



THE UNITED REPUBLIC OF TANZANIA
WATUMISHI HOUSING INVESTMENTS



**INTERIM REPORT OF THE BOARD OF DIRECTORS OF WATUMISHI
HOUSING INVESTMENTS FOR THE SEVEN MONTH PERIOD ENDED
30 JUNE 2023**

FAIDA UNIT TRUST SCHEME - FAIDA FUND



**Published and Submitted to CMSA
August 2023**

INTERIM REPORT OF THE BOARD OF DIRECTORS FOR FAIDA UNIT TRUST SCHEME FOR THE SEVEN MONTH PERIOD ENDED 30 JUNE 2023

1. Introduction

The Board of Directors of Watumishi Housing Investments (WHI) presents Faida Unit Trust Scheme (Faida Fund) report for the seven months ended 30th June 2023. The Scheme commenced its operations on 1st November 2022 with two months initial units selling period which closed 31st December 2022 reporting applications for Faida Fund Units worth TZS 7.95 billion which is 173 percent of the estimated initial sale amount of TZS 7.5 billion.

2. Establishment and Management of the Fund

Faida Fund is a collective investment scheme formed by WHI, a government institution under the President's Office Public Service and Good Governance (POPSGG) that was incorporated on the 6th February 2013 under Cap.212. Faida Fund was established under the Deed of Trust of Faida Fund and is regulated by Capital Markets and Securities (Collective Investment Schemes) Regulations 1997, prescribed under Capital Markets and Securities Act, 1994.

The Fund is managed by WHI, 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 5.5 of the Offer Document.

3. Principal Activities and Objectives of the Fund

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 and long term through capital growth.

The main objectives of the Fund are:

- a) Capital Growth: The Fund gives Tanzanians an opportunity to participate in the capital market and obtain a good return on their investment.
- b) Promote Saving Culture: The Fund being an affordable financial product, empowers Tanzanians through wide ownership of its units and encourage a culture of savings in financial assets.

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

The sale and re-purchase price is based on the prevailing Net Asset Value (NAV) per unit on the date of sale and re-purchase without application of entry or exit loads, respectively.

5. Use of Proceeds

The proceeds are invested in debt and money markets instruments.

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 necessarily guarantee future performance.

7. Solvency and Liquidity

The Fund's Statement of Financial Position at 30th June 2023 indicates that the Fund is capable of meeting its long-term financial obligations. In addition, Fund's Investment Policy ensures availability of sufficient liquidity while offering competitive returns to investors. Hence 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 as follows:

| S/n | Name | Age | Position | Date of Appointment | Status (Active/Date Resigned) |
|-----|----------------------|-----|--------------------------------|---------------------|-------------------------------|
| 1 | Mr. Hosea Kashimba | 53 | Chairman | December 2018 | Active |
| 2 | Mr. Bernard Konga | 43 | Member | 1 July 2016 | Active |
| 3 | Mr. Masha J. Mshomba | 53 | Member | 4 April 2021 | Active |
| 4 | Mr. Nehemia Mchechu | 51 | Member | April 2022 | 24 February 2023 |
| 5 | Mr. Hamad Abdallah | 51 | Member | 24 February 2023 | Active |
| 6 | Ms. Agness Meena | 54 | Member | 6 February 2013 | 24 February 2023 |
| 7 | Mr. Shabani S. Mande | 50 | Member | 30 August 2021 | Active |
| 8 | Dr. Fred Msemwa | 51 | CEO and Secretary to the Board | 1 November 2013 | Active |

All the Directors are Tanzanians.

Signed

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Dr Fred Msemwa
Chief Executive Officer

Signed

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Mr. Hosea Kashimba
Chairman of the Board

23rd August 2023

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Date

FAIDA UNIT TRUST SCHEME - FAIDA FUND



Report of financial condition of Faida Fund for the seven-month period ended 30th June 2023. 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 SEVEN-MONTHS PERIOD ENDED 30TH JUNE 2023

| | Seven Months to 30 June 2023 TZS'000 | Twelve Months to 30 June 2022 TZS'000 |
|---|--|---|
| Interest Income | 850,411 | - |
| Other Income/(Cost) | - | - |
| Total Income | 850,411 | - |
| Operating Expenses | (188,570) | - |
| Increase in Net Asset Attributable to Unit Holders Before Tax | 661,841 | - |
| Withholding Tax Expense | (3,219) | - |
| Change in Net Asset Attributable to Unit Holders After Tax | 658,621 | - |
| Other Comprehensive Income | - | - |
| Total Change in Net Asset Attributable to Unit Holders After Tax | 658,621 | - |

FAIDA UNIT TRUST SCHEME - FAIDA FUND

STATEMENT OF FINANCIAL POSITION

AS AT 30TH JUNE 2023

| | 30-Jun-23 TZS'000 | 30-Jun-22 TZS'000 |
|---|----------------------|----------------------|
| ASSETS | | |
| Cash and Cash Equivalent | 1,000,759 | - |
| Term Deposits with Banks | 545,210 | - |
| Treasury Bonds | 14,145,443 | - |
| Corporate Bonds | 100,000 | - |
| Interest Receivable | 189,226 | - |
| Total Assets | 15,980,638 | - |
| LIABILITIES | | |
| Accounts Payable | (632,920) | - |
| Total Liabilities | (632,920) | - |
| Net Assets Attributable to Unit-holders | 15,347,718 | - |
| Represented by: | | |
| Unit Capital | 14,689,096 | - |
| Retained Earnings | - | - |
| Change in Net Assets/Profit | 658,621 | - |
| Total Unit Holders Equity | 15,347,718 | - |
| Net Asset Value per Unit Based on 146,233,774.4790 Units Outstanding as at 30th June 2023 (2022: Nil Units) | 104.9707 | - |

Signed

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Dr Fred Msemwa
Chief Executive Officer

Signed

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Mr. Hosea Kashimba
Chairman of the Board

23rd August 2023

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Date