

Funds Managed by:
AKD Investment Management Ltd.

Quarterly Report
September 30, 2021
(Un-Audited)



quarterly report



Partner with AKD
Profit from the Experience



**AKD Investment
Management Ltd.**

MANAGEMENT COMPANY

216-217, Continental Trade Centre, Block-8,
Clifton, Karachi-74000

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Chairman
Mr. Abdul Karim

Director & Chief Executive Officer
Mr. Imran Motiwala

Director
Ms. Anum Dhedhi
Ms. Aysha Ahmed
Mr. Ali Wahab Siddiqui
Mr. Hasan Ahmed
Mr. Saim Mustafa Zuberi

CHIEF OPERATING OFFICER AND COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Muhammad Yaqoob Sultan, CFA

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Muhammad Munir Abdullah

HEAD OF INTERNAL AUDIT OF THE MANAGEMENT COMPANY

Ms. Tayyaba Masoom Ali

AUDIT COMMITTEE

Mr. Ali Wahab Siddiqui (Chairman)
Mr. Hasan Ahmed (Member)
Mr. Saim Mustafa Zuberi (Member)
Ms. Tayyaba Masoom Ali (Secretary)

HUMAN RESOURCE AND REMUNERATION (HR & R) COMMITTEE

Ms. Aysha Ahmed (Chairman)
Mr. Abdul Karim (Member)
Mr. Imran Motiwala (Member)
Ms. Anum Dhedhi (Member)
Mr. Saim Mustafa Zuberi (Member)
Mr. Muhammad Yaqoob Sultan, CFA (Secretary)

RATING

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

CORPORATE INFORMATION

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



AKD Funds shall continuously strive to:

- ▶ *Keep primary focus on investing clients' interest*
- ▶ *Achieve highest standards of regulatory compliance and good governance*
- ▶ *Prioritize risk management while endeavoring 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 superior 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), AKD Index Tracker Fund (AKDITF), AKD Cash Fund (AKDCF), AKD Aggressive Income Fund (AKDAIF), AKD Islamic Income Fund (AKDISIF), Golden Arrow Stock Fund (GASF) and AKD Islamic Stock Fund (AKDISSF) presents its first quarter report along with the Funds' un-audited Financial Statements for the Quarter ended September 30, 2021.

FUNDS' FINANCIAL PERFORMANCE

AKD Opportunity Fund (AKDOF)

For the 1QFY22, the return of AKD Opportunity Fund stood at -7.86% compared to the benchmark KSE-100 Index return of -5.19%.

Golden Arrow Stock Fund (GASF)

For the 1QFY22, the return of Golden Arrow Stock Fund stood at -5.04% compared to the benchmark KSE-100 Index return of -5.19%.

AKD Index Tracker Fund (AKDITF)

For the 1QFY22, the return of AKD Index Tracker Fund stood at -4.50% compared to the benchmark KSE-100 Index return of -5.19%.

AKD Cash Fund (AKDCF)

For the 1QFY22, the annualized return of AKD Cash Fund stood at 8.12% compared to the benchmark return of 6.77%.

AKD Aggressive Income Fund (AKDAIF)

For the 1QFY22, the annualized return of AKD Aggressive Income Fund stood at 11.23% compared to the benchmark return of 7.93%.

AKD Islamic Income Fund (AKDISIF)

For the 1QFY22, the annualized return of AKD Islamic Income Fund stood at 8.53% compared to the benchmark return of 3.13%.

AKD Islamic Stock Fund (AKDISSF)

For the 1QFY22, the return of AKD Islamic Stock Fund stood at -7.18% compared to the benchmark KMI-30 Index return of -5.62%.

MACRO PERSPECTIVE

Pakistan's economy continued to witness robust recovery where pace of the economy has exceeded the expectations of the State Bank of Pakistan (SBP). However, rising domestic demand coupled with surging international commodity prices have led to a Current Account Deficit (CAD) of 4.1% of GDP, imported inflation and depreciation of the local currency. The SBP while remaining cognizant of inflationary pressures of the CAD, opted to lean towards a growth accommodating monetary stance; hence, nominally increasing the discount rate by 25bps to 7.25% in its September 2021 monetary policy meeting. Receipts of ~\$2.77bn provided by the IMF under its program to facilitate developing countries during the pandemic helped forex reserves to reach \$25.98bn.

The external account for 1QFY22 reported a CAD of \$3.4bn (4.1% of GDP) as compared to surplus of \$0.87 bn (1.2% of GDP) reported during same period last year (SPLY) owing to an increase in the Balance of Trade, as the imports remained under pressure due to higher commodity prices – crude oil in particular, coupled with the import of vaccines and disbursements against TERF related capital expenditure (SBP disbursement reportedly \$1.63bn during FY22). However, Remittances posted phenomenal growth of 12.49%YoY to \$8.04bn during 1QFY22. The Government's efforts to attract Non-Resident Pakistani money paid off, attracting \$2.41bn through Roshan Digital Accounts (RDA) with more than 245,000 accounts.

According to press reports, the Federal Board of Revenue (FBR) has made net revenue collection of PKR 1,395bn during 1QFY22, up by 38.3%YoY as compared to ~PKR 1,004bn recorded during SPLY. FBR has exceeded its given target of PKR 1,211bn by a margin of PKR 186 billion. In addition, FBR has also witnessed an impressive 45% growth in the filing of tax returns and 64% growth in tax collection as of closing date for filing income tax returns, despite FBR's avoidance this year of extending filing dates as observed in the past.

As per Pakistan Bureau of Statistics (PBS), the average National Consumer Price Index (NCPI) in 1QFY22 was recorded at 8.58%YoY as compared to 8.84%YoY. Core Inflation, calculated by excluding food and energy prices, clocked in at 6.53%YoY and 6.43% YoY for Urban and Rural areas respectively, as compared to 5.47%YoY and 7.73%YoY, SPLY.

The Large Scale Manufacturing (LSM) sector witnessed an increase of 7.26% for July-August FY22 as compared 3.66% reported during same period last year. During the period under review, major contribution towards the growth came from Automobiles, Food, Beverages & Tobacco, Iron & Steel Products, and Pharmaceuticals to name a few. However, overall growth during the period was kept in check by sectors that posted negative growth including Rubber Products and Fertilizers.

EQUITY MARKET REVIEW

During 1QFY22, KSE-100 Index declined by 2,456pts, down by 5.19% to close at 44,899.60pts. The Equity market remained under pressure owing to 1) setbacks on the foreign policy front following US withdrawal from Afghanistan, 2) weakness in macro indicators on the back of the CAD and 3) tightening monetary stance by the Central Bank, were a few key factors that kept investors cautious.

Average daily turnover also decreased by 38.4%QoQ and 18%YoY to 412.3 million shares as compared to 669.42mn shares and 500.23mn shares recorded during 4QFY21 and 1QFY21 respectively. Moreover, investor interest diverted to second and third tier stocks as depicted by a decrease in ratio of KSE-100 volumes over total turnover and value traded. Overwhelming response was witnessed for fresh equity issues where two new companies got listed during 1QFY22 in which a liking towards the technology sector was also affirmed by record participation.

Some of the negative news flows that kept investor sentiments abay included: 1) SBP increased interest rates by 25 bps to 7.25% after 15 months to contain the soaring CAD and higher inflation expectations. 2) US senators move draft bill seeking imposition of sanctions on Pakistan. 3) CAD rose to USD 1.5 billion in August 2021 and Rupee hits all-time low of PKR 172 against the USD. 4) MSCI downgrades Pakistan to a “Frontier” market from Emerging effective December and 5) FATF plenary meeting scheduled in October 2021. On the other hand, some of the positive news reports failed to revive investor interest included: 1) FBR collection up by 45%YoY to PKR 434bn during August 2021 exceeding the target by PKR 85bn 2) IMF 6th review to start in mid of October for release of \$1bn tranche 3) Fitch predicts Pakistan’s GDP to grow by 4.2% and 4) The receipt of \$~2.8bn from the IMF took forex reserves with the SBP to ~20 billion

Foreign investors continued to remain net sellers for the eighth consecutive quarters with net outflows of \$83.40mn taking cumulative outflows to \$778.95mn. Individuals, Other Organizations and Banks/DFI were the major net buyers with net buying of \$32.53mn, \$26.85mn and \$21.30mn respectively. Whereas Brokers and Mutual Funds were net sellers with net selling of \$14.95mn and \$7.42mn respectively.

The sectors that dragged the KSE-100 down included Cement, Tobacco, Oil & Gas Exploration, Refinery and Automobile Assembler with decrease in market capitalization by 17.5%, 19.1%, 8.6%, 33.5%, and 13.2% respectively. However, some of the losses were compensated by Technology & Communication, Miscellaneous, Commercial Banks, Modarabas and Real Estate Investment Trust with increase in market capitalization by 13.8%, 43.0%, 2.6%, 74.5% and 6.4% respectively.

In terms of valuation, the KSE-100 Index closed at a forward Price to Earnings multiple of 5.25x, which is a 63.18% discount as compared to MSCI Frontier Markets P/E of 14.27 and offering a healthy dividend yield of 6.91%.

MONEY MARKET REVIEW

During 1QFY22, six (6) MTB auctions were carried out by the SBP, where the government managed to raise PKR 3.50trn cumulatively. Weighted average yield of 3, 6 and 12 months MTB were 7.27%, 7.53%, and 7.65% respectively, up by 0.36%, 0.58%, and 0.60% as compared to 6.91%, 6.95%, and 7.05% same period last year.

SBP also conducted three (3) auctions of Fixed Rate Pakistan Investment Bonds (PIBs) and was successful in raising PKR 409.26bn during 1QFY22. Weighted average yield for 3, 5 and 10 years PIBs increased by 0.97%, 0.83%, and 0.93% to 8.78%, 9.18%, and 9.84% as compared to 7.81%, 8.35%, and 8.91% for same period last year.

The Monetary Policy Committee announced two (2) Monetary Policy Statements during the year where the Committee increased the policy rate by 25 bps to 7.25% in September 2021. The SBP conducted 25 Open Market Operations (OMO) of different maturities and injected average amount of PKR1.19trn at an average cut off yield of 7.13% and mopped-up PKR0.20trn at a cut off yield of 7.22%.

As per the auction target calendar for October – December 2021, the SBP targets to raise PKR5.05trn by issuing MTB against maturing amount of PKR 5.10trn. In addition, SBP targets to raise another PKR 300 bn through 3 – 30 years Fixed Rate PIBs during the period against maturing amount of PKR 55bn.

FUTURE OUTLOOK

Going forward, we remain optimistic about the economic outlook for FY22, where the SBP expects growth in upper end of 4 to 5 percent. Recent depreciation of local currency has helped to contain the external account as CAD for September has decreased by 24%MoM to \$1.11bn as compared to \$1.47bn. Reportedly, CAD is expected to go up to \$14bn (~4% of GDP). SBP's stance to raise interest rates in monetary policy of September will help contain inflationary pressures. As per the staff level agreement, reportedly Pakistan has agreed to further increase interest rates by 100 bps to 8.25%. The Real Effective Exchange Rate (REER) of 95.86 by end of September 2021 implies a very low likelihood of further Rupee depreciation.

We believe the reclassification of Pakistan to MSCI Frontier market will reduce foreign selling which has been recorded since FY16 as the local bourse would have a more significant weight of a much smaller fund allocated to frontier markets, unlike the case in the emerging markets.

On the Fixed Income front, expected increase in interest rates as agreed with International Monetary Fund in staff level agreement, will bode well for yields of fixed income instruments.

We expect the stock market to remain positive due to expansionary fiscal policy by the Government where the country has posted a provisional GDP growth of ~4.40% in FY21. We reiterate our positive market outlook for FY22 based on (i) expected growth in GDP owing to robust corporate earnings and agriculture growth (ii) compelling Price to Earnings multiple of 5.25x, (iii) Healthy dividend yield of 6.91% (iv) negative real interest rates, (v) reduction in capital gains tax rate from 15.00% to 12.50% for capital market transactions.

For and on behalf of the board

Imran Motiwala
Chief Executive Officer

Abdul Karim Memon
Chairman

Karachi: October 29, 2021

AKD Islamic Income Fund



MANAGEMENT COMPANY

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

TRUSTEE

MCB Financial Services Limited
4th Floor, Perdesi House,
2/1 R-Y Old Queens Road,
Karachi-74200

BANKERS

BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Summit Bank Limited (Islamic Banking)

AUDITORS

Yousuf Adil
Chartered Accountants
Cavish Court A-35, Block 7 & 8
KCHSU, Sharah-e-Faisal,
Karachi-75350, Pakistan

LEGAL ADVISER

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

REGISTRAR

AKD Investment Management Limited,
216 - 217, Continental Trade Centre,
Block-8, Clifton Karachi-74000
UAN: 111-253-465 (111-AKDIML)

DISTRIBUTORS

AKD Investment Management Limited
Financial Investments Mart (Pvt) Ltd.
Investomate (Private) Limited.
Investlink Advisor (Private) Limited.
YPay Financial Services (Pvt.) Ltd.

RATING

AKD Islamic Income Fund
PACRA: A+(f) [A Plus(f)]

FUND MANAGER'S REPORT

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

Open – end Islamic Income Scheme

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

AKD Islamic Income Fund (AKDISIF) is a fund that primarily focuses on Shariah compliant income securities and instruments. The objective of AKDISIF is to provide investors with an investment vehicle that strives to enhance capital coupled with regular halal income by investing in Shariah compliant income investments.

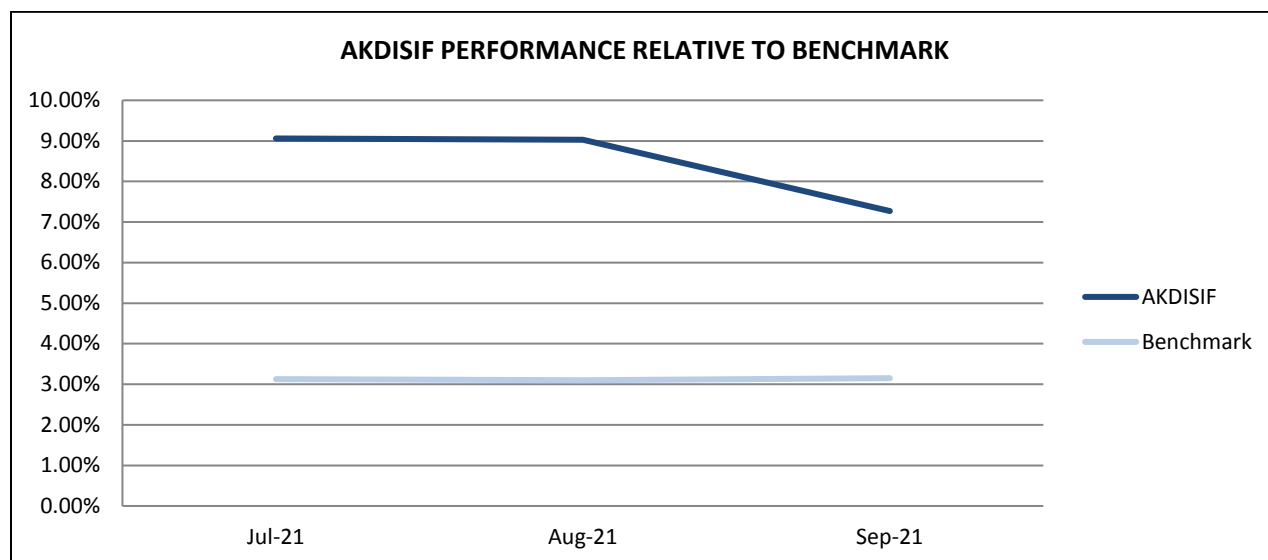
iii) **Explanation as to whether Collective Investment Scheme achieved its stated objective:**

For the 1QFY22, the annualized return of AKD Islamic Income Fund stood at 8.53% compared to benchmark return of 3.13%.

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

Six (6) months average deposit rates of three (3) A Rated Scheduled Islamic Banks or Islamic Windows of Conventional Banks as selected by MUFAP.

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



Monthly yield (annualized)	Jul-21	Aug-21	Sep-21
AKDISIF	9.06%	9.03%	7.27%
Benchmark	3.13%	3.10%	3.15%

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

AKD Islamic Income Fund is an Open – end Islamic Income Scheme. The returns of the fund are generated through investment in high quality Shariah complaint securities and Islamic Bank deposit. AKDISIF is fully complied with the relevant policies and procedures as per fund's regulatory requirement.

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)	30-Sep-21	30-Jun-21
Cash and Cash Equivalents	39.59%	35.81%
Sukuk	27.65%	25.63%
Spread Transactions (Cost)	26.12%	34.07%
Other Assets including Receivables	6.64%	4.49%

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

1QFY22 Return (annualized)	8.53%
Benchmark Return (annualized)	3.13%

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

Net Assets Value		NAV Per Unit		
30-Sep-21	30-Jun-21	Change in Net Assets	30-Sep-21	30-Jun-21
(Rupees in '000)			(Rupees)	
845,504	723,889	16.80%	51.5268	50.4424

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:

Pakistan's economy continued to witness robust recovery where pace of the economy has exceeded the expectations of the State Bank of Pakistan (SBP). However, rising domestic demand coupled with surging international commodity prices have led to a Current Account Deficit (CAD) of 4.1% of GDP, imported inflation and depreciation of the local currency. The SBP while remaining cognizant of inflationary pressures of the CAD, opted to lean towards a growth accommodating monetary stance; hence, nominally increasing the discount rate by 25bps to 7.25% in its September 2021 monetary policy meeting. Receipts of ~\$2.77bn provided by the IMF under its program to facilitate developing countries during the pandemic helped forex reserves to reach \$25.98bn.

The external account for 1QFY22 reported a CAD of \$3.4bn (4.1% of GDP) as compared to surplus of \$0.87 bn (1.2% of GDP) reported during same period last year (SPLY) owing to an increase in the Balance

of Trade, as the imports remained under pressure due to higher commodity prices – crude oil in particular, coupled with the import of vaccines and disbursements against TERF related capital expenditure (SBP disbursement reportedly \$1.63bn during FY22). However, Remittances posted phenomenal growth of 12.49%YoY to \$8.04bn during 1QFY22. The Government's efforts to attract Non-Resident Pakistani money paid off, attracting \$2.41bn through Roshan Digital Accounts (RDA) with more than 245,000 accounts.

According to press reports, the Federal Board of Revenue (FBR) has made net revenue collection of PKR 1,395bn during 1QFY22, up by 38.3%YoY as compared to ~PKR 1,004bn recorded during SPLY. FBR has exceeded its given target of PKR 1,211bn by a margin of PKR 186 billion. In addition, FBR has also witnessed an impressive 45% growth in the filing of tax returns and 64% growth in tax collection as of closing date for filling income tax returns, despite FBR's avoidance this year of extending filing dates as observed in the past.

As per Pakistan Bureau of Statistics (PBS), the average National Consumer Price Index (NCPI) in 1QFY22 was recorded at 8.58%YoY as compared to 8.84%YoY. Core Inflation, calculated by excluding food and energy prices, clocked in at 6.53%YoY and 6.43% YoY for Urban and Rural areas respectively, as compared to 5.47%YoY and 7.73%YoY, SPLY.

The Large Scale Manufacturing (LSM) sector witnessed an increase of 7.26% for July-August FY22 as compared 3.66% reported during same period last year. During the period under review, major contribution towards the growth came from Automobiles, Food, Beverages & Tobacco, Iron & Steel Products, and Pharmaceuticals to name a few. However, overall growth during the period was kept in check by sectors that posted negative growth including Rubber Products and Fertilizers.

MONEY MARKET REVIEW:

During 1QFY22, six (6) MTB auctions were carried out by the SBP, where the government managed to raise PKR 3.50trn cumulatively. Weighted average yield of 3, 6 and 12 months MTB were 7.27%, 7.53%, and 7.65% respectively, up by 0.36%, 0.58%, and 0.60% as compared to 6.91%, 6.95%, and 7.05% same period last year.

SBP also conducted three (3) auctions of Fixed Rate Pakistan Investment Bonds (PIBs) and was successful in raising PKR 409.26bn during 1QFY22. Weighted average yield for 3, 5 and 10 years PIBs increased by 0.97%, 0.83%, and 0.93% to 8.78%, 9.18%, and 9.84% as compared to 7.81%, 8.35%, and 8.91% for same period last year.

The Monetary Policy Committee announced two (2) Monetary Policy Statements during the year where the Committee increased the policy rate by 25 bps to 7.25% in September 2021. The SBP conducted 25 Open Market Operations (OMO) of different maturities and injected average amount of PKR1.19trn at an average cut off yield of 7.13% and mopped-up PKR0.20trn at a cut off yield of 7.22%.

As per the auction target calendar for October – December 2021, the SBP targets to raise PKR5.05trn by issuing MTB against maturing amount of PKR 5.10trn. In addition, SBP targets to raise another PKR 300 bn through 3 – 30 years Fixed Rate PIBs during the period against maturing amount of PKR 55bn.

FUTURE OUTLOOK:

Going forward, we remain optimistic about the economic outlook for FY22, where the SBP expects growth in upper end of 4 to 5 percent. Recent depreciation of local currency has helped to contain the external account as CAD for September has decreased by 24%MoM to \$1.11bn as compared to \$1.47bn. Reportedly, CAD is expected to go up to \$14bn (~4% of GDP). SBP's stance to raise interest rates in monetary policy of September will help contain inflationary pressures. As per the staff level agreement, reportedly Pakistan has agreed to further increase interest rates by 100 bps to 8.25%. The Real Effective Exchange Rate (REER) of 95.86 by end of September 2021 implies a very low likelihood of further Rupee depreciation.

We believe the reclassification of Pakistan to MSCI Frontier market will reduce foreign selling which has been recorded since FY16 as the local bourse would have a more significant weight of a much smaller fund allocated to frontier markets, unlike the case in the emerging markets.

On the Fixed Income front, expected increase in interest rates as agreed with International Monetary Fund in staff level agreement, will bode well for yields of fixed income instruments.

We expect the stock market to remain positive due to expansionary fiscal policy by the Government where the country has posted a provisional GDP growth of ~4.40% in FY21. We reiterate our positive market outlook for FY22 based on (i) expected growth in GDP owing to robust corporate earnings and agriculture growth (ii) compelling Price to Earnings multiple of 5.25x, (iii) Healthy dividend yield of 6.91% (iv) negative real interest rates, (v) reduction in capital gains tax rate from 15.00% to 12.50% for capital market transactions.

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
0.1 - 9,999	667
10,000 - 49,999	144
50,000 - 99,999	33
100,000 - 499,999	73
500,000 and above	70
	987

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.

AKD ISLAMIC INCOME FUND
Condensed Interim Statement of Assets and Liabilities
As at September 30, 2021

		(Un-Audited) September 30, 2021 Rupees in '000	(Audited) June 30, 2021 Rupees in '000
Assets	Note		
Bank balances	5	338,622	261,069
Investments	6	457,696	432,309
Dividend, profit receivable on bank deposits and sukuk certificates	7	8,036	7,537
Deposits, prepayments and other receivables	8	50,583	27,665
Preliminary expenses and floatation cost	9	398	470
Total Assets		855,335	729,050
Liabilities			
Payable to AKD Investment Management Limited - Management Company	10	1,198	1,121
Payable to MCB Financial Services Limited - Trustee	11	95	81
Payable to Securities and Exchange Commission of Pakistan	12	40	84
Accrued expenses and other liabilities	13	8,498	3,875
Total Liabilities		9,831	5,161
Net Assets		845,504	723,889
Unit Holders' Fund (as per statement attached)		845,504	723,889
Contingencies and Commitments	14		
		Number of units	
Number of units in issue		16,409,019	14,350,814
		Rupees	
Net assets value per unit		51.5268	50.4424

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director

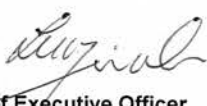

Chief Financial Officer

AKD ISLAMIC INCOME FUND
Condensed Interim Income Statement (un-audited)
For the first quarter ended September 30, 2021

	Note	2021 (Rupees in '000)	2020
Income			
Net unrealised appreciation / (dminution) on remeasurement of investments classified as 'financial assets at fair value through profit and loss'		(1,308)	780
Unrealised gain on future contracts		2,705	-
Capital gain on sale of investment (Income from Spread transaction)		5,715	-
Income from sukuk certificates		5,468	1,380
Income from Islamic commercial papers		-	296
Income from security margin		136	-
Dividend Income		28	-
Profit on bank deposits		5,599	2,011
Reversal of Provision against Sindh Workers' Welfare Fund		1,491	-
Total Income		19,834	4,467
Expenses			
Remuneration of AKD Investment Management Limited - Management Company		802	188
Sales tax on the remuneration of the Management Company		104	25
Remuneration of MCB Financial Services Limited - Trustee		241	56
Sales tax on the Trustee remuneration		31	7
Annual fee to the Securities and Exchange Commission of Pakistan		40	9
Expenses allocated by the Management Company		301	71
Auditors' remuneration		59	59
Settlement and bank charges		107	19
Security transaction Cost		869	-
Amortisation of preliminary expenses and floatation costs		72	72
Fee and subscription		194	75
Printing and related cost		38	38
Legal and professional charges		259	98
Charity		5	-
Provision against Sindh Workers' Welfare Fund		-	75
Total expenses		3,122	792
Net income for the period before taxation		16,712	3,675
Taxation	16	-	-
Net Profit for the period after taxation		16,712	3,675
Allocation of net income for the period			
Net income for the period after taxation		16,712	3675
Income already paid on units redeemed		(1,009)	(339)
		15,703	3,336
Accounting income available for distribution			
Relating to capital gains		7,112	780
Excluding capital gains		8,591	2,556
		15,703	3,336

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer

AKD ISLAMIC INCOME FUND
Condensed Interim Statement of Comprehensive Income (un-audited)
For the first quarter ended September 30, 2021

	2021 (Rupees in '000)	2020
Net Profit for the period after taxation	16,712	3,675
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>16,712</u>	<u>3,675</u>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director

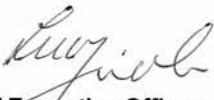

Chief Financial Officer

AKD ISLAMIC INCOME FUND
Condensed Interim Cash Flow Statement (un-audited)
For the first quarter ended September 30, 2021

	2021	2020
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit for the period before taxation	16,712	3,675
Adjustments		
Amortisation of preliminary expenses and floatation costs	72	72
Net unrealised (appreciation) / diminution on remeasurement of investments classified as 'financial assets at fair value through profit and loss'	1,308	(780)
	<u>18,092</u>	<u>2,967</u>
(Increase) / decrease in assets		
Investments	(26,695)	16,775
Dividend, profit receivable on bank deposits and sukuk certificates	(499)	2,713
Deposits, prepayments and other receivables	(22,918)	(62,416)
	<u>(50,112)</u>	<u>(42,928)</u>
Increase / (decrease) in liabilities		
Payable to AKD Investment Management Limited - Management Company	77	(13)
Payable to MCB Financial Services Limited - Trustee	14	(13)
Payable to Securities and Exchange Commission of Pakistan	(44)	(43)
Accrued expenses and other liabilities	4,623	47,363
	<u>4,670</u>	<u>47,294</u>
Net cash (used in) / generated from operating activities	<u>(27,350)</u>	<u>7,333</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issue of units	374,492	195,515
Payment against redemption of units	(269,589)	(281,253)
Net cash generated from / (used in) financing activities	<u>104,903</u>	<u>(85,738)</u>
Net increase / (decrease) in cash and cash equivalents	<u>77,553</u>	<u>(78,405)</u>
Cash and cash equivalents at beginning of the period	261,069	232,235
Cash and cash equivalents at end of the period	<u>5 338,622</u>	<u>153,830</u>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer

AKD ISLAMIC INCOME FUND
Condensed Interim Statement of Movement In Unit Holders' Fund (un-audited)
For the first quarter ended September 30, 2021

	2021			2020		
	Capital value	Undistributed income	Net assets	Capital value	Undistributed income	Net assets
	(Rupees in '000)			(Rupees in '000)		
Net assets at beginning of the period	719,616	4,273	723,889	296,649	946	297,595
Issuance of 7,321,285 units (2020: 3,828,057 units)						
- Capital value (at Ex-Nav at the beginning of the period)	369,303	-	369,303	192,189	-	192,189
- Element of income	5,189	-	5,189	3,326	-	3,326
Total proceeds on issuance of units	374,492	-	374,492	195,515	-	195,515
Redemption of 5,263,080 units (2020: 5,547,904 units)						
- Capital value (at Ex-Nav at the beginning of the period)	265,482	-	265,482	278,535	-	278,535
- Element of income	3,098	1,009	4,107	2,379	339	2,718
Total payments on redemption of units	268,580	1,009	269,589	280,914	339	281,253
Total comprehensive income / (loss) for the period	-	16,712	16,712	-	3,675	3,675
Distribution during the period	-	-	-	-	-	-
Refund of Capital	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	16,712	16,712	-	3,675	3,675
Net assets at end of the period	825,528	19,976	845,504	211,250	4,282	215,532
Undistributed income brought forward						
- Realised		963			588	
- Unrealised		3,310			358	
		4,273			946	
Accounting (loss) / income available for distribution						
- Relating to capital gains		7,112			780	
- Excluding capital gains		8,591			2,556	
		15,703			3,336	
Distribution during the period		-			-	
Undistributed gain carried forward		19,976			4,282	
Undistributed gain carried forward						
- Realised income		18,579			3,502	
- Unrealised income / (loss)		1,397			780	
		19,976			4,282	
Net assets value per unit at beginning of the period	(Rupees) 50.4424			(Rupees) 50.2055		
Net assets value per unit at end of the period	51.5268			51.2234		

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer

AKD ISLAMIC INCOME FUND
Notes to the condensed Interim financial statements (un-audited)
For the first quarter ended September 30, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

AKD Islamic Income Fund (the Fund) was established under a Trust Deed, dated August 30, 2017, executed between AKD Investment Management Limited (AKDIML) as the Management Company and MCB Financial Services Limited (MCBFSL) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a unit trust scheme on May 30, 2017. The initial Public Offering (IPO) of the Fund was made during the period from February 19, 2018 to February 20, 2018 and the Fund commenced operations from February 21, 2018. 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. February 19, 2018.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the 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 collective investment scheme 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 an open end Shariah Complaint (Islamic) Income Scheme in accordance with Circular 7 of 2009, issued by the Securities and Exchange Commission of Pakistan (SECP). Al-Hilal Shariah Advisors (Private) Limited acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.

The Management Company has been assigned a quality rating of "AM3++" by Pakistan Credit Rating Agency Limited (PACRA) on February 08, 2021. The Fund has been given stability rating of 'A+(f)' by PACRA on September 4, 2021.

Title to the assets of the Fund are held in the name of MCB Financial Services Limited as Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) 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 along with part VIIIA 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 requirement of the Trust Deed

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulation and requirements of the Trust Deed have been followed.

2.2 This condensed interim financial information does not include all the information required for a complete set of annual financial statements and should be read in conjunction with the latest annual financial statements as at and for the year ended 30 June 2021.

2.3 This condensed interim financial information is being submitted to the unitholders as required under Regulation 38 (g) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and are unaudited.

3. SIGNIFICANT ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The accounting policies and methods of computation followed for the preparation of this condensed interim financial information are the same as those applied in preparing the financial statements as at and for the year ended 30 June 2021.

In preparing this condensed interim financial information, Management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by Management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements as at and for the year ended 30 June 2021.

4. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements for the year ended 30 June 2021.

		(Un-audited) September 30, 2021	Audited June 30, 2021
	Note	Rupees in '000	
5. BANK BALANCES			
In saving accounts	5.1	338,622	261,069
5.1	This represent bank accounts held with different banks. Mark-up rates on these accounts range between 5% to 6.6% (June 30, 2021: 5% to 6.6%) per annum.		

6. INVESTMENTS

Financial assets at Fair value through profit or loss

- Listed Equity Securities (Spread Transactions)	6.1.1	221,178	245,458
- Sukuk certificates	6.1.2	236,518	186,851
		457,696	432,309

6.1.1 Listed equity securities (spread transactions)

Sectors / Companies	As at July 01, 2021	Purchased during the period	Sold during the period	As at Sept. 30, 2021	Carrying value as at Sept. 30, 2021	Market value as at Sept. 30, 2021
	(Number of shares)				(Rupees in 000)	
AUTOMOBILE ASSEMBLER						
Ghandhara Industries Limited	40,000	154,000	179,000	15,000	2,954	2,924
Ghandhara Nissan Limited	16,500	49,000	63,000	2,500	232	218
CABLE AND ELECTRICAL GOODS						
Pak Elektron Limited	-	21,500	21,500	-	-	-
CEMENT						
D.G. Khan Cement Company Limited	38,500	2,500	41,000	-	-	-
Fauji Cement Company Limited	37,000	-	37,000	-	-	-
Maple Leaf Cement Factory Limited	10,000	-	10,000	-	-	-
Lucky Cement Limited	-	8,500	-	8,500	6,172	6,144
CHEMICALS						
Engro Polymer & Chemicals Limited	19,000	-	19,000	-	-	-
Ghani Global Holdings Limited	1,142,000	1,671,500	2,813,500	-	-	-
ENGINEERING						
Aisha Steel Mills Limited	9,500	79,000	9,500	79,000	1,744	1,643
FERTILIZERS						
Engro Fertilizers Limited	9,000	-	9,000	-	-	-
Fauji Fertilizer Bin Qasim Limited	39,500	-	39,500	-	-	-
FOOD AND PERSONAL CARE PRODUCTS						
Al Shaheer Corporation Limited	327,000	-	327,000	-	-	-
Unity Foods Limited	1,596,000	1,577,500	1,959,000	1,214,500	39,819	37,917
OIL & GAS EXPLORATION COMPANIES						
Oil & Gas Development Company Limited	71,000	17,000	86,000	2,000	170	168
Pakistan Petroleum Limited	59,000	-	59,000	-	-	-
OIL & GAS MARKETING COMPANIES						
Pakistan State Oil Company Limited	50,000	21,000	71,000	-	-	-
Sui Northern Gas Pipelines Limited	120,500	7,000	127,500	-	-	-
PHARMACEUTICALS						
The Searle Company Limited	-	2,000	-	2,000	429	403
POWER GENERATION AND DISTRIBUTION						
The Hub Power Company Limited	9,500	-	9,500	-	-	-
REFINERY						
Attock Refinery Limited	61,500	130,000	68,500	123,000	21,875	21,990
Byco Petroleum Pakistan Limited	3,167,500	1,253,000	4,186,500	234,000	1,684	1,914
National Refinery Limited	14,000	5,000	19,000	-	-	-
Pakistan Refinery Limited	-	2,500	2,500	-	-	-
TECHNOLOGY & COMMUNICATION						
Avanceon Limited	-	589,000	393,000	196,000	23,794	24,179
Telecard Limited	-	1,409,500	1,409,500	-	-	-
TRG Pakistan Limited	-	1,823,500	1,058,500	765,000	124,530	123,678
Investment as at September 30, 2021					223,403	221,178
Investment as at June 30, 2021					248,366	245,458

6.1.2 At fair value through profit or loss

Name of investee company	Rate of return	Number of certificates			Carrying value as at Sep. 30, 2021	Market value as at Sep. 30, 2021	Unrealised appreciation / (diminution) as at Sep. 30, 2021	Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2021	Purchased during the period	Sold / Matured during the period					
Sukuk certificates - Listed									
Energyco Pk Limited (formerly: BYCO Petroleum Pakistan Limited)	8.44%	150	-	-	150	7,504	7,511	0.89%	1.64%
TPL Trakker Limited	10.78%	115	-	-	115	117,724	118,372	14.00%	25.86%
Pakistan International Airlines Corporation Limited	8.80%	-	10,000	-	10,000	50,000	50,144	5.93%	10.96%
Sukuk certificates - Unlisted									
Hub Power Company Limited	10.13%	250	-	-	250	25,600	25,663	3.04%	5.61%
Hub Power Holdings Limited	10.12%	300	-	-	300	24,738	24,738	2.93%	5.40%
Mughal Iron & Steels Industries Limited	8.67%	10	-	-	10	10,035	10,090	1.19%	2.20%
Total as at September 30, 2021					235,601	236,518	917		
Total as at June 30, 2021					183,510	186,851	3,341		

6.1.3 Significant terms and conditions of sukuk certificates are as follows:

Name of investee company	Face value per certificate (Rupees)	Redeemed Face value per certificate (Rupees)	Markup rate	Issue date	Maturity date	Secured / Unsecured	Rating
Sukuk certificates - Listed							
Energyco Pk Limited (formerly: BYCO Petroleum Pakistan Limited)	100,000	50,000	3 months KIBOR + 1.05%	January 18, 2017	January 18, 2023	Secured	AAA
TPL Trakker Limited	1,000,000	1,000,000	3 months KIBOR + 3.00%	March 30, 2021	March 30, 2026	Secured	A+
Pakistan International Airlines Corporation Limited	5,000	5,000	1 months KIBOR + 1.00%	July 26, 2021	July 26, 2031	Secured	AAA
Sukuk certificates - Unlisted							
Hub Power Company Limited	100,000	100,000	1 year KIBOR + 1.90%	March 19, 2020	March 19, 2024	Secured	AA+
Hub Power Holdings Limited	100,000	82,459	6 months KIBOR + 2.50%	November 12, 2020	November 12, 2025	Secured	AA+
Mughal Iron & Steels Industries Limited	1,000,000	1,000,000	3 months KIBOR + 1.30%	March 2, 2021	March 2, 2026	Secured	A+

		(Un-Audited) 30-Sep-2021	(Audited) 30-Jun-2021 Rupees in '000
7	DIVIDEND, PROFIT RECEIVABLE ON BANK AND SUKUK CERTIFICATES		
	Profit on bank balance	2,421	1,943
	Dividend Receivable	28	-
	Income Receivable on Sukuk	5,587	5,594
		<u>8,036</u>	<u>7,537</u>
8	DEPOSITS AND PREPAYMENTS AND OTHER RECEIVABLES		
	Security deposits with		
	- National Clearing Company of Pakistan Limited	2,500	2,500
	- Central Depository Company of Pakistan Limited	100	100
	Security margin deposit	2,251	21,925
	Unrealised gain on future contracts	2,705	2,877
	Prepaid PSX Listing Fee	21	-
	Prepaid Shairah Advisor fee	127	209
	Receivable against conversion of units	42,825	-
	Advance Tax	54	54
		<u>50,583</u>	<u>27,665</u>
9	PRELIMINARY EXPENSES AND FLOATATION COST		
	Preliminary expenses and floatation cost	470	757
	Less: Amortised during the period / year	9.1 (72)	(287)
		<u>398</u>	<u>470</u>
9.1	Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are amortised over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.		
10	PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY		
	Remuneration	10.1 280	240
	Sales tax on management fees	10.2 36	31
	Expenses allocated by the management company	10.3 105	90
	Formation cost	757	757
	Others	20	3
		<u>1,198</u>	<u>1,121</u>
10.1	During the period the Management Company has charged 0.4% p.a. management fee from July 01, 2021 to September 30, 2021 on the daily net assets of the Fund.		
10.2	Sindh sales tax at the rate of 13% (June 30, 2021: 13%) on gross value of management fee is charged under the provisions of Sindh Sales Tax on Services Act, 2011.		
10.3	The Management Company has charged expenses at the rate of 0.15% (June 30, 2021: 0.15%) per annum of the average annual net assets of the Fund being lower than actual expenses chargeable to Fund, from July 01, 2021 to September 30, 2021.		
11	PAYABLE TO MCB FINANCIAL SERVICES LIMITED - TRUSTEE		
	Trustee fee	11.1 84	72
	Sindh Sales Tax	11.2 11	9
		<u>95</u>	<u>81</u>
11.1	The Trustee is entitled to a monthly remuneration to be paid monthly in arrears 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 tariff structure applicable to the fund is as follows:		
	Amount of Funds Under Management [Average Net Assets Value (NAV)]	Tariff per annum	
	Upto Rs 1,000 million	0.12% of Net Assets	
	Exceeding Rs 1,000 million and up to Rs 5,000 million	Rs. 1.2 million plus 0.065% per annum of the amount exceeding Rs. 1,000 million	
	Exceeding Rs. 5,000 million and up to Rs. 10,000 million	Rs. 3.8 million plus 0.06% per annum of the amount exceeding Rs. 5,000 million	
11.2	Sindh Sales Tax is charged at 13% (June 30, 2021: 13%) on Trustee fee.		

12 PAYABLE TO THE SECURITIES AND EXCHANGE
COMMISSION OF PAKISTAN (SECP)

Annual fee payable to SECP	12.1	40	84
----------------------------	------	----	----

12.1 Under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 a collective investment scheme is required to pay as annual fee to the Securities and Exchange Commission of Pakistan, an amount equal to 0.02% (June 30, 2021: 0.02%) percent of the average annual net assets of the scheme. The fee is payable annually in arrears.

13 ACCRUED AND OTHER LIABILITIES

Auditors remuneration		199	173
Brokerage Payable		689	707
NCC fee Payable		25	67
Printing charges payable		168	150
Provision for SWWF	13.1	-	1,491
Payable against conversion of units		7,232	-
Withholding tax payables		142	1,245
Charity Payable		5	-
Others		38	42
		8,498	3,875

13.1 During the year Sindh Revenue Board (SRB) through its letter dated August 12, 2021 to Mutual Funds Association of Pakistan (MUFAP) has clarified that Asset Management Company's (AMCs) are covered under the term "financial institutions" as per the SWWF Act, 2014 and are therefore, subject to SWWF charge whereas the Mutual Funds managed by those AMCs do not qualify as "Financial Institutions" as per SWWF Act, 2014 and are therefore, not liable to pay SWWF contributions. The development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with the SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

14 CONTINGENCIES AND COMMITMENTS

There were no contingencies as at September 30, 2021 and June 30, 2021.

The commitment to sell equity securities at a future date under spread transactions amounts to Rs. 225.576 million (June 30, 2021: 251.310 million)

15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2021 is 1.56% (Sep. 30, 2020: 1.68%) (annualised) which includes 0.15% (Sep. 30, 2020: 0.27%) (annualised) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, Sales Taxes, Annual fee to the SECP. This ratio is within the maximum limit of 2.5% (2020: 2.5%) prescribed under the NBFC Regulations for a collective investment scheme categorised as "Shariah Compliant Income Scheme".

16 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 capital gains whether realised or unrealised is distributed to the unit holders in cash. 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. The Management Company has intends to distribute 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 financial

17 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include AKD Investment Management Limited, being the Management MCB Financail Services Limited, being the Trustee, Aqeel Karim Dhedhi Securities (Private) Limited, AKD Securities Limited, directors, officers and other connected persons of the Management Company and their connected persons.

The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates. Details of transactions and balances with connected persons are as follows:

	(Un-Audited)	
	Period ended September 30,	
	2021	2020
	(Rupees in '000)	
17.1 Transactions during the period		
AKD Investment Management Limited -		
Management Company		
Remuneration to the Management Company	802	188
Sales Tax Provincial on Management Remuneration	104	25
Expenses allocated by the Management Company	301	71
Issue of 88,509 units (2020: Nil)	4,505	-
Redemption of 88,509 units (2020: Nil)	4,553	-
MCB Financial Services Limited - Trustee		
Remuneration to the Trustee	241	56
Sales tax on trustee remuneration payable	31	7
M3 Technologies Pakistan Private Limited Employees Provident Fund		
Issue of 97,336 units (2020: Nil)	5,000	-
Company Secretary and Chief Operating (with spouse and minor children) Officer of the Management Company		
Issue of 8 units (2020: 417)	1	21
Redemption of Nil units (2020: 19,239)	-	966
Chief Executive Officer of the Management Company		
Issue of 357 units (2020: 232)	18	12
Redemption of 357 units (2020:232)	18	12
Chief Financial Officer of the Management Company		
Issue of Nil units (2020: 13)	-	1
Spouse of the Chief Executive Officer of the Management Company		
Issue of 32,609 units (2020: 25,652)	1,659	1,299
Redemption of 32,609 units (2020: 2,249,388)	1,660	113,086

17.2 Balances outstanding at the period / year end

AKD Investment Management Limited - Management Company		
Remuneration payable	280	240
Sales Tax Provincial on Management Remuneration	36	31
Payable against expenses allocated by the Management Company	105	90
Payable against formation cost	757	757
Sales load payable	20	3
MCB Financial Services Limited - Trustee		
Remuneration payable	84	72
Sindh Sales Tax on trustee remuneration payable	11	9
Receivable / Payable against conversion of units between AKD Funds		
Receivable against Conversion of units - AKD Cash Fund	7	-
Receivable against Conversion of units - AKD Islamic Stock Fund	10,512	-
Receivable against Conversion of units - Golden Arrow Stock Fund	10,066	-
Receivable against Conversion of units - AKD Opportunity Fund	22,240	-
Payable against Conversion of units - Golden Arrow Stock Fund	2,345	-
Payable against Conversion of units - AKD Opportunity Fund	153	-
Payable against Conversion of units - AKD Islamic Stock Fund	4,733	-
Chief Financial Officer of the Management Company		
Outstanding 854 units (June 2021: 854 units)	44	43
Company Secretary and Chief Operating (with spouse and minor children) Officer of the Management Company		
Outstanding 8 units (June 2021: Nil units)	1	-
Muhammad Farid Alam - Key Management Personnel of Associated Company		
Outstanding 32,485 units (June 2020: 32,485 units)	1,674	1,639
Afsheen Aqeel Dhedhi - Close relative of the Sponsor of the Management Company		
Outstanding 29 units (June 2021: 29 units)	1	1
M3 Technologies Pakistan Private Limited Employees Provident Fund		
Outstanding 97,336 units (June 2021: Nil units)	5,015	-
Bank Alfalah Employee Provident Fund - Connected person due to holding of more than 10% units		
Outstanding units 1,991,691 (June 2021: 1,991,691 units)	102,625	100,466
Pak Qatar Investment Account- Connected person due to holding of more than 10% units		
Outstanding units 5,091,253 (June 2021: 5,091,253 units)	262,336	256,815
Pak Qatar Individual Family Participant Investment Fund- Connected person due to holding of more than 10% units		
Outstanding units 2,047,664 (June 2021: 2,047,664 units)	105,510	103,289

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 recognized 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).

The following table show the carrying amount and fair values of financial assets and financial liabilities including the levels in the fair value hierarchy.

As at September 30, 2021							
Carrying Amount			Fair Value				
At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----			----- (Rupees in '000) -----				
ASSETS							
Financial assets measured at fair value							
Investment	457,696	-	457,696	221,178	236,518	-	457,696

As at June 30, 2021							
Carrying Amount			Fair Value				
At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----			----- (Rupees in '000) -----				
ASSETS							
Financial assets measured at fair value							
Investment	432,309	-	432,309	245,458	186,851	-	432,309

During the period ended September 30, 2021, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

19. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 29 OCT 2021 by the Board of Directors of the Management Company.

20. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation. No significant rearrangements or reclassifications have been made in these condensed interim financial statements during the current period.

21. GENERAL

21.1 Figures have been rounded off to the nearest thousand rupees.

For AKD Investment Management Limited
(Management Company)


Chief Executive Officer


Director


Chief Financial Officer



**AKD Investment
Management Ltd.**

Head Office:

216-217, Continental Trade Centre, Block-8, Clifton, Karachi-74000
U.A.N : 92-21-111 AKDIML (111-253-465) | Fax : 92-21-35303125

Gulshan-e-Iqbal Branch:

Bungalow No. FL-3/12,
Ground Floor Block No. 5, KDA,
Scheme No. 24, Gulshan-e-Iqbal, Karachi.
Contact # 92-21-34823003-7

Abbottabad Branch:

Office No. 1 & 2, 2nd Floor, Zaman Plaza,
Near Complex Hospital,
Main Mansehra Road, Abbottabad.
Contact # 099-2381431-2

Lahore Branch:

Plaza # 250, 2nd Floor, Phase IV,
Block-FF, D.H.A., Lahore Cantt.
Contact # 0333-0342762-4

E-mail : info@akdinvestment.com
Website : www.akdinvestment.com