




Meezan Gold Fund

MEEZAN GOLD FUND (MGF)

Meezan Gold Fund is Pakistan's first Shariah compliant Gold Fund. It invests in gold instruments in the most efficient manner, to provide maximum exposure to prices of Gold in a Shariah compliant (Islamic) manner. This is done by investing a significant portion of the Fund's net assets in deliverable gold based contracts available on the Pakistan Mercantile Index (PMEX).

 Multan Branch



REACHING NEW HEIGHTS IN THE CITY OF SAINTS

TOMB OF SHAH
RUKN-E-ALAM
(MULTAN)



FUND INFORMATION

MANAGEMENT COMPANY

Al Meezan Investment Management Limited
Ground Floor, Block "B", Finance & Trade Centre,
Shahrah-e-Faisal Karachi 74400, Pakistan.
Phone (9221) 35630722-6, 111-MEEZAN
Fax: (9221) 35676143, 35630808
Website: www.almeezangroup.com
E-mail: info@almeezangroup.com

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Mr. Ariful Islam	Chairman
Mr. Mohammad Shoaib, CFA	Chief Executive Officer
Mr. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Mohammad Furquan R Kidwai	Independent Director
Mr. Ijaz Farooq	Nominee Director - MBL
Mr. Moin M. Fudda	Independent Director
Ms. Saima Shaukat Khan (Kamila)	Independent Director
Mr. Arshad Majeed	Nominee Director - MBL
Mr. Naeem Abdul Sattar	Nominee Director - PKIC
Syed Amir Ali Zaidi	Nominee Director - PKIC

CFO & COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Syed Owais Wasti

AUDIT COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Arshad Majeed	Member
Mr. Naeem Abdul Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Muhammad Abdullah Ahmed	Chairman
Syed Amir Ali Zaidi	Member
Mr. Naeem Abdul Sattar	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Moin M. Fudda	Chairman
Mr. Ariful Islam	Member
Mr. Naeem Abdul Sattar	Member
Mr. Mohammad Shoaib, CFA	Member

TRUSTEE

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S., Main Sharah-e-Faisal Karachi.

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants
State Life Building# 1-C,
I.I. Chundrigar Road, Karachi-74000

SHARIAH ADVISER

Meezan Bank Limited

BANKERS TO THE FUND

Bank Al Habib Limited- Islamic Banking
Meezan Bank Limited
Sindh Bank Limited
UBL Ameen - Islamic Banking

LEGAL ADVISER

Bawaney & Partners
3rd & 4th Floor, 68-C, Lane-13, Bokhari Commercial Area,
Phase VI, DHA, Karachi.
Phone (9221) 35156191-94 Fax: (9221) 35156195
E-mail:

TRANSFER AGENT

Meezan Bank Limited
Meezan House
C-25, Estate Avenue, SITE, Karachi.
Phone: 38103538 Fax: 36406017
Website: www.meezanbank.com

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

REPORT OF THE FUND MANAGER

Meezan Gold Fund (MGF)

Type of Fund

Shariah compliant commodity fund that invests in physical gold to earn a return based on the commodity's price fluctuation in the international market.

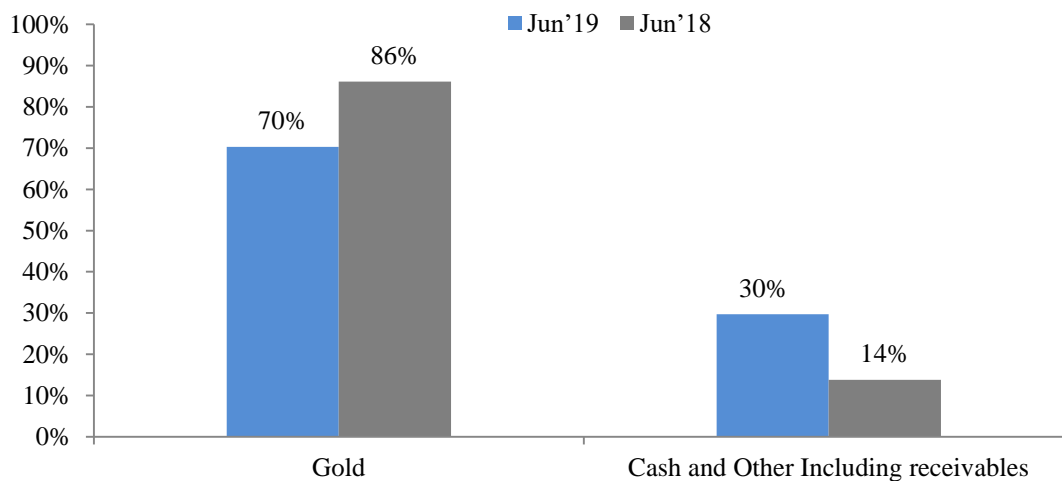
Investment Policy and Strategy

The objective of MGF is to provide maximum exposure to prices of Gold in a Shariah Compliant manner, by investing a significant portion of the Fund's net assets in deliverable gold based contracts available on Pakistan Mercantile Exchange (PMEX). The fund aims to earn a potentially high return by taking advantage of price fluctuations of Gold in the international market. The fund has a long-term time horizon whereby the investors are advised to invest for a tenor of three to five years.

To meet the Fund's investment objective, at least seventy percent (70%) of Fund's net assets, will remain invested in deliverable gold based contracts while the remaining net assets of the Fund shall be invested in cash and near cash instruments which include cash in bank accounts of Islamic banks and licensed Islamic banking windows of conventional banks (excluding TDR). However, at least 10% of the net assets of the Fund shall remain invested in cash and near cash instruments at all times.

Asset Allocation

As on June 30, 2019, the fund's gold exposure was 70.00%, while 30.00% of the Net Assets was invested in cash.



Performance Review

Meezan Gold Fund posted a total income of Rs. 96 million during FY18 as compared to total loss Rs. 56 million last year. Total income comprised of realized and unrealized gains on investments in gold of Rs. 14 million and Rs. 67 million respectively, while the net inflow in the Fund during the year was 188 million and the profit on saving accounts with bank was of Rs. 2 million. Price Adjustment Charges contributed 13 million in the net income. After accounting for expenses of Rs. 11 million, the fund posted a net income of Rs. 85 million. The net assets of the Fund as at June 30, 2019 were Rs. 478 million as compared to Rs. 243 million at the end of last year depicting an increase of 96%.

During the fiscal year 2019, Meezan Gold Fund provided a return 30.44% to its investors due to rise in international gold prices and PKR depreciation.

	MGF	Benchmark
Net Asset Value as on June 30, 2018	56.67	
Net Asset Value as on June 30, 2019	73.92	
Return During the Period - Net	30.44%	27.56%
Outperformance – Net	2.89%	

Benchmark: Combination of 70% PKR base closing price of physical gold and 30% 3 Month average deposit rates of 3 AA rated Islamic Banks

Distribution

Interim distribution for the period ended June 30, 2019 at Rs. 5.9 per unit i.e. 11.80% of the par value of Rs. 50/- each.

Breakdown of unit holdings by size:

(As on June 30, 2019)

Range (Units)	No. of Investors
1 - 9,999	571
10,000 - 49,999	67
50,000 - 99,999	9
100,000 - 499,999	8
500,000 and above	3
Total	658



Meezan Bank

The Premier Islamic Bank

Report of the *Shari'ah* Advisor – Meezan Gold Fund

August 1, 2019/ Dhu Al-Qi'dah 28, 1440

Alhamdulillah, the period from July 1, 2018 to June 30, 2019 was the Fourth year of operations of Meezan Gold Fund (MGF) under management of Al Meezan Investment Management Limited (Al Meezan). We, Meezan Bank Limited, are the *Shariah* advisors of the Fund and are issuing the report in accordance with clause 3.7.1 of the Offering Document of the Fund. The scope of the report is to express an opinion on the *Shariah* compliance of the Fund's activity.

In the capacity of *Shari'ah* Advisor, we have prescribed criteria and procedure to be followed in ensuring *Shari'ah* compliance in every investment.

It is the responsibility of the management company of the fund to establish and maintain a system of internal controls to ensure *Shari'ah* compliance in line with the *Shari'ah* guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the management company's personnel and review of various documents prepared by the management company to comply with the prescribed criteria.

In light of the above, we hereby certify that:

- i. We have reviewed and approved the modes of investments of MGF in light of the *Shari'ah* guidelines.
- ii. All the provisions of the scheme and investments made on account of MGF by Al Meezan are *Shari'ah* compliant and in accordance with the criteria established.
- iii. On the basis of information provided by the management, all the operation of MGF for the year ended June 30, 2019 have been in compliance with *Shari'ah* principles.

May Allah bless us with best Tawfeeq to accomplish His cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

Dr. Muhammad Imran Ashraf Usmani

For and on behalf of Meezan Bank
Shariah Advisor

Head Office

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shakra-e-Faisal
Karachi - 74400. Pakistan.
Tel: (92-21) 111-111-500
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TRUSTEE REPORT TO THE UNIT HOLDERS

MEEZAN GOLD FUND

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

We, Central Depository Company of Pakistan Limited, being the Trustee of Meezan Gold Fund (the Fund) are of the opinion that Al Meezan Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2019 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 20, 2019



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Meezan Gold Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Meezan Gold Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2019, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2019, and of its financial performance, its cash flows and transactions for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matters

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

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer note 5 and 6 to the financial statements)	
	<p>The investments and balances with banks constitute the most significant component of the net asset value. The investments of the Fund as at June 30, 2019 amounted to Rs 364.344 million and balances with banks aggregated to Rs 86.014 million.</p> <p>The existence and proper valuation of investments and existence of balances with banks for the determination of NAV of the Fund as at June 30, 2019 was considered a high risk area and therefore we considered this as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Tested the design and operating effectiveness of the key controls for valuation of investments; Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2019 and reconciled it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and

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Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>



S. No.	Key Audit Matter	How the matter was addressed in our audit
		<ul style="list-style-type: none"> Obtained bank reconciliation statements and tested reconciling items on a sample basis.

Other Information

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirement

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

The engagement partner on the audit resulting in this independent auditor's report is **Salman Hussain**.


Chartered Accountants

Karachi

Date: September 18, 2019

**MEEZAN GOLD FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2019**



**Meezan
Gold Fund**

	Note	2019	2018
		(Rupees in '000)	
Assets			
Balances with banks	5	86,014	29,332
Investment in gold	6	364,344	211,865
Receivable against sale of investments		3,065	1,927
Receivable against conversion of units		18,716	3,516
Profit accrued on balances with banks		227	115
Advances and deposits		11,850	-
Total assets		484,216	246,755
Liabilities			
Payable to AI Meezan Investment Management Limited - Management Company	7	776	311
Payable to Central Depository Company of Pakistan Limited - Trustee	8	131	37
Payable to Securities and Exchange Commission of Pakistan	9	224	274
Payable against conversion and redemption of units		288	280
Payable to Meezan Bank Limited		6	9
Payable against purchase of investments		684	-
Accrued expenses and other liabilities	10	4,546	2,760
Total liabilities		6,655	3,671
NET ASSETS		477,561	243,084
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		477,561	243,084
CONTINGENCIES AND COMMITMENTS	12		
NUMBER OF UNITS IN ISSUE		7,008,422	4,289,651
		(Rupees)	
NET ASSET VALUE PER UNIT		68.1410	56.6676

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

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**For AI-Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

**MEEZAN GOLD FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2019**

	Note	2019 (Rupees in '000)	2018
Income			
Profit on balances with banks		2,714	1,332
Realised gain on sale of investments - net		14,271	21,753
Price adjustment charges	11	12,633	3,777
		29,618	26,862
Net unrealised appreciation on re-measurement of investments in gold	6.1.3	66,672	28,931
Total income		<u>96,290</u>	<u>55,793</u>
Expenses			
Remuneration of Al Meezan Investment Limited- Management Company	7.1	2,993	3,652
Sindh Sales Tax on remuneration of the Management Company	7.2	389	475
Allocated expenses	7.3	299	365
Selling and marketing expenses	7.4	1,018	70
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	509	621
Sindh Sales Tax on remuneration of the Trustee		66	81
Annual fees to Securities and Exchange Commission of Pakistan	9	224	274
Brokerage expense		60	47
Auditors' remuneration	13	296	276
Fees and subscription		320	1,279
Printing expense		1	12
Custodian fee		2,569	3,468
Legal and professional charges		28	49
Bank and settlement charges		973	11
Provision for Sindh Workers' Welfare Fund	10.1	1,731	902
Total expenses		<u>11,476</u>	<u>11,582</u>
Net income for the year before taxation		<u>84,814</u>	<u>44,211</u>
Taxation	16	-	-
Net income for the year after taxation		<u>84,814</u>	<u>44,211</u>
Allocation of net income for the year			
Net income for the year after taxation		84,814	44,211
Income already paid on units redeemed		(13,667)	(20,579)
		<u>71,147</u>	<u>23,632</u>
Accounting income available for distribution			
- Relating to capital gains		71,147	23,632
- Excluding capital gains		-	-
		<u>71,147</u>	<u>23,632</u>

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

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**For Al-Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN GOLD FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019



Meezan
Gold Fund

	2019 (Rupees in '000)	2018
Net income for the year after taxation	84,814	44,211
Other comprehensive income for the year	-	-
Total comprehensive income for the year	84,814	44,211

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

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For AI-Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN GOLD FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2019

	2019			2018		
	Capital Value	Undistributed income	Total	Capital Value	(Accumulated loss) / Undistributed income	Total
	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
Net assets at beginning of the year	233,180	9,904	243,084	470,991	(13,728)	457,263
Issue of 10,852,091 units (2018: 4,283,795 units)						
- Capital value (at net asset value per unit at the beginning of the year)	613,198	-	613,198	216,160	-	216,160
- Element of income	90,794	-	97,898	13,865	-	13,865
Total proceeds on issuance of units	703,992	-	703,992	230,025	-	230,025
Redemption of 8,680,649 units (2018: 9,055,369 units)						
- Capital value (at net asset value per unit at the beginning of the year)	490,148	-	490,148	456,934	-	456,934
- Element of loss	50,514	13,667	64,181	10,902	20,579	31,481
Total payments on redemption of units	540,662	13,667	554,329	467,836	20,579	488,415
Total comprehensive income for the year	-	84,814	84,814	-	44,211	44,211
Issue of 547,329 bonus units, for the year ended June 30, 2019	38,120	(38,120)	-	-	-	-
Net income for the year less distribution	38,120	46,694	84,814	-	44,211	44,211
Net assets at end of the year	434,630	42,931	477,561	233,180	9,904	243,084
Undistributed income/ (accumulated loss) brought forward						
- Realised (loss) / income		(19,027)			7,958	
- Unrealised income / (loss)		28,931			(21,686)	
		9,904			(13,728)	
Accounting income available for distribution						
- Relating to capital gains	71,147			23,632		
- Excluding capital gains	-			-		
	71,147			23,632		
Interim bonus distribution during the year at Rs 5.9 per unit i.e. 11.8% of the par value of Rs. 50 each (June 28, 2019)	(38,120)			-		
Undistributed income carried forward	42,931			9,904		
Undistributed income carried forward						
- Realised loss		(23,741)			(19,027)	
- Unrealised income		66,672			28,931	
		42,931			9,904	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the year	56.6676			50.4600		
Net assets value per unit at end of the year	68.1410			56.6676		

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

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For Al-Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

**MEEZAN GOLD FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2019**



**Meezan
Gold Fund**

	2019	2018
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	84,814	44,211
Adjustments for:		
Unrealised appreciation on re-measurement of investment in gold	(66,672)	(28,931)
	18,142	15,280
Decrease / (increase) in assets		
Investments - net	(85,807)	211,702
Receivable against sale of investments	(1,138)	(1,927)
Profit accrued on balances with banks	(112)	(42)
Advances and deposits	(11,850)	-
	(98,907)	209,733
(Decrease) / increase in liabilities		
Payable to AI Meezan Investment Management Limited - Management Company	465	(136)
Payable to Central Depository Company of Pakistan Limited - Trustee	94	(31)
Payable to Securities and Exchange Commission of Pakistan	(50)	(18)
Payable against purchase of investments-net	684	-
Payable to Meezan Bank Limited	(3)	9
Accrued expenses and other liabilities	1,786	1,035
	2,976	859
Net cash (used in) / generated from operating activities	(77,789)	225,872
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against conversion of units	688,792	230,928
Payment against redemption and conversion of units	(554,321)	(489,225)
Net cash generated from / (used in) financing activities	134,471	(258,297)
Net increase / (decrease) in cash and cash equivalents during the year	56,682	(32,425)
Cash and cash equivalents at the beginning of the year	29,332	61,757
Cash and cash equivalents at the end of the year	5 86,014	29,332

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

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**For AI-Meezan Investment Management Limited
(Management Company)**

Chief Executive

Chief Financial Officer

Director

MEEZAN GOLD FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Gold Fund is an open ended mutual fund constituted under a Trust Deed entered into on October 15, 2014 between Al Meezan Investment Management Company as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The Fund is registered as a Notified entity under Non-Banking Finance Companies and Notified Entities Regulations, (NBFC Regulations) issued through S.R.O.1203(I)/2008 on November 21, 2008. The Fund commenced its operations from August 18, 2015. The registered office of the Management Company is situated at Ground Floor, Block 'B', Finance and Trade Centre, Shariah-e-Faisal, Karachi 74400, Pakistan.
- 1.2** The Fund is an open-ended Shariah Compliant (Islamic) Commodity Fund that aims to provide maximum exposure to prices of Gold in a Shariah Compliant (Islamic) manner by investing a significant portion of the Fund's net assets in deliverable gold based contracts available on Pakistan Mercantile Exchange Limited (PMEX). Furthermore, all investments of the Fund's property shall be in accordance with the Shariah as advised by the Shariah Advisor. The Fund shall also be subject to the rules and regulations framed by the State Bank of Pakistan with regard to the foreign investments made by the Fund and investments made in the Fund from outside Pakistan in foreign currency. The investments in Gold contracts listed at the Commodity Exchange shall be subject to the PMEX Regulations and / or rules and regulations of the pertinent Commodity Exchange, if the Commodity Exchange is other than PMEX. All pertinent contracts, agreements and documents of PMEX shall be approved by Shariah advisor. Under the Trust Deed, all the conducts and acts of the fund are based on Shariah. The management company has appointed Meezan Bank Limited as its Shariah advisor to ensure that the activities of the fund are in compliance with the principles of Shariah. The investment objectives and policies are explained in the Fund's Offering document.
- 1.3** The Fund has been categorised as a Shariah compliant Commodity Scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs 50 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from August 13, 2015 and are transferable and redeemable by surrendering them to the Fund.
- 1.4** The Management Company has been assigned a rating of AM1 by JCR-VIS dated December 28, 2018 (2018: AM1 dated December 29, 2017) and PACRA dated June 28, 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund. The fund is listed on Pakistan Stock Exchange Limited.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

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

Effective from July 01, 2018, the Fund has adopted IFRS 9: "Financial Instruments" which has replaced IAS 39: "Financial Instruments: Recognition and Measurement". The standard addresses recognition, classification, measurement and derecognition of financial assets and financial liabilities. The standard has also introduced a new impairment model for financial assets which requires recognition of impairment charge based on 'expected credit losses' (ECL) approach rather than 'incurred credit losses' approach, as previously given under IAS 39. The ECL has impact on all the assets of the Fund which are exposed to credit risk. However, majority of the assets of the Fund that are exposed to credit risk pertain to counter parties which have high credit rating. Therefore, the management believes that the impact of ECL would be very minimal and hence, the same has not been accounted for in these financial statements.

The Fund is an open-ended Shariah Compliant Commodity Fund and can only invest in gold which is not a financial asset. The remaining financial assets of the Fund are held for collection and continue to be measured at amortised cost.

The adoption of IFRS-9 did not have any impact on classification and measurement of financial assets and financial liabilities on the date of its adoption.

There are no other standards, amendments to standards or interpretations that are effective for annual accounting periods beginning on July 1, 2018 that have a material effect on the financial statements of the Fund.

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

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

Amendments	Effective date (accounting periods beginning on or after)
- IFRS 9 - 'Financial instruments' (amendment)	January 1, 2019
- IAS 1 - 'Presentation of financial statements' (amendment)	January 1, 2020
- IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendment)	January 1, 2020

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

There are certain other standards, amendments and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 2019 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are therefore not disclosed in these financial statements.

3.4 Critical accounting estimates and judgments

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

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 4.3 and 6).

3.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments in gold which is stated at its fair values.

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3.6 Functional and presentation currency

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

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years except for the change in accounting policy as explained in note 3.2 above.

4.2 Cash and cash equivalents

These comprise balances with banks in savings and current accounts, cheques in hand and other short-term highly liquid investments with original maturities of three months or less.

4.3 Financial assets

4.3.1 Classification and subsequent measurement

4.3.2 Debt instruments

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

- amortised cost;
- at fair value through other comprehensive Income (FVOCI);
- at fair value through profit or loss (FVTPL) based on the business model of the Entity.

The financial assets of the Fund which are held for collection are measured at amortised cost.

4.3.3 Impairment

The Fund assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds the recoverable amount.

4.3.4 Regular way contracts

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

4.3.5 Initial recognition and measurement

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

4.3.6 Derivatives

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

4.4 Financial liabilities

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

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

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4.5 Offsetting of financial assets and financial liabilities

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

4.6 Investment in Gold

Investment in Gold is initially recognized at fair value less cost to sell. Subsequent to initial recognition, these are measured at fair value using spot rate (i.e. immediately next day after expired contract) fixed by Pakistan Mercantile Exchange Limited (PMEX). Gain or loss arising from changes in fair value less cost to sell are recognized in Income Statement in the period of change.

4.7 Provisions

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

4.8 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

4.9 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that date. The offer price represents the net asset value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable. The sales load is payable to the investment facilitators, distributors and the Management Company.

Units redeemed are recorded at the redemption price, applicable to units for which the distributors receive redemption applications during business hours of that day. The redemption price represents the net asset value per unit as of the close of the business day less any back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.10 Distributions to unit holders

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

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

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

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

4.12 Revenue recognition

- Gains / (losses) arising on sale of gold are recorded at the date at which the transaction takes place.
- Unrealised gains / (losses) arising on revaluation of gold are included in the Income Statement in the period in which they arise.
- Profit on balances with banks is recognised on a time proportion basis using the effective yield method.

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4.13 Expenses

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

4.14 Taxation

Current

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

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on enacted tax rates.

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

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in the Finance Act, 2015 is also not applicable on funds (Section 4B of the Income Tax Ordinance, 2001).

4.15 Earnings / (loss) per unit

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

Earnings / (loss) per unit (EPU) has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

4.16 Foreign currency translation

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

	Note	2019 (Rupees in '000)	2018 (Rupees in '000)
5			
BALANCES WITH BANKS			
Balances with banks in:			
Savings accounts	5.1	85,920	27,190
Current account		94	2,142
		<u>86,014</u>	<u>29,332</u>
5.1			
The balance in saving account have expected profit rates ranging from 6.30% to 11.85% per annum (2018: 2.40% to 6.05% per annum).			
6			
INVESTMENT IN GOLD			
Investment in gold	6.1	<u>364,344</u>	<u>211,865</u>
<i>AM 16</i>			

6.1 Investment in gold

Commodity	As at July 01, 2018	Purchased during the year	Sold during the year	As at June 30, 2019 (note 6.1.3)	Carrying value as at June 30, 2019	Market value as at June 30, 2019	Unrealised gain note (6.1.3)	Percentage in relation to net assets of the fund on the basis of market value of investments
	-----Tola-----				(Rupees in '000)			%
TOLAGOLD	3,541	3,301	2,442	4,400	296,594	363,106	66,512	76.03
MITOLA	-	15,000	-	15,000	1,078	1,238	160	0.26
					<u>297,672</u>	<u>364,344</u>	<u>66,672</u>	
Total as at June 30, 2018					<u>182,934</u>	<u>211,865</u>	<u>28,931</u>	

6.1.1 The Pakistan Mercantile Exchange Limited (PMEX) delivers refined Gold in 10 TOLA Bars. These are physically held by PMEX under their custody in the vaults of a commercial bank.

6.1.2 The investment in gold of Rs. 364.343 million (2018: Rs. 211.865 million) has been measured at fair value based on the quoted market price prevailing in the active markets.

	Note	2019 (Rupees in '000)	2018
6.1.3 Net unrealised appreciation on re-measurement of investments in gold			
Market value of investments	6.1	364,344	211,865
Carrying value of investments	6.1	<u>297,672</u>	<u>182,934</u>
		<u>66,672</u>	<u>28,931</u>

**7 PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED-
MANAGEMENT COMPANY - RELATED PARTY**

Management fee payable	7.1	297	193
Sindh Sales Tax on remuneration of the Management Company	7.2	39	26
Allocated expenses payable	7.3	30	19
Selling and marketing expenses payable	7.4	373	70
Sales load payable		33	3
Sindh Sales Tax on sales load payable		4	-
		<u>776</u>	<u>311</u>

7.1 As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding 1% of the average annual net assets in case of a Commodity Scheme. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (2018: 1%) per annum of the average net assets of the Fund during the year ended June 30, 2019. The remuneration is payable to the Management Company monthly in arrears.

7.2 During the year, an amount of Rs. 0.389 million (2018: Rs 0.475 million) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 0.376 million (2018: Rs.0.496 million) has been paid to the Management Company which acts as a collecting agent.

7.3 Uptil June 19, 2019 in accordance with Regulation 60 of the NBFC Regulations, the Management Company was entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.1% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 dated June 20, 2019 has removed the maximum cap of 0.1%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from June 20, 2019.

However, the Management Company continued to charge expenses at the rate 0.1% of the average annual net assets of the Fund for both the periods i.e from July 1, 2018 to June 19, 2019 and from June 20, 2019 to June 30, 2019, being lower than actual expenses.

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- 7.4 The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for three years (from January 1, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.4% per annum of the net assets of the fund or actual expenses whichever is lower. Accordingly, such expenses have been charged to the Fund at the rate of 0.4% of the net assets of the Fund being lower than actual expenses incurred.

	Note	2019 (Rupees in '000)	2018
8 PAYABLE TO CENTRAL DEPOSITORY COMPANY - TRUSTEE			
Trustee fee payable	8.1	116	33
Sindh Sales Tax payable on trustee fee		15	4
		<u>131</u>	<u>37</u>

- 8.1 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 billion 0.17% per annum of net assets
- from Rs 1 billion to Rs.5 billion Rs 1.7 million plus 0.085% per annum of net assets exceeding Rs 1 billion.
- exceeding Rs.5 billion Rs 5.1 million plus 0.07% per annum of net assets exceeding Rs 5 billion.

During the year, an amount of Rs 0.066 million (2018: Rs 0.08 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 0.056 million (2018: Rs.0.085 million) was paid to the Trustee which acts as a collecting agent.

9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

In accordance with the NBFC Regulations, a collective investment scheme classified as a Commodity Scheme is required to pay to the Securities and Exchange Commission of Pakistan an amount equal to 0.075% of the average annual net assets of the Fund as annual fee.

	Note	2019 (Rupees in '000)	2018
10 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		175	250
Custodian fee payable		257	164
Shariah advisor fee payable		159	161
Withholding tax payable		21	21
Capital gain tax payable		51	8
Provision for Sindh Workers' Welfare Fund	10.1	3,166	1,435
Zakat payable		6	10
Provision for Federal Exercise Duty and related Sindh sales tax on management fee	10.2	414	414
Provision for Federal Exercise Duty and related Sindh sales tax on sales load	10.2	297	297
		<u>4,546</u>	<u>2,760</u>

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

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Had the provision for SWWF not been recorded in the financial statements of the Fund for the period from May 21, 2015 to June 30, 2019, the net asset value of the Fund as at June 30, 2019 would have been higher by Re. 0.45 per unit (2018: Re 0.33 per unit).

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

With effect from July 01, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 0.711 million is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund would have been higher by Re 0.10 (June 30, 2018: Re 0.17) per unit.

11 PRICE ADJUSTMENT CHARGES

Securities and Exchange Commission of Pakistan (SECP) vide a circular no.40 SCD/AMCW/ MGF/63/2017 dated June 14, 2017, allowed the fund to charge price adjustment charges. Price adjustment charges is difference between the offer price and the bid price from the closing price of the Gold transactions (Contract) available at PMEX, which is added to and deducted from the NAV to determine Offer and Redemption prices respectively. Such charges form part of Fund Property.

Currently, Price adjustment charges added/ deducted to form NAV of the fund to determine offer / redemption price is 1% of NAV.

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2019 and June 30, 2018.

13 AUDITORS' REMUNERATION

	2019	2018
	(Rupees in '000)	
Annual audit fee	160	150
Half yearly review of condensed interim financial information	80	75
Fee for other certifications	43	40
Out of pocket expenses	13	11
	296	276

14 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2019 is 3.78%% which includes 0.8% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund (if any), sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 3% prescribed under the NBFC Regulations for a collective investment scheme categorised as Commodity Scheme.

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15 PERFORMANCE TABLE

	2019	2018	2017
Net assets (Rs in '000) (ex-distribution)	477,561	243,084	457,263
Net assets value per unit as at 30 June (Rs.) (ex-distribution)	68.1410	56.6676	50.4600
Offer price per unit as at 30 June (Rs.) (ex-distribution)	70.3624	58.5150	-
Highest offer price per unit (Rs.)	78.0109	59.4190	57.2900
Lowest offer price per unit (Rs.)	54.8450	45.9900	49.2400
Highest redemption price per unit (Rs.)	75.5481	56.9677	56.0200
Lowest redemption price per unit (Rs.)	53.1135	44.4800	48.1700
Distribution (%)			
- Interim	11.8%	-	-
Date of distribution			
- Interim	June 28, 2019	-	-
Income distribution (Rs. in '000)	38,120	-	-
Total return (%)	30.40	12.00	(7.20)
Average annual return as at June 30, 2019 (%)	One year 30.40	Two year 20.85	Three year 10.67

Investment portfolio composition of the Fund is described in note 6.

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

16 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. No provision for taxation has been made in these financial statements during the year since the income of the fund only pertains to capital gains (realised and unrealised).

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in Finance Act, 2015 is also not applicable on funds as Section 4B of Income Tax Ordinance, 2001.

17 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 17.1 Connected persons include Al Meezan Investment Management Company being the Management Company, the Central Depository Company being the Trustee, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 17.2 Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 17.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, and the Trust Deed.
- 17.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 17.5 The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

All (L)

Balances

2019 2018
(Rupees in '000)

AI Meezan Investment Management Limited - Management Company

Management fee payable	297	193
Sindh Sales Tax on remuneration of the Management Company	39	26
Allocated expenses payable	30	19
Selling and marketing expenses payable	373	70
Sales load payable	33	3

Meezan Bank Limited

Sales load payable	5	8
Sindh Sales tax on sales load	1	1
Bank balance	38,321	11,650
Profit on balances with bank	11	24

Central Depository Company of Pakistan Limited - Trustee

Trustee fee payable	116	33
Sindh Sales Tax payable on trustee fee	15	4

Directors and their close family members and key management personnel of the Management Company

Investment of 284,327 units (June 30, 2018: 197,723 units)	19,374	11,205
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Unitholders holding 10% or more of units of the Fund

Investment of 1,236,347 units (June 30, 2018: 1,363,271 units)	84,246	77,253
--	--------	--------

Transactions during the year

For the year ended June 30,
2019 2018

AI Meezan Investment Management Limited - Management Company

Remuneration charged	2,993	3,652
Sindh Sales Tax on remuneration of the Management Company	389	475
Allocated expenses	299	365
Selling and marketing expenses	1,018	70
Redemption of Nil(2018: 702,463) units	-	36,507

Meezan Bank Limited

Profit on balances with bank	671	757
Issue of 84,712 (2018: nil) units	5,900	-

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee	509	621
Sindh Sales Tax on remuneration of the Trustee	66	81

Directors and their close family members and key management

Issue of 1,432,301 units (2018: 54,805 units)	95,416	2,930
Redemption of 1,345,712 units (2018: 24,128 units)	89,730	1,252

17.6 Other balances due to / from related parties / connected persons are included in the respective notes to the financial statements.

18 FINANCIAL INSTRUMENTS BY CATEGORY

2019		
At amortised cost	At fair value through profit or loss	Total
------(Rupees in '000)-----		

Financial assets

Balances with banks	86,014	-	86,014
Receivable against sale of investments	3,065	-	3,065
Receivable against conversion of units	18,716	-	18,716
Profit accrued on balances with banks	227	-	227
Advances and deposits	11,850	-	11,850
	119,872	-	119,872

2019		
At fair value through profit or loss	At amortised cost	Total

------(Rupees in '000)-----

Financial liabilities

Payable to Al Meezan Investment Management Limited - Management Company	-	776	776
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	131	131
Payable to Meezan Bank Limited	-	6	6
Payable against conversion and redemption of units	-	288	288
Payable against purchase of investments	-	684	684
Accrued expenses and other liabilities	-	591	591
	-	<u>2,476</u>	<u>2,476</u>

2018		
At amortised cost	At fair value through profit or loss	Total

------(Rupees in '000)-----

Financial assets

Balances with banks	29,332	-	29,332
Receivable against sale of investments	1,927	-	1,927
Receivable against conversion of units	3,516	-	3,516
Profit accrued on balances with banks	115	-	115
	<u>34,890</u>	<u>-</u>	<u>34,890</u>

2018		
At fair value through profit or loss	At amortised cost	Total

------(Rupees in '000)-----

Financial liabilities

Payable to Al Meezan Investment Management Limited - Management Company	-	311	311
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	37	37
Payable to Meezan Bank Limited	-	9	9
Payable against conversion and redemption of units	-	280	280
Accrued expenses and other liabilities	-	575	575
	-	<u>1,212</u>	<u>1,212</u>

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The risk management policy of the Fund aims to maximise the return attributable to the unitholders and seeks to minimise potential adverse effects on the Fund's financial performance.

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

Risks managed and measured by the Fund are explained below:

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19.1 Market risk

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

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

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

(i) Profit rate risk

The profit rate risk arises from the effects of fluctuations in the prevailing levels of market profit rates which affect cash flows pertaining to debt instruments and their fair values. The Fund does not hold any debt instruments, therefore its net assets are not exposed to these risks.

Cash flow profit rate risk

The Fund's profit risk arises from the balances in saving accounts.

During the year ended June 30, 2019, the net income would have increased / decreased by Rs. 0.859 million (June 30, 2018 Rs. 0.272 million) had the profit rates on profit and loss saving accounts increased / (decreased) by 100 basis points.

Fair value profit rate risk

Since the Fund does not have investment in fixed rate security, therefore, is not exposed to fair value profit rate risk.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

----- 2019 -----					
Effective interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
----- (Rupees in '000) -----					
Financial assets					
Balances with banks	85,920	-	-	94	86,014
Receivable against sale of investments	-	-	-	3,065	3,065
Receivable against conversion of units	-	-	-	18,716	18,716
Profit accrued on balances with banks	-	-	-	227	227
Advances and deposits	-	-	-	11,850	11,850
	85,920	-	-	33,952	119,872
Financial liabilities					
Payable to Al Meezan Investment Management Limited - Management Company	-	-	-	776	776
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	-	-	131	131
Payable to Meezan Bank Limited	-	-	-	6	6
Payable against conversion and redemption of units	-	-	-	288	288
Payable against purchase of investments	-	-	-	684	684
Accrued expenses and other liabilities	-	-	-	591	591
	-	-	-	2,476	2,476
On-balance sheet gap (a)	85,920	-	-	31,476	117,396
Off-balance sheet financial instruments	-	-	-	-	-
Off-balance sheet gap (b)	-	-	-	-	-
Total profit rate sensitivity gap (a+b)	85,920	-	-		
Cumulative profit rate sensitivity gap	85,920	85,920	85,920		

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2018

Effective interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		

(Rupees in '000)

Financial assets

Balances with banks	2.4% - 6.05%	27,190	-	-	2,142	29,332
Receivable against sale of investements		-	-	-	1,927	1,927
Receivable against conversion of units		-	-	-	3,516	3,516
Profit accrued on balances with banks		-	-	-	115	115
Advances and deposits		-	-	-	-	-
		27,190	-	-	7,700	34,890

Financial liabilities

Payable to Al Meezan Investment Management Limited - Management Company		-	-	-	311	311
Payable to the Central Depository Company of Pakistan Limited - Trustee		-	-	-	37	37
Payable to Meezan Bank Limited		-	-	-	9	9
Payable against conversion and redemption of units		-	-	-	280	280
Accrued expenses and other liabilities		-	-	-	575	575
		-	-	-	1,212	1,212

On-balance sheet gap (a)

27,190	-	-	6,488	33,678
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Off-balance sheet financial instruments

-	-	-	-	-
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Off-balance sheet gap (b)

-	-	-	-	-
---	---	---	---	---

Total profit rate sensitivity gap (a+b)

27,190	-	-		
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Cumulative profit rate sensitivity gap

27,190	27,190	27,190		
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(ii) Currency risk

Currency risk is that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present is not exposed to currency risk as all transactions are carried out in Pakistani Rupees.

(iii) Price risk

The Fund's strategy on the management of investment risk is driven by the Fund's investment objective. The primary objective of the Fund is to provide the maximum return to the unitholders by investing a significant portion of the Fund's net assets in deliverable gold based contracts in a Shariah compliant manner available on Pakistan Mercantile Exchange Limited (PMEX). The Fund's market risk is managed on a daily basis by the investment committee in accordance with the policies and procedures laid down by the SECP. Further, it is managed by monitoring exposure to gold and by complying with the internal risk management policies and regulations laid down in NBFC Regulations.

The Fund's overall market positions are monitored by the Board of Directors of the Management Company on a quarterly basis.

19.2 Liquidity risk

Liquidity risk is the risk that the Fund may encounter difficulty in raising funds to meet its obligations and commitments. The Fund's offering document provides for the daily creation and cancellation of units and it is, therefore, exposed to the liquidity risk of meeting unit holders' redemptions at any time. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. The Fund manages the liquidity risk by maintaining maturities of financial assets and financial liabilities and investing a major portion of the Fund's asset in highly liquid financial assets.

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

Further, the Fund is also allowed, in accordance with regulation 57(10) of the NBFC Regulations, to defer redemption request to next dealing day, had such requests exceeded ten percent of the total number of units in issue. However, no such defer redemption request has been exercised by the Fund during the year.

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In accordance with the risk management policy of the Fund, the Fund's Investment Committee reviews the liquidity position on a daily basis, which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

In addition to unitholder fund, analysis of the Fund's financial assets and financial liabilities into relevant maturity grouping as at June 30, 2019 is tabulated below:

2019						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees in '000)						
Financial assets						
Balances with banks	86,014	-	-	-	-	86,014
Receivable against sale of investments	3,065	-	-	-	-	3,065
Receivable against conversion of units	18,716	-	-	-	-	18,716
Profit accrued on balances with banks	227	-	-	-	-	227
Advances and deposits	11,850	-	-	-	-	11,850
	119,872	-	-	-	-	119,872
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	776	-	-	-	-	776
Payable to the Central Depository Company of Pakistan Limited - Trustee	131	-	-	-	-	131
Payable to Meezan Bank Limited	6	-	-	-	-	6
Payable against conversion and redemption of units	288	-	-	-	-	288
Payable against purchase of investments	684	-	-	-	-	684
Accrued expenses and other liabilities	-	591	-	-	-	591
	1,885	591	-	-	-	2,476
Net assets / (liabilities)	117,987	(591)	-	-	-	117,396
2018						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees in '000)						
Financial assets						
Balances with banks	29,332	-	-	-	-	29,332
Receivable against sale of units	1,927	-	-	-	-	1,927
Receivable against conversion of units	3,516	-	-	-	-	3,516
Profit accrued on balances with banks	115	-	-	-	-	115
Advances and deposits	-	-	-	-	-	-
	34,890	-	-	-	-	34,890
Financial liabilities						
Payable to Al Meezan Investment Management Limited - Management Company	311	-	-	-	-	311
Payable to the Central Depository Company of Pakistan Limited - Trustee	37	-	-	-	-	37
Payable to Meezan Bank Limited	9	-	-	-	-	9
Payable against conversion and redemption of units	280	-	-	-	-	280
Accrued expenses and other liabilities	-	575	-	-	-	575
	637	575	-	-	-	1,212
Net assets / (liabilities)	34,253	(575)	-	-	-	33,678

19.3 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 as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

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Credit risk arises from balances with banks , profit accrued on balances with banks and receivable against conversion of units.

Credit risk arising on financial assets is monitored through a regular analysis of financial position of brokers and other parties. In accordance with the risk management policy of the Fund, the Investment Committee monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit worthy counter parties thereby mitigating any significant concentrations of credit risk.

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

	2019		2018	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	(Rupees in '000)			
Balances with banks	86,014	86,014	29,332	29,332
Receivable against sale of investments	3,065	3,065	1,927	1,927
Receivable against conversion of units	18,716	18,716	3,516	3,516
Profit accrued on balances with banks	227	227	115	115
Advances and deposits	11,850	11,850	-	-
	119,872	119,872	34,890	34,890

19.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks and profit accrued on bank balances thereon, cheques in hand, dividend receivable and receivable against sale of units and against investments. The credit rating profile of balances with banks is as follows:

Rating	% of financial assets exposed to credit risk	
	2019	2018
AAA	1.83%	58.60%
AA+	98.15%	-
AA	-	41.40%
A+	0.02%	-
	100.00%	100.00%

19.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Funds portfolio of financial assets is mainly held with credit worthy counterparties thereby mitigating any credit risk.

20 FAIR VALUE MEASUREMENT

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

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

Fair value hierarchy

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

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Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

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

Investments in gold are non-financial assets and the fair value is disclosed in note 6.1 to these financial statements.

As at June 30, 2019, the Fund does not hold any assets which required fair valuation.

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund's objectives when managing unit holders funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to unit holders and to maintain a strong base of assets under management. The Fund has no restrictions on the subscription and redemption of units.

As required under the NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 19, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

22 COMMODITY RISK MANAGEMENT

22.1 Commodity risk

Commodity risk represent the accounting loss that would be recognised at the reporting date due to change in future market values and the size of the future income, caused by fluctuation in the prices of commodities.

Commodity risk arises on the fair value or future cash flows of a commodity which will fluctuate because of the decrease / increase in the price of the gold contract quoted on Pakistan Mercantile Exchange Limited (PMEX).

In case of 1% increase / decrease in the price of gold fixed by Pakistan Mercantile Exchange Limited (PMEX) as on June 30, 2019, with all other variables held constant, the total income of the Fund for the year would increase / decrease by Rs 3.643 million (2018: Rs 2.119 million) and the net assets of the Fund would increase / decrease by the same amount as a result of change in the fair value thereof.

23 UNIT HOLDING PATTERN OF THE FUND

Category	2019			2018		
	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total	Number of unit holders	Investment amount (Rupees in '000)	Percentage of total
Individuals	653	345,447	72.34	470	156,649	64.44
Bank / DFIs	1	73,913	15.47	1	56,668	23.32
Insurance companies	-	-	-	1	20,586	8.47
Retirement fund	-	-	-	1	6,913	2.84
Private limited companies	1	55,243	11.57	-	-	0.00
Others	3	2,958	0.62	2	2,268	0.93
ALL IN	658	477,561	100.00%	475	243,084	100.00%

24 LIST OF TOP BROKERS BY PERCENTAGE OF COMMISSION PAID

----- 2019 -----		----- 2018 -----	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Top Line Securities (Private) Limited	21%	Arif Habib Limited	26%
Shajar Capital Limited	18%	Shajar Capital Limited	16%
Arif Habib Limited	17%	Top Line Securities (Private) Limited	14%
IGI Finex Securities Limited	16%	AKD Securities Limited	13%
Fortune Securities Limited	11%	Fortune Securities Limited	12%
BIPL Securities Limited	9%	BIPL Securities Limited	10%
AKD Securities Limited	8%	IGI Finex Securities Limited	9%

24.1 The Fund has traded with only the above mentioned 7 brokers / dealers during the year ended June 30, 2019 (2018: 7 brokers / dealers).

25 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Following are the details in respect of members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Mr. Mohammad Shoaib	Chief Executive Officer	CFA / MBA	Twenty Nine years
Mr. Muhammad Asad	Chief Investment Officer	CFA level II / MBA	Twenty Three years
Mr. Muhammad Mohsin	Head of Equity / Director - Research	MBA	Twenty Two years
Mr. Ahmed Hassan	SVP Investments	CFA / MBA	Twelve years
Mr. Ali Khan	VP Product Development	CFA / FRM /MBA	Nine years
Mr. Zain Malik	VP Investments	CFA / BBA	Ten years
Mr. Asif Imtiaz	AVP Investments	CFA / MBA - Finance	Eleven years
Mr. Imad Ansari	Head of Risk Management	B.S Actuarial Sciences & Risk Management / MBA - Finance	Fourteen years
Mr. Ali Asghar	VP/Head of Research	CFA / MBA (in progress)	Eight years

The Fund Manager of the Fund is Mr. Ali Khan. The Fund Manager is not managing any other fund.

26 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

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

Name of Directors	Designation	Meeting held on					
		July 6, 2018	August 09, 2018	October 18, 2018	February 14, 2019	April 18, 2019	May 23, 2019
Mr. Ariful Islam	Chairman	Yes	No	Yes	Yes	Yes	Yes
Mr. Mohammad Shoaib	Chief Executive Officer	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Moin M. Fudda	Director	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Atif Azim*	Director	Yes	Yes	Yes	Yes	Yes	Resigned
Mr. Ijaz Farooq	Director	No	Yes	No	Yes	Yes	No
Syed Amir Ali Zaidi	Director	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Abdullah Ahmed	Director	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Arshad Majeed	Director	Yes	Yes	No	Yes	Yes	Yes
Ms. Saima Kamila Khan	Director	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Naeem Sattar	Director	Yes	Yes	Yes	Yes	Yes	Yes

* Mr. Atif Azeem resigned on May 07, 2019

27 CORRESPONDING FIGURES

Corresponding figures have been re-classified and re-arranged in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications have been made in these financial statements during the current year.

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**28 DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue by the Board of Directors of the Management Company on **August 19, 2019.**

29 GENERAL

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

A handwritten signature in black ink, appearing to be "Ali".

For AI-Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director