

HATIFUNGANI UNIT TRUST SCHEME - BOND FUND



UTT ASSET MANAGEMENT AND INVESTOR SERVICES PLC

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

The Board of Directors of UTT AMIS (Fund Manager) presents Bond Fund report for the four months ended 31st December 2019. The Scheme which commenced operations in September 2019, reported net income of TZS 714.86 Million on its unaudited accounts for the period of 4 months ended 31st December, 2019.

1. Establishment and Management of the Fund

Hatifungani Unit Trust Scheme, also known as “Bond Fund” is a collective investment scheme formed by UTT AMIS, a government sponsored institution that was incorporated on 19th June 2013 under the Companies Act, 2002. The Scheme was established under the Deed of Trust of the Hatifungani Unit Trust Scheme, on 08 June 2019 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 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 Fund Manager are specified in Sections 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 Institutions Act, 2006. The duties of the Custodian are specified in Section 5.4 of the Offer Document.

2. Principal Activities and Investment Objectives

The principal activity of the Fund is to invest the pooled funds into a portfolio that enables both high and low income investors to diversify risk and obtain competitive returns over the medium to 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 participate in the capital market and obtain a good return on their investment.

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.

HATIFUNGANI UNIT TRUST SCHEME - BOND FUND

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

The Fund is open for sale and re-purchase of units using forward pricing 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.

5. 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.

6. 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.

7. The Board of Directors

Details of Directors who held office during the four month period and up to the date of this report are found on page 1 of the Bond Fund Report available on www.uttamis.co.tz. All the Directors are Tanzanians.

Casmir S. Kyuki

.....

Board Chairman

Juma A. Muhimbi

.....

Director

7 February, 2020

.....

Date

HATIFUNGANI UNIT TRUST SCHEME - BOND FUND



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

	Four Months to 31 December 2019
Revenue	TZS'000
Interest income	798,404
Total Income	798,404
Operating Expenses	(83,544)
Net income from operations before taxation	714,860
Taxation	-
Net income from operations after tax	714,860
Other Comprehensive Income	-
Change in net assets attributable to unit holders	714,860

HATIFUNGANI UNIT TRUST SCHEME - BOND FUND

STATEMENT OF FINANCIAL POSITION
AS AT 31ST DECEMBER 2019

	31 December 2019
	TZS'000
Assets	
Cash and cash equivalents	1,026,641
Treasury bonds	23,359,406
Interest receivable	1,336,273
Other receivables	2,440
Total assets	25,724,760
Liabilities	
Other account payable	(11,674)
Accounts payable	(62,494)
Total Liabilities	(74,168)
Net-assets attributable to unit holders	25,650,592
Represented by:	
Unit Capital	24,935,732
Change in net assets\Profit	714,860
Total Unit holders Equity	25,650,592

104.08

Net Asset Value per unit based on 246,447,343.63
units outstanding on 31st December 2019.

Casmir S. Kyuki

.....

Board Chairman

Juma A. Muhimbi

.....

Director

7 February, 2020

.....

Date