



Al Meezan
Investment Management Ltd.

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 Exchange (PMEX).



OUR ECONOMY
WAS LABELLED AS
"STABLE"
BY
MOODY'S ANALYTICS



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. Muhammad Abdullah Ahmed	Nominee Director - MBL
Mr. Moin M. Fudda	Nominee Director - MBL
Mr. Furquan R Kidwai	Independent Director
Mr. Mubashar Maqbool	Nominee Director - PKIC
Mr. Tariq Mairaj	Nominee Director - MBL
Mr. Naeem Sattar	Nominee Director - PKIC
Mr. Feroz Rizvi	Independent Director
Ms. Danish Zuberi	Independent Director
Mr. Mohammad Shoaib, CFA	Chief Executive Officer

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Salman Muslim

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Shahid Ojha

AUDIT COMMITTEE

Mr. Feroz Rizvi	Chairman
Mr. Tariq Mairaj	Member
Mr. Naeem Sattar	Member

RISK MANAGEMENT COMMITTEE

Mr. Mubashar Maqbool	Chairman
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Ariful Islam	Chairman
Mr. Mubashar Maqbool	Member
Mr. Moin M. Fudda	Member
Mr. Furquan R. Kidwai	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
Faysal Bank Limited
Sindh Bank Limited
UBL Ameen - Islamic Banking
Dubai Islamic Bank Limited
Meezan Bank Limited

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-
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TRANSFER AGENT

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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

DISTRIBUTORS

Al Meezan Investment Management Limited
Meezan Bank Limited

MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2022



Meezan
Gold Fund

		March 31, 2022 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
	Note		
Assets			
Balances with banks	5	121,477	99,260
Investment in gold	6	491,947	396,272
Receivable against conversion of units		-	616
Advance and other receivables		2,105	2,321
Total assets		615,529	498,469
Liabilities			
Payable to Al Meezan Investment Management Limited - Management Company	7	910	1,091
Payable to Central Depository Company of Pakistan Limited - Trustee		101	79
Payable to the Securities and Exchange Commission of Pakistan		82	101
Payable against conversion and redemption of units		2	18
Accrued expenses and other liabilities	8	2,921	9,650
Total liabilities		4,016	10,939
Net assets		611,513	487,530
Contingencies and commitments	11		
Unit holders' fund (as per statement attached)		611,513	487,530
		(Number of units)	
Number of units in issue		6,111,171	5,829,208
		(Rupees)	
Net asset value per unit		100.0647	83.6357

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN GOLD FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2022

		Nine months period ended, March 31,		Quarter ended, March 31,	
		2022	2021	2022	2021
	Note	(Rupees in '000)		(Rupees in '000)	
Income					
Profit on saving accounts with banks		4,950	3,723	2,712	578
Price adjustment charges	10	4,662	4,127	1,364	3,031
		9,612	7,850	4,076	3,609
Unrealised appreciation / (diminution) on re-measurement of investment in gold	6.1	95,674	(7,801)	35,113	(41,539)
Total income / (loss)		105,286	49	39,189	(37,930)
Expenses					
Remuneration of Al Meezan Investment Management Limited					
- Management Company	7.1	4,095	3,818	1,512	1,184
Sindh Sales Tax on remuneration of the Management Company		532	496	196	154
Allocated expenses	7.2	450	385	166	122
Selling and marketing expenses	7.3	1,638	1,527	605	474
Remuneration of Central Depository Company of Pakistan Limited - Trustee		696	649	257	201
Sindh Sales Tax on remuneration of the Trustee		91	84	34	26
Annual fee to the Securities and Exchange Commission of Pakistan		82	76	30	23
Auditors' remuneration		232	241	44	53
Legal and professional charges		184	55	-	55
Fees and subscription		269	302	79	94
Bank and settlement charges		7	6	-	6
Custodian expense		3,257	3,135	1,150	991
(Reversal of provision) / provision for Sindh Workers' Welfare Fund (SWWF)	8.1	(5,067)	-	-	(612)
Total expenses		6,466	10,774	4,073	2,771
Net income / (loss) for the period before taxation		98,820	(10,725)	35,116	(40,701)
Taxation	13	-	-	-	-
Net income / (loss) for the period after taxation		98,820	(10,725)	35,116	(40,701)
Allocation of net income for the period					
Net income for the period after taxation		98,820	-		
Income already paid on units redeemed		(9,649)	-		
		89,171	-		
Accounting income available for distribution					
- Relating to capital gains		89,171	-		
- Excluding capital gains		-	-		
		89,171	-		

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2022



Meezan
Gold Fund

	Nine months period March 31,		Quarter ended, March 31,	
	2022 (Rupees in '000)	2021 (Rupees in '000)	2022 (Rupees in '000)	2021 (Rupees in '000)
Net income / (loss) for the period after taxation	98,820	(10,725)	35,116	(40,701)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>98,820</u>	<u>(10,725)</u>	<u>35,116</u>	<u>(40,701)</u>

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN GOLD FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Nine months period ended March 31, 2022			Nine months period ended March 31, 2021		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	------(Rupees in '000)-----			------(Rupees in '000)-----		
Net assets at the beginning of the period	367,432	120,098	487,530	429,142	118,804	547,946
Issue of 2,717,545 (March 31, 2021: 2,050,755 units)						
- Capital value (at net asset value per unit at the beginning of the period)	227,491	-	227,491	172,638	-	172,638
- Element of income	19,323	-	19,323	3,407	-	3,407
Total proceeds on issuance of units	246,814	-	246,814	176,045	-	176,045
Redemption of 2,435,582 (March 31, 2021: 2,882,325 units)						
- Capital value (at net asset value per unit at the beginning of the period)	203,909	-	203,909	242,642	-	242,642
- Element of loss	8,093	9,649	17,742	1,199	7,001	8,200
Total payments on redemption of units	212,002	9,649	221,651	243,841	7,001	250,842
Total comprehensive income for the period	-	98,820	98,820	-	(10,725)	(10,725)
Distribution during the period	-	-	-	-	-	-
Net income / (loss) for the period less distribution	-	98,820	98,820	-	(10,725)	(10,725)
Net assets at the end of the period	402,244	209,269	611,513	361,346	101,078	462,424
Undistributed income brought forward						
- Realised income		114,051			40,133	
- Unrealised income		6,047			78,671	
		120,098			118,804	
Accounting income available for distribution						
- Relating to capital gains		89,171			-	
- Excluding capital gains		-			-	
		89,171			-	
Net loss for the period after taxation		-			(10,725)	
Undistributed income carried forward		209,269			108,079	
Undistributed income carried forward						
- Realised income		113,595			115,880	
- Unrealised income		95,674			(7,801)	
		209,269			108,079	
		(Rupees)			(Rupees)	
Net asset value per unit at the beginning of the period		83.6357			84.1829	
Net asset value per unit at the end of the period		100.0647			81.4498	

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

For Al Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN GOLD FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022



Meezan
Gold Fund

	Nine months period ended, March 31,	
	2022	2021
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the period before taxation	98,820	(10,725)
Adjustments for:		
Unrealised (appreciation) / diminution on re-measurement of investment in gold	6.1 (95,674)	7,801
	3,146	(2,924)
Decrease in assets		
Advance and other receivables	216	7,389
(Decrease) / Increase in liabilities		
Payable to AI Meezan Investment Management Limited		
- Management Company	(181)	(346)
Payable to Central Depository Company of Pakistan Limited - Trustee	22	(25)
Payable to the Securities and Exchange Commission of Pakistan	(19)	(23)
Accrued expenses and other liabilities	(6,730)	925
	(6,908)	531
Net cash (used in) / generated from operating activities	(3,546)	4,996
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	247,430	175,914
Payment against conversion and redemption of units	(221,667)	(250,652)
Net cash generated from / (used in) financing activities	25,763	(74,738)
Net increase / (decrease) in cash and cash equivalents during the period	22,217	(69,742)
Cash and cash equivalents at the beginning of the period	99,260	157,431
Cash and cash equivalents at the end of the period	5 121,477	87,689

The annexed notes 1 to 16 form an integral part of these condensed interim financial statements.

For AI Meezan Investment Management Limited
(Management Company)

Chief Executive

Chief Financial Officer

Director

MEEZAN GOLD FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Meezan Gold Fund is an open ended mutual fund constituted under a Trust Deed executed under the Trust Act, 1882 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 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.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Consequently, the Fund is now required to be registered under the Sindh Trust Act. Accordingly, on September 3, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

- 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 are in accordance with the Shariah as advised by the Shariah Advisor. The investments in Gold contracts listed at the Commodity Exchange are subject to the PMEX Regulations. 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 more fully 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. The Fund has received significant inflows during the period which has resulted in continuous reduction in invested percentage of the Fund. The supply of physical gold has still remained restricted and, as a result, the Fund was not able to invest in physical gold through PMEX. Therefore, In order to protect the interests of existing unit holders, the Management Company in accordance with clause 4.13.2 of the Offering Document and clause 13.5.1 of the Trust Deed of the Fund, suspended "fresh issuance" of units of the Fund effective from Feb 01, 2022 till further notice. However, redemptions and conversions from the Fund shall continue to be honoured.
- 1.4** The Management Company has been assigned a Asset Manager Quality rating of AM1 by VIS Credit Rating Company Limited dated December 27, 2021 (2021: AM1 dated December 31, 2020) and by PACRA dated June 23, 2021 (2021: AM1 dated June 26, 2020). 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 condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 VIIIA 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.

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 with the requirements of IAS 34, 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 followed.

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

These condensed interim financial statements are unaudited. However, in compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at March 31, 2022.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgements made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2021. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2021. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

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

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

5. BALANCES WITH BANKS	Note	March 31,	June 30,
		2022	2021
		(Unaudited)	(Audited)
		(Rupees in '000)	
In savings accounts	5.1	121,477	99,166
In current accounts		-	94
		<u>121,477</u>	<u>99,260</u>

5.1 This includes balance maintained with Meezan Bank Limited (a related party) that has an expected profit rate of 4.50% (June 30, 2021: 2.5%) per annum. Other balance in savings account have expected profit rates ranging from 3.00% to 11.00% (June 30, 2021: 1.50% to 7.00%) per annum.

6. INVESTMENTS	Note	March 31, 2022 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited) (Rupees in '000)
Investment in gold	6.1	<u>491,947</u>	<u>396,272</u>

6.1 Investment in gold

Commodity	As at July 1, 2021	Purchases during the period	Sales during the period	As at March 31, 2022	Carrying value as at March 31, 2022	Market value as at March 31, 2022	Unrealised appreciation as at March 31, 2022	Percentage in relation to Net assets of the Fund
	----- (Tola) -----				----- (Rupees in '000) -----			--- (%) ---
TOLAGOLD	3,675	-	-	3,675	394,662	489,948	95,285	80.12%
MITOLA	15,000	-	-	15,000	1,610	1,999	389	0.33%
Total as at March 31, 2022					396,272	491,947	95,674	
Total as at June 30, 2021					390,225	396,272	6,047	

- 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 491.947 million (June 30, 2021: Rs 396.272 million) has been measured at fair value based on the quoted market price in active markets.

7. PAYABLE TO AL MEEZAN INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY		March 31, 2022 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited) (Rupees in '000)
Management fee payable	7.1	100	409
Sindh Sales Tax on remuneration of the Management Company		13	53
Allocated expenses payable	7.2	58	45
Selling and marketing expenses payable	7.3	728	486
Sales load payable		10	87
Sindh Sales Tax on sales load payable		1	11
		<u>910</u>	<u>1,091</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 the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% (2021: 1%) per annum of the average net assets of the Fund during the period ended March 31, 2022. The remuneration is payable to the Management Company monthly in arrears.
- 7.2** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).
- The Management Company, based on its own discretion, has charged allocated expenses at the rate of 0.11% (2021: 0.11%) per annum of the average annual net assets of the scheme subject to the total expense charged being lower than actual expense incurred.
- 7.3** 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) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan.

Accordingly, the Management Company has charged selling and marketing expenses based on its discretion while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations, 2008 at the rate of 0.4% (2021: 0.4%) per annum of average annual net assets of the Fund subject to the total expense charged being lower than actual expense incurred.



		March 31, 2022 (Unaudited) (Rupees in '000)	June 30, 2021 (Audited)
8. ACCRUED EXPENSES AND OTHER LIABILITIES	Note		
Auditor's remuneration payable		206	175
Custodian fee payable		1,476	3,316
Provision for Sindh Worker's Welfare Fund (SWWF)	8.1	-	5,067
Withholding tax payable		-	31
Capital gain tax payable		288	189
Shariah advisory fee payable		240	161
Zakat Payable		-	-
Provision for Federal Excise Duty and related			
Sindh Sales Tax on management fee	8.2	414	414
Provision for Federal Excise Duty and related			
Sindh Sales Tax on sales load	8.2	297	297
		<u>2,921</u>	<u>9,650</u>

8.1 SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and was also been taken up with the SECP. All the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF vide its circular dated August 30, 2021. Provisioning against SWWF amounting to Rs. 5 million has been reversed and it has contributed towards an increase in NAV of the fund by Rs. 0.86 (1.04%) per unit. This was one-off event and is not likely to be repeated in the future.

8.2 The status of provision of Federal Excise Duty is same as disclosed in financial statement for the year ended June 30, 2021. Had the provision for Federal Excise Duty not being made, the Net Asset Value of the Fund as at March 31, 2022 would have been higher by Re 0.12 (June 30, 2021: Re 0.12) per unit.

9. TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 2.82% (2021: 2.82%) which includes 0.17% (2021: 0.17%) representing levies such as Sales taxes, annual fee to the SECP, etc. The ratio is within the maximum limit of 3% prescribed under NBFC Regulations for a collective investment scheme categorised as a commodity scheme.

10. PRICE ADJUSTMENT CHARGES

Securities and Exchange Commission of Pakistan (SECP) vide Circular no.40 SCD/AMCW/ MGF/63/2017 dated June 14, 2017, allowed the fund to charge price adjustment charges. Price adjustment charge is a 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.

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2022 and June 30, 2021.

12. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Al Meezan Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, Meezan Bank Limited being the holding company of the Management Company, Directors and Executives of the Management Company, other Funds under the common management of the Management Company, Pakistan Kuwait Investment Company (Private) Limited being the associated company of the Management Company, Al Meezan Investment Management Limited - Employees Gratuity Fund and unit holders holding 10 percent or more of the Fund's net assets.

Transactions with connected persons 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 management considers that the transactions between the related parties are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

Details of transactions with connected persons and balances with them are as follows:

	March 31, 2022 (Unaudited)	June 30, 2021 (Audited)
	(Rupees in '000)	
Al Meezan Investment Management Limited - Management Company		
Management fee payable	100	409
Sindh Sales Tax on management fee payable	13	53
Sales load payable	10	87
Sindh Sales Tax on sales load payable	1	11
Selling and marketing expenses payable	728	486
Allocated expenses payable	58	45
Meezan Bank Limited		
Bank balance	37,615	94,281
Profit receivable on saving account	164	171
Investment of 1,084,115 units (June 30, 2021: 1,084,712 units)	108,482	90,721
Shariah advisor fee payable	240	161
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	89	70
Sindh Sales Tax on trustee fee payable	12	9
Directors and Executives of the Management Company		
Investment of 484,829 units (June 30, 2021: 533,642 units)	48,514	44,632
	48,514	44,632
	Nine months period ended,	March 31,
	2022	2021
	(Unaudited)	
	(Rupees in '000)	
Transactions during the period		
Al Meezan Investment Management Limited - the Management Company		
Remuneration of Al Meezan Investment Management Limited		
- Management Company	4,095	3,818
Sindh Sales Tax on management fee for the period	532	496
Allocated expenses	450	385
Selling and marketing expense	1,638	1,527
Meezan Bank Limited		
Profit on saving account	1,439	519
Shariah advisor fee	241	276
Units redeemed: 597 units (2021: nil units)	50	-
Central Depository Company of Pakistan Limited - the Trustee		
Remuneration for the period	696	649
Sindh Sales Tax on trustee fee for the period	91	84



Nine months period ended,
March 31,

2022 2021
(Unaudited)
(Rupees in '000)

Directors and Executives of the Management Company

Units issued: 18,806 units (2021: 302,730 units)

Units redeemed: 70,116 units (2021: 38,263 units)

1,648	26,372
6,108	3,152

13. 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, 2008, 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 unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the Management Company intends to distribute at least 90 percent of the Fund's accounting income for the year ending June 30, 2022 as reduced by capital gains (whether realised or unrealised) to its unitholders.

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.

14. 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.

Assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other assets and liabilities is considered not to be significantly different from the respective book values.

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:

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).

As at March 31, 2022 and June 30, 2021, the Fund held the following assets measured at fair value:

	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
ASSETS	(Rupees in '000)			
Investment in gold	491,947	-	-	491,947
	As at June 30, 2021			
	Level 1	Level 2	Level 3	Total
ASSETS	(Rupees in '000)			
Investment in gold	396,272	-	-	396,272

15. GENERAL

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

16. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on April 18, 2022 by the Board of Directors of the Management Company.

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

Chief Executive

Chief Financial Officer

Director