

INVEST LIFE UNIT TRUST SCHEME – WEKEZA MAISHA FUND



UTT ASSET MANAGEMENT AND INVESTOR SERVICES PLC

REPORT OF THE BOARD OF DIRECTORS OF UTT ASSET MANAGEMENT AND INVESTOR SERVICES PLC FOR THE SIX MONTH PERIOD ENDED 31ST DECEMBER 2019

The Board of Directors of UTT AMIS presents Invest Life Unit Trust Scheme (Wekeza Maisha Fund) report for the six month period ended 31st December 2019. The Scheme which commenced operations in May 2007, reported net profit of TZS 121.5 Million on its audited accounts for the year ended 30th June 2019.

1. Establishment and Management of the Fund

Invest Life Unit Trust Scheme, otherwise known as “Wekeza Maisha” is a combination of insurance and unit trust (investment) benefits, formed by the Unit Trust of Tanzania (UTT), a government sponsored institution that was incorporated in 2003 under the Trustees Incorporation Act. The Fund was established under the Deed of Trust of the Unit Linked Insurance Scheme, on 16 May 2007 and is regulated by Capital Markets and Securities (Collective Investment Schemes) Regulations, 1997, prescribed under the Capital Market and Securities Act, 1994.

The Fund is managed by UTT AMIS, a registered Fund Manager, who has set up a management structure to carry out day-to-day operations of the Fund. The duties of the Manager are specified in section 4.0 of the Offer Document.

The Custodian of the Fund is CRDB Bank Plc, a commercial bank licensed to carry out banking business under the Banking and Financial Institution Act, 2006. The duties of the Custodian are specified in section 6.3 of the Offer Document.

2. Principal Activities and Investment Objectives

The principal activity of the Fund is to invest the pooled funds into a balanced portfolio that enables both high and low income investors to diversify risk and obtain competitive returns over the medium and long term through capital growth.

The main objective of the Fund is to empower Tanzanians through wide ownership of its units and encourage a culture of savings in financial assets. It also gives Tanzanians an opportunity to acquire a stake in privatisation, further participate in the capital markets and obtain a good return on their investment.

3. Financial Performance

The financial performance of the Fund for the six month period is shown on the Statement of Profit or Loss and Other Comprehensive Income.

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4. Sale and Re-purchase of Units of the Fund

The Fund is an open ended scheme with its units available for sale and re-purchase through the Fund Manager. The units of the Fund are sold at the prevailing Net Asset Value (NAV) with a lock-in period of five years from the date of joining the Fund. The investment period in the Fund is ten years from the date of acceptance.

Partial repurchase of units are allowed at prevailing repurchase price after completion of five years from the date of joining the Fund subject to a member maintaining a minimum balance which is equal to 25% of the chosen contribution amount. Accordingly, the partial repurchase of units under the scheme commenced on 01 August 2012 for investors who joined during the initial public offer. From this date onwards, the Fund Manager may purchase units from unit holders based on the Net Asset Value of units and deducting there from a service charge of 2%.

5. Wekeza Maisha's First Maturity in August 2017

In August 2017, the Fund successfully attained its first ten years that marked maturity of funds by investors who joined the scheme during the initial public offer in 2007. At maturity, investors have options to repurchase and cash in their investments, open a new account and start another ten year savings plan or switch to another scheme. It is for the repurchases and switch outs that the fund size of the scheme at 31st December 2019 went down compared to previous periods.

6. Risk Warning

Investment in unit trusts should be regarded as medium to long term investment. Investors should note that investments in the Scheme are subject to market risks and the Net Asset Value (NAV) of the Scheme may go up or down depending upon the factors and forces affecting the securities market. Past performance does not guarantee future performance.

7. Solvency

Solvency is the ability of the Fund in meeting its long term financial obligations. This can be established through the Fund's Statement of Financial Position at 31st December 2019 herewith indicated. The Fund Manager considers the Fund to be solvent.

8. The Board of Directors

Details of Directors who held office during the half year period and up to the date of this report are found on page 1 of the Wekeza Maisha Fund available on www.uttamis.co.tz. All the Directors are Tanzanians.

Casmir S. Kyuki

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Board Chairman

Juma A. Muhimbi

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Director

7 February, 2020

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Date

INVEST LIFE UNIT TRUST SCHEME – WEKEZA MAISHA



Report of financial condition of Invest Life Unit Trust Scheme (Wekeza Maisha Fund) for the half year ended 31st December 2019. Published pursuant to Part XIII, Section 38 (1) of The Capital Markets and Securities (Collective Investment Schemes) Regulations, 1997.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTH PERIOD ENDED 31ST DECEMBER 2019**

	Six Months ended 31 December 2019	Six Months ended 31 December 2018	Twelve Months ended 30 June 2019
	TZS'000	TZS'000	TZS'000
Interest income	74,321	86,217	140,798
Gross dividend income	5,720	4,078	5,068
Valuation gain/(loss) on equity	11,765	(6,150)	(6,243)
Valuation gain/(loss) on debt instruments	-	-	-
Other income	-	-	16,279
Total income	91,806	84,145	155,902
Operating expenses	(14,566)	(15,491)	(33,148)
Net income from operations before taxation	77,240	68,654	122,754
Taxation	(680)	(779)	(1,232)
Change in net assets attributable to unit holders	76,560	67,875	121,522
Other Comprehensive Income	-	-	-
Change in net assets attributable to unit holders	76,560	67,875	121,522

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STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER 2019

	31 December 2019 TZS'000	31 December 2018 TZS'000	30 June 2019 TZS'000
Assets			
Cash and cash equivalents	69,521	33,275	25,809
Term deposits with banks	-	-	-
Treasury bonds	892,657	961,745	977,214
Treasury bills	-	-	-
Corporate Bonds	50,000	50,000	50,000
Equity Investments	235,105	223,340	223,340
Interest receivable	42,013	47,597	-
Other receivables	(74,627)	(18,775)	-
Total assets	1,214,669	1,297,182	1,276,363
Income tax payable	-	(2,880)	-
Accounts payable	(1,899)	(32,427)	(98,755)
Other Accounts payable	(21,856)	(16,907)	-
Total Liabilities	23,755	52,214	(98,755)
Net-assets attributable to unit holders	1,190,914	1,244,968	1,177,608
Represented by:			
Retained earnings	2,819,352	2,749,410	2,697,831
Unit capital	(1,704,998)	(1,572,317)	(1,641,745)
Profit (loss) for the Period	76,560	67,875	121,522
Total Unit holders Equity	1,190,914	1,244,968	1,177,608

Net Asset Value per unit based on
2,757,049.64; 3,160,848.98 and 2,962,781
units outstanding on 31st December 2019,
31st December 2018 & 30th June 2019
respectively.

	431.95	393.87	397.47

Casmir S. Kyuki
.....
Board Chairman

Juma A. Muhimbi
.....
Director

7 February, 2020
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Date