



**Tahseen Rehman & Co.**  
Chartered Accountants

**Office Address**

Office No. 3, Rehmat Building,  
PTCL Exchange Street,  
New Abdali Colony, Multan  
Tel: 0347 783 8876  
Email: [info@trca.com.pk](mailto:info@trca.com.pk)  
Website: [www.trca.com.pk](http://www.trca.com.pk)

**INDEPENDENT AUDITOR'S REPORT**

**To the Unit holders of Crypto Money Fund Dollar Hedge I  
Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of Crypto Money Fund Dollar Hedge I (the Fund), which comprise the statement of assets and liabilities as at September 30, 2022 the income statement, and the cash flow statement for the period that ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at September 30, 2022, and of its financial performance and its cash flows for the year that ended in accordance with the accounting and reporting standards as applicable in Pakistan.

**Basis for Opinion**

We conducted our audit in accordance with the Generally Accepted Accounting Principles (GAAPs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* sections of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters are addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Other Information**

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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 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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibility of Management and Board of Directors of the Management company for the Financial Statements**

Management is responsible for the preparation and fair representation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, 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.

**Multan Office:**

Office No.3, Rehmat  
Building  
Opposite PTCL exchange,  
New Abdali Colony,  
Multan  
Tel: 0347 7838876



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.

Board of director of the Management Company is 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 ISAs as applicable in Pakistan 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 ISAs as applicable in Pakistan, 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 of 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, internal omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the 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 board of directors of the Management Company 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.

We also provide board of directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



**Tahseen Rehman & Co.**  
Chartered Accountants

From the matters communicated with board of directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is **Tahseen Bukhari**.

Tahseen Rehman & Co.  
Chartered Accountants  
Dated: 20 March 2024  
Multan

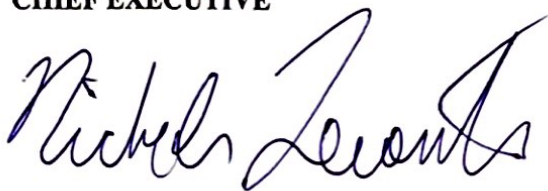


*Tahseen Reh*  
**Tahseen Rehman & Co.**  
Chartered Accountants

**CRYPTO MONEY FUND DOLLAR HEDGE I**  
**Statement Of Assets And Liabilities**  
**July 01, 2019 to Sep 30, 2022**

	<u>2022</u> (USD)	<u>2021</u> (USD)	<u>2020</u> (USD)	<u>2019</u>
<b>Assets</b>				
Weighted Net Capital invested	184,400	225,855	243,650	237,043
Profit accrued	22,894	156,911	251,878	58,699
<b>Total Assets</b>	<b>207,294</b>	<b>382,766</b>	<b>495,528</b>	<b>295,742</b>
<b>Liabilities</b>				
Management fee payable	3,500	3,500	2,252	4,741
Success fee payable	1,079	29,130	42,058	33,215
<b>Total Liabilities</b>	<b>4,579</b>	<b>32,630</b>	<b>44,310</b>	<b>37,956</b>
<b>Net Assets</b>	<u>202,716</u>	<u>350,136</u>	<u>451,218</u>	<u>257,787</u>
<b>Unit holders' fund</b>	<u>202,716</u>	<u>350,136</u>	<u>451,218</u>	<u>257,787</u>

**CHIEF EXECUTIVE**



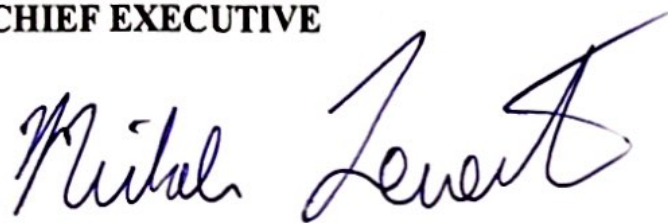
**CRYPTO MONEY FUND DOLLAR HEDGE I**

**Income Statement**

**July 01, 2019 to Sep 30, 2022**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2020</u>
	... USD ...			
Profit on balances with Crypto Exchanges	22,894	156,911	251,878	58,699
<b>Total income/(Loss)</b>	<b>22,894</b>	<b>156,911</b>	<b>251,878</b>	<b>58,699</b>
<b>Expenses</b>				
Management fee	-	1,248	2,252	4,741
Success fee	1,079	29,130	42,058	33,215
<b>Total expenses</b>	<b>1,079</b>	<b>30,378</b>	<b>44,310</b>	<b>37,956</b>
<b>Profit/(loss) for the year</b>	<b>21,815</b>	<b>126,533</b>	<b>207,568</b>	<b>20,744</b>
Accumulated profit brought forward	354,845	228,312	20,743.56	-
<b>Accumulated profit carried forward</b>	<b>376,660</b>	<b>354,845</b>	<b>228,312</b>	<b>20,744</b>

**CHIEF EXECUTIVE**



**CRYPTO MONEY FUND DOLLAR HEDGE I**  
**Statement of Cash Flows**  
**July 01, 2019 to Sep 30, 2022**

	2022	2021	2020	2021
	(USD)			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before taxation	21,815	126,533	207,568	20,744
<b>Adjustment for:</b>				
Net unrealised (diminution)/appreciation on re-measurement of investments	(22,894)	(156,911)	(251,878)	(58,699)
	(1,079)	(30,378)	(44,310)	(37,956)
<b>(Increase) / Decrease in assets</b>				
Balances with crypto exchanges	41,455	17,795	(6,607)	237,043
<b>(Decrease)/Increase in liabilities</b>				
Management fee payable	-	1,248	2,252	4,741
Success fee payable	(28,051)	(12,928)	42,058	33,215
	(28,051)	(11,680)	44,310	37,956
<b>Net cash generated from (used in) operating activities</b>	<b>12,325</b>	<b>(24,263)</b>	<b>(6,607)</b>	<b>237,043</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Payments against Investment / (redemption of fund)	(53,780)	6,468	13,214	-
<b>Net increase in cash &amp; bank balance</b>	<b>(41,455)</b>	<b>(17,795)</b>	<b>6,607</b>	<b>237,043</b>
Cash and Cash equivalents at beginning of the year	225,855	243,650	237,043	-
<b>Cash and Cash equivalents at end of the year</b>	<b>184,400</b>	<b>225,855</b>	<b>243,650</b>	<b>237,043</b>

**CHIEF EXECUTIVE**



## **CRYPTO MONEY FUND DOLLAR HEDGE I**

### **Notes to the Financial Statements**

**July 01, 2019 to Sep 30, 2022**

#### **1. LEGAL STATUS AND OPERATIONS**

The Crypto Money Fund Dollar Hedge I ("CMFDH I") was established and managed by Nicholas Levenstein and Company ("NLC"). CMFDH I operated from July 01, 2020, to September 30th, 2022.

NLC is a joint stock company registered in Georgia by the LEPL National Agency of Public Registry.

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **2.1 Basis of preparation**

The transactions undertaken by the Fund are in conformity with the process prescribed under the International Financial Reporting Standards and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Georgia.

The results show the compounding quarterly results from January 2020.

##### **2.2 Accounting convention**

These financial statements have been prepared under the historical cost convention except for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values.

##### **2.3 Functional and presentation currency**

These financial statements are presented in United States Dollar. The Fund's functional currency was Bitcoin, which was marked to the United States Dollar in real time.

##### **2.4 Cash and cash equivalents**

These comprise balances with banks in savings and current accounts, cheques in hand and other short-term highly liquid investments with original maturities of three months or less. However, the fund involved no bank accounts and invested exclusively with crypto based assets.

##### **2.5 Financial assets**

###### **2.5.1 Regular way contracts**

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset.

###### **2.5.2 Initial recognition and measurement**

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

###### **2.5.3 Derecognition**

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss arising on derecognition of financial assets is taken to the Income Statement.

## 2.6 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

## 2.7 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the 'Statement of Assets and Liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

## 2.8 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

## 2.9 Revenue recognition

Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place;

Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are recorded in the period in which these arise

## 2.10 Expenses

All expenses chargeable to the Fund are recognised in the Income Statement on an accrual basis.

## 4 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2022, December 31, 2021 and December 31, 2020.

## 5 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on  
-----.

## 6 GENERAL

Figures have been rounded off to the nearest United States Dollar unless otherwise stated.

CHIEF EXECUTIVE

