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NBP Fullerton
Asset Management Ltd.
A Subsidiary of
National Bank of Pakistan

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

ANNUAL REPORT 2015



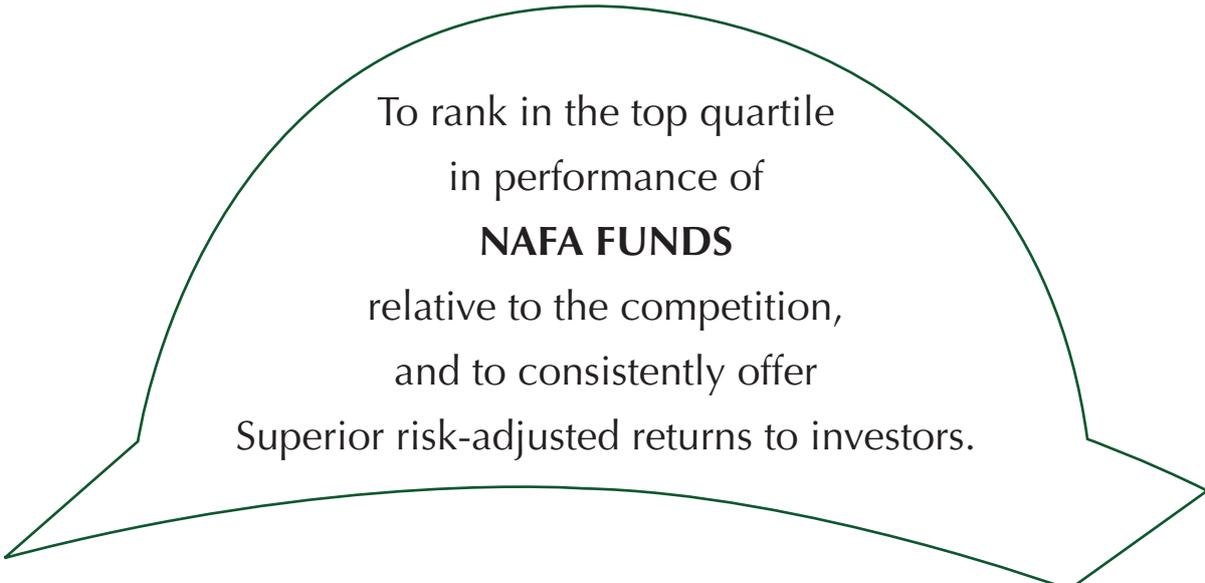
Your investments & "NAFA" grow together



**FULLERTON FUND
MANAGEMENT**

Joint - Venture Partners

MISSION STATEMENT



To rank in the top quartile
in performance of
NAFA FUNDS
relative to the competition,
and to consistently offer
Superior risk-adjusted returns to investors.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

FUND'S INFORMATION

Management Company

NBP Fullerton Asset Management Limited – Management Company

Board of Directors of the Management Company

Mr. Nausherwan Adil	Chairman
Dr. Amjad Waheed	Chief Executive Officer
Mr. Nigel Poh Cheng	Director
Mr. Koh Boon San	Director
Mr. Kamal Amir Chinoy	Director
Mr. Shehryar Faruque	Director
Mr. Aamir Sattar	Director
Mr. Abdul Hadi Palekar	Director

Company Secretary & CFO of the Management Company

Mr. Muhammad Murtaza Ali

Audit & Risk Committee

Mr. Shehryar Faruque	Chairman
Mr. Koh Boon San	Member
Mr. Aamir Sattar	Member

Human Resource and Remuneration Committee

Mr. Nausherwan Adil	Chairman
Mr. Nigel Poh Cheng	Member
Mr. Kamal Amir Chinoy	Member

Trustee

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

Bankers to the Fund

Bank Alfalah Limited
Habib Bank Limited
United Bank Limited
Meezan Bank Limited
Sindh Bank Limited

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

Auditors

A.F. Ferguson & Co. Chartered Accountants
State Life Building No. 1-C
I.I. Chundrigar Road,
P.O.Box 4716
Karachi.

Legal Advisor

M/s Jooma Law Associates
205, E.I. Lines, Dr. Daudpota Road,
Karachi.

Head Office:

7th Floor Clifton Diamond Building, Block No. 4,
Scheme No. 5, Clifton Karachi.
UAN: 111-111NFA (111-111-632),
(Toll Free): 0800-20001,
Fax: (021) 35825329
Website: www.nafafunds.com

Lahore Office:

7-Noon Avenue, Canal Bank,
Muslim Town, Lahore.
UAN: 042-111-111-632
Fax: 92-42-35861095

Islamabad Office:

Plot No. 395, 396
Industrial Area, I-9/3 Islamabad.
UAN: 051-111-111-632
Phone: 051-2514987
Fax: 051-4859031

Peshawar Office:

1st Floor, Haji Tehmas Centre,
Near KFC, Tehkal Payan
University Road, Peshawar.
Phone: 92-91-5711784, 5711782
Fax: 92-91-5211780

Multan Office:

NBP City Branch, Hussain-a-Gahi, Multan.
Phone No: 061-4502204
Fax No: 061-4502203

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Board of Directors



Mr. Nausherwan Adil
Chairman



Dr. Amjad Waheed, CFA
Chief Executive Officer



Mr. Kamal Amir Chinoy
Director



Mr. Koh Boon San
Director



Mr. Aamir Sattar
Director



Mr. Shehryar Faruque
Director



Mr. Nigel Poh Cheng
Director



Mr. Abdul Hadi Palekar
Director

Senior Management*



Dr. Amjad Waheed, CFA
Chief Executive Officer



Mr. M. Murtaza Ali
Chief Operating Officer
& Company Secretary



Mr. Sajjad Anwar, CFA
Chief Investment Officer



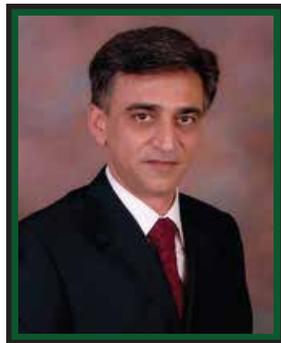
Mr. Zeeshan
Chief - Strategy &
Business Development



Mr. Khalid Mehmood
Chief Financial Officer



Mr. Samiuddin Ahmed
Country Head Corporate
Marketing



Mr. Ozair Khan
Chief Technology Officer



Mr. Muhammad Ali, CFA, FRM
Head of Fixed Income



Syed Suleman Akhtar CFA
Head of Research



Mr. Tahir Lateef
Head of Internal Audit



Mr. Ahmad Nouman CFA, PRM
Head of Risk Management



Mr. Asim Wahab Khan, CFA
Head of Equity

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

DIRECTORS' REPORT

The Board of Directors of NBP Fullerton Asset Management Limited is pleased to present the First Annual Report of **NAFA Islamic Principal Preservation Fund** for the period ended from January 7, 2015 to June 30, 2015.

The objective of NAFA Islamic Principal Preservation Fund is to earn a potentially high return through dynamic asset allocation between Shariah compliant equity related, and Sharia compliant income/ money market Collective Investment Schemes, while providing principal preservation.

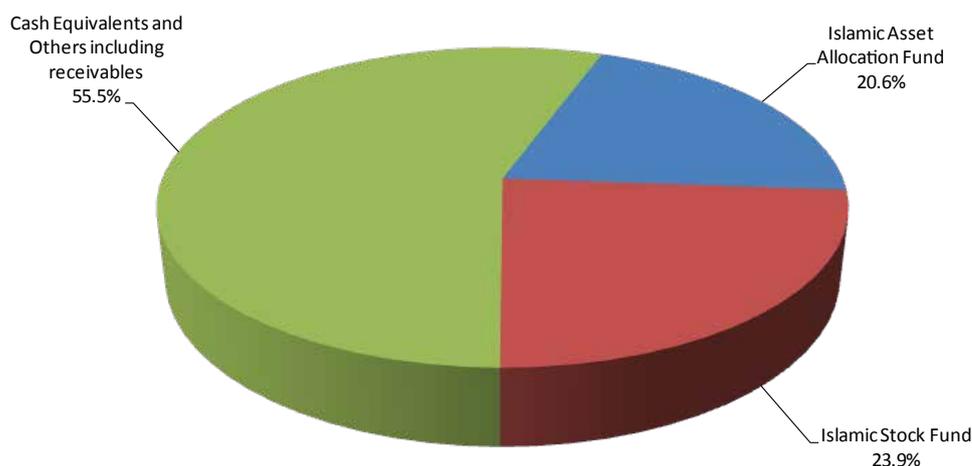
Fund's Performance

During FY2014-15, the benchmark KMI-30 Index soared by 20.10%. Despite a challenging political environment which led to heightened volatility in the market, FY15 was the 6th consecutive year of double digit returns. The KSE-100 Index witnessed bullish momentum driven by strengthening foreign exchange reserves amid successful ongoing IMF and Privatization programs; issuance of international sukuk bonds; steep fall in oil prices and inflation and resultant 300bps cut in SBP discount rate to 7.0%; and rating upgrades by international rating agencies. Mutual Funds and foreigners remained net buyers in the market on the back of strong macroeconomic outlook, attractive valuations, and improving security situation.

Trading activity in Sukuks remained skewed towards the high quality issues. Dearth of primary issuance versus elevated demand further depressed the yield on the high credit quality corporate bonds. During the period under review, the State Bank of Pakistan reduced the discount rate by 300 bps bringing it to a 42 year low of 7.0%. SBP highlighted i) improving external account position; ii) benign inflation reading and anchored inflation outlook; and iii) continued increase in foreign exchange reserves as the key drivers for the expansionary monetary policy decision during the year. Sovereign securities responded to the loose monetary policy period with yields on the short term and long term sovereign bonds declining sharply. All Sukuks in the Fund are floating rate linked to KIBOR with three to six month coupon resetting period.

Since inception of the Fund, the unit price of NAFA Islamic Principal Preservation Fund has increased from Rs.97.1473 (Ex-Div) on January 09, 2015 to Rs. 102.0712 (Ex-Div) on June 30, 2015, thus showing an increase of 5.07%. The Benchmark (Daily weighted return of KMI-30 index & Islamic Bank Deposits based on Funds's actual allocation) return during the same period was 4.41%. Thus, the Fund has outperformed its Benchmark by 0.66% during the period under review.

This performance is net of management fee and all other expenses. The size of NAFA Islamic Principal Preservation Fund is Rs.1,758 million as of June 30, 2015. The Fund has earned a total income of Rs.99.11 million during the year. After deducting total expenses of Rs.12.45 million, the net income is Rs.86.66 million. The asset allocation of the Fund as on June 30, 2015 is as follows:



NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

Income Distribution

The Board of Directors of the Management Company has approved cash dividend of 2.99% of the par value for the year.

Taxation

As the above cash dividend is more than 90% of the income earned during the period, excluding realized and unrealized capital gains on investments, the Fund is not subject to tax under Clause 99 of the Part I of the Second Schedule of the Income Tax Ordinance, 2001.

Auditors

The present auditors, Messrs A.F.Ferguson & Co., Chartered Accountants, retire and, being eligible, offer themselves for re-appointment for the year ending June 30, 2016.

Directors' Statement in Compliance with Code of Corporate Governance

1. The financial statements, prepared by the management company, present fairly the state of affairs of the Fund, the result of its operations, cash flows and statement of movement in unit holders' funds.
2. Proper books of account of the Fund have been maintained.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements.
5. The system of internal control is sound in design and has been effectively implemented and monitored.
6. There are no significant doubts upon the Fund's ability to continue as a going concern.
7. There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations.
8. A performance table/ key financial data is given in this annual report.
9. Outstanding statutory payments on account of taxes, duties, levies and charges, if any, have been fully disclosed in the financial statements.
10. The Board of Directors of the Management Company held three meetings during the period. The attendance of all directors is disclosed in the note 20 to these financial statements.
11. The detailed pattern of unit holding is disclosed in the note 19 to these financial statements.
12. All trades in the units of the Fund, carried out by directors, CEO, CFO, Company Secretary and their spouses and minor children are disclosed in note 17 to these financial statements.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and trust in the Management Company, and providing the opportunity to serve them. It also offers its sincere gratitude to the Securities & Exchange Commission of Pakistan and State Bank of Pakistan for their patronage and guidance.

The Board also wishes to place on record its appreciation for the hard work, dedication and commitment shown by the staff and the Trustee.

On behalf of the Board of
NBP Fullerton Asset Management Limited

Chief Executive

Director

Date: September 30, 2015

Place: Karachi.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

TRUSTEE REPORT TO THE UNIT HOLDERS NAFA ISLAMIC PRINCIPAL PRESERVATION 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 NAFA Islamic Principal Preservation Fund (the Fund) are of the opinion that NBP Fullerton Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the period from November 17, 2014 to June 30, 2015 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.

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

Karachi: October 13, 2015

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR THE PERIOD FROM JANUARY 07, 2015 TO JUNE 30, 2015

This statement is being presented by the Board of Directors of NBP Fullerton Asset Management Limited (Company), the Management Company of **NAFA Islamic Principal Preservation Fund** (the Fund) to comply with the Best Practices of Code of Corporate Governance (CCG) contained in Regulation No. 35, Chapter XI of Listing Regulations of Lahore 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.

NBP Fullerton Asset Management Limited, though an un-listed Public Limited Company complies with the CCG as the Fund under its management is listed on Lahore Stock Exchange.

The Company has applied the principles contained in the CCG in the following manner:

1. The Company encourages representation of independent non-executive directors on its Board of Directors. The Company, being an un-listed company, does not have any minority interest. As at June 30, 2015, the Board included:

Category	Names
Independent Directors	1. Mr. Kamal Amir Chinoy 2. Mr. Shehryar Faruque
Executive Directors	Dr. Amjad Waheed (Chief Executive Officer)
Non- Executive Directors	1. Mr. Nausherwan Adil (Chairman) 2. Mr. Aamir Sattar 3. Mr. Abdul Hadi Palekar 4. Mr. Nigel Poh Cheng 5. Mr. Koh Boon San

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

2. The directors have confirmed that none of them is serving as a director of more than seven listed companies, including this Company (excluding the listed subsidiaries of listed holding companies where applicable).
3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. One casual vacancy occurred on the board on February 17, 2015 which was filled up on the same date.
5. The Management Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

6. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Fund. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO have been taken by the Board. There is no other executive-director of the Company besides CEO.
8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. 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 on their duties and responsibilities the Code requires every listed company to conduct formal orientation for directors. As per the Code, by June 30, 2015 a minimum of three directors should have attended director training program. As at year end, three of the directors have attended the director's training program offered by Pakistan Institute of Corporate Governance. Other directors are also conversant with the relevant laws applicable to the Company, its policies and procedures and provisions of memorandum and articles of association and are aware of their duties and responsibilities.
10. There was no new appointment of the Chief Financial Officer (CFO), Company Secretary, or Head of Internal Audit during the year.
11. The Directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.
12. The financial statements of the Fund were duly endorsed by CEO and CFO before approval of the Board.
13. The Directors, CEO and executives do not hold any interest in the units of the Fund other than that disclosed in note 17 to the financial statements "Transactions with Connected Persons".
14. The Company has complied with all the corporate and financial reporting requirements of the CCG.
15. The Board has formed an Audit Committee. It comprises of three members, of whom all are non-executive directors and the chairman of the committee is an independent director.
16. The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the Fund and as required by the CCG. The committee has formed the terms of reference for compliance.
17. The Board has formed a Human Resource and Remuneration Committee. It comprises of three members. All the members are non-executive directors including an independent director and the chairman of the committee is a non-independent director.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

18. The Board has set up an effective internal audit function.
19. The statutory auditors of the Fund have confirmed that they have been given a satisfactory rating under the Quality Control Review Program of the Institute of Chartered Accountants of Pakistan (ICAP), that they or any of the partners of the firm, their spouses and minor children do not hold units of the Fund and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by ICAP.
20. 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.
21. Since there is no practical implication of closed period on the announcement of interim and final results of open end Fund. Therefore, there was no 'closed period' prior to the announcement of interim/final results.
22. Material / price sensitive information has been disseminated amongst all market participants at once through stock exchange.
23. We confirm that all other material principles contained in the CCG have been complied with. While the Code of Corporate Governance requires that a mechanism shall be put in place for the annual evaluation of the Board's own performance by April 2014, the Management Company has prepared a framework for this purpose and eventual approval by the Board of Directors of the Management Company will be obtained in forthcoming Board of Directors meeting, subsequent to year end.

For and behalf of the board

Karachi
September 30, 2015

Dr. Amjad Waheed
Chief Executive Officer

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

FUND MANAGER REPORT

NAFA Islamic Principal Preservation Fund

NAFA Islamic Principal Preservation Fund is a Shariah Compliant Capital Preservation Fund

Investment Objective of the Fund

The objective of NAFA Islamic Principal Preservation Fund is to earn a potentially high return through dynamic asset allocation between Shariah compliant equity related, and Sharia compliant income/ money market Collective Investment Schemes, while providing principal preservation.

Benchmark

The Benchmark of the Fund is Daily weighted return of KMI-30 index & Islamic Bank Deposits based on Funds's actual allocation..

Fund performance review

This is the first annual report of the Fund. Since inception of the Fund, the unit price of NAFA Islamic Principal Preservation Fund has increased from Rs.97.1473 (Ex-Div) on January 09, 2015 to Rs. 102.0712 (Ex-Div) on June 30, 2015, thus showing an increase of 5.07%. The Benchmark (Daily weighted return of KMI-30 index & Islamic Bank Deposits based on Funds's actual allocation) return during the same period was 4.41%. Thus, the Fund has outperformed its Benchmark by 0.66% during the period under review. This performance is net of management fee and all other expenses. The size of NAFA Islamic Principal Preservation Fund is Rs.1,758 million as of June 30, 2015.

The Fund has gradually built its position in risky asset and its current equity funds exposure stands at around 44.54%. The Fund can invest up to 100% in equity related funds.

During FY2014-15, the benchmark KMI-30 Index soared by 20.10%. Despite a challenging political environment which led to heightened volatility in the market, FY15 was the 6th consecutive year of double digit returns. The Market witnessed bullish momentum due to strengthening FX reserves, successful ongoing IMF and Privatization programs, issuance of international sukuk bonds, steep fall in inflation and resultant 300bps cut in SBP discount rate to 7.0% and rating upgrades by international rating agencies. Mutual Funds and foreigners remained net buyers in the market on the back of strong macroeconomic outlook and improvement in political and security situation.

Trading activity in Sukuks remains skewed towards the high quality issues. Dearth of primary issuance versus elevated demand kept the yield on the high credit quality corporate bonds depressed. During the period under review, the State Bank of Pakistan reduced the discount rate by 300 bps bringing it to a 42 year low of 7.0%. SBP highlighted i) improving external account position; ii) benign inflation reading and anchored inflation outlook; and iii) continued increase in foreign exchange as key drivers for the expansionary monetary policy decision during the year. Sovereign securities responded to the loose monetary policy period with yields on the short term and long term sovereign bonds declining sharply. All Sukuks in the Fund are floating rate linked to KIBOR with three to six month coupon resetting period.

Asset Allocation of the Fund (% of NAV)

Particulars	30-Jun-15
Islamic Asset Allocation Fund	20.59%
Islamic Stock Fund	23.95%
Cash Equivalents	58.78%
Other Net (Liabilities) / Assets	-3.32%
Total	100.00%

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

Distribution for the Financial Year 2015

Interim / Final	Dividend as a % of Par Value (Rs.100)	Cum Dividend Price Per Unit (Rs.)	Ex- Dividend Price Per Unit (Rs.)
Interim	2.77%	104.6583	101.8883
Final	0.2206%	102.2876	102.0670

Unit Holding Pattern of NAFA Islamic Principal Protection Fund-I as on June 30, 2015

Size of Unit Holding (Units)		No. of Unit Holders
1	1,000	107
1,001	5,000	307
5,001	10,000	164
10,001	50,000	147
50,001	100,000	23
100,001	500,000	28
500,001	1,000,000	4
1000,001	5,000,000	1
Total		781

During the period under question:

- There have been no significant changes in the state of affairs of the Fund
- The Management Company or its delegates did not receive any soft commission (i.e. goods and services) from its broker(s)/dealer(s) by virtue of transactions conducted by the Fund.

Workers' Welfare Fund (WWF)

The scheme has maintained provisions against Workers' Welfare Fund's liability to the tune of 1.768 million. If the same were not made, the NAV per unit/since inception return of scheme would have been higher by Rs 0.1028 / 0.11%. For details, investors are advised to read the Note 15 of the Financial Statements of the Scheme for the year ended June 30, 2015.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

STATEMENT OF COMPLIANCE WITH THE SHARIAH PRINCIPLES

NAFA Islamic Principal Preservation Fund (the Fund) has fully complied with the Shariah principles specified in the Trust Deed and in the guidelines issued by the Shariah Advisor for its operations, investments and placements made during the period from January 07, 2015 to June 30, 2015. This has been duly confirmed by the Shariah Advisor of the Fund.

For and behalf of the board

Dated : September 30, 2015
Karachi

Dr. Amjad Waheed, CFA
Chief Executive Officer

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

Report of the *Shar'iah* Advisor – NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

Sep 01, 2015/Ziqad 16, 1436

Alhamdulillah, the period from January 9, 2015 to June 30, 2015 was the first half-year of operations of NAFA Islamic Principal Preservation Fund (NIPPF). This report is being issued in accordance with clause 4.7.1 of the Offering Document of the Fund. The scope of the report is to express an opinion on the Shari'ah Compliance of the Fund's activity.

We have prescribed six criteria for Shari'ah compliance of equity investments which relate to (i) Nature of business, (ii) Debt to total assets, (iii) Investment in Shari'ah Non-Compliant activities (iv) Shari'ah Non-Income from Non-Compliant Investments, (v) Illiquid assets to total assets, and (vi) Net liquid assets per share vs. share price.

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 from 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 investment of NIPPF in light of the Shari'ah guidelines.
- ii. All the provisions of the scheme and investments made on account of NIPPF by NAFA are Shari'ah compliant.
- iii. On the basis of information provided by management, all the operations of NIPPF for the period ended June 30, 2015 have been in compliance with Shari'ah guidelines.

We also certify that nothing has come to our attention which causes to believe that the overall operations of NIPPF for the period ended June 30, 2015 are not in compliance with the Shari'ah principles.

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

For and on behalf of Meezan Bank Limited
Shar'iah Technical Services & Support Provider

Bilal Ahmed Qazi
Shar'iah Advisor

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

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

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of NBP Fullerton Asset Management Limited, the Management Company of **NAFA Islamic Principal Preservation Fund** (the Fund) for the period from January 07, 2015 to June 30, 2015 to comply with the Listing Regulation No.35 (Chapter XI) of the Lahore Stock Exchange where the Fund is listed.

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

As part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board's statement on internal control covers all risks and controls, or to form an opinion on the effectiveness of such internal controls, the Management Company's corporate governance procedures and risks.

The Code requires the Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval of the Fund's related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length prices and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention, which causes us to believe that the Statement of Compliance does not appropriately reflect the Management Company's compliance for and on behalf of the Fund, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the Fund for the period from January 07, 2015 to June 30, 2015.

Further, we highlight below the instances of non-compliance with the requirements of the Code as reflected in the paragraph references where these have been stated in the Statement of Compliance:

Paragraph reference	Description
21	No closed period was determined prior to the announcement of interim / final results.
23	The Management Company has not set up a mechanism for the annual evaluation of the Board's own performance.

A.F. Ferguson & Co.
Chartered Accountants
Dated: September 30, 2015
Karachi

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS *Report on the Financial Statements*

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **NAFA Islamic Principal Preservation Fund** (hereinafter referred to as the 'Fund'), which comprise the statement of assets and liabilities as at June 30, 2015, and the related income statement, statement of comprehensive income, distribution statement, statement of movement in unit holders' fund and cash flow statement for the period from January 07, 2015 to June 30, 2015 and a summary of significant accounting policies and other explanatory notes.

Management Company's responsibility for the financial statements

The Management Company (NBP Fullerton Asset Management Limited) of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with approved accounting 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.

Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 the 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 financial position of the Fund as at June 30, 2015 and of its financial performance, cash flows and transactions for the period from January 07, 2015 to June 30, 2015 in accordance with the approved accounting standards as applicable in Pakistan.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

A.F. Ferguson & Co. Chartered Accountants
Engagement Partner: **Noman Abbas Sheikh**
Dated: September 30, 2015
Karachi

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2015

	Note	As at June 30, 2015 Rupees in '000
ASSETS		
Balances with banks	4	986,966
Investments	5	783,135
Profit receivable	6	4,910
Preliminary expenses and floatation costs	7	1,819
Total assets		1,776,830
LIABILITIES		
Payable to NBP Fullerton Asset Management Limited - Management Company	8	10,496
Payable to the Central Depository Company of Pakistan Limited - Trustee	9	130
Payable to the Securities and Exchange Commission of Pakistan	10	806
Accrued expenses and other liabilities	11	7,080
Total liabilities		18,512
NET ASSETS		1,758,318
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		1,758,318
CONTINGENCIES AND COMMITMENTS	12	
		Number of units
NUMBER OF UNITS IN ISSUE	13	17,189,941
		Rupees
NET ASSET VALUE PER UNIT	3.12	102.2876

The annexed notes 1 to 27 form an integral part of these financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

INCOME STATEMENT FOR THE PERIOD FROM JANUARY 07, 2015 TO JUNE 30, 2015

	Note	For the period from January 07, 2015 to June 30, 2015 Rupees in '000
INCOME		
Capital loss on sale of investments - net		(1,726)
Profit on bank deposits		37,410
Dividend income		33,124
Income from back end load		1,228
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		31,442
Total income		101,478
EXPENSES		
Remuneration of NBP Fullerton Asset Management Limited - Management Company	8.1	5,973
Sindh Sales Tax on the Management Company's remuneration	8.2	1,039
Federal Excise Duty on the Management Company's remuneration	8.3	956
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	9.1	754
Annual fee - Securities and Exchange Commission of Pakistan	10.1	806
Amortisation of preliminary expenses and floatation costs	7	559
Auditors' remuneration	14	275
Legal and professional charges		125
Annual listing fee		20
Printing charges		96
Settlement and bank charges		77
Total expenses		10,680
Net income from operating activities		90,798
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - net		(2,373)
Net income for the period		88,425
Provision for Workers' Welfare Fund	15	(1,768)
Net income for the period before taxation		86,657
Taxation	16	-
Net income for the period after taxation		86,657
Earnings per unit	3.11	

The annexed notes 1 to 27 form an integral part of these financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM JANUARY 07, 2015 TO JUNE 30, 2015

	Note	For the period from January 07, 2015 to June 30, 2015 Rupees in '000
Net income for the period after taxation		86,657
Other comprehensive income for the period		-
Total comprehensive income for the period		<u><u>86,657</u></u>

The annexed notes 1 to 27 form an integral part of these financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

DISTRIBUTION STATEMENT FOR THE PERIOD FROM JANUARY 07, 2015 TO JUNE 30, 2015

	For the period from January 07, 2015 to June 30, 2015 Rupees in '000
Undistributed income at the beginning of the period	-
Net income for the period after taxation	86,657
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - net	(847)
Distribution made during the period	
- Rs 2.77 per unit declared on June 30, 2015	
- Cash distribution	(46,486)
Undistributed income carried forward	<u>39,324</u>
Undistributed income at the end of the period comprising of:	
Realised income	7,882
Unrealised income	<u>31,442</u>
	<u>39,324</u>

The annexed notes 1 to 27 form an integral part of these financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND FOR THE PERIOD FROM JANUARY 07, 2015 TO JUNE 30, 2015

	For the period from January 07, 2015 to June 30, 2015 Rupees in '000
Net assets at the beginning of the period	-
Issue of 18,376,281 units	1,838,535
Redemption of 1,186,340 units	(122,761)
	1,715,774
Element of (income) / loss and capital (gains) / losses included in the prices of units issued less those in units redeemed - net	
- transferred to income statement	2,373
- transferred to distribution statement	847
	3,220
Unrealised appreciation on re-measurement of investments classified as financial asset 'at fair value through profit or loss' - net	31,442
Capital loss on sale of investments - net	(1,726)
Other net income for the period	56,941
	86,657
Distribution made during the period	
- Rs 2.77 per unit declared on June 30, 2015	
- Cash distribution	(46,486)
Element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed - transferred to distribution statement	(847)
Net assets at the end of the period	<u>1,758,318</u>

The annexed notes 1 to 27 form an integral part of these financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

CASH FLOW STATEMENT FOR THE PERIOD FROM JANUARY 07, 2015 TO JUNE 30, 2015

For the period
from January 07,
2015 to June
30, 2015
Rupees in '000

CASH FLOWS FROM OPERATING ACTIVITIES

Net income for the period before taxation	86,657
Adjustments for:	
Profit on bank deposits	(37,410)
Dividend income	(33,124)
Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	(31,442)
Amortisation of preliminary expenses and floatation costs	559
Element of (income) / loss and capital (gains) / losses included in the prices of units issued less those in units redeemed - net	2,373
Provision for Workers' Welfare Fund	1,768
Federal excise duty on the remuneration of the Management Company	956
	(96,320)
Increase in assets	
Investments	(751,693)
Increase in liabilities	
Payable to NBP Fullerton Asset Management Limited - Management company	7,162
Payable to the Central Depository Company of Pakistan Limited - Trustee	130
Payable to the Securities and Exchange Commission of Pakistan	806
Accrued expenses and other liabilities	537
	8,635
Profit received on bank balances	32,500
Dividend received	33,124
Net cash used in operating activities	(687,097)

CASH FLOWS FROM FINANCING ACTIVITIES

Receipts from issue of units	1,796,824
Payments on redemption of units	(122,761)
Net cash generated from financing activities	1,674,063
Net increase in cash and cash equivalents during the period	986,966
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	986,966

The annexed notes 1 to 27 form an integral part of these financial statements.

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD FROM JANUARY 07, 2015 TO JUNE 30, 2015

1 LEGAL STATUS AND NATURE OF BUSINESS

NAFA Islamic Principal Preservation Fund (the Fund) was established under a Trust Deed executed between NBP Fullerton Asset Management Limited as Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on October 16, 2014 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on October 29, 2014 under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations)

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The principal office of the Management Company is situated at 7th Floor, Clifton, Diamond Building, Block No. 4, Scheme No. 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund is an open-ended mutual fund and is listed on the Lahore Stock Exchange. The units of the Fund are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorized as an Open-End "Sharia Compliant Fund of Funds" as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorization of Collective Investment Schemes (CIS).

The objective of NAFA Islamic Principal Preservation Fund is to earn a potentially high return through dynamic asset allocation between sharia compliant equity shares / equity related instruments and sharia compliant income / money market Collective Investment Schemes. Principal preservation means that the net realisable value of the Fund shall not fall below the initial investment value (adjusted for distributions / redemptions during the life of the Fund), provided that the units are held till the completion of the initial maturity of the Fund.

The Pakistan Credit Rating Agency (PACRA) has assigned an asset manager rating of AM2+ to the Management Company as at April 6, 2015. The Fund has not yet been rated.

Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as Trustee of the Fund.

- 1.1 The duration of the Fund is perpetual. The initial maturity of the Fund is two (2) years from the commencement of the life of the Fund. However, SECP or the Management Company may wind it up on the occurrence of certain events as specified in offering document of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. The approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the Securities and Exchange Commission of Pakistan (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 IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

2.2 Standards, interpretations and amendments to published approved accounting standards that are effective in current period

The following amendments to existing standards have been published and are mandatory for the Fund's accounting period beginning on or after July 1, 2014:

- Amendment to IAS 32, "Financial Instruments: Presentation" on offsetting financial assets and financial liabilities. This amendment clarifies that the right of set-off must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms. The amendment did not have significant effect on the financial statements of the Fund.
- IFRIC 21, "Levies", sets out the accounting for an obligation to pay a levy if that liability is within the scope of IAS 37 "Provisions." The interpretation addresses the obligating event that give rise to pay a levy and when a liability should be recognised. The Fund has incorporated the impact of this amendment in the financial statements.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

There are other amendments to the standards and new interpretations that are mandatory for accounting periods beginning on or after July 1, 2014 but are considered not to be relevant or do not have any significant effect on the Fund's financial statements and are, therefore, not detailed in these financial statements.

2.3 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

There are certain new and amended standards and interpretations to published approved accounting standards that are mandatory for accounting periods beginning on or after July 1, 2015 but are considered not to be relevant or do not have any significant effect on the Fund's financial statements and are therefore not detailed in these financial statements.

Further, the following new standards have been issued by the IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB effective date (annual periods beginning on or after)
IFRS 9 – Financial Instruments: Classification and Measurement	January 01, 2018
IFRS 14 – Regulatory Deferral Accounts	January 01, 2016
IFRS 15 – Revenue from Contracts with Customers	January 01, 2017

2.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the approved accounting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also require the management to exercise the judgment in application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgment or complexity, or areas where estimates and assumptions are significant to the financial statements relate to classification, impairment and valuation of investments (note 3.2 and 5).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments which have been carried at fair value.

2.6 Functional and presentation currency

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below:

3.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments with original maturities of three months or less.

3.2 Financial assets

3.2.1 Classification

The Fund classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables and available for sale. The classification depends on the purpose for which the financial assets were acquired. The management determines the classification of its financial assets at initial recognition and re-evaluates this classification on a regular basis.

a) Financial assets 'at fair value through profit or loss'

Financial assets that are acquired principally for the purpose of generating profits from short-term fluctuations in prices are classified as financial assets at fair value through profit or loss category. These include held for trading investments and such other investments that upon initial recognition are designated under this category.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

b) Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

c) Available for sale

Available for sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as (a) loans and receivables or (b) financial assets at fair value through profit or loss. These are intended to be held for an indefinite period of time which may be sold in response to the needs for liquidity or change in price.

3.2.2 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

3.2.3 Initial recognition and measurement

Financial assets 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 while the transaction costs are expensed in the income statement.

3.2.4 Subsequent measurement

a) Financial assets at fair value through profit or loss and available for sale

Subsequent to initial recognition, financial assets designated by the management as "at fair value through profit or loss" and "available for sale" are valued as follows:

- Basis of valuation of units of mutual funds

The investment of the Fund in the units of mutual funds is valued by reference to the net asset values (redemption prices) declared by the respective funds.

Net gains and losses arising from changes in the fair value and on sale of financial assets carried at fair value through profit or loss are taken to the income statement.

Net gains and losses arising from changes in fair value of available for sale financial assets are taken to other comprehensive income until these are derecognised or impaired. At this time, the cumulative gain or loss previously recognised in other comprehensive income is shown as part of net income for the period.

b) Loans and receivables

Subsequent to initial recognition financial assets classified as loans and receivables are carried at amortised cost using the effective interest method.

Gains or losses are recognised in the income statement when the financial assets carried at amortised cost are derecognised or impaired.

3.2.5 Impairment of financial assets

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

In case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of an equity security below its cost is considered as an objective evidence of impairment. In case of impairment of available for sale securities, the cumulative loss previously recognised in other comprehensive income is removed therefrom and transferred to the income statement.

For certain other financial assets, a provision for impairment is established when there is an objective evidence that the Fund will not be able to collect all amounts due according to the original terms. The provision against these amounts is made as per the provisioning policy duly formulated and approved by the Board of Directors of the Management Company in accordance with the requirements of the Securities and Exchange Commission of Pakistan.

3.2.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred or the Fund has transferred substantially all risks and rewards of ownership.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

3.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

3.4 Offsetting of financial assets and liabilities

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

3.5 Taxation

Current

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the period, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders.

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.

Deferred

The Fund provides for deferred taxation using the balance sheet liability method on all major temporary differences between the amounts used for financial reporting purposes and amounts used for taxation purposes. In addition, the Fund also records deferred tax asset on unutilised tax losses to the extent that it is probable that the related tax benefit will be realised. However, the Fund has not recognised any amount in respect of deferred tax in these financial statements as the Fund intends to avail the tax exemption in future years by distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders.

3.6 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are being amortised over a period of two years in accordance with the requirements set out in the Trust Deed of the Fund and the NBFC Regulations.

3.7 Provision

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

3.8 Proposed distribution

Distributions declared subsequent to the balance sheet date are considered as non-adjusting events and are recognised in the financial statements in the period in which such distributions are declared.

3.9 Issue 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 day. 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. Sales load collected, if any, is payable to the Management Company.

Units redeemed are recorded at the redemption price, as per the constitutive documents, applicable to units for which the distributors receive redemption requests during business hours of that day. The redemption price represents daily Net Asset Value (NAV) announced as of the close of the dealing day less any back end load, provisions for transaction costs and any provision for duties and charges, if applicable.

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

An equalisation account called the 'element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed' (the 'element') is created in order to prevent the dilution of per unit income and distribution of income already paid out on redemption. The element is determined based on the income / (loss) incurred during the period including income / (loss) arising as a result of unrealised appreciation / (diminution) on available for sale securities.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

	Note	As at June 30, 2015 Rupees in '000
5.2 Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		
Market value of investments	5.1	783,135
Less: carrying value of investments		<u>751,693</u>
		<u>31,442</u>
6 PROFIT RECEIVABLE		
Profit accrued on bank deposits		<u>4,910</u>
7 PRELIMINARY EXPENSES AND FLOATATION COSTS		
Preliminary expenses and floatation costs incurred	7.1	2,378
Less: amortisation during the period		<u>(559)</u>
Closing balance		<u>1,819</u>
7.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund and are being amortised over a period of two years commencing from January 09, 2015 as per the requirements set out in the Trust Deed of the Fund.		
	Note	As at June 30, 2015 Rupees in '000
8 PAYABLE TO NBP FULLERTON ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY		
Remuneration of the Management Company	8.1	1,005
Sindh Sales Tax on the Management Company's remuneration	8.2	175
Federal Excise Duty on the remuneration of the Management Company	8.3	956
Sales load payable		5,942
Preliminary expenses and floatation costs payable		2,378
Other payable		40
		<u>10,496</u>

8.1 Under the provisions of the NBFC Regulations, the Management Company of the Fund is entitled to a remuneration during the first two years of the Fund of an amount not exceeding three percent of the average annual net assets of the Fund and thereafter of an amount equal to two percent of such assets of the Fund. Currently, the Management Company has charged its remuneration at the rate of 1.25% per annum.

8.2 The Provincial Government of Sindh has levied Sindh sales tax at the rate of 15% on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

8.3 As per the requirements of The Finance Act, 2013 Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective June 13, 2013. The Management Company is of the view that since the remuneration is already subject to provincial sales tax as explained in note 8.2, further levy of FED may result in double taxation, which does not appear to be the spirit of the law.

The matter has been collectively taken up by the Management Company jointly with other Asset Management Companies together with their respective Collective Investment Schemes, through their trustees, through a Constitutional Petition filed in the Honourable Sindh High Court (SHC) during September 2013 challenging the levy of FED. In this respect, the SHC has issued a stay order against the recovery of FED and the hearing of the petition is still pending.

Pending decision of the SHC, the Fund is not making payments for FED. However, the Fund, as a matter of abundant caution, has made full provision in respect of FED amounting to Rs 0.956 million. Had the provision not been made the net asset value per unit of the Fund as at June 30, 2015 would have been higher by Re 0.0555 per unit.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

	Note	As at June 30, 2015 Rupees in '000
9 PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN - TRUSTEE	9.1	<u>130</u>
9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets of the Fund. The remuneration is paid to the Trustee monthly in arrears. Based on the Trust Deed, the tariff structure applicable to the Fund during the period ended June 30, 2015 is as follows:		
Net Assets	Tariff per annum	
Upto Rs 1,000 million	0.10% p.a. of the net assets	
On an amount exceeding Rs 1,000 million	Rs1.0 million plus 0.075% p.a. of the net assets, exceeding Rs 1,000 million	
	Note	As at June 30, 2015 Rupees in '000
10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		
Annual fee	10.1	806
Under the provisions of the NBFC Regulations, a collective investment scheme categorised as Shariah Compliant Capital Protected scheme is required to pay an annual fee to SECP. During the period the Fund has paid an amount equal to 0.095 percent of average annual net assets of the Fund.		
	Note	As at June 30, 2015 Rupees in '000
11 ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration payable		275
Provision for Workers' Welfare Fund	15	1,768
Printing charges		97
Withholding tax and capital gain tax on dividend		4,815
Legal fee		<u>125</u>
		<u>7,080</u>
12 CONTINGENCIES AND COMMITMENTS		
There were no contingencies and commitments outstanding as at June 30, 2015.		
13 NUMBER OF UNITS IN ISSUE		June 30, 2015
Total units in issue at the beginning of the period		-
Add: units issued during the period		18,376,281
Less: Redemption during the period		<u>1,186,340</u>
Total units in issue as at June 30, 2015		<u>17,189,941</u>
		For the period from January 07, 2015 to June 30, 2015 Rupees in '000
14 AUDITORS' REMUNERATION		
Annual audit fee and other certification		226
Out of pocket expenses		<u>49</u>
		<u>275</u>

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

15 PROVISION FOR WORKERS' WELFARE FUND

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

During the year ended June 30, 2011, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However, on December 14, 2010, the Ministry filed its response against the constitutional petition requesting the Court to dismiss the petition. According to the legal counsel who is handling the case there is a contradiction between the aforementioned clarification issued by the Ministry and the response filed by the Ministry in the Court.

During the year ended June 30, 2012, the Honourable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008, had declared the said amendments as unlawful and unconstitutional. In March 2013, a larger bench of the Honourable Sindh High Court (SHC) passed an order declaring that the amendments introduced in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008 do not suffer from any constitutional or legal infirmity. However, the Honourable High Court of Sindh has not addressed the other amendments made in the WWF Ordinance, 1971 about the applicability of WWF to the CISs which is still pending before the Court.

In a judgment of May 2014, the Honourable Peshawar High Court (PHC) had also held these amendments to be ultra vires as they lacked the essential mandate to be introduced and passed through the Money Bill under the Constitution.

Without prejudice to the above, the Management Company, as a matter of abundant caution, has decided to make the provision for WWF amounting to Rs 1.768 million in these financial statements. Had the same not been made the net asset value per unit of the Fund as at June 30, 2015 would have been higher by Re 0.1028 per unit.

- 15.1 The Finance Act, 2015 has excluded Mutual Funds and Collective Investment Schemes from the definition of 'Industrial establishment' subject to WWF under WWF Ordinance, 1971. The provision made till June 30, 2015 has not been reversed as the above petition is still pending in the SHC. This amendment is however applicable prospectively i.e. from tax year 2016.

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 ninety percent of its accounting income for the period, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders. The Fund has not recorded a tax liability in respect of income relating to the current period as the Management company has distributed the required minimum percentage of the Fund's accounting income for the period as reduced by capital gains (whether realised or unrealised) to its unit holders subsequent to the period end.

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

17 TRANSACTIONS WITH CONNECTED PERSONS

- 17.1 Connected persons include NBP Fullerton Asset Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, National Bank of Pakistan and Alexandra Fund Management Pte. Limited being the sponsors, other collective investment schemes managed by the Management Company and directors and the officers of the Management Company. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.
- 17.2 The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.
- 17.3 Remuneration of the Management Company is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

	For the period from January 07, 2015 to June 30, 2015 Rupees in '000
17.4 Details of the transactions with connected persons are as follows:	
NBP Fullerton Asset Management Limited - Management Company	
Remuneration for the period	5,973
Sindh Sales Tax on remuneration of the Management Company	1,039
Federal Excise Duty on remuneration of the Management Company	956
Preliminary expenses and floatation costs incurred	2,378
Listing fee	20
Initial deposit on opening of bank accounts	20
Sales load paid during the period	32,257
Investment in NAFA Islamic Stock Fund	
Units purchased (59,577,235 units)	599,017
Units sold (21,372,343 units)	210,808
Cash distribution for the period	4,386
Investment in NAFA Islamic Asset Allocation Fund	
Units purchased (42,050,355 units)	671,748
Units sold (19,408,465 units)	306,538
Cash distribution for the period	28,738
Employees of the Management Company	
Units issued (11,551 units)	1,155
Units redeemed (10,000 units)	1,028
Cash distribution during the period	4
Central Depository Company of Pakistan Limited - Trustee	
Remuneration	754
	As at June 30, 2015 Rupees in '000
17.5 Amounts / balances outstanding as at period end	
NBP Fullerton Asset Management Limited - Management Company	
Management remuneration payable	1,005
Sales tax payable	175
FED payable	956
Sales load payable to the Management Company	5,942
Preliminary expenses and floatation costs	2,378
Other payable	40
Central Depository Company of Pakistan Limited - Trustee	
Remuneration payable	130
Employees of the Management Company	
Units held: 1,551 units	159
NAFA Islamic Stock Fund	
Investment in 38,204,892 units	421,071
NAFA Islamic Asset Allocation Fund	
Investment in 22,641,889 units	362,064

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

18 PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

Details of the members of the investment committee of the Fund are as follows:

-----2015-----			
S.No.	Name	Qualification	Experience in years
1	Dr. Amjad Waheed	MBA / Doctorate in Business Administration / CFA	27
2	Mr. Sajjad Anwar*	CFA / MBA Finance	15
3	Mr. Syed Suleman Akhtar	CFA / MBA Finance	15
4	Mr. Asim Wahab Khan	CFA	9
5	Mr. Muhammad Ali Bhabha	CFA / FRM	20
6	Mr. Muhammad Imran	CFA / ACCA	9

*Mr. Sajjad Anwar is the manager of the Fund. He is also the fund manager of NAFA Islamic Principal Protected Fund I, II and NAFA Islamic Stock Fund.

19 PATTERN OF UNIT HOLDING

As at June 30, 2015

Category	Number of unit holders	Investment amount	Percentage of investment
Rupees in '000			
Individuals	717	853,939	48.57%
Bank / DFI	1	3,068	0.17%
Associated Companies and Directors	1	200,377	11.40%
Retirement Funds	45	529,963	30.14%
Other Corporate	17	170,971	9.72%
	781	1,758,318	100.00%

20 ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS THE MANAGEMENT COMPANY

The 48th, 49th, 50th, 51st, 52nd and 53rd Board of Directors meetings were held on September 16, 2014, October 30, 2014, February 17, 2015, April 21, 2015, June 29, 2015 and June 30, 2015, respectively. Information in respect of attendance by directors in the meetings is given below:

Name of Director	Number of Meetings			Meetings not attended
	Held	Attended	Leave granted	
Mr. Nausherwan Adil	6	3	3	50th, 52nd & 53rd
Mr. Aamir Sattar	6	5	1	51st
Mr. Abdul Hadi Palekar	6	5	1	49th
Mr. Wah Geok Sum*	3	-	3	48th, 49th & 50th
Mr. Koh Boon San	6	4	2	52nd & 53rd
Mr. Nigel Poh Cheng**	2	2	-	-
Mr. Shehryar Faruque	6	5	1	52nd
Mr. Kamal Amir Chinoy	6	4	2	50th, 51st
Dr. Amjad Waheed	6	6	-	-

* Mr. Wah Geok Sum retired from the Board with effect from February 17, 2015

** Mr. Nigel Poh Cheng was appointed on the Board with effect from February 17, 2015

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

21 FINANCIAL INSTRUMENTS BY CATEGORY

-----June 30, 2015-----

Particulars	Loans and receivables	Financial assets at fair value through profit or loss	Total
-----Rupees in '000-----			
Financial assets			
Balances with banks	986,966	-	986,966
Investments	-	783,135	783,135
Profit receivable	4,910	-	4,910
	991,876	783,135	1,775,011

-----June 30, 2015-----

Particulars	At fair value through profit or loss	Other financial liabilities at amortised cost	Total
-----Rupees in '000-----			
Financial liabilities			
Payable to NBP Fullerton Asset Management Limited - Management Company	-	10,496	10,496
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	130	130
	-	497	497
Accrued expenses and other liabilities	-	11,123	11,123
	-	11,123	11,123

22 FINANCIAL RISK MANAGEMENT

The Fund's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

22.1 Market risk

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

The Management Company manages the market risk by monitoring exposure on marketable securities by following internal risk management policies and investment guidelines approved by the investment committee and the regulations laid down by the Securities and Exchange Commission of Pakistan.

Market risk comprises of three types of risk: currency risk, profit rate risk and other price risk.

22.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. As at June 30, 2015, the Fund is not exposed to currency risk as all the transactions are carried out in Pakistani Rupees.

22.1.2 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market rates. The Fund is mainly exposed to profit rate risk on balances held with banks.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund does not hold any variable rate instrument except for balances in saving accounts. These bank account's carry profit at rates ranging from 4.5% to 10.25%.

b) Sensitivity analysis for fixed rate instruments

Presently, the Fund does not hold any fixed rate instrument that exposes the Fund to any material profit rate risk.

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

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

----- As at June 30, 2015 -----

Yield / Interest rate	Total	Exposed to yield/interest rate risk			Not exposed to Yield / Interest rate risk
		Upto three months	More than three months and upto one year	More than one year	

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

On-balance sheet financial instruments

Financial assets

Balances with banks	4.5 - 10.25	986,966	986,966	-	-	-
Investments		783,135	-	-	-	783,135
Profit receivable		4,910	-	-	-	4,910
		1,775,011	986,966	-	-	788,045

Financial liabilities

Payable to NBP Fullerton Asset Management Limited - Management Company		10,496	-	-	-	10,496
Payable to the Central Depository Company of Pakistan Limited - Trustee		130	-	-	-	130
Accrued expenses and other liabilities		497	-	-	-	497
		11,123	-	-	-	11,123

On-balance sheet gap (a)

		1,763,888	986,966	-	-	776,922
--	--	-----------	---------	---	---	---------

Off-balance sheet financial instruments

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

Off-balance sheet gap (b)

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

Total profit rate sensitivity gap (a+b)

		1,763,888	986,966	-	-	776,922
--	--	-----------	---------	---	---	---------

Cumulative profit rate sensitivity gap

		986,966	986,966	986,966
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22.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Presently, the Fund is exposed to price risk due to its investment in the units of mutual funds. In case of 5% increase / (decrease) in the Net Asset Value per unit of the fund i.e. NAFA Islamic Stock Fund and NAFA Islamic Asset Allocation Fund, the net income of the Fund for the period would increase / (decrease) by Rs 39.157 million and net assets of the Fund would increase / (decrease) by the same amount as a result of gains / (losses) on these securities at 'fair value through profit and loss'.

22.2 Credit risk

Credit risk represents the risk of a loss if counter parties fail to perform as contracted. The Fund's credit risk mainly arises from deposits with banks and financial institutions and investment made in the units of the mutual fund. For banks and financial institutions and investments made in the units of mutual fund, only reputed parties are accepted. All transactions in listed securities are settled / paid for upon delivery using the central clearing company. The risk of default is considered minimal due to inherent systematic measures taken therein.

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

The analysis below summarizes the credit rating quality of the Fund's financial assets as at June 30, 2015.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

22.2.1 Credit quality of the Fund's financial assets

Name of the Bank	Rating Agency	Latest available published rating	Percentage of Bank Balance
Banks			
Habib Bank Limited	JCR-VIS	AAA	0.02%
UBL Bank Limited	JCR-VIS	AA+	99.73%
Bank Alfalah Limited	PACRA	AA	0.15%
Meezan Bank Limited	JCR-VIS	AA	0.10%
Sindh Bank Limited*	JCR-VIS	AA	-

* Nil value due to rounding off difference.

Investments

NAFA Islamic Asset Allocation Fund	PACRA	4- STAR	46.00%
NAFA Islamic Stock Fund	PACRA	-	54.00%

22.2.2 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. Out of the total financial assets of Rs 1,775,011 thousands, financial assets of Rs 783,135 thousand are invested in the units of two mutual fund which are managed by the Management Company. The Fund has also kept its major bank balance with United Bank Limited amounting to Rs 984.313 million. The management believes that the underlying assets are held with trustworthy counter parties and therefore do not expose the Fund to any risk of loss.

22.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on the terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily cash redemptions, if any. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. The Fund's policy is therefore to invest the majority of its assets in investments that can be readily realised. The Fund's investments are considered readily realisable.

In order to manage the Fund's overall liquidity, the Fund may withhold daily redemption requests in excess of ten percent of units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the period.

The table below indicates the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

-----June 30, 2015-----

Particulars	Loans and receivables	Financial assets at fair value through profit or loss	Available for sale	Total
-------------	-----------------------	---	--------------------	-------

-----Rupees in '000-----

Financial liabilities

Payable to NBP Fullerton Asset Management Limited - Management Company	10,496	10,496	-	-
Payable to the Central Depository Company of Pakistan Limited - Trustee	130	130	-	-
Accrued expenses and other liabilities	497	497	-	-
	<u>11,123</u>	<u>11,123</u>	<u>-</u>	<u>-</u>

23 UNIT HOLDERS' FUND RISK MANAGEMENT

The Unit Holders' Fund is represented by redeemable units. These units are entitled to distributions and to payment of a proportionate share, based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit holders' Fund'.

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

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 maintained and complied with the requirement of minimum fund size during the current period.

In accordance with the risk management policies stated in note 22, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

The Fund provides preservation of principal to the unit holders' through its investment methodology (Constant Proportion Portfolio Insurance 'CPPI' methodology) and the investment structure of the Fund and not through an undertaking by the Management Company, the Trustee or the SECP.

24 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the fair value estimates.

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

Financial assets which are 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 values as the items are either short term in nature or periodically repriced.

International Financial Reporting Standard 7, 'Financial Instruments : Disclosure' - 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:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, whether directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2) ; and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3)

Investments carried at fair value are categorised as follows:

	-----As at June 30, 2015-----			
	Level 1	Level 2	Level 3	Total
	------(Rupees in '000)-----			
ASSETS				
Financial assets at fair value through profit or loss				
- Investment in units of mutual fund	783,135	-	-	783,135

25 NON-ADJUSTING EVENT AFTER JUNE 30, 2015

The Board of Directors of the Management Company in their meeting held on July 14, 2015 approved a final cash distribution of Rs 3.759 million (Re 0.2206 per unit) for the period ended June 30, 2015. The financial statements of the Fund for the period ended June 30, 2015 do not include the effect of the final distribution which will be accounted for in the financial statements of the Fund for the year ending June 30, 2016.

26 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on September 30, 2015.

27 GENERAL

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

For NBP Fullerton Asset Management Limited
(Management Company)

Chief Executive

Director

NAFA ISLAMIC PRINCIPAL PRESERVATION FUND

PERFORMANCE TABLE

Particulars	For the the period from January 07, 2015 to June 30, 2015
Net assets at the year / period ended (Rs '000)	1,758,318
Net income for the year / period ended (Rs '000)	86,657
Net Asset Value per unit at the year / period ended (Rs)	102.2876
Offer Price per unit	-
Redemption Price per unit	102.2876
Highest offer price per unit (Rs)	97.1473
Lowest offer price per unit (Rs)	97.1473
Highest redemption price per unit (Rs)	102.6855
Lowest redemption price per unit (Rs)	94.9649
Opening Nav of Fiscal Year	97.1473
Total return of the fund	5.07%
Capital growth	1.99%
Income distribution as a % of e x nav	3.08%
Income distribution as a % of par value	2.99%
Distribution	
Interim distribution per unit	2.7700
Final distribution per unit	0.2206
Distrubution Dates	
Interim	30-Jun-15
Final	14-Jul-15
Average annual return of the fund (launch date January 09, 2015)	
(Since inception to June 30, 2015)	5.10%
Portfolio Composition (Please see Fund Manager Report)	
<i>Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up</i>	



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