

AWT STOCK FUND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2024

INDEPENDENT AUDITOR'S REPORT

To the Unit Holders of AWT Stock Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **AWT Stock Fund** (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and the statement of cash flows for the year then ended, and notes to the financial statements, including a material accounting policy information and other explanatory information and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matters

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

Following is the key audit matter:

Key audit matter	How the matter was addressed in our audit
Existence and valuation of Investments (Refer notes 4.2 and 6 to the financial statements)	
As disclosed in note 6 to the financial statements, investments held by the Fund amounted to Rs. 132.29 million as at June 30, 2024.	In auditing the valuation and existence of investments, we performed the following procedures:
The total investment amount is the significant account balance on the statement of assets and	(1) Reviewed the processes and key controls relating to existence and valuation and



Key audit matter	How the matter was addressed in our audit
<p>liabilities. This is a main driver of the Fund's performance and thus risk exists on this balance. The Fund invests primarily in listed equity securities, and there is a risk that these investments are incorrectly valued.</p> <p>In addition, there is a risk that the Fund may have included investments in its financial statements which are not in the ownership of the Fund and thereby increasing the uncertainty in respect of existence of investments recorded as at year end.</p> <p>In view of the above, we have considered the valuation and existence of Investments as a Key Audit Matter.</p>	<p>evaluated the design and implementation of such controls;-</p> <p>(2) Performed valuation testing on the investments held as at June 30, 2024 by verifying the rates quoted on Pakistan Stock Exchange website, and</p> <p>(3) Performed existence testing of investments held as at June 30, 2024 by independently matching the securities held by the Fund as per internal records with the securities appearing in the Central Depository Company (CDC) statement and examined reconciling items, if any.</p> <p>4) We have also evaluated the adequacy of the disclosures in the financial statements.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

Management Company is responsible for the other information. The other information comprises the information included in the annual report in respect of the Fund, but does not include the financial statements and our auditor's report thereon and the information related to any other fund.

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

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

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

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

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

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Ys.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Y.A.

Report on Other Legal and Regulatory Requirements

In our opinion, the accompanying financial statements have been prepared, in all material respects, in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Syed Asmatullah

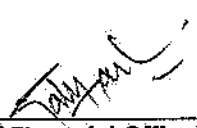
**Chartered Accountants****Place:** Islamabad**Date:** September 30, 2024**UDIN:** AR202410414xUjKD3QMc

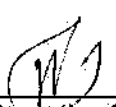
**AWT STOCK FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2024**

		June 30, 2024	June 30, 2023
	Note	(Rupees in '000)	
ASSETS			
Bank balances	5	1,167	8,085
Investments - net	6	132,288	96,270
Security deposits	7	2,600	2,600
Other receivables	8	1,950	2,051
Receivable against sale of units		50	-
Total assets		138,055	109,006
LIABILITIES			
Payable to AWT Investments Limited - Management Company	9	2,667	2,145
Payable to Central Depository Company of Pakistan Limited - Trustee	10	25	19
Payable to the Securities and Exchange Commission of Pakistan	11	10	21
Accrued expenses and other liabilities	12	661	2,567
Total liabilities		3,363	4,752
Net assets		134,692	104,254
Unit holders' fund (as per statement attached)		134,692	104,254
Contingencies and commitments	13	(Number of units)	
Number of units in issue	14	927,605	1,199,951
		(Rupees)	
Net asset value per unit		145.2038	86.8822
Face value per unit		100.00	100.00

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

**For AWT Investments Limited
(Management Company)**


Chief Financial Officer


Chief Executive Officer


Director

**AWT STOCK FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2024**

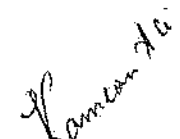
		June 30, 2024	June 30, 2023
Note		(Rupees in '000)	
INCOME			
		650	944
		10,304	12,105
		23,547	(914)

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

**For AWT Investments Limited
(Management Company)**


Chief Financial Officer


Chief Executive Officer


Director

AWT STOCK FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

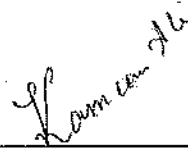
	June 30, 2024	June 30, 2023
	(Rupees in '000)	
Net income for the period after taxation	68,848	2,368
Other comprehensive income	-	-
Total comprehensive income for the period	68,848	2,368

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

For AWT Investments Limited
(Management Company)


Chief Financial Officer


Chief Executive
Officer


Director

AWT STOCK FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2024

	June 30, 2024			June 30, 2023		
	Capital value	Undistributed income / (loss)	Total	Capital value	Undistributed income / (loss)	Total
(Rupees in '000)						
Net assets at beginning of the period	121,166	(16,912)	104,254	69,361	(16,912)	52,449
Issuance of 943,566 units (2023: 1,886,347 units)						
- Capital value (at net asset value per unit at the beginning of the period)	81,979	-	81,979	160,837	-	160,837
- Element of Income	62,116	-	62,116	3,535	-	3,535
Total proceeds on issuance of units	144,095	-	144,095	164,372	-	164,372
Redemption of 1,215,912 units (2023: 1,292,740 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(105,641)	-	(105,641)	(111,823)	-	(111,823)
- Element of loss	(763)	(67,419)	(68,182)	(744)	(2,324)	(3,068)
Total payments on redemption of units	(106,404)	(67,419)	(173,823)	(112,567)	(2,324)	(114,891)
Total comprehensive (loss) / income for the period		68,848	68,848	-	2,368	2,368
Distribution during the year @ 10.0000 per unit) declared on June 29, 2024 (2023: @ 2.0369 per unit)						
- Cash distribution	-	(214)	(214)		(44)	(44)
- Refund of capital	(8,468)	-	(8,468)			
Net income for the year less distribution	(8,468)	68,634	60,166	-	2,324	2,324
Net assets at end of the period	150,389	(15,697)	134,692	121,166	(16,912)	104,254
Undistribute income/(loss) brought forward:						
- Realized		(11,135)			(9,448)	
- Unrealized		(5,777)			(7,464)	
		(16,912)			(16,912)	
Accounting income available for distribution:						
- Relating to capital gain	1,286			-		
- Excluding capital gain	143			44		
	1,429			44		
Distribution during the year @ 10.000 per unit declared on June 29, 2024 (2023: 2.0369 per unit)		(214)			(44)	
Undistributed income / (loss) carried forward		(15,697)			(16,912)	
Undistributed income / (loss) comprising of:						
- Realized		(55,103)			(11,135)	
- Unrealized		39,406			(5,777)	
		(15,697)			(16,912)	

	Rupees	Rupees
Net asset value per unit at beginning of the period	86.8822	86.5007
Net asset value per unit at end of the period	145.2038	86.8822

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

For AWT Investments Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**AWT STOCK FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024**

	June 30, 2024	June 30, 2023
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	68,848	2,368
Adjustments:		
Profit on bank balances	(650)	(944)
Dividend income	(10,304)	(12,105)
Net Gain/(loss) on sale of investments - net	(23,547)	914
Net Unrealized gain/(loss) on re-measurement of investments at fair value through profit or loss - net	(39,406)	5,777
	(73,907)	(6,358)
(Increase) / decrease in current assets		
Investments - net	26,935	(54,558)
Other receivables	-	(6)
Receivable against sale of units	(50)	-
	26,885	(54,564)
Increase / (decrease) in liabilities		
Payable to AWT Investments Limited - Management Company	522	(291)
Payable to Central Depository Company of Pakistan Limited - Trustee	6	9
Payable to the Securities and Exchange Commission of Pakistan	(11)	4
Accrued expenses and other liabilities	(1,906)	2,199
	(1,389)	1,921
Profit received on deposits with banks	751	734
Dividend received	10,304	12,105
Net cash generated from / (used) in operating activities	31,492	(43,794)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received on issuance of units	135,627	164,372
Amounts paid on redemption of units	(173,823)	(114,891)
Dividend Paid	(214)	(44)
Net cash generated from financing activities	(38,410)	49,437
Net increase/(decrease) in cash and cash equivalents during the period	(6,918)	5,643
Cash and cash equivalents at the beginning of the period	8,085	2,442
Cash and cash equivalents at the end of the period	1,167	8,085

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

Handwritten signature

For AWT Investments Limited
(Management Company)

Handwritten signature
Chief Financial Officer

Handwritten signature
Chief Executive Officer

Handwritten signature
Director

AWT STOCK FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 AWT Stock Fund ("the Fund") was established under a Trust Deed, dated 15 May, 2013, executed between AWT Investments Limited (Management Company) and the Central Depository Company of Pakistan Limited (CDC) as a Trustee. The Securities and Exchange Commission of Pakistan (SECP) registered the Fund as a Notified Entity on 25 November, 2013, under Regulation 44 of the Non Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations).

1.2 The Management Company of the Fund has been licensed by SECP to undertake Asset Management Services and Investment Advisory Services as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The registered office of the Management Company is situated at 3rd Floor, AWT Plaza, I.I. Chundrigar Road, Karachi.

1.3 The Fund offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited (PSX).

The Scheme is an 'Open end Equity Scheme' as per the criteria for the categorization of open-end collective investment schemes specified by SECP. The objective of the Fund is to achieve long term capital growth by investing mainly in listed equity securities.

The Scheme is permitted to invest in secured, unsecured, listed equity market securities (subject to minimum limit of 70% during the year based on quarterly average investment calculated on a daily basis) including treasury bills not exceeding 90 days maturity and cash or near cash instruments, including cash in bank accounts (excluding TDRs), equity securities not listed on the PSX (where application for listing has been accepted by PSX) (upto a limit of 15% of authorised Investments), Investment outside Pakistan, including international listed securities and foreign currency bank deposits (excluding TDRs), subject to such conditions as imposed by SECP and with the prior approval of SECP and SBP (upto 30% of authorised Investments, subject to a cap of USD 15 million) and any other securities or instrument that may be permitted by commission (upto a limit of 30% of authorised Investments).

1.4 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as a Trustee of the Fund

1.5 During the year, The VIS Credit Rating Company Limited has maintained the Management Quality Rating of 'AM3++' (AM Three Plus Plus), assigned to AWT Investments Limited (AWTIL) on August 04, 2023 (stable outlook). However, subsequent to the year-end, The Pakistan Credit Rating Agency Limited (PACRA) has maintained Asset Manager Rating of the Management Company of the Fund to the scale 'AM2 (Stable outlook) vide its report dated July 31, 2024.

1.6 As per Regulation 54 (3a) of NBFC Regulations, the minimum size of an Open End Scheme (i.e., net assets of the Open End Scheme) shall be one hundred million rupees at all times during the life of the scheme. Subject to the above, if at any time the size of any Open End Scheme falls below the minimum size specified above, the Management Company shall ensure compliance within three months of the breach and if the fund size remains below the minimum fund size limit for consecutive ninety days, the Management Company shall immediately intimate the grounds to the SECP upon which it believes that the Open End Scheme is still commercially viable and its objective can still be achieved.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) 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 the repealed Companies Ordinance, 1984; and

- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and 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 from the IFRS Standards, 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.

- 2.1.2** The SECP/Commission has through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. The Fund does not hold any debt instruments and therefore will not be subject to the impairment provisions of IFRS 9. Meanwhile, asset management companies shall continue to follow the requirements of Circular 33 of 2012. The Fund does not hold any debt instruments and therefore will not be subject to the impairment provisions of IFRS 9.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the functional and presentation currency of the Fund. All financial information has been rounded off to the nearest thousand rupees, unless otherwise specified.

2.4 Director's note

The directors of the Management Company declare that these financial statements give a true and fair view of the Fund.

2.5 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the year in which the estimates are revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements as a whole are as follows:

- (i) Classification and measurement of financial assets (notes 4.2.1, 4.2.2, 4.2.3 and 6);
- (ii) Impairment of financial assets (note 4.2.5);
- (iii) Provision for taxation (notes 4.10 and 16); and

3. NEW ACCOUNTING STANDARDS / AMENDMENTS AND IFRS INTERPRETATIONS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2024

The following standards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Amendments to IAS 1 'Presentation of Financial Statements' and IFRS practice statement 2 - Disclosure of accounting policies

Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of accounting estimates

Amendments to 'IAS 12 Income Taxes' - deferred tax related to assets and liabilities arising from a single transaction.

Amendments to IAS 12 'Income taxes' - International Tax Reform — Pillar Two Model Rules

3.2 New accounting standards, amendments and IFRS interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective from Accounting period beginning on or after
Amendments to IFRS 16 'Leases' -Clarification on how seller-lessee subsequently measures sale and	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier	January 01, 2024
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of	January 01, 2025
IFRS 17 – Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2026
Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Classification and measurement of financial instruments	January 01, 2026

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting
- IFRS 18 - Presentation and Disclosures in Financial Statements
- IFRS 19 - Subsidiaries without Public Accountability: Disclosures

4. Material Accounting Policy Information

The Company adopted Disclosure of Accounting Policies (Amendments to IAS 1) from January 01, 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves.

4.1 Cash and cash equivalents

Cash and cash equivalents comprises of saving and current accounts maintained with banks. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

4.2 Financial Instruments

4.2.1 Classification of financial assets

IFRS 9 contains three principal classification categories for financial assets:

- Amortized cost ("AC"),
- Fair value through other comprehensive income ("FVOCI") and
- Fair value through profit or loss ("FVTPL").

Financial assets at amortised cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- 1) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- 2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Financial assets at FVOCI

A financial asset is measured at FVOCI only if it meets both of the following conditions and is not

- 1) the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- 2) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, for an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI, only dividend income is recognised in income statement. This election is made on an investment-by-investment basis.

FVOCI financial assets are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI.

Financial assets at FVTPL

All other financial assets are classified at FVTPL (for example, equity held for trading and debt securities not classified either as AC or FVOCI).

In addition, on initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

4.2.2 Recognition and initial measurement of financial instruments

Financial assets and financial liabilities are recognised in the Fund's statement of assets and liabilities when the Fund becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

4.2.3 Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured at amortised cost. Amortised cost is calculated using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset.

Financial assets at FVOCI

All financial assets at FVOCI are subsequently measured at fair value. Gains or losses arising due to changes in fair value recognised in other comprehensive income.

For debt instruments classified as financial assets at FVOCI, the amounts in other comprehensive income are reclassified to income statement on derecognition of financial assets. This treatment is in contrast to equity instruments classified as financial assets at FVOCI, where there is no reclassification on derecognition.

Financial assets at FVTPL

All financial assets designated at fair value through profit or loss are subsequently carried at fair value. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. Gains or losses arising from changes in fair value recorded in the income statement.

4.2.4 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

Basis of valuation of equity securities:

The fair value of shares of listed companies is based on their prices quoted on the Pakistan Stock Exchange Limited at the reporting date without any deduction for estimated future selling costs. Net gain or loss arising on changes in fair value of financial asset carried at fair value through profit or loss are taken to the income statement.

4.2.5 Impairment

Under expected credit loss (ECL) model of IFRS 9, the Fund recognises loss allowances for ECLs on financial assets other than debt securities. The Fund measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Financial assets that are determined to have low credit risk at the reporting date; and
- Other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

As disclosed in note 2.1.2 of these financial statements, the Fund follows requirements of circular 33 of 2012 (the "circular") for impairment of debt securities. Under the circular, provision for non performing debt securities is made on the basis of time based criteria as prescribed under the circular. Impairment losses recognised on debt securities can be reversed through the income statement.

As allowed under circular no. 13 of 2009 dated May 04, 2009 issued by the SECP, the Management Company may also make provision against debt securities over and above minimum provision requirement prescribed in aforesaid circular, in accordance with the provisioning policy approved by the Board of Directors and disseminated by the Management Company on its website.

4.2.6 Classification and measurement of financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

4.2.7 Derecognition

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

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or

4.2.8 Regular way contracts

All regular way purchases and sales of investments are recognised on the trade date, i.e. the date on which commitment to purchase / sale is made by the Fund. Regular way purchases or sales of investment require delivery of securities within two days after transaction date as required by stock exchange regulations.

4.2.9 Offsetting of financial assets and financial liabilities

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

4.3 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represents expenditure incurred prior to the commencement of operations of the Fund and include underwriting commission, commission to the bankers to the issue, brokerage paid to the members of the stock exchange and other expenses. These cost are amortised over a period of five years starting from the end of initial offering period as per the requirements set out in the Trust Deed of the Fund and NBFC Regulations.

4.4 Provisions

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

4.5 Net assets value per unit

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

4.6 Issuance and redemption of units

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

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

4.7 Element of income

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net Assets Value (NAV) at the beginning of the relevant accounting period.

Element of Income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund; however, to maintain same ex-dividend net assets value of all units outstanding on accounting date, net element of income contributed on the issue of units lying in unit holders' fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per the guidelines provided by MUFAP (MUFAP Guidelines consented upon by SECP) the refund of capital is made in the form of additional units at zero price. Income already paid on redemption of units during the year are taken separately in the statement of movement in unit holders' fund.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. The income already paid (Element of Income) on redemption of units during the year are taken separately in statement of movement in unit holders' fund.

4.8 Revenue recognition

- Income on bank balances and term deposits is recognised on a time proportionate basis.
- Dividend income on equity securities is recognised in the income statement when the right to receive dividend is established.
- Realised gains / (losses) arising on sale of investments are included in the income statement on the date at which the sale transaction takes place.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the year in which they arise.

4.9 Expenses

All expenses including Management fee, Trustee fee and SECP fee are recognised in the Income Statement on accrual basis.

4.10 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 year, as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

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

The Fund has not recognized any amount in respect of deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing in cash at least ninety percent of its accounting income for the period as reduced by capital gains, whether realized or unrealized, to its unit holders.

The Fund has not recognized any amount in respect of deferred taxation in these financial statements as the Fund distributes more than ninety percent of its accounting income for the current year and intends to continue availing 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 realized or unrealized, to its unit holders every year.

4.11 Distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognized in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted for the effect of refund of capital, if any, based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the year of investment.

4.12 Earnings per unit (EPU)

Earnings Per Unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

4.13 Collaterals

Cash collaterals provided by the Fund are identified in the statement of assets and liabilities as margin and are not included as a component of cash and cash equivalents. For collaterals other than cash, if the party to whom the collaterals are provided has a right by contract or custom to sell or re-pledge the collaterals, the Fund classifies those collaterals in the statement of assets and liabilities separately from other assets and identifies the assets as pledged collaterals. Where the party to whom the collaterals are provided does not have the right to sell or re-pledge, a disclosure of the collaterals provided is made in the notes to the financial statements.

		June 30, 2024	June 30, 2023
	Note	(Rupees in '000)	
5	BANK BALANCES		
Saving accounts	5.1	1,167	8,085
		<u>1,167</u>	<u>8,085</u>

5.1 These accounts carry profit rates ranging from 20% to 20.50% (2023: 15.84% to 23.27%) per annum.

6 INVESTMENT'S

Financial assets at fair value through profit or loss
Listed equity securities

6.1 Listed equity securities

Name of the investee company	As at July 01, 2023	Purchased during the period	Bonus/Right shares issued during the period	Sold during the period	As at June 30, 2024	Carrying Value as at June 30, 2024	Market value as at June 30, 2024	Unrealized (loss) / gain as at June 30, 2024	Market value as a percentage of net assets	Market value as a percentage of total investment	Investment as a percentage of paid up capital of the investee company
(Number of shares)											
(Rupees in '000)											
OIL AND GAS MARKETING COMPANIES											
Pakistan State-Oil Company Limited	36,432	5,200	-	21,250	20,382	2,561	3,388	827	2.52%	2.56%	0.00%
Sui Northern Gas Pipelines Company Limited	67,300	-	-	33,500	33,800	1,331	2,145	814	1.59%	1.62%	0.01%
Shell Pakistan Limited	-	7,800	-	-	7,800	1,205	1,046	(159)	0.76%	0.79%	0.01%
Attock Petroleum Limited	5,387	1,700	-	1,500	5,487	1,868	2,119	453	1.57%	1.80%	0.00%
						6,763	8,698	1,935	6.46%	6.57%	
OIL & GAS EXPLORATION COMPANIES											
Pakistan Petroleum Limited	92,700	75,900	-	73,100	65,500	5,166	7,871	2,505	5.69%	5.80%	0.00%
Pakistan Oilfields Limited	8,050	-	-	8,050	-	-	-	-	-	-	-
Oil & Gas Development Company Limite	65,000	75,200	-	76,350	63,850	6,865	8,643	1,978	6.42%	6.53%	0.00%
Mari Petroleum Company Limited	3,610	350	-	2,120	1,840	2,788	4,891	2,193	3.71%	3.77%	0.00%
						14,629	21,305	6,676	15.82%	16.10%	
Fertilizer											
Engro Corporation Limited	25,096	16,200	-	25,750	15,546	4,307	5,172	865	3.84%	3.91%	0.00%
Engro Fertilizers Limited	36,700	-	-	24,200	12,500	1,032	2,078	1,046	1.54%	1.57%	0.00%
Fauji Fertilizer Company Limited	35,500	20,400	-	18,600	37,300	4,211	6,094	1,883	4.52%	4.61%	0.00%
Fauji Fertilizer Bin Qasim Limited	-	90,000	-	10,600	79,400	2,348	2,816	468	2.09%	2.13%	0.01%
						11,898	16,160	4,262	11.99%	12.22%	
Cement											
D.G. Khan Cement Company Limited	28,216	11,000	-	39,216	-	-	-	-	-	-	-
Cherat Cement Company Limited	16,887	2,000	-	6,200	12,687	1,552	2,070	518	1.54%	1.56%	0.01%
Kohat Cement Company Limited	18,000	5,900	-	9,450	14,450	2,881	3,819	938	2.69%	2.74%	0.01%
Lucky Cement Limited	11,640	2,250	-	6,390	7,500	4,142	6,800	2,658	5.05%	5.14%	0.00%
Maple leaf Cement Factory Limited	61,000	88,400	-	51,000	76,400	2,485	2,903	438	2.16%	2.19%	0.01%
Fauji Cement Company Limited	110,000	71,600	-	44,500	137,100	2,163	3,141	978	2.33%	2.37%	0%
Pioneer Cement Limited	-	8,300	-	-	8,300	1,384	1,400	36	1.04%	1.06%	0%
Attock Cement Pakistan Limited	6,000	-	-	6,000	-	-	-	-	-	-	-
						14,367	19,933	5,566	14.81%	15.06%	
Pharmaceuticals											
The Searle Company Limited	10,244	-	3,113	13,113	244	9	14	5	0.01%	0.01%	0.00%
Citi Pharma Ltd	-	43,000	-	-	43,000	1,403	1,228	(177)	0.91%	0.93%	0.00%
						1,412	1,240	(172)	0.92%	0.94%	

Name of the investee company	As at July 01, 2023	Purchased during the period	Bonus/Right shares issued during the period	Sold during the period	As at June 30, 2024	Carrying Value as at June 30, 2024	Market value as at June 30, 2024	Unrealized (loss) / gain as at June 30, 2024	Market value as a percentage of net assets	Market value as a percentage of total Investment	Investment as a percentage of paid up capital of the investee company
(Rupees in '000)											
(%)											
Textile Composite											
Gul Ahmed Textile Mills Limited	30,600	26,000	-	-	55,600	1,190	1,194	4	0.89%	0.90%	0.01%
Nishat Mills Limited	28,000	-	-	18,200	9,800	556	694	138	0.52%	0.52%	0.00%
Nishat Chunian Limited	51,200	-	-	51,200	-	-	-	-	-	-	-
Interloop Limited	45,768	-	-	4,300	41,468	1,460	2,933	1,473	2.18%	2.22%	0.00%
Kohinoor Textile Mills Limited	18,000	-	-	8,900	9,100	463	755	292	0.56%	0.57%	0.00%
						3,669	5,576	1,907	4.15%	4.21%	
CABLE & ELECTRICAL GOODS											
Pak Elektron Limited	-	138,800	-	92,900	45,900	1,321	1,149	(172)	0.85%	0.87%	0.01%
Pakistan Cables Limited	5,500	-	-	5,500	-	1,321	1,149	(172)	0.85%	0.87%	-
Engineering											
International Steels Limited	-	11,000	-	11,000	-	-	-	-	-	-	0.01%
Mughal Iron & Steel Industries Limited	15,774	19,000	-	8,900	25,674	1,468	2,406	938	1.79%	1.82%	-
						1,468	2,406	938	1.79%	1.82%	-
Power Generation & Distribution											
Hub Power Company Limited	90,630	12,900	-	42,200	61,330	5,365	10,002	4,637	7.43%	7.56%	0.00%
K-Electric Limited	-	270,000	-	-	270,000	1,273	1,250	(23)	0.93%	0.94%	0.02%
Nishat Chunian Power Limited	-	-	-	-	-	6,638	11,252	4,614	8.36%	8.50%	-
Technology & Communication											
Air Link Communication Limited	-	70,000	-	50,000	20,000	1,248	1,777	531	1.32%	1.34%	0.01%
Avanceon Limited	-	31,100	2,286	33,386	-	-	-	-	-	-	-
Systems Limited	17,950	5,100	-	11,780	11,270	4,612	4,714	102	3.50%	3.56%	0.00%
						5,858	6,491	633	4.82%	4.90%	-
INV.Banks/INV.COS/Securities COS											
Dawood Hercules Corporation Limited	-	7,900	-	7,900	-	-	-	-	0.00%	0.00%	-
Commercial Banks											
Bank Alfalah Limited	70,034	-	-	21,400	48,634	1,480	3,308	1,828	2.46%	2.50%	0.00%
Faysal Bank Limited	24,000	-	-	24,000	-	-	-	-	0.00%	0.00%	0.00%
Habib Bank Limited	22,200	15,900	-	2,700	35,400	3,348	4,391	1,043	3.26%	3.32%	0.00%
United Bank Limited	46,400	7,000	-	32,100	21,300	2,740	5,458	2,718	4.05%	4.13%	0.00%
Meezan Bank Limited	63,200	7,900	-	43,550	27,550	3,031	6,365	3,364	4.90%	4.99%	0.00%
MCB Bank Limited	18,200	31,100	-	22,400	26,900	3,714	6,107	2,393	4.53%	4.62%	0.00%
Bank AL Habib Limited	-	11,800	-	-	11,800	1,029	1,324	295	0.98%	1.00%	0.00%
National Bank of Pakistan	-	43,500	-	43,500	-	15,342	27,183	11,841	20.18%	20.56%	0.00%
GLASS AND CERAMICS											
Tariq Glass Industries Limited	-	20,800	-	-	20,800	1,740	2,424	684	1.80%	1.83%	0.01%
Food and Personal care Products											
Matco Foods Limited	-	-	-	-	-	-	-	-	-	-	-
Al-Tahur Limited	70,400	35,000	-	105,400	-	-	-	-	-	-	-
The Organic Meat Company Limited	22,000	18,500	1,980	23,980	18,500	659	651	(8)	0.48%	0.49%	0.01%
						659	651	(8)	0.48%	0.49%	-
INSURANCE											
IGI Holdings Limited	-	-	-	-	-	-	-	-	0.00%	0.00%	-
	6,000	-	-	6,000	-	-	-	-	-	-	-

Name of the investee company	As at July 01, 2023	Purchased during the period	Bonus/Right shares issued during the period	Sold during the period	As at June 30, 2024	Carrying Value as at June 30, 2024	Market value as at June 30, 2024	Unrealized (loss) / gain as at June 30, 2024	Market value as a percentage of net assets	Market value as a percentage of total investment	Investment as a percentage of paid up capital of the investee company
PAPER, BOARD AND PACKAGING											
Century Paper & Board Mills Limited	22,500	39,500	-	11,000	51,000	1,450	1,527	67	1.13%	1.15%	0.01%
Roshan Packages Limited	-	100,000	-	100,000	-	-	-	-	-	-	-
						1,460	1,527	67	1.13%	1.15%	-
MISCELLANEOUS											
Pakistan Aluminium Beverage Cans Limited	-	8,700	-	8,700	-	-	-	-	-	-	-
Tri-Pack Films Limited	3,200	-	-	3,200	-	-	-	-	0.00%	0.00%	-
AUTOMOBILE ASSEMBLER											
Millat Tractors Limited	-	3,950	-	3,950	-	-	-	-	-	-	-
Sazgar Engineering Works Limited	-	18,500	-	18,500	-	-	-	-	-	-	-
Ghandhara Automobiles Limited	-	9,000	-	1,800	7,200	1,076	1,258	182	0.93%	0.95%	0.00%
Ghandhara Industries Limited	-	4,300	-	-	4,300	1,269	1,176	(93)	0.87%	0.89%	0.00%
Indus Motor Company Limited	-	1,000	-	-	1,000	1,444	1,580	136	1.17%	1.19%	0.00%
						3,789	4,014	225	2.97%	3.03%	-
LEATHER AND TANNERIES											
Service Global Footwear Limited	-	11,500	-	-	11,500	609	853	244	0.63%	0.64%	0.00%
Service Industries Limited	-	1,500	-	-	1,500	1,260	1,426	166	1.06%	1.08%	0.00%
						1,869	2,279	410	1.69%	1.72%	-
Investments as at June 30, 2024						92,882	132,288	39,406	98.22%	99.97%	
Investments as at June 30, 2023 (audited)						102,047	86,270	(5,777)	92.35%	99.97%	

6.1.1 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance, 2001 as a result of which companies are liable to withhold five percent of the bonus shares to be issued. The shares so withheld shall only be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including the bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company. In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the Honourable High Court of Sindh (SHC), challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule to the Income Tax Ordinance, 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the SHC in favour of CISs. During the year ended June 30, 2018, the Honourable Supreme Court of Pakistan (SCP) passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the year ended June 30, 2019. Subsequently, the CISs had filed a fresh constitutional petition vide CP-4653 dated July 11, 2019. In this regard, on July 15, 2019, the SHC has issued notices to the relevant parties and had ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Fund has included these shares in its portfolio, as the Management Company is confident that the decision of the constitutional petition will be in favour of the CISs. Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the year were not withheld by the investee companies.

The Finance Act, 2023 has introduced Section 236Z of the Income Tax Ordinance, 2001 effective from July 1, 2023. As per the aforementioned section, every company quoted on stock exchange issuing bonus shares to the shareholders of the company, is required to withhold tax ten percent of the bonus shares to be issued, determined on the basis of day-end price on the first day of closure of books of the issuing company. Since the CISs are exempt from deduction of income tax under Clause 99 of Part I to the Second Schedule of the Income Tax Ordinance, 2001, the Fund has applied for the exemption of withholding tax on the bonus shares and the said application is pending before Federal Board of Revenue (FBR). The Management Company is confident that the exemption shall be given in due course. As at June 30, 2024, the bonus shares withheld under this section amounted to Rs. 0.031 million.

Below are the details of such shares as at June 30, 2024:

June 30, 2024			June 30, 2023		
Name of the Investee Company	Number of shares	Market value	Name of the Investee Company	Number of shares	Market value
(Rupees in '000)			(Rupees in '000)		
The Searle Company Limited	244	14	The Searle Company Limited	244	9
Mughal Iron & Steel Industries Limited	302	28	Mughal Iron & Steel Industries Limited	302	15
Pakistan State Oil	432	72	Pakistan State Oil	432	48
		114			72

6.1.2 Following shares have been pledged with National Clearing Company of Pakistan Limited (NCCPL) as security against settlement of the Fund's trades in term of Circular No. 11 dated October 23, 2007 issued by SECP:

	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	(Number of shares)		(Rupees in '000)	
Nishat (Chunian) Limited	-	50,000	-	1,015
Bank Alfalah Limited	-	53,500	-	1,629
Nishat Mills Limited	-	10,000	-	568
Pakistan Petroleum Limited	20,000	20,000	2,301	1,183
Oil & Gas Development Company Limited	20,000	-	2,249	-
Meezan Bank Limited	25,000	-	5,985	-
	65,000	133,500	10,534	4,395
			June 30, 2024	June 30, 2023
			(Rupees in '000)	

7 SECURITY DEPOSITS

National Clearing Company of Pakistan Limited
Central Depository Company of Pakistan Limited

2,500	2,500
100	100
2,600	2,600

		June 30, 2024	June 30, 2023
	Note	(Rupees in '000)	(Rupees in '000)
8 OTHER RECEIVABLES			
Profit receivable on deposit accounts with banks		146	247
Advance Income tax:	8.1	1,804	1,804
		<u>1,950</u>	<u>2,051</u>

- 8.1 The Fund is exempt under clause 47(B) of Part IV of Second Schedule of the Income Tax Ordinance, 2001 (the Ordinance) from withholding of tax under section 150, 150A, 151 and 233 of the Ordinance. The Federal Board of Revenue (FBR) through circular "C.No.1 (43) DG (WHT) / 2008 - Vol.II - 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159(1) of the Ordinance from Commissioner Inland Revenue (CIR). Prior to receiving the tax exemption certificates from CIR, various withholding agents have deducted advance tax under section 151 of the Ordinance. The Management Company is confident that the same shall be refunded in future years.

		June 30, 2024	June 30, 2023
	Note	(Rupees in '000)	(Rupees in '000)
9. PAYABLE TO AWT INVESTMENTS LIMITED - MANAGEMENT COMPANY			
Management fee	9.1	216	173
Sindh sales tax on remuneration of the Management Company	9.2	162	157
Federal Excise Duty on remuneration of the Management Company	9.3	942	942
Selling, marketing and back office expenses payable	9.4	1,238	764
Formation cost payable		109	109
		<u>2,667</u>	<u>2,145</u>

- 9.1 Management Company has charged remuneration at the rate of 2% per annum based on the daily net assets of the Fund.

Movement in the balance of remuneration payable to the Management Company is as follows:

	2024	2023
Balance as at July 01,	173	87
Remuneration for the year	2,421	2,072
Paid during the year	(2,378)	(1,986)
Balance as at June 30,	<u>216</u>	<u>173</u>

- 9.2 This represents amount payable in respect of Sindh Sales Tax at the rate of 13% (2023: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.
- 9.3 This represents provision for Federal Excise Duty (FED) as at June 30, 2024. There is no change in the status of the legal proceeding on this matter, details of which have been disclosed in note 12.2 to the annual audited financial statements of the Fund for the year ended June 30, 2023. As a matter of prudence, the Management Company has maintained full provision for FED aggregating to Rs. 942,000 until the matter is resolved. Had the provision not been made, the net assets value per unit would have been higher by Rs. 0.7654 (June 30, 2023: Rs. 1.03).
- 9.4 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company based on its own discretion has charged selling and marketing expenses at 0.5% (2023: 0.5%) per annum of daily net assets of the Fund during the period.

		June 30, 2024	June 30, 2023
	Note	(Rupees in '000)	(Rupees in '000)
10. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Remuneration of the Trustee	10.1	22	17
Sindh Sales Tax on remuneration of the Trustee		3	2
		<u>25</u>	<u>19</u>

- 10.1 Movement in the balance payable to the trustee is as follows:

	2024	2023
Balance as at July 01, 2023	17	9
Remuneration for the year	242	207
Paid during the year	(237)	(199)
Balance as at June 30, 2024	<u>22</u>	<u>17</u>

- 10.2 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 payable to the Trustee monthly in arrears.
- The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed as follows:
- 0.2% per annum of the daily net assets upto Rupees one billion,
 - exceeding Rupees one billion, Rs. 2,000,000 plus 0.1% per annum of the daily net assets of the Fund exceeding rupees one billion.

- 10.3 The Provincial Government of Sindh has also levied Sindh Sales Tax at the rate of 13% (June 30, 2023: 13%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Under the provisions of NBFC Regulations, a collective investment scheme is required to pay an annual fee to the SECP at the rate of 0.095% (2023: 0.02%) per annum of daily net assets of the Fund. The fee is paid monthly in arrears.

	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
12 ACCRUED EXPENSES AND OTHER LIABILITIES		
Withholding tax payable	88	55
Payable against securities purchases and Brokerage fee payable	103	2,181
Audit fee payable	280	234
Other liabilities	190	97
	<u>661</u>	<u>2,567</u>

13 CONTINGENCIES AND COMMITMENTS

13.1 A show cause notice (SCN) under section 161(1A) of Income Tax Ordinance, 2001 has been issued alleging that the Fund did not / partially deducted withholding taxes from various payments made during the tax year 2017. The Fund responded to the SCN by submitting the requisite information of withholding tax paid, challans and expenses schedules upon which withholding taxes were applicable. Thereafter, no response has been received by the Fund, on this matter.

13.2 There are no other contingencies and commitments as at June 30, 2024.

	June 30 2024	June 30 2023
	----- (Numbers) -----	
14 NUMBER OF UNITS IN ISSUE		
As at July 01,	1,199,951	606,344
Issued during the year	943,566	1,886,347
Redemptions during the year	(1,215,912)	(1,292,740)
As at June 30	<u>927,605</u>	<u>1,199,951</u>

15 AUDITORS' REMUNERATION

Annual audit fee	173	145
Fee for the review of half yearly financial statements	104	91
	<u>276</u>	<u>236</u>

16 TAXATION

The Fund's income is exempt from income tax as per clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed amongst the unit holders (excluding distribution made by issuance of bonus units) as cash dividend. Further, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute ninety percent of accounting income other than capital gains whether realized or unrealized to 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. Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2024 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

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 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in this condensed interim financial information as in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units for calculating EPU is not practicable.

18 TOTAL EXPENSE RATIO

As per regulation 60 (5b) of NBFC Regulations 2008, the capping of expense ratio of the Fund is set at 4.5% of daily average net assets for the year.

As per Directive 23 of 2016 dated July 20, 2016 issued by SECP, the Total Expense Ratio of the Fund is 4.18% of average net assets as on June 30, 2024 (2023: 3.60%) and this includes 0.38% (2023: 0.76%) representing government levy, SECP fee.

19 TRANSACTIONS AND BALANCES WITH RELATED PARTIES AND CONNECTED PERSONS

19.1 Connected persons / related parties include AWT Investments Limited being the Management Company, Central Depository Company of Pakistan Limited being the trustee, Army Welfare Trust (which is the parent entity of the Management Company), other funds managed by the Management Company, associated companies (if any) of the management company / parent entity of the management company, entities in which the above parties or their connected persons have a material interest, Key Management Personnel and includes entities holding 10% or more units of the Fund as at June 30, 2024. It also includes the staff retirement funds of the above related parties / connected person.

19.2 Transactions with the connected persons are carried out at agreed / contracted rates.

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

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

19.5 Details of the transactions and balances with the related parties / connected persons, other than those which has been disclosed elsewhere are as follows:

June 30, 2024	June 30, 2023
----- (Rupees in '000) -----	

Detail of balances outstanding at the period end / year end with related parties and connected persons are as follows:

AWT Investments Limited (Management Company)

Remuneration payable to the Management Company	216	173
Sindh sales tax payable on remuneration of Management Company	162	157
Selling, marketing and back office expenses payable	1,238	764
Federal excise duty payable on remuneration of Management Company	942	942
Units held - 899,922 units (June 30, 2023: 1,177,913 units)	130,672	102,340
Formation cost payable	109	109

Central Depository Company of Pakistan Limited - Trustee

Remuneration payable to the Trustee	22	17
Sindh sales tax payable on remuneration payable to the Trustee	3	2
Security deposit	100	100

Askari General Insurance Co. Ltd. - Common directorship of the Management Company

AWT Investments Limited - Provident Fund

Units held - Nil units (June 30, 2023: Nil units)	-	-
---	---	---

Ten percent or more holding

Units held - Nil units (June 30, 2023: Nil units)	-	-
---	---	---

Key Management Personnel of the Management Company

Units held - 1,503 units (June 30, 2023: Nil units)	218	-
---	-----	---

Detail of transactions with related parties and connected persons during the period are as follows:

June 30, 2024	June 30, 2023
----- (Rupees in '000) -----	

AWT Investments Limited (Management Company)

Remuneration of Management Company	2,421	2,072
Sindh sales tax on remuneration of Management Company	315	269
Selling, Marketing and back office expenses	871	596
Issuance of 858,088 units (2023: 1,858,660 units)	132,200	164,310
Redemption of 1,194,057 units (2023: 1,246,951 units)	171,200	110,859
Additional Units	8,419	2,344

AWT Investments Limited - Provident Fund

Redemption of Nil units (2023: 4,979 units)	-	438
---	---	-----

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee	242	207
Sindh sales tax on remuneration of the Trustee	31	27
Settlement charges	52	33

Key Management Personnel of the Management Company

Issuance of Nil units (2018: 5,860 units)	-
Redemption of Nil units (2018: 5,860 units)	-

Askari General Insurance Co. Ltd. - Common directorship of the Management Company

Redemption of Nil units (2020: Nil units)	-	-
---	---	---

Silk Bank Limited (Common Directorship)

Profit on bank balances	-	-
Profit on bank balances received	-	-

- 19.6** Remuneration of the Management Company and the Trustee have been determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively.
- 19.7** Purchase and redemption of units of the Fund by related parties / connected persons are recorded at the applicable net asset value per unit. Purchase of the listed shares of the related parties by the Fund are recorded at the rates purchased through the Pakistan Stock Exchange. Other transactions are at approved rates.
- 19.8** As required under S.R.O 592(1)/2023 dated May 17, 2023, the Management Company has developed a policy (without any exemption) to align the interest of its key employees i.e (Chief Executive Officer and Managers) with those of the unit holders of the CISs managed by the Management Company. Accordingly, 5% of bonus paid (net of tax) to these employees were retained and invested in the CIS managed by the Management Company. Included in the units above, bonus paid to the key employees in the form of units of the fund includes nil units held by the Chief Executive Officer and nil units held by the Fund Manager. (2023: NIL)

20 FINANCIAL INSTRUMENTS BY CATEGORY

The financial assets and liabilities carried on the Statement of Assets and Liabilities are categorised as follows:

Financial assets At fair value through profit or loss	June 30, 2024	June 30, 2023
	----- (Rupees in '000) -----	
Investments	132,288	96,270
At amortised cost		
Bank balances	1,167	8,085
Security deposits	2,600	2,600
Profit receivable on deposit accounts with bank	146	247
Receivable against sale of units	50	-
Total financial assets	136,251	107,202
Financial liabilities		
At amortised cost		
Payable to AWT Investments Limited - Management Company	2,667	1,203
Payable to Central Depository Company of Pakistan Limited - Trustee	25	19
Accrued expenses and other liabilities	573	2,485
	3,265	3,707

21. FINANCIAL RISK MANAGEMENT

Introduction and overview

The Fund has exposure to the following risks from financial instruments:

- Credit risk (refer note 21.1)
- Liquidity risk (refer note 21.2)
- Market risk (refer note 21.3)

Risk management framework

The Board of directors of the Management Company has the overall responsibility for the establishment and oversight of the Fund's risk management framework.

Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily setup based on the limits established by the Management Company, Fund's constitutive documents and the regulations and directives of the SECP. The policies are established to identify and analyze the risks faced by the Fund, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The audit committee oversees how the management monitors compliance with the Fund's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Fund. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes regular reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Asset purchases and sales are determined by the Fund's Investment Manager, who has been authorized to manage the distribution of the assets to achieve the Fund's investment objectives. Compliance with the target asset allocations and the composition of the portfolio is monitored by the Investment Committee. In instances where the portfolio has diverged from target asset allocations, the Fund's Investment Manager is obliged to take actions to rebalance the portfolio in line with the established targets, within prescribed time limits.

21.1 Credit risk

Credit risk is the risk of financial loss to the Fund if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from bank balances, other receivables and security deposits.

The carrying amount of financial assets represents the maximum credit exposure.

Management of credit risk

The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of NBFC rules and regulations. Before making investment decisions, the credit rating and credit worthiness of the issuer is taken into account along with the financial background so as to minimize the risk of default.

Credit risk is managed and controlled by the Management Company of the Fund in the following manner:

- Where the investment committee makes an investment decision, the credit rating and credit worthiness of the issuer / counterparty is taken into account along with the financial background so as to minimize the risk of default.
- Analyzing of credit ratings and obtaining adequate collaterals wherever appropriate / relevant.
- The risk of counterparty exposure due to failed trades causing a loss to the Fund is mitigated by a periodic review of the credit ratings and financial statements on a regular basis.
- Cash is held only with reputable banks with high quality external credit ratings.
- Investment transactions are carried out with a large number of brokers, whose credit worthiness is taken into account so as to minimize the risk of default and transactions are settled or paid for only upon delivery.

Exposure to credit risk

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

	2024		2023	
	Balance as per the Statement of Assets and Liabilities	Maximum Exposure	Balance as per the Statement of Assets and Liabilities	Maximum Exposure
----- (Rupees in '000) -----				
Bank balances (including profit due)	1,313	1,313	8,332	8,332
Security deposits	2,600	2,600	2,600	2,600
Receivable against sale of units	50	50	-	-
	<u>3,963</u>	<u>3,963</u>	<u>10,932</u>	<u>10,932</u>

Bank Balances

The Fund's cash and cash equivalents at June 30, 2024 with banks having following credit ratings:

	2024	2023	2024	2023
	----- (Rupees in '000) -----		----- (%) -----	
Ratings				
AAA	914	-	69.61	-
AA+	280	71	21.33	0.85
AA-	-	2,066	-	24.80
AA	119	6,195	9.06	74.35
A	-	-	-	-
BBB-	-	-	-	-
Unrated	-	-	-	-
Total balance (including profit due)	<u>1,313</u>	<u>8,332</u>	<u>100</u>	<u>100</u>

Above rates are on the basis of available ratings assigned by PACRA and VIS.

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors affects the group of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio exposed to credit risk primarily consists of bank deposits.

Details of Fund's concentration of credit risk of financial instruments by economic sectors are as follows:

	2024 ----- (Rupees in '000) -----	2023	2024 ----- (%) -----	2023
Commercial banks (including profit due)	1,313	8,332	33.13	76.22
National Clearing Company of Pakistan Limited- security deposit	2,500	2,500	63.08	22.87
Central Depository Company of Pakistan Limited - security deposit	100	100	2.52	0.91
Oil and Gas - dividend receivable	-	-	-	-
Textile Composite - dividend receivables	-	-	-	-
Engineering - dividend receivable	-	-	-	-
Pharmaceuticals - dividend receivable	-	-	-	-
Receivable against sale of units	50	-	1.26	-
	<u>3,963</u>	<u>10,932</u>	<u>100</u>	<u>100</u>

Past due and impaired assets and collaterals held

None of the financial assets of the Fund are past due or impaired as at June 30, 2024. All financial assets of the Fund as at June 30, 2024 are unsecured.

Settlement risk

The Fund's activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of an entity to honor its obligations to deliver cash, securities or other assets as contractually agreed on sale.

For the vast majority of transactions the Fund mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

21.2 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Fund's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

The Fund aims to maintain the level of cash and cash equivalents and other highly marketable securities at an amount in excess of expected cash outflows on financial liabilities. The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by SECP.

Management of liquidity risk

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed. The Fund invests primarily in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash. As a result, the Fund may be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirement. The present settlement system is a T+2 system, which means that proceeds from sales (to pay off redemptions) of holdings will be received on the second day after the sale.

The Fund has the ability to borrow, with prior approval of trustee, for meeting redemption. No such borrowings were made during the year. The maximum amount available to the Fund from borrowings is limited to the extent of 15% of net assets at the time of borrowing with repayment within 90 days of such borrowings.

In order to manage the Fund's overall liquidity, the Fund can also withhold daily redemption request in excess of ten percent of the units in issue and such requests would be treated as redemption request 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.

Maturity analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

	Contractual cash flows	
	Carrying amount	Less than 3 months
----- (Rupees in '000) -----		
June 30, 2024		
Financial liabilities		
Payable to AWT Investments Limited - Management Company*	1,725	1,725
Payable to Central Depository Company of Pakistan Limited - Trustee	25	25
Accrued expenses and other liabilities**	573	573
	<u>2,323</u>	<u>2,323</u>
Unit holders' fund	<u>134,692</u>	<u>134,692</u>
* excluding , federal excise duty on Management Company's remuneration,		
** and withholding tax payable .		

	Contractual cash flows	
	Carrying amount	Less than 3 months
----- (Rupees in '000) -----		
June 30, 2023		
Financial liabilities		
Payable to AWT Investments Limited - Management Company	1,203	1,203
Payable to Central Depository Company of Pakistan Limited - Trustee	19	19
Accrued expenses and other liabilities*	2,485	2,485
	<u>3,707</u>	<u>3,707</u>
Unit holders' fund	<u>104,254</u>	<u>104,254</u>
* excluding provision for Sindh workers' welfare fund, federal excise duty on Management Company's remuneration, and withholding tax payable .		

Above financial liabilities do not carry any mark-up and are unsecured.

21.3 Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Fund's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Management of market risks

Management policies and investment guidelines have been approved by the Investment Committee and are as per the regulations laid down by the Securities and Exchange Commission of Pakistan. The maximum risk resulting from financial instruments equals their fair values.

The Fund is exposed to interest rate risk and equity price risks.

21.3.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates. Risk management procedures are the same as those mentioned in the credit risk management.

Exposure to interest rate risk

Interest rate profile of the Fund's interest-bearing financial instruments is as follows:

Variable rate instruments

	2024	2023
	----- (Rupees in '000) -----	----- (Rupees in '000) -----
Financial assets (Bank balances)	<u>1,167</u>	<u>8,085</u>

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased unit holder fund and income statement by Rs. 80,850 (2023: Rs. 80,850). The analysis assumes that all other variables remain constant.

Bank balances are repriced by the bank after changes in the State Bank of Pakistan's policy rate and do not have any contractual maturity.

21.3.2 Price risk

The Fund is exposed to equity price risk i.e. the risk of unfavourable changes in the fair value of equity securities as a result changes in the levels of Pakistan Stock Exchange Index and the value of individual shares, which arises from investments measured at fair value through income statement.

The management of the Fund monitors the proportion of equity securities in its investment portfolio based on market indices. The Fund's policy is to manage price risk through diversification and selection of securities within the specified limits set by internal risk management guidelines or the requirements of NBFC Regulations. The Fund manages those risks by limiting exposure to any single investee company to the extent of 10% of the issued capital of that investee company and the net assets of the Fund with overall limit of 30% to a single industry sector of the net assets of the Fund (the limit set by NBFC Regulations).

The Fund also manages its exposure to price risk by reviewing portfolio allocation as frequently as necessary and at least once a quarter from the aspect of allocation within industry and individual stock within that allocation. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Investment Committee. The primary goal of the Fund's investment strategy is to maximize investment returns.

Details of the Fund's investments in industrial / economic sectors are given in note 6.1.

Sensitivity Analysis

All of the Fund's listed equity investments are listed on Pakistan Stock Exchange. For such investments classified as at fair value through profit and loss, due to 5% increase or decrease in the fair values of the equity investments, would have increased or decreased the profit for the year and the unit holders' fund by Rs. 6,614,400 (2023: Rs. 4,813,500).

22. UNIT HOLDER'S FUND RISK MANAGEMENT

Management's objective when managing unit holders' funds is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders' and to ensure reasonable safety of unit holders' funds.

The Fund manages its investment portfolio and other assets by monitoring return on net assets and makes adjustments to it in the light of changes in market conditions. Under the NBFC regulations, the minimum size of an open end scheme shall be one hundred million rupees at all the times during the life of the scheme. The size of the Fund fell below the above-mentioned limit on various occasions during the year ended June 30, 2024 (Refer note 1.6).

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

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.

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.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Fund to classify fair value measurements 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 that the entity can access at the measurement date (level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (level 2).
- Unobservable inputs for the asset or liability (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

		Carrying amount				Fair value			
		Fair value through profit or Loss	At Amortized Cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
June 30, 2024	Note	(Rupees in '000)							
Financial assets measured at fair value									
Investments	6	132,288	-	-	132,288	132,288	-	-	132,288
Financial assets measured at amortized cost									
Bank balances	5	-	1,167	-	1,167	-	-	-	-
Security deposits	7	-	2,600	-	2,600	-	-	-	-
Other receivables	8	-	146	-	146	-	-	-	-
Receivable against sale of units		-	50	-	50	-	-	-	-
		-	3,963	-	3,963	-	-	-	-
Financial liabilities measured at amortized cost									
Payable to AWT Investment Limited Management Company	9	-	-	2,667	2,667	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	10	-	-	25	25	-	-	-	-
Accrued expenses and other liabilities	12	-	-	573	573	-	-	-	-
		-	-	3,265	3,265	-	-	-	-
		Carrying amount				Fair value			
		Fair value through Profit or Loss	At Amortized Cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
June 30, 2023	Note	(Rupees in '000)							
Financial assets measured at fair value									
Investments	6	96,270	-	-	96,270	96,270	-	-	96,270
Financial assets not measured at fair value									
Bank balances	5	-	8,085	-	8,085	-	-	-	-
Security deposits	7	-	2,600	-	2,600	-	-	-	-
Other receivables	8	-	247	-	247	-	-	-	-
		-	10,932	-	10,932	-	-	-	-
Financial liabilities not measured at fair value									
Payable to AWT Investment Limited Management Company	9	-	-	1,203	1,203	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	10	-	-	19	19	-	-	-	-
Accrued expenses and other liabilities	12	-	-	2,485	2,485	-	-	-	-
		-	-	3,707	3,707	-	-	-	-

24 ADDITIONAL NON FINANCIAL INFORMATION

The information regarding unit holding pattern of the Fund, list of top brokers by percentage of commission paid, members of the Investment Committee, fund manager, meetings of the Board of Directors, credit rating of the Fund and the Management Company of the Fund as required under Schedule V of NBFC Regulations are as follows:

24.1 Unit holding pattern of Fund

Category	2024			
	Number of unit holders	Number of units held	Investment amount (Rupees in '000)	Percentage of investment ---- (%) ---
Individuals	78	27,683	4,020	3%
Associate	1	899,922	130,672	97%
	79	927,605	134,692	100%

Category	2023			
	Number of unit holders	Number of units held	Investment amount (Rupees in '000)	Percentage of investment ---- (%) ---
Individuals	73	22,038	1,915	2%
Associate	1	1,177,913	102,339	98%
	74	1,199,951	104,254	100%

24.2 List of top 10 brokers by percent of the commission paid

The list of brokers by percentage of the commission paid during the year ended June 30, 2024 are as follows:

Name of broker	Percentage of commission / brokerage %
- ADAM SECURITIES (PVT) LIMITED	5.32%
- AL-HABIB CAPITAL MARKETS (PVT) LTD	3.25%
- ARIF HABIB LIMITED	1.16%
- BMA CAPITAL MANAGEMENT LTD.	5.70%
- INSIGHT SECURITIES	14.83%
- INTERMARKET	7.97%
- JS GLOBAL CAPITAL LIMITED	10.95%
- KTRADE SEC LTD	7.37%
- PEARL SECURITIES LIMITED	2.63%
- SHERMAN SECURITIES	10.94%
- STANDARD CAPITL SECURITIES	7.39%
- SUMMIT SECURITIES	2.89%
- TAURUS SECURITIES	4.55%
- TOPLINE SECURITIES (PVT.) LIMITED	9.58%
- Vector Securities (Private) Limited	5.47%

The list of brokers by percentage of the commission paid during the year ended June 30, 2023 were as follows:

Name of broker	Percentage of commission / brokerage %
- FOUNDATION SECURITIES (PVT) LTD	14.33%
- BMA CAPITAL MANAGEMENT LTD.	12.24%
- VECTOR CAPITAL (PVT.) LIMITED	10.95%
- AL-HABIB CAPITAL MARKETS (PVT) LTD	7.46%
- TOPLINE SECURITIES (PVT.) LIMITED	7.42%
- ASKARI SECURITIES LIMITED	7.40%
- JS GLOBAL CAPITAL LIMITED	6.90%
- ADAM SECURITIES (PVT) LIMITED	6.54%
- ALFALAH SECURITIES (PVT) LTD.	5.98%
- AKD SECURITIES LTD	5.09%

24.3 Brief particulars of the investment committee and the fund manager

S.	Name	Designation	Experience	Qualification
1	Mr. Sajjad Anwar	Chief Executive Officer	22	CFA & MBA
2	Syed Nouman Ahmad	Head of Equity/Fund Manager (24.3.1)	10	MBA Finance
3	Mr. Salman Hashmi	Chief Financial Officer	20	ACMA and MS in Finance & Economics
4	Mr. Farukh Yasin	Head of Risk and Compliance	10	CFA & ACCA

24.3.1 He is managing following fund :

AWT Islamic Stock Fund

24.4 Directors meeting attendances

Following are the dates and name of persons who attended the meeting of the board of directors during the year:

For the year ended June 30, 2024

Name of directors	Number of Meetings Attended	Dates of meeting			
		September 25, 2023	October 24, 2023	February 21, 2024	April 29, 2024
Lt. Naveed Mukhtar (Retd.) *	2	1	1	N/A	N/A
AVM Muhammad Akhtar Shams (Retd.) **	2	1	1	N/A	N/A
Lt. Gen. Nauman Mahmood (Retd.) ***	2	N/A	N/A	1	1
Maj Gen. Kamran Ali (Retd.) ****	1	N/A	N/A	N/A	1
Mr. Malik Riffat Mehmood	4	1	1	1	1
Mr. Raheel Qamer Ahmed	4	1	1	1	1
Ms. Maleeha Humayun Khan	4	1	1	1	1
Mr. Sajjad Anwar (CEO)	4	1	1	1	1
Members attended		6	6	5	6

* Lt. Gen Naveed Mukhtar resigned w.e.f. 20 Feb 2024

** AVM Athar Shams resigned w.e.f. 04 March 2024

*** Lt. Gen Nauman Mahmood appointed w.e.f. 21 Feb 2024

****Maj Gen Kamran Ali appointed w.e.f. 04 March 2024

For the year ended June 30, 2023

Name of directors	Number of Meetings Attended	Dates of meeting			
		September 21, 2022	October 31, 2022	December 29, 2021	April 18, 2023
Lt. Naveed Mukhtar (Retd.)	4	1	1	1	1
Air Vice Marshal. Muhammad Akhtar Shams	4	1	1	1	1
Mr. Malik Riffat Mehmood	4	1	1	1	1
Mr. Raheel Qamer Ahmed	4	1	1	1	1
Ms. Maleeha Humayun Khan	4	1	1	1	1
Mr. Sajjad Anwar (CEO)	4	1	1	1	1
Members attended		6	6	6	6

25. GENERAL

- 25.1** Certain prior year's figures have been re-arranged / re-classified, wherever necessary, to facilitate comparison in the presentation in the current year. However, there are no material re-arrangements / re-classifications to report.

26. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 26 SEP 2024 by the Board of Directors of the Management Company.

**For AWT Investments Limited
(Management Company)**



Chief Financial Officer



Chief Executive Officer



Director