)
<b>Assets</b>		
Bank balances	7	816,396
Term deposit receipt	8	125,000
Investments	9	343,928
Mark-up / interest receivable	10	3,028
Deposit	11	100
Deferred formation cost	12	3,125
<b>Total assets</b>		<b>1,291,577</b>
<b>Liabilities</b>		
Payable to the Management Company	13	3,859
Remuneration payable to the Trustee	14	53
Annual fee payable to Securities and Exchange Commission of Pakistan	15	23
Payable against redemption of units		100
Dividend payable		278
Accrued liability	16	150
<b>Total liabilities</b>		<b>4,463</b>
<b>Net assets</b>		<b>1,287,114</b>
<b>Unit holders' fund (as per the statement attached)</b>		<b>1,287,114</b>
<b>Number of units in issue</b>	17	<b>12,867,353</b>
<b>Net asset value per unit - Rupees</b>	4.7	<b>100.0294</b>

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

For UBL Fund Managers Limited  
(Management Company)

  
MIR MUHAMMAD ALI, CFA  
CHIEF EXECUTIVE

  
SAEED IQBAL  
DIRECTOR


## INCOME STATEMENT


FOR THE PERIOD FROM 19 JUNE 2009 TO 30 JUNE 2009

	Note	30 June 2009 (Rupees in '000)
<b>Income</b>		
Mark-up / interest income	18	3,634
Element of loss and capital loss included in prices of units sold less those in units redeemed - net		(224)
<b>Total income</b>		<b>3,410</b>
<b>Expenses</b>		
Remuneration to the Management Company		463
Remuneration to the Trustee		53
Annual fee to Securities and Exchange Commission of Pakistan		23
Amortisation of deferred formation cost		21
Bank charges		3
Auditors' remuneration	19	150
Rating fee		110
<b>Total operating expenses</b>		<b>823</b>
<b>Net income for the Period</b>		<b>2,587</b>

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

For UBL Fund Managers Limited  
(Management Company)

  
MIR MUHAMMAD ALI, CFA  
CHIEF EXECUTIVE

  
SAEED IQBAL  
DIRECTOR

## DISTRIBUTION STATEMENT

FOR THE PERIOD FROM 19 JUNE 2009 TO 30 JUNE 2009

	30 June 2009 (Rupees in '000)
Net income for the period	2,587
Interim distribution at the rate of Rs. 0.1842 per unit declared on 30 June 2009	
- Bonus units	(2,088)
- Cash	(278)
	(2,366)
<b>Undistributed income carried forward</b>	<u>221</u>


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

## STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND


FOR THE PERIOD FROM 19 JUNE 2009 TO 30 JUNE 2009


	30 June 2009 (Rupees in '000)
Cash received on issuance of units*	1,992,824
Cash paid / payable on redemption of units**	(708,401)
	<u>1,284,423</u>
	1,284,423
Element of (loss) / income and capital (loss) / gain included in prices of units sold less those in units redeemed - net	224
Unrealised gain on available for sale investments	158
Distribution to unit holders during the period - cash	(278)
Net income for the period	2,587
	<u>1,287,114</u>
<b>Net assets as at the end of the period</b> [Rs. 100.0294 per unit]	<u>1,287,114</u>
	<u>Number of units</u>
	<u>19,943,065</u>
* Number of units issued [include 20,877 bonus units]	<u>19,943,065</u>
** Number of units redeemed	<u>7,075,712</u>

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


  
MIR MUHAMMAD ALI, CFA  
CHIEF EXECUTIVE

For UBL Fund Managers Limited  
(Management Company)

  
SAEED IQBAL  
DIRECTOR

  
MIR MUHAMMAD ALI, CFA  
CHIEF EXECUTIVE

For UBL Fund Managers Limited  
(Management Company)

  
SAEED IQBAL  
DIRECTOR

## CASH FLOW STATEMENT

FOR THE PERIOD FROM 19 JUNE 2009 TO 30 JUNE 2009

	30 June 2009 (Rupees in '000)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Net income for the period	2,587
<b>Adjustments for:</b>	
Mark-up / interest income	(3,634)
Element of loss and capital loss included in prices of units sold less those in units redeemed - net	224
Amortisation of deferred formation cost	21
	(3,389)
<b>(Increase) in assets</b>	
Term deposit receipt	(125,000)
Investments	(343,164)
Deposit	(100)
Deferred formation cost	(3,146)
	(471,410)
<b>Increase in liabilities</b>	
Payable to the Management Company	3,859
Remuneration payable to the Trustee	53
Annual fee payable to Securities and Exchange Commission of Pakistan	23
Payable against the redemption of units	100
Dividend payable	278
Accrued liability	150
	4,463
<b>Net cash used in operating activities</b>	(467,749)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Receipts from issuance of units	1,992,824
Payments against redemption of units	(708,401)
Dividend to unit holders	(278)
<b>Net cash inflows from financing activities</b>	1,284,145
<b>Net increase in cash and cash equivalent</b>	816,396
Cash and cash equivalents at beginning of the period	-
<b>Cash and cash equivalents at end of the period</b>	816,396

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

For UBL Fund Managers Limited  
(Management Company)



MIR MUHAMMAD ALI, CFA  
CHIEF EXECUTIVE



SAEED IQBAL  
DIRECTOR

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 19 JUNE 2009 TO 30 JUNE 2009

### 1. LEGAL STATUS AND NATURE OF BUSINESS

UBL Liquidity Plus Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-end mutual fund. It was constituted under a Trust Deed, dated 07 May 2009 between UBL Fund Managers Limited (a wholly owned subsidiary company of United Bank Limited) as the Management Company, a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has also been approved by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at the 8th Floor, State Life Building No. 1, I.I. Chundrigar Road, Karachi, Pakistan.

The Management Company of the Fund is registered with the SECP as a Non-Banking Finance Company under the NBFC Rules.

The Fund is listed on the Islamabad Stock Exchange (Guarantee) Limited on 24 June 2009. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund at the option of the unit holder.

As per the offering document, the Fund shall invest in a diversified portfolio of Government securities, investment grade debt securities issued by Government owned / controlled / managed entities, rated corporate debts, certificates of investments (COIs) and other money market instruments.

### 2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

### 3. BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except for investments and derivatives which are accounted for as stated in notes 4.1 and 4.2 below.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 4.1 Investments

The investments of the Fund, upon initial recognition, are classified as investment at fair value through income statement, held to maturity investments or available-for-sale investment, as appropriate.

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

All regular way purchases and sales of investments are recognised on the trade date i.e. the date the Fund commits to purchase / sell the investment. Regular way purchases and sales of investments require delivery of securities within two days after the transaction date, as per stock exchange regulations.



The Fund classifies investments in the following categories:

#### **Investments at fair value through income statement**

These include held for trading investments and such other investments that, upon initial recognition, are designated under this category. Investments are classified as held for trading if they are acquired for the purpose of selling in the near term. After initial measurement, such investments are carried at fair value and the gains or losses on revaluation are recognised in the income statement in the period in which they arise.

#### **Held to maturity**

Investments with fixed maturities and fixed or determinable payments are classified as held to maturity investments when management has both the intent and ability to hold to maturity. After initial measurement, such investments are carried at amortised cost less any provision for impairment. Non-traded and thinly traded securities having maturity of less than 6 months can be categorized as held to maturity. All other debt and government securities shall be valued at their fair values or in the manner as prescribed by the NBFC Regulations and directives issued by SECP.

#### **Available-for-Sale**

Investments which are not classified in any of the preceding categories are classified as available-for-sale investments. After initial measurement, such investments are measured at fair value with unrealised gains or losses recognised directly in the unit holders' fund until the investment is derecognised or determined to be impaired, at which time the cumulative gain or loss previously recognised in unit holders' fund is taken to the income statement. However, unquoted equity investments are carried at the lower of investment price or break up value in accordance with the requirements of the NBFC Regulations.

Fair value of investments is determined as follows:

#### **Mutual funds' units**

These are valued by reference to the net asset values declared by the respective fund.

#### **Debt securities**

Fair value of debt securities, other than government securities, are valued on the basis of prices announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the SECP's Circular No. 1 of 2009 dated 06 January 2009, read with Regulation 66(b) of the NBFC Regulations.

#### **Government securities**

Fair value of government securities is determined by reference to the quotations obtained from the PKRV rate sheet on the Reuters page.

#### **4.2 Derivatives**

These are initially recognised at cost and are subsequently remeasured at their fair value. Derivatives with positive fair values (unrealised gains) are included in assets and derivatives with negative fair values (unrealised losses) are included in liabilities in the statement of assets and liabilities. The resultant gains and losses are included in the income statement in the period in which they arise.

#### **4.3 Securities under repurchase / resale agreements (including balance receivable against Continuous Funding System arrangement)**

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. 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.

Transactions of sale under repurchase (repo) of marketable and government securities are entered into at contracted rates for specified periods of time. Securities sold with a simultaneous commitment to repurchase at a specified future date (repos) continue to be recognised in the statement of assets and liabilities and are measured in accordance with accounting policies for investment securities. The counterparty liabilities for amounts received under these transactions are recorded as liabilities. The difference between sale and repurchase price is treated as borrowing charges and accrued over the life of the repo agreement.

#### **4.4 Deferred formation cost**

The Fund has recorded all expenses incurred in connection with the incorporation, registration, establishment and authorisation of the Fund as deferred formation cost which are to be amortised by the Fund over a period of five years commencing from 19 June 2009 in accordance with the Trust Deed. These expenses were paid for by the Management Company and will be reimbursed to them by the Fund subject to the audit of expense.

#### **4.5 Issue and redemption of units**

Units are issued at the offer price prevalent on the day funds in respect of purchase of units are realised. The offer price represents the net asset value per unit as of the close of the previous day. Issue of units is recorded on acceptance of application for sale.

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

#### **4.6 Element of income / (loss) and capital gain / (loss) included in prices of units sold less those in units redeemed**

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

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

The net "element of income / (loss) and capital gain (loss) in prices of units sold less those in units redeemed" during an accounting period is transferred to the income statement in that period.

#### **4.7 Net asset value per unit**

The net asset 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 period end.

#### **4.8 Taxation**

The Fund is exempt from taxation under clause 99 of Part I of the 2nd Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income excluding realised and unrealised capital gains for the year is distributed amongst the Fund's unit holders. The Fund has distributed an amount over 90% of distributable income and complied with the above referred provision. Accordingly, no provision is made for current and deferred taxation in these financial statements.



#### 4.9 Revenue recognition

Gains / (losses) arising on sale of investments are accounted for in the period in which they arise.

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

Income on reverse repurchase lending arrangements, certificates of investment, placements, government securities and investments in debt securities are recognised at rate of return implicit in the instrument/ arrangement on a time proportionate basis.

Profit on bank deposits is recorded on accrual basis.

#### 4.10 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. Financial assets are derecognised when the contractual rights to receive cashflows related to the asset expire. Financial liabilities are derecognised when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expired. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to the income statement in the period in which it arises.

#### 4.11 Offsetting of financial assets and financial liabilities

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

#### 4.12 Impairment

The carrying amount of the assets is reviewed at each balance sheet date to determine whether there is any indication of impairment of any asset or a group of assets. If any such indication exists, the recoverable amount of such assets is estimated and impairment losses are recognised immediately in the financial statements.

#### 4.13 Provision

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

#### 4.13 Distribution to unit holders

Distribution to unit holders is recognised upon declaration and approval by the Board of Directors of the Management Company.

#### 4.14 Cash and cash equivalent

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

### 5. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgments, estimates and assumptions that effect the application of policies and reported amounts of assets and 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 result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

Judgments made by management in the application of accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment are explained in the relevant accounting policies / notes in the financial statements.

### 6. ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

The following revised standards and interpretations with respect to approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards or interpretations.

Standard or Interpretation	Effective date (accounting periods beginning on or after)
IAS 1 - Presentation of Financial Statements (Revised)	01 January 2009
IAS 23 - Borrowings Costs (Revised)	01 January 2009
IAS 27 - Consolidated and Separate Financial Statements (Revised)	01 July 2009
IAS 32- Financial Instruments: Presentation- Amendments regarding Puttable Financial Instruments	01 January 2009
IAS 39- Financial Instruments: Recognition and measurement- Amendments regarding Eligible Hedge items	01 July 2009
IFRS 2 Share based payment- Amendments regarding Vesting Conditions and Cancellations	01 January 2009
IFRS 3 - Business Combinations (Revised)	01 July 2009
IFRS 8 - Operating Segments	01 January 2009
IFRIC 16 - Hedges of a Net Investment in a Foreign Operation	01 October 2008
IFRIC 17 - Distribution of Non-cash Assets to owners	01 July 2009
IFRIC 18 - Transfer of Assets from Customers	01 July 2009

The Fund considers that the above standards, amendments and interpretations, are either not relevant or will not have any material impact on its financial statements in the period of initial application.

In addition to the above, amendments and improvements to the various accounting standards have also been issued by IASB as a result of its annual improvement project. Such amendments are generally effective for accounting periods beginning on or after 1 January 2009. The management considers that such amendments and improvements will not have any significant effect on the Fund's financial statements for the ensuing periods.

### 7. BANK BALANCES

These represent cash at banks in local currency kept in PLS saving account. Profit rates on the same range between 5.5% and 13% per annum. This includes Rs. 17.39 million with a related party on which return is earned at 5.5%.

### 8. TERM DEPOSIT RECEIPT

This represents placement in Term deposit receipt (TDR). The TDR carries profit at the rate of 13.6% per annum, maturing latest by 30 September 2009.

9 INVESTMENTS

9.1 Available-for-sale

Government Securities- In denomination of Rs. 100,000 face value.

	Note	At the beginning of the period	Acquired during the period	Sold / Matured during the period	At the end of the period	Carrying value at the end of the period	% of investment
		----- No. of Holdings -----			(Rupees in '000)		
Market Treasury Bills- 6 months	9.1.1	-	3,000	-	3,000	295,762	86.00%
Market Treasury Bills- 6 months	9.1.2	-	500	-	500	48,166	14.00%
		-	3,500	-	3,500	343,928	100.00%

9.1.1 These represent Market Treasury Bills of a face value of Rs. 300 Million and carrying a purchase yield ranging between 12.47% to 12.70% per annum. These Market Treasury bills will mature on 13 August 2009.

9.1.2 These represent Market Treasury Bills of a face value of Rs. 50 Million and carrying a purchase yield of 12.50% per annum. These Market Treasury Bills will mature on 22 October 2009.

9.2 The cost of investments amounts to Rs. 343.65 million.

10. MARK-UP / INTEREST RECEIVABLE

	Note	2009 (Rupees in '000)
On		
- Bank balances	10.1	2,982
- Term deposit receipt		46
		<u>3,028</u>

10.1 This includes Rs. 0.01 million due from a related party.

11. DEPOSIT

This represents security deposit held with Central Depository Company of Pakistan Limited

12. DEFERRED FORMATION COST

Formation cost incurred	3,146
Amortisation during the period	(21)
Balance as at 30 June	<u>3,125</u>

13. PAYABLE TO THE MANAGEMENT COMPANY

Remuneration payable	13.1	463
Deferred formation cost		3,146
Others		250
		<u>3,859</u>

13.1 REMUNERATION PAYABLE TO THE MANAGEMENT COMPANY

The Management Company is entitled to remuneration for services rendered to the Fund under the provisions of the NBFC Regulations, of an amount not exceeding 3 percent of the average daily net assets of the Fund during first five years of the Fund's existence and thereafter an amount equal to 2 percent of such assets of the Fund. The Management Company has charged remuneration at the rate of 1.5% per annum of the average daily net assets of the Fund during the period.

14. REMUNERATION PAYABLE TO THE TRUSTEE

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

On net assets:  
 - up to Rs. 1,000 million Rs. 0.7 million or 0.20% p.a. of NAV, whichever is higher.  
 - exceeding Rs. 1,000 million Rs. 2.0 million plus 0.10% p.a. of NAV exceeding Rs. 1,000 million.

15. ANNUAL FEE PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee payable to SECP in accordance with the NBFC Regulations whereby the Fund is required to pay SECP an amount equal to 0.075% of the average daily net assets.

16. ACCRUED LIABILITY

	2009 (Rupees in '000)
Auditors' remuneration	<u>150</u>

17. NUMBER OF UNITS IN ISSUE

The units in issue as at 30 June in each class were as follows:

Class	Note	2009 (Number of units in issue in '000)	(Rupees in '000)
Class A	17.1	1,000	100,000
Class B	17.2	4,549	454,941
Class C	17.3	5,814	581,449
Class D	17.4	-	-
Class E	17.5	1,504	150,345
Class F	17.6	-	-
Total		<u>12,867</u>	<u>1,286,735</u>

17.1 Class "A" (Core Units) issued to the Core Investors with no Front-end and Backend Load. The par value of each unit is Rs. 100. The Core Investor has subscribed to Core Units representing the seed capital of the Scheme aggregating to one hundred million Rupees (PKR 100 million), out of which at least fifty million Rupees (PKR 50 million) shall remain invested in the Scheme for at least two years from the date of issue of such Units

17.2 Class "B" Units being offered and issued during the private placement and Initial Period to investors (except Financial Institutions) with no Front-end Load and Back-end Load.

17.3 Class "C" Units being offered and issued after the Initial Period with no Front-end Load and Back-end Load.

- 17.4 Class " D " Units being offered and issued after the Initial Period with only Front end Load which shall not exceed 5% of the Net Asset Value of the Fund. However, the Management Company does not intend to initially offer Class " D " Units at the Initial Offer but they may be offered at its discretion at a subsequent stage.
- 17.5 Class " E " Units being offered and issued to Financial Institutions without Front-end load during the Initial Period. After the Initial Period, back-end load not exceeding 5% may be charged at the discretion of the Management Company on redemption of fresh investment from time to time at a subsequent stage.
- 17.6 Class " F " Units being offered and issued after the Initial Period with a front end and a back end load (such load shall not exceed 5% of the Net Asset Value of the Fund). However, the Management Company does not intend to initially offer Class " F " Units at the Initial Offer but they may be offered at its discretion at a subsequent stage.

	Note	For the period from 19 June 2009 to 30 June 2009 (Rupees in '000)
<b>18. MARK-UP / INTEREST INCOME</b>		
On		
- Bank balances	18.1	2,982
- Term deposit receipt		46
- Government Securities		606
		<u>3,634</u>
18.1 This includes Rs. 0.01 million earned from a related party.		
<b>19. AUDITORS' REMUNERATION</b>		
Audit fee - annual		125
Other services		25
		<u>150</u>
<b>20. TAXATION</b>		
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.		
<b>21. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS</b>		

Related parties / connected persons include UBL Fund Managers Limited (the management company), United Bank Limited (holding company of the management company), United Growth & Income Fund (UGIF), United Stock Advantage Fund (USF), United Composite Islamic Fund (UCIF), United Islamic Income Fund (UIIF) and UBL Capital Protected Fund - I) (ULPF-I) (funds managed by the management company), Central Depository Company of Pakistan Ltd. as Trustee, Deutsche Bank as sub-custodian, New Jubilee Insurance Company limited, Siza (Private) Limited, UBL Fund Managers Limited Gratuity Fund, UBL Fund Managers Limited Employees Provident Fund, key management personnel of the management company, etc., (refer below for details).

Remuneration payable to the management company and the trustee is determined in accordance with the provisions of NBFCS Regulations, 2008 and the Trust Deed respectively. Transactions with related parties are at arm's length prices. Details of transactions with related parties during the year and balances with them at the year end, other than those which have been disclosed elsewhere in these financial statements, are as follows:

**UNITS SOLD TO:**

- Directors and executives of the management company
- UBL Fund Managers Limited

**Entities having directors in common with the management company**

- United Bank Limited

**Others**

- New Jubilee Insurance Company limited
- Siza (Private) Limited
- UBL Fund Managers Limited Gratuity Fund
- UBL Fund Managers Limited Employees Provident Fund

**UNITS REDEEMED BY:**

- Directors and executives of the management company
- UBL Fund Managers Limited

**Bonus units distributed to:**

- Directors and executives of the management company
- UBL Fund Managers Limited

**Entities having directors in common with the management company**

- United Bank Limited

**Others**

- New Jubilee Insurance Company limited
- Siza (Private) Limited

**OTHER TRANSACTIONS**

United Bank Limited - holding company of the management company

- Bank charges
- Dividend Paid

- Remuneration to the management company
- Remuneration to the trustee

**Balances with Related Parties- Unsecured:**

United Bank Limited - holding company of the management company

- Bank Balances

- Management company
- Remuneration payable to the management company
- Payable to the management company

- Trustee
- Payable to the trustee

**UNITS HELD BY:**

- Directors and executives of the management company
- UBL Fund Managers Limited

**Entities having directors in common with the management company**

- United Bank Limited
- UBL Insurers Limited
- United Executors and Trustee Company Limited

**Others**

- New Jubilee Insurance Company limited
- Siza (Private) Limited
- UBL Fund Managers Limited Gratuity Fund
- UBL Fund Managers Limited Employees Provident Fund

For the period  
from 19 June 2009 to  
30 June 2009  
(Units in '000)

For the period  
from 19 June 2009 to  
30 June 2009  
(Rupees in '000)

10	957
1,475	147,456
1,008	100,810
1,507	150,756
8,003	800,888
10	1,032
21	2,059
1	100
479	48,000
0.02	2
2	183
3	278
15	1,474
-	1
-	186
-	463
-	53
-	17
-	463
-	3,396
-	53
9	900
998	99,730
-	-
1,008	100,830
-	-
-	-
1,510	151,045
8,018	802,041
10	1,000
21	2,101

2009

(Units in '000) (Rupees in '000)

## 22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

### 22.2 Market risk

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

#### (i) Interest rate risk

Interest rate risk is the risk that the value of the financial instruments will fluctuate due to changes in the market interest rates. As of 30 June 2009, the Fund is exposed to such risk in respect of Government securities. The term deposits carry fixed interest rates and will mature by 30 September 2009. The bank balances are subject to interest rates as declared by the respective bank on periodic basis.

As at 30 June 2009 the interest rate profile of the fund's interest bearing financial instruments were as follows:

	June 2009 (Rupees in '000')
Fixed rate instruments	
Government Securities	<u>343,928</u>

#### (ii) Foreign currency risk

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

#### (iii) Price risk

The risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices 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 management company manages the above market risks through diversification of investment portfolio and placing limits on individual and aggregate exposures in accordance with the internal risk management policies and regulations laid down by the SECP.

### 22.3 Liquidity risk

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

The table below summarizes the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, for equity securities at fair value through income statement, the period in which those assets are assumed to mature is taken as the expected date on which these assets will be realised.

2009	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
----- Rupees in '000 -----						
<b>Assets</b>						
Bank balances	816,396	-	-	-	-	816,396
Term deposit receipt	-	-	125,000	-	-	125,000
Investments	-	295,762	48,166	-	-	343,928
Mark-up / interest receivable	-	2,981	47	-	-	3,028
Deposit	100	-	-	-	-	100
<b>Total assets</b>	<b>816,496</b>	<b>298,894</b>	<b>173,833</b>	<b>2,354</b>	<b>-</b>	<b>1,291,577</b>
<b>Liabilities</b>						
Payable to the Management Company	-	885	620	2,354	-	3,859
Remuneration payable to the Trustee	-	53	-	-	-	53
Annual fee payable to the Securities and Exchange Commission of Pakistan	-	23	-	-	-	23
Payable against redemption of units	-	100	-	-	-	100
Dividend Payable	-	278	-	-	-	278
Accrued liability	-	150	-	-	-	150
<b>Total liabilities</b>	<b>-</b>	<b>1,489</b>	<b>620</b>	<b>2,354</b>	<b>-</b>	<b>4,463</b>
<b>Net assets</b>	<b>816,496</b>	<b>297,405</b>	<b>173,213</b>	<b>-</b>	<b>-</b>	<b>1,287,114</b>

### 22.4 Credit risk

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

	June 2009 (Rupees in '000)
Cash and cash equivalents	816,396
Mark-up / interest receivable	3,028
Deposit	100

The analysis below summarizes the credit quality of the Fund's portfolio in deposits/ placement as on 30 June 2009:

Rating by Rating Category	2009
AA- to AA+	100%

Concentration of credit risk exists when changes in economic or industry factors affect the group of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial assets is broadly diversified and transactions are entered into with diverse credit worthy counterparties thereby mitigating any significant concentration of credit risk. The fund has 100% exposure of total investment in government securities.

## 22.5 Capital management

The Fund's objective when managing unit holders' funds is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders and to ensure reasonable safety of capital. The Fund manages its investment portfolio and other assets by monitoring return on net assets and makes adjustments to it in the light of changes in market's conditions. The capital structure depends on the issuance and redemption of units.

## 23. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

## 24. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 21 August 2009.

## 25. SUPPLEMENTARY NON FINANCIAL INFORMATION


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


## 26. GENERAL

26.1 Being the first accounting period of the Fund, there are no comparative figures to report.

26.2 Figures have been rounded off to the nearest thousand rupees.

For UBL Fund Managers Limited  
(Management Company)

  
MIR MUHAMMAD ALI, CFA  
CHIEF EXECUTIVE

  
SAEED IQBAL  
DIRECTOR

## ANNEXURE - I

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

#### (i) UNIT HOLDING PATTERN OF THE FUND

CATEGORY	NUMBER OF UNIT HOLDERS	NUMBER OF UNITS HELD	AMOUNT (RUPEES IN '000)	% OF TOTAL
Individuals	129	359,701	35,981	3%
Associated companies / directors	6	11,564,395	1,156,779	90%
Insurance companies	1	227,861	22,793	2%
Banks / DFIs	1	500,000	50,015	4%
Public limited companies	1	200,368	20,043	1%
Others	1	15,028	1,503	0%
	<u>139</u>	<u>12,867,353</u>	<u>1,287,114</u>	<u>100%</u>

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

S. NO.	NAME	PERCENTAGE OF COMMISSION PAID
1	Investment capital	47%
2	BMA	28%
3	KASB	25%

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

Following are the members of the investment committee of the Fund:

Mr. Mir Muhammad Ali  
Mr. Hasnain Raza Nensey  
Mr. Aly Osman  
Mr. Rahim Khakiani  
Mr. Junaid Qamar  
Mr. Syed Ali Turab



<b>Name</b>	<b>Mir Muhammad Ali, CFA</b>
<b>Designation</b>	<b>Chief Executive</b>
<b>UBL Fund Managers</b>	<p>Job Responsibilities &amp; Accomplishments</p> <ul style="list-style-type: none"> <li>● Setting up of UBL Fund Managers Ltd. in 2001-02 and launched the first money market fund: United Money Market Fund (UMF)</li> <li>● Turnaround initiated at UBL Fund Managers resulting in enhanced market image</li> <li>● Actively participates as Vice Chairman of Mutual Funds Association of Pakistan (MUFAP) and Director on board of directors of CFA Association of Pakistan (CFAAP)</li> </ul>
<b>Prior to joining UBL Fund Managers</b>	<p>No. of years of experience: over 16 years</p> <ul style="list-style-type: none"> <li>● Asian Development Bank - Investment Officer</li> <li>● Pakistan Kuwait Investment - SVP, Head of Corporate Finance and Marketing</li> <li>● United Bank Limited - Head of Corporate Finance and Divisional Head Investment Banking</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>● CFA Charter Holder</li> <li>● MBA - Institute of Business Administration (IBA), Karachi Gold Medal for an overall first position in 1988-89</li> <li>● MSc - University of Strathclyde, Glasgow, Scotland</li> </ul>

<b>Name</b>	<b>Hasnain Raza Nensey</b>
<b>Designation</b>	<b>Chief Investment Officer</b>
<b>UBL Fund Managers</b>	<p>Job Responsibilities &amp; Accomplishments</p> <ul style="list-style-type: none"> <li>● Overseeing of all Funds and Specialized Investment Vehicles under Management</li> <li>● Member of Investment Committee and Management Committee</li> </ul>
<b>Prior to joining UBL Fund Managers</b>	<p>No. of years of experience: 15</p> <ul style="list-style-type: none"> <li>● JS Investments Limited - Chief Investment Officer</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>● MBA - Babson College, USA</li> <li>● BSBA - Boston University, USA</li> </ul>

<b>Name</b>	<b>Aly Osman</b>
<b>Designation</b>	<b>Head of Risk, Compliance &amp; Product Development</b>
<b>UBL Fund Managers</b>	<p>Job Responsibilities &amp; Accomplishments</p> <ul style="list-style-type: none"> <li>● Setting up of Risk Management, Compliance &amp; Product Development Department</li> <li>● Contribution of development in Business Strategies and Business Development Plan and Key Company Decisions</li> <li>● Development of Policy Framework of Risk Management and Product Development</li> <li>● Provide Leadership and Strategic Direction and Vision for Product Development, Risk and Compliance areas</li> <li>● Development of Personal Trading Policy, whistle Blowing Policy, KYC anti money laundering Policy, IT Password Policy, Asset Management Code Mechanism</li> </ul>
<b>Prior to joining UBL Fund Managers</b>	<p>No. of years of experience: Over 10 Years</p> <ul style="list-style-type: none"> <li>● JS Investments Ltd. - Chief Compliance and Risk Officer</li> <li>● Joint Director - Securities and Exchange Commission of Pakistan (SECP)</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>● Associate Member of Institute of Cost &amp; Management Accountant of Pakistan (ACMA)</li> </ul>

<b>Name</b>	<b>Rahim Khakiani</b>
<b>Designation</b>	<b>Chief Financial Officer &amp; Company Secretary</b>
<b>UBL Fund Managers</b>	<p>Job Responsibilities &amp; Accomplishments</p> <ul style="list-style-type: none"> <li>● Accounting and Financial Reporting</li> <li>● Corporate Taxation</li> <li>● Corporate Governance and other secretarial functions</li> <li>● Member Investment Committee, Management Committee etc.</li> </ul>
<b>Prior to joining UBL Fund Managers</b>	<p>No. of years of experience: 11 years</p> <ul style="list-style-type: none"> <li>● UBL Fund Managers Ltd - CFO &amp; Company Secretary</li> <li>● JS Investments Ltd - Head of Finance</li> <li>● KPMG Taseer Hadi &amp; Co - Manager, Audit &amp; Assurance</li> <li>● Ford Rhodes Sidat Hyder - From Audit trainee to Audit Senior</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>● CFA Level 1 - CFA Institute, USA</li> <li>● Chartered Accountant - ICAP</li> <li>● Cost &amp; Management Accountant - ICMAP</li> <li>● Corporate Secretary - ICSP</li> <li>● Masters in Economics - Karachi University</li> </ul>

<b>Name</b>	<b>Junaid Qamar</b>
<b>Designation</b>	<b>Fixed Income Fund Manager</b>
<b>UBL Fund Managers</b>	<p>Job Responsibilities &amp; Accomplishments</p> <ul style="list-style-type: none"> <li>● Handles and looks after all investments and redemptions made in the money market fund</li> <li>● Fund Manager for United Money Market Fund and United Growth &amp; Income Fund</li> <li>● Portfolio strategy, design and allocation</li> </ul>
<b>Prior to joining UBL Fund Managers</b>	<p>No. of years of experience: 7</p> <ul style="list-style-type: none"> <li>● Arif Habib Investments - Dealer, Debt and Money Market Funds</li> <li>● Corporate Treasury of Pearson Inc. (USA) - Managed Commercial Paper Portfolio</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>● MBA - Wagner College, New York, USA</li> <li>● BS - City University, New York, USA</li> </ul>

<b>Name</b>	<b>Syed Ali Turab</b>
<b>Designation</b>	<b>Head of Research</b>
<b>UBL Fund Managers</b>	<p>Job Responsibilities &amp; Accomplishments</p> <ul style="list-style-type: none"> <li>● Fundamental and Technical Analysis</li> <li>● Portfolio strategy design</li> </ul>
<b>Prior to joining UBL Fund Managers</b>	<p>No. of years of experience: 6 years</p> <ul style="list-style-type: none"> <li>● AKD Investment Management Ltd</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>● Bachelors in Computer Science and Electrical Engineering (Cornell University, NY, US)</li> <li>● Series 7, Series 63 certification (NASD, US)</li> </ul>



(iv) MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Following are the names of directors who attended the meetings of the board of directors during the year along with the dates of the meetings.

Name of Director	Meeting held on								
	3 July 2008	13 August 2008	17 October 2008	5 January 2009	11 February 2009	27 February 2009	16 April 2009	22 May 2009	13 June 2009
Mr. Atif R. Bukhari	✓	✓	✓	✓	✓	✓	✓	✓	-
Mr. Mir Muhammad Ali	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Aamir Karachiwala	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Muhammad Asghar	✓	-	✓	✓	✓	✓	✓	✓	-
Mr. Ali Sameer Farooqui	✓	✓	✓	✓	✓	-	✓	✓	✓
Mr. Hassan Raza*	-	✓	✓	✓	✓	-	-	-	-
Mr. Saeed Iqbal	✓	✓	✓	✓	✓	✓	✓	✓	✓

\* Resigned on 29 June 2009.

(v) RATING OF THE FUND AND MANAGEMENT COMPANY

JCR-VIS Credit Rating Company Limited (JCR-VIS) has assigned an 'AA+' fund stability rating to the Fund.

JCR-VIS has assigned an 'AM2-' management quality rating to the Management Company.