



United Cash Fund

Termination Report
30 April 2020

UNITED CASH FUND

GENERAL INFORMATION ABOUT THE FUND

Commencement Date

United Cash Fund (“Fund”) was launched on 21 October 2010 and the initial offer period was 21 days, up to 10 November 2010. The Fund commenced investment on 11 November 2010.

Fund Category and Type

Fund Category - Money Market Fund

Fund Type - Income Fund

Investment Objective and Strategy

Objective of the Fund

This Fund aims to provide investors with capital preservation, liquidity and reasonable returns by investing its assets in Malaysian Ringgit deposits with a remaining maturity of not more than 366 days with United Overseas Bank (Malaysia) Bhd (“UOBM”).

Strategy

The Fund will invest in a portfolio of Malaysian Ringgit deposits with a remaining maturity of not more than 366 days with UOBM.

A portfolio of money market deposits and fixed deposits with different maturity profiles will be constructed to meet the Fund’s liquidity requirement while maximizing portfolio returns. The Fund Manager (i.e. UOB Asset Management (Malaysia) Berhad) will place short dated deposits with UOBM for liquidity management purposes while extending the tenor of the Fund’s investment in bank deposits for better yield pick-up.

However, in the event that the Fund Manager is not able to place the Fund’s assets with UOBM immediately, such assets may be held in cash account(s) with licensed financial institution(s) until a placement can be made.

Asset Allocation

100% of the Fund’s Net Asset Value (“NAV”) in Malaysian Ringgit deposits with a remaining maturity of not more than 366 days with UOBM.

Performance Benchmark

Malayan Banking Berhad – Basic Savings Account Rate

Permitted Investments and Restrictions

Malaysian Ringgit deposits with a remaining maturity period of not more than 366 days with UOBM

Fund Distribution Policy

Distribution, if any, will be made monthly on best effort basis. However, the Fund Manager may make distributions at such other frequency at its sole discretion.

Distribution Mode

Distribution will be automatically reinvested into the unit holder(s)' accounts in the form of units.

Such reinvestment will be made on the first business day immediately following the distribution date. The number of units will be computed based on the NAV per unit on the distribution date.

**MANAGER'S REPORT – UNITED CASH FUND TERMINATION REPORT
(1 JUNE 2019 – 30 APRIL 2020 (DATE OF TERMINATION))**

MARKET REVIEW

None as the Fund has been liquidated.

FUND PERFORMANCE REVIEW

None as there is no investment in the Fund due to full redemption made by the unit holders of the Fund.

FINANCIAL REVIEW

For the quarter under review, the Fund reported a total investment income of RM0.15 million comprising interest income. After taking into consideration the Fund's expenses, the Fund achieved a net income of RM0.08 million.

PORTFOLIO STRUCTURE

As at 30 April 2020, there was no investment in the Fund as the Fund has been wound up.

FUND SIZE

As at 30 April 2020, there was no units in circulation for the Fund.

CIRCUMSTANCE(S) THAT MATERIALLY AFFECT INTEREST OF UNIT HOLDERS

None as the Fund was wound up in accordance with the relevant laws, guidelines and provisions of the Deed.

WINDING UP OF THE FUND

The small fund size has caused it to be inefficient to manage and hence, we are of the view that it would not be in the best interest of the unitholders to stay invested. As such, we have decided to terminate the Fund.

UNITED CASH FUND

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL PERIOD FROM 1 JUNE 2019
TO 30 APRIL 2020 (DATE OF TERMINATION)**

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TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF UNITED CASH FUND

We have acted as Trustee for United Cash Fund (the "Fund") for the financial period from 1 June 2019 to 30 April 2020 (date of termination). To the best of our knowledge, for the financial period under review, UOB Asset Management (Malaysia) Berhad (the "Manager") has operated and managed the Fund in accordance with the following:

- (a) limitations imposed on the investment powers of the Manager under the Deed(s), the Securities Commission's Guidelines on Unlisted Capital Market Products under The Lodge and Launch Framework, the Capital Markets and Services Act 2007 and other applicable laws;
- (b) valuation and pricing for the Fund is carried out in accordance with the Deed(s) of the Fund and any regulatory requirements; and
- (c) creation and cancellation of units for the Fund are carried out in accordance with the Deed(s) of the Fund and any regulatory requirements.

We are of the view that the distributions made during this financial period ended 30 April 2020 by the Manager are not inconsistent with the objective of the Fund.

For Deutsche Trustees Malaysia Berhad

Ng Hon Leong
Head, Trustee Operations

Kuala Lumpur, Malaysia
26 June 2020

Richard Lim Hock Seng
Chief Executive Officer

UNITED CASH FUND

STATEMENT BY MANAGER

We, **Lim Suet Ling** and **Seow Lun Hoo**, being two of the Directors of UOB Asset Management (Malaysia) Berhad, do hereby state that, in the opinion of the Manager, the accompanying financial statements set out on pages 11 to 29 are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of **United Cash Fund** as at 30 April 2020 (date of termination) and of its financial performance, changes in net asset value and cash flows for the financial period from 1 June 2019 to 30 April 2020 (date of termination) and comply with requirements of the Deed(s).

For and on behalf of the Manager,
UOB Asset Management (Malaysia) Berhad

LIM SUET LING
Executive Director/
Chief Executive Officer

SEOW LUN HOO
Director

Kuala Lumpur, Malaysia
26 June 2020

Independent auditors' report to the unitholders of United Cash Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of United Cash Fund ("the Fund"), which comprise the statement of financial position as at 30 April 2020 (date of termination), and the statement of comprehensive income, statement of changes in net asset value and statement of cash flows of the Fund for the financial period from 1 June 2019 to 30 April 2020 (date of termination), and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 11 to 29.

In our opinion, the accompanying financial statements which have been prepared on a basis other than that of a going concern, as described in Notes 1 and 2.1, give a true and fair view of the financial position of the Fund as at 30 April 2020 (date of termination) and of its financial performance and cash flows for the financial period from 1 June 2019 to 30 April 2020 (date of termination) in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS").

Basis for opinion

We conducted our audit in accordance with approved standards of auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors' report thereon

The Manager is responsible for the other information. The other information comprises the information included in the termination report of the Fund, but does not include the financial statements of the Fund and our auditors' report thereon. The termination report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent auditors' report to the unitholders of United Cash Fund (continued)

Information other than the financial statements and auditors' report thereon (continued)

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

When we read the termination report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Manager of the Fund and take appropriate action.

Responsibilities of the Manager and Trustee for the financial statements

The Manager is responsible for the preparation and fair presentation of the financial statements of the Fund in accordance with MFRS and IFRS. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so. As disclosed in Notes 1 and 2.1 to the financial statements, the financial statements have been prepared on a basis other than that of a going concern.

The Trustee is responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditors' report to the unitholders of United Cash Fund (continued)

Auditors' responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with approved standards of auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern. As disclosed in Notes 1 and 2.1 to the financial statements, the financial statements have been prepared on a basis other than that of a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Independent auditors' report to the unitholders of
United Cash Fund (continued)**

Other Matter

This report is made solely to the unitholders of the Fund, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Chan Hooi Lam
No. 2844/02/2022 J
Chartered Accountant

Kuala Lumpur, Malaysia
26 June 2020

UNITED CASH FUND**STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2020 (DATE OF TERMINATION)**

	Note	30.04.2020 RM	31.05.2019 RM
ASSETS			
Interest receivables		-	40,132
Cash at bank		119,460	15,168,471
TOTAL ASSETS		<u>119,460</u>	<u>15,208,603</u>
LIABILITIES			
Amount due to Manager	3	7	27,497
Amount due to Trustee	4	1	322
Tax payable		56,601	-
Accruals		38,648	42,924
TOTAL LIABILITIES		<u>95,257</u>	<u>70,743</u>
UNITHOLDERS' EQUITY			
Unitholders' capital	5(a)	24,203	15,083,205
Retained earning	5	-	54,655
TOTAL EQUITY, REPRESENTING NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS	5	<u>24,203</u>	<u>15,137,860</u>
TOTAL EQUITY AND LIABILITIES		<u>119,460</u>	<u>15,208,603</u>
UNITS IN CIRCULATION	5(a)	<u>24,522</u>	<u>15,085,888</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.9870</u>	<u>1.0034</u>

The accompanying notes form an integral part of the financial statements.

UNITED CASH FUND**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 1 JUNE 2019 TO 30 APRIL 2020
(DATE OF TERMINATION)**

		01.06.2019 to 30.04.2020	01.06.2018 to 31.05.2019
	Note	RM	RM
INVESTMENT INCOME			
Interest income from deposits with a licensed financial institution		<u>148,791</u>	<u>48,930,492</u>
EXPENSES			
Manager's fee	6	16,659	4,338,453
Trustee's fee	7	1,263	147,811
Auditors' remuneration		8,800	8,800
Tax agent's fee		3,900	3,900
Other expenses		<u>2,775</u>	<u>317,696</u>
		<u>33,397</u>	<u>4,816,660</u>
NET INCOME BEFORE TAXATION		115,394	44,113,832
Tax expense	8	<u>(34,178)</u>	<u>-</u>
NET INCOME AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD/YEAR		<u>81,216</u>	<u>44,113,832</u>
Net income after taxation is made up of the following:			
Realised amount		<u>81,216</u>	<u>44,113,832</u>
Distributions for the financial period/year	9	<u>111,378</u>	<u>37,847,354</u>

The accompanying notes form an integral part of the financial statements.

UNITED CASH FUND

STATEMENT OF CHANGES IN NET ASSET VALUE FOR THE FINANCIAL PERIOD FROM 1 JUNE 2019 TO 30 APRIL 2020 (DATE OF TERMINATION)

	Note	Unitholders' capital RM	Retained earnings RM	Total net asset value RM
Balance as at 1 June 2018		1,854,697,415	17,349,877	1,872,047,292
Movement in net asset value:				
Total comprehensive income for the financial year		-	44,113,832	44,113,832
Creation of units	5(a)	1,740,963,318	-	1,740,963,318
Reinvestment of units	5(a),9	37,847,354	-	37,847,354
Cancellation of units	5(a)	(3,641,986,582)	-	(3,641,986,582)
Distributions equalisation	5(a)	23,561,700	(23,561,700)	-
Distributions	9	-	(37,847,354)	(37,847,354)
Balance as at 31 May 2019		15,083,205	54,655	15,137,860
Balance as at 1 June 2019		15,083,205	54,655	15,137,860
Movement in net asset value:				
Total comprehensive income for the financial period		-	81,216	81,216
Creation of units	5(a)	(15,194,873)	-	(15,194,873)
Reinvestment of units	5(a),9	111,378	-	111,378
Distributions equalisation	5(a)	24,790	(24,790)	-
Distributions	9	-	(111,378)	(111,378)
Transferred from realised reserve as at date of termination	5(a)	(297)	297	-
Balance as at 30 April 2020 (date of termination)		24,203	-	24,203

The accompanying notes form an integral part of the financial statements.

UNITED CASH FUND

STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2019 TO 30 APRIL 2020 (DATE OF TERMINATION)

	01.06.2019 to 30.04.2020 RM	01.06.2018 to 31.05.2019 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Maturity of deposits with a licensed financial institution	-	1,761,900,385
Interest received from deposits with a licensed financial institution	188,923	67,880,446
Manager's fee paid	(44,149)	(4,861,997)
Trustee's fee paid	(1,584)	(168,570)
Auditors' remuneration paid	(8,800)	(8,347)
Tax agent's fee paid	(7,800)	-
Tax refund	22,423	-
Payment of other fees and expenses	(3,151)	(356,702)
Net cash generated from operating and investing activities	<u>145,862</u>	<u>1,824,385,215</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	-	1,742,363,317
Payment for cancellation of units	(15,194,873)	(3,642,566,872)
Net cash used in financing activities	<u>(15,194,873)</u>	<u>(1,900,203,555)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(15,049,011)	(75,818,340)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD/YEAR	<u>15,168,471</u>	<u>90,986,811</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD/YEAR	<u>119,460</u>	<u>15,168,471</u>
Cash and cash equivalents comprise the following:		
Cash at bank	<u>119,460</u>	<u>15,168,471</u>

The cash at bank is held with United Overseas Bank (Malaysia) Bhd ("UOBM"), a related company of the Manager and a licensed bank in Malaysia.

The accompanying notes form an integral part of the financial statements.

UNITED CASH FUND

NOTES TO THE FINANCIAL STATEMENTS

1. INFORMATION ON THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

The United Cash Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of the Deed dated 10 August 2010 as amended by a First Supplemental Deed dated 23 August 2011, a Second Supplemental Deed dated 15 November 2013, a Third Supplemental Deed dated 16 January 2014 and a Fourth Supplemental Deed dated 26 February 2015 between UOB Asset Management (Malaysia) Berhad (“the Manager”) and Deutsche Trustees Malaysia Berhad (“the Trustee”) (collectively referred to as “the

The Fund aims to provide investors with capital preservation, liquidity and reasonable returns by investing its assets in Malaysian Ringgit deposits with a remaining maturity of not more than 366 days with United Overseas Bank (Malaysia) Berhad. The Fund was launched on 21 October 2010 and commenced for operations on 11 November 2010. As provided in the Deed, the “accrual period” or financial year shall end on 31 May.

The Manager has decided to terminate the Fund and target to return all the investment proceeds to the unitholders within two months from 30 April 2020. Accordingly, the financial statements have been prepared on a basis other than that of a going concern.

The Manager is a subsidiary of UOB Asset Management Limited, headquartered in Singapore.

The financial statements were authorised for issue by the Manager on 26 June 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of the financial statements

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below and are presented in Ringgit Malaysia (“RM”).

As discussed in Note 1 above, the Manager has decided to terminate the Fund and the Fund has been terminated on 30 April 2020.

UNITED CASH FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Changes in accounting policies

Standards issued and effective

The accounting policies adopted that could have material impact to the financial statements are consistent with those of the previous financial year.

2.3 Summary of significant accounting policies

(a) Financial instruments

Classification

In accordance with MFRS 9, the Fund classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

In applying that classification, a financial asset or financial liability is considered to be held for trading if:

- a) It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- b) On initial recognition, it is part of a portfolio of identified financial instruments that are managed together; or
- c) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Financial assets

The Fund classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss ("FVTPL") on the basis of both the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

- (i) Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. The Fund includes in this category deposits with a licensed financial institution, interest receivables, amount due from Manager and cash at bank.

UNITED CASH FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (continued)

(a) Financial instruments (continued)

Financial assets (continued)

(ii) Financial assets measured at FVTPL

A financial asset is measured at FVTPL if:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are SPPI on the principal amount outstanding; or
- (b) It is held within a business model whose objective is to sell; or
- (c) At initial recognition, it is irrevocably designated as measured at FVTPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial liabilities

(i) Financial liabilities measured at FVTPL

A financial liability is measured at FVTPL if it meets the definition of held for trading.

(ii) Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at FVTPL. The Fund includes in this category amount due to Manager and amount due to Trustee.

Impairment of financial assets

The Fund holds only trade receivables with no financing component and which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply an approach similar to the simplified approach for expected credit losses ("ECL") under MFRS 9 to all its trade receivables. Therefore the Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Fund's approach to ECL reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

UNITED CASH FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (continued)

(b) Classification of realised and unrealised gains and losses

Unrealised gains and losses comprise changes in the fair value of financial instruments at FVTPL. Realised gains and losses on disposals of financial instruments at FVTPL are calculated using weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount.

Accrued interest on deposits which have not matured as at the reporting date are classified as realised income in the financial statements.

(c) Functional and presentation currency

The financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates ("the functional currency"). The financial statements are presented in RM, which is also the Fund's functional currency.

(d) Unitholders' capital

Unitholders' capital of the Fund meets the definition of puttable instruments classified as equity instruments under the revised MFRS 132 Financial Instruments: Presentation and is classified as equity instruments. Any distribution to unitholders is recorded as a reduction from retained earnings within equity.

(e) Distribution of income

Distribution of income is made at the discretion of the Manager. A distribution to the Fund's unitholders is accounted for as a deduction from realised reserves except where distribution is sourced out of distribution equalisation which is accounted for as a deduction from unitholders' capital. A proposed distribution is recognised as a liability in the period in which it is approved.

(f) Cash and cash equivalents

Cash and cash equivalents comprise cash at a bank which has an insignificant risk of changes in value.

(g) Income recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

UNITED CASH FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Summary of significant accounting policies (continued)

(g) Income recognition (continued)

Interest income from deposits with a licensed financial institution is recognised using the effective interest method.

(h) Net asset value attributable to unitholders

Net asset value attributable to unitholders represents the redemption amount that would be payable if the unitholders exercised the right to redeem units of the Fund at the end of the reporting period.

(i) Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rate and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

No deferred tax is recognised as there are no material temporary differences.

(j) Segment reporting

For internal management reporting purposes, all of the investments of the Fund are managed as one portfolio and reviewed as such by the Manager. The Manager is the decision maker for performance assessment purposes and makes decisions about resource allocation. Accordingly, the Fund does not have any operating segment information to be disclosed in the financial statements.

(k) Significant accounting estimates and judgments

The preparation of the Fund's financial statements requires the Manager to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability.

No major judgments have been made by the Manager in applying the Fund's accounting policies and in making accounting estimates during the current financial period.

UNITED CASH FUND

3. AMOUNT DUE TO MANAGER

	30.04.2020	31.05.2019
	RM	RM
Manager's fee payable	<u>7</u>	<u>27,497</u>

The normal credit period for the Manager's fee payable is one month (2019: one month).

4. AMOUNT DUE TO TRUSTEE

	30.04.2020	31.05.2019
	RM	RM
Trustee's fee payable	<u>1</u>	<u>322</u>

Amount due to Trustee represents Trustee's fee payable.

5. UNITHOLDERS' EQUITY

Net asset value attributable to unitholders is represented by:

	Note	30.04.2020	31.05.2019
		RM	RM
Unitholders' capital	(a)	24,203	15,083,205
Retained earnings - Realised	(b)	<u>-</u>	<u>54,655</u>
Total equity, representing NAV attributable to unitholders		<u>24,203</u>	<u>15,137,860</u>

UNITED CASH FUND

5. UNITHOLDERS' EQUITY (CONTINUED)

(a) UNITHOLDERS' CAPITAL/UNITS IN CIRCULATION

	30.04.2020		31.05.2019	
	Units	RM	Units	RM
At the beginning of the financial period/year	15,085,888	15,083,205	1,855,037,742	1,854,697,415
Creation of units during the financial period/year	-	-	1,721,815,437	1,740,963,318
Reinvestment for the financial period/year	111,171	111,378	37,468,960	37,847,354
Cancellation of units during the financial period/year	(15,172,537)	(15,194,873)	(3,599,236,251)	(3,641,986,582)
Distributions equalisation	-	24,790	-	23,561,700
Transferred from realised reserve as at date of termination	-	(297)	-	-
At the end of the financial period/year	<u>24,522</u>	<u>24,203</u>	<u>15,085,888</u>	<u>15,083,205</u>

The Manager and parties related to the Manager did not hold any units in the Fund as at 30 April 2020 (31.05.2019: Nil)

(b) RETAINED EARNINGS - REALISED

	30.04.2020	31.05.2019
	RM	RM
At the beginning of the financial period/year	54,655	17,349,877
Total comprehensive income for the financial period/year	81,216	44,113,832
Distributions for the financial period/year	(111,378)	(37,847,354)
Distributions equalisation	(24,790)	(23,561,700)
Accumulated loss transferred to unitholder's capital	297	-
At the end of the financial period/year	<u>-</u>	<u>54,655</u>

UNITED CASH FUND

6. MANAGER'S FEE

Schedule 7 of the Deed provides that the Manager shall be entitled to a fee at a rate agreed between the Manager and the Trustee which the rate shall not exceed 0.60% (2019: 0.60%) per annum of the net asset value of the Fund, calculated on a daily basis.

The management fee provided in the financial statements is 0.33% (2019: 0.33%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial period.

7. TRUSTEE'S FEE

Schedule 8 of the Deed provides that the Trustee shall be entitled to a fee at a rate agreed between the Manager and the Trustee which the rate shall not exceed 0.045% (2019: 0.045%) per annum of the net asset value of the Fund, calculated on a daily basis; subject to a minimum fee of RM22,500 (2019: RM22,500) per annum.

The Trustee's fee provided in the financial statements is 0.025% per annum based on the net asset value of the Fund below RM500,000,000, 0.0175% per annum based on the net asset value of the Fund below RM1,500,000,000, 0.015% per annum based on the net asset value of the Fund below RM2,000,000,000 and 0.01% per annum based on the net asset value of the Fund above RM2,000,000,000, calculated on a daily basis for the financial period.

8. INCOME TAX EXPENSE

Income from deposit placements is exempted from tax in accordance with Schedule 6, Paragraph 35A of the Income Tax Act, 1967 ("ITA"), subject to certain exclusions. Pursuant to Section 61(1)(b) of the ITA, 1967, gains from realisation of investment will not be treated as income of the Fund and hence are not subject to income tax. With the notification on the Budget 2019 announcement, the tax status of the Fund has been changed from tax exempt to taxable. Therefore, the tax exemption given to wholesale money market fund on the interest income received from licensed banks, Islamic banks and development financial institutions has been ceased and the interest under paragraph 35A of Schedule 6 of ITA 1967 for the Fund from 1 June 2019 to 30 April 2020 is subject to tax.

A reconciliation of income tax expense applicable to net income before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

UNITED CASH FUND

8. INCOME TAX EXPENSE (CONTINUED)

	30.04.2020	31.05.2019
	RM	RM
Net income before taxation	115,394	44,113,832
Taxation at Malaysian statutory rate of 24% (2019: 24%)	27,695	10,587,320
Tax effects of:		
Income not subject to tax	-	(11,743,318)
Restriction on tax deductible expenses for funds	1,528	1,051,664
Expenses not deductible for tax purposes	4,955	104,334
Tax expense for the financial period/year	34,178	-

9. DISTRIBUTIONS

Final distributions to unitholders is derived from the following sources:

	30.04.2020	31.05.2019
	RM	RM
Interest income	124,299	25,314,137
Previous financial year's realised gain	54,654	17,349,877
	178,953	42,664,014
Less:		
Expenses	(33,397)	(4,816,660)
Tax	(34,178)	-
Net distributable amount	111,378	37,847,354

Included in the above distributions was an amount of RM54,654 (2019: RM17,349,877) made from previous financial year's realised gain.

UNITED CASH FUND

9. DISTRIBUTIONS

Details of distributions to unitholders during the financial period/year are as follows:

Financial period ended 30 April 2020

Distributions Ex-date	Reinvestments settlement date	Distributions per unit RM	Total distributions RM
25 June 2019	26 June 2019	0.0027	39,988
25 July 2019	26 July 2019	0.0015	22,274
22 August 2019	23 August 2019	0.0015	22,307
26 September 2019	27 September 2019	0.0018	26,809
		<u>0.0075</u>	<u>111,379</u>

Financial year ended 31 May 2019

Distributions Ex-date	Reinvestments settlement date	Distributions per unit RM	Total distributions RM
25 June 2018	26 June 2018	0.0026	5,187,955
25 July 2018	26 July 2018	0.0026	5,196,415
23 August 2018	24 August 2018	0.0026	5,629,306
25 September 2018	26 September 2018	0.0026	5,996,060
25 October 2018	26 October 2018	0.0026	6,499,043
22 November 2018	23 November 2018	0.0026	6,844,829
26 December 2018	27 December 2018	0.0013	1,169,274
24 January 2019	25 January 2019	0.0033	507,374
25 February 2019	26 February 2019	0.0033	490,664
25 March 2019	26 March 2019	0.0033	211,014
25 April 2019	26 April 2019	0.0033	65,752
23 May 2019	24 May 2019	0.0033	49,669
		<u>0.0334</u>	<u>37,847,354</u>

UNITED CASH FUND

10. TRANSACTIONS WITH A RELATED FINANCIAL INSTITUTION

Details of transactions with a related financial institution for the financial period from 1 June 2019 to 30 April 2020 (date of termination) are as follows:

Financial institution	Value of Trade RM	Percentage of Total Trade %
United Overseas Bank (Malaysia) Bhd*	413,644,732	100.00

*A financial institution related to the Manager.

The Directors of the Manager are of the opinion that any transactions with related parties have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. These dealings with related parties have been transacted at arm's length basis.

11. MANAGEMENT EXPENSE RATIO ("MER")

	01.06.2019 to 30.04.2020 %	01.06.2018 to 31.05.2019 %
Manager's fee	0.30	0.32
Trustee's fee	0.03	0.01
Other expenses	0.28	0.02
Total MER	0.61	0.35

The MER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis.

12. PORTFOLIO TURNOVER RATIO ("PTR")

	01.06.2019 to 30.04.2020	01.06.2018 to 31.05.2019
PTR (times)	55.01	3.77

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial year to the average NAV of the Fund calculated on a daily basis.

UNITED CASH FUND

13. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The Fund's financial assets and financial liabilities are measured on an ongoing basis based on their respective classification. The significant accounting policies in Note 2.3 describe how the classes of financial instruments are measured and how income and expenses are recognised:

- (i) the Fund's financial assets, comprising interest receivables and cash at bank, are classified as financial assets which are measured at amortised cost;
- (ii) the Fund's financial liability, comprising amount due to Manager and amount due to Trustee, are classified as other financial liabilities which are measured at amortised cost.

	Financial assets at at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
30.04.2020			
Assets			
Cash at bank	119,460	-	119,460
Total financial assets	<u>119,460</u>	<u>-</u>	<u>119,460</u>
Liabilities			
Amount due to Manager	-	7	7
Amount due to Trustee	-	1	1
Total financial liabilities	<u>-</u>	<u>8</u>	<u>8</u>
31.05.2019			
Assets			
Interest receivables	40,132	-	40,132
Cash at bank	15,168,471	-	15,168,471
Total financial assets	<u>15,208,603</u>	<u>-</u>	<u>15,208,603</u>
Liability			
Amount due to Manager	-	27,497	27,497
Amount due to Trustee	-	322	322
Total financial liability	<u>-</u>	<u>27,819</u>	<u>27,819</u>

UNITED CASH FUND

13. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximations of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value due to their short period to maturity or short credit period:

- Cash at bank
- Amount due to Manager
- Amount due to Trustee

There were no financial instruments which are not carried at fair values and whose carrying amounts are not reasonable approximation of their respective fair values.

14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks including credit risk, liquidity risk and interest rate risk. Whilst these are the most important types of financial risks inherent in each type of financial instrument, the Manager and the Trustee would like to highlight that this list does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Fund.

The Fund's overall risk management programme seeks to minimise potential adverse effects on the Fund's financial performance. Specific guidelines on exposures to individual securities and certain industries are in place for the Fund at any time as part of the overall financial risk management to reduce the Fund's risk exposures.

(a) Credit risk

Credit concentration

Credit concentration risk is associated with the number of underlying investments or financial institutions which a fund invests in or places deposits with. For example a Fund which invests its assets in a single underlying instrument or with a single institution is more risky compared to a Fund with two or more underlying investments or institutions. This is because if the single issuer/financial institution defaults, it would have a significant impact to that Fund.

UNITED CASH FUND

14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Credit risk (continued)

Credit concentration (continued)

The Fund's Deed provides that it only invests in Malaysian Ringgit deposits with United Overseas Bank (Malaysia) Bhd ("UOBM"). This represents a credit concentration risk for the Fund.

At the reporting date, the Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

Credit default

This refers to the creditworthiness of the financial institutions and its expected ability to make timely payment of interest and principal. Default happens when the financial institutions are not able to make timely payments of interest and/or principal. This may cause the Fund's assets to be written down, resulting in the loss of capital and/or income.

The credit rating of UOBM as at the reporting date is AAA (2019: AAA) as rated by the Rating Agency of Malaysia. The Manager will continuously monitor the creditworthiness of UOBM. Should the credit rating of UOBM fall below AA3, the Manager will have the sole discretion to terminate the Fund.

The following table analyses the Fund's cash and deposits by rating categories:

	RM	As a % of deposit	As a % of NAV
30.04.2020			
Credit rating			
AAA	119,460	100.00	493.58
31.05.2019			
Credit rating			
AAA	15,208,603	100.00	100.47

UNITED CASH FUND

14. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Liquidity risk

This is the risk that the Fund will have insufficient cash to meet redemptions by unitholders. The Fund is exposed to cash redemptions of its units on a regular basis. Units sold to unitholders by the Manager are redeemable at the unitholders' option based on the Fund's NAV per unit at the time of redemption calculated in accordance with the Fund's Deed. The Manager monitors the Fund's liquidity position on a daily basis.

Where necessary, the Manager can withdraw its deposits ahead of the contractual maturity dates to meet its liquidity requirements.

The natures of undiscounted contractual cash flows for financial assets and financial liabilities of the Fund are:

- (i) Other financial assets and financial liabilities will contractually mature less than one year from the reporting date at amounts not significantly different from that presented on the statement of financial position.

(c) Interest rate risk

The Fund's placement in deposits will also be affected by interest rate changes. Deposits that have placed with financial institutions would not be able to enjoy the additional returns in the event of rising interest rates. The risk is also evident during periods of falling interest rates where the Funds' investments may have to be reinvested in deposits with lower interest rates after its maturity.

15. CAPITAL MANAGEMENT

The capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund. The Fund's units in issue at the end of the financial period are disclosed in Note 5(a).

No changes were made to the Fund's objectives, policies or processes during the current financial period and previous financial years.

CORPORATE INFORMATION

Fund Manager	UOB Asset Management (Malaysia) Berhad 199101009166 (219478-X)
Registered & Principal Office	Level 22 Vista Tower The Intermark 348 Jalan Tun Razak 50400 Kuala Lumpur Tel: 03-2732 1181 Fax: 03-2164 8188 Website: www.uobam.com.my
Board of Directors	Mr Wong Kim Choong Mr Thio Boon Kiat (alternate to Mr Wong Kim Choong) Mr Seow Lun Hoo Mr Seow Voon Ping (alternate to Mr Seow Lun Hoo) Mr Wong Yoke Leong Mr Lim Kheng Swee En Syed Naqiz Shahabuddin Bin Syed Abdul Jabbar Ms Lim Suet Ling (Executive Director & CEO)
Trustee	Deutsche Trustees Malaysia Berhad 200701005591 (763590-H)
Fund Valuation Service Provider	Deutsche Trustees Malaysia Berhad
Auditor of the Fund	Ernst & Young
Tax Agent of the Fund	Deloitte Tax Services Sdn Bhd

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