Funds Managed by:

AKD Investment Management Ltd.

3rd Quarter Report
March 31, 2013
(Un-audited)

Quarterly report

AKD AGGRESSIVE INCOME FUND

AKD CASH FUND

AKD OPPORTUNITY FUND

AKD INDEX TRACKER FUND

Partner with AKD Profit from the Experience

AKD Investment Management Ltd.

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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. Farrukh Shaukat Ansari

Chief Executive Officer
Mr. Imran Motiwala

Directors
Mr. M. Ramzan Sheikh
Mr. Aurangzeb Ali Naqvi
Mr. Muhammad Amin Hussain*
Mr. Nadeem Saulat Siddiqui
Mr. Abdul Karim Memon**

CHIEF FINANCIAL OFFICER OF THE MANAGEMENT COMPANY

Mr. Muhammad Munir Abdullah

COMPANY SECRETARY OF THE MANAGEMENT COMPANY

Mr. Muhammad Yaqoob

AUDIT COMMITTEE

Mr. M. Ramzan Sheikh (Chairman)
Mr. Aurangzeb Ali Naqvi (Member)
Mr. Muhammad Amin Hussain (Member)*
Mr. Muhammad Yaqoob (Secretary)

HUMAN RESOURCE & REMUNERATION COMMITTEE (HR & R)

Mr. Farrukh Shaukat Ansari (Chairman)
Mr. Imran Motiwala (Member)

INTERNAL AUDITORS
Rafaqat Mansha Mohsin
Dossani Massom & Co.
Chartered Accountants
Suite 113, 3rd Floor,
Hafeez Centre, KCHS,
Block 7 & 8, Shahrah-e-Faisal,
Karachi-75350

RATING
AKD Investment Management Ltd. (AMC)
JCR-VIS: AM3- (AM Three Minus)

*Subsequent to the period end, he has resigned from the Board and Audit Committee.

** Appointed in place of Mr. Ali Qadir Gilani, subject to approval from SECP.

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 Fund 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 Aggressive Income Fund (AKDAIF), AKD Cash Fund (AKDCF), AKD Opportunity Fund (AKDOF)** and **AKD Index Tracker Fund (AKDITF),** is pleased to present its Third Quarterly Report along with the Funds' accounts for the nine months period ended march 31, 2013.

Macro Perspective

Home remittances continued to provide much needed fiscal space contributing a large part of foreign inflows against depleting reserves. In 9MFY13 remittance inflows stood at $10.354 billion from $9.736 billion of corresponding prior fiscal period up 6.35%. Average monthly inflows increased rose to $1.15 billion compared to $1.082 billion of corresponding period last fiscal year, while growth under this head seems to be tampering off.

The total liquid foreign exchange reserves fell by $3.53 billion to slate down to $11.758 billion during the nine months of the current fiscal year primarily due to debt repayments to the IMF. Reserves held by State Bank were down to $6.697 billion from $10.803 billion June, 2012. The Central Bank paid $847 million to the IMF against principal amount of the Stand-By Arrangement (SBA) and Extended Credit Facility (SCF) in 3QFY13 alone. On a cumulative basis $2.04 billion had been repaid to IMF during 9MFY13. The rupee remained under pressure and continued to depreciate, breaching the psychological level of Rs 100 against greenback in the open market in February 2013. However, a nominal recovery was observed during this period as reserves held by banks registered an improvement surging by $576 million to $5.061 billion in Mar-13 against $4.485 billion in June-12.

CPI inflation on the other hand continued to decline and averaged at 8.0% for the first nine months of the current fiscal year well below the Government's target and discount rate of 9.50%. For the month of March it clocked in at 6.57%, lowest since July 2009, mostly attributable to high base effect, low food and transport inflation. It is expected that going forward, CPI inflation would average in the range of 7.75% - 8.25% in FY13 due to decline in fuel prices, continued high base effect and contained food inflation.

SBP remained committed in playing its role of reviving our ailing economy, capitalized on the declining inflation numbers and reduced the interest rates by 250 basis points in the first half of FY13 to stand at 9.5%, while restraining itself from further monetary easing on the back of the deteriorating balance of payments position.

Equity Market

Easing inflation, rising local cement prices, surging textile exports, strong corporate results and strong correlation of market performance with election year propelled the KSE-100 to breach the all time high psychological barrier of 18,000 points in Feb-13. The index increased by 4,241.90 points to close at 18,043.31 points a surge of 23.51% during 9MFY13. Foreign investors continued to purchase equity at the bourse and were net buyers of $ 227.67 million equity during the 9MFY13.

Furthermore, market sentiments were positive as for the first time in Pakistan's history an elected government completed its five year term, a tremendous achievement for the democratic process and encouraging for consistency in vision and reforms.

Money Market Dynamics

SBP auctioned T-bills of various maturities amounting around Rs 4.085 trillion during 9MFY13. Only in 3QFY13 SBP realized worth Rs. 1.163 trillion of T-Bills of various maturities. During the quarter the State Bank continued to inject liquidity into the banking system through open market operations in order to stabilize the money market as was the case in the first half of FY13.

Rupee depreciated against US$ by 4.2% in 9MFY13 on account of fading foreign exchange reserves, falling interest rate, declining inflows in financial and capital account. Despite low discount rate real cost of borrowing has increased which might lead to inflationary pressure in the economy going forward.

Future Outlook

We anticipate CPI inflation to average in the range of 7.75% to 8.25% while we expect the discount rate to remain unchanged for the remaining period of fiscal 2013. It is pertinent to note that due to low financial and capital account inflows external current account deficit could widen. Falling reserves, which cover less than two months imports, beckon Pakistan's economy for re-entry into a new IMF Program.

Compared to regional markets the KSE-100 is trading at a PE of 7.95x P/E versus 14.98x P/E of the regional peers based on forward earnings. Furthermore, the equity markets offer an attractive 2013 average dividend yield of 6.92% compared to the regional average of only 2.62% giving room for further upside potential. We advice investors to remain invested in the stock market.

For and on behalf of the Board

Imran Motiwala
Chief Executive Officer

Karachi: April 27, 2013

AKD Cash Fund
Financial Statements - Third Quarter FY13

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AKD Cash Fund

AKD
CASH FUND

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

INTERNAL AUDITORS
Rafaqat Mansha Mohsin Dossani
Masoom & Co.
Chartered Accountants
Suite 113, 3rd floor, Hafeez Centre
KCHS, Block 7&8 Shahra-e-Faisal,
Karachi-75350

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

BANKERS
Allied Bank Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited

AUDITORS
M. Yousuf Adil Saleem & Co.
Chartered Accountants
Cavish Court, A-35, Block 7 & 8
KCHSU, Sharea Faisal,
Karachi-75350

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)

DISTRIBUTOR
AKD Investment Management Limited

RATING
AKD CASH FUND
JCR-VIS: AA+(F) [Double A Plus (F)]

FUND MANAGER'S REPORT

The NAV of the AKD Cash Fund (a money market scheme) appreciated by 9.62% versus the benchmark return of 8.44%, thus outperforming the benchmark by 1.18% for the nine month period ended 31 March 2013.

Investment Strategy

AKD Cash fund aims to provide optimal returns consistent with minimal risk from a portfolio constituted of high quality short term securities / instruments, which provide liquidity to investors. A product of low risk and consistent flow of income, the AKD Cash fund is suited for conservative investors with little tolerance for price volatility while ensuring liquidity, along with regular return in line with ongoing interest rates of "AA" and Government rated securities / instruments.

Economy

For the period under review, Pakistan received foreign inflows of USD 1.8bn under the Coalition Support Fund, which provided much needed respite to Pakistan's current account position. It is imperative to note, that despite these inflows the external account continued to remain under pressure as debt repayments of $2.04 billion were made to International Monetary Fund (IMF) during 9MFY13. SBP has still to retire major bilateral principal repayments of $838 million due during the forthcoming period of Apr-Jun 2013.

Home remittances being the major foreign inflow provided cushion to the depleting foreign exchange reserves. In 9MFY13 remittance inflows stood at $10.354 billion climbing by 6.35% from $9.736 billion of corresponding prior fiscal period. Furthermore, growth in monthly average inflow was also witnessed as it rose to $1.15 billion compared to $1.082 billion of comparable period last fiscal year.

The total liquid foreign exchange reserves fell by $3.53 billion to slate down to $11.758 billion during the nine months of the current fiscal year primarily due to rising debt repayments and plunging foreign inflows. Reserves held by State Bank were down to $6.697 billion from $10.803 billion June 2012. Whereas, reserves held by banks surged to $5.061 billion from $4.485 billion of June 2012.

Furthermore, due to persistent current account pressures the local currency continued to face headwinds. Depleting foreign currency reserves on account of principal repayments to IMF, falling interest rates and scanty inflows in financial and capital accounts had all contributed towards Pak Rupee devaluation against greenback of 5.2% in the 9MFY13.

Money Market Review

SBP auctioned T-bills and PIB of various maturities worth Rs 4.276 trillion during 9MFY13. Government raised Rs 1.162 trillion through the sale of three-, six-, and twelve-months T-bills in the 3QFY13. There were six auctions of the treasury bills in Jan-Mar quarter, whereas, no PIB auction were held in 3QFY13.

CPI stood at 6.57% in Mar-13 primarily attributable to high base. Lower inflation outlook coupled with a determination to promote private investment inclined the SBP to further reduce the policy rate to single digit. During 1HFY13 State Bank of Pakistan reduced discount rate by 250 basis points to give boost to the crippling economy primarily by enhancing credit disbursements to the private sector credit by commercial banks. However, SBP decided to maintain a status quo in 3QFY13.

Performance Review and Outlook

During the period ended March 31st, 2013 the Fund yielded an annualized return of 9.62% against the benchmark return of 8.44% to close at Rs. 50.4211. The Fund reported a net profit of Rs. 14.417 million. The Management Company in its efforts to raise fund size continued to waive off Management fee from 1.25% to 0% until the Net Assets reaches Rs. 0.5 Billion.

We believe that the Fund is well positioned to provide better returns as compared to bank deposits along with tax benefits. We strongly recommend investors to maintain their short and medium-term liquidity in the AKD Cash Fund in order to avail decent returns at low risk. It is once again informed that the Management Company has extended the waiver of the Management Fee till its Net Assets reaches to Rs. 0.5 Billion.

Going forward, down trending commodity prices in the international market, better export figures post ATP announced by the EU and higher sugar exports is expected to bode well for the external account position. Nonetheless, SBP anticipates further widening of the external account deficit due to low foreign inflows and huge debt payments ahead. Furthermore we expect CPI inflation will remain under pressure as a consequence of higher food prices, upward revision in utility tariffs, upward revision of wheat support prices and expected increase in CNG prices. Hence, maintaining interest rates at current levels could prove to be a very challenging task for the SBP. We would therefore continue to invest in market treasury bills for liquidity requirements in shorter duration therefore minimizing any impact on yield due to adverse interest rate movements.

Interim Distribution

The Chief Executive Officer on behalf of Board of Directors of AKD Investment Management Limited (AKDIML) approved and declared following interim dividend payouts between 1st July 2012 to 31st March 2013.

From Date	To Date	Dividend per unit (Rupee)	Date of Announcement
01-July-2012	27-July-2012	0.33811	31-July-2012
28-July-2012	31-August-2012	0.67043	04-September-2012
01-September-2012	28-September-2012	0.32475	02-October-2012
29-September-2012	25-October-2012	0.41178	31-October-2012
26-October-2012	30-November-2012	0.38330	04-December-2012
01-December-2012	28-December-2012	0.33314	01-January-2013
29-December-2012	24-January-2013	0.31253	29-Januray-2013
25-Januray-2013	22-February-2013	0.31666	26-February-2013

Subsequent to March 31, 2013 Fund also announced following interim dividend payouts up to April 27,2013.

From Date	To Date	Dividend per unit (Rupee)	Date of Announcement
23-February-2013	29-March-2013	0.39866	02-April-2013

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2013

	Note	(Unaudited) March 31, 2013	(Audited) June 30, 2012
		----- (Rupees in '000)-----	
ASSETS			
Bank balances	4	**4,545**	8,437
Investments	5	**288,739**	94,364
Profit receivable on bank deposit and other receivable		**22,488**	83
Prepayments		**114**	72
Preliminary expenses and floatation costs	6	**856**	1,025
Total assets		**316,742**	103,981
LIABILITIES			
Payable to Management Company	7	**1,025**	1,125
Payable to Trustee		**51**	15
Payable to Securities and Exchange Commission of Pakistan		**116**	32
Accrued expenses and other liabilities	8	**603**	342
Total liabilities		**1,795**	1,514
NET ASSETS		**314,947**	102,467
UNIT HOLDERS' FUND (as per statement attached)		**314,947**	102,467
CONTINGENCIES AND COMMITMENTS	9		
		(Number of units)	
Number of units in issue		**6,246,331**	2,029,335
		(Rupees)	
Net asset value per unit		**50.4211**	50.4929

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Aurangzeb Ali Naqvi
Director

CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2013

	Note	Nine Months Period ended March 31, 2013	For the period From Jan 19, 2012 to March 31, 2012	Quarter ended March 31, 2013
		-----------------------(Rupees in '000)-----------------------		
INCOME				
Income / profit on :				
- government securities		**14,456**	1,682	**6,088**
- bank deposits		**551**	575	**129**
Capital gain / (loss) on sale of investments		**22**	-	**(2)**
		15,029	2,257	**6,215**
Unrealized appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		**(46)**	45	**(139)**
Total income		**14,983**	2,302	**6,076**
EXPENSES				
Remuneration of Trustee		**286**	32	**139**
Annual fee - Securities and Exchange Commission of Pakistan		**116**	14	**51**
Auditors' remuneration		**158**	75	**52**
Settlement and bank charges		**24**	1	**6**
Amortization of preliminary expenses and floatation costs	6	**169**	43	**56**
Security transaction cost		**9**	5	**1**
Fees and subscription		**23**	13	**8**
Legal and professional charges		**105**	34	**35**
Printing and related costs		**131**	33	**54**
Provision for Workers' Welfare Fund	8.1	**294**	41	**118**
Total expenses		**1,315**	291	**520**
Net income from operating activities		**13,668**	2,011	**5,556**
Element of income and capital gains included in prices of units issued less those in units redeemed		**749**	9	**220**
Net income for the period before taxation		**14,417**	2,020	**5,776**
Taxation	10	**-**	-	**-**
Net income for the period after taxation		**14,417**	2,020	**5,776**
Other comprehensive income for the period		**-**	**-**	**-**
Total comprehensive income for the period		**14,417**	**2,020**	**5,776**
Earnings per unit - basic and diluted	11			

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Aurangzeb Ali Naqvi
Director

CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2013

	Nine Months Period ended March 31, 2013	For the period From Jan 19, 2012 to March 31, 2012	Quarter ended March 31, 2013
	-(Rupees in '000)-		
Undistributed income brought forward			
- Realised income	**1,011**	-	**1,755**
- Unrealised (loss) / income	**(11)**	-	**93**
	1,000	-	**1,848**
Final distribution for the year ended June 30, 2012			
- Re. 0.49 per unit on July 09, 2012			
- Cash distribution	**-**	-	**-**
- Issue of 20,001 bonus units @ Rs. 50 per unit	**(1,000)**	-	**-**
Interim distribution:			
- Re. 0.34 per unit on July 31, 2012			
- Cash distribution	**-**	-	**-**
- Issue of 13,574 bonus units @ Rs. 50 per unit	**(679)**	-	**-**
Interim distribution:			
- Re. 0.67 per unit on September 4, 2012			
- Cash distribution	**(1)**	-	**-**
- Issue of 29,625 bonus units @ Rs. 50 per unit	**(1,481)**	-	**-**
Interim distribution:			
- Re. 0.32 per unit on October 2, 2012			
- Cash distribution	**-**	-	**-**
- Issue of 19,732 bonus units @ Rs. 50 per unit	**(987)**	-	**-**
Interim distribution:			
- Re. 0.41 per unit on October 31, 2012			
- Cash distribution	**-**	-	**-**
- Issue of 35,240 bonus units @ Rs. 50 per unit	**(1,762)**	-	**-**
Interim distribution:			
- Re. 0.38 per unit on December 4, 2012			
- Cash distribution	**-**	-	**-**
- Issue of 37,663 bonus units @ Rs. 50 per unit	**(1,883)**	-	**-**
Interim distribution:			
- Re. 0.33 per unit on January 1, 2013			
- Cash distribution	**-**	-	**-**
- Issue of 32,442 bonus units @ Rs. 50 per unit	**(1,622)**	-	**(1,622)**
Interim distribution:			
- Re. 0.31 per unit on January 29, 2013			
- Cash distribution	**-**	-	**-**
- Issue of 31,567 bonus units @ Rs. 50 per unit	**(1,578)**	-	**(1,578)**
Interim distribution:			
- Re. 0.32 per unit on February 26, 2013 (2012: Re. 0.44 per unit on February 28, 2012)			
- Cash distribution	**-**	(239)	**-**
- Issue of 35,879 bonus units @ Rs. 50 per unit (2012: Issue of 11,705 bonus units @ Rs. 50 per unit)	**(1,794)**	(585)	**(1,794)**
Net income for the period after taxation	**14,417**	2,020	**5,776**
Undistributed profits carried forward	**2,630**	1,196	**2,630**
Realized income	**2,676**	1,151	**2,676**
Unrealized income / (loss)	**(46)**	45	**(46)**
	2,630	1,196	**2,630**

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Aurangzeb Ali Naqvi
Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2013

	Nine Months Period ended March 31, 2013	For the period From Jan 19, 2012 to March 31, 2012	Quarter ended March 31, 2013
	(Rupees in '000)		
Net assets at beginning of the period	102,467	-	245,302
Issue of 6,325,921 units (2,767,852 units for the period from Jan. 19, 2012 to Mar 31, 2012)	317,617	138,481	105,297
Redemption of 2,364,648 units (741,291 units for the period from Jan. 19, 2012 to Mar 31, 2012)	(118,804)	(37,144)	(41,208)
	198,813	101,337	64,089
Issue of bonus 255,723 units (2012: 11,705 units)	12,786	585	4,994
Element of income and capital gains included in prices of units issued less those in units redeemed			
- amount representing income and capital gains - transferred to Income Statement	(749)	(9)	(220)
Other net income for the period	14,441	1,975	5,917
Capital gain / (loss) on sale of investments	22	-	(2)
Unrealized appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	(46)	45	(139)
Final distribution for the year ended June 30, 2012			
- Re. 0.49 per unit on July 09, 2012			
- Cash distribution	-	-	-
- Issue of 20,001 bonus units @ Rs. 50 per unit	(1,000)	-	-
Interim distribution:			
- Re. 0.34 per unit on July 31, 2012			
- Cash distribution	-	-	-
- Issue of 13,574 bonus units @ Rs. 50 per unit	(679)	-	-
Interim distribution:			
- Re. 0.67 per unit on September 4, 2012			
- Cash distribution	(1)	-	-
- Issue of 29,625 bonus units @ Rs. 50 per unit	(1,481)	-	-
Interim distribution:			
- Re. 0.32 per unit on October 2, 2012			
- Cash distribution	-	-	-
- Issue of 19,732 bonus units @ Rs. 50 per unit	(987)	-	-
Interim distribution:			
- Re. 0.41 per unit on October 31, 2012			
- Cash distribution	-	-	-
- Issue of 35,240 bonus units @ Rs. 50 per unit	(1,762)	-	-
Interim distribution:			
- Re. 0.38 per unit on December 4, 2012			
- Cash distribution	-	-	-
- Issue of 37,663 bonus units @ Rs. 50 per unit	(1,883)	-	-
Interim distribution:			
- Re. 0.33 per unit on January 1, 2013			
- Cash distribution	-	-	-
- Issue of 32,442 bonus units @ Rs. 50 per unit	(1,622)	-	(1,622)
Interim distribution:			
- Re. 0.31 per unit on January 29, 2013			
- Cash distribution	-	-	-
- Issue of 31,567 bonus units @ Rs. 50 per unit	(1,578)	-	(1,578)
Interim distribution:			
- Re. 0.32 per unit on February 26, 2013 (2012: Re. 0.44 per unit on February 28, 2012)			
- Cash distribution	-	(239)	-
- Issue of 35,879 bonus units @ Rs. 50 per unit (2012: Issue of 11,705 bonus units @ Rs. 50 per unit)	(1,794)	(585)	(1,794)
	1,630	1,196	782
Net assets at end of the period	314,947	103,109	314,947

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Aurangzeb Ali Naqvi
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2013

	Note	Nine Months Period ended March 31, 2013	For the period From Jan 19, 2012 to March 31, 2012	Quarter ended March 31, 2013
		(Rupees in '000)		
CASH FLOW FROM OPERATING ACTIVITIES				
Net income for the period before taxation		**14,417**	2,020	**5,776**
Adjustments for non-cash and other items				
Unrealized (appreciation) / diminution on re-measurment of investments classified as 'financial assets at fair value through profit or loss' - net		**46**	(45)	**139**
Capital (gain) / loss on sale of investments		**(22)**	-	**2**
Element of income and capital gains included in prices of units issued less those in units redeemed		**(749)**	(9)	**(220)**
Amortization of preliminary expenses and floatation costs		**169**	43	**56**
Remuneration of Central Depository Company of Pakistan Limited - Trustee		**286**	32	**139**
		14,147	2,041	**5,892**
(Increase) / decrease in assets				
Investments		**(24)**	45	**92,407**
Profit receivable on bank deposit and other receivable		**(22,405)**	(84)	**(22,417)**
Prepayments		**(42)**	(123)	**(98)**
Preliminary expenses and floatation costs		**-**	(1,125)	**-**
		(22,471)	(1,287)	**69,892**
Increase / (decrease) in liabilities				
Payable to Management Company		**(100)**	1,380	**(100)**
Payable to Securities and Exchange Commission of Pakistan		**84**	14	**51**
Accrued expenses and other liabilities		**261**	155	**79**
		245	1,549	**30**
Remuneration paid to Central Depository Company of Pakistan Limited - Trustee		**(250)**	(18)	**(126)**
Net (cash used in) / generated from operating activities		**(8,329)**	2,285	**75,688**
CASH FLOW FROM FINANCING ACTIVITIES				
Receipts against issuance / redemptions of units - net		**198,813**	101,337	**64,089**
Dividend paid		**(1)**	(239)	**-**
Net cash generated from financing activities		**198,812**	101,098	**64,089**
Net increase in cash and cash equivalents during the period		**190,483**	103,383	**139,777**
Cash and cash equivalents at beginning of the period		**102,801**	-	**153,507**
Cash and cash equivalents at end of the period	4.1	**293,284**	103,383	**293,284**

The annexed notes from 1 to 14 form an integral part of these condensed interim financial information.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala
Chief Executive Officer

Aurangzeb Ali Naqvi
Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2013

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 Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorized 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 and 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 licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by SECP. 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 is listed on the Karachi Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund.

JCR-VIS Credit Rating Company Limited has assigned a management quality rating of AM3- to the Management Company and fund stability rating of AA+ to the Fund dated March 29, 2012 and April 11, 2012 respectively.

The Fund has been categorized as a Money Market Fund as per criteria laid down by SECP for categorization of Collective Investment Scheme (CIS). The principal activity of the Fund is to make investments in government securities, treasury bills, cash and near cash instruments, money market placements, deposits, certificate of deposits (COD), certificate of musharika (COM), commercial paper and reverse repo transactions. Title of the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

The comparative figures for the nine months period ended and quarter ended March 31, 2012 in the condensed interim statement of income statement, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement are similar as the fund had commenced operations from January 21, 2012.

This interim financial information is presented in Pak Rupees which is the functional and presentation currency of the fund.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with approved International Accounting Standard as applicable in Pakistan, approved accounting standards comprise of such international Financial reporting standards (IFRSs) issued by International Accounting Standards Board as are notified by the Companies Ordinance,1984 , the requirements of Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of IFRS requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP, shall prevail.

2.2 This condensed interim financial information comprises of condensed interim statement of assets and liabilities, condensed interim income statement, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof. The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34, 'Interim Financial Reporting'. It does not include all the information and disclosures made in the annual published financial statement and should be read in conjunction with the financial statements of the Fund for the period from January 19, 2012 to June 30, 2012.

2.3 This condensed interim financial information is unaudited.

2.4 The Directors of the Assets Management Company declare that this condensed interim financial information give a true and fair value of the fund.

3. SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The accounting policies, estimates, judgments and the methods of computation adopted in the preparation of this interim financial information are the same as those applied in the preparation of the annual published financial statements of the Fund for the period from January 19, 2012 to June 30, 2012.

	(Unaudited) March 31, 2013	(Audited) June 30, 2012
4. BANK BALANCES	---- (Rupees in '000)-----	
In savings accounts	**4,535**	8,427
In current accounts	**10**	10
	4,545	8,437

	Note	(Unaudited) March 31, 2013	(Audited) June 30, 2012
		---- (Rupees in '000)-----	
4.1 Cash and cash equivalents			
Bank balances	4	**4,545**	8,437
Market Treasury Bills having maturity of three months	5	**288,739**	94,364
		293,284	102,801
5. INVESTMENTS			
Financial assets at fair value through profit or loss - held for trading			
- Government securities	5.1	**288,739**	94,364

5.1 Government securities

Issue date	Tenor	Face Value				Balance at March 31, 2013			Market value as a percentage of net assets	Market value as a percentage of total investments
		At July 1, 2012	Purchase during the period	Sold / matured during the period	At March 31, 2013	Cost	Market value	Appreciation / (Diminution)		
		---------- Rupees in '000 ----------								
Market Treasury Bills										
September 8, 2011	12 Months	75,000	-	75,000	-	-	-	-	-	-
January 26, 2012	6 Months	8,200	-	8,200	-	-	-	-	-	-
May 17, 2012	3 Months	13,000	-	13,000	-	-	-	-	-	-
October 6, 2011	12M-T Bills	-	5,000	5,000	-	-	-	-	-	-
November 3, 2011	12M-T Bills	-	25,000	25,000	-	-	-	-	-	-
December 1, 2011	12M-T Bills	-	63,500	63,500	-	-	-	-	-	-
December 1, 2011	12M-T Bills	-	29,500	29,500	-	-	-	-	-	-
May 17, 2012	6M-T Bills	-	7,500	7,500	-	-	-	-	-	-
June 14, 2012	3M-T Bills	-	75,000	75,000	-	-	-	-	-	-
July 26, 2012	3M-T Bills	-	8,200	8,200	-	-	-	-	-	-
August 23, 2012	3M-T Bills	-	25,000	25,000	-	-	-	-	-	-
October 4, 2012	3M-T Bills	-	10,000	10,000	-	-	-	-	-	-
January 26, 2012	12M-T Bills	-	7,500	7,500	-	-	-	-	-	-
January 26, 2012	12M-T Bills	-	25,500	25,500	-	-	-	-	-	-
November 29, 2012	3M-T Bills	-	15,000	15,000	-	-	-	-	-	-
November 15, 2012	3M-T Bills	-	40,000	40,000	-	-	-	-	-	-
October 18, 2012	6M-T Bills	-	10,000	-	10,000	9,957	9,957	-	3.16	3.45
August 9, 2012	6M-T Bills	-	13,000	13,000	-	-	-	-	-	-
October 4, 2012	6M-T Bills	-	15,000	15,000	-	-	-	-	-	-
November 1, 2012	6M-T Bills	-	25,000	-	25,000	24,816	24,804	(12)	7.88	8.59
October 4, 2012	6M-T Bills	-	44,900	-	44,900	44,865	44,885	20	14.25	15.55
August 9, 2012	6M-T Bills	-	50,000	50,000	-	-	-	-	-	-
November 29, 2012	3M-T Bills	-	17,000	17,000	-	-	-	-	-	-
January 24, 2013	3M-T Bills	-	25,000	-	25,000	24,896	24,892	(4)	7.90	8.62
February 7, 2013	3M-T Bills	-	113,000	-	113,000	112,146	112,113	(33)	35.60	38.83
February 21, 2013	3M-T Bills	-	50,000	-	50,000	49,443	49,431	(12)	15.70	17.12
September 20, 2012	6M-T Bills	-	1,180	1,180	-	-	-	-	-	-
September 20, 2012	6M-T Bills	-	1,500	1,500	-	-	-	-	-	-
March 7, 2013	3M-T Bills	-	3,000	-	3,000	2,956	2,955	(1)	0.94	1.02
March 7, 2013	3M-T Bills	-	20,000	-	20,000	19,706	19,702	(4)	6.26	6.82
Total - March 31, 2013					**290,900**	**288,785**	**288,739**	**(46)**		
Total - June 30, 2012					96,200	94,375	94,364	(11)		

	Note	(Unaudited) March 31, 2013	(Audited) June 30, 2012
		---- (Rupees in '000)-----	

6. PRELIMINARY EXPENSES AND FLOATATION COSTS

	Note	(Unaudited) March 31, 2013	(Audited) June 30, 2012
Preliminary expenses and floatation costs incurred	6.1	**1,025**	1,125
Less: amortized during the period		**(169)**	(100)
		856	1,025

6.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund and are being amortized over a period of five years commencing from January 21, 2012.

7. PAYABLE TO AKD INVESTMENT MANAGEMENT LIMITED - MANAGEMANT COMPANY

	Note	(Unaudited) March 31, 2013	(Audited) June 30, 2012
Management fees	7.1	**-**	-
Preliminary expenses and floatation costs		**1,025**	1,125
		1,025	1,125

7.1 Under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations), the Management Company of the Fund is entitled to a remuneration during the first five years of the Fund, of an amount not exceeding three percent of the average annual net assets of the Fund and thereafter of an amount equal to two percent of such assets of the Fund. However, the Management Company with the prior approval of the Securities and Exchange Commission of Pakistan (SECP) vide letter No. SCD/AMCW/AKDCF/374/2013 dated January 3, 2013 reduced management fee from 1.25% (mentioned in offering document) to 0% (Zero) for the period from January 21, 2012 till March 31, 2013.

Furthermore, Subsequent to the period end the Securities and Exchange Commission of Pakistan (SECP) on the application of Management Company of the Fund has allowed the Fund to the extension of charging 0% (Zero Percent) management fee till fund size of the Fund reaches Rs. 0.5 billion vide its letter No. SCD/AMCW/AKDCF/473/2013 dated April 11, 2013.

8. ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	(Unaudited) March 31, 2013	(Audited) June 30, 2012
Auditors' remuneration		**158**	170
Brokerage		**1**	5
Provision for workers' welfare fund	8.1	**384**	90
Others		**60**	77
		603	342

8.1 PROVISION FOR WORKERS' WELFARE FUND

The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (SHC), challenging the applicability of WWF to CISs, which is pending adjudication.

The Scheme has made provisions against Workers Welfare Fund liability to the tune of Rs 0.384 million upto March 31, 2013, if the same were not made, the NAV per unit / return would have been higher by Re. 0.06 per unit (0.12%) and net income for the period would have been higher by Rs. 0.29 million.

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at March 31, 2013 and June 30, 2012.

10. TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed amongst the unit holders. The Fund has not recorded a tax liability in respect of income relating to the current period as the Management Company has distributed the required minimum percentage of the Fund's accounting income for the period as reduced by capital gains (whether realized or unrealized) to its unit holders.

11. EARNINGS PER UNIT - BASIC AND DILUTED

Earnings per unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

12. TRANSACTIONS WITH CONNECTED PERSONS

Connected persons include AKD Investment Management Limited, being the Management Company of the Fund , Central Depository Company of Pakistan Limited being the Trustee, Aqeel Karim Dhedhi Securities (Private) Limited ,other collective schemes managed by the Management Company, AKD Investment Management Limited - Staff Provident Fund, directors and officers of the Management Company and entities having common directorship with the Management Company. The transactions with connected persons are in the normal course of business.

Remuneration payable to the Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

Details of transactions and balances with connected persons are as follows:

12.1 Transactions during the period	Nine Months Period ended March 31, 2013	For the period From Jan 19, 2012 to March 31, 2012	Quarter ended March 31, 2013
	--------------------(Rupees in '000)--------------------		
AKD Investment Management Limited - Management Company			
Purchase of 87,424 units (2012: 344,707)	**4,383**	17,241	**-**
Issue of bonus 858 units (2012: 3,009)	**43**	150	**16**
Redemption of 88,282 units (2012: Nil)	**4,436**	-	**849**
Paid by Management Company on behalf of fund			
Preliminary expenses and floatation costs	**-**	1,125	**-**
Reimbursement of preliminary expenses and floatation costs paid to the Management Company	**100**	-	**100**
Central Depository Company of Pakistan Limited - Trustee			
Trustee fee	**286**	32	**139**
Payment to Trustee	**250**	18	**126**
AKD Investment Management Limited - Staff Provident Fund			
Purchase of 119,548 units (2012: 30,255)	**6,015**	1,513	**-**
Issue of bonus 2,470 units (2012: 264)	**123**	13	**9**
Redemption of 195,654 units (2012: Nil)	**9,817**	-	**498**
Key Management Personnel			
Chief Investment Officer			
Purchase of Nil units (2012: 998)	**-**	50	**-**

12.2 Amounts outstanding as at period end	(Unaudited) March 31, 2013	(Audited) June 30, 2012
	---- (Rupees in '000)-----	
AKD Investment Management Limited - Management Company		
Preliminary expenses and floatation costs	**1,025**	1,125
AKD Investment Management Limited - Staff Provident Fund		
Units held Nil (June 2012: 73,636 units)	**-**	3,718
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	**51**	15
AKD Opportunity Fund		
Receivable against Conversion of units	**22,454**	-

13. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on April 27, 2013 by the Board of Directors of the Management Company.

14. GENERAL

Figures have been rounded off to the nearest thousand rupees.

For AKD Investment Management Limited
(Management Company)

Imran Motiwala	Aurangzeb Ali Naqvi
Chief Executive Officer	Director

AKD Investment Management Ltd.

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