

CONTENTS

Vision and Mission Statement	02
Organization	03
Directors' Report	04
Fund Manager's Report	06
Performance Table / Key Financial Data	08
Review Report to the Unit Holders on Statement of Compliance with Best Practices of the Code of Corporate Governance	10
Statement of Compliance with the Code of Corporate Governance	11
Trustee Report to the Unit Holders	13
Independent Auditors report to the Unid Holders	14
Statement of Assets and Liabilities	15
Income Statement	16
Cash Flow Statement	17
Statement of Movement in Unit Holders' Fund	18
Distribution Statement	19
Notes to the Financial Statements	20

Vision

To be Industry Leaders in Financial Services

Mission

Pursuit of Professional Excellence

Core Values

- Shareholder Value
- Integrity
- Commitment

ORGANIZATION

Management Company

JS Investments Limited
7th Floor, The Forum, G-20
Khayaban-e-Jami, Block-9, Clifton
Karachi-75600
Tel: (92-21) 111-222-626 Fax: (92-21) 5361724
E-mail: info@jsil.com
Website: www.jsil.com

Board of Directors

Munawar Alam Siddiqui	Chairman
Muhammad Najam Ali	Chief Executive Officer
Ali Raza Siddiqui	Executive Director
Siraj Ahmed Dadabhoy	
Nazar Mohammad Shaikh	
Lt.General (R) Masood Parwaiz	
Sadeq Sayeed	

Audit Committee

Nazar Mohammad Shaikh	Chairman
Munawar Alam Siddiqui	Member
Lt.General (R) Masood Parwaiz	Member

Chief Financial Officer & Company Secretary

Suleman Lalani

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B' S.M.C.H.S.,
Main Shahra-e-Faisal, Karachi-74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 4326061

Auditors

M.Yousuf Adil Saleem & Co.
Chartered Accountants
Cavish Court, A-35, Block 7 & 8
KCHSU, Shahra-e-Faisal, Karachi.

Legal Adviser

Bawaney & Partners
Room No.404, 4th floor,
Beaumont Plaza, 6-cl-10,
Beaumont Road, Civil Lines
Karachi-75530.

Transfer Agent

Technology Trade (Private) Limited
241-C, Block 2, P.E.C.H.S, Karachi
Tel: (92-21) 4391316-7
Fax: (92-21) 4391318

DIRECTORS' REPORT TO THE UNIT HOLDERS

The Board of Directors of JS Investments Limited (formerly JS ABAMCO Limited), the Management Company of JS Aggressive Income Fund (the Fund), is pleased to present the Annual Report for the period ended June 30, 2008.

1. Review of Fund Performance

The units of the Fund were offered for public subscription on January 22, 2008 and January 23, 2008. The net assets of the Fund reached 923.839 million as on June 30, 2008. The net income of the Fund for the period ended June 30, 2008 was Rs. 59.720 million. The net assets value per unit as on June 30, 2008 was Rs. 102.83.

The Board of Directors of the Management Company has declared a final distribution of Rs. 2.60 per unit in addition to the interim distribution of Rs. 2.40 per unit already paid during the year thus making a total distribution of Rs. 5.00 per unit or 5.0 percent of the par value of Rs. 100. The total distribution for the period works out to Rs. 55.456 million. As the above distribution is more than 90% of the realized income for the year, the income of the Fund will not be subject to tax under Clause 99 of the Part I of the Second Schedule of Income Tax Ordinance, 2001.

2. Market Outlook

The SBP continued to maintain its tight monetary stance in order to combat inflationary pressures, particularly in the second half of the current fiscal year. In order to curtail demand pressure, SBP initially increased its policy rate by 50 bps to 10% effective from Aug 01, 2007. However, to curb aggregate demand pressure further, SBP increased its policy rate by another 50 bps to 10.5% and raised the cash reserve requirement (CRR) by 100 bps effective from Feb 01, 2008. Despite these measures, inflation continued to climb with overall CPI reaching a record high of 17.2% in April 2008, which was more than double from 6.4% in July 2007. The continuing demand and supply pressures resulted in SBP further raising its policy rate by 150bps and reserve requirements by 100bps effective from May 23, 2008. In maintaining its tight monetary policy SBP has managed to sterilize excess money supply through PIB auctions worth PKR 53.4bn (FY07: PKR 75bn). Furthermore as a result of the discount rate hikes, 6-month KIBOR has gone up by over 400 bps from 10.02% as at July 01, 2007 to 14.19% on June 30, 2008. In contrast to FY07, foreign investment up to May 2008 has declined by 30.2% YoY to USD 3.93bn compared to USD 5.6bn in the same period last year.

Average CFS rates fell during the year to 12% compared to 14% last year, due to the increase of fixed income mutual funds in the market. However CFS rates over June FY08 averaged around 16% reflecting a rising rate environment. Ready market future spreads have also contracted in FY08, averaging 5.8% compared to 7% last year, as arbitrage seekers have competed away the profitability from this source.

3. Fund and Asset Manager Rating

As this is the first year of operations, the Fund is not eligible for the rating as per the rating criteria established by the Rating Agency.

PACRA has awarded an "AM2+" asset manager rating to JS Investments Limited. The rating denotes the company's very strong capacity to manage the risks inherent in asset management and the asset manager meets very high investment management industry standards and benchmarks.

4. Compliance

The Board of Directors of the Management Company states that:

- a. The financial statements, prepared by the Management Company, present fairly the state of affairs of the Fund, the results of its operations, cash flows and movement in net assets of the Fund.
- b. Proper books of accounts of the Fund have been maintained.
- c. Appropriate accounting policies have been consistently applied in preparation of financial statements, and financial estimates are based on reasonable and prudent judgment.

- d. International Financial Reporting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment & Regulation) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2007, requirements of the Trust Deed and directives of the Securities and Exchange Commission of Pakistan have been followed in preparation of the financial statements.
- e. The system of internal control is sound in design and has been effectively implemented and monitored.
- f. There are no significant doubts upon the Fund's ability to continue as a going concern.
- g. There has been no material departure from the best practices of the Code of Corporate Governance, as detailed in the listing regulations.
- h. A performance table / key financial data is given on page 08 of this annual report.
- i. The Directors have signed the "Statement of Ethics and Business Practices."
- j. The Chief Executive, directors and executives and their spouses do not hold any unit in the Fund.
- k. The value of investments of the staff provident fund of JS Investments Limited, as per the audited accounts for the year ended June 30, 2008 was Rs. 23.063 million.

5. Meetings of the Directors

During the year seven meetings of the Board of Directors were held. The attendance of each director for these meetings is disclosed in the notes to the financial statements.

6. Auditors

The external auditors of the Fund M. Yousuf Adil Saleem & Co., Chartered Accountants, retire and being eligible offers themselves for reappointment. The Audit Committee of the Board of the Management Company has recommended reappointment of M. Yousuf Adil Saleem & Co., Chartered Accountants, as the Fund's auditors for the year ending June 30, 2009.

7. Acknowledgment

The Directors express their gratitude to the Securities and Exchange Commission of Pakistan for its valuable support, assistance and guidance. The Board also thanks the employees of the Management Company and the Trustee for their dedication and hard work and the unit holders for their confidence in the Management.

Karachi: September 15, 2008

Chief Executive Officer

JS Aggressive Income Fund

FUND MANAGER'S REPORT

Fund Profile

Fund type	Open end - Income Fund
Fund launch date	22 January, 2008
Fund Assets (PKR mn):	924
Benchmark 1 (BM1):	1 Month Kibor Rate
Listing	Lahore Stock Exchange
Trustee	Central Depository Co. of Pakistan Limited
Auditors	M. Yousuf Adil Saleem & Co.
Risk profile	Medium
Management fee	1.50%
PACRA Rating	n/a

Investment Philosophy

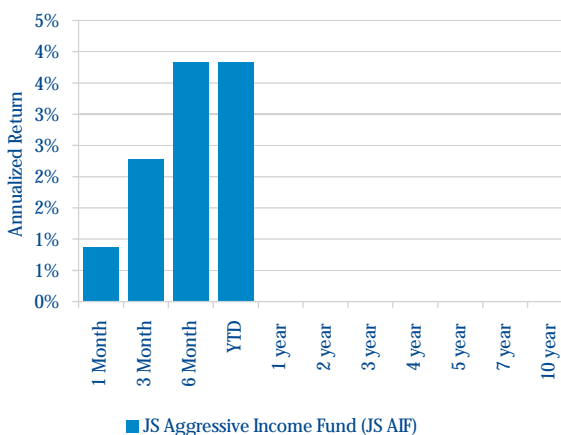
JS AIF aims at generating current income on investments while maintaining the prospects of capital appreciation by investing in a diversified portfolio of money market and fixed income instruments. The fund may aggressively adjust asset weightings to take advantage of directional macro and micro economic trends and may hold some or even all of its assets in cash to either provide liquidity or for defensive purposes. The fund during the period achieved its investment objective through its investment strategies. The investment strategy comprised of investment in fundamentally sound securities keeping in view both the market and the underlying economic sentiment in the country. The fund, during the year, underperformed the 1 month KIBOR rate by over 100 basis points. There was no significant change in the state of affairs of the fund during the period.

Market Review FY08

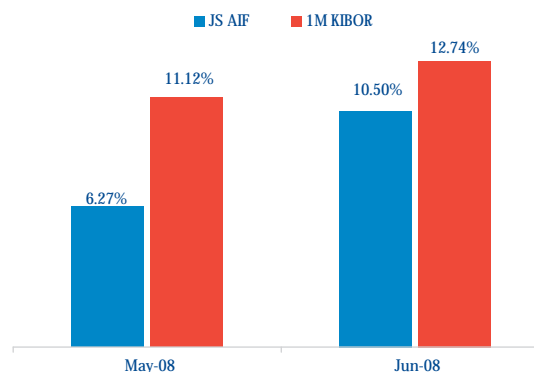
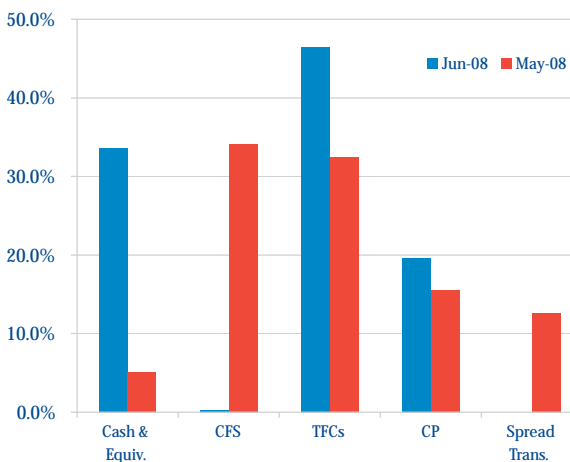
The SBP continued to maintain its tight monetary stance in order to combat inflationary pressures, particularly in the second half of the current fiscal year. In order to curtail demand pressure, SBP initially increased its policy rate by 50 bps to 10% effective from Aug 01, 2007. However, to curb aggregate demand pressure further, SBP increased its policy rate by another 50 bps to 10.5% and raised the cash reserve requirement (CRR) by 100 bps effective from Feb 01, 2008. Despite these measures, inflation continued to climb with overall CPI reaching a record high of 17.2% in April 2008, which was more than double from 6.4% in July 2007. The continuing demand and supply pressures resulted in SBP further raising its policy rate by 150bps and reserve requirements by 100bps effective from May 23, 2008. In maintaining its tight monetary policy SBP has managed to sterilize excess money supply through PIB auctions worth PKR 53.4bn (FY07: PKR 75bn). Furthermore as a result of the discount rate hikes, 6-month KIBOR has gone up by over 400 bps from 10.02% as at July 01, 2007 to 14.19% on June 30, 2008. In contrast to FY07, foreign investment up to May 2008 has declined by 30.2% YoY to USD 3.93bn compared to USD 5.6bn in the same period last year.

Average CFS rates fell during the year to 12% compared to 14% last year, due to the increase of fixed income mutual funds in the market. However CFS rates over June FY08 averaged around 16% reflecting a rising rate environment. Ready market future spreads have also contracted in FY08, averaging 5.8% compared to 7% last year, as arbitrage seekers have competed away the profitability from this source.

Performance (in percentage)



Asset Allocation Jun '08



Benchmark Analysis	Benchmark 1
Alpha	0.0%
Annualized Alpha	0.4%
Beta	0.8
Correlation	0.9
R-squared	0.8

Statistical Analysis	Fund	BM1
Compound ROR	7.8%	9.4%
Standard Deviation	1.1%	1.3%
Cumulative Return	3.8%	4.57%
Cumulative VAMI	1,038	1,046
Sharpe (5.00%)	2.3	3.1
Largest Month Gain	0.9%	1.1%
Largest Month Loss	0.0%	0.0%
% Positive Months	100.0%	100.0%
% Negative Months	0.0%	0.0%

Returns on the Investments	% of contribution
All return from fixed income and related instruments	
NAV return (annualized)	9.25%

Distribution for the Year Ended June 30, 2008

The Board of Directors of the Management Company has declared a final distribution of Rs. 2.60 per unit in addition to the interim distribution of Rs. 2.40 per unit already paid during the year thus making a total distribution of Rs. 5.00 per unit of the par value of Rs. 100 each.

Other Disclosures

The Management Company and / or any of its delegates have not received any soft commission from its brokers / dealers by virtue of transactions conducted by the Fund.

JS Aggressive Income Fund

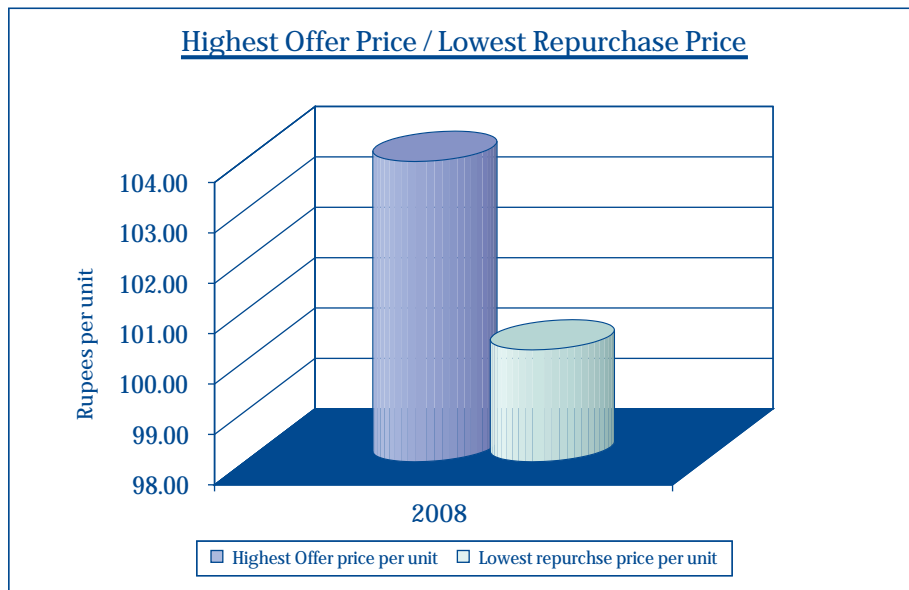
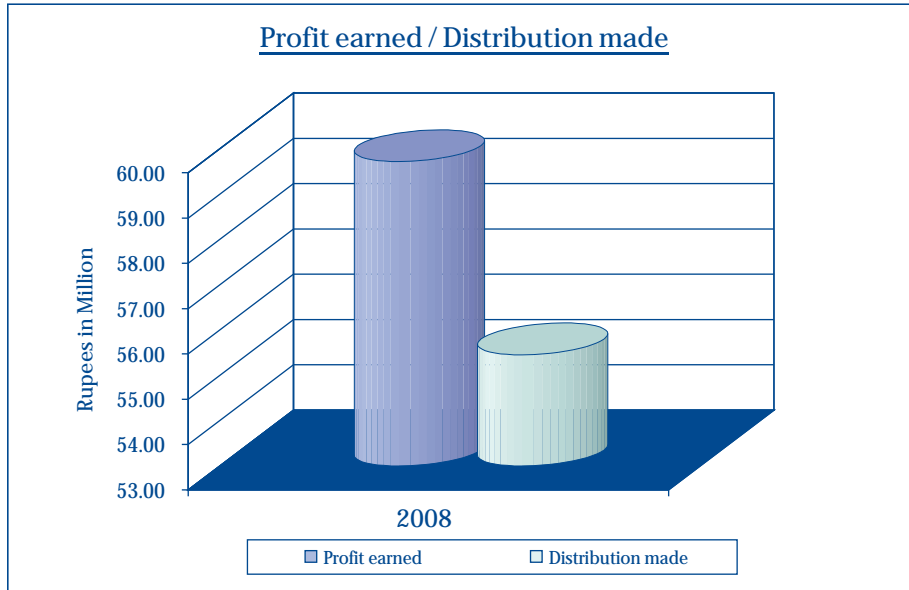
PERFORMANCE TABLE / KEY FINANCIAL DATA

	2008
Net Assets	923,838,955
Net Income	59,719,892
Net assets value per unit	102.83
Earnings per unit	6.65
Net assets value per unit (Ex-Dividend)	100.23
Interim distribution per unit	2.40
Interim distribution date	27-Mar-08
Final Distribution per unit	2.60
Final distribution date	09-Jul-08
Total Distribution as % of par value	5.00%
Highest offer price per unit	103.96
Lowest offer price per unit	101.23
Highest repurchase price per unit	102.92
Lowest repurchase price per unit	100.23
Number of units in issue	8,984,340

Notes:

- JS Aggressive Income Fund was launched on 22-Jan-08

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



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

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of the JS Investments Limited the management company of JS Aggressive Income Fund (the Fund) to comply with the Listing Regulation No. 43 (Chapter XIII) of the Lahore Stock Exchange, where the fund is listed.

The responsibility for compliance with the Code of Corporate Governance 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 of Compliance reflects the status of the Fund's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the personnel of the management company and review of various documents prepared by the management to comply with the Code.

As part of our audit of the 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 have not carried out any special review of the internal control system to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls.

Based on our review, nothing has come to our attention, which causes us to believe that the Statement of Compliance does not appropriately reflect the Fund's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the Fund for the period ended June 30, 2008.

Karachi: September 15, 2008

Chartered Accountants

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

This Statement is being presented in compliance with the Code of Corporate Governance ('the Code') contained in Regulation 43 of the Lahore Stock Exchange where the Fund is listed. The purpose of the Code is to establish a framework of good governance, whereby a listed entity is managed in compliance with the best practices of corporate governance.

JS Investments Limited which manages the affairs of the Fund 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. Presently, the Board includes five non-executive directors.
2. The directors have confirmed that none of them is serving as a director in more than ten listed companies, including the Management Company.
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 an NBFC or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. The election of directors of the Management Company was held on December 26, 2007 upon completion of the three years' term of the previous Board. No casual vacancy has arisen subsequent to the election of directors.
5. The Management Company has prepared a "Statement of Ethics and Business Practices," which has been signed by all the directors and employees of the Management Company.
6. The Management Company has developed a vision / mission statement, overall corporate strategy and significant policies of the Fund which have been approved by the Board. A complete record of particulars of significant policies 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 and other executive directors, 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 during the year. Written notices of the meetings of the Board of Directors, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Chairman of the Board of Directors has completed the Board Development Series Certificate Program conducted by the Pakistan Institute of Corporate Governance ("PICG"). The Management Company intends to nominate other directors to the above program as and when these are announced by PICG.
10. During the year, there was no change of Chief Financial Officer / Company Secretary, however, the Head of Internal Audit was appointed in the current year. Their remuneration and terms and conditions of employment have been approved by the Board.
11. The Directors' Report has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The financial statements of the Fund were duly endorsed by the Chief Executive Officer and Chief Financial Officer before approval of the Board.
13. The directors, Chief Executive Officer and executives do not hold any interest in the units of the Fund other than those disclosed in the Directors' Report.

JS Aggressive Income Fund

14. The Management Company has complied with all other corporate and financial reporting requirements of the Code with respect to the Fund.
15. The Board has formed an Audit Committee. It comprises of three non-executive directors.
16. The meetings of the Audit Committee are held every quarter prior to approval of interim and annual results of the Fund as required by the Code. The Board has approved terms of reference of the Audit Committee.
17. The Board has set-up an effective internal audit function headed by the Head of Internal Audit and Compliance. Prior to his appointment, the internal audit function was performed by a firm of Chartered Accountants.
18. The statutory auditors of the Fund have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan (ICAP), 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 the ICAP.
19. The statutory auditors or the persons associated with them have not been appointed to provide other services to the Fund except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
20. We confirm that all other material principles contained in the Code have been complied with.

Karachi: September 15, 2008

Chief Executive Officer

TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 58(f) and Clause 9 of Schedule IV of the Non-Banking Finance Companies and Notified Entities Regulations, 2007

JS Aggressive Income Fund (Fund), an open-end scheme was established under a trust deed dated July 19, 2007 executed between JS Investments Limited, as the management company and Central Depository Company of Pakistan Limited, as the trustee.

In our opinion, the management company has in all material respects managed the Fund during the period from November 06, 2007 to June 30, 2008 in accordance with the provisions of the following:

- (i) limitations imposed on the investment powers of the management company under the constitutive documents of the Fund;
- (ii) the pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2007 and the constitutive documents of the Fund.

Karachi, September 26, 2008

Central Depository Company of Pakistan Limited

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

We have audited the accompanying financial statements of JS Aggressive Income Fund (the Fund) for the period ended June 30, 2008 which comprises the statement of assets and liabilities, income statement, cash flow statement, distribution statement and statement of movement in unit holders' fund together with a summary of significant accounting policies and other explanatory notes, for the period then ended, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit.

Management's responsibility for the financial statements

JS Investments Limited (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, Non-Banking Finance Companies and Notified Entities Regulations 2007, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 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 2008, and of its financial performance, cash flows and transactions for the period from November 06, 2007 to June 30 2008 in accordance with approved accounting standards as applicable in Pakistan.

Other matters

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Trust Deed, Non-Banking Finance Companies and Notified Entities Regulations, 2007 and Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.

Karachi : September 15, 2008

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2008

	Note	Rupees
Assets		
Bank balances	3	256,170,579
Investments	4	490,996,703
Continuous Funding System and accrued mark-up	5	1,980,925
Prepayments and other receivables	6	176,184,561
Preliminary and floatation costs	7	1,122,003
Security deposits	8	1,100,000
Total assets		927,554,771
Liabilities		
Preliminary and floatation costs payable to the management company	9	1,229,500
Remuneration payable to the management company	11	1,228,067
Remuneration payable to the trustee	12	162,658
Annual fee payable to the Securities and Exchange Commission of Pakistan	13	619,638
Accrued and other liabilities	10	475,953
Total liabilities		3,715,816
Net assets		923,838,955
Unit holders' funds (as per statement attached)		923,838,955
		No. of units
Number of units in issue		8,984,340
		Rupees
Net assets value per unit		102.83

The annexed notes from 1 to 24 form an integral part of these financial statements.

For JS Investments Limited (Formerly JS ABAMCO Limited)
(Management Company)

Muhammad Najam Ali
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

Ali Raza Siddiqui
Executive Director

JS Aggressive Income Fund

INCOME STATEMENT FOR THE PERIOD FROM NOVEMBER 6, 2007 TO JUNE 30, 2008

	Note	Rupees
Income		
Net capital gains on sale of marketable securities		4,450,742
Return / Mark-up on:		
- bank balances		34,820,537
- transactions under Continuous Funding System		6,412,995
- term finance certificates		15,898,953
- commercial papers		8,530,338
Amortization of discount on Investments		19,054
		65,681,877
Element of income / (loss) and capital gains / (loss) in prices of units sold less those in units redeemed -net		<u>1,674,917</u>
		71,807,536
Expenses		
Remuneration to the management company	11	9,154,099
Remuneration to the trustee	12	1,157,922
Annual fee to the Securities and Exchange Commission of Pakistan	13	619,638
Amortization of preliminary and floatation costs		107,497
Securities transaction cost		535,174
Bank and settlement charges		44,187
Auditors' remuneration	14	190,000
Fee to National Clearing Company of Pakistan Limited (NCCPL)		147,932
Listing & custodian fee		89,109
Printing & stationary		15,420
Others		26,666
		12,087,644
Net income for the period carried forward to distribution statement		<u><u>59,719,892</u></u>

The annexed notes from 1 to 24 form an integral part of these financial statements.

For JS Investments Limited (Formerly JS ABAMCO Limited)
(Management Company)

Muhammad Najam Ali
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

Ali Raza Siddiqui
Executive Director

CASH FLOW STATEMENT
FOR THE PERIOD FROM NOVEMBER 6, 2007 TO JUNE 30, 2008

	Note	Rupees
Cash flows from operating activities		
Net income for the period		59,719,892
Adjustments for:		
Net capital gains on sale of marketable securities		(4,450,742)
Amortization of discount on investments		(19,054)
Element of income / (loss) and capital gains / (loss) in prices of units sold less those in units redeemed -net		(1,674,917)
Amortization of preliminary and floatation costs		107,497
		<u>53,682,676</u>
(Increase) / decrease in assets		
Investments		(488,735,383)
Continuous Funding System and accrued mark-up		(1,980,925)
Prepayments and other receivables		(176,184,561)
Security deposits		(1,100,000)
		<u>(668,000,869)</u>
Increase/(decrease) in liabilities		
Remuneration payable to the management company		1,228,067
Remuneration payable to the trustee		162,658
Annual fee payable to the Securities and Exchange Commission of Pakistan		619,638
Accrued and other liabilities		475,953
		<u>2,486,316</u>
Net cash used in operating activities		<u>(611,831,877)</u>
Cash flows from financing activities		
Amounts received on issue of units		2,933,869,502
Amounts paid on redemption of units		(2,065,867,046)
Net cash flow from financing activities		868,002,456
Net increase in cash and cash equivalent during the period		<u>256,170,579</u>
Cash and cash equivalents at beginning of the period		-
Cash and cash equivalents at end of the period	2.4	<u><u>256,170,579</u></u>

The annexed notes from 1 to 24 form an integral part of these financial statements.

For JS Investments Limited (Formerly JS ABAMCO Limited)
(Management Company)

Muhammad Najam Ali
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

Ali Raza Siddiqui
Executive Director

JS Aggressive Income Fund

STATEMENT OF MOVEMENTS IN UNIT HOLDERS' FUND FOR THE PERIOD FROM NOVEMBER 6, 2007 TO JUNE 30, 2008

	Rupees
Net assets at the beginning of the period	-
Amounts received on issue of 29,002,201 units	2,933,869,502
Amounts paid on redemption of 20,017,861 units	(2,065,867,046)
	868,002,456
Element of income / (loss) and capital gains / (loss) in prices of units sold less those in units redeemed -net	(1,674,917)
Deficit on revaluation of available-for-sale investments (recognized directly in net assets)	(2,208,476)
Interim distribution - issue of 133,735.19 bonus units approved by Board of Directors of the Management Company in their meeting held on March 27, 2008 at the rate of Rs. 2.40 per unit	32,096,446
Net income for the period less distribution	27,623,446
Net assets at the end of the period	923,838,955
- Net assets value per unit at the beginning of the period is	100.00
- Net assets value per unit at the end of the period is	102.83

The annexed notes from 1 to 24 form an integral part of these financial statements.

For JS Investments Limited (Formerly JS ABAMCO Limited)
(Management Company)

Muhammad Najam Ali
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

Ali Raza Siddiqui
Executive Director

DISTRIBUTION STATEMENT
FOR THE PERIOD FROM NOVEMBER 6, 2007 TO JUNE 30, 2008

	Rupees
Unappropriated income brought forward	-
Income for the period	59,719,892
Interim distribution - issue of bonus units / cash dividend approved by Board of Directors of the management company in their meeting held on March 27, 2008 at the rate of Rs. 2.40 per unit	(32,096,446)
Unappropriated income carried forward	<u>27,623,446</u>

The annexed notes from 1 to 24 form an integral part of these financial statements.

For JS Investments Limited (Formerly JS ABAMCO Limited)
(Management Company)

Muhammad Najam Ali
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

Ali Raza Siddiqui
Executive Director

JS Aggressive Income Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM NOVEMBER 6, 2007 TO JUNE 30, 2008

1. LEGAL STATUS AND NATURE OF BUSINESS

JS Aggressive Income Fund (the Fund) was established under a Trust Deed executed between JS Investments Limited as the management company and Central Depository Company of Pakistan Limited as the trustee. The Trust Deed was executed on July 10, 2007 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 19, 2007 in accordance with the Non-Banking Finance Companies Rules 2003 (the Rules).

The management company of the Fund has obtained license to act as an Asset Management Company under the Rules from SECP. The registered office of the management company is located at 7th Floor, The Forum, Clifton, Karachi, Pakistan.

The Fund is an open ended mutual fund and its units are listed on Lahore Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The Fund invests primarily in fixed-rate securities, equity securities and other avenues of investment, which include corporate debt securities and Government securities and transactions under Continuous Funding System, which is a form of financing through the stock exchange.

Title to the assets of the Fund are held in the name of Central Depository Company Limited as a trustee of the Fund.

The units of the Fund were offered for public subscription on January 22, 2008 to January 23, 2008. The Fund was launched during the period, hence these financial statements are the first financial statements of the Fund.

The financial statements are presented in Pak Rupees, which is the Fund's functional and presentation currency.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These financial statements have been prepared in accordance with requirements of the Trust Deed, Non Banking Finance Companies and Notified Entities Regulations, 2007 (the Regulation), Non Banking Finance Companies Rules, 2003 (the Rules), the Companies Ordinance, 1984 (the Ordinance), directives issued by the Securities and Exchange Commission of Pakistan (SECP) and approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) as notified under the provisions of the Ordinance. Wherever, the requirements of the Regulations, the Rules, the Ordinance or directives issued by SECP differ with the requirements of these standards, the requirements of the Regulations, the Rules, the Ordinance and the said directives take precedence.

2.2 Standards, interpretations and amendments to published approved accounting standards that are not yet effective.

The following standards, amendments and interpretations of approved accounting standards, effective for accounting periods beginning on or after January 01, 2008 are either not relevant to Fund's operations or are not expected to have significant impact on the Fund's financial statements other than increased disclosures in certain cases:

IAS 1 (Revised) - Presentation of Financial Statements	effective from accounting period beginning on or after January 01, 2009
IAS 23 (Revised) - Borrowing Costs	effective from accounting period beginning on or after January 01, 2009
IAS 29 - Financial Reporting in Hyperinflationary Economies	effective from accounting period beginning on or after April 28, 2008
IFRS 7 - Financial Instruments: Disclosures	effective from accounting period beginning on or after April 28, 2008
IFRS 8 - Operating Segments	effective from accounting period beginning on or

	after April 28, 2008
IFRIC 12 - Services Concession Arrangements	effective for accounting period beginning on or after January 01, 2008
IFRIC 13 - Customer Loyalty Programmes	effective for accounting period beginning on or after January 01, 2008
IFRIC 14 - The Limit on Defined Benefit Assets, Minimum Funding Requirements and their Interaction	effective from accounting period beginning on or after January 01, 2008.

2.3 Basis of preparation

These financial statements have been prepared under the historical cost convention, except for investments and derivatives which are stated at fair value.

The principal accounting policies adopted are set out below:

2.4 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash.

2.5 Investments

The management of the Fund determines the appropriate classification of its investments at the time of purchase and classifies these investments as held to maturity, available for sale or held for trading.

Investment at fair value through profit and loss - held-for-trading

An investment that is acquired principally for the purpose of generating profit from short-term fluctuations in prices is classified as "fair value through profit or loss - held for trading". These are initially measured at fair value which is the quoted bid price at stock exchange at the date when the Fund commits to purchase the investments, subsequently, the resultant gain or loss on remeasurement of value of investment is recognised in the income statement.

Available for sale

Other investments are classified as "available for sale" and are initially measured at fair value which is the quoted bid price at stock exchange at the date when the Fund commits to purchase the investment. These investments are initially recognised at fair value plus transaction cost and subsequently re-measured at fair value. Changes in fair value of all available for sale investments are recognised in statement of changes in equity.

- Quoted debt securities

A debt security listed but not traded regularly on a stock exchange is valued at the average rate, notified by the Mutual Funds Association of Pakistan based on the average rates quoted by top three brokers, in terms of volume traded during last three months in that debt security or on the average rates of three brokers available at the date of valuation.

- Unquoted debt securities

Unquoted debt securities are valued on the average rates notified by the Mutual Funds Association of Pakistan based on the average rates quoted by top brokers. For debt securities whose average rates are not notified by the Mutual Funds Association of Pakistan, the Fund value such debt securities at the average rates of any three brokers available at the date of valuation.

Held to maturity

These are securities with fixed or determinable payments and fixed maturity that the Fund has the positive intent and ability to hold to maturity and are subsequently measured at amortized cost, less any impairment loss recognized to reflect irrecoverable amounts.

JS Aggressive Income Fund

All regular purchases / sales of investments are recognised on the trade date i.e the date that the Fund commits to purchase / sell the investments. Purchases or sales of investments require delivery of securities within three days after the transaction, as required by the Stock Exchange Regulations.

Financial assets are de-recognized when rights to receive cash flows from the financial assets have expired or where the fund has transferred substantially all risk and reward of ownership.

2.6 Derivatives

Derivative instruments held by the Fund primarily comprise of futures contracts in the capital market. These are initially recognised at fair value and are subsequently remeasured at their fair value. The fair value of futures contracts is calculated as the net difference between the contract price and the closing price reported on the primary exchange of the futures contract. Derivatives with positive market values (appreciation) are included in other assets and derivatives with negative market values (diminution) are included in other liabilities in the balance sheet. The resultant gains and losses are included in the income currently.

Derivative financial instruments entered into by the Fund do not meet the hedging criteria as defined by International Accounting Standard - 39, Recognition and Measurement of Financial Instruments (IAS - 39), consequently hedge accounting is not used by the Fund.

2.7 Securities under repurchase / resale agreements

Transaction of purchase under resale (reverse- repo) of marketable and government securities, including the securities purchased under Continuous Funding System, are entered into at contracted rates for specific periods of time. Securities purchase with a corresponding commitment to resell at a specified futures dates (reverse-repo) are not recognised in the statement of assets and liabilities. Amount paid under these agreements are included in receivable in respect of reverse repurchase transaction / against Continuous Funding System. The difference between purchase and resale price is treated as income from reverse repurchase transaction / Continuous Funding System and accrued over the period of the reverse- repo agreement / Continuous Funding System transaction.

Transaction of sale under repurchase (repo) of marketable and government securities are entered into at contracted rates for specified period of time. Securities sold with a simultaneous commitment to repurchase at a specific future date (repos) continue to be recognized in the statement of assets and liabilities and are measured in accordance with accounting policies for investment in securities. The counterparty liabilities for amount received under these transactions are recorded as liabilities. The difference between sale and repurchase price treated as borrowing charges and accrued over the period of the repo agreement.

2.8 Preliminary and floatation cost

The Fund has recorded all expenses incurred in connection with the incorporation, registration, establishment and authorisation of the Fund, as preliminary and floatation cost which are amortised over the period of five years in accordance with Trust Deed.

2.9 Payable and accruals

Payables and accruals are carried at cost which is the fair value of consideration to be paid in the future for the services received whether billed or not to the Fund.

2.10 Provisions

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

2.11 Taxation

The Fund is exempt from taxation under clause 99 of the Part I of the 2nd Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its income excluding realised and unrealised capital gains

for the period is distributed amongst the unit holders.

2.12 Financial instruments

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 Fund loses control of the contractual rights that comprises that financial assets. Financial liabilities are derecognised when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to income currently.

At the time of initial recognition, all financial assets and financial liabilities are measured at fair value. All the financial assets and financial liabilities are recognized at the time when the Fund becomes a party to the contract. The particular recognition method adopted for measurement of financial assets and financial liabilities investments subsequent to initial recognition is disclosed in the individual policy statement associated with each item.

2.13 Impairment of financial assets

An assessment is made at each statement of assets and liabilities date to determine whether there is objective evidence that a specific financial asset may be impaired. If any such evidence exists, impairment loss is recognised in the income statement. For available for sale equity investments reversal of impairment losses are recorded as increases in cumulative changes in fair value through equity. In addition, a provision is made to cover impairment for specific groups of assets where there is a measurable decrease in estimated future cash flows.

2.14 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are only offset and the 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 to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.15 Issue and redemption of units

Units are issued at the offer price determined at the close of business when funds in respect of issue of units are realised. The offer price represents the net asset value per unit at the close of business day plus the allowable sales load. The sales load is payable to the distribution company and the management company as processing fee. Issue of units is recorded upon realisation of related funds.

Units redeemed are recorded at the redemption price prevalent during the day in which the units are redeemed. The redemption price represents the net assets value per unit at the end of the Business day. Redemption of units is recorded on acceptance of application for redemption.

2.16 Element of income/(loss) and capital gains / (loss) in prices of units sold less those in units redeemed-net

To prevent the dilution of per unit income and distribution of income already paid out on redemption, as dividend, an equalization account called "element of income and capital gains in prices of units sold less those in units redeemed" is created.

The "element of income and capital gains in prices of units sold less those in units redeemed" account is credited with the amount representing net income and capital gains accounted for in the last announced net asset value and included in the sale proceeds of units. Upon redemption of units, the "element of income and capital gains in prices of units sold less those in units redeemed" account is debited with the amount representing net income and capital gains accounted for in the last announced net asset value and included in the redemption price.

The net "element of income and capital gains in prices of units sold less those in units redeemed" during an accounting period is transferred to the income statement.

2.17 Revenue recognition

Gain or loss on sale of marketable securities is accounted for in the income statement in the period in which it arises.

Dividend income is recorded at the time of the closure of share transfer book of the company declaring the dividend. Dividend received on marketable securities acquired after the announcement of dividend till the book closure date is not taken to income but reflected as reduction in the cost of investment.

JS Aggressive Income Fund

Mark-up / return on continuous funding system, government securities, term finance certificates, certificates of investment, clean placements and bank balances are recognized on a time proportion basis.

2.18 Transactions with connected persons

Transactions between the Fund and its "connected persons", as defined in the Rules and the Regulations, are carried out on an arm's length basis and are disclosed in note 16 to these financial statements.

2.19 Dividend distributions and appropriations

Dividend and other appropriations of reserves is recognised upon the declaration and approval by the Board of Directors of the management company.

2.20 Zakat

Units held by resident Pakistani unit holders shall be subject to Zakat at 2.5% of the par value of units under Zakat and Ushr Ordinance, 1980 (XVII of 1980), except those exempted under the said Ordinance. Zakat is deducted at source from the dividend amount or from the redemption payment, if units are redeemed during the Zakat period before payment of dividend.

2.21 Accounting estimates and judgments

In the process of applying the Fund's accounting policies, the management has not identified any area where critical judgments have been exercised which have significant impact on the financial statements. Further, there are no key assumptions concerning the future and other key sources of estimating uncertainty at the balance sheet date that have significant risks of causing a material adjustment within the next financial year.

	Note	2008 Rupees
3. BANK BALANCES		
In PLS savings accounts	3.1	<u>256,170,579</u>
		<u>256,170,579</u>
3.1 This includes balance of Rs. 224.1 million with JS Bank Limited (related party) that carries mark-up rate of 10% per annum. Other saving accounts carry rates of return ranging from 0.10% to 12.50% per annum.		
4. INVESTMENTS		
Investment at fair value through profit and loss - held-for-trading	4.1	
Quoted equity securities under future contracts		<u>-</u>
Available-for-sale	4.2	
- Quoted debt securities		141,817,400
- Un-quoted debt securities		204,369,000
- Un-quoted Sukuk certificates		-
- Un-quoted debt securities - Commercial Papers		<u>144,810,303</u>
		<u>490,996,703</u>

4.1 Investment at fair value through profit and loss - held-for-trading
(Quoted equity securities under future contracts)

Ordinary shares

- face value of Rs. 10/- each unless stated otherwise

Companies	Acquired during the period	Bonus / right shares received during the period	Disposed during the period	Holdings at the end of the period	Market Value (Rupees) as at June 30, 2008	% of Total investment
Note ----- Number of shares / certificates-----						
Commercial banks						
The Bank of Punjab	123,500	-	123,500	-	-	-
MCB Bank Limited	37,500	-	37,500	-	-	-
Habib Bank Limited	623,500	-	623,500	-	-	-
Arif Habib Bank Limited	14,000	-	14,000	-	-	-
Investment Banks / Companies / Securities						
Jahangir Siddiqui & Company Limited (related party)	204,000	-	204,000	-	-	-
Textile Composite						
Azgard Nine Limited	1,000	-	1,000	-	-	-
Cost						
						-

4.2 Available-for-sale

Quoted debt securities

Term Finance Certificates

- face value of Rs. 5,000/- each

Commercial banks

Bank Alfalah Limited	4.2.1	5,000	-	-	5,000	12,532,400	2.6
United Bank Limited	4.2.2	26,000	-	-	26,000	129,285,000	26.3
Fertilizer							
Pak Arab Fertilizer Limited		4,826	-	4,826	-	-	-
						<u>141,817,400</u>	<u>28.9</u>
Cost						<u>142,947,225</u>	

4.2.1 These term finance certificates carry a rate of mark-up equal to the cut-off yield on the last successful auction of the 5-Year-PIB conducted by SBP plus 135 basis points per annum with a floor of 10.00% and cap of 15.00% and receivable semi-annually in arrears and will mature in December 2008.

4.2.2 These term finance certificates carry a rate of mark-up equal to the six months offered rate of KIBOR plus 85 basis points for the first five years and 135 basis points from six to ten years per annum with no floor and no cap receivable semi-annually in arrears and will mature in February 2018.

JS Aggressive Income Fund

Companies		Acquired during the period	Bonus / right shares received during the period	Disposed during the period	Holdings at the end of the period	Market Value (Rupees) as at June 30, 2008	% of Total investment
Note ----- Number of shares / certificates-----							
Un-quoted debt securities							
Term Finance Certificates - face value of Rs. 5,000/- each							
Cement							
Dewan Cement Limited	4.2.3	10,000	-	-	10,000	50,000,000	10.2
Fertilizer							
Pak American Fertilizer Limited	4.2.4	18,000	-	-	18,000	90,144,000	18.4
Technology and - communication							
Optimus Limited	4.2.5	10,000	-	-	10,000	50,155,000	10.2
Miscellaneous							
Trakker (Private) Limited	4.2.6	2,800	-	-	2,800	14,070,000	2.9
						<u>204,369,000</u>	<u>41.7</u>
Cost						<u>204,132,732</u>	

4.2.3 This represents application money for subscription of 10,000 units of term finance certificates (Pre-IPO) with a rate of mark-up equal to the six months offered rate of KIBOR plus 200 basis points per annum receivable semi-annually in arrears with no floor or cap and will mature in 6 years after the issue.

4.2.4 These term finance certificates carry a mark-up equal to six months KIBOR rate plus 175 basis points per annum with no floor and no cap and receivable semi-annually in arrears and will mature in January 2014.

4.2.5 These term finance certificates carry a mark-up equal to the six months ask side KIBOR plus 210 basis points per annum with no floor and no cap and receivable semi-annually in arrears and will mature in October 2012.

4.2.6 These term finance certificates carry a mark-up equal to the six months ask side KIBOR rate plus 300 basis points per annum with no floor and no cap and receivable semi-annually in arrears and will mature in July 2008.

Companies	Acquired during the period	Bonus / right shares received during the period	Disposed during the period	Holdings at the end of the period	Market Value (Rupees) as at June 30, 2008	% of Total investment
Note ----- Number of shares / certificates-----						
Un-quoted Sukuk certificates						
Sukuk certificate - face value of Rs. 5,000/- each						
Cables and Electrical Goods						
Pak Electron Limited	19,800		-	19,800	-	-
Cost					-	-
Un-quoted debt securities - commercial papers - face value of Rs. 100,000/- each						
Fertilizer						
Pak American Fertilizer Limited	4.2.7	500	-	-	500	49,887,400
						10.2
Textile Composite						
Azgard Nine Limited	4.2.8	1,500	-	500	1,000	94,922,903
						144,810,303
Cost						146,125,234

4.2.7 These commercial papers carry a mark-up equal to 11% per annum and receivable at maturity with principal amount in July 2008.

4.2.8 These commercial papers carry a mark-up equal to the nine months ask side KIBOR plus 100 basis points per annum

JS Aggressive Income Fund

	Note	2008 Rupees
5. CONTINUOUS FUNDING SYSTEM (CFS) AND ACCRUED MARK-UP		
Receivables against transactions under Continuous Funding System		1,956,750
Accrued mark-up on transaction under Continuous Funding System	5.1	<u>24,175</u>
		<u>1,980,925</u>
5.1 CFS carries mark up ranges from 16% to 19%.		
6. PREPAYMENTS AND OTHER RECEIVABLES		
Mark-up / return receivable on:		
- bank balances		15,230
- term finance certificates		14,518,264
Receivable on sale of quoted equity securities - under future contracts		160,634,400
Fee paid to National Clearing Company of Pakistan Limited		916,667
Margin held with National Clearing Company of Pakistan Limited		<u>100,000</u>
		<u>176,184,561</u>
7. PRELIMINARY AND FLOATATION COST		
This represents expenses incurred on the formation of the Fund. Preliminary and floatation cost are amortized over a period of five years.		
		2008 Rupees
Preliminary and floatation cost		1,229,500
Amortization of preliminary and floatation cost		<u>(107,497)</u>
		<u>1,122,003</u>
8. SECURITY DEPOSITS		
Central Depository Company of Pakistan Limited		100,000
National Clearing Company of Pakistan Limited		<u>1,000,000</u>
		<u>1,100,000</u>

9. PRELIMINARY AND FLOATATION COSTS PAYABLE TO MANAGEMENT COMPANY

This represents expenses in connection with the establishment and authorization of the Fund including execution and registration of the constitutive documents, etc. incurred by the management company and re-imbursable by the Fund in equal annual installments, subject to the audit of expenses, over a period of not less than five years.

	2008 Rupees
10. ACCRUED AND OTHER LIABILITIES	
Payable in respect of marketable securities	188,173
Sales load	75,031
Audit fee	160,000
Others	52,749
	475,953

11. REMUNERATION TO THE MANAGEMENT COMPANY

Under the provisions of the Regulations and the Rules, the management company is entitled to a remuneration for services rendered to the Fund, upto a maximum of 3% per annum based on the daily net assets of the Fund during the first five years of the Fund's existence, and thereafter, of an amount equal to 2% of such assets of the Fund.

The management company has charged remuneration @ 1.25 till December 17, 2007 and subsequently @ of 1.5% per annum of the average daily net assets of the Fund as per the Trust Deed.

12. REMUNERATION TO THE TRUSTEE

Central Depository Company (CDC) (the Trustee) is entitled to monthly remuneration for services rendered to the Fund under the provisions of Trust Deed, the Regulations and the Rules as follows:

- up to rupees one billion maximum of 0.2% per annum of the daily net assets of the Fund or Rs 0.7 million whichever is higher.
- exceeding rupees one billion Rs.2 million plus 0.1% per annum of the daily net assets of the Fund exceeding Rs.1 billion.

13. ANNUAL FEE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee of one tenth of one percent of the average annual net assets of the Fund during the year ended June 30, 2008 payable to the Securities Exchange Commission of Pakistan under rule 71 of the Regulations.

	2008 Rupees
14. AUDITORS' REMUNERATION	
Audit fee	100,000
Other certifications	70,000
Out of pocket expenses	20,000
	190,000

JS Aggressive Income Fund

15. TAXATION

Fund is exempt from tax under clause 99 of part 1 of Second Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed among its 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.

16. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons comprises of the management company, Jahangir Siddiqui & Company Limited being the holding company of the management company, JS Global Capital Limited being associated company of the holding company of the management company, JS Bank Limited being subsidiary of the holding company of the management company, JS ABAMCO Commodities Limited being subsidiary of the management company and UTP - Large Cap. Fund, UTP - Islamic Fund, Unit Trust of Pakistan, JS - Income Fund (Formerly UTP - Income Fund), JS - Aggressive Asset Allocation Fund (Formerly UTP - Aggressive Asset Allocation Fund), JS Fund of Funds (Formerly UTP - Fund of Funds), UTP A 30 + Fund, JS Capital Protected Fund (Formerly UTP Capital Protected Fund), JS Capital Protected Fund II (Formerly UTP Capital Protected Fund II), JS Capital Protected Fund III, JS Capital Protected Fund IV, JS Value Fund Limited (Formerly BSJS Balanced Fund Limited), JS Pension Savings Fund, JS Islamic Pension Savings Fund, and JS Growth Fund (Formerly UTP Growth Fund) being funds under common management.

	Note	2008 Rupees
JS Investments Limited (Formerly JS ABAMCO Limited)		
Remuneration to the management company		9,154,099
Sales load		151,096
Issue of units		891,150,396
Redemption of units		765,583,736
Bonus		1,204,152
Preliminary and floatation cost payable		1,229,500
JS Global Capital Limited		
Brokerage fee paid	16.1	430,846
Sales load		31,483
JS Bank Limited		
Sales load		2,252
JS - Fund of Funds (Formerly UTP Fund of Funds)		
Issue of units		125,000,000
Redemption of units		54,999,994
Unit Trust of Pakistan		
Issue of units		125,084,893
Redemption of units		25,000,000

16.1 This represents the amount of brokerage commission paid to the related party and not the purchases or sales value of securities transacted through them as the ultimate counter-parties in respect of purchases and sales are not related.

17. FINANCIAL RISK MANAGEMENT POLICIES

17.1 Market risk

Market risk is the risk that the value of financial instruments may fluctuate as a result of changes in market price. The management company manages market risk by monitoring exposure on marketable securities by following the internal guidelines of the Investment Committee and regulations laid down by the Securities and Exchange Commission of Pakistan.

17.2 Yield/interest rate risk

Yield risk is the risk of decline in earnings due to adverse movement of the yield curve. Interest / mark-up rate risk is the risk that the value of the financial instruments will fluctuate due to changes in the market interest rates. Sensitivity to interest / mark-up rate risk arises from mismatches or gaps in the amounts of interest / mark-up based assets and liabilities that mature or reprice in a given period.

17.3 Interest/markup rate risk management

Interest / mark-up rate risk arise from the possibility that changes in interest / mark-up rates will affect the value of financial instruments. The effective interest / mark-up rates for the monetary financial assets and liabilities are mentioned in respective notes to the financial statements.

	Interest/mark-up bearing			Non Interest/mark-up bearing			2008
	Interest rate analysis	Maturity upto one year	Maturity after one year after but within five years	Sub total	Maturity upto one year	Maturity after one year but within five years	
-----Rupees-----							
Financial assets:							
Bank balances	0.10% to 12.50%	256,170,579	-	256,170,579	-	-	256,170,579
Investments		171,412,703	319,584,000	490,996,703	-	-	490,996,703
CFS & Accrued Mark-up	16% to 19%	1,980,925	-	1,980,925	-	-	1,980,925
Prepayments and receivables		-	-	-	176,184,561	-	176,184,561
Security Deposit		-	-	-	1,100,000	-	1,100,000
Total		429,564,207	319,584,000	749,148,207	177,284,561	-	926,432,768
Financial liabilities:							
Payable to Management Company		-	-	-	2,457,567	-	2,457,567
Payable to trustee		-	-	-	162,658	-	162,658
Annual fee payable to the Securities and Exchange Commission of Pakistan		-	-	-	619,638	-	619,638
Accrued and other liabilities		-	-	-	475,953	-	475,953
		-	-	-	3,715,816	-	3,715,816
On balance sheet gap		429,564,207	319,584,000	749,148,207	173,568,745	-	922,716,952

JS Aggressive Income Fund

17.4 Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. The management company manages liquidity risk by following internal guidelines of the Investments Committee such as monitoring maturities of financial assets and financial liabilities and investing in highly liquid financial assets.

The Fund is not materially exposed to liquidity risk as all obligations / commitments of the Fund are short term in nature and all assets of the fund are readily disposable on the stock exchange.

17.5 Credit risk

Credit risk arises from the inability of the issuers of the instruments or counter parties, in case of reverse repurchase transactions or other arrangements, to fulfil their obligations. The risk is generally limited to principal amounts and accrued interest thereon, if any. The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee.

18. 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. Consequently differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

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 as the items are short term in nature.

19. CAPITAL MANAGEMENT

Redeemable units are represented as capital of the Fund. Unit holders are entitled to dividends and to payments of proportionate share based on the Fund's net assets value per unit on the redemption date.

The Fund has no restrictions or specific capital requirements on the subscription and redemption of units.

JS Aggressive Income Fund is an open end fund. The Fund's objectives when managing unit holder's fund is to safeguard its ability to continue as a going concern so that it can continue to provide returns for unit holders and to maintain a strong capital base to meet unexpected losses or opportunities. In accordance with the Regulations the Fund is required to distribute at least ninety percent of its income from sources other than capital gains as reduced by such expenses as are chargeable to the Fund.

20. COMMITMENTS

Deals in respect of Continuous Funding System (CFS) entered by the Fund and which will be settled after the period end.

	2008 Rupees
- Purchase	83,361,984

21. NON-ADJUSTING EVENT AFTER BALANCE SHEET DATE

The Board of Directors of the management company have approved a final distribution of Rs. 2.60 per unit for the period ended June 30, 2008, amounting to Rs. 23.359 million in their meeting held on July 09, 2008. This is in addition to interim distribution already paid at Rs. 2.40 per unit amounting to Rs. 32.096 million. The total distribution is Rs. 5/- per unit amounting to Rs. 55.455 million. These financial statements do not include the effect of the above final distribution of Rs. 23.359 million that will be accounted for subsequent to the year end.

22. OTHER SUPPLEMENTARY INFORMATION

The information regarding unit holding pattern of the Fund, transactions with top ten brokers, details of the members of the investment committee, particulars of the fund manager, details of meetings of the Board of Directors of the management company and the rating of the Fund and management company have been disclosed in Annexure I to the financial statements.

23. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of management company on September 15, 2008.

24. GENERAL

As the Fund was constituted during the period, there are no corresponding figures to report

Figures have been rounded off to the nearest rupee.

For JS Investments Limited (Formerly JS ABAMCO Limited)
(Management Company)

Muhammad Najam Ali
Chief Executive Officer

Munawar Alam Siddiqui
Chairman

Ali Raza Siddiqui
Executive Director

OTHER SUPPLEMENTARY INFORMATION
AS REQUIRED UNDER SECTION 6(D), (G), (H), (I), (J) AND (K)
OF THE FORTH SCHEDULE TO THE NBFC REGULATIONS

(I) UNIT HOLDING PATTERN OF FUND

Category	No. of Investors	Amount	% Total
Individuals	67	82,168,943	9.15
Associated Companies/Directors	5	297,284,434	33.09
Insurance Companies	-	-	-
Banks/DFIs	2	60,032,521	6.68
NBFCs	-	-	-
Retirement Funds	12	83,395,950	9.28
Public Limited Companies	2	368,702,337	41.04
Other:	2	6,849,773	0.76
	<u>90</u>	<u>898,433,958</u>	<u>100</u>

(II) TRANSACTIONS WITH TOP 10 BROKERS

Name of Brokers	% of commission
AKD Securities Limited	1.12
BMA Capital Limited	2.06
First Capital Equities Limited	2.75
Global Securities Corp.	18.13
Invest & Finance Securities (Pvt.) Limited	18.35
Invisor Securities (Pvt.) Limited	7.74
JS Global Capital Limited	37.05
KASB Securities Limited	0.86
Standard Capital (Pvt.) Limited	11.95

(III) DETAILS OF MEMBERS OF INVESTMENT COMMITTEE

Details of the members of investment committee of the Fund are as follows:

Mr. Muhammad Najam Ali
Mr. Ali Raza Siddiqui
Syed Ather Ahmed
Mr. Saad Hashmey
Mr. Ata Rahman

MR. MUHAMMAD NAJAM ALI - CHIEF EXECUTIVE OFFICER

Mr. Najam joined the management company as Chief Executive Officer in 2004. Prior to his appointment, he was the Executive Director and Head of the Non-Banking Finance Companies Department SECP, where he was involved in regulation, monitoring and enforcement for mutual funds, leasing, housing finance, investment banking, venture capital and discounting companies. Prior to his appointment in the SECP, he served as Chief Executive Officer of the Central Depository Company (CDC) for 7 years. While at CDC, he also led the development of the National Clearing and Settlement System, which is the clearing system in Pakistan for securities transactions. His other assignments included his engagement as the Group Financial Controller and Head of Operations in addition to the Head of Money and Capital Markets at Fidelity Investment Bank. He has also worked with Robson Rhodes, a member firm of the RSM Group in the UK.

Mr. Najam holds a Bachelors degree in Economics from the University of Michigan - USA. He is also a qualified Chartered Accountant and holds memberships of the Institute of Chartered Accountants in England and Wales and the Institute of Chartered Accountants of Ontario, Canada.

He serves on the Boards of Directors of Pakistan Oilfields Limited and has also previously served as a Director of the National Clearing Company of Pakistan Limited and the Karachi Stock Exchange (Guarantee) Limited.

MR. ALI RAZA SIDDIQUI - EXECUTIVE DIRECTOR

Mr. Siddiqui joined the management company as an Executive Director in 2005. Previously, he was Assistant Vice President at AIM Investments in Houston - USA, a wholly-owned subsidiary of AMVESCAP plc.

At AIM, he was part of a 5-person team responsible for the management of USD 60 billion in mutual fund assets. These included the AMVESCAP Global Portfolios (USD 4+ billion), Brown Brothers Investment Trust (USD 1+ billion) and STIT Treasury Portfolio (USD 10+ billion).

Mr. Siddiqui holds a Bachelors Degree from Cornell University, USA, with double majors in Economics and Government.

SYED ATHER AHMED - CHIEF OPERATING OFFICER

Mr. Ahmed joined the management company in May 2007 and is presently looking after Sales, Business & Product Development, Marketing and Investment Finance activities. Prior to his appointment, he was associated with Standard Chartered Bank for almost 11 years. His last assignment with Standard Chartered was in the capacity of Director & Head of Transaction Banking Pakistan.

Mr. Ahmed earned his MSc. in Accounting & Finance from London School of Economics, UK, in addition to MBA degree from Lahore University of Management Sciences.

MR. SAAD HASHMEY

Mr. Hashmey is the Head of Research and joined the management company in June 2007. He earned his BS (Economics) from London School of Economics and MBA from Washington University. Prior to his appointment, he was associated with Capital One Equities Ltd. as a Chief Executive Officer. His rich exposure also includes his associations abroad with Deutsche Bank (NY-USA), Friedman, Billings, Ramsey Group, Inc. (Washington-USA), Robert W. Baird & Co. Inc. (Washington-USA) in different research oriented positions. Mr. Saad Hashmey's Profile further includes his experience with local concerns like Capital One Equities Limited both as CEO and as Head of Research and with Taurus Securities (Private) Limited as Senior Equity Analyst.

MR. ATA RAHMAN

Mr. Rahman is the Head of Business Planning & Development. He has a Bachelor's in Business Administration from the National University of Singapore with concentration in Finance and Marketing. Mr. Rahman joined the management company in March, 2006. Prior to this, he was working in the Equity Research department of Credit Suisse Singapore, working in the commercial banks and conglomerate sector. He has also worked for the Securities lending and Prime brokerage desks at Credit Suisse Singapore.

(IV) PARTICULARS OF THE FUND MANAGER

Syed Rehan Mobin, joined JS Investments in July 2007. He brings with him 9 years of specialized experience in the field of Debt and Equity Markets. He is an MBA with majors in Finance. He has extensive exposure of Fixed Income and Equity Portfolio Management, Research and Risk Management. In his last assignment, he worked as Head of Fixed Income Funds at National Asset Management Company Limited. Prior to that, he was engaged in wealth management consultancy for high net-worth individual clients. He successfully structured and managed Fixed Income Hedge Portfolio worth PKR 2,500 million and an Equity Portfolio worth PKR 200 million. He started his professional career with Khadim Ali Shah Bukhari & Company Limited, where he managed Fixed Income and Money Market department. He is also the fund manager of other funds namely JS Pension Savings Fund and JS Islamic Pension Savings Fund.

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

Following is the analysis of the attendance in the meetings of the board of directors of the management company during the year.

Name of Directors	Meetings attended	Meetings held on						
		7-Jul-07	18-Aug-07	24-Oct-07	5-Jan-08	11-Feb-08	27-Mar-08	24-Apr-08
Mr. Munawar Alam Siddiqui	7	1	1	1	1	1	1	1
Mr. Muhammad Najam Ali	7	1	1	1	1	1	1	1
Mr. Nazar Mohammad Shaikh	6	1	-	1	1	1	1	1
Lt. General (Retd.) Masood Parwaiz	7	1	1	1	1	1	1	1
Mr. Sher Afgan Zuhair Siddiqui	2	-	1	1	-	-	-	-
Mr. Ali Raza Siddiqui	6	-	1	1	1	1	1	1
Mr. Sadeq Sayeed	3	-	-	1	1	1	-	-
Mr. Siraj A. Dadabhoy	2	-	-	-	-	1	-	1
		4	5	7	6	7	5	6

(VI) FUND AND ASSET MANAGER RATING

The Pakistan Credit Rating Agency (PACRA) has awarded an "AM2+" asset manager rating to JS Investments Limited. The rating denotes the company's very strong capacity to manage the risks inherent in asset management and the asset manager meets very high investment management industry standards and benchmarks. The Fund has not completed 12 months of its Performance, as at June 30, 2008, to become eligible for credit rating.