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FUND'S INFORMATION

Management Company

BMA Asset Management Company Limited
801 Unitower, I.I. Chundrigar Road,
Karachi-74000

Board of Directors of the Management Company

Mr. Waqar Hassan Siddique	Chairman
Mr. Muddassar Malik	Chief Executive
Mr. Abdullah Shahin	Director
Mr. Omar Syed	Director
Mr. Thomas James Speechley	Director
Mr. Tashfin I. Huq	Director
Mr. Zahid Qasim Noorani	Director
Mr. Muhammad Iqbal	Director

CFO and Company Secretary of the Management Company

Mr. Faisal Ali Khan

Audit Committee of the Management Company

Mr. Muhammad Iqbal	Chairman
Mr. Tashfin I. Huq	
Mr. Zahid Qasim Noorani	

Human Resource and Remuneration Committee

Mr. Tashfin I. Huq	Chairman
Mr. Muhammad Iqbal	
Mr. Muddassar Malik	

Trustee

MCB Financial Services Limited
Trustee Office 3rd Floor Adamjee House I.I. Chundrigar Road Karachi

Bankers

Standard Chartered Bank (Pakistan) Limited
Bank Al-Habib Limited
Faysal Bank Limited
MCB Bank Limited
Bank Alfalah Limited
Allied Bank Limited

Distributors

BMA Financial Services Limited

Auditors

Ernst & Young Ford Rhodes Sidat Hyder & Co. Chartered Accountants
Progressive Plaza, Beaumont Road, Karachi

Legal Adviser

KMS Law Associates
207, Beaumont Plaza behind PIDC House, Karachi

Registrar

Technology Trade (Pvt.) Limited
Dagia House, 241C, Block 2, PECHS Karachi

Fund Stability Rating

AA+ (f)

Management Quality Rating

Rating under process

MISSION STATEMENT

The BMA Empress Cash Fund aims to minimize risk, maximize liquidity and generate a competitive rate of return with Portfolio allocation concentrated in AA rated banks and short duration sovereign rated securities, which will enable the fund to earn consistent risk adjusted returns and beat its benchmark (three month deposit rate offered by AA rated banks) while maintaining adequate liquidity and supreme credit quality.

VISION STATEMENT

BMA Asset Management seeks to establish itself as a leader within the asset management industry of Pakistan by following the principles of prudent investment practice and keeping our fiduciary responsibility towards our investors as the core belief to our investment philosophy.

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of BMA Asset Management Company Limited, the Management Company to BMA Empress Cash Fund (BECF) is pleased to present its report and financial statements of the Fund for the year ended June 30, 2012.

PROFILE

The BMA Empress Cash Fund is a professionally managed cash fund, which aims to minimize risk, maximize liquidity and generate a competitive rate of return. Portfolio allocation will be concentrated in AA rated banks and short duration sovereign rated securities, which will enable the fund to earn consistent risk adjusted returns. The Fund was launched on 12 November 2009 and aims to consistently beat its benchmark (3M deposit rate offered by AA rated banks) while maintaining adequate liquidity and superior credit quality.

FUND'S FINANCIAL PERFORMANCE

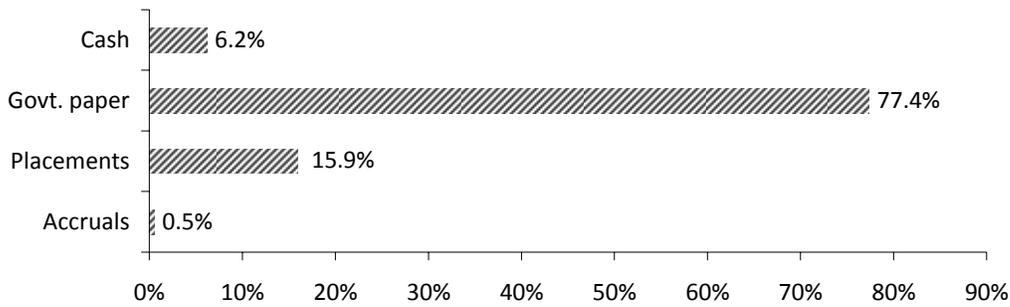
For the year ended June 30, 2012 the Fund earned Rs. 89.63 mn from income on investments, bank balances and term deposits. In addition the fund booked element of income from the issue and redemption of units which totalled Rs. -1.49 mn. Total income thus came to Rs. 87.84 mn.

Expenses for the year totalled Rs. 12.20 mn and consisted of Rs. 1.26 mn remuneration to the trustee of the fund, Rs. 0.54 mn fee to the SECP and Rs. 7.66 mn remuneration to the management company. As a result net income for the year was Rs. 75.64 mn.

Financial highlights	June 30, 2012
	Rupees
Mark up/interest income	89,629,198
Element of income	(1,493,704)
Total Income	87,836,897
Expenses	12,198,897
Net Income	75,638,000
Net Asset Value per unit (Rupees)	10.0607

As of 30 June the net assets of the Fund were Rs. 785.55 mn, of which 6.18% was held as cash, 15.91% was invested in money market placements with AA/AA+ rated financial institutions and 77.37% was allocated to sovereign rated Treasury Bills. The portfolio duration as of 30 June was 28 days, which is in line with the Fund's investment strategy of staying on the shorter end of the yield curve in an unstable macroeconomic environment.

Asset Allocation [30.06.12]



RETURN & FUND UPDATE

During fiscal year 2012 the fund generated a net return of 11.32% for investors. This was against the benchmark average of 8.23% during the year. The Fund continued to declare dividends on a regular basis and announced a cumulative distribution of Rs. 1.09/unit for FY12 which was equal to 10.84% of the opening NAV. Since the company’s decision to reduce the management fee to 0.75% per annum of net assets in December 2011, BECF has been amongst the top performing money market funds and has outperformed the industry average by a considerable margin.

MACROECONOMIC OUTLOOK

Fiscal year 2013 started off on a more optimistic note with inflation dropping to single digits in July (9.6%) and August (9.0%). More importantly the economy received a much needed boost from the receipt of \$1.1 bn in outstanding Coalition Support Fund dues. With investment as a percentage of GDP dropping to just 12.0% the SBP deemed it appropriate to cut the discount rate by 150 bps to 10.5% in its 10th August 2012 monetary policy review. This was against our view in the last report in which we expected that space for further easing would be limited and that monetary tightening would occur in 2HCY12. The market is confident of further cuts and the possibility of a single digit policy rate cannot be ruled out as the SBP brings real interest rates down in light of lower inflation data.

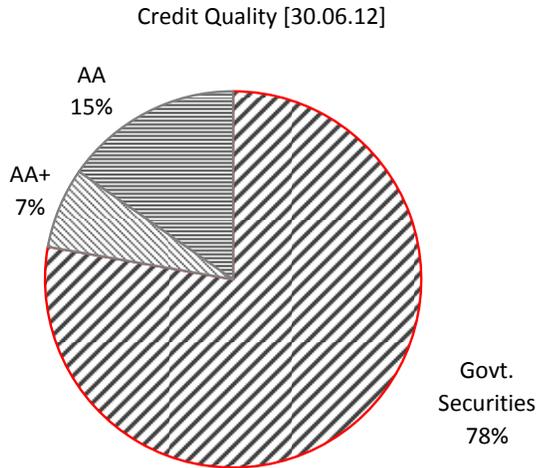
While there has been positive news in the short term we fear that macroeconomic headwinds will intensify from 2HFY13 onwards. FX reserves will remain under pressure as Pakistan has to make debt repayments of almost \$4.0 bn during the current fiscal year. No material improvement in the trade deficit can be expected as oil prices have rebounded 25% from their June lows while commodity prices for food items (wheat, soybeans, corn etc.) are at all time highs. With FDI flows on a consistent decline, Pakistan will remain critically dependent on USD inflows from CSF, Kerry Lugar, 3G auction and Etililat. The non materialization of these inflows will erode the ability of the country to finance even a small current account deficit.

The decline in FX reserves will put pressure on USD:PKR parity and we project a year end level of 102 – 103. PKR depreciation will exacerbate domestic inflation which we expect to return to double digits by December 2012. To mitigate the effects of a problematic balance of payments position we will most probably see a return to the IMF in 2013. Given the fiscal profligacy, resulting monetary overhang and rebounding inflation we do not expect the current monetary easing cycle to last past FY13.

STRATEGY

In light of the above macroeconomic scenario, BECF's strategy is likely to focus on the following;

- Increase duration with the intention of trading in order to take advantage of falling yields
- Realize gains at the bottom of the interest rate cycle which we expect to occur during 1QCY13
- Allocate at least 50% of the portfolio to Treasury Bills
- Limit AA exposures to 30% of net assets to maintain credit quality of portfolio



Acknowledgement

The Board is thankful to its valued investors, the Securities and Exchange Commission of Pakistan, the Trustees of the Fund, MCB Financial Services Limited and the Registrar, Technology Trade (Pvt) Limited. The Directors of the Management Company also acknowledge the efforts put in by the team of the Management Company for the meticulous management of the Fund.

**For and on behalf of the
Board**

Karachi

Muddassar Malik

September 13, 2012

Chief Executive Officer

REPORT OF THE FUND MANAGER



BMA EMPRESS CASH FUND

June-12	NAV	10.0607
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Fund Returns	BECF	BM
Annualized Return (Jun12)	10.47%	8.09%
Annualized Return (FY12)	11.32%	8.23%

Portfolio Characteristics	
Assets in PKR MLN (30.06.12)	785.55
NAV/unit in PKR (29.06.12)	10.0607
Portfolio Duration	28 days
Portfolio Standard Deviation	0.01%

Asset Allocation	Jun	May
Cash	6.18%	5.74%
Placements	15.91%	16.95%
T Bills	77.37%	76.60%
Accruals	0.54%	0.72%
Leverage	None	None

Fund Details	
Fund Type	Open End
Category	Money Market Fund
Benchmark*	3M Bank Rate
Inception Date	12-Nov-09
Dealing Days	Monday – Friday
Cut-off time	4:00 PM
Pricing Mechanism	Forward
Management Fee	0.75%
Front end Load	Upto 1%
Back end Load	Nil
Fund Stability Rating	AA+(JCR)
Risk Profile	Low Risk
Listing	KSE
Trustee	MCBFSL
Auditor	Ford Rhodes
Transfer Agent	Technology Trade
Legal Advisors	KMS Law Associates

Investment Committee	
Muddassar M. Malik	Chief Executive Officer
Farrukh Hussain	Chief Investment Officer
Mustafa O. Pasha	Fund Manager
Bilal Khan	Member
Ali Najeeb	Risk Manager
Hassan Bin Nasir	Secretary

0800 00262
 SMS your name and email to **2620**
info@bmafunds.com
www.bmafunds.com

Fund Objective

The BMA Empress Cash Fund is a professionally managed cash fund, which aims to minimize risk, maximize liquidity and generate a competitive rate of return. This will be achieved by concentrating portfolio allocation in AA rated banks and short duration sovereign rated securities.

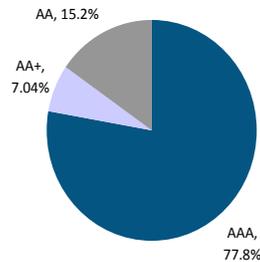
Fund Commentary

During June the Fund declared a dividend of Rs. 0.16/unit thus bringing the total payout for FY12 to Rs. 1.09/unit. Annualized return for Jun12 was 10.47% while return for FY12 was 11.32%. AUMs stood at Rs. 785.55 mn, a decrease of 1.4% over May. Portfolio duration decreased slightly to 28 days against 30 days in May. Standard deviation of returns was 0.01%, reflecting the low risk and stable nature of the fund's income. Allocation towards placements decreased to 15.91%, exposure to T bills increased from 76.6% in May to 77.37% in June while cash holdings were adequate at 6.18%. The Fund will continue to remain on the shorter end of the yield curve as the current macroeconomic equilibrium has tilted the balance towards monetary tightening.

Market Outlook

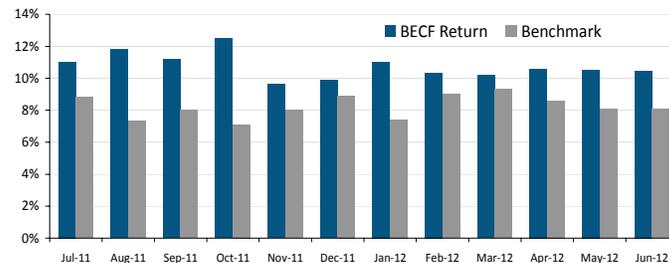
Inflation for Jun12 moderated to 11.26% as single digit food inflation and drop in transportation costs resulted in a below consensus figure. As a result inflation for FY12 was well within the target range at 11.02%. Unfortunately lower inflation was more a result of supply side factors as government borrowing from the SBP continued to climb and now stands at Rs. 596.6 bn. FX reserves dropped to \$14.96 bn as debt payments to the IMF continued and the current account registered a deficit of \$414 mn during May12. Though pressure on the PKR is expected to remain, recent news flow on the release of \$2.5 bn pending CSF payments could provide significant relief to the macroeconomic environment and ease pressure on public finances, currency and inter bank liquidity.

Portfolio Ratings Profile



Month	Return	Benchmark
June-12	10.47%	8.09%
May-12	10.52%	8.07%
April-12	10.59%	8.60%
March-12	10.20%	9.33%
February-12	10.34%	9.00%
January-12	11.01%	7.44%
December-11	9.88%	8.93%
November-11	9.61%	8.00%
October-11	12.48%	7.10%
September-11	11.18%	8.00%
August-11	11.82%	7.33%
July-11	11.03%	8.83%

Monthly return (on annualized basis)



MUFAP Recommended Format

Disclosure: The Fund has not made provisions amounting to Rs. 4,534,619 against Workers' Welfare Fund liability, if the same were made on 30 June 2012 the NAV per unit/FY12 return of the Fund would be lower by Rs. 0.058/5.66%. For details investors are advised to read note 11 of the fund's latest financial statements.

Disclaimer: This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any Fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependant on forces and factors affecting the capital markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results.

KEY FINANCIAL DATA**PERFORMANCE TABLE**

	2012	2011	2010
	Rupees	Rupees	Rupees
Net Assets	785,550,293	675,992,149	840,875,409
Net asset value per unit	10.06	10.55	10.65
Distributions per unit	1.09	1.10	0.60
Selling price for units	10.16	10.66	10.76
Repurchase price for units	10.06	10.55	10.65
Highest Offer price per unit	10.51	10.71	10.76
Lowest Offer price per unit	10.16	10.15	10.00
Highest Redemption price unit	10.41	10.60	10.65
Lowest Redemption price unit	10.06	10.05	10.00
Annual return (%)	11.32	11.37	10.41
Weighted average portfolio duration	28 days	70 days	80 days

* The Fund was launched on November 12, 2009.

Disclaimer

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

REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

Report of the Trustee Pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

BMA Empress Cash Fund, an open-end Scheme established under a Trust Deed dated June 18, 2009 executed between BMA Asset Management Company Limited, as the Management Company and MCB Financial Services Limited, as the Trustee. The Fund offered its units for public subscription Scheme from November 10, 2009 to November 11, 2009.

1. BMA Asset Management Company Limited, the Management Company of BMA Empress Cash Fund, has in all material respects, managed BMA Empress Cash Fund during the year ended June 30, 2012 in accordance with the provisions of the following:
 - (i) the limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
 - (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
 - (iii) the creation and cancellation of units are carried out in accordance with the deed;
 - (iv) and any regulatory requirement

For the purpose of information, the attention of unit holders is drawn towards audit report and note 16 to the financial statements which explain contingency in respect of the Fund's contribution to the Worker's Welfare Fund (WWF) aggregating to Rs. 4.5 million for which no provision has been made in the financial statements. In this regard, the Management Company of the Fund expects that the constitutional petition pending in the Honorable High Court of Sindh on the subject will be decided favorably.

Karachi: September 4, 2012

Khawaja Anwar Hussain
Chief Executive Officer
MCB Financial Services Limited

**STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE
FOR THE YEAR ENDED 30 JUNE 2012**

This statement is being presented by the Board of Directors of BMA Asset Management Company Limited, the Management Company of BMA Empress Cash Fund to comply with the Code of Corporate Governance contained in Regulation No.35, Chapter XI of listing regulations of Karachi Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance. The Management Company has applied the principles contained in the Code in the following manner:

1. The Management Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors. At present, the Board includes;

Category	Names
Independent Directors	Muhammad Iqbal
	Tashfin I Huq
	Zahid Qasim Noorani
Executive Directors	Muddassar Mazhar Malik
Non-Executive Directors	Waqar Hassan Siddique
	Thomas James Speechley
	Abdullah Shahin
	Omer Syed

The independent directors meets the criteria of independence under clause i (b) of the Code.

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies (including this Fund).
3. All the resident directors of the Management Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or NBFIs or, being a member of a stock exchange, have been declared as a defaulter by that stock exchange.
4. No casual vacancy occurred on the Board during the year ended June 30, 2012.
5. The Management Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
6. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Fund. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer, have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meeting. The minutes of the meetings were appropriately recorded and circulated.
9. The Directors are conversant of the relevant laws applicable to the Management Company, its policies and procedures and provisions of memorandum and articles of association and are aware of their duties and responsibilities.

10. The Board has approved the appointment of CFO, Company Secretary and M/s Yousuf Adil Saleem & Co. Chartered Accountants (Delloite) as internal auditors, including their remuneration and terms and conditions of employment, as determined by Chief Executive Officer.
11. The Directors' Report of the Fund for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The directors, CEO and executives of the Management Company do not hold any interest in the units of the Fund other than that disclosed in the pattern of unit holding.
13. The Chief Executive Officer and CFO duly endorsed the financial statements of the Fund before approval of the Board.
14. The Management Company has complied with all the significant corporate and financial reporting requirements of the Code relevant to the Fund.
15. The Board has formed an Audit Committee comprising of three members all of whom are non-executive directors and the chairman of the committee is an independent director.
16. The meetings of the Audit Committee were held in every quarter prior to approval of interim and final results of the Fund as required by the Code. The Terms of Reference of the Committee have been formed and advised to the committee for compliance.
17. The board has formed a HR and Remuneration Committee comprising of three members, two of whom are non-executive members and the chairman of the committee is an independent director.
18. The Management Company has outsourced the internal audit function to M/s Yousuf Adil Saleem & Co. Chartered Accountants (Delloite) who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
19. The statutory auditors of the Fund have confirmed that they have been given a satisfactory rating under Quality Control Review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold units of the Fund and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by Institute of Chartered Accountants of Pakistan .
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The closed period prior to the announcement of interim/final results which may materially affect the market price of the Fund's units, was determined and intimated to directors, employees and stock exchange.
22. We confirm that all other material principles contained in the Code have been complied with.

For and on behalf of the
Board of Directors

Muddassar Malik
Chief Executive Officer

Karachi: September 13, 2012

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

We have reviewed the Statement of Compliance with the best practices (the Statement) contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of BMA Asset Management Company Limited (the Management Company) of **BMA Empress Cash Fund** (the Fund) to comply with the Listing Regulation No. 35 (Chapter XI) of the Karachi Stock Exchange where the Fund is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Management Company of the Fund. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement reflects the status of the Management Company's compliance with the provisions of the Code in respect of the Fund and report if it does not. A review is limited primarily to inquiries of the Management Company's personnel and review of various documents prepared by the Management Company to comply with the Code.

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

Further, Sub-Regulation (xiii a) of Listing Regulation 35 notified by The Karachi Stock Exchange vide circular KSE/N-269 dated 19 January 2009 requires the Management Company to place before the Board of Directors for their consideration and approval related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the audit committee. We are only required and have ensured compliance of requirement to the extent of approval of related party transactions by the Board of Directors and placement of such transactions before the audit committee. We have not carried out any procedure to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement does not appropriately reflect the Management Company's compliance, in all material respects, with the best practices contained in the Code in respect of the Fund for the year ended 30 June 2012.

Ernst & Young Ford Rhodes Sidat Hyder & Co.

CHARTERED ACCOUNTANTS

Karachi: September 13, 2012

Omer Chughtai

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **BMA Empress Cash Fund (the Fund)**, which comprise the statement of assets and liabilities as at **30 June 2012**, and the related statements of income, comprehensive income, distribution, cash flows and movement in unit holders' fund for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

The Management Company of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations 2008 (the NBFC Regulations) and approved accounting standards as applicable in Pakistan. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Fund's affairs as at **30 June 2012** and of its financial performance, cash flows and transactions for the year then ended in accordance with approved accounting standards as applicable in Pakistan.

Emphasis of matter

We draw attention to note 16 to the accompanying financial statements which explains the contingency in respect of the Fund's contribution to Workers' Welfare Fund aggregating to Rs. 4.5 million for which no provision has been made in these financial statements. In this regard, the Management Company of the Fund expects that the constitutional petition pending in the Honorable High Court of Sindh on the subject will be decided favorably. Our opinion is not qualified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of Trust Deed, NBFC Rules and NBFC Regulations, 2008.

Karachi: September 13, 2012

Ernst & Young Ford Rhodes Sidat Hyder & Co.
CHARTERED ACCOUNTANTS
Omer Chughtai

STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 JUNE 2012

	Note	June 30, 2012 Rupees	June 30, 2011 Rupees
ASSETS			
Bank balances	8	46,290,603	160,323,581
Investments	9	740,018,014	517,988,768
Mark-up / interest receivable	10	2,441,399	622,562
Preliminary expenses and floatation costs	11	1,429,033	2,035,089
Prepayments and other receivables		52,544	43,120
TOTAL ASSETS		790,231,593	681,013,120
LIABILITIES			
Remuneration payable to management company	12	575,577	965,197
Remuneration payable to trustee	13	112,180	110,093
Annual fee payable to Securities and Exchange Commission of Pakistan	14	535,650	821,125
Payable to unit holders against redemption of units		-	55,000
Payable to cash opted unit holders against dividend		867,862	-
Accrued expenses and other liabilities	15	2,590,031	3,069,556
TOTAL LIABILITIES		4,681,300	5,020,971
CONTINGENCY	16	-	-
NET ASSETS		785,550,293	675,992,149
Unit holders' funds (as per statement attached)		785,550,293	675,992,149
Number of units in issue	17	78,080,867	64,053,688
Net Asset Value per unit	5.6	10.06	10.55

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

**For BMA Asset Management Company Limited
(Management Company)**

**Muddassar Malik
Chief Executive Officer**

**Tashfin I. Huq
Director**

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2012

	Note	June 30, 2012 Rupees	June 30, 2011 Rupees
INCOME			
Mark up / interest income	18	89,629,198	138,967,616
Loss on sale of investments – net		(152,741)	(602,030)
Unrealized loss on investments at fair value through profit or loss		(145,856)	(459,449)
Element of (loss) / income and capital (loss) / gain included in prices of units issued less those in units redeemed – net		(1,493,704)	(21,714,114)
Other Income		-	67,500
TOTAL INCOME		87,836,897	116,259,523
EXPENSES			
Remuneration of the management company	12.1	7,661,097	16,422,488
Sales tax on management fee	12.2	1,225,822	-
Remuneration of the trustee	13	1,256,962	1,554,048
Annual fee to SECP	14	535,650	821,125
Brokerage expense		115,279	255,425
Amortisation of preliminary expenses and floatation costs		606,056	604,400
Auditors' remuneration	19	439,494	516,433
Listing fee		30,082	30,000
Mutual fund rating fee		195,872	195,337
Printing and stationary		98,812	83,159
Bank charges		33,771	41,728
TOTAL EXPENSES		12,198,897	20,524,143
NET INCOME		75,638,000	95,735,380
EARNINGS PER UNIT	20	-	-

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

**For BMA Asset Management Company Limited
(Management Company)**

**Muddassar Malik
Chief Executive Officer**

**Tashfin I. Huq
Director**

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012

	June 30, 2012 Rupees	June 30, 2011 Rupees
Net income for the year	75,638,000	95,735,380
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>75,638,000</u>	<u>95,735,380</u>

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

**For BMA Asset Management Company Limited
(Management Company)**

**Muddassar Malik
Chief Executive Officer**

**Tashfin I. Huq
Director**

DISTRIBUTION STATEMENT
FOR THE YEAR ENDED 30 JUNE 2012

	June 30, 2012 Rupees	June 30, 2011 Rupees
Undistributed income brought forward {includes unrealized loss of Rs. 459,449 (01 July 2010: unrealized loss: Rs. 370,146) realized loss of Rs. 797,226 (01 July 2010: realized loss: Rs. 195,196)}	35,452,863	51,076,765
Net income for the year	75,638,000	95,735,380
Final distribution at the rate of Rs. 0.6 per unit for the year ended 30 June 2010 approved on 07 July 2010	-	(47,387,920)
First interim distribution for the rate of Rs. 0.4 per unit approved on 07 January 2011	-	(46,932,981)
Second interim distribution at the rate of Rs. 0.2 per unit approved on 05 April 2011	-	(17,038,381)
Final distribution at the rate of Rs. 0.5 per unit for the year ended 30 June 2011 approved on 07 July 2011	(32,026,844)	-
First interim distribution at the rate of Rs. 0.25 per unit approved on 05 October 2011 (October 2010: Nil)	(16,686,592)	-
Second interim distribution at the rate of Rs. 0.25 per unit approved on 29 December 2011 (December 2010: Nil)	(18,123,220)	-
Third interim distribution at the rate of Rs. 0.25 per unit approved on 29 March 2012 (March 2011: Nil)	(13,050,034)	-
Fourth interim distribution at the rate of Rs. 0.1 per unit approved on 27 April 2012 (April 2011: Nil)	(8,013,615)	-
Fifth interim distribution at the rate of Rs. 0.08 per unit approved on 30 May 2012 (May 2011: Nil)	(6,249,302)	-
Final distribution at the rate of Rs. 0.16 per unit for the year ended 30 June 2012 approved on 28 June 2012	(12,201,976)	-
Undistributed income carried forward {includes unrealised loss of Rs. 145,856 (30 June 2011: unrealised loss of Rs. 459,449) realised loss of Rs. 949,967 (30 June 2011: realized loss of Rs. 797,226)}	4,739,280	35,452,863

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

**For BMA Asset Management Company Limited
(Management Company)**

**Muddassar Malik
Chief Executive Officer**

**Tashfin I. Huq
Director**

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2012

	2012 Rupees	2011 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year	75,638,000	95,735,380
Adjustments for:		
Mark up / interest income	(89,629,198)	(138,967,616)
Loss on sale of investments – net	152,741	602,030
Unrealized loss on investments at fair value through profit or loss	145,856	459,449
Element of loss / (income) and capital loss / (gain) included in prices of units issued less those in units redeemed – net	1,493,704	21,714,114
Amortisation of preliminary expenses and floatation costs	606,056	604,400
	(87,230,841)	(115,587,623)
(Increase) / decrease in assets		
Proceed from sale of securities	5,572,392,340	11,379,227,018
Markup / interest income received	21,389,940	142,723,591
Purchase of securities	(5,728,299,762)	(11,283,549,321)
Prepayments and other receivables	(9,424)	14,052
	(134,526,906)	238,415,340
Increase / (decrease) in liabilities		
Remuneration payable to management company	(389,620)	(285,347)
Remuneration payable to trustee	2,087	(15,410)
Annual fee payable to Securities & Exchange Commission of Pakistan	(285,475)	494,434
Payable to unit holders against redemption of units	(55,000)	(6,143,892)
Payable to cash opted unit holders against dividend	867,862	-
Accrued expenses and other liabilities	(479,525)	(667,116)
	(339,671)	(6,617,331)
Net cash (used) in / generated from operating activities	(146,459,418)	211,945,766
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issue of units	1,205,873,696	1,688,159,490
Payments for redemption of units	(1,173,447,256)	(1,970,492,244)
Net cash inflow / (outflow) from financing activities	32,426,440	(282,332,754)
Net decrease in cash and cash equivalents	(114,032,978)	(70,386,988)
Cash and cash equivalents at beginning of the year	160,323,581	230,710,569
Cash and cash equivalent at end of the year	46,290,603	160,323,581

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

**For BMA Asset Management Company Limited
(Management Company)**

**Muddassar Malik
Chief Executive Officer**

**Tashfin I. Huq
Director**

STATEMENT OF MOVEMENT IN UNIT HOLDER'S FUNDS
FOR THE YEAR ENDED 30 JUNE 2012

	June 30, 2012 Rupees	June 30, 2011 Rupees
Net assets at the beginning of the year { Rs. 10.55 per unit (2011: Rs. 10.65 per unit)}	675,992,149	840,875,409
Cash received on issuance of units*	1,205,873,696	1,688,159,490
Cash paid / payable on redemption of units**	(1,173,447,256)	(1,970,492,244)
	708,418,589	558,542,655
Element of loss / (income) and capital loss / (gain) included in prices of units issued less those in units redeemed – net	1,493,704	21,714,114
Net income for the year	75,638,000	95,735,380
Other comprehensive income for the year	-	-
Total comprehensive income for the year	75,638,000	95,735,380
Net assets at the end of the year [Rs. 10.06 per unit (2011: Rs. 10.55)]	785,550,293	675,992,149
	Number of units	Number of units
* Number of units issued including 10,544,751 bonus units (2011: 10,988,256)	128,728,531	175,385,235
** Number of units redeemed	114,701,040	190,311,414

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

**For BMA Asset Management Company Limited
(Management Company)**

**Muddassar Malik
Chief Executive Officer**

**Tashfin I. Huq
Director**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2012

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** BMA Empress Cash Fund (the Fund) was established in Pakistan under a Trust Deed executed between BMA Asset Management Company Limited, as the Management Company and MCB Financial Services Limited, as the Trustee. The Trust deed was executed and approved by Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) on June 18, 2009.
- 1.2** The management company of the Fund has been licensed to act as an asset management company under the NBFC Rules by the SECP. The registered office of the management company is situated at 801 Unitower, I.I. Chundrigar Road, Karachi.
- 1.3** The Fund is an open-ended money market mutual fund listed on the Karachi Stock Exchange. Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund except for the units issued to core investors which are not redeemable for a period of two years from the date of issue.
- 1.4** The Fund is structured to provide a competitive level of income that commensurate with enhanced liquidity and credit profile through investment primarily in short term deposits and money market instruments with an overall rupee-weighted average maturity of not more than 90 days.
- 1.5** Title to the assets of the Fund is held in the name of MCB Financial Services Limited as a trustee of the Fund.

2. STATEMENT OF COMPLIANCE

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

3. BASIS OF MEASUREMENT

- 3.1** These financial statements have been prepared under the historical cost convention, except for investments and derivatives which are accounted for as stated in 5.1.
- 3.2** These financial statements have been presented in Pakistan Rupees which is the functional and presentation currency of the Fund.

4. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

4.1 Investments

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as described below;

The Fund has adopted the following new and amended IFRS and IFRIC interpretations which became effective during the year;

- IFRS 7 – Financial Instruments: Disclosures (Amendment)
- IAS 24 – Related Party Disclosures (Revised)
- IFRIC 14 – Prepayments of a Minimum Funding Requirement (Amendment)

In May 2010, International Accounting Standards Board (IASB) issued amendments to various standards primarily with a view to removing inconsistencies and clarifying wording. These improvements are listed below;

- IFRS 7 – Financial Instruments: Disclosures - Clarification of disclosures
- IAS 1 – Presentation of Financial Statements - Clarification of statement of changes in equity
- IAS 34 – Interim Financial Reporting - Significant events and transactions
- IFRIC 13 – Customer Loyalty Programmes - Fair value of award credits

The adoption of the above standards, amendments, interpretations and improvements did not have any material effect on the financial statements.

5. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 Investments

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

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

All regular way purchases and sales of investments are recognised on the trade date i.e. the date the Fund commits to purchase / sell the investment. Regular way purchases and sales of investments require delivery of securities within the time frame generally established by regulation or market convention.

The investments are classified in the following categories:

Investments at fair value through profit or loss

This category has two sub categories, namely; financial instruments held for trading, and those designated at fair value through profit or loss upon initial recognition.

- Investments which are acquired principally for the purpose of generating profit from short term fluctuation in price or are part of the portfolio in which there is recent actual pattern of short term profit taking are classified as held for trading. All derivatives are classified as held-for-trading. These are initially recorded at cost. Derivatives with positive fair values (unrealized gains) are included in assets and derivatives with negative fair values (unrealized losses) are included in liabilities in the statement of assets and liabilities.

- Investments designated at fair value through profit or loss upon initial recognition include those group of financial assets which are managed and their performance evaluated on a fair value basis in accordance with the documented risk management/ investment strategy .

After initial measurement, investment designated at fair value through profit or loss are carried at fair value and the gains or losses on revaluation are recognized in the income statement.

Held to maturity

Investment with fixed maturities and fixed or determinable payments are classified as held to maturity investments when management has both the intent and ability to hold to maturity. After initial measurement, such investments are carried at amortised cost less any provision for impairment.

Available for sale

Investments which are not classified in the above categories are classified as available for sale investments. After initial measurement, such investments are measured at fair value with unrealised gains or losses recognised directly in the statement of comprehensive income until the investment is derecognised or determined to be impaired, at which time the cumulative gain or loss previously recognised in statement of comprehensive income is taken to the income statement.

Fair value of investments is determined as follows:

Government Securities

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

5.2 Provisioning policy

To fulfill the requirement of SECP Circular No. 13 dated 04 May 2009 the Board of Directors (BOD) approved a comprehensive provisioning policy whereby the Investment Committee (IC) can make accelerated provision against non-performing security after considering the financial difficulties of the issuer, probability of the borrower entering bankruptcy or financial reorganization, deterioration of key financial ratios, down grade of credit rating, measurable decrease in cash flows and industry outlook. The policy states:

An asset shall be classified as non-performing, if the interest and/or principal amount have not been received or remained outstanding for one quarter or as specified by the SECP from time to time from the day such income / installment has fallen due.

Whilst the above definition shall remain applicable in all general conditions, the conditions applicable for classification of deep discount bonds as non performing asset shall be put into practice for investment in all other assets also when the BOD of the Asset Management Company on the recommendation of the IC deems it appropriate and in the best interest of its investors.

An asset is reclassified as 'standard/performing asset' only when both overdue interest and overdue installments are paid in full and there is satisfactory performance for a subsequent period of 6 months.

The complete policy is placed on the company's website for purposes of disclosure and transparency.

5.3 Preliminary expenses and flotation costs

Preliminary expenses and floatation costs represent expenditures incurred for the incorporation of the Fund and are being amortised over a period of five years.

5.4 Issue and redemption of units

Units issued are recorded at the offer price, determined by the management company, for the applications received by it. The offer price represents the net asset value per unit as of the close of the business day plus provision of duties and charges and provision of transaction costs and allowable sales load. The sales load is payable to the distribution company as processing fee.

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

Redemption of units is recorded on acceptance of application of redemption.

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

An equalisation account called the 'element of income / (loss) and capital gain / (losses) included in prices of units sold less those in units repurchased' is created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption.

The Fund records the net element of accrued income / (loss) relating to units issued and redeemed during an accounting period in the income statement while the portion of the element of income / (loss) that relates to unrealised gains / (losses) relating to available for sale investment securities held by the Fund is recorded in a separate reserve account in the statement of assets and liabilities and any amount remaining in this reserve account at the end of an accounting period (whether gain or loss) is included in the amount available for distribution to the unit holders.

5.6 Net asset value per unit

The net asset value per unit disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year-end. Net assets are defined in clause 66 of the NBFC regulations 2008.

5.7 Revenue recognition

Gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.

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

Income on certificates of investment, placements, bank deposits, commercial papers and federal government securities are recognised at rate of return implicit in the instrument on a time proportionate basis.

5.8 Cash and cash equivalents

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

5.9 Taxation

The Fund is exempt from taxation on income under clause 99 of Part I to the Second Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income excluding realised and unrealised capital gain for the year is distributed amongst the unit holders. The Fund intends to avail this exemption for current and future periods. Accordingly, no provision is made for current and deferred taxation in these financial statements.

5.10 Financial instruments

All the financial assets and financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual rights to receive cash flows related to the asset expire. Financial liabilities are derecognised when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to the income statement in the period in which it arises.

5.11 Offsetting of financial assets and financial liabilities

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

5.12 Impairment

The carrying amount of the assets is reviewed at each balance sheet date to determine whether

there is any indication of impairment of any asset or a group of assets. If any such indication exists, the recoverable amount of such assets is estimated and impairment losses are recognised immediately in the financial statements.

5.13 Provision

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

5.14 Distribution to unit holders

Distribution to unit holders is recognised upon declaration and approval by the BOD of the management company.

6. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires management to make judgments, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

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

7. ACCOUNTING STANDARDS AND INTERPRETATIONS NOT YET EFFECTIVE

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

Standard, Interpretation or Amendment	Effective date (accounting periods beginning on or after)
IFRS 7 – Financial Instruments : Disclosures – (Amendments) - Amendments enhancing disclosures about offsetting of financial assets and financial liabilities	01 January 2013
IAS 1 – Presentation of Financial Statements – Presentation of items of comprehensive income	01 July 2012
IAS 12 – Income Taxes (Amendment) - Recovery of Underlying Assets	01 January 2012
IAS 19 – Employee Benefits –(Amendment)	01 January 2013
IAS 32 – Offsetting Financial Assets and Financial liabilities – (Amendment)	01 January 2014
IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine	01 January 2013

The Fund expects that the adoption of the above revisions, amendments and interpretations of the standards will not affect the Fund’s financial statements in the period of initial application.

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

Standard	IASB Effective date (annual periods beginning on or after)
IFRS 9 – Financial Instruments: Classification and Measurement	01 January 2015
IFRS 10 – Consolidated Financial Statements	01 January 2013
IFRS 11 – Joint Arrangements	01 January 2013

IFRS 12 – Disclosure of Interests in Other Entities
 IFRS 13 – Fair Value Measurement

 01 January 2013
 01 January 2013

	Note	30 June 2012	30 June 2011
		Rupees	
8. BANK BALANCES			
PLS savings account	7.1	46,289,770	160,322,770
Current Account		833	811
		<u>46,290,603</u>	<u>160,323,581</u>

8.1 These carry mark-up rates ranging from 4.89% to 11.35% per annum (2011: 4.89% to 11.65%).

	Note	30 June 2012	30 June 2011
		Rupees	
9. INVESTMENTS			
Designated at fair value through profit or loss upon initial recognition			
- Government Securities	9.2	615,018,014	517,988,768
Held to maturity			
- Certificate of investment	9.3	125,000,000	-
		<u>740,018,014</u>	<u>517,988,768</u>
9.1 Cost of investment as at 30 June		<u>732,799,824</u>	<u>505,317,267</u>

9.2 Government Securities - T-Bills

Type of Instrument	Issue date	Tenor (months)	Face Value	------(Quantity)-----					Fair Value as at 30 June 2012	Percentage of total investments on the basis of fair value	Percentage of Net Assets on the basis of fair value
				As at 01 July 2011	Purchases during the year	Sold during The year	Maturities during The year	As at 30 June 2012			
T-Bill	27-Jan-11	12	100	-	700,000	-	700,000	-	-	-	
T-Bill	10-Feb-11	12	100	-	880,000	800,000	80,000	-	-	-	
T-Bill	24-Feb-11	12	100	-	400,000	400,000	-	-	-	-	
T-Bill	24-Mar-11	6	100	1,500,000	-	750,000	750,000	-	-	-	
T-Bill	07-April-11	6	100	1,500,000	1,500,000	2,048,000	952,000	-	-	-	
T-Bill	21-April-11	6	100	790,000	3,840,000	3,500,000	1,130,000	-	-	-	
T-Bill	21-April-11	3	100	350,000	860,000	150,000	1,060,000	-	-	-	
T-Bill	21-April-11	12	100	-	800,000	800,000	-	-	-	-	
T-Bill	05-May-11	6	100	300,000	-	150,000	150,000	-	-	-	
T-Bill	05-May-11	3	100	250,000	200,000	105,000	345,000	-	-	-	
T-Bill	19-May-11	6	100	-	700,000	-	700,000	-	-	-	
T-Bill	02-Jun-11	3	100	-	50,000	-	50,000	-	-	-	
T-Bill	02-Jun-11	6	100	-	500,000	500,000	-	-	-	-	
T-Bill	16-Jun-11	3	100	169,000	-	-	169,000	-	-	-	
T-Bill	16-Jun-11	6	100	500,000	2,831,000	2,600,000	731,000	-	-	-	
T-Bill	16-Jun-11	12	100	-	330,000	-	330,000	-	-	-	
T-Bill	30-Jun-11	12	100	-	1,000,000	-	1,000,000	-	-	-	
T-Bill	14-Jul-11	3	100	-	1,060,000	1,000,000	60,000	-	-	-	
T-Bill	14-Jul-11	6	100	-	1,000,000	-	1,000,000	-	-	-	
T-Bill	08-Sep-11	6	100	-	850,000	-	850,000	-	-	-	
T-Bill	22-Sep-11	6	100	-	1,560,000	750,000	810,000	-	-	-	

T-Bill	06-Oct-11	6	100	-	360,000	-	360,000	-	-	-	-
T-Bill	03-Nov-11	6	100	-	1,950,000	500,000	1,450,000	-	-	-	-
T-Bill	17-Nov-11	6	100	-	720,000	520,000	200,000	-	-	-	-
T-Bill	17-Nov-11	3	100	-	1,200,000	1,161,000	39,000	-	-	-	-
T-Bill	01-Dec-11	6	100	-	330,000	325,000	5,000	-	-	-	-
T-Bill	29-Dec-11	3	100	-	500,000	-	500,000	-	-	-	-
T-Bill	12-Jan-12	3	100	-	2,000,000	-	2,000,000	-	-	-	-
T-Bill	26-Jan-12	3	100	-	2,550,000	-	2,550,000	-	-	-	-
T-Bill	09-Feb-12	3	100	-	1,800,000	-	1,800,000	-	-	-	-
T-Bill	23-Feb-12	3	100	-	550,000	-	550,000	-	-	-	-
T-Bill	08-Mar-12	3	100	-	1,570,000	20,000	1,550,000	-	-	-	-
T-Bill	22-Mar-12	3	100	-	1,470,000	331,000	1,139,000	-	-	-	-
T-Bill	05-April-12	3	100	-	2,000,000	-	2,000,000	-	-	-	-
T-Bill	25-Aug-11	12	100	-	1,200,000	-	-	1,200,000	117,958,319	15.94%	15.02%
T-Bill	06-Oct-11	12	100	-	140,000	-	-	140,000	13,578,050	1.83%	1.73%
T-Bill	26-Jan-12	6	100	-	2,020,000	987,000	-	1,033,000	102,462,747	13.85%	13.04%
T-Bill	19-April-12	3	100	-	2,500,000	54,000	-	2,446,000	243,726,990	32.94%	31.03%
T-Bill	03-May-12	3	100	-	3,250,000	2,000,000	-	1,250,000	123,983,112	16.75%	15.78%
T-Bill	14-Jun-12	3	100	-	500,000	364,000	-	136,000	13,308,796	1.8%	1.69%
									615,018,014	83.11%	78.29%

Note	30 June 2012 Rupees	30 June 2011 Rupees
------	------------------------	------------------------

9.3 Held to Maturity

Certificate of Investment

Pak Oman Investment Company Limited
Pak Brunei Investment Company Limited

9.3.1	55,000,000	-
9.3.1	70,000,000	-
	125,000,000	-

9.3.1 These carry mark-up rates of 12% and 12.3% per annum and will mature by 05 July 2012 and 07 September 2012 respectively.

30 June 2012	30 June 2011
Rupees	

10. MARK-UP / INTEREST RECEIVABLE

On

- Bank accounts	302,112	622,562
- Certificate of investments (COIs)	2,139,287	-
	2,441,399	622,562

11. PRELIMINARY EXPENSES AND FLOATATION COSTS

Preliminary expenses and floatation costs incurred	2,035,089	2,639,489
Amortisation during the year	(606,056)	(604,400)
	1,429,033	2,035,089

12. REMUNERATION PAYABLE TO THE MANAGEMENT COMPANY

The management company is entitled to remuneration for services rendered to the Fund under Regulation 61 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, of an amount not exceeding three percent of the average daily net assets of the Fund during first five years of the Fund's existence and thereafter an amount equal to two percent of such assets of the Fund. The rate of management fee has been revised from 1.5 percent to 0.75 percent per annum with effect from 01 December 2011.

12.2 During the current year, an amount of Rs. 1.225 million (30 June 2011: Rs Nil) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011.

13. REMUNERATION PAYABLE TO THE TRUSTEE

According to the provision of the Trust deed of the Fund the trustee is entitled to a monthly remuneration for services rendered as follows:

On net assets:

Up to Rs. 500 million	Rs.0.7 million or 0.20% per annum of the Net Asset, whichever is higher
Exceeding Rs. 500 million to Rs.1,000 million	Rs.1.0 million plus 0.12% per annum of the amount exceeding 500 million
Exceeding Rs. 1,000 million to Rs. 2,000 million	Rs.1.45 million plus 0.08% per annum of the amount exceeding Rs. 1,000 million
Over Rs.2,000 million	Rs.2.35 million plus 0.05% per annum of the amount exceeding Rs.2,000 million

Any upward increase in Trustee remuneration would require SECP approval. However, any downward revision in the Trustee remuneration will not require such approval or amendment

14. ANNUAL FEE PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

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

	30 June 2012	30 June 2011
	Rupees	
15. ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration	330,041	353,967
Brokerage payable	25,371	21,096
Sales load payable	5,200	15,107
Preliminary expenses and floatation costs payable	2,035,089	2,639,489
Printing and stationery cost payable	41,146	39,897
Other payable	153,184	-
	<u>2,590,031</u>	<u>3,069,556</u>

16. CONTINGENCY

Through the Finance Act, 2008 an amendment was made in section 2(f) of the Workers' Welfare Fund Ordinance, 1971 (the WWF Ordinance) whereby the definition of 'Industrial Establishment' has been made applicable to any establishment to which West Pakistan Shops and Establishment Ordinance, 1969 applies. As a result of this amendment it appears that WWF Ordinance has become applicable to all Collective Investment Schemes (CISs) whose income exceeds Rs. 0.5 million in a tax year. A petition has been filed with the Honourable High Court of Sindh by some of Collective Investment Schemes (CISs) through their Trustee on the ground that the CIS (mutual funds) are not establishments and as a result not liable to pay contribution to WWF.

Subsequently, the Ministry of Labour and Manpower (the Ministry) vide its letter dated 15 July 2010 clarified that "Mutual Fund(s) is a product which is being managed / sold by the Asset Management Companies which are liable to contribute towards Workers Welfare Fund under Section-4 of WWF Ordinance 1971. However, the income on Mutual Fund(s), the product being sold, is exempted under the law *ibid*".

Further, the Secretary (Income Tax Policy) Federal Board of Revenue (FBR) issued a letter dated 6 October 2010 to the Members (Domestic Operation) North and South FBR. In the letter reference was made to the clarification issued by the Ministry of Labour and Manpower stating that mutual funds are a product and their income are exempted under the law *ibid*. The Secretary (Income Tax Policy) Federal Board of Revenue directed that the Ministry's letter may be circulated amongst field formations for necessary action. Following the issuance of FBR Letter, show cause notice which had been issued by taxation office to certain mutual funds for payment of levy under WWF were withdrawn. However, the Secretary (Income Tax Policy) Federal Board of Revenue vide letter 4 January 2011 has cancelled ab-initio clarificatory letter dated 6 October 2010 on applicability of WWF on mutual funds and issued show cause notices to certain mutual funds for collecting WWF. In respect of such show cause notices, certain mutual funds have been granted stay by Honorable High Court of Sindh on the basis of the pending constitutional petition in the said court as referred above.

During 2011, the Honourable Lahore High Court in a Constitutional Petition relating to the amendments brought in WWF Ordinance through the Finance Act 2006, and the Finance Act, 2008, has declared the said amendments as unlawful and unconstitutional. Further, during the year, based on such decision of Honourable High Court, the Commissioner of Inland Revenue (Appeals - II) have declared the WWF demand raised by tax authorities against certain mutual funds managed by Asset Management Companies as illegal and without jurisdiction. The management company believes that the decision of the Honourable Lahore High Court, will lend further support to the Constitutional Petition which is pending in the Honourable High Court of Sindh. Further, based on the opinion from legal counsel of Mutual Funds Association of Pakistan (MUFAP), there are good chances for the Constitutional Petition to be decided in favour of the mutual funds and accordingly mutual funds need not to make a provision regarding WWF in their financial statements.

In view of the aforementioned developments during the year, the management company believes that there is no compelling reason to make provision on account of WWF contribution in the financial statements. Further, the management company also expects that the constitutional petition pending in the Honourable High Court of Sindh on the subject as referred above will be decided in favour of the mutual funds. The aggregate unrecognised amount of WWF as at 30 June 2012 amounted to Rs. 4.5 million (2011: Rs. 3 million). Had a provision of WWF been made the NAV per unit would have been lower by Rs. 0.06.

17. NUMBER OF UNITS IN ISSUE

The units in issue as at 30 June 2012 were as follows:

	Note	30 June 2012		30 June 2011	
		Units	Rupees	Units	Rupees
Class A	17.1	78,080,867	785,550,293	64,053,688	675,992,149
Class B	17.2	-	-	-	-
Class C	17.3	-	-	-	-
		78,080,867	785,550,293	64,053,688	675,992,149

17.1 The par value of each unit is Rs.10. The management of the Fund has set a minimum investment size of Rs 5,000. All units carry equal rights and are entitled to dividends and share in net asset value on liquidation.

17.2 On the issuance of these units, front-end / sales load is charged at the rate of 1% of Net Asset Value but not greater than 2%.

17.3 On the redemption of these units, no back-end load is charged.

30 June 2012 30 June 2011
Rupees

18. MARK UP/ INTEREST INCOME

On		
- bank balances	3,520,325	21,008,074
- TDRs	5,728,768	10,867,991
- Investments		
Government Securities	66,420,422	24,285,963
Certificate of Investment	13,258,550	4,332,986
Letters of Placement (Purchased and sold during the year)	701,133	-
	89,629,198	138,967,616

19. AUDITORS' REMUNERATION

Annual audit	250,000	250,000
Half yearly review and other certifications	125,000	203,967
Out of pocket expenses	39,494	62,466
	414,494	516,433

20. EARNINGS PER UNIT

Earning per unit (EPU) for the year has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

21. TRANSACTIONS WITH CONNECTED PERSONS

Related parties / connected persons include BMA Asset Management Company Limited (the management company), BMA Chundrigar Road Savings Fund, BMA Capital Management Limited (the holding company of the Management Company), BMA Capital Management Limited Staff Provident Fund and MCB Financial Services Limited (refer below for details). Transactions with connected persons can be summarised as follows:

Remuneration payable to the management company and the trustee is determined in accordance with the provisions of Non Banking Finance Companies and Notified Entities Regulations, 2008 and the Trust Deed respectively. Details of transactions with related parties and balances with them at the yearend are as follows:

	<u>30 June 2012</u>		<u>30 June 2011</u>	
	Units	Rupees	Units	Rupees
<u>Transactions during the year</u>				
<u>Units Sold to:</u>				
Related parties (other than associated company)				
- BMA Capital Management Ltd - Staff Provident Fund	5,293,355	53,238,972	-	-
Directors and executives of the management company				
- Mr. Faisal Ali Khan	35,121	358,161	14,272	150,000
- Mr. Mustafa O Pasha	103,795	1,059,123	7,881	80,833
- Ms. Iffat Zehra Mankani	60,448	610,430	50,492	528,967
- Mr. Adeel Ahmad Khan	202,800	2,065,018	109,349	1,129,011
- Mr. Lawrence A Lobo	10,870	110,821	-	-
- Mr. Harold Makil Charles	16,505	168,401	-	-
- Ms. Ayesha Mohammad	190	1,909	-	-
Associated Company				
- BMA Capital Management Limited	7,856,580	80,015,858	17,195,121	177,783,438
Unit holders with holding of 10% and above				
- BMA Asset Management Co. Ltd	5,522,414	55,934,595	4,527,686	46,105,555
- Habib Metropolitan Bank Limited	3,859,520	39,235,995	5,682,468	58,889,030
- WestBury (Private) Limited	4,436,674	45,036,700	3,556,747	37,116,875
- Emirates Shipping Agency Pakistan (Pvt) Ltd	15,883,990	161,467,803	-	-

	30 June 2012		30 June 2011	
	Units	Rupees	Units	Rupees
Units Redeemed by:				
Directors and executives of the management company				
- Mr. Mustafa O Pasha	78,908	810,000	7,880	82,083
- Mr. Adeel Ahmad Khan	204,801	2,096,100	99,788	1,043,070
- Mr. Faisal Ali Khan	49,393	503,121	-	-
- Ms. Iffat Zehra Mankani	110,941	1,123,687	-	-
- Mr. Lawrence A Lobo	10,626	109,011	-	-
- Mr. Harold Makil Charles	16,505	169,134	-	-
Associated Company				
- BMA Capital Management Limited	8,624,129	87,127,830	18,868,297	194,728,354
Unit holders with holding of 10% and above				
- BMA Asset Management Co. Ltd	19,591,758	201,077,208	3,123,083	32,155,699
- Habib Metropolitan Bank Limited	5,603,693	56,787,816	844,940	8,578,426
- WestBury (Private) Limited	8,260,443	83,914,338	958	10,000
- Emirates Shipping Agency Pakistan (Pvt) Ltd	7,481,759	76,112,075	-	-
			2012	2011
			Rupees	
Transactions with Associated Company				
BMA Asset Management Co. Ltd				
- Remuneration to management company			7,661,097	16,422,488
- Sales Load			84,172	-
Transaction with other related parties				
Trustee fee				
- Remuneration to trustee			1,256,962	1,554,048
			2012	2011
			Rupees	
Balances at the year end				
			2012	2011
			Rupees	
Units Held by:				
Directors and executives of the management company				
- Mr. Faisal Ali Khan	-	-	14,272	150,624
- Ms. Iffat Zehra Mankani	-	-	50,493	532,872
- Mr. Adeel Ahmad Khan	7,560	76,055	9,561	100,904
- Mr. Mustafa O Pasha	24,887	250,378	-	-
- Mr. Lawrence A Lobo	1,009	10,155	765	8,071
- Ms. Ayesha Mohammad	1,316	13,236	1,126	11,887
Associated Companies				
- BMA Capital Management Limited	-	-	767,549	8,100,330
- BMA Asset Management Company Limited	347,992	3,501	14,417,336	152,153,357
- BMA Capital Management Ltd - Staff Provident Fund	5,293,355	53,254,852	-	-
Unit holders with holding of 10% and above				
- Habib Metropolitan Bank Limited	7,835,250	78,828,101	9,579,423	101,096,435
- WestBury (Private) Limited	4,057,234	40,818,611	7,881,003	83,172,160
- Emirates Shipping Agency Pakistan (Pvt) Ltd	8,402,231	84,532,330	-	-
BMA Asset Management Company Limited				
- Remuneration payable to management company	-	575,577	-	965,197
- Formation cost payable	-	2,035,089	-	2,639,489
- Sales load payable	-	5,200	-	15,107
Balances with other parties – unsecured				
Trustee				
- Remuneration Payable to Trustee	-	112,180	-	110,093

22. FINANCIAL RISK MANAGEMENT POLICIES

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

22.2 Market Risk

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

(i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market interest rates.

The Fund has financial instruments with both fixed and floating interest rates as specifically disclosed in the respective notes. The Fund while dealing in financial instruments negotiates attractive interest rates, which reduces the interest rate price risk.

The Fund's interest rate exposure on financial instruments is disclosed below;

	30 June 2012	30 June 2011
	Rupees	
Fixed rate instruments		
Government Securities	615,018,014	517,018,014
Certificate of Investment	125,000,000	-
Variable rate instruments		
Bank Balances	46,289,770	160,322,770

The Management of the Fund estimates that 1% increase / (decrease) in the market interest rate/fair value, with all other factors remaining constant, would increase / (decrease) the fund's net assets by;

	Increase / (decrease) in basis points	Sensitivity of interest income Increase/(decrease) ----- (Rupees) -----	Sensitivity of changes in fair value of investments Increase/(decrease)
2012	100 (100)	2,596,236 (2,596,236)	(453,087) 454,080
2011	100 (100)	1,480,171 (1,480,171)	(1267,818) 1,274,941

(ii) Price risk

The risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of securities due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Fund is exposed to changes in the fair values of investments as a result of changes in PKRV rates.

(iii) Foreign Currency Risk

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

22.3 Liquidity risk

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

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

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date.

30 June 2012	not later than one month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
----- Rupees -----						
Financial assets						
Bank balances	46,290,603	-	-	-	-	46,290,603
Certificate of investments	55,000,000	70,000,000	-	-	-	125,000,000
Government Securities	470,172,859	131,267,115	13,578,040	-	-	615,018,014
Mark-up / interest receivable	1,875,262	566,137	-	-	-	2,441,399
Sub-total	573,338,724	201,833,252	13,578,040	-	-	788,750,016
Financial liabilities						
Remuneration payable to the Management Company	575,577	-	-	-	-	575,577
Remuneration payable to the Trustee	112,180	-	-	-	-	112,180
Payable to cash opted unit holders against dividend	867,862	-	-	-	-	867,862
Accrued and other liabilities	183,755	977,243	-	1,429,033	-	2,590,031
Sub-total	1,739,374	977,243	-	1,429,033	-	4,145,650
Liquidity gap	571,599,350	200,856,009	13,578,040	(1,429,033)	-	784,604,366
----- Rupees -----						
30 June 2011	not later than one month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
----- Rupees -----						
Financial assets						
Bank balances	160,323,581	-	-	-	-	160,323,581
Term deposits	-	-	-	-	-	-
Investments	59,591,522	162,025,582	296,371,664	-	-	517,988,768
Mark-up / interest receivable	622,562	-	-	-	-	622,562
Sub-total	220,537,665	162,025,582	296,371,664	-	-	678,934,911
Financial liabilities						
Remuneration payable to the Management Company	965,197	-	-	-	-	965,197
Remuneration payable to the Trustee	110,093	-	-	-	-	110,093
Annual fee payable to the SECP	-	821,125	-	-	-	821,125
Payable against redemption of units	55,000	-	-	-	-	55,000
Accrued and other liabilities	36,252	998,216	-	2,035,089	-	3,069,556
Sub-total	1,166,542	1,819,340	-	2,035,089	-	5,020,971
Liquidity gap	219,371,123	160,206,242	296,371,664	(2,035,089)	-	673,913,940

22.4 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation. The Fund's credit risk is primarily attributable to its investment in certificates of investment, term deposits and balances with banks. The credit risk on liquid fund is limited because the counter parties are financial institutions with reasonably high credit ratings. In addition, the internal risk management policies, offering document and investment guidelines (approved by Investment Committee) require the Fund to invest in debt securities that have been rated as investment grade by an approved rating agency. The table below analyses the Fund's maximum exposure to credit risk:

	30 June 2012	30 June 2011
	Rupees	
Cash and cash equivalents	46,290,603	160,323,581
Mark-up / interest receivable	2,441,399	622,562
Certificate of investment	125,000,000	-

The analysis below summarizes the credit quality of the Fund's portfolio:

Rating by category

	30 June 2012	30 June 2011
	Rupees	
AA- to AA+	100.00%	100.00%
Total	100.00%	100.00%

The analysis below summarizes the credit quality of the Fund's portfolio in deposits/ placement with banks:

Rating by category

	30 June 2012	30 June 2011
	Rupees	
AAA	0.57%	0.05%
AA- to AA+	99.43%	99.95%
Total	100.00%	100.00%

22.5 Capital management

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

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Level 1 : Quoted prices in active markets for identical assets or liabilities.
- Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs)

	30 June 2012			30 June 2011		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
	----- (Rupees) -----			----- (Rupees) -----		
Designated at fair value through profit or loss upon initial recognition						
- Government securities	-	615,018,014	-	-	517,988,768	-
	-	615,018,014	-	-	517,988,768	-

24. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on September 13, 2012.

25. SUPPLEMENTARY NON FINANCIAL INFORMATION

The information regarding unit holding pattern, top ten brokers, members of the Investment Committee, Fund Manager, meetings of the BOD of the management company and rating of the Fund and the management company has been disclosed in Annexure I to the financial statements.

26. GENERAL

Figures have been rounded off to nearest rupee.

**For BMA Asset Management Company Limited
(Management Company)**

**Muddassar Malik
Chief Executive Officer**

**Tashfin I. Huq
Director**

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

30 June 2012
(i) UNIT HOLDING PATTERN OF THE FUND

Category	Number of unit holders	Number of units held	Amount (Rupees)	% of Total
Individuals	63	18,880,456	189,951,113	24.18%
Associated companies / directors	2	5,641,348	56,756,062	7.23%
Insurance Companies	1	2,154,285	21,673,677	2.76%
Banks / DFIs	2	12,743,129	128,205,145	16.32%
Retirement funds	8	3,934,324	39,582,164	5.04%
Others	19	34,727,325	349,382,132	44.48%
	<u>95</u>	<u>78,080,867</u>	<u>785,550,293</u>	

30 June 2011
(i) UNIT HOLDING PATTERN OF THE FUND

Category	Number of unit holders	Number of units held	Amount (Rupees)	% of Total
Individuals	69	12,314,048	129,956,608	19%
Associated companies / directors	2	15,184,884	160,254,044	24%
Insurance Companies	2	2,611,398	27,559,447	4%
Banks / DFIs	2	12,079,423	127,480,477	19%
Retirement funds	11	5,468,802	57,715,138	8%
Others	8	16,395,133	173,026,435	26%
	<u>94</u>	<u>64,053,688</u>	<u>675,992,149</u>	

30 June 2012
(ii) DETAILS OF UNIT HOLDERS/INVESTORS HOLDING 5% OR MORE

Name	Number of units held	Amount (Rupees)	% of Total
Emirates Shipping Agency Pakistan (Pvt) Limited	8,402,231	84,532,557	10.76%
Habib Metropolitan Bank Limited	7,835,250	78,828,313	10.03%
Sulaimaniyah Trust	6,177,973	62,154,903	7.91%
BMA Capital Management Limited	5,293,355	53,254,996	6.78%
Mr. Waqar Ahmed Malik	4,982,768	50,130,267	6.38%
National Bank of Pakistan	4,907,879	49,376,832	6.29%
Mr. Amir Ashraf	4,280,855	43,068,513	5.48%
WestBury (Pvt) limited	4,057,234	40,818,721	5.20%

30 June 2011
(ii) DETAILS OF UNIT HOLDERS/INVESTORS HOLDING 5% OR MORE

Name	Number of units held	Amount (Rupees)	% of Total
BMA Asset Management Company Ltd	14,417,336	152,153,357	23%
Habib Metropolitan Bank Ltd	9,579,423	101,096,435	15%
WestBury (Pvt) Limited	7,881,003	83,172,160	12%

(iii) LIST OF TOP FIVE BROKERS BY PERCENT OF THE COMMISSION PAID

S.No.	Name	Percentage of commission paid	
		30 June 2012	30 June 2011
1	Global Securities Pakistan Limited	27%	24%
2	Icon Securities	23%	42%
3	KASB Securities	-	6%
4	JS Global Capital Limited	-	16%
5	Invest & Finance Securities	50%	12%
	Total	100%	100%

During the year the Fund has carried out transactions only through above brokers.

(iv) THE MEMBERS OF THE INVESTMENT COMMITTEE

Name	Designation	Qualification	Experience
Mr. Muddassar Malik	Chairman of Investment Committee / CEO	MBA, Finance & Corporate Strategy	20 Years
Mr. Farrukh Hussain	Chief Investment Officer	MBA & Post Graduate Diploma in Finance & Banking	20 Years
Mr. Mustafa O Pasha	Fund Manager	BA, Economics	5 Years

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

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

Name of Director	Meeting held on			
	07 July 2011	25 October 2011	23 February 2012	27 April 2012
Mr. Omer Syed	√	-	√	-
Mr. Waqar Hassan Siddiqui	√	-	-	√
Mr. Abdullah Shahin	-	√	√	-
Mr. Thomas James Speechley	-	√	-	√
Mr. Tashfin I Huq	√	√	√	√
Mr. Zahid Noorani	√	√	√	√
Mr. Mohammed Iqbal	√	√	√	√
Mr. Muddassar Malik	√	√	√	√

(vi) RATING OF THE FUND AND MANAGEMENT COMPANY

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

The management rating is in process. Last year JCR-VIS assigned an 'AM2-'management quality rating to the Management Company.

**For BMA Asset Management Company Limited
(Management Company)**

**Muddassar Malik
Chief Executive Officer**

**Tashfin I. Huq
Director**

**PATTERN OF UNIT HOLDING AS PER REQUIREMENTS OF CODE OF
CORPORATE GOVERNANCE
AS AT 30 JUNE 2012**

PARTICULARS	UNIT HOLDING
INDIVIDUALS	18,845,685
Management Company BMA Asset Management Co. Ltd	347,992
ASSOCIATED COMPANIES, UNDERTAKINGS AND RELATED PARTIES	
BMA Capital Management Limited Staff Provident Fund	5,293,355
NIT AND ICP	-
CHIEF EXECUTIVE	
Mr. Muddassar Malik	-
DIRECTORS	
Mr. Abdullah Shahin	-
Mr. Omar Syed	-
Mr. Muhammad Iqbal	-
Mr. Tashfin I. Huq	-
Mr. Thomas James Speechly	-
Mr. Zahid Qasim Noorani	-
Mr. Waqar Hassan Siddique	-
EXECUTIVES	34,771
PUBLIC SECTOR COMPANIES AND CORPORATIONS	19,193,000
BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON-BANKING FINANCE INSTITUTIONS, INSURANCE COMPANIES, MODARABAS AND MUTUAL FUNDS	7,062,164
SHAREHOLDING 10% OR MORE VOTING INTEREST	
Emirates Shipping Agency Pakistan (Pvt) Ltd	8,402,231
Habib Metropolitan Bank limited	7,835,250
OTHERS	11,066,419
	78,080,867