

## REGULAR INCOME UNIT TRUST SCHEME-(JIKIMU 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 31<sup>ST</sup> DECEMBER 2019

The Board of Directors of UTT AMIS presents Jikimu Fund report for the six month period ended 31<sup>st</sup> December 2019. The Scheme which commenced operations in November 2008 reported net income of TZS 1.504 Billion on its audited accounts for the year ended 30<sup>th</sup> June 2019 before Income Distribution of TZS 1.899 Billion.

#### 1. Establishment and Management of the Fund

Regular Income Unit Trust Scheme, also known as “Jikimu Fund” is a collective investment scheme formed by the Unit Trust of Tanzania (UTT), a government sponsored institution that was incorporated in 2003 under the Trustees Incorporation Act.

Jikimu Unit Trust Scheme was established under the Deed of Trust of the Jikimu Unit Trust Scheme, on 03 November 2008 and is regulated by Capital Markets and Securities (Collective Investment Schemes) Regulations 1997, prescribed under Capital Markets and Securities Act, 1994.

The Fund was managed by Unit Trust of Tanzania Registered Trustees up to 30 September 2013 and thereafter by the UTT AMIS, a Registered Fund Manager who has set up a management structure to carry out the day to day operations of the Fund. The duties of the Directors and the Manager are specified in Sections 2.2 and 4.0 of the Offer Document respectively.

The Custodian of the Fund is CRDB Bank Plc, a commercial bank licensed to carry out banking business under the Banking and Financial Institutions Act, 2006. The duties of the Custodian are specified in Section 5.3 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 risks and obtain competitive returns over the medium and long term through capital growth or income distribution.

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.

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### 3. Financial Performance

The financial performance of the Fund for the half year is shown on the Statement of Profit or Loss and Other Comprehensive Income.

### 4. Income Distribution

Pursuant to section 17 of the Jikimu Fund Offer Document, the Fund distributes income quarterly or annually based on the choice and financial needs of each investor.

### 5. Sale and Re-purchase of Units of the Fund

Units of Jikimu Fund are open for sale and re-purchase through the Fund Manager. The sale price is based on prospective Net Asset Value (NAV) per unit of the same working day and re-purchase price is based on the Net Asset Value (NAV) per unit of the date of acceptance, less service charge which is 2% for repurchase done within first year, 1.5% for repurchases done more than a year but before 2 years, 1% for the ones ranging from 2 to 3 years and nil for repurchases done after three years from the date of sale.

### 6. Risk Warning

Investment in unit trusts should be regarded as medium to long term investment. Investors should note that investments in the Fund are subject to market risks and the Net Asset Value (NAV) of the Fund may go up or down depending upon the factors and forces affecting the securities market. Past performance is not a guide to 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 31<sup>st</sup> December 2019 herewith indicated. The 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 Jikimu Fund Report available on [www.uttamis.co.tz](http://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**

REGULAR INCOME UNIT TRUST SCHEME-(JIKIMU FUND)



Report of financial condition of Regular Income Unit Trust Scheme (Jikimu Fund) for the half year ended 31<sup>st</sup> 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 HALF YEAR ENDED 31 DECEMBER 2019**

	Six Months to 31 December 2019 TZS'000	Six Months to 31 December 2018 TZS'000	Twelve months to 30 June 2019 TZS'000
Interest income	1,323,508	1,270,047	2,599,111
Net gain from financial instruments	(96,819)	(469,308)	(727,581)
Gross dividend Income	65,193	65,603	-
Other Income	192,041	152,645	168,844
<b>Total income</b>	<b>1,483,923</b>	<b>1,018,987</b>	<b>2,040,374</b>
Operating expenses	(252,256)	(259,912)	(511,606)
<b>Net income from operations before taxation</b>	<b>1,231,667</b>	<b>759,075</b>	<b>1,528,768</b>
Taxation	(5,037)	(18,477)	(24,849)
<b>Net Income from Operations after taxation</b>	<b>1,226,630</b>	<b>740,598</b>	<b>1,503,919</b>
Income distribution	(924,878)	(948,860)	(1,899,027)
<b>Change in net assets attributable to unit holders</b>	<b>301,752</b>	<b>(208,262)</b>	<b>(395,108)</b>

**STATEMENT OF FINANCIAL POSITION**

**REGULAR INCOME UNIT TRUST SCHEME-(JIKIMU FUND)**

**AS AT 31<sup>ST</sup> DECEMBER 2019**

	<b>31 December 2019</b>	<b>31 December 2018</b>	<b>30 June 2019</b>
<b>Assets</b>	<b>TZS'000</b>	<b>TZS'000</b>	<b>TZS'000</b>
Cash and cash equivalents	818,361	678,880	1,231,080
Term deposits with banks	-	-	1,313
Treasury bonds	14,631,150	16,209,058	16,052,999
Corporate Bonds	-	277,196	-
Equity Investments	2,837,649	4,125,925	2,794,152
Interest receivable	1,220,102	1,391,904	-
Other receivables	43,923	30,451	213,199
<b>Total assets</b>	<b>19,551,185</b>	<b>22,713,414</b>	<b>20,292,743</b>
<b>Liabilities</b>			
Income tax payable	(19,949)	(19,949)	(19,948)
Accounts payable	(92,647)	(123,763)	-
Other Accounts payable	(505,390)	(578,787)	(650,745)
<b>Total Liabilities (excluding net assets attributable to unit holders)</b>	<b>(617,986)</b>	<b>(722,499)</b>	<b>(670,693)</b>
<b>Net-assets attributable to unit holders</b>	<b>18,933,199</b>	<b>21,990,915</b>	<b>19,622,050</b>
<b>Represented by:</b>			
Retained earnings	1,556,268	4,394,078	1,951,380
Unit capital equalization	-	2,698,120	2,698,120
Unit capital	17,075,179	15,106,979	15,367,658
Profit/Loss for the Period	301,752	(208,262)	(395,108)
<b>Total Unit holders Equity</b>	<b>18,933,199</b>	<b>21,990,915</b>	<b>19,622,050</b>

Net Asset value based on 151,834,749.41,  
157,547,327.92 and 159,639,476 Units  
outstanding December 2019, December 2018 &  
June 2019 respectively.

**124.70**

**139.58**

**122.91**

Casmir S. Kyuki

Juma A. Muhimbi

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**Board Chairman**

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**Director**

7 February, 2020

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**Date**