

Financial statements of

# **Global Iman Fund**

December 31, 2022

# Global Iman Fund

December 31, 2022 and December 31, 2021

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## Management's Responsibility for Financial Reporting

The accompanying financial statements of the Global Iman Fund (the "Fund") have been prepared by management and approved by the Board of Directors of Global Growth Assets Inc. ("GGAI"). Management is responsible for the information and representations contained in these financial statements.

The Board of Directors is responsible for reviewing and approving the financial statements and overseeing management's performance of its financial reporting responsibilities. GGAI, which administers the Fund, maintains appropriate processes to ensure that relevant and reliable financial information is produced.

The financial statements have been prepared in accordance with International Financial Reporting Standards and include certain amounts that are based on estimates and judgments. The significant accounting policies, which management believes are appropriate for the Fund, are described in Note 3 to the financial statements.

Our external auditor for the year ended December 31, 2022, Baker Tilly WM LLP, performed an audit of the financial statements, the results of which are reflected in their Independent Auditor's Report. Baker Tilly WM LLP has full and independent access to the Board of Directors to discuss their audit and related matters.



Alex Manickaraj  
Chief Executive Officer

Toronto, Ontario  
April 6, 2023



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## **INDEPENDENT AUDITOR'S REPORT**

To the Unitholders of Global Iman Fund:

### **Opinion**

We have audited the financial statements of Global Iman Fund (the "Fund"), which comprise the statement of financial position as at December 31, 2022, and the statement of income and comprehensive income, statement of changes in net assets attributable to holders of redeemable units and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Matter**

The financial statements of the Fund for the year ended December 31, 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on March 23, 2022.

### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material

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misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

### ***Responsibilities of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards 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.

As part of an audit in accordance with Canadian generally accepted auditing standards, 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, 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 management.
- Conclude on the appropriateness of management'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 auditor's report to the related disclosures in the financial statements 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 auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

*Baker Tilly WM LLP*

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Ontario  
April 6, 2023

# Global Iman Fund

## Statements of financial position

### As at December 31, 2022 and 2021

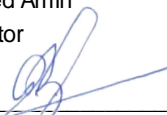
(All amounts in Canadian dollars)

	2022	2021
	\$	\$
<b>Assets</b>		
Cash	3,746,270	3,304,304
Investments at fair value through profit or loss (Note 6)	117,981,913	136,428,418
Subscriptions receivable	85,789	647,467
Dividends receivable	249,717	101,159
Other receivables	4,371	-
<b>Total assets</b>	<b>122,068,060</b>	<b>140,481,348</b>
<b>Liabilities</b>		
Redemptions payable	18,581	210,552
Management fees payable (Note 8)	254,503	294,219
<b>Total liabilities</b>	<b>273,084</b>	<b>504,771</b>
<b>Net assets attributable to holders of redeemable units</b>	<b>121,794,976</b>	<b>139,976,577</b>
<b>Net assets attributable to holders of redeemable units by series</b>		
Series A	81,863,659	104,417,227
Series F	39,931,317	35,559,350
<b>Units issued and outstanding, end of year (Note 7)</b>		
Series A	2,979,297	3,148,269
Series F	1,255,792	937,159
<b>Net assets attributable to holders of redeemable units per unit</b>		
Series A	27.48	33.17
Series F	31.80	37.94

Approved by the Board of Directors of  
Global Growth Assets Inc., the Manager of the Fund



Fareed Amin  
Director



Chandar Singh  
Director



Kevin Bavelaar  
Director

# Global Iman Fund

## Statements of income and comprehensive income

For the years ended December 31, 2022 and 2021

(All amounts in Canadian dollars)

	2022	2021
	\$	\$
<b>Income</b>		
Dividend income	2,156,616	1,607,387
Other Income	264	3,054
Realized gain on disposal of investments	3,072,612	8,139,054
Change in unrealized (depreciation) appreciation of investments	(25,917,603)	13,500,284
Foreign exchange loss on cash	(66,461)	(88,203)
	<b>(20,754,572)</b>	<b>23,161,576</b>
<b>Expenses</b>		
Management fees (Note 8)	3,097,357	3,004,871
Valuation and administrative fees	428,711	300,241
Withholding taxes	335,065	263,778
Other expenses	24,520	9,277
Audit fees	73,450	55,179
Custodial fees	36,743	24,412
Registration fees	30,239	22,753
Transaction costs (Note 9)	15,219	2,500
Independent review committee fees (Note 8)	3,900	4,500
Less: expenses absorbed by the Fund Manager (Note 8)	(597,840)	(418,796)
	<b>3,447,364</b>	<b>3,268,715</b>
<b>(Decrease) Increase in net assets attributable to holders of redeemable units</b>	<b>(24,201,936)</b>	<b>19,892,861</b>
<b>(Decrease) Increase in net assets attributable to holders of redeemable units per series (Note 10)</b>		
Series A	(17,435,834)	14,975,000
Series F	(6,766,102)	4,917,861
<b>(Decrease) Increase in net assets attributable to holders of redeemable units per unit (Note 10)</b>		
Series A	(5.74)	5.29
Series F	(5.79)	6.44



# Global Iman Fund

## Statements of changes in net assets attributable to holders of redeemable units

For the years ended December 31, 2022 and 2021

(All amounts in Canadian dollars)

2022	Series A	Series F	Total
	\$	\$	\$
<b>Net assets attributable to holders of redeemable units at beginning of year</b>	104,417,227	35,559,350	139,976,577
<b>Decrease in net assets attributable to holders of redeemable units</b>	(17,435,834)	(6,766,102)	(24,201,936)
<b>Redeemable unit transactions</b>			
Proceeds from issuance of redeemable units	9,629,219	15,120,098	24,749,317
Redemption of redeemable units	(14,746,953)	(3,982,029)	(18,728,982)
<b>Net (decrease) increase from redeemable unit transactions</b>	(5,117,734)	11,138,069	6,020,335
<b>Net (decrease) increase in net assets attributable to holders of redeemable units</b>	(22,553,568)	4,371,967	(18,181,601)
<b>Net assets attributable to holders of redeemable units at end of year</b>	81,863,659	39,931,317	121,794,976
2021	Series A	Series F	Total
	\$	\$	\$
<b>Net assets attributable to holders of redeemable units at beginning of year</b>	78,075,330	19,135,569	97,210,899
<b>Increase in net assets attributable to holders of redeemable units</b>	14,975,000	4,917,861	19,892,861
<b>Distributions</b>			
From capital gain	(4,917,211)	(1,675,835)	(6,593,046)
<b>Total distributions to holders of redeemable units</b>	(4,917,211)	(1,675,835)	(6,593,046)
<b>Redeemable unit transactions</b>			
Proceeds from issuance of redeemable units	20,678,204	15,580,693	36,258,897
Reinvestments of distributions	4,840,210	1,493,257	6,333,467
Redemption of redeemable units	(9,234,306)	(3,892,195)	(13,126,501)
<b>Net increase from redeemable unit transactions</b>	16,284,108	13,181,755	29,465,863
<b>Net increase in net assets attributable to holders of redeemable units</b>	26,341,897	16,423,781	42,765,678
<b>Net assets attributable to holders of redeemable units at end of year</b>	104,417,227	35,559,350	139,976,577

# Global Iman Fund

## Statements of cash flows

For the years ended December 31, 2022 and 2021

(All amounts are in Canadian dollars)

	2022	2021
	\$	\$
<b>Cash flows from operating activities</b>		
(Decrease) Increase in net assets attributable to holders of redeemable units	<b>(24,201,936)</b>	19,892,861
Adjustments for:		
Realized gain on disposal of investments	<b>(3,072,612)</b>	(8,139,054)
Change in unrealized (depreciation) appreciation of investments	<b>25,917,603</b>	(13,500,284)
Increase in dividends receivable	<b>(148,558)</b>	(61,748)
(Increase) Decrease in other receivables	<b>(4,371)</b>	-
(Decrease) Increase in management fees payable	<b>(39,716)</b>	85,938
Proceeds from sale of investments	<b>25,261,325</b>	17,793,238
Purchases of investments	<b>(29,659,811)</b>	(39,415,458)
Cash from operating activities	<b>(5,948,076)</b>	(23,344,507)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of redeemable units	<b>25,310,995</b>	36,101,244
Redemption of redeemable units	<b>(18,920,953)</b>	(13,163,998)
Distributions to holders of redeemable units, net of reinvested distributions	-	(259,579)
Cash from financing activities	<b>6,390,042</b>	22,677,667
Increase (Decrease) in cash	<b>441,966</b>	(666,840)
Cash at beginning of year	<b>3,304,304</b>	3,971,144
<b>Cash at end of year</b>	<b>3,746,270</b>	3,304,304
<b>Dividends received, net of withholding taxes</b>	<b>1,672,993</b>	1,272,650

# Global Iman Fund

Schedule of investment portfolio

As at December 31, 2022

(All amounts in Canadian dollars)

	Number of shares	Average cost \$	Fair value \$
<b>Equities (96.9%)</b>			
<b>France (2.6%)</b>			
Sanofi SA	24,679	2,944,865	3,206,956
<b>Ireland (2.1%)</b>			
Medtronic PLC	23,766	2,924,195	2,499,653
<b>Netherlands (2.3%)</b>			
ASML Holding N.V.	3,785	1,403,620	2,758,162
<b>Switzerland (2.9%)</b>			
Nestle S.A.	22,546	2,764,759	3,535,734
<b>Taiwan (3.0%)</b>			
Taiwan Semiconductor Manufacturing Company Limited ADR	36,591	3,468,088	3,688,613
<b>U.S. (84.0%)</b>			
Alibaba Group Holding Limited ADR	18,437	1,946,510	2,197,899
Alphabet Inc. Class C	60,297	3,942,714	7,240,308
Amazon.com, Inc.	45,243	9,485,180	5,143,059
Amgen Inc.	10,372	2,834,125	3,686,500
Apple Inc.	45,773	3,228,772	8,048,402
Chevron Corporation	20,841	2,847,705	5,062,320
Meta Platforms, Inc.-Class A	14,973	4,534,621	2,438,426
Honeywell International Inc.	12,045	2,631,530	3,493,171
Johnson & Johnson	24,221	3,857,411	5,790,240
Mastercard Incorporated - A	9,618	4,279,135	4,526,033
Microsoft Corporation	29,594	4,641,290	9,604,613
Mondelez International, Inc. -A	20,509	1,765,375	1,849,846
Nike Inc. Class B	14,734	1,208,541	2,333,106
PepsiCo, Inc.	22,231	3,696,290	5,435,154
Pfizer Inc.	72,367	4,711,492	5,018,114
The Procter & Gamble Company	19,874	2,498,248	4,076,249
QUALCOMM Incorporated	8,900	1,750,380	1,324,148
S&P Global Inc.	5,758	2,625,764	2,609,934
Starbucks Corporation	22,420	2,088,857	3,009,803
Tesla, Inc.	14,244	5,455,072	2,374,450
United Parcel Service, Inc. Class B	14,309	2,303,370	3,366,277
Visa Inc. Class A	16,580	2,674,179	4,661,624
Eli Lilly and Company	13,639	2,593,011	6,752,499
NVIDIA Corporation	11,380	3,475,389	2,250,620
		<b>81,074,961</b>	<b>102,292,795</b>
<b>Total average cost and fair value of investments (96.9%)</b>		<b>94,580,488</b>	<b>117,981,913</b>
<b>Cash (3.1%)</b>			<b>3,746,270</b>
<b>Other assets less other liabilities (0.0%)</b>			<b>66,793</b>
<b>Net assets attributable to holders of redeemable units (100.0%)</b>			<b>121,794,976</b>

# Global Iman Fund

Notes to the financial statements

December 31, 2022 and 2021

(All amounts in Canadian dollars)

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## 1. Organization and general

The Global Iman Fund (the “Fund”) is an open-ended investment unit trust established under the laws of the Province of Ontario. The Fund was established on February 6, 2009 and commenced operations on March 10, 2009. Global Growth Assets Inc. (“GGAI” or the “Fund Manager”) is the fund manager and CW Trust is the Fund’s custodian.

Global Iman Fund is a socially responsible Shari’ah-compliant global equity fund that avoids investing in certain kinds of businesses or sectors such as alcohol, tobacco, meat-related products, financial services, weapons, defense, entertainment, and gambling.

To achieve its fundamental investment objective, the Fund will invest: a) directly in equity securities of public companies listed on the Dow Jones Islamic Market Titans 100 Index series (IMXL); b) in instruments that mirror the performance of the IMXL or instruments that mirror the performance of a selection of public companies listed on the IMXL; and c) other investments that have been deemed Shari’ah compliant by an applicable Shari’ah advisory committee.

The address of the Fund’s registered office is 100 Mural Street Suite 201, Richmond Hill, Ontario L4B 1J3. These financial statements were authorized for issue by the Fund Manager on April 6, 2023.

## 2. Basis of presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

These financial statements have been prepared on a going concern and historical cost basis, except for certain financial assets and liabilities which have been presented at fair value at the end of each reporting period as described below.

## 3. Summary of significant accounting policies

### a) Recognition, measurement and classification of financial instruments

Financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual provisions of the instrument.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss (“FVTPL”) are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss are presented in the Statements of Income and Comprehensive Income.

#### *Financial assets*

The Fund classifies its investments based on both the Fund’s business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. Consequently, all investments are measured at fair value through profit or loss.

Regular purchases and sales of investments are recognized on the trade date – the date on which the Fund commits to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognized at fair value.

# Global Iman Fund

Notes to the financial statements  
December 31, 2022 and 2021  
(All amounts in Canadian dollars)

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## 3. Summary of significant accounting policies (continued)

### a) Recognition, measurement and classification of financial instruments (continued)

#### *Financial assets (continued)*

Dividend income from financial assets at fair value through profit or loss is recognized in the Statements of Income and Comprehensive Income within dividend income when the Fund's right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the Fund, and the amount of the dividend can be measured reliably.

Realized gains (losses) on disposal of investments and change in unrealized appreciation (depreciation) on investments of the related investments are recognized in the Statements of Income and Comprehensive Income in the period when such gains (losses) occur. The change in unrealized appreciation (depreciation) on investments is accumulated as part of the Net assets Attributable to Holders of Redeemable Units but is not included in the distributions to holders of redeemable units until such gains (losses) are realized on the disposal of investments.

Cash, dividends receivable, subscriptions receivable and other receivables are classified and measured at amortized cost.

#### *Financial liabilities*

The Fund's financial liabilities, including redemptions payable and management fees payable are measured at amortized cost using the effective interest method.

The Fund derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset, and the net amount is presented in the Statements of Financial Position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously. No amounts have been offset in the Statements of Financial Position.

### b) Withholding taxes

The Fund generally incurs withholding taxes imposed by certain countries on dividend income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the Statements of Income and Comprehensive Income.

### c) Impairment of financial assets

The financial assets measured at amortized cost include cash, subscriptions receivable, dividends receivable and other receivables.

At each reporting date, the Fund measures the loss allowance on cash, subscriptions receivable, dividends receivable, other receivables, at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund measures the loss allowance at an amount equal to the twelve month expected credit losses. The Fund holds its cash with Schedule I banks and Canadian chartered banks. Given the short-term nature of the receivables and the high credit quality of cash and receivables, the Fund has determined that the expected credit loss allowances are not material.

# Global Iman Fund

Notes to the financial statements

December 31, 2022 and 2021

(All amounts in Canadian dollars)

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## 3. Summary of significant accounting policies (continued)

### d) Foreign currency translation

The Fund's subscriptions and redemptions are denominated in Canadian dollars, which is also its functional and presentation currency. This is the currency that most faithfully represents the economic effect of the underlying transactions, events, and conditions of the Fund. Foreign currency transactions are translated into functional currency using the exchange rate prevailing on the trade date.

Foreign currency assets and liabilities denominated in a foreign currency are translated into the functional currency using the exchange rate prevailing at the measurement date.

Foreign exchange gains and losses relating to cash are presented as foreign exchange loss on cash and those relating to investments are represented within realized gain on disposal of investments and change in unrealized (depreciation) appreciation of investments in the Statements of Income and Comprehensive Income.

### e) Cash

Cash is comprised of deposits with a financial institution.

### f) Distribution

Income earned by the Fund is distributed to unitholders at least once a year and these distributions are generally reinvested by unitholders of the Fund. Net realized capital gains (reduced by loss carry-forwards, if any) are distributed in December of each year to unitholders.

Unrealized gains and losses are included in the net assets attributable to unitholders and are not distributable until realized. Capital losses are not distributed to unitholders but are retained to be offset against any future realized capital gains.

### g) Transaction costs

Transaction costs are expensed and are included in the Statements of Income and Comprehensive Income. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of an investment, which includes fees and commissions paid to agents, advisors, brokers and dealers.

### h) Classification of redeemable units issued by the Fund

Under IFRS, International Accounting Standards ("IAS") 32 requires that units of an entity that include a contractual obligation for the issuer to repurchase or redeem them for cash or another financial asset be classified as a financial liability.

### i) Net asset value attributable to holders of redeemable units per unit

A separate net asset value ("NAV") is calculated for each series of units of the Fund by taking the series' proportionate share of the Fund's assets less the series' proportionate share of the Fund's liabilities and deducting from this amount all liabilities that relate solely to a specific series. The NAV per unit for each series is determined by dividing the NAV of each series by the number of units of that series outstanding on the valuation date.

### j) Increase (decrease) in net assets attributable to holders of redeemable units per unit

An increase (decrease) in net assets attributable to holders of redeemable units per unit in the Statements of Income and Comprehensive Income is calculated by dividing the increase (decrease) in net assets attributable to holders of redeemable units by the weighted average number of units outstanding during the year.

# Global Iman Fund

Notes to the financial statements

December 31, 2022 and 2021

(All amounts in Canadian dollars)

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## 4. Critical accounting estimates and judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Fund has made in preparing the financial statements:

### Classification and measurement of investments

In classifying and measuring financial instruments held by the Fund, the most significant judgment is the designation of the investment portfolio as at FVTPL. The classification provides reliable and more relevant information about the effects of transactions, the financial position and the Plan's cash flows.

## 5. Risk Management

The Fund's risk management process includes monitoring compliance with the Fund's investment policy as outlined in the Fund's prospectus. The Fund manages the effects of these financial risks on the Fund portfolio performance by retaining and overseeing professional external portfolio advisors. The portfolio advisors regularly monitor the Fund's positions, and market events and manage the investment portfolio within the constraints of the investment policy.

The Fund's activities expose it to various types of financial risks that are associated with its investment strategies, financial instruments, and markets in which it invests. The most significant risks include credit risk, liquidity risk, and market risk (including price risk and currency risk). The level of risk depends on the Fund's investment objectives and the type of securities it invests in. These risks and related risk management practices employed by the Fund are discussed below:

### a) Credit Risk

The Fund is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. All transactions in listed securities are settled upon delivery using approved brokers.

The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations.

The Fund's credit risk is assessed as minimal as cash represents a small portion of the total portfolio of investments. The maximum exposure to credit risk from cash, subscriptions receivable, dividends receivable and other receivables is their carrying value.

### b) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to meet its obligations on time. The Fund may be subject to liquidity constraints because of insufficient volume in the markets for the securities of the Fund or the securities may be subject to legal or contractual restrictions on their resale. In addition, the Fund is exposed to daily cash redemptions of redeemable units. The units of the Fund are redeemable on demand at the current net asset value per unit at the option of the unitholder. Liquidity risk is managed by investing the majority of the Fund's assets in investments that are traded in an active market and can be readily disposed of. In addition, the Fund maintains sufficient cash on hand to fund anticipated redemptions.

All of the Fund's financial liabilities as at December 31, 2022, and December 31, 2021, are due within three months.

### c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Fund's Portfolio Advisors attempt to mitigate this risk by periodically reviewing the market conditions and the performance of the portfolio and by making necessary changes to the portfolio in accordance with the Fund's investment objectives.

# Global Iman Fund

Notes to the financial statements  
December 31, 2022 and 2021  
(All amounts in Canadian dollars)

## 5. Risk Management (continued)

### d) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund holds assets and liabilities that are denominated in currencies other than the Canadian dollar, the functional currency and it is therefore exposed to currency risk. As well, the Fund may enter into forward foreign exchange contracts primarily with the intention to offset or reduce exchange rate risks associated with the investments and also, periodically, to enhance returns to the portfolio.

The tables below summarize the Fund's exposure to currency risks as at December 31, 2022, and December 31, 2021. Had the exchange rate between the Canadian dollar and the foreign currencies increased (decreased) by 10%, with all other variables held constant, net assets attributable to holders of redeemable units would have increased (decreased) by \$11,798,550 as at December 31, 2022 (December 31, 2021 -\$13,643,515). In practice, actual results may differ from this sensitivity analysis.

December 31, 2022	Cash	Investments at fair value through profit or loss	Net exposure	Percentage of net assets
	\$	\$	\$	%
Pound Sterling	-	-	-	-
Euro	-	5,965,119	5,965,119	4.9%
Swiss Franc	-	3,535,734	3,535,734	2.9%
U.S. Dollars	3,583	108,481,060	108,484,643	89.1%
Total	3,583	117,981,913	117,985,496	96.9%

December 31, 2021

	\$	\$	\$	%
Pound Sterling	-	-	-	-
Euro	-	6,866,882	6,866,882	4.9%
Swiss Franc	-	9,763,266	9,763,266	7.0%
U.S. Dollars	3,367	119,798,270	119,801,637	85.6%
Total	3,367	136,428,418	136,431,785	97.5%

### e) Other price risk

The other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Fund Manager aims to moderate this risk through a careful selection and diversification of securities and other financial instruments within the limits of the Fund's investment objectives and strategy.

The impact on net assets of the Fund due to a 10% change in the Dow Jones Islamic Market Titans 100 index benchmark (the "benchmark"), using a historical correlation between the return of the Fund



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## 5. Risk Management (continued)

as compared to the return of the Fund's benchmark, as at December 31, 2022, and December 31, 2021, with all other variables held constant, is included in the following table:

	December 31, 2022	December 31, 2021
	\$	\$
Impact on net assets	12,179,498	13,997,658

### f) Other price risk (continued)

This analysis assumes that all other variables remained unchanged. The historical correlation may not be representative of the future correlation.

### g) Concentration risk

Concentration risk arises as a result of the concentration of exposures within the same category, whether it is geographical location, product type, industry sector, or counterparty type. The following is a summary of the Fund's concentration risk:

Market Segment	December 31, 2022	December 31, 2021
	%	%
Information Technology	38.2%	28.0%
Health Care	22.1%	16.6%
Consumer Discretionary	12.4%	13.0%
Consumer Staples	12.2%	9.7%
Industrials	5.6%	7.6%
Energy	4.2%	3.5%
Financials	2.2%	2.5%
Communication Services	-	16.6%
<b>Total</b>	<b>96.9%</b>	<b>97.5%</b>

## 6 Fair value measurement

The Fund classifies the fair value of its financial instruments within a hierarchy that gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are as follows:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the Manager has the ability to access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

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## 6. Fair value measurement (Continued)

If inputs of different levels are used to measure an asset's or liability's fair value, the classification within the hierarchy is based on the lowest level input that is significant to the fair value measurement. The following fair value hierarchy tables present information about the Fund's assets and liabilities measured at fair value within the fair value hierarchy as at December 31, 2022 and December 31, 2021.

December 31, 2022	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets				
Equities	117,981,913	-	-	117,981,913
<b>Total Financial Assets</b>	<b>117,981,913</b>	<b>-</b>	<b>-</b>	<b>117,981,913</b>

December 31, 2021	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Financial Assets				
Equities	136,428,418	-	-	136,428,418
<b>Total Financial Assets</b>	<b>136,428,418</b>	<b>-</b>	<b>-</b>	<b>136,428,418</b>

There have been no transfers between levels during the years ended December 31, 2022, and December 31, 2021.

The carrying value of cash, subscriptions receivable, dividends receivable, other receivables, redemptions payable, and management fees payable approximate their fair value is given their short-term nature.

## 7. Redeemable units

The Fund may issue an unlimited number of units of each series.

During the years ended December 31, 2022, and December 31, 2021, the number of units issued, redeemed, and outstanding was as follows:

	Series A		Series F	
	2022	2021	2022	2021
Units outstanding - beginning of year	3,148,269	2,647,870	937,159	573,794
Redeemable units issued	319,171	605,461	206,532	379,814
Redeemable units redeemed	(222,061)	(191,512)	(119,702)	(105,478)
Units issued on reinvestment of distributions	-	143,544	-	38,726
Exchanges in	5,768	43,367	231,948	50,303
Exchanges out	(271,850)	(100,461)	(145)	-
<b>Units outstanding - end of year</b>	<b>2,979,297</b>	<b>3,148,269</b>	<b>1,255,792</b>	<b>937,159</b>

The number of units exchanged is based on the respective daily NAV per unit of each series.

# Global Iman Fund

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December 31, 2022 and 2021

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## 8. Management fees and expenses

### *Management fees and related party transactions*

The Fund pays the Fund Manager an annual management fee of up to 2.5% in the case of Series A units and up to 1.5% in the case of Series F, subject to Harmonized Sales Taxes as applicable. The management fee is calculated and accrued daily and is paid the next month based on the average daily net asset value of the Fund. For the year ended December 31, 2022, the management fee was \$3,097,357 (December 31, 2021 - \$3,004,871), of which \$254,503 (December 31, 2021 - \$294,219) remains payable.

As at December 31, 2022, Global RESP Corporation, an entity under common control with GGAI, held \$1,781,698 (December 31, 2021 - \$2,126,152) of the units of the Fund. During the fiscal year, Global RESP Corporation received \$0 (December 31, 2021 - \$56,034) of distributions.

### *Expenses*

The Fund is responsible for the payment of all direct expenses related to its operations, such as brokerage commissions and fees (Note 9), taxes, audit and legal fees, safekeeping and custodial fees, and other expenses. Each series of units of the Fund is responsible for the operating expenses that relate specifically to that series.

During the years ended December 31, 2022 and 2021, the Fund Manager paid all of the expenses of the Fund, other than brokerage commissions and fees. Such payments can be terminated by the Fund Manager at any time without notice.

Related party transactions also include remuneration to the board members comprising the Independent Review Committee. Fees for the committee during the year ended December 31, 2022, were \$3,900 (December 31, 2021 - \$4,500).

## 9. Brokerage commissions

The Fund paid \$15,219 (December 31, 2021 - \$2,500) in brokerage commissions and other transaction costs for the year ended December 31, 2022.

## 10. Increase (Decrease) in net assets attributable to holders of redeemable units per unit

The increase (decrease) in net assets attributable to holders of redeemable units per unit for the years ended December 31, 2022, and December 31, 2021, is calculated as follows:

# Global Iman Fund

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	December 31	December 31
Series A	2022	2021
	\$	\$
Decrease in net assets attributable to holders of redeemable units	(17,435,834)	14,975,000
Weighted average units outstanding during the year	3,035,578	2,832,424
Decrease in net assets attributable to holders of redeemable units per unit	(5.74)	5.29
Series F	December 31	December 31
	2022	2021
	\$	\$
Decrease in net assets attributable to holders of redeemable units	(6,766,102)	4,917,861
Weighted average units outstanding during the year	1,168,881	764,132
Decrease in net assets attributable to holders of redeemable units per unit	(5.79)	6.44

## 11. Income tax

The Fund qualifies as a mutual fund trust under the provisions of the *Income Tax Act* (Canada) ("ITA"). The Fund is subject to tax on its income, including net realized capital gains, for the year in which it is not paid or payable to the unitholders as at the end of the year. Income taxes on net realized gains not paid or payable by the Fund are generally recovered by virtue of refunding provisions contained in the ITA and provincial income tax acts, as redemptions occur. The Fund

ensures sufficient distributions of income and of net realized capital gains are made to unitholders of record for the Fund so that no provision for income taxes is required in the financial statements.

The Fund has a non-capital loss for income tax purposes of \$260,201 available for utilization against net earnings and realized gains for tax purposes in future years.

## 12. Capital management

The Fund's capital consists of the components of the net assets attributable to unitholders as per the Statements of Financial Position in the amount of \$121,794,976. The Fund has obligations to return unitholders' contributions upon maturity or termination. The Fund endeavors to invest contributions received in appropriate investments while maintaining sufficient liquidity to meet unitholders' obligations.