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INVESTOR LETTER

Dear valued investors,

2011 was ushered in with a lot of optimism. Most analysts, if not all, were positive that the 2010 market rally would have spilt over into this year. However, it seems like the year may not be as predictable as we thought.

Nevertheless, as we all know the market is always cyclical. It goes up and comes down based on the current uncertainties. Ultimately, if you are a long-term investor, the best thing to do is to stay invested and not react emotionally by panic selling. What investors should do is to try to think forward with a plan and have a preferred asset allocation based on their risk tolerance. A well diversified portfolio is also important to mitigate risks in the long-term.

Usually, the source of market volatility is a mix of short and long-term causes. One of several immediate short-term causes has of course been the Standard and Poor's (S&P) ratings downgrade of long-term U.S. Government debt from AAA to AA+. The S&P downgrade had caused a massive downshift of investor's risk appetite that has been underway for several weeks.

We believe that once the current market turmoil subsides, we expect repercussions from the U.S. downgrade to be limited. Some fears that investors have, while certainly understandable in situation like this, are unsupported.

To be fair, here are some positive facts for the US:-

- US treasuries remain one of the safest investments even at AA+ rating;
- Over 60% of global allocated foreign exchange reserves are in USD and they are still highly in demand;
- US Treasuries are the most liquid securities traded in the world and it is hard to find alternatives or substitutes.
- Huge amounts of forced selling of US Treasures have yet to be seen

Overall, given the uncertainty in the markets, we still hold on to our view that the US will not go into a double dip recession. We will continue to remain positive on Asian Equities for second half of 2011 as we believe that strong fund flows into Asian fixed income markets may eventually have a positive spill over effect into the regional equity markets.

On another note, we are happy to announce that CIMB-Principal has garnered a total of 8 awards this year and will maintain our momentum of achievements in the industry for the best interest of our investors.

We are also happy to announce that CIMB-Principal Asset Management Berhad ("CIMB-Principal") is now GIPS-compliant.

GIPS or Global Investment Performance Standards are a set of standardized principles that provide guidance on how investment firms should calculate and report their investment results to prospective and current clients.

By being GIPS-compliant, investors can now have a greater level of confidence in the integrity of performance presentations as well as our general practices. We trust this will provide further assurance that the performance and reporting figures we cite are prepared to the highest standards.

INVESTOR LETTER (CONTINUED)

With this, we at CIMB-Principal will strive to consistently provide investors with potential capital gains over the long-term and at the same time become the most reliable and trusted fund house in the industry. We look forward to supporting your journey through the interesting financial markets to come.

Yours sincerely

Campbell Tupling

Chief Executive

CIMB- Principal Asset Management Berhad

MANAGER'S REPORT**What is the investment objective of the Fund?**

To provide investors with liquidity and regular income, whilst maintaining capital stability by investing primarily in deposits that comply with the Shariah principles.

Has the Fund achieved its objective?

For the period under review, the Fund is in line with its stated objectives.

What are the Fund investment policy and its strategy?

The Fund seeks to achieve its objectives by investing at least 95% of the Fund's NAV in Shariah-compliant deposits with financial institutions. The remaining of the Fund's NAV is maintained in cash or its equivalent for any expenses recoverable directly from the Fund in accordance with the Deed and/or SC Guidelines. The investment policy is to invest in liquid and low risk short-term investments with a high degree of capital preservation.

The Fund will be actively managed to provide liquidity and to accommodate the short-term cash flow requirements of its Unit holders.

The Fund's policies on investments were carried out in accordance with the Deed and it will continue its operations until terminated in accordance with the provisions of the Deed.

Fund category/ type

Money market (Shariah)/ income.

How long should you invest for?

Recommended up to 1 year.

Indication of short-term risk (low, moderate, high)

Low.

When was the Fund launched?

9 September 2009.

What was the size of the Fund as at 31 July 2011?

RM 14.37 million (14.38 million units)

What is the Fund's benchmark?

Islamic Interbank Overnight Rate.

What is the Fund distribution policy?

Monthly, depending on the level of income (if any) the Fund generates.

What was the net income distribution for the period ended 31 July 2011?

The Fund distributed a total of RM 145,308.36 as income to unit holders for the period of 1 February 2011 to 31 July 2011.

The Fund Net Asset Value per unit after the distribution maintained at minimum RM1.0000 per unit.

PERFORMANCE DATA

Details of portfolio composition of the Fund for the financial periods are as follows:

	31.07.2011	31.07.2010
	%	%
Deposits with Financial Institutions	99.78	99.75
Cash and Other Net Assets	0.22	0.25
	<u>100.00</u>	<u>100.00</u>

Performance details of the Fund for the financial periods are as follows:

	31.07.2011	09.09.2009 -31.07.2010
Net asset value (RM Million)	14.37	12.63
Units in circulation (Million)	14.39	12.63
Net asset value per unit (RM)	0.9987	1.0000
Highest NAV per unit (RM)	1.0019	1.0023
Lowest NAV per unit (RM)	1.0000	0.9994
Total return (%)	1.03	1.25
- Capital growth (%)	-	-
- Income distribution (%)	1.03	1.25

Distribution is made on the last Business Day of every month. The average distribution rate of the Fund for the financial period ended 31 July 2011 is 2.05% (Annualised).

Management expense ratio (%)	0.30	0.43
Portfolio turnover ratio (times) #	36.70	91.90

	Total Return	Annualised
	%	%
- 1 year	2.06	2.06
- Since Inception	3.33	1.75

(Launch date: 9 September 2009)

#The Portfolio Turnover Ratio for the period under review was 36.70 times, a drop from 91.90 times a year ago.

	31.07.2011	31.07.2010	Since inception
	(%)	(%)	(%)
Annual total return	2.06	1.25	1.75

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up. All performance figures has been verified by Mercer (Malaysia) Sdn Bhd (253344-U).

MARKET REVIEW (01 FEBRUARY 2011 TO 31 JULY 2011)

For the 6-months period under review, the MGS yield curve flattened with benchmark 3, 5 and 10 years yields ended lower at 3.207%, 3.477% and 3.862% respectively. The notable weakening of the short end of the curve was primarily due to a combination of rising inflationary concerns as well as the prospect of rate hikes in the second half of the year, while the mid to long end of the sovereign yield curve saw support from both local and foreign investors. Most notably, foreign ownership of MGS has been on an uptrend since the beginning of 2010. As at end of July 2011, foreign holdings of local MGS reached a record high of RM95.4 billion which represents approximately 32% of total MGS outstanding.

In a pre-emptive move to avoid financial imbalances, BNM was ahead of the pack in profit rate normalization. The first rate hike of 25 bps in 2011 occurred at the May Monetary Policy Committee meeting following the 75bps increase in 3 MPC meetings in 2010. The statutory reserve ratio (SRR) has so far been raised by 1% each in the May and July meetings bringing it to rest at 4.00% currently.

Malaysia's inflation rate quickened to 3.50% year-on-year in June 2011, up from 3.3% in May. This was the seventh consecutive monthly increase and the highest level in 26 months, mainly due to acceleration in the core inflation rate. In June 2011, Malaysia successfully concluded the sale of USD2 billion sukuk wakala in two tranches (the 5-yr USD1.2 billion tranche and 10-yr USD800 million tranche), both of which were nearly 5x oversubscribed, with subscriptions of well over USD9 billion. The 5-yr and 10-yr tranches' coupon rates are 2.991% and 4.646%, where they yielded 145 bps and 165 bps above US Treasuries respectively.

OUTLOOK & INVESTMENT STRATEGY

There is only 1 Monetary Policy Committee (MPC) meeting slated before the year-end, with the September one concluded with no rate hike as widely expected by the market. We believe 1 more rate hike of 25 bps is in the cards in the November MPC, bringing the OPR to rest at 3.25%. The hike however is largely data dependent, as the slew of data is increasingly showing a gloomier growth outlook. Nonetheless, there are incipient signs of demand-led inflation seeping into the second half of 2011; hence we (and the market) believe that BNM will attempt 1 more rate hike before year-end.

In the corporate bond market, we continue to expect the current trend of duration lengthening and lower yield to persist as end-investors move down the credit curve for yield pickup. Liquidity remains ample in the market, and unless supply of new issuances substantially improves in the remaining 5th months of the year, we continue to foresee spread compression for credit markets. Lower yields in the MGS market will provide an impetus for risk adverse players to participate in government-guaranteed (GG) rated PDS papers.

We expect more issuances from the Economic Transformation Programme (ETP) to tap the debt capital markets; after the expected quiet month of August which coincides with Ramadhan. We still await more names benefitting from the ETP to seek funding from the debt capital markets in the following sectors: transportation, infrastructure, construction and oil & gas.

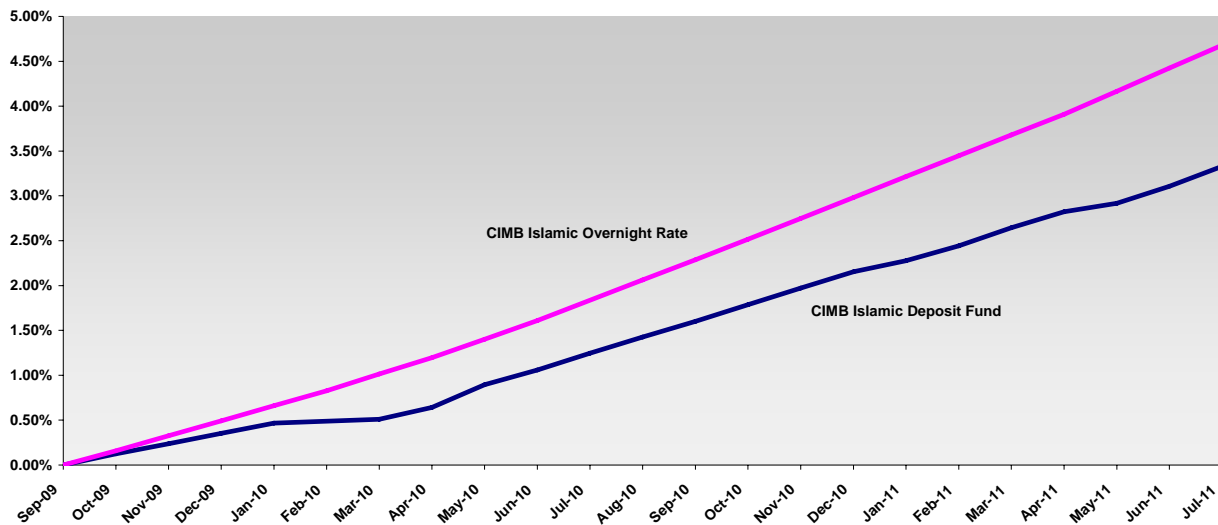
We believe the rally thus far has been liquidity driven, with both local and foreign players in the market, and unless new issuances substantially pick up the slack, there is further short-term upside to the rally. In the near term, we continue to lengthen duration although we will closely monitor the risk to this strategy as well. Key risks to our forecast remains higher-than-expected headline inflation or abrupt subsidy revisions.

However for IDF, the fund objective is to provide investors with liquidity and regular income and the Fund will continue to maintain investment primarily in deposits that comply with the Shariah principles.

FUND PERFORMANCE

	6 months to 31.07.2011	1 year to 31.07.2011	Since Inception
Income (%)	1.03	2.06	3.33
Capital (%)	-	-	-
Total Return (%)	1.03	2.06	3.33
Benchmark (%)	1.42	2.79	4.68
Average Total Return (%)	2.07	2.06	1.75

As at 31 July 2011, the Fund gave total 1 year return of 2.06%. Since inception, the Fund achieved a return of 3.33%.



Changes in Net Asset Value (“NAV”)

	31.07.2011	31.07.2010	Changes %
NAV (RM million)	14.37	12.63	13.78
NAV / unit (RM)	0.9987	1.0000	-

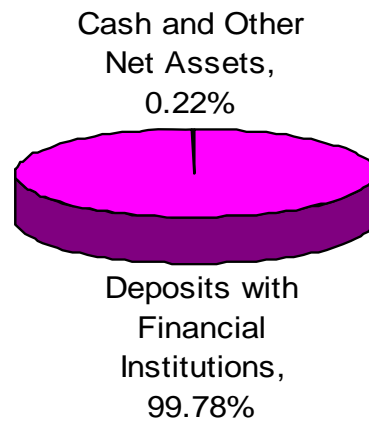
The Fund NAV was RM14.38 million for the period under review, and NAV per unit was kept at RM1.00 in line with the Fund’s policy to distribute 100% of its accumulated profit on a monthly basis.

PORTFOLIO STRUCTURE

Asset Allocation

(% of NAV)	31.07.2011	31.07.2010
Deposits with Financial Institutions	99.78	99.75
Cash and Other Net Assets	<u>0.22</u>	<u>0.25</u>
TOTAL	<u>100.00</u>	<u>100.00</u>

The Fund is essentially a cash fund, and all monies are invested in deposits placed with various financial institutions.



Performance data represents the combined income and capital return as a result of holding units in the fund for the specified length of time, based on nav to nav price. The performance data assumes that all earnings from the fund are reinvested and are net of management and trustee fees. Past performance is not reflective of future performance and income distributions are not guaranteed. Unit prices and income distributions, if any, may fall and rise. All performance figures have been verified by Mercer (Malaysia) Sdn Bhd (253344-U).

UNIT HOLDINGS STATISTICS

Breakdown of unit holdings by size as at 31 July 2011 are as follows:

Size of holdings(units)	No. of unitholders	No. of units held (million)	% of units held
5,000 and below	16	0.000	0.0013
5,001-10,000	1	0.006	0.0431
10,001-50,000	1	0.014	0.0988
50,001-500,000	-	-	-
Above 500,000	2	14.353	99.85
Total	20	14.373	100

REBATES AND SOFT COMMISSION

Soft commission received for goods and services such as financial wire services and stock quotation system incidental to the investment management of the funds are retained by the management company. During the period/year under review, the management company had received soft commissions in the form of financial wire and stock quotation system which are incidental to the investment management of the fund.

**STATEMENT BY MANAGER TO THE UNITHOLDERS OF
CIMB ISLAMIC DEPOSIT FUND**

I, being the Director of CIMB-Principal Asset Management Berhad, do hereby state that, in the opinion of the Manager, the accompanying unaudited financial statements set out on pages 11 to 35 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 31 July 2011 and of its financial performance, changes in equity and cash flows for the financial period then ended in accordance with Financial Reporting Standards in Malaysia and the Securities Commission's Guidelines on Unit Trust Funds.

For and on behalf of the Manager,
CIMB-Principal Asset Management Berhad (Company No.: 304078-K)

John Campbell Tupling
Chief Executive Officer/Director

Datuk Noripah Kamso
Director

Kuala Lumpur
30 September 2011

**TRUSTEE'S REPORT
TO THE UNITHOLDERS OF CIMB ISLAMIC DEPOSIT FUND**

We have acted as Trustee of **CIMB Islamic Deposit Fund** ("the Fund") for the financial period ended 31 July 2011. To the best of our knowledge, **CIMB-Principal Asset Management Berhad** ("the Manager"), has operated and managed the Fund in accordance with the following:-

- a) Limitations imposed on the investment powers of the Manager and the Trustee under the Deed, the Securities Commission's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007, and other applicable laws;
- b) Valuation/pricing is carried out in accordance with the Deed and any regulatory requirements; and
- c) Creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirements.

During this financial year, a total distribution of 12.33 sen per unit (gross) has been distributed to the unitholders of the fund. We are of the view that the distribution is not inconsistent with the objective of the Fund.

For HSBC (Malaysia) Trustee Berhad

Tan Bee Nie
Head, Trustee Operations
Kuala Lumpur
30 September 2011

**SHARIAH ADVISOR'S REPORT TO THE UNITHOLDERS OF
CIMB ISLAMIC DEPOSIT FUND**

We have acted as the Shariah Advisor of CIMB Islamic Deposit Fund. Our responsibility is to ensure that the procedures and processes employed by CIMB-Principal Asset Management Berhad are in accordance with the Shariah.

In our opinion, CIMB-Principal Asset Management Berhad has managed and administered CIMB Islamic Deposit Fund in accordance with Shariah and complied with applicable guidelines, rulings or decisions issued by the Securities Commission pertaining to Shariah matters for the financial period ended 31 July 2011.

In addition, we have also reviewed the investment portfolio of CIMB Islamic Deposit Fund and opine that the instruments are designated as Shariah-compliant.

For and on behalf of Shariah Advisor
CIMB Islamic Bank Berhad

ABDUL GHANI ENDUT

Head, Shariah Department/Designated Person Responsible for Shariah Advisory

Kuala Lumpur
30 September 2011

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 01 FEBRUARY 2011 TO 31 JULY 2011**

	Note	31.07.2011 RM	Financial period from 09.09.2009 (date of commencement) to 31.07.2010 RM
NET INVESTMENT INCOME			
Profit Income and Hibah from Shariah-compliant		186,236	737,362
Other income		-	2,313
		<u>186,236</u>	<u>739,675</u>
EXPENSES			
Management fee	4	29,281	151,191
Trustee's fee	5	5,206	27,151
Audit fee		3,770	-
Tax agent's fee		2,500	-
Other expenses		3,790	3,149
		<u>44,547</u>	<u>181,491</u>
NET PROFIT BEFORE TAXATION		141,689	558,184
TAXATION	7	-	(12)
PROFIT AFTER TAXATION REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD		<u>141,689</u>	<u>558,172</u>
Profit after taxation is made up as follows:			
Realised amount		<u>141,689</u>	<u>558,172</u>
		<u>141,689</u>	<u>558,172</u>

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

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2011**

	Note	31.07.2011 RM	31.01.2011 RM
LIQUID ASSETS			
Cash and cash equivalent	8	14,394,105	13,843,915
OTHER ASSETS			
Amount due from Manager		3,000	2,400
Profit income receivable		-	4,530
		<u>3,000</u>	<u>6,930</u>
TOTAL ASSETS		<u>14,397,105</u>	<u>13,850,845</u>
LIABILITIES			
Accrued management fee		5,137	5,479
Amount due to Trustee		913	974
Other payable and accruals		11,650	13,300
Tax payable		10,449	10,449
TOTAL LIABILITIES		<u>28,149</u>	<u>30,202</u>
NET ASSET VALUE OF THE FUND	9	<u>14,368,956</u>	<u>13,820,643</u>
EQUITY			
Unitholders' capital		14,414,339	13,862,407
Accumulated losses		(45,383)	(41,764)
Fair value reserve		-	-
		<u>14,368,956</u>	<u>13,820,643</u>
NUMBER OF UNIT IN CIRCULATION		<u>14,387,590</u>	<u>13,844,796</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.9987</u>	<u>0.9982</u>

The accompanying notes to the financial statements form an integral part of the unaudited financial statements

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2011**

Note	Unitholders' Capital <u>RM</u>	Accumulated Losses <u>RM</u>	Fair Value Reserve <u>RM</u>	Total <u>RM</u>
Balance as at 1 February 2011	13,862,407	(41,764)	-	13,820,643
Movement in unitholders' contribution:				
Creation of units	29,684,665	-	-	29,684,665
Cancellation of units	(29,132,733)	-	-	(29,132,733)
Total comprehensive income for the financial period	-	141,689	-	141,689
Total distribution for the financial period	-	(145,308)	-	(145,308)
Balance as at 31 July 2011	<u>14,414,339</u>	<u>(45,383)</u>		<u>14,368,956</u>
Balance as at 9 September 2009	-	-	-	-
Movement in unitholders' contribution:				
Creation of units	335,283,186	-	-	335,283,186
Cancellation of units	(321,420,779)	-	-	(321,420,779)
Total comprehensive income for the financial period	-	682,605	-	682,605
Total distribution for the financial period	-	(724,369)	-	(724,369)
Change in fair value reserve	-	-	-	-
Balance as at 31 January 2011	<u>13,862,407</u>	<u>(41,764)</u>	-	<u>13,820,643</u>

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

**UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2011**

	Note	31.07.2011 RM	Financial period from 09.09.2009 (date of commencement) to 31.01.2011 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES			
Profit income received from deposits with licensed financial institutions		190,765	938,751
Management fee paid		(29,623)	(181,734)
Trustee and custodian fees paid		(5,266)	(32,308)
Payments for other fees and expenses		(11,710)	(18,426)
Other income		-	1,994
Net cash inflow from operating and investing activities		144,166	708,277
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		29,538,757	334,556,417
Payments for cancellation of units		(29,132,733)	(321,420,779)
Net cash inflow from financing activities		406,024	13,135,638
Net increase in cash and cash equivalents		550,190	13,843,915
Cash and cash equivalents at the beginning of the financial period		13,843,915	-
Cash and cash equivalents at the end of the financial period	8	14,394,105	13,843,915

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2011****1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITY**

CIMB Islamic Deposit Fund ("the Fund") was constituted pursuant to a Principal Master Deed dated 15th May 2008 and a Tenth Supplemental Master Deed dated 23th July 2009 (referred to as "the Deed"), between CIMB-Principal Asset Management Berhad (the "Manager") and HSBC (Malaysia) Trustee Berhad (the "Trustee").

The Fund invests at least 95% of the Fund's NAV in Shariah-compliant deposits with financial institutions. The remaining of the Fund's NAV is maintained in cash or its equivalent for any expenses recoverable directly from the Fund in accordance with the Deed and/or SC Guidelines. The investment policy is to invest in liquid and low risk short-term investments with a high degree of capital preservation. The Fund will be actively managed to provide liquidity and to accommodate the short-term flow requirements of its Unit holders.

All investments will be subject to the Securities Commissions's ("SC") Guidelines on Unit Trust Funds, SC requirements, the Deed, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund's objective.

The Manager, a company incorporated in Malaysia, is a subsidiary of CIMB Group Sdn Bhd. and regards CIMB Group Holdings Berhad as its ultimate holding company. Its principal activities are the management of unit trust funds and fund management activities.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements:

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with Financial Reporting Standards ("FRS") in Malaysia.

The preparation of financial statements in conformity with the FRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial year. It also requires the Manager to exercise their judgement in the process of applying the Fund's accounting policies. Although these estimates and judgement are based on the Manager's best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(m).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(i) Standards and amendments to published standards and interpretations that are applicable and are effective :

- FRS 8 "Operating Segments" (effective from 1 July 2009) replaces FRS 114 Segment Reporting. The new standard requires a 'management approach', under which segment information is reported in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. The improvement to FRS 8 (effective from 1 January 2010) clarifies that entities that do not provide information about segment assets to the chief operating decision-maker will no longer need to report this information. Prior year comparatives must be restated.
- FRS 7 "Financial instruments: Disclosures" (effective from 1 January 2010) provides information to users of financial statements about an entity's exposure to risks and how the entity manages those risks. The improvement to FRS 7 clarifies that entities must not present total profit income and expense as a net amount within finance costs on the face of the Statement Comprehensive Income. This standard does not have any impact on the classification and valuation of the Fund's financial statements.
- The revised FRS 101 "Presentation of financial statements" (effective from 1 January 2010) prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity. 'Non-owner changes in equity' are to be presented separately from owner changes in equity. All non-owner changes in equity will be required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income).

Where entities restate or reclassify comparative information, they will be required to present a restated balance sheet as at the beginning comparative period in addition to the current requirement to present Statement of Financial Position at the end of the current period and comparative period.

- FRS 107 "Statement of cash flows" (effective from 1 January 2010) clarifies that only expenditure resulting in a recognised asset can be categorised as a cash flow from investing activities.
- FRS 110 "Events after the balance sheet date" (effective from 1 January 2010) reinforces existing guidance that a dividend declared after the reporting date is not a liability of an entity at that date given that there is no obligation at that time.
- FRS 118 "Revenue" (effective from 1 January 2010) provides more guidance when determining whether an entity is acting as a 'principal' or as an 'agent'. This standard does not have material impact on the classification and valuation of the Fund's financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(i) Standards, amendments and interpretations to published standards that are applicable and effective (continued):

- Amendment FRS 132 “Financial Instruments: Presentation”

In the previous financial year, the Fund had classified its puttable instruments as liabilities in accordance with FRS 132, 'Financial instruments: Presentation'. However, the FRS 132 (amendment), 'Financial instruments: Presentation', and FRS 101 (amendment), 'Presentation of financial statements' - 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2010) (the 'amendment') requires puttable financial instruments that meet the definition of a financial liability to be classified as equity where certain strict criteria are met.

Those criteria include: (i) the puttable instruments must entitle the holder to a pro-rata share of net assets; (ii) the puttable instruments must be the most subordinated class and that class's features must be identical; (iii) there must be no contractual obligations to deliver cash or another financial asset other than the obligation on the issuer to repurchase; and (iv) the total expected cash flows from the puttable instrument over its life must be based substantially on the profit or loss of the issuer. As a result, the prior year financial statements are restated from amounts previously reported to conform with the amendment. The amendment has been applied retrospectively.

The effect as a result of adoption of the amendment on the statement of financial position for the prior periods are set out in Note 15 (a).

- FRS 139 “Financial Instruments: Recognition and Measurement”

In the previous financial year, unrealised gains or losses from the derivative financial instrument are recognised in the statement of financial position as receivables and payables while the corresponding effect are transferred to the fair value reserve included in the capital and reserves attributable to equity holders of the fund.

However, the FRS 139 (new standard) 'Financial Instruments: Recognition and Measurement' (effective 1 January 2010) (the 'standard') requires the Fund to recognise all investments in its balance sheet as assets and shall measure them at fair value (except for a derivative that is linked to and that must be settled by delivery of an unquoted equity instrument whose fair value cannot be measured reliably) at the beginning of the financial period in which this standard is initially applied. The unrealised gains or losses transferred to the fair value reserve in the previous financial period shall be recognised as an adjustment of the balance of retained earnings at the beginning of the financial period in which this Standard is initially applied (other than for a derivative that is a designated hedging instrument).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

- FRS 139 "Financial Instruments: Recognition and Measurement" (continued)

In respect of FRS 7 and FRS 139, the Fund has applied the transitional provision in the respective standards which exempts entities from disclosing the possible impact arising from the initial application of the standards on the financial statements of the Fund. Comparative related to financial instruments have not been adjusted and therefore the corresponding balances are not comparable.

- (ii) The new standards, amendments and interpretations to published standards which are relevant to the Fund and have not been early adopted are:

- Amendments to FRS 7 "Financial instruments: Disclosures" and FRS 1 "First-time adoption of financial reporting standards" (effective from 1 January 2011) require enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The Fund will apply this standard when effective.

The Fund has applied the transitional provision which exempts entities from disclosing the possible impact arising from the initial application of this amendment on the financial statements of the Fund.

- IC Interpretation 17 "Distribution of non-cash assets to owners" (effective from 1 July 2010) provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. FRS 5 has also been amended to require that assets are classified as held for distribution only when they are available for distribution in their present condition and the distribution is highly probable.

(b) Income recognition

Profit income earned from Shariah-compliant deposits with licensed financial institutions are recognised on the accrual basis.

(c) Creation and cancellation of units

The Fund issues cancellable units, which are cancelled at the unitholder's option and are classified as equity. Cancellable units can be returned to the Fund at any time for cash equal to a proportionate share of the Fund's net asset value. The outstanding units are carried at the redemption amount that is payable at the statement of financial position date if the unitholder exercises the right to return the unit to the Fund.

Units are created and cancelled at the unitholder's option at prices based on the Fund's net asset value per unit at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(d) Cash and cash equivalents (Shariah-compliant)**

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and deposits held in highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

(e) Taxation

Current tax expense is determined according to Malaysian tax laws at the current tax rate based on taxable profits earned during the financial period.

(f) Distribution

Proposed distributions to unitholders are recognised in the statement of changes in equity upon approval by the Board of Directors of the Manager.

(g) Functional and presentation currency

Items included in 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 Ringgit Malaysia, which is the Fund’s functional and presentation currency.

(h) Amount due from/to stockbrokers

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective profit method, less provision for impairment for amounts due from brokers. A provision for impairment of amounts due from brokers is established when there is objective evidence that the Fund will not be able to collect all amounts due from the relevant broker. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the amount due from brokers is impaired. Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, profit income is recognised using the profit rate used to discount the future cash flows for the purpose of measuring the impairment loss.

The effective profit method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the profit income or profit expense over the relevant period. The effective profit rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective profit rate, the Fund estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective profit rate, transaction costs and all other premiums or discounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Proceeds and payments on creation and cancellation of units

The net asset value per unit is computed for each dealing day. The price at which units are created or cancelled is calculated by reference to the net asset value per unit as at the close of business on the relevant dealing day. Units in the Fund are classified as equity in the statement of financial position and are stated at fair value representing the price at which unitholders can redeem the units from the Fund.

(j) Segmental information

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographic segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Investment Committee of the Fund's manager that undertakes strategic decisions for the Fund.

(l) Financial instruments

Financial instruments comprise financial assets and financial liabilities. Fair value is the amount at which a financial asset could be exchanged or a financial liability settled, between knowledgeable and willing parties in an arm's length transaction. The information presented herein represents the estimates of fair values as at the date of the statement of financial position.

Financial instruments as at 31 July 2011 are as follows:

	Financing and receivables RM	Financial assets at fair value through profit or loss RM	Total RM
Cash and cash equivalent	14,394,105	-	14,394,105
Amount due from manager	3,000	-	3,000
	14,397,105	-	14,397,105

All current liabilities are financial liabilities which are carried at amortised cost.

(m) Critical accounting estimates and judgements in applying accounting policies

The preparation of financial statements in conformity with FRS and the SC Guidelines on Unit Trust Funds requires the use of estimates and assumptions that affect the reported amount of assets and liabilities at the statement of financial position date, and the reported amount of income and expenses during the reported financial year. Although these estimates are based on the Manager's best knowledge of current events and actions, actual results may differ from those estimates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates will, by definition, seldom equal the related actual results.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The investment policy and strategy of the Fund will therefore focus on investments in Shariah compliant deposits with licensed financial institutions. The Fund seeks to invest at least 95% of the Fund's NAV in Shariah compliant deposits with licensed financial institutions. The remaining of the Fund's NAV is maintained in cash or its equivalent for any expenses recoverable directly from the Fund in accordance with the Deed and/or SC Guidelines. The investment policy is to invest in liquid and low risk short-term investments with a high degree of capital preservation.

The Fund is exposed to a variety of risks which include market risk (price risk, profit rate risk, and currency risk), credit risk, liquidity risk, single issue risk, non compliance risk and reclassification of shariah status risk.

Financial risk management is carried out through internal control process adopted by the manager and adhere to the investment restrictions as stipulated by the SC Guide was on Unit Trust Funds.

(a) Market risk

(i) Profit rate risk

Profit rate risk is the risk that the value of the Fund's investments in Shariah compliant deposits with licensed financial institutions and its return will fluctuate because of changes in market profit rates.

Profit rate is a general economic indicator that will have an impact on the management of the Fund. The Fund's exposure to the profit rate risk is mainly confined to short term placements with financial institutions. The Manager overcomes the exposure by way of maintaining deposits on short term basis.

The table below summarises the sensitivity of the Fund's net asset value to movements in profit income from deposits with licensed financial institutions held by the Fund as at 31 July 2011. The analysis is based on the assumptions that the profit rate increased and decreased by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the profit rate, having regard to the historical volatility of the profit rate.

% Change in profit rate	Profit receivable from deposits held as at 31 July 2011 RM	Change in net asset value RM
(5%)	14,866	(782)
0%	15,648	-
5%	16,430	782

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk

(ii) Currency risk

The Fund is not exposed to any currency risk as the Fund has no investments overseas.

(b) Credit risk

Credit risk refers to the ability of an issuer or a counter party to make timely payments of profit, principals and proceeds from realisation of investments.

The credit risk arising from placements of Shariah-compliant deposits in licensed financial institutions is managed by ensuring that the Fund will only place Shariah-compliant deposits in reputable licensed financial institutions. For amount due from stockbrokers, the settlement terms are governed by the relevant rules and regulations as prescribed by Bursa Securities. The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the Securities Commission's Guidelines on Unit Trust Funds.

The credit/default risk is minimal as all transactions in quoted Shariah-compliant investments are settled / paid upon delivery using approved stockbrokers.

The following table sets out the credit risk concentration of the Fund:

As at 31 July 2011	Cash and cash equivalent RM	Other receivables RM	Total RM
Finance	14,394,105	-	14,394,105
Others	-	3,000	3,000
	<u>14,394,105</u>	<u>3,000</u>	<u>14,397,105</u>

All financial assets of the Fund as at 31 July 2011 are neither past due nor impaired.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Liquidity risk

Liquidity risk is the risk that investment cannot be readily sold at or near its actual value without taking a significant discount. This will result in lower net asset value of the Fund. The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unitholders. Liquid assets comprise cash, deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 days.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period as at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month RM	1 month above RM	Total RM
At 31 July 2011			
Accrued management Fee	5,137	-	5,137
Amount due to Trustee	913	-	913
Other payables and accruals	-	11,650	11,650
Tax payable	-	10,449	10,449
Contractual cash out flows	<u>6,050</u>	<u>22,099</u>	<u>28,149</u>

(d) Single issuer risk

Any major price fluctuation of a particular security invested by the Fund may affect the Fund's net asset value and thus the prices of units.

The single issuer risk is managed by adhering to the investment limits as specified in the SC Guidelines on Unit Trust Funds.

(e) Non-compliance risk

Non-compliance risk arises when the Manager and others associated with the Fund do not follow the rules set out in the Fund's constitution, or the law that govern the Fund, or act fraudulently or dishonestly. It also includes the risk of the Manager not complying with internal control procedures. The non-compliance may expose the Fund to higher risks which may result in a fall in the value of the Fund which in turn may affect its investment goals. However, the risk can be mitigated by the internal controls and compliance monitoring undertaken by the manager.

(f) Reclassification of Shariah status risk

The risk refers to the risk that the currently held Shariah-compliant securities in the portfolio of Shariah-compliant funds may be reclassified to be non Shariah-compliant in the periodic review of the securities by the relevant Shariah advisor. If this occurs, the value of the Fund may be adversely affected where the Manager will take the necessary steps to dispose of such securities in accordance with the advice from the Shariah advisor.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**(g) Capital risk management**

The capital of the Fund is represented by equity consisting of unitholders' capital and retained earnings. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of shareholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

(h) Default risk

Generally, default risk is the risk of loss due to the issuer's non payment or untimely payment of the investment amount as well as the return on investment. This may lead to a default in the payment of principal and/or profit payment and ultimately a reduction in value of the Fund. The Manager aims to mitigate this risk by performing fundamental credit research and analysis to determine the creditworthiness of its counterparty, and impose a credit limit as precautionary step to limit any loss that may arise directly or indirectly as a result of defaulted transaction.

4. MANAGEMENT FEE

In accordance with Clause 24(1) of the Deed, the Manager is entitled to a maximum management fee of up to 3.00% per annum calculated daily based on the net asset value of the Fund.

For the financial period from 1 February 2011 to 31 July 2011, the management fee is recognised at a rate of 0.45% per annum (2010: 0.45% per annum).

There will be no further liability to the Manager in respect of management fee other than the amount recognized above.

5. TRUSTEE'S FEE

In accordance with Clause 24(2) of the Deed, the Trustee is entitled to a fee not exceeding 0.20% per annum calculated on the net asset value of the Fund, subject to a minimum fee of RM18,000 per annum.

For the financial period from 1 February 2011 to 31 July 2011, the Trustee's fee is recognised at a rate of 0.08% per annum (2010: 0.08% per annum).

There will be no further liability to the Trustee in respect of trustee fee other than the amount recognized above.

6. FINANCE COST - DISTRIBUTION

Distribution to unitholders is from the following sources:

	31.07.2011	09.09.2009
	RM	(date of commencement) to 31.01.2011
		RM
Current period realised income:		
Profit income from deposits with licensed financial institutions	188,344	945,281
Distribution equalisation (memorandum account)	(1,130)	12,009
	<u>187,214</u>	<u>957,290</u>
Less:		
Expenses	41,906	232,921
Gross/Net distribution amount	<u>145,308</u>	<u>724,369</u>
Distribution on 31 October 2009		
Gross/Net distribution per unit (sen)	<u>-</u>	<u>1.48</u>
Distribution on 30 November 2009		
Gross/Net distribution per unit (sen)	<u>-</u>	<u>1.35</u>
Distribution on 31 December 2009		
Gross/Net distribution per unit (sen)	<u>-</u>	<u>1.39</u>
Distribution on 31 January 2010		
Gross/Net distribution per unit (sen)	<u>-</u>	<u>1.36</u>
Distribution on 28 February 2010		
Gross/Net distribution per unit (sen)	<u>-</u>	<u>0.24</u>
Distribution on 31 March 2010		
Gross/Net distribution per unit (sen)	<u>-</u>	<u>0.28</u>
Distribution on 30 April 2010		
Gross/Net distribution per unit (sen)	<u>-</u>	<u>1.57</u>
Distribution on 31 May 2010		
Gross/Net distribution per unit (sen)	<u>-</u>	<u>3.01</u>
Distribution on 30 June 2010		
Gross/Net distribution per unit (sen)	<u>-</u>	<u>1.96</u>
Distribution on 31 July 2010		
Gross/Net distribution per unit (sen)	<u>-</u>	<u>2.23</u>
Distribution on 31 August 2010		
Gross/Net distribution per unit (sen)	<u>-</u>	<u>2.11</u>
Distribution on 30 September 2010		
Gross/Net distribution per unit (sen)	<u>-</u>	<u>2.09</u>

6. FINANCE COST - DISTRIBUTION (CONTINUED)

Distribution to unitholders is from the following sources:

	31.07.2011 RM	09.09.2009 (date of commencement) to 31.01.2011 RM
Distribution on 31 October 2010 Gross/Net distribution per unit (sen)	-	2.18
Distribution on 30 November 2010 Gross/Net distribution per unit (sen)	-	2.18
Distribution on 31 December 2010 Gross/Net distribution per unit (sen)	-	2.15
Distribution on 31 January 2011 Gross/Net distribution per unit (sen)	-	1.42
Distribution on 28 February 2011 Gross/Net distribution per unit (sen)	1.96	-
Distribution on 31 Mac 2011 Gross/Net distribution per unit (sen)	2.36	-
Distribution on 30 April 2011 Gross/Net distribution per unit (sen)	2.09	-
Distribution on 31 May 2011 Gross/Net distribution per unit (sen)	1.10	-
Distribution on 30 June 2011 Gross/Net distribution per unit (sen)	2.18	-
Distribution on 31 July 2011 Gross/Net distribution per unit (sen)	2.61	-

Gross distribution per unit is derived from gross realised income less expenses, divided by the number of units in circulation, while net distribution for unit is derived from gross realised income less expenses and taxation divided by the number of units in circulation.

7. TAXATION

	Financial period from 09.9.2009 (date of commencement) 31.07.2011 to 31.07.2010	
	RM	RM
Current taxation: Malaysian tax	-	-

The numerical reconciliation between net profit/(loss) before taxation multiplied by the Malaysian statutory tax rate and tax expense of the Fund is as follows:

	31.07.2011 RM	31.07.2010 RM
Net profit before taxation	141,689	558,184
Taxation at Malaysian statutory rate of 25% (2010: 25%)	35,422	139,546
Tax effects of:		
Loss not subject to local tax purposes	(46,559)	(184,341)
Expenses not deductible for tax purposes	2,205	7,575
Restriction on tax deductible expenses for unit trust funds	8,932	37,798
Over provision in prior financial period	-	(578)
Taxation	-	-

8. CASH AND CASH EQUIVALENTS

	31.07.2011 RM	30.01.2011 RM
Deposits with licensed financial institutions	14,371,648	13,831,000
Bank balances in licensed banks	22,457	12,915
	14,394,105	13,843,915

The effective weighted average profit rates per annum are as follows:

	31.07.2011 %	30.01.2011 %
Deposits with licensed financial institutions	2.72	2.72

Deposits with licensed financial institutions have an average maturity of 5 days (30.01.2011: 5 days).

9. NUMBER OF UNITS IN CIRCULATION AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

	31.07.2011		Financial period from 09.09.2009 (date of commencement) to 31.01.2011	
	No. of units	RM	No. of units	RM
At the beginning of the financial period	13,844,796	13,820,643	-	-
Add: Creation arising from application	29,644,692	29,684,665	335,010,971	335,283,186
Less: Cancellation of units	(29,101,898)	(29,132,733)	(321,166,175)	(321,420,779)
Total comprehensive income for The financial period	-	141,689	-	682,605
Distribution	-	(145,308)	-	(724,369)
Net change in fair value reserve	-	-	-	-
At the end of the financial period	<u>14,387,590</u>	<u>14,368,956</u>	<u>13,844,796</u>	<u>13,820,643</u>
Approved size of Fund	<u>400,000,000</u>		<u>400,000,000</u>	

As at 31 July 2011, the number of units not yet issued is 385,612,410 (31.01.2011: 386,155,204)

10. MANAGEMENT EXPENSE RATIO (“MER”)

	31.07.2011	31.07.2010
	%	%
MER	<u>0.30</u>	<u>0.43</u>

MER is derived based on the following calculation:

$$\text{MER} = \frac{(A + B + C + D + E + F) \times 100}{G}$$

- A = Management fee
- B = Trustee and custodian fees
- C = Transaction costs
- D = Auditors’ remuneration
- E = Tax agent’s fee
- F = Other expenses
- G = Average net asset value of the Fund calculation on a daily basis

The average net asset value of the Fund for the financial period calculated on daily basis is RM 13,048,165 (2010: RM 42,695,931)

11. PORTFOLIO TURNOVER RATIO (“PTR”)

	31.07.2011	31.07.2010
PTR (times)	36.70	91.90
	<u> </u>	<u> </u>

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisition for the financial period} + \text{total disposal for the financial period}) \div 2}{\text{Average net asset value of the Fund for the financial period calculated on a daily basis}}$$

where:

total acquisition for the financial period = RM 478,817,000 (2010: RM 3,923,340,000)

total disposal for the financial period = RM 478,992,003 (2010: RM 3,924,138,246)

12. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

The related parties and their relationship with the Fund are as follows:

<u>Related parties</u>	<u>Relationship</u>
CIMB-Principal Asset Management Berhad	The Manager
CIMB Group Sdn Bhd	Holding company of the Manager
CIMB Group Holdings Berhad ("CIMB")	Ultimate holding company of the Manager
Subsidiaries and associates of CIMB as disclosed in its financial statements	Subsidiary and associated companies of the ultimate holding company of the Manager.

Units held by the Manager and parties related to the Manager

	31.07.2011		Financial period from 09.09.2009 (date of commencement) to 31.07.2010	
	No. of units	RM	No. of units	RM
Manager				
CIMB-Principal Asset Management Berhad	13,675	13,670	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The above units were transacted at the prevailing market price.

The units are held beneficially by the Manager for bookings purpose. Other than the above, there were no units held by Directors or parties related to the Manager.

12. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER (CONTINUED)

In addition to related party disclosure mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The related party transactions described below were carried out on terms and conditions obtained in transactions with unrelated parties unless otherwise stated. Profit rates on fixed and short-term deposits were at normal commercial rates.

	31.07.2011	Financial period from 09.09.2009 (date of commencement) to 31.07.2010
	RM	RM
<u>Significant related party transactions</u>		
Profit income from Shariah-compliant deposits with licensed financial institutions:		
- CIMB Bank Berhad	34,757	159,314
	<u> </u>	<u> </u>
<u>Significant related party balances</u>		
Shariah-compliant deposits with licensed financial institutions:		
- CIMB Islamic Bank Berhad	2,000,000	2,200,000
	<u> </u>	<u> </u>

13. TRANSACTIONS WITH BROKERS/DEALERS

Details of transactions with the top 10 brokers/dealers for the financial period ended 31 July 2011 are as follows:

Brokers/dealers	Values of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
Hong Leong Islamic Bank Berhad	103,740,000	21.67	-	-
RHB Bank Islamic Bhd -JT Razak	97,049,000	20.27	-	-
CIMB Islamic Bank Semantan #	88,260,000	18.43	-	-
EONCAP Islamic Bank Berhad	44,112,000	9.21	-	-
OSK Investment Bank – SPI	38,007,000	7.94	-	-
Malayan Banking Bhd - Islamic	29,048,000	6.07	-	-
Amlslamic Bank Berhad	25,330,000	5.29	-	-
Bank Muamalat M Berhad	24,466,000	5.11	-	-
Bank Islam Malaysia Berhad	18,915,000	3.95	-	-
Alliance Bank Malaysia-Islam	9,890,000	2.07	-	-
	<u>478,817,000</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

13. TRANSACTIONS WITH BROKERS/DEALERS (CONTINUED)

Details of transactions with the top 10 brokers/dealers for the financial year ended 31 January 2010 are as follows:

Brokers/dealers	Values of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
CIMB Islamic Bank Semantan #	1,384,176,000	30.73	-	-
RHB Bank Islamic Bhd -JT Razak	821,903,000	18.25	-	-
Hong Leong Islamic Bank Berhad	753,961,000	16.74	-	-
Bank Islam Malaysia Berhad	355,983,000	7.90	-	-
Malayan Banking Bhd - Islamic	284,585,000	6.32	-	-
Public Bank Islamic	244,237,000	5.42	-	-
EONCAP Islamic Bank Berhad	195,380,000	4.34	-	-
Bank Muamalat M Berhad-Trea	140,624,000	3.12	-	-
Kuwait Finance House M Bhd	114,331,000	2.54	-	-
OSK Investment Bank - SPI	90,810,000	2.02	-	-
Others	118,815,000	2.62	-	-
	<u>4,504,805,000</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

Included in transactions by the Fund are trades conducted on normal terms with CIMB Islamic Bank, companies related to the Manager amounting to RM 88,260,000 (31.01.2011: RM1,384,176,000)

14. SEGMENT INFORMATION

The Investment Committee of the Manager makes the strategic resource allocations on behalf of the Fund. The Fund has determined the operating segments based on the reports reviewed by this committee that are used to make strategic decisions.

The committee is responsible for the Fund's entire portfolio and considers the business as one sub-portfolio, consisting of a quoted investments portfolio, which focuses on equity and equity-related securities. The committee's asset allocation decisions are based on a single, integrated investment strategy and the Fund's performance is evaluated on an overall basis.

The reportable operating segment derives its income by seeking investments to achieve targeted returns consummate with an acceptable level of risk within the portfolio. These returns consist of profit income, dividend income and gains on the appreciation in the value of investments.

There were no changes in the reportable operating segment during the financial year.

The segment information provided to the Investment Committee for the reportable operating segment is as follows:

14. SEGMENT INFORMATION (CONTINUED)

For period ended 31 July 2011:

	Investment portfolio
	RM
Profit income	186,236
Total segment income	<u>186,236</u>
Shariah-compliant deposits with licensed financial institutions	14,371,648
Profit income receivable	-
Total segment assets	<u>14,371,648</u>

For the financial period from 09 September 2009 (date of commencement) to 31 July 2011:

	Investment portfolio
	RM
Profit income	737,362
Total segment income	<u>737,362</u>

For the financial year ended 31 January 2011

Shariah-compliant deposits with licensed financial institutions	13,831,000
Total segment assets	<u>13,831,000</u>

The Fund's management fee, trustee's fee and other expenses are not considered to be segment expenses.

A reconciliation of total segmental income to the total comprehensive income is provided as follows:

	31.07.2011 RM	09.09.2009 (date of commencement) to 31.07.2010 RM
Total net segmental income	186,236	737,362
Other income	-	2,313
Other fees and expenses	(44,547)	(181,491)
Net profit before taxation	<u>141,689</u>	<u>558,184</u>
Taxation	-	-
Net income for the financial period	<u>141,689</u>	<u>558,184</u>

14. SEGMENT INFORMATION (CONTINUED)

Reportable operating segment's assets and liabilities are reconciled to total assets and total liabilities as follows:

	31.07.2011	31.01.2011
	RM	RM
Total segment asset	14,371,648	13,835,530
Amount due from manager	3,000	2,400
Cash and cash equivalents	22,457	12,915
Total assets	<u>14,397,105</u>	<u>13,850,845</u>
Total segment liabilities	-	-
	5,137	5,479
Accrued management fee		
Amount due to trustee	913	974
Tax payable	10,449	10,449
Other payables and accrued expenses	11,650	13,300
Total liabilities	<u>28,149</u>	<u>30,202</u>

The Fund's other receivables and other payables and accrued expenses are not considered to be segment assets and segment liabilities respectively and are managed by the administration function.

15. CHANGES IN ACCOUNTING POLICIES**(a) Amendment FRS 132 "Financial Instruments: Presentation"**

In the previous financial year, the Fund had classified its puttable instruments as liabilities and distribution to unitholders of the puttable instruments as finance costs in accordance with FRS 132, 'Financial instruments: Presentation'. However, the FRS 132 (amendment), 'Financial instruments: Presentation', and FRS 101 (amendment), 'Presentation of financial statements' - 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2010) (the 'amendment') requires puttable financial instruments that meet the definition of a financial liability to be classified as equity where certain strict criteria are met. As a result, distribution to unitholders of these puttable instruments shall be debited by the entity directly to equity.

Those criteria include: (i) the puttable instruments must entitle the holder to a pro-rata share of net assets; (ii) the puttable instruments must be the most subordinated class and that class's features must be identical; (iii) there must be no contractual obligations to deliver cash or another financial asset other than the obligation on the issuer to repurchase; and (iv) the total expected cash flows from the puttable instrument over its life must be based substantially on the profit or loss of the issuer. As a result, the prior year financial statements are restated from amounts previously reported to conform with the amendment. The amendment has been applied retrospectively.

15. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

- (a) Amendment FRS 132 "Financial Instruments: Presentation" (continued)

The effects as a result of adoption of the amendment on the statement of financial position for the prior periods are set out below.

	As previously stated	Adjustment	As restated
<u>31 January 2011</u>			
Statement of Financial Position			
Financial liability	13,820,643	(13,820,643)	-
Unitholders' capital	-	13,862,407	13,862,407
Accumulated losses	-	(41,764)	(41,764)
Fair value reserve	-	-	-
	<u>-</u>	<u>13,820,643</u>	<u>13,820,643</u>

15. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

- (a) Amendment FRS 132 "Financial Instruments: Presentation" (continued)

Effect of changes in accounting policy on the balance sheet as at 31 July 2011 and statement of changes in equity for the year ended 31 July 2011 are set out below.

	As previously stated RM	Adjustment RM	As restated RM
Statement of Financial Position			
Financial liability	<u>14,368,956</u>	<u>(14,368,956)</u>	<u>-</u>
Unitholders' capital	-	14,414,339	14,414,339
Accumulated losses	-	(45,383)	(45,383)
Fair value reserve	-	-	-
	<u>-</u>	<u>14,368,956</u>	<u>14,368,956</u>
Statement of Comprehensive Income			
Finance cost	145,308	(145,308)	-
Total comprehensive income for the financial period	<u>(3,619)</u>	<u>145,308</u>	<u>141,689</u>

16. CHANGE OF NET ASSET VALUE PER UNIT

There are changes to the published net asset value per unit as at 31 July 2011 which was RM 0.9987 per unit as a result of payable amount for the financial period 31 July 2011 of RM 17,099. This has resulted in adjustments to the net asset value per unit, which is now RM 0.9987 per unit.

DIRECTORY

Head office of the Manager

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Trustee for the CIMB Islamic Deposit Fund

HSBC(Malaysia) Trustee Berhad (Co. No. 001281-T)
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Shariah Advisor of the CIMB Islamic Deposit Fund

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Tel no: (03) 2619 1188
Fax no: (03) 2691 3513

Auditors of the Trusts and of the Manager

PricewaterhouseCoopers (Company No. AF: 1146)
Level 10, 1 Sentral,
Jalan Travers, Kuala Lumpur Sentral,
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Consulting Actuaries

Mercer (Malaysia) Sdn. Bhd. (Company No.:253344-U)
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CIMB Islamic Deposit Fund is also available from CIMB Wealth Advisors Berhad's Offices

ADDRESS

TELEPHONE

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47820 Petaling Jaya, Selangor. 03-77262000

REGIONAL OFFICES

- 5A, 1st & 2nd Floor, Jalan Todak 4, Bandar Sunway,
Seberang Jaya, 13700 Perai, Penang. 04-3702155
04-3702156
- 23 & 23A Jalan Harimau Tarum
Taman Century, 80250 Johor Bahru, Johor. 07-3341748
- 5B, Lot 414, Section 10, KTLD Jalan Rubber,
93400 Kuching, Sarawak. 082-259777
- No 1 Jalan Pasar Baru, Kampung Air,
88000 Kota Kinabalu, Sabah. 088-239951
088-239952

BRANCHES

- Ground Floor, No 298-B,
Jalan Tok Hakim,
15000 Kota Bharu, Kelantan, 09-7471172
09-7471190
- 30A, First Floor, Persiaran Greentown 1,
Greentown Business Centre, 30450 Ipoh, Perak. 05-2439001
05-2439002
- No 13B, 2nd Floor, Jalan Mamanda 7/1,
Off Jalan Ampang, 68000 Ampang, Selangor. 03-42702970
- 39-3 & 41-3, Jalan Radin Anum, Bandar Baru Sri Petaling,
57000 Kuala Lumpur. 03-90592333
- 61, Jalan Melaka Raya 24, Taman Melaka Raya, 75000 Melaka. 06-2811111
- Lot 228, 1st Floor, Beautiful Jade Centre, Jalan Maju,
98000 Miri, Sarawak. 085-432525

ADDRESS	TELEPHONE
SALES OFFICES	
• Unit 113 & 213, Block C, Damansara Intan 1, Jalan Ss20/27, 47400 Petaling Jaya.	03-7118 2234
• Lot C-615 & Lot C-616, Level 6 Block C Kelana Square, 17 Jalan Ss7/26, Kelana Jaya, 47301 Petaling Jaya	03-7880 6893
• 2-6A, Jalan Pju 8/3a, Bandar Damansara Perdana, 47820 Petaling Jaya, Selangor.	03-7725 6320
• 12A-3 (2nd Floor), Block C, Jalan Pju 5/17 Dataran Sunway, Kota Damansara, 47810 Petaling Jaya, Selangor.	03-6141 6369
• Unit A-2-5 & A-3-5, Block A, Pusat Perdagangan Pelangi, Pelangi Damansara, Pju 6 Persiaran Surian, 47800 Petaling Jaya, Selangor .	03-7725 2880
• No. 6-2, Jalan Dagang 1/1a, Taman Dagang, 68000 Ampang, Selangor.	03-4251 1129
• I-91-2, Block I, Jalan Teknologi 3/9, Kota Damansara, 47810 Petaling Jaya, Selangor.	03-6140 7275
• No 6B, 2 nd Floor, Jalan Tengku Zabedah Ampuan K/9k, 40000 Shah Alam, Selangor.	03-5541 0350
• Block E-1-03a & E-2-03a, Jalan Ss6/20a, Dataran Glomac, 47301 Kelana Jaya, Selangor.	03-7880 7082
• 98A, Jalan Ss21/39, Damansara Utama, 47400, Petaling Jaya, Selangor.	03-7725 0825
• D-10-08-G & D10-08-1, Pusat Perdagangan Dana 1, Jalan Pju 1a/46, 47301 Petaling Jaya, Selangor.	TBA
• 32 – 3, 3rd Floor, Jalan 1/27f, KI Satellite Centre (Klisc), Wangsa Maju Section 5 53300 Kuala Lumpur.	03-4142 2911
• A-2-1, Block A, 8 Jalan Pju 1a/20a Dataran Ara Damansara , 47301 Petaling Jaya.	03-7843 0506
• A-2-3, Block A, 8 Jalan Pju 1a/20a, Dataran Ara Damansara, 47301 Petaling Jaya.	03-7843 0503
• Unit B-3A-1, Setiawangsa Business Suites Jalan Setiawangsa 11, Taman Setiawangsa, 54200 Kuala Lumpur.03-4256 6277	
• 22-2, Jalan Metro Wangsa, Seksyen 2 Wangsa Maju, 53300 Kuala Lumpur.	03-4149 8818
• J-06-01 Level 6 Block J, Solaris Mont' Kiara, Jalan Solaris, 50480 Kuala Lumpur.	03-6204 0113
• Suite B-12-11 Plaza Mont Kiara 2, Jalan 1/70c, Mont Kiara, 50480 Kuala Lumpur.	03-6203 9036
• A-7, Tingkat 1 Lorong Tun Ismail 12, Sri Dagangan 2, 25000 Kuantan, Pahang.	09-5161 430
• 15A, Jalan Ruby, 96000 Sibu, Sarawak.	084-325 515