

Quarterly Report

December 31, 2023

(un-audited)



Funds Managed by:
AKD Investment Management Ltd

Partner with AKD
Profit from the Experience

CORPORATE INFORMATION

MANAGEMENT COMPANY

AKD Investment Management Limited
216-217, Continental Trade Centre, Block-8, Clifton, Karachi-74000.

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Chairman

Mr. Khalid Mehmood

Chief Executive Officer

Mr. Imran Motiwala

Director(s)

Ms. Anum Dhedhi
Ms. Aysha Ahmed
Mr. Ali Wahab Siddiqi
Mr. Hasan Ahmed
Mr. Abid Hussain

CHIEF OPERATING OFFICER AND COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Muhammad Yaqoob Sultan, CFA

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Munir Abdullah

HEAD OF INERNAT AUDIT OF THE MANAGEMENT COMPANY

Ms. Tayyaba Masoom Ali, ACA (ICAP & ICAEW)

AUDIT AND RISK MANAGEMENT COMMITTEE

Mr. Abid Hussain (Chairman)
Ms. Aysha Ahmed (Member)
Mr. Ali Wahab Siddiqui (Member)
Mr. Hasan Ahmed (Member)
Ms. Tayyaba Masoom Ali, ACA (ICAP & ICAEW) (Secretary)

HUMAN RESOURCE AND REMUNERATION (HR & R) AND NOMINATION COMMITTEE

Mr. Khalid Mahmood (Chairman)
Mr. Imran Motiwala (Member)
Mr. Abid Hussain (Member)
Ms. Aysha Ahmed (Member)
Ms. Anum Dhedhi (Member)
Mr. Muhammad Yaqoob Sultan, CFA (Secretary)

RATING

AKD Investment Management Limited AM3++ (AM Three Plus Plus) issued by PACRA

VISION

To serve investors in Pakistan's capital markets with diligence, integrity and professionalism, thereby delivering consistent superior returns and unparalleled customer service.

MISSION STATEMENT

- » Keep primary focus on investing clients' interest
- » Achieve highest standards of regulatory compliance and good governance
- » Prioritize risk management while endeavouring to provide inflation adjusted returns on original investment
- » Enable the investing public and clients to make AKDIML Funds a preferred part of their overall savings and investment management strategy
- » Distinguish themselves and compete on the basis of unparalleled service quality while setting industry standards for professionalism, transparency and consistent leading performance
- » Foster and encourage technical, professional, ethical development of human capital to provide our people the best opportunities and environment for their personal growth.

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of AKD Investment Management Limited (AKDIML), the Management Company of AKD Opportunity Fund (AKDOF), Golden Arrow Stock Fund (GASF), AKD Index Tracker Fund (AKDITF), AKD Islamic Stock Fund (AKDISSF), AKD Cash Fund (AKDCF), AKD Aggressive Income Fund (AKDAIF), AKD Islamic Income Fund (AKDISIF) and AKD Islamic Daily Dividend Fund (AKDIDDF) is pleased to present its annual report along with the Funds' audited Financial Statements for the half year ended December 31, 2023.

FUNDS' FINANCIAL PERFORMANCE

AKD Opportunity Fund (AKDOF)

For the 1HFY24, the return of AKD Opportunity Fund stood at 21.80% compared to the benchmark KSE-100 Index return of 50.66%.

Golden Arrow Stock Fund (GASF)

For the 1HFY24, the return of Golden Arrow Stock Fund at 42.59% compared to the benchmark KSE-100 Index return of 50.66%.

AKD Islamic Stock Fund (AKDISSF)

For the 1HFY24, the return of AKD Islamic Stock Fund stood at 72.33% compared to the benchmark KMI-30 Index return of 48.03%.

AKD Index Tracker Fund (AKDITF)

For the 1HFY24, the return of AKD Index Tracker Fund at 48.03% compared to the benchmark KSE-100 Index return of 50.66%.

AKD Cash Fund (AKDCF)

For the 1HFY24, the return of AKD Cash Fund stood at 21.88% compared to the benchmark return of 21.44%.

AKD Islamic Income Fund (AKDISIF)

For the 1HFY24, the return of AKD Islamic Income Fund stood at 19.84% compared to the benchmark return of 9.10%.

AKD Aggressive Income Fund (AKDAIF)

For the 1HFY24, the return of AKD Aggressive Income Fund stood at 19.67% as compared to the benchmark return of 22.81%.

AKD Islamic Daily Dividend Fund (AKDIDDF)

For the 1HFY24, the return of AKD Islamic Daily Dividend Fund stood at 19.17% as compared to the benchmark return of 9.37%.

MACRO PERSPECTIVE

The First Half of FY24 brought fresh tides of hope for Pakistan's economy but not without its own set of challenges. Pakistan saw a major decline in imports as high inflation along with record high interest rates inevitably led to demand compression, coupled with progressive efforts to ensure parity to the exchange rate via blockade of illegal channels. However, the continuous improvement on the External Front while encouraging has been offset by dwindling figures of the Real Sector with LSMI output for Jul-Nov 23 period showing a decline of 0.8% when compared to SPLY. In light of these figures and slower-than-expected moderation in inflation, SBP has kept its GDP Growth rate forecasts at a moderate 2-3% for FY24 despite negative growth rate in FY23 (-0.475%). Further complicating issues were the uncertainties around General Election results which understandably dampened any hope of an amicable and peaceful transition of power. Ongoing and growing instability in the region has further impeded the already slow-paced economic recovery amid high cost of doing business, evident through more than twice the increase in freight costs from Asia to Northern Europe since the start of attacks by Houthi rebels on commercial vessels in the Red Sea further aggravating inflationary pressures.

On the Fiscal Front, there was positive news as both tax and non-tax revenues showed strong growth. Non-tax revenues increased amidst substantial growth in petroleum development levy and transfer of sizable SBP profit while Tax revenues grew as FBR achieved its Target for the first six months of Rs.4425 billion (as agreed with the IMF) by recording collection of Rs.4468 billion. FBR in the corresponding six months of the previous year collected Rs.3428 billion, thus registering an increase of more than 1 Trillion. Furthermore, on January 17th, 2024 Pakistan received a USD 700 Million 2nd loan tranche from the International Monetary Fund (IMF) under the nine-month Stand-By Arrangement (SBA), this development came shortly after the Executive Board of the IMF completed the first review of Pakistan's economic reform program under the SBA. Pakistan to date has received \$1.9 billion disbursements out of the total \$3 billion under the nine-month SBA with further progress strongly dependent on the successful and peaceful transfer of power to a democratically elected government through the general elections.

The prolonged monetary and fiscal tightening took its toll on the real sector with LSMI output for Jul to Nov 23 declining by 0.8% compared to SPLY. The sectors majorly contributing to the overall decline included Textile, Automobiles, Furniture and Tobacco. Agriculture output, however, saw some positive developments as yield on Kharif crops already turned out better than last year while the prospects for Rabi crops also appeared promising amid better input conditions.

On the monetary front, the Monetary Policy Committee (MPC) in its meeting on January 29th 2024, kept the policy rate unchanged at 22%, contrary to market expectations of a nominal cut, created by lower cutoff yields of recently concluded T-Bills and Ijarah Sukuk auctions. The decision took into account the impact of sizable adjustments in administered energy prices from Nov 23 onwards on inflation, despite the presence of some offsetting developments like the recent stability in international oil prices and improved availability of agricultural produce. The Committee also noted that core inflation continues to moderate in line with the Committee's expectations. Further, the Committee assessed that the real interest rate continues to be positive on a 12-month forward-looking basis while inflation was expected to recede in the foreseeable future.

The NCPI during January 2024 clocked in at 28.34% YoY as compared to 29.66% in December 2023 and 27.55% in January 2023, taking 7MFY24 average NCPI to 28.73% compared to 25.40% during the SPLY. On a regional basis, Urban and Rural CPI was recorded at 30.23% and 25.69% respectively. The slow pace of decline in inflation can be attributed to frequent and sizeable adjustments in administered energy prices which has also impeded expectations of a sustained decrease in inflation. On the other hand, notably non-energy inflation continues to moderate, in line with SBP's projections.

On the external front Current Account recorded a surplus for the month of Dec 2023 of USD 397 million, the first since Jun 23, compared to a deficit of USD 15 million (revised) in Nov 2023 taking the HFY24 Current Account Deficit (CAD) to USD 831 million against CAD of USD 3.63 billion SPLY, down 77% on the back of decline in imports, increase in exports and other current transfers. The HFY24 total Imports stood at 30.44 billion USD down by 10% SPLY, total exports stood at 19.06 billion USD up by 10% SPLY, while a steady exchange rate also boosted workers' remittances as the 2nd QFY24 recorded remittances of 7.10 billion USD up by 10% when compared to the corresponding quarter last year.

SBP foreign exchange reserves also saw massive improvement with a remarkable increase of 85% since the start of FY24, clocking in at USD 8.22 billion at the end of Jan 2024. The gains were attributable to the unlocking of the 1st and 2nd Tranche under the IMF SBA through which Pakistan received USD 1.9 billion and was further augmented by relatively higher export earnings and workers' remittances.

EQUITY MARKET REVIEW

During HFY24, after two years of relative underperformance, the equity market staged a massive comeback reaching new heights and making new records. The index KSE 100 increased by 20,998 points, generating a huge return of 50.66% with elevated levels of average daily volume of 476.60 million compared to 217.83 million shares SPLY. During the period, investors celebrated improving macros with an appreciating currency while weathering through hard but essential steps taken by the caretaker setup to ensure sustainability for the country. Despite these impressive feats; however, as CY24 approached new challenges emerged which threaten to derail the momentum gained throughout FY24. Of the foremost concern was the smooth and peaceful transition of democratic power, the expectations of which have fallen severely short following which sentiment has once again been marred by the uncertainty and indecisiveness surrounding the announced election results. Further, this growing political unrest is taking place against the background of increasing international tensions and widening fronts of conflict in the region coupled with Pakistan's fiscal position and the dire need to initiate talks with the IMF for a subsequent support program illustrates our precarious state.

Investor participation during HFY24 increased significantly by 119% with 476.60 million average daily volume compared to 217.83 million shares SPLY. Foreign Portfolio Investment also saw a huge increase with net buying of USD 71.01 million compared to net selling of USD 0.96 million SPLY. Major net buying was recorded in sectors of Commercial Banks--USD 24.13 M, Power Generation & Distribution --USD 15.714 M and Cement -- USD 14.77 M. On the local front, only Insurance and Corporations remained net buyers with buying of USD 60.32 M and USD 52.45 M respectively.

Breaking down the performance sector-wise showed all sectors in green with Refinery (94.74%), Close End Mutual Fund (90.16%), Power Generation & Distribution (87.01%), Transport (77.59%) and Leather & Tanneries (73.60%) among top performers during HFY24. Weak Performers included Real Estate Investment Trust (0.27%), Vanaspati & Allied Industries (3.0%), Textile Spinning (6.72%), Woollen (7.24%) and Modarabas (8.76%).

During the 10-year period, the KSE - 100 index yielded an annualized return of 9.47% while in the same period, the USD appreciated by 10.27% annually against PKR which has caused foreign investors to stave off from Pakistan Equity Market. The situation, however, has changed since the start of FY24, with USD depreciating 2% against PKR to close at 280.97 as at 31st Dec 23, the relative stability in exchange rates has piqued foreign interest with net buying of USD 71.01 million putting a brake on the continuous net selling of past few years. It is imperative for the current caretaker and then the incumbent government to enact and implement policies that continue to facilitate the relative stability in exchange rates, if the equity market is to continue the path it charted in HFY24.

Despite vast gains recorded during the period, the market continues to trade at exceedingly attractive PE and PB multiples of 4.72x (Earnings Yield of 21.19%) and 0.78x respectively, along with a healthy dividend yield of 10.29% as at 31st Dec 23. Our pro-equity stance is based on expectations of continued macroeconomic improvement through fiscal consolidation and timely realization of planned external inflows which shall help in bringing down the current elevated levels of inflation to the SBP target of 5-7 percent by mid-CY25. This in turn should bring down the Risk-Free Return and Earnings Yield to their historical average of 10% and 12.5% respectively.

FIXED INCOME REVIEW

During HFY24, the State Bank of Pakistan maintained the policy rate at all-time high levels of 22% in response to un-abating inflationary pressures, with the average NCPI for HFY24 soaring to 28.79%, and the pressing need to fortify the country's volatile external account.

The heightened policy rate played a significant role in maintenance of elevated rates of government securities, attracting substantial investments into these instruments as investors sought improved returns offered by government debt securities despite having an alternative in the face of high performing equity market.

During the period HFY24, the State Bank of Pakistan conducted a total of thirteen (13) Market Treasury Bill (MTB) auctions, where the government managed to raise PKR 15.78 trillion against the auction target of PKR 16.34 trillion. Notably, the weighted average yields for 3, 6 and 12-month MTBs were 21.32%, 21.36% and 21.34%, respectively, down by 67 bps, 56 bps, and 64 bps compared to the end of FY23.

To further address the need for liquidity, SBP also conducted six (6) auctions of fixed-rate Pakistan Investment Bond (PIB) and was successful in raising PKR 0.95 trillion. The weighted average yields for 3Y, 5Y and 10Y PIBs stood at 16.92%, 15.81% and 14.97% down by 255 bps, 27bps and 35bps respectively, since the start of FY24.

In the market for Shariah Compliant instruments, the SBP conducted a total of six (6) auctions of GOP Ijara Sukuk, both Variable Rental Rate (VRR) and Fixed Rental Rate (FRR). These auctions successfully raised PKR 1.24 Trillion against the auction target of PKR 1.22 Trillion.

Moreover, during HFY24 the State Bank of Pakistan carried out 61 Open Market Operations (OMOs) with varying maturities, injecting PKR 45.39 trillion into the market at an average cut-off yield of 22.08% and mopped up PKR 4.38 trillion at an average cut-off yield of 21.99%.

Looking ahead to the auction target calendars for February through April 2024, the State Bank of Pakistan aims to raise PKR 1.53 trillion by issuing 3 to 12-month MTBs against the maturing amount of PKR 1.731 trillion. Additionally, the SBP targets to raise PKR 505 billion through 3 to 30-year fixed-rate PIBs and PKR 810 billion through floating-rate bonds.

For and on behalf of the board

Imran Motiwala
Chief Executive Officer

Khalid Mahmood
Chairman

Karachi: March 29, 2024

FUND INFORMATION

AKD Cash Fund



Management Company

AKD Investment Management Limited
216-217, Continental Trade Centre,
Block 8, Clifton, Karach - 74000

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block B, S.M.C.H.S.
Main Shahrah-e-Faisal
Karachi

Bankers

Askari Bank Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
United Bank Limited

Auditors

M/s Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8,
KCHSU Shahrah-e-Faisal,
Karachi-75350

Legal Advisor

Sattar & Sattar
Attorneys-at-Law
3rd Floor, UBL Building
I.I Chundrigar Road, Karachi.

Registrar

ITMinds Limited
Central Depository Company of Pakistan Limited,
CDC House, 99B, Block B, S.M.C.H.S,
Main Shahrah-e-Faisal, Karachi.

Distributor

Financial Investments Mart (Pvt) Ltd.
Investlink Advisor (Private) Limited.
Investomate (Private) Limited
ITMinds Limited.
YPay Financial Services (Pvt.) Ltd.

Rating-AKDCF

BY PACRA: AA+(f)

FUND MANAGER'S REPORT

i) Description of the Collective Investment Scheme Category and types:

Open – end Money Market Scheme

ii) Statement of Collective Investment Scheme's Investment objective:

The investment objective of the Fund is to provide optimum return consistent with minimal risk from a portfolio constituted of high quality short term securities / instruments, which will provide liquidity to investors. The fund exclusively invests in highly secure ('AA' and above) debt instruments such that the weighted average maturity of its assets stays below 90 days.

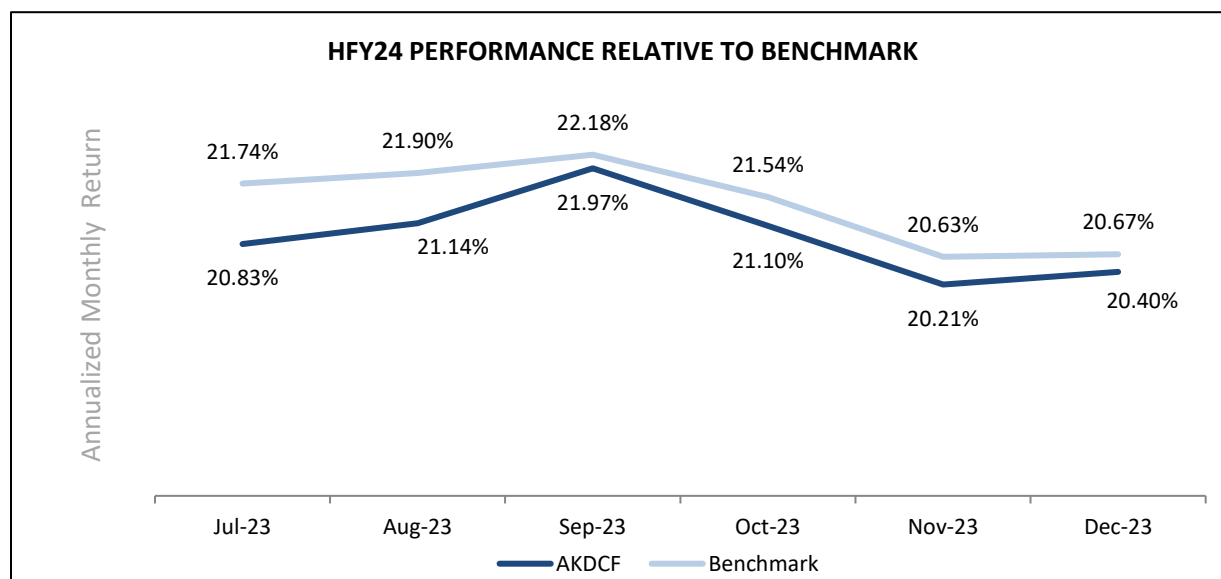
iii) Explanation as to whether Collective Investment Scheme achieved its stated objective:

For the 1HFY24, the annualized return of AKD Cash Fund stood at 21.88% compared to the benchmark return of 21.44%.

iv) Statement of benchmark (s) relevant to the Collective Investment Scheme:

70% three (3) months PKRV rate + 30% three (3) months average deposit rate of three (3) AA rated scheduled Banks as selected by MUFAP.

v) Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmark:



Monthly return *	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23
AKDCF	20.83%	21.14%	21.97%	21.10%	20.21%	20.40%
Benchmark	21.74%	21.90%	22.18%	21.54%	20.63%	20.67%

*Annualized

vi) **Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance:**

AKD Cash Fund is an Open – end Money Market Scheme. The returns of the fund are generated primarily through investment in high quality short term government securities and short term corporate debt securities.

vii) **Disclosure of Collective Investment Scheme's asset allocation as the date of report and particulars of significant changes in asset allocation:**

Asset Allocation (% of Total Assets)	31-Dec-23	30-Sep-23
Cash and Cash Equivalents	72.05%	80.42%
Treasury Bills (over 90 days)	14.76%	-
Commercial Papers / STS	11.70%	18.41%
Other Assets including Receivables	1.50%	1.18%

viii) **Analysis of the Collective Investment Scheme's performance:**

1HFY24 Return (annualized)	21.88%
Benchmark Return (annualized)	21.44%

ix) **Changes in NAV and NAV per unit since the last reviewed period:**

Net Assets Value		Change in Net Assets	NAV Per Unit	
31-Dec-23	30-Sep-23		31-Dec-23	30-Sep-23
(Rupees in 000)			(Rupees)	
1,875,197	2,037,416	-7.72%	56.6936	53.8601

x) **Disclosure on the markets that the Collective Investment Scheme has invested in including review of the market (s) invested in and return during the period:**

MACRO PERSPECTIVE

The First Half of FY24 brought fresh tides of hope for Pakistan's economy but not without its own set of challenges. Pakistan saw a major decline in imports as high inflation along with record high interest rates inevitably led to demand compression, coupled with progressive efforts to ensure parity to the exchange rate via blockade of illegal channels. However, the continuous improvement on the External Front while encouraging has been offset by dwindling figures of the Real Sector with LSMI output for Jul-Nov 23 period showing a decline of 0.8% when compared to SPLY. In light of these figures and slower-than-expected moderation in inflation, SBP has kept its GDP Growth rate forecasts at a moderate 2-3% for FY24 despite negative growth rate in FY23 (-0.475%). Further complicating issues were the uncertainties around General Election results which understandably dampened any hope of an amicable and peaceful transition of power. Ongoing and growing instability in the region has further impeded the already slow-paced economic recovery amid high cost of doing business, evident through more than twice the increase in freight costs from Asia to Northern Europe since the start of attacks by Houthi rebels on commercial vessels in the Red Sea further aggravating inflationary pressures.

On the Fiscal Front, there was positive news as both tax and non-tax revenues showed strong growth. Non-tax revenues increased amidst substantial growth in petroleum development levy and transfer of sizable SBP profit while Tax revenues grew as FBR achieved its Target for the first six months of Rs.4425 billion (as agreed with the IMF) by recording collection of Rs.4468 billion. FBR in the corresponding six months of the previous year collected Rs.3428 billion, thus registering an increase of more than 1 Trillion. Furthermore, on January 17th, 2024 Pakistan received a USD 700 Million 2nd loan tranche from the International Monetary Fund (IMF) under the nine-month Stand-By Arrangement (SBA), this development came shortly after the Executive Board of the IMF completed the first review of Pakistan's economic reform program under the SBA. Pakistan to date has received \$1.9 billion disbursements out of the total \$3 billion under the nine-month SBA with further progress strongly dependent on the successful and peaceful transfer of power to a democratically elected government through the general elections.

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On the external front Current Account recorded a surplus for the month of Dec 2023 of USD 397 million, the first since Jun 23, compared to a deficit of USD 15 million (revised) in Nov 2023 taking the HFY24 Current Account Deficit (CAD) to USD 831 million against CAD of USD 3.63 billion SPLY, down 77% on the back of decline in imports, increase in exports and other current transfers. The HFY24 total Imports stood at 30.44 billion USD down by 10% SPLY, total exports stood at 19.06 billion USD up by 10% SPLY, while a steady exchange rate also boosted workers' remittances as the 2nd QFY24 recorded remittances of 7.10 billion USD up by 10% when compared to the corresponding quarter last year.

SBP foreign exchange reserves also saw massive improvement with a remarkable increase of 85% since the start of FY24, clocking in at USD 8.22 billion at the end of Jan 2024. The gains were attributable to the unlocking of the 1st and 2nd Tranche under the IMF SBA through which Pakistan received USD 1.9 billion and was further augmented by relatively higher export earnings and workers' remittances.

The Government's resilient efforts to attract foreign investment combined with relative stability in exchange rates also yielded encouraging results, with total foreign private investments in HFY24 increasing by 49% compared to SPLY. Out of total investments of USD 933 million, USD 484 million (52%) were attributable to China & Hong Kong while other major investments came from the United States (USD 128 million -14%) and the United Kingdom (USD 121 million-13%) respectively.

FIXED INCOME REVIEW

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To further address the need for liquidity, SBP also conducted six (6) auctions of fixed-rate Pakistan Investment Bond (PIB) and was successful in raising PKR 0.95 trillion. The weighted average yields for 3Y, 5Y and 10Y PIBs stood at 16.92%, 15.81% and 14.97% down by 255 bps, 27bps and 35bps respectively, since the start of FY24.

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xi) Description and explanation of any significant changes in the state of the affairs of the Collective Investment Scheme during the period and up till the date of Fund Manager's report, not otherwise disclosed in the financial statements:

There was no significant change in the state of affairs during the period under review.

xii) Break down of unit holding by size:

Range (Units)	No. of Investors
0.0001 to 9,999	391
10000 to 49999	33
50,000 - 99,999	12
100,000 - 499,999	24
500,000 and above	11
Total	471

xiii) Disclosure on unit split (if any), comprising:

There were no unit splits during the period.

xiv) Disclosure of circumstances that materially affect any interest of unit holders:

Investments are subject to credit and market risk.

xv) Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker (s) or dealers by virtue of transaction conducted by the Collective Investment Scheme:

No soft commission has been received by the AMC from its broker or dealer by virtue of transactions conducted by the Collective Investment Scheme.

Head Office:

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Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

AKD CASH FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of AKD Cash Fund (the Fund) are of the opinion that AKD Investment Management Limited, being the Management Company of the Fund has in all material respects managed the Fund during the six month period ended December 31, 2023 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

We would like to draw Unit holders' attention towards the fact that Management Company has not provided financial statements of the Fund therefore we are neither able to obtain the assurances we get from the audited financial statement nor able to verify the methodology and procedures adopted by the Management Company for the calculation of the value of units as on December 31, 2023.

Badiuddin Akber

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi, February 29, 2024

AKD CASH FUND

Condensed Interim Financial
Information for the Half Year Ended
December 31, 2023

INDEPENDENT AUDITOR'S REVIEW REPORT To The Unit Holders of AKD Cash Fund

Report on review of Condensed Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AKD Cash Fund** (the "Fund") as at December 31, 2023, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' fund and notes to the condensed interim financial information for the six months period ended December 31, 2023 (here-in-after referred to as the 'condensed interim financial information'). The Management Company (**AKD Asset Management Limited**) is responsible for the preparation and presentation of this condensed interim financial information in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

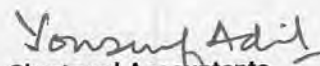
Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures for quarter ended December 31, 2023 and December 31, 2022 in the condensed interim income statement, condensed interim statement of comprehensive income and condensed interim cash flow statement have not been reviewed, and we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditor's review report is **Shafqat Ali**.


Chartered Accountants

Place: Karachi
Date: May 07, 2024
UDIN: RR202310186JO3MBAw2Y

AKD CASH FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2023

		(Unaudited) December 31, 2023 ----- (Rupees in '000) -----	(Audited) June 30, 2023
	Note		
ASSETS			
Bank balances	6	27,823	95,125
Investments	7	1,841,317	1,828,660
Profit receivable		16,613	9,840
Deposits, prepayments and other receivables	8	11,787	1,564
Total assets		1,897,540	1,935,189
LIABILITIES			
Payable to the AKD Investment Management Limited - Management Company	9	2,239	1,548
Payable to the Central Depository Company of Pakistan Limited - Trustee	10	102	93
Payable to Securities and Exchange Commission of Pakistan	11	122	308
Accrued expenses and other liabilities	12	17,688	20,608
Dividend payable		2,191	2,194
Total liabilities		22,342	24,751
NET ASSETS		1,875,198	1,910,438
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,875,198	1,910,438
CONTINGENCIES AND COMMITMENTS			
	13		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		33,075,980	37,263,063
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		56.6936	51.2689

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

AKD CASH FUND
CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2023

		Six months period ended December 31,		Three months period ended December 31,	
		2023	2022	2023	2022
Note		(Rupees in '000)			
INCOME					
		1,023	(1,052)	(58)	(338)
	Capital gain / (loss) on sale of investments				
	Net unrealised (diminution) / appreciation on remeasurement of investments				
7.3	as classified at fair value through profit or loss	(708)	878	(774)	(116)
	Income from government securities	175,851	93,101	90,231	55,105
	Income from commercial papers / short term sukuk	35,691	21,135	17,242	11,604
	Profit on bank deposits	3,563	3,336	2,034	1,033
	Total income	215,420	117,398	108,675	67,288
EXPENSES					
	Remuneration of the AKD Investment Management Limited -				
9.1	Management Company	4,915	3,793	2,521	2,123
9.2	Sindh sales tax on the remuneration of the Management Company	639	493	328	276
9.3	Expenses allocated by the Management Company	3,932	1,562	2,017	1,061
	Remuneration of Central Depository Company of Pakistan				
10.1	Limited - Trustee	542	417	278	233
10.2	Sindh sales tax on the remuneration of trustee	71	55	37	31
11.1	Fee to the Securities and Exchange Commission of Pakistan	737	152	378	85
	Auditor's remuneration	166	166	86	83
	Brokerage and settlement charges	167	230	87	153
	Fees and subscription	15	26	7	7
	Legal and professional	160	155	77	77
	Total expenses	11,344	7,049	5,816	4,129
	Net income for the period before taxation	204,076	110,349	102,859	63,159
	Taxation	-	-	-	-
14	Net income for the period	204,076	110,349	102,859	63,159
Allocation of net income for the period					
	Net income for the period after taxation	204,076	110,349	102,859	63,159
	Income already paid on units redeemed	(47,760)	(22,250)	(47,760)	(20,075)
		156,316	88,099	55,099	43,084
Accounting income available for distribution					
	- Relating to capital gains	1,023	-	-	-
	- Excluding capital gains	155,293	88,099	55,099	43,084
		156,316	88,099	55,099	43,084

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

AKD CASH FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2023

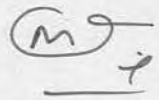
	Six months period ended December 31,		Three months period ended December 31,	
	2023	2022	2023	2022
	(Rupees in '000)			
Net income for the period	204,076	110,349	102,859	63,159
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	204,076	110,349	102,859	63,159

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

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For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Chief Financial Officer


Director

AKD CASH FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2023

Note	Six months period ended December 31,		Three months period ended December 31,	
	2023	2022	2023	2022
----- (Rupees in '000) -----				
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the period before taxation	204,076	110,349	102,859	63,159
Adjustments for non cash and other items :				
Net unrealised diminution / (appreciation) on remeasurement of investments classified at 'fair value through profit or loss'	708	(878)	774	116
Income from government securities	(175,851)	(93,101)	(90,231)	(55,105)
Income from commercial papers / short term sukuk	(35,691)	(21,135)	(17,242)	(11,604)
Profit on bank deposits	(3,563)	(3,336)	(2,034)	(1,033)
	(10,321)	(8,101)	(5,874)	(4,467)
(Increase) / decrease in assets				
Deposits, prepayments and other receivables	(1)	(36)	(703)	7
Increase / (decrease) in liabilities				
Payable to the AKD Investment Management Limited - Management Company	691	442	29	327
Payable to the Central Depository Company of Pakistan Limited - Trustee	9	25	3	15
Payable to Securities and Exchange Commission of Pakistan	(186)	(26)	2	85
Accrued expenses and other liabilities	(17,018)	(7,836)	3,014	713
	(16,504)	(7,395)	3,048	1,140
Income from investments received	179,772	104,241	117,721	74,188
Profit received on bank deposits	3,672	3,421	1,874	1,221
Investments - net	(228,852)	(58,391)	(128,107)	(57,858)
Net cash (used in) / generated from operating activities	(72,234)	33,739	(12,041)	14,231
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts from issuance of units	809,859	995,502	368,595	469,129
Payment on redemption of units	(1,038,319)	(740,164)	(617,459)	(549,441)
Dividend paid	(6,984)	(53)	(6,984)	(53)
Net cash (used in) / generated from financing activities	(235,444)	255,285	(255,848)	(80,365)
Net (decrease) / increase in cash and cash equivalents	(307,678)	289,024	(267,889)	(66,134)
Cash and cash equivalents at beginning of the period	1,674,785	1,012,902	1,634,996	1,368,060
Cash and cash equivalents at end of the period	1,367,107	1,301,926	1,367,107	1,301,926

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.

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For AKD Investment Management Limited
(Management Company)

[Signature]
Chief Executive Officer

[Signature]
Chief Financial Officer

[Signature]
Director

AKD CASH FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2023

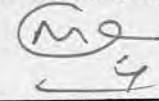
	Six months period ended December 31, 2023			Six months period ended December 31, 2022		
	Capital value	Undistributed Income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the period	1,898,093	12,345	1,910,438	1,268,034	5,365	1,273,399
Issue of 15,232,479 (2022: 18,916,853) units						
- Capital value (at Ex-Net asset value per unit at beginning of the period)	778,010	-	778,010	959,956	-	959,956
- Element of income	42,071	-	42,071	35,746	-	35,746
	820,081	-	820,081	995,702	-	995,702
Redemption of 19,419,562 (2022 :13,980,263) units						
- Capital value (at Ex-Net asset value per unit at beginning of the period)	(991,868)	-	(991,868)	(709,444)	-	(709,444)
- Element of loss	(12,568)	(47,760)	(60,328)	(8,750)	-	(8,750)
	(1,004,436)	(47,760)	(1,052,196)	(718,194)	-	(718,194)
Total comprehensive income for the period	-	204,076	204,076	-	110,349	110,349
Interim cash distribution declared on June 26, 2023 @ Rs. 0.1933	-	(6,980)	(6,980)	-	-	-
Refund of capital	(221)	-	(221)	-	(22,250)	(22,250)
Net income for the period after distribution	(221)	197,096	196,875	-	88,099	88,099
Net assets at end of the period	1,713,517	161,681	1,875,198	1,545,542	93,464	1,639,006
Undistributed income brought forward						
- Realised income		14,442			5,020	
- Unrealised income		(2,097)			345	
		12,345			5,365	
Accounting income available for distribution						
- Relating to capital gains		1,023			-	
- Excluding capital gains		155,293			88,099	
		156,316			88,099	
Interim cash distribution declared on June 26, 2023 @ Rs. 0.1933		(6,980)			-	
Undistributed income carried forward		161,681			93,464	
Undistributed income carried forward						
- Realised income		162,389			92,586	
- Unrealised (loss) / income		(708)			878	
		161,681			93,464	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		51.2689			50.7461	
Net assets value per unit at end of the period		56.6936			54.5787	

The annexed notes 1 to 20 form an integral part of this condensed interim financial information.



Chief Executive Officer

For AKD Investment Management Limited
(Management Company)



Chief Financial Officer



Director

AKD CASH FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

AKD Cash Fund (the Fund) was established under a Trust Deed executed between AKD Investment Management Limited (AKDIML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Trust Deed on August 15, 2011 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Initial Public Offering (IPO) of the Fund was made during the period from January 19, 2012 to January 20, 2012. The Fund commenced operations from January 21, 2012. In accordance with the Trust Deed, the first accounting period of the Fund commenced on the date on which the Fund property was first transferred to the Trustee i.e. January 19, 2012.

The Management Company of the Fund has been registered as a Non - Banking Finance Company (NBFC) under the NBFC Rules and has obtained a requisite license from SECP to undertake Asset Management services. The registered office of the Management Company is situated at 216-217, Continental Trade Centre, Block 8, Clifton, Karachi in the province of Sindh.

The Fund is an open-ended mutual fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.

The Fund is categorised as Money Market Fund as per circular 7 of 2009 by SECP. The principal activity of the Fund is to make investments in government securities, treasury bills, cash and near cash instruments, money market placements, deposits with banks, certificate of deposits, certificate of musharakas, commercial papers and reverse repos.

The Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

The Management Company has been assigned a quality rating of "AM3++" by the Pakistan Credit Rating Agency Limited (PACRA) on June 27, 2023. The Fund has been given stability rating of 'AA+(f)' by PACRA on September 8, 2023.

The Fund registered on August 23, 2021 with Assistant Director of Industries and Commerce (Trust Wing) Government of Sindh under Section 12 of the Sindh Trusts Act, 2020.

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan comprise of:

- International Accounting Standards (IAS-34) Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed, differ from the IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

2.1.2 The disclosures made in this condensed interim financial information are limited based on the requirements of IAS-34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published financial statements of the Fund for the year ended June 30, 2023.

2.1.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2023.

2.1.4 The SECP through its letter no. SC/NBFC-191/IFRS-9/2022 dated September 29, 2022 has deferred the applicability of International Financial Reporting Standard 9 for Non-Banking Finance Companies and Modarabas, as "Reporting period/year ending on or after June 30, 2024".

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2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, unless stated otherwise.

2.3 Functional and presentation currency

This condensed interim financial information is presented in Pakistani Rupees which is the Fund's functional and presentation currency.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of annual financial statements of the Fund for the year ended June 30, 2023 except for amendment to International Accounting Standard - 'Presentation of Financial Statements' - (IAS 1) which is applicable for period beginning from on or after January 01, 2023. In this amendment significant accounting policies has been updated with material accounting policy.

4. ACCOUNTING ESIMATES AND JUDGMENT

4.1 The preparation of this condensed interim financial information in conformity with accounting and reporting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

4.2 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual financial statements as at and for the year ended June 30, 2023.

4.3 There are certain amendments to accounting and reporting standards which have been published and are mandatory for the Fund's accounting period beginning on or after July 01, 2023. These amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information except as mentioned in note 3.

5. FINANCIAL RISK MANAGEMENT

The Fund's risk management objective and policies are consistent with those disclosed in the annual financial statements of the Fund as at and for the year ended June 30, 2023.

	Note	(Unaudited) December 31, 2023	(Audited) June 30, 2023
		----- (Rupees in '000) -----	----- (Rupees in '000) -----
6. BANK BALANCES			
Savings accounts	6.1	27,818	95,120
Current accounts		5	5
		<u>27,823</u>	<u>95,125</u>

6.1 Mark-up rates on these accounts is 20.50% per annum (June 30, 2023: 13% to 19.5% per annum).

	Note	(Unaudited) December 31, 2023	(Audited) June 30, 2023
		----- (Rupees in '000) -----	----- (Rupees in '000) -----
7. INVESTMENTS			
At fair value through profit or loss			
- Government securities - Market treasury bills	7.1	1,619,317	1,579,660
At amortised cost			
- Commercial papers / Short term Sukuks (STS)	7.2	222,000	249,000
		<u>1,841,317</u>	<u>1,828,660</u>

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7.1 Government securities - Market treasury bills

Issue Date	Tenor	Face value				Balance as at December 31, 2023			Market value as a percentage of		
		As at July 01, 2023	Purchased during the period	Sold / matured during the period	As at December 31, 2023	Carrying value	Market value	Appreciation / (diminution)	Investments	Net assets	
(Rupees in '000)										(%)	
September 22, 2022	12 months	-	35,000	35,000	-	-	-	-	-	-	
October 6, 2022	12 months	-	105,000	105,000	-	-	-	-	-	-	
May 4, 2023	3 months	150,000	-	150,000	-	-	-	-	-	-	
May 18, 2023	3 months	13,000	-	13,000	-	-	-	-	-	-	
May 18, 2023	3 months	24,000	-	24,000	-	-	-	-	-	-	
May 18, 2023	3 months	25,000	-	25,000	-	-	-	-	-	-	
June 15, 2023	3 months	250,000	-	250,000	-	-	-	-	-	-	
June 15, 2023	3 months	250,000	-	250,000	-	-	-	-	-	-	
June 15, 2023	3 months	500,000	-	500,000	-	-	-	-	-	-	
June 15, 2023	3 months	100,000	-	100,000	-	-	-	-	-	-	
June 15, 2023	3 months	200,000	-	200,000	-	-	-	-	-	-	
June 22, 2023	3 months	130,000	-	130,000	-	-	-	-	-	-	
June 22, 2023	3 months	-	70,000	70,000	-	-	-	-	-	-	
June 22, 2023	3 months	-	105,000	105,000	-	-	-	-	-	-	
June 22, 2023	3 months	-	35,000	35,000	-	-	-	-	-	-	
July 13, 2023	3 months	-	35,000	35,000	-	-	-	-	-	-	
July 25, 2023	3 months	-	82,250	82,250	-	-	-	-	-	-	
July 25, 2023	3 months	-	165,000	165,000	-	-	-	-	-	-	
July 25, 2023	3 months	-	45,000	45,000	-	-	-	-	-	-	
August 10, 2023	3 months	-	400,000	400,000	-	-	-	-	-	-	
August 10, 2023	3 months	-	375,000	375,000	-	-	-	-	-	-	
August 10, 2023	3 months	-	485,000	485,000	-	-	-	-	-	-	
August 10, 2023	3 months	-	15,000	15,000	-	-	-	-	-	-	
August 10, 2023	3 months	-	11,000	11,000	-	-	-	-	-	-	
August 24, 2023	3 months	-	31,000	31,000	-	-	-	-	-	-	
September 21, 2023	3 months	-	590,000	590,000	-	-	-	-	-	-	
September 21, 2023	3 months	-	75,000	75,000	-	-	-	-	-	-	
October 5, 2023	3 months	-	155,000	155,000	-	-	-	-	-	-	
October 19, 2023	3 months	-	247,000	-	247,000	245,574	245,524	(50)	13.33	13.09	
November 2, 2023	6 months	-	300,000	-	300,000	280,249	280,034	(215)	15.21	14.93	
November 2, 2023	3 months	-	500,000	80,000	420,000	414,256	414,132	(124)	22.49	22.08	
November 16, 2023	3 months	-	31,000	-	31,000	30,364	30,343	(21)	1.65	1.62	
November 16, 2023	3 months	-	150,000	-	150,000	146,959	146,819	(140)	7.97	7.83	
November 16, 2023	3 months	-	26,000	-	26,000	25,452	25,449	(3)	1.38	1.36	
November 16, 2023	3 months	-	25,000	-	25,000	24,473	24,470	(3)	1.33	1.30	
November 16, 2023	3 months	-	59,000	59,000	-	-	-	-	-	-	
December 14, 2023	3 months	-	490,000	20,000	470,000	452,698	452,546	(152)	24.58	24.13	
Investments as at December 31, 2023						1,620,025	1,619,317	(708)			
Investments as at June 30, 2023						1,581,757	1,579,660	(2,097)			

7.2 Commercial papers / short term sukuks (STS)

Investee Company	Rate of return per annum	Issue date	Maturity date	Face value				Carrying value as at December 31, 2023	Rating	Face value as percentage of	
				As at July 01, 2023	Purchased during the period	Sold / matured during the period	As at December 31, 2023			Investments	Net assets
(%)		(Rupees In '000)							(%)		
Power Generation and Distribution											
K- Electric Limited	21.77	February 27, 2023	August 28, 2023	12,000	-	12,000	-	-	-	-	-
K- Electric Limited	22.12	March 21, 2023	September 21, 2023	34,000	-	34,000	-	-	-	-	-
Lucky Electric Power Company Limited	22.56	April 28, 2023	October 30, 2023	61,000	-	61,000	-	-	-	-	-
K- Electric Limited	22.49	May 18, 2023	November 17, 2023	92,000	-	92,000	-	-	-	-	-
Hub Power Company Limited	22.34	May 18, 2023	November 17, 2023	50,000	-	50,000	-	-	-	-	-
Lucky Electric Power Company Limited	23.53	August 15, 2023	February 15, 2024	-	125,000	-	125,000	125,000	AA	6.79	6.67
K- Electric Limited	23.61	August 28, 2023	February 28, 2024	-	17,000	-	17,000	17,000	AA	0.92	0.91
K-Electric Limited	23.49	September 22, 2023	March 22, 2024	-	30,000	-	30,000	30,000	AA	1.63	1.60
Hub Power Company Limited	21.96	November 8, 2023	May 8, 2024	-	50,000	-	50,000	50,000	AA+	2.72	2.67
Investments as at December 31, 2023							222,000	222,000			
Investments as at June 30, 2023							249,000	249,000			

7.3 Net unrealised diminution on re-measurement of investments classified 'at fair value through profit or loss'

Market value of investments	7.1	1,619,317	1,579,660
Carrying value of investments	7.1	(1,620,025)	(1,581,757)
		(708)	(2,097)

(Unaudited) (Audited)
December 31, June 30,
2023 2023
Note (Rupees in '000)

		(Unaudited) December 31, 2023	(Audited) June 30, 2023
	Note	----- (Rupees in '000) -----	
8. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Security deposits with Central Depository Company of Pakistan Limited		200	200
Prepaid listing fee of PSX		15	-
Prepaid CDC annual fee		4	18
Advance tax	8.1	628	628
Receivable against conversion of AKD Funds		10,940	718
		<u>11,787</u>	<u>1,564</u>

- 8.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001 (the Ordinance), payments made to Collective Investment Schemes (CISs) are exempt from withholding tax under section 151 and 150 of the Ordinance. However, uptill period ended December 31, 2023, withholding tax on profit on debt to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT) /2008-VOL.II - 66417- R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder.

		(Unaudited) December 31, 2023	(Audited) June 30, 2023
	Note	----- (Rupees in '000) -----	
9. PAYABLE TO THE AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Management fee	9.1	813	256
Sindh sales tax on management fee	9.2	106	33
Expenses allocated by the Management company	9.3	651	590
Federal excise duty on management fee	9.4	669	669
		<u>2,239</u>	<u>1,548</u>

- 9.1 As per the offering document the Management Company has charged remuneration at the following rates per annum of the average net assets of the Fund. The remuneration is paid to the management on a monthly basis in arrears.

Net Assets of the Fund	Remuneration Rate (Per annum)
Up to Rupees 1 billion	0.40%
Rupees 1 billion - 1.5 billion	0.50%
Over Rupees 1 billion	0.50%

- 9.2 Sindh Sales Tax on services at the rate of 13% (June 30, 2023: 13%) on gross value of management fee under the provisions of Sindh Sales Tax on Services Act, 2011.
- 9.3 The Management Company has charged expenses at the rate of 0.5% from July 01, 2023 to December 31, 2023 (June 30, 2023: 0.4%) per annum of the average annual net assets of the Fund. The expense is paid to the management company on a monthly basis in arrears.
- 9.4 There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the note 8.4 to annual audited financial statements of the Fund for the year ended June 30, 2023. Had the said provision for FED not been recorded in this condensed interim financial information of the Fund, the net asset value of the Fund as at December 31, 2023 would have been higher by Rs. 0.020 (June 30, 2023: Rs. 0.018) per unit.

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		(Unaudited) December 31, 2023	(Audited) June 30, 2023
	Note	----- (Rupees in '000) -----	
10. PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Trustee fee	10.1	90	81
Sindh sales Tax on trustee fee	10.2	12	11
CDS charges payable		-	1
		<u>102</u>	<u>93</u>
10.1	The Trustee is entitled to a remuneration to be paid monthly for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets of the Fund. The remuneration is paid to the Trustee at 0.055% (June 30, 2023: 0.055%) of net assets on monthly basis in arrears.		
10.2	Sindh sales tax on services at the rate of 13% (June 30, 2023: 13%) on gross value of trustee fee under the provisions of Sindh Sales Tax on Services Act, 2011.		
		(Unaudited) December 31, 2023	(Audited) June 30, 2023
	Note	----- (Rupees in '000) -----	
11. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Fee to SECP	11.1	<u>122</u>	<u>308</u>
11.1	Effective from July 1, 2023 as amended through SRO 592 dated May 17, 2023, a Collective Investment Scheme (CIS) is required to pay fee to the Securities and Exchange Commission of Pakistan (SECP) on monthly basis at the rate of 0.095% of average Net Assets of Collective Investment Scheme calculated on daily basis.		
	Till June 30, 2023, an annual fee at the rate of 0.02% of average Net Assets of Collective Investment Scheme was payable by the fund.		
		(Unaudited) December 31, 2023	(Audited) June 30, 2023
		----- (Rupees in '000) -----	
12. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditor's remuneration		179	279
Printing charges payable		150	150
Withholding tax payable		606	17,627
Payable against redemption / conversion		16,643	2,545
Rating fee payable		105	-
Brokerage payable		2	7
Others		3	-
		<u>17,688</u>	<u>20,608</u>
13. CONTINGENCIES AND COMMITMENTS			
	There were no contingencies and commitments outstanding as at December 31, 2023 and June 30, 2023 except disclosed elsewhere.		
14. TAXATION			
	The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated loss and capital gains whether realised or unrealised is distributed to the unit holders by way of cash dividend. The Fund is also exempt from the provisions of section 113 (Minimum Tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. During the period, Management Company has distributed cash dividend of at least 90% of the aforementioned accounting income to the unit holders. Accordingly, no provision for taxation has been recognised in these condensed financial information.		

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15. TOTAL EXPENSE RATIO

The total expense ratio of the Fund from July 01, 2023 to December 31, 2023 is 0.60% annualised (June 30 2023: 0.99%), which includes 0.08% (June 30, 2023 : 0.09%) representing government levy and SECP fee. This ratio is within the maximum limit of 2.0% prescribed under the NBFC Regulations.

		(Unaudited)	
		December 31, 2023	December 31, 2022
		----- (Rupees in '000) -----	
16.	CASH AND CASH EQUIVALENTS		
	Bank balances	27,823	11,077
	Market treasury bills (with original maturity of three months or less)	1,339,284	1,290,849
		<u>1,367,107</u>	<u>1,301,926</u>

17. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, the Trustee, directors and key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations, 2008 and Constitutive documents of the Fund.

The transactions with connected persons / related parties are in the normal course of business, and are carried out on agreed terms at contracted rates.

Details of transactions and balances at period end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

		(Unaudited)	
		For the half year ended December 31,	
		2023	2022
		----- (Rupees in '000) -----	
17.1	Details of transactions with related parties / connected persons during the period		
	AKD Investment Management Limited - Management Company		
	Issue of nil (2022 : 39,310) units	-	2,000
	Redemption of nil (2022 : 39,310) units	-	2,004
	Management remuneration	4,915	3,793
	Sindh sales tax on management remuneration	639	493
	Expenses allocated by the Management Company	3,932	1,562
	Central Depository Company of Pakistan Limited - Trustee		
	Trustee remuneration	542	417
	CDC charges	1	1
	Sindh sales tax on trustee remuneration	71	55
	AKD Securities Limited		
	Brokerage Paid	2	-
	Unit holders holding 10% or more of the units in issue		
	Dinaz Cassim		
	Issue of 3,239,840 (2022 : 1,508,481) Units	176,089	80,000
	Redemption of 3,173,166 (2022 : 1,030,449) Units	172,000	55,000

Mr

(Unaudited)	
For the half year ended	
December 31,	
2023	2022
----- (Rupees in '000) -----	

Durrain Cassim
Redemption of 4,876,866 (2022 : 2,827,789) Units

394,190 150,000

Lubna Najmul Hussain Dossa
Issue of units 1,097,080 (2022 : 4,487,796) Units
Redemption of 2,860,663 (2022 : Nil) Units

59,263 235,000
160,000 -

KAPCO Employees Pension Trust Fund **
Issue of 18,403 (2022 : Nil) Units

1 -

(Un-audited)	(Audited)
December 31,	June 30,
2023	2023
----- (Rupees in '000) -----	

17.2 Details of balances with related parties / connected persons as at period / year end

AKD Investment Management Limited - Management Company
Management remuneration payable
Federal excise duty payable on management remuneration*
Sindh Sales tax payable on management remuneration*
Payable against allocated expenses

813 256
669 669
106 33
651 590

Central Depository Company of Pakistan Limited - Trustee
Trustee remuneration payable
CDS charges payable
Sindh Sales Tax payable on trustee remuneration
Deposit with CDC

90 81
- 1
12 11
200 200

AKD Securities Limited
Brokerage payable

2 -

Receivable / payable against conversion of units - Funds managed under management company

Payable against conversion of units - AKD Opportunity Fund
Payable against conversion of units - AKD Islamic Stock Fund
Payable against conversion of units - Golden Arrow Stock Fund
Payable against conversion of units - AKD Islamic Income Fund
Receivable against conversion of units- AKD Opportunity Fund
Receivable against conversion of units- Golden Arrow Stock Fund
Receivable against conversion of units- AKD Islamic Stock Fund

1,249 -
7,176 -
8,150 1,045
68 1,500
1,300 471
4,889 247
4,751 -

Unit holders holding 10% or more of the units in issue

Dinaz Cassim
Units held 6,754,978 (June 30, 2023: 6,688,304) Units

382,964 342,902

Durrain Cassim *
Units held Nil (June 30, 2023: 4,876,866) Units

- 266,173

Lubna Najmul Hussain Dossa **
Units held 5,925,070 (June 30, 2023: 7,688,653) Units

335,913 394,190

KAPCO Employees Pension Trust Fund **
Units held 4,882,121 (June 30, 2023: 4,863,718) Units

276,785 249,358

* Prior period connected person, current figures not shown
** current period connected person prior figures not shown

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18. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e. period end date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

The following table shows financial instruments recognised at fair value based on:

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(Unaudited)				
As at December 31, 2023				
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
ASSETS				
Government securities - Market treasury bills	-	1,619,317	-	1,619,317
(Audited)				
As at June 30, 2023				
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
ASSETS				
Government securities - Market treasury bills	-	1,579,660	-	1,579,660

There were no transfers between various levels of fair value hierarchy during the period.

19. GENERAL

- 19.1 This condensed interim financial information is unaudited and have been reviewed by the auditors. Furthermore, the figures for the three months period ended December 31, 2023 and December 31, 2022 in this condensed interim financial information, has not been subject to limited scope review by the auditors.
- 19.2 Comparative figures have been reclassified where necessary for the purpose of better presentation and comparison.
- 19.3 The figures have been rounded off to the nearest thousand rupees unless otherwise specified.

20. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on _____ by the Board of Directors of the Management Company

Mr

For AKD Investment Management Limited
(Management Company)

[Signature]
Chief Executive Officer

[Signature]
Chief Financial Officer

[Signature]
Director



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