

LAKSON ASSET ALLOCATION DEVELOPED MARKETS FUND  
Quarterly Report (September 30, 2013)



**LAKSON INVESTMENTS**

WE MANAGE YOUR MONEY, AS WE MANAGE OUR OWN

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## Fund's Information

<b>Management Company</b>	Lakson Investments Limited Head Office Lakson Square, Building No.2, Sarwar Shaheed Road, Karachi-74200, Pakistan. Phone: (9221) 3569.8000 Fax: (9221) 3568.1653 Web site: www.li.com.pk E-mail: info@li.com.pk
<b>Board of Directors of the Management Company</b>	Mr. Iqbal Ali Lakhani - Chairman Mr. Babar Ali Lakhani - Chief Executive Officer Mr. A. Aziz H. Ebrahim Mr. Mahomed J. Jaffer Mr. Amin Mohammed Lakhani Mr. Sher Afgan Malik Mr. Daniel Scott Smaller Mr. Zahid Zakiuddin
<b>Chief Financial Officer &amp; Company Secretary of the Management Company</b>	Mr. Amir Mobin
<b>Audit Committee</b>	Mr. Zahid Zakiuddin - Chairman Mr. A. Aziz H. Ebrahim Mr. Iqbal Ali Lakhani Mr. Sher Afgan Malik
<b>Human Resource and Remuneration Committee</b>	Mr. Iqbal Ali Lakhani - Chairman Mr. Babar Ali Lakhani Mr. Daniel Scott Smaller
<b>Trustee</b>	Central Depository Company of Pakistan Limited CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahra-e-Faisal, Karachi, Pakistan.
<b>Auditors</b>	BDO Ebrahim & Co. Chartered Accountants 2nd Floor, Block C, Lakson Square, Building No. 1, Sarwar Shaheed Road, Karachi - 74200.
<b>Bankers to the Fund</b>	Allied Bank Limited Bank Alfalah Limited Barclays Bank PLC, Pakistan Habib Bank Limited Habib Metropolitan Bank Limited Habib Bank AG Zurich United Bank Limited
<b>Legal Adviser</b>	Fazleghani Advocates F-72/I, Block 8, KDA-5, Kehkashan, Clifton, Karachi, Pakistan.
<b>Registrar</b>	Lakson Investments Limited Lakson Square Building No.2, Sarwar Shaheed Road, Karachi-74200, Pakistan
<b>Rating by PACRA</b>	AM3+ : Management Company Quality Rating

## **Review Report of the Directors of the Management Company For the quarter ended September 30, 2013**

The Board of Directors of Lakson Investments Limited, the Management Company of the Lakson Asset Allocation Developed Markets Fund ('LAADMF') is pleased to submit its review report together with Condensed Interim Financial Statements for the first quarter ended September 30, 2013.

### **Fund Objective**

The investment objective of the LAADMF is to provide long-term capital appreciation by investing in a mix of domestic debt and Developed Markets Securities.

### **Fund Profile**

The LAADMF is an open end asset allocation scheme. The Scheme is managed using an active investment management style which focuses on an analysis of the macro factors such as government policies, global economic data, commodities prices and supply/demand dynamics. The Scheme switches exposure between the domestic Government Securities and the Developed Markets securities based on the outlook of the Investments Team of the performance of the Developed Markets. The Scheme may overweight or underweight countries relative to its benchmark for Developed Markets investments, the MSCI World Index. Exposure of the Scheme in the fixed income securities is managed through duration and yield curve management by shifting between different maturities of the Government Securities.

### **Fund performance**

During the first quarter of FY14 the LAADMF has provided a return of 4.93% compared to the Benchmark (70% 6-month T-Bills + 30% MSCI World Index) return of 6.00%. As of September 30, 2013, the LAADMF is invested 66% in T-Bills, 4% Cash and 30% in Developed Markets Equities through iShares MSCI World ETF. As of September 30, 2013 the LAADMF has PKR 569 million in assets under management.

### **Earning per Unit (EPU)**

EPU has not been disclosed as we feel the determination of weighted average units for calculating EPU is not practicable for open end funds.

### **Fund Rating**

Due to the distinct nature of the Fund compared to other asset allocation funds, the performance ranking criteria was being developed by the rating agency. The same has been finalized and the performance ranking of the LAADMF is in process.

### **Economic Review**

The Government of Pakistan has adopted a comprehensive program to address economic vulnerabilities and to boost growth through macroeconomic stabilization and structural reforms. The major impediments for the sustainable revival of economic growth are severe energy shortages and poor law and order conditions. The Federal Government, in consultation with the provincial governments, announced the energy policy which is geared to address the long-standing problems that constitute the most critical constraint on growth and have generated large fiscal costs. A three-year plan has been developed for phasing out the power subsidies and bringing tariffs to cost recovery level. The outstanding amount of PKR 503 billion in circular debt was cleared in July 2013 to make the sector viable by removing barriers to new investment. In order to address the law and order situation, the government convened an All Parties Conference ("APC") and decided to initiate the dialogue with Taliban for peace process.

The Executive Board of the International Monetary Fund ("IMF") approved a 3-year arrangement under the Extended Fund Facility ("EFF") for Pakistan for an amount totaling USD 6.64 billion, to support the country's economic reform program to promote growth. Pakistan received the first installment under the EFF amounting to USD 545 million while the remaining funds will be released in equal quarterly installments subject to the successful completion of quarterly reviews. The stress in the external account gradually increased with every passing month. The State Bank of Pakistan's foreign exchange reserves declined to USD 4.6 billion by end-September 2013. The underlying factors for the declining reserves are shrinking net capital and financial flows and high loan repayments to

the IMF. The current account posted a deficit of USD 632 million in the 2MFY14 compared to a surplus of USD 582 million in the 2MFY13. The trade deficit increased by 10.7% YoY to USD 2.85 billion in the 2MFY14 while remittances recorded a growth of 7.0% YoY. As a result of weak external account and declining foreign exchange reserves, Pak Rupee depreciated by 6.4% against US Dollar in the 1QFY14.

The headline inflation, as measured by the Consumer Price Index ("CPI"), rebounded during the 1QFY14 and averaged at 8.1% compared to an average inflation of 5.6% in the preceding quarter. The prices of perishable food items increased as the flash floods across the country disrupted the supplies. Moreover, higher petroleum prices, a 1.0% hike in the GST, and increase in power tariff also contributed to higher inflation. In order to contain the inflation expectations in the economy, the SBP reversed its 33-month long streak of monetary easing cycle and increased the discount rate by 50 bps to 9.50% in its first Monetary Policy Statement for FY14. The Large Scale Manufacturing ("LSM") recorded a growth of 6.54% YoY in the 2MFY14, which bodes well for the overall economic growth. All the major sectors like Textile, Petroleum Products, Fertilizer, Food & Beverages, and Pharmaceuticals witnessed a growth in production.

### **Fixed Income Market Review**

The money market liquidity improved considerably during the 1QFY14 primarily due to substantial increase in the pace of government borrowing from the SBP. In fact, the SBP is now mopping-up excessive liquidity from the market. The SBP mopped up a total of PKR 1.56 trillion through its Open Market Operations ("OMO") during the 1QFY14 compared to a cumulative injection of PKR 4.58 trillion in the preceding quarter. The money supply (M2) contracted by 0.18% in the 1QFY14 compared to a growth of 0.28% in the same period last year, mainly driven by a contraction of PKR 198 billion in the Net Foreign Assets ("NFA") of the banking system. The government borrowed PKR 296 billion for the budgetary support during the 1QFY14 while credit to private sector contracted by PKR 38 billion. The SBP conducted six T-Bill auctions during the quarter and raised PKR 1.31 trillion against the target and maturity of PKR 1.60 trillion. Despite improved market liquidity, a lower participation was witnessed in the T-Bills auctions as the market anticipated a hike in the discount rate. The bid-to-cover ratio for the quarter came in at just 0.93x compared to 1.40x witnessed in the preceding quarter. The government had to borrow PKR 490 billion from the SBP due to lower participation in the T-Bill auctions. In the auctions the financial institutions preferred shorter tenures and the 83% of the total bids received during the 1QFY14 were for the 3-month T-Bills and as a result the yield curve steepened during the quarter. The market yields on the 3, 6 and 12-month T-Bills increased by 37, 51 and 77 basis points respectively during the 1QFY14 to 9.31%, 9.43% and 9.71%. The SBP conducted three PIB auctions during the 1QFY14 and raised only PKR 63 billion against the target of PKR 150 billion and maturity of PKR 117 billion. The market yields on the 3, 5 and 10-year PIBs increased by 257, 243 and 203bps respectively to 12.01%, 12.50% and 12.96%. Increase in the yields of PIBs was more pronounced as it reflected the market's anticipation of higher interest rates in the wake of an IMF program. The 6-month KIBOR which is the benchmark lending rate increased by 42bps during the quarter as a result of 50bps increase in the discount rate.

### **Developed Markets Review**

The developed markets, as tracked by the MSCI World Index, posted a gain of 7.68% during the 1QFY14. The decision by the US Federal Reserve (Fed) to delay its "tapering" of bond purchases resulted in a powerful rally across both fixed income and equity markets. The Fed's decision also provided a measure of relief to the sharp currency pressures that have been a source of distress for many emerging markets during the past year, especially among those countries with the greatest balance of payments strains. A key reason behind the Fed's decision to delay the tapering of its quantitative easing (QE) program was the concern that tapering would slow the pace of improvements in the economy and the labor markets. This was of particular concern because financial conditions had already started to tighten, most notably a rise in interest rates, in anticipation of a Fed move. Other factors included consistently low inflation, an unemployment rate that remains well above their stated comfort level, continued fiscal contraction and the likely uncertainty relating to the US debt ceiling and budget negotiations. Despite the status-quo on Fed's stance, the US Treasury yield curve has steepened and at the close of September '13, the spread between the 10-year note and the 2-year note increased by 15bps since June-end to 2.31%.

The Eurozone took its first tentative step towards recovery, with the economy expanding by 0.3% QoQ in the three months to June. Growth was strongest in the core countries of Germany and France and

the pace of economic contraction in the peripheral economies slowed. Economic data from the single currency bloc continues to improve. The composite purchasing managers' index, a key forward looking indicator of economic health across both the manufacturing and services sectors, was 52.2 in September and firmly in expansionary territory. Despite the ECB's cautious guidance on the Eurozone's fundamentals, market participants have become more optimistic on the region. The MSCI Europe Index posted a gain of 8.67% during the Jul-Sep quarter, while the spread between yields on German bonds and the government bonds of peripheral economies has narrowed appreciably during the past quarter, indicating an increased risk-tolerance amongst investors. On the political front, Angela Merkel's victory in Germany's general elections bolstered investor sentiment in the equity and currency markets as Merkel has expressed her support for the Euro while ensuring that Germany does not bear any additional burden of the Eurozone debt crisis brought about by weaker peripheral economies. Japan also saw strong equity market returns in the quarter, driven, in part, by speculation that the government will cut or reduce corporate taxes. As a result, domestic Japanese companies would become more profitable. Earnings estimate revisions in Japan also continue to maintain an upward trajectory.

**Future Outlook**

The government has presented an ambitious economic program to the IMF aiming to reverse the current mix of large fiscal deficits, accommodative monetary policy, and low reserve coverage, and to foster sustained and inclusive growth. The short-term measures must be complemented by significant reforms in fiscal management, the monetary policy framework and financial markets, the energy sector including the resolution of circular debt issue, public sector enterprises, the business climate, and trade policy. With clarity on the political front together with expectations of an increased focus on reviving investment expenditures in the economy, the foreign private financial inflows could experience a surge in FY14.

**Acknowledgment**

The Board is thankful to its valued investors, the Securities and Exchange Commission of Pakistan, the State Bank of Pakistan, the Trustee of the Fund-Central Depository Company of Pakistan Limited and the management of the Lahore Stock Exchange for their continued cooperation and support. The Directors of the Management Company also acknowledge the efforts put in by the team of the Management Company for the growth and the prudent management of the Fund.

**For and on Behalf of the Board**

**Babar Ali Lakhani**  
Chief Executive Officer

**Dated: October 28, 2013**

**Condensed Interim Statement of Assets and Liabilities  
As at September 30, 2013**

		September 30, 2013 (Unaudited)	June 30, 2013 (Audited)
	Note	(Rupees)	
<b>ASSETS</b>			
Bank balances	6	18,043,218	52,845,354
Investments	7	552,596,735	489,423,053
Mark-up receivable		998,443	170,652
Prepayment		29,918	-
Deferred formation cost		1,526,755	1,653,902
<b>Total assets</b>		<u>573,195,069</u>	<u>544,092,961</u>
<b>LIABILITIES</b>			
Payable to the Management Company	8	1,629,554	1,184,151
Payable to the Trustee		90,995	96,562
Annual fee payable to the Securities and Exchange Commission of Pakistan		130,517	439,246
Accrued expenses and other liabilities	9	2,440,538	1,712,972
<b>Total liabilities</b>		<u>4,291,604</u>	<u>3,432,931</u>
<b>NET ASSETS</b>		<u>568,903,465</u>	<u>540,660,030</u>
<b>UNITHOLDERS' FUND (as per statement of movement in Unit holders' Fund)</b>		<u>568,903,465</u>	<u>540,660,030</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	10		
		(Number of units)	
<b>Number of units in issue</b>		<u>5,211,237</u>	<u>4,867,529</u>
		(Rupees)	
<b>Net assets value per unit</b>		<u>109.1685</u>	<u>111.0748</u>

The annexed notes from 1 to 13 form an integral part of this condensed interim financial statements.

For Lakson Investments Limited  
(Management Company)

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**Condensed Interim Income Statement (Unaudited)  
For the quarter ended September 30, 2013**

INCOME	Note	2013	2012
		(Rupees)	
Income from Government securities		4,853,457	6,258,753
Mark-up income		3,686,725	352,078
Capital (loss) / gain on sale of investments - net		(86,694)	774,710
Dividend income		663,486	358,406
Exchange gain on foreign currency deposits		128,329	69,291
Unrealised appreciation in the fair value of investments classified as 'held for trading' - net		<u>21,714,177</u>	<u>3,721,794</u>
		<b>30,959,480</b>	<b>11,535,032</b>
<b>EXPENSES</b>			
Remuneration of the Management Company		2,747,741	1,679,782
Sales tax on remuneration to the Management Company		509,981	268,765
Federal excise duty on remuneration to the Management Company		439,639	-
Remuneration of the Trustee		274,774	167,978
Annual fee to the Securities and Exchange Commission of Pakistan		130,518	79,790
Custody charges		73,600	29,993
Auditors' remuneration		65,534	65,516
Fees and subscription		10,082	7,561
Printing charges		15,123	15,123
Brokerage, settlement and bank charges		10,519	79,743
Amortisation of deferred formation cost		127,147	127,147
Workers' Welfare Fund	9.1	573,879	185,184
		<u>4,978,537</u>	<u>2,706,582</u>
Net income from operating activities		<b>25,980,943</b>	<b>8,828,450</b>
Element of income and capital gains included in the prices of units issued less those in units redeemed - net		<u>2,139,134</u>	<u>245,582</u>
<b>Net income for the period</b>		<b><u>28,120,077</u></b>	<b><u>9,074,032</u></b>

The annexed notes from 1 to 13 form an integral part of this condensed interim financial statements.

**For Lakson Investments Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director



**Condensed Interim Statement of Comprehensive Income (Unaudited)  
For the quarter ended September 30, 2013**

	2013	2012
	(Rupees)	
Net income for the period	28,120,077	9,074,032
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<u><u>28,120,077</u></u>	<u><u>9,074,032</u></u>

The annexed notes from 1 to 13 form an integral part of this condensed interim financial statements.

**For Lakson Investments Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**Condensed Interim Distribution Statement (Unaudited)  
For the quarter ended September 30, 2013**

	2013	2012
	(Rupees)	
Undistributed income at the beginning of the period - realised	36,050,144	19,244,105
Undistributed income at the beginning of the period - unrealised	17,856,959	600,139
<b>Undistributed income at the beginning of the period</b>	<u>53,907,103</u>	<u>19,844,244</u>
Less: Final distribution as issue of bonus units at the rate of Rs 7.0359 (2012: 5.9153) per unit approved on July 08, 2013 (2012: July 04, 2012)		
- Cash distribution	(1,937,611)	-
- Issue of bonus units	<u>(32,309,839)</u>	<u>(18,281,935)</u>
	<u>(34,247,450)</u>	<u>(18,281,935)</u>
Total comprehensive income for the period	<u>28,120,077</u>	9,074,032
<b>Undistributed income at the end of the period</b>	<u>47,779,730</u>	<u>10,636,341</u>
Undistributed income at the end of the period - realised	25,937,224	6,845,256
Undistributed income at the end of the period - unrealised	21,842,506	3,791,085
<b>Undistributed income at the end of the period</b>	<u>47,779,730</u>	<u>10,636,341</u>

The annexed notes from 1 to 13 form an integral part of this condensed interim financial statements.

For Lakson Investments Limited  
(Management Company)

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**Condensed Interim Statement of Movement in Unit Holders' Fund (Unaudited)  
For the quarter ended September 30, 2013**

	2013	2012
	(Rupees)	
<b>Net assets value per unit at the beginning of the period</b>	<b>540,660,030</b>	328,906,078
Amount received on issue of 768,344 (2012: 48,367) units	<b>82,716,000</b>	5,000,000
Amount paid on redemption of 735,191 (2012: 6,892) units	<b>(78,515,897)</b>	(698,876)
	<b>4,200,103</b>	4,301,124
Element of income and capital gains included in the prices of units issued less those in units redeemed - net	<b>(2,139,134)</b>	(245,582)
Less: Final distribution as issue of bonus units at the rate of Rs 7.0359 (2012: 5.9153) per unit approved on July 08, 2013 (2012: July 04, 2012)		
- Cash distribution	<b>(1,937,611)</b>	-
- Issue of bonus units	<b>(32,309,839)</b>	(18,281,935)
	<b>(34,247,450)</b>	(18,281,935)
Issue of 310,555 (2012: 181,900) bonus units as final distribution	<b>32,309,839</b>	18,281,935
Total comprehensive income for the period	<b>28,120,077</b>	9,074,032
<b>Net assets at the end of the period</b>	<b><u>568,903,465</u></b>	<u>342,035,652</u>
<b>Net assets value per unit at the beginning of the period</b>	<b><u>111.0748</u></b>	<u>106.4208</u>
<b>Net assets value per unit at the end of the period</b>	<b><u>109.1685</u></b>	<u>103.2095</u>

The annexed notes from 1 to 13 form an integral part of this condensed interim financial statements.

**For Lakson Investments Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

**Condensed Interim Cash Flow Statement (Unaudited)  
For the quarter ended September 30, 2013**

	2013	2012
	(Rupees)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net income for the period	28,120,077	9,074,032
<b>Adjustments for non-cash charges and other items:</b>		
Capital loss / (gain) on sale of investments - net	86,694	(774,710)
Amortisation of deferred formation cost	127,147	127,147
Unrealised diminution in the fair value of investments classified as 'held for trading' - net	(21,714,177)	(3,721,794)
Element of income and capital gains included in the prices of units issued less those in units redeemed - net	(2,139,134)	(245,582)
	<u>4,480,607</u>	<u>4,459,093</u>
<b>(Increase) / Decrease in assets</b>		
Investments - net	(41,546,199)	(32,838,959)
Mark-up receivable	(827,791)	(1,877)
Prepayment	(29,918)	(22,438)
	<u>(42,403,908)</u>	<u>(32,863,274)</u>
<b>Increase / (Decrease) in liabilities</b>		
Payable to the Management Company	445,403	22,348
Payable to the Trustee	(5,567)	1,927
Annual fee payable to the Securities and Exchange Commission of Pakistan	(308,729)	(138,076)
Accrued expenses and other liabilities	727,566	285,892
	<u>858,673</u>	<u>172,091</u>
<b>Net cash used in operating activities</b>	<u>(37,064,628)</u>	<u>(28,232,090)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net receipts from issue of units	82,716,000	5,000,000
Net payments on redemption of units	(78,515,897)	(698,876)
Cash dividend paid	(1,937,611)	-
Net cash generated from financing activities	<u>2,262,492</u>	<u>4,301,124</u>
Net decrease in cash and cash equivalent during the period	<u>(34,802,136)</u>	<u>(23,930,966)</u>
Cash and cash equivalent at the beginning of the period	52,845,354	59,236,658
<b>Cash and cash equivalent at the end of the period</b>	<u>18,043,218</u>	<u>35,305,692</u>

The annexed notes from 1 to 13 form an integral part of this condensed interim financial statements.

**For Lakson Investments Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**Notes to and Forming Part of the Condensed Interim  
Financial Statements (Unaudited)  
For the quarter ended September 30, 2013**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

Lakson Asset Allocation Developed Markets Fund (the "Fund") was established under Trust Deed executed on May 30, 2011 between Lakson Investments Limited as its Management Company and Central Depository Company of Pakistan Limited (CDC) as its Trustee. The Fund has been registered as a notified entity on July 7, 2011 by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulation). The Management Company of the Fund has been licensed by SECP as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The registered office of the Management Company is located at 14 - Ali Block, New Garden Town, Lahore.

The Fund is an open end mutual fund and is listed on Lahore Stock Exchange. Units are offered for public subscription on a continuous basis. The units can also be redeemed by surrendering them to the Fund.

The Fund is authorized to invest in government securities, deposits and foreign currency deposits with local or foreign banks etc. in Pakistan. Further, as allowed by SECP and SBP, the Fund can invest abroad up to 30% of the aggregated funds mobilized (including foreign currency funds) subject to a maximum limit of USD 15 million. The investments authorized outside Pakistan include exchange traded funds based on equities / debt with exposure in the developed markets, index tracker funds tracking different developed markets, actively managed developed markets funds, equities and debt securities of companies with exposure in developed markets, foreign currency deposits etc.

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

The Pakistan Credit Rating Agency Limited (PACRA) has assigned 'AM3+' (Management company quality rating) to the Management Company. The rating of the Fund is in process.

**2. BASIS OF PREPARATION**

**2.1 Statement of Compliance**

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984, Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations). In case the requirements differ, the provisions or directives of the Companies Ordinance, 1984, and the requirements of the Rules and the Regulations shall prevail.

This condensed interim financial information comprise of condensed interim statement of assets and liabilities as at September 30, 2013 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holder's fund, condensed interim cash flow statement and notes thereto, for the quarter ended September 30, 2013.

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the financial statements of the Fund as at and for the year ended June 30, 2013.

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

The Directors of the Management Company declare that these condensed interim financial information gives a true and fair view of the state of affairs of the fund.

## 2.2 Functional and presentation currency

This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund. Figures have been rounded off to the nearest rupees.

## 3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the published audited financial statements as at and for the year ended June 30, 2013.

## 4. ACCOUNTING ESTIMATES

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied to financial statements as at and for the year ended June 30, 2013.

## 5. FINANCIAL RISK MANAGEMENT

The Fund financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements as at and for the year ended June 30, 2013.

		<b>September 30, 2013 (Unaudited)</b>	<b>June 30, 2013 (Audited)</b>
		<b>(Rupees)</b>	
<b>6. BANK BALANCES</b>	<b>Note</b>		
<b>In local currency</b>			
In profit and loss sharing accounts	6.1	<b>15,254,152</b>	50,848,103
<b>In foreign currency</b>			
In current account	6.2	<u><b>2,789,066</b></u>	1,997,251
		<u><b>18,043,218</b></u>	<u><b>52,845,354</b></u>
6.1	These carry mark-up at rates ranging from 6.00% to 8.65% (June 30, 2013: 6.00% to 9.25%) per annum.		
6.2	This represents USD denominated current account maintained in foreign country.		
<b>7. INVESTMENTS - financial assets at fair value through profit or loss - held for trading</b>			
<b>In local currency</b>			
Government securities	7.1	<b>378,903,300</b>	337,485,521
<b>In foreign currency</b>			
Exchange traded fund	7.2	<u><b>173,693,435</b></u>	151,937,532
		<u><b>552,596,735</b></u>	<u><b>489,423,053</b></u>

## 7.1 Government securities

		Number of treasury bills				Balance as at September 30, 2013			Market value as a percentage of netassets of the Fund	Market value as a percentage of total investments
		Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at the end of the period	Carrying value	Market value	Unrealized (diminution)		
Treasury Bills - 3 months (face value of Rs. 100,000 each)	7.1.1	1,300	2,500	1,300	2,500	249,876,961	249,870,500	(6,461)	43.92%	45.22%
Treasury Bills - 6 months (face value of Rs. 100,000 each)	7.1.2	-	1,780	480	1,300	129,068,065	129,032,800	(35,265)	22.68%	23.35%
Treasury Bills - 12 months (face value of Rs. 100,000 each)		2,100	1,000	3,100	-	-	-	-	0.00%	0.00%
<b>Total - September 30, 2013</b>						<b>378,945,026</b>	<b>378,903,300</b>	<b>(41,726)</b>	<b>66.60%</b>	<b>68.57%</b>
Total - June 30, 2013						337,397,236	337,485,521	88,285	62.42%	68.96%

7.1.1 These represent 3 months Government Treasury bill carrying a fixed mark-up rate 9.000% per annum and will mature on October 3, 2013. The face value of Treasury Bills held as at September 30, 2013 amounted to Rs. 250 million. As at September 30, 2013, the unmortised discount amounted to Rs. 0.130 million (30 June 2013: 0.770 million).

7.1.2 These represent 6 months Government Treasury bills carrying a fixed mark-up rate 8.8200 per annum and will mature on October 31, 2013. The face value of Treasury Bills held as at September 30, 2013 amounted to Rs. 130 million. As at September 30, 2013, the unmortised discount amounted to Rs. 0.967 million (30 June 2013: nil).

## 7.2 Exchange traded fund: Foreign investment

		Number of treasury bills				Balance as at September 30, 2013			Market value as a percentage of netassets of the Fund	Market value as a percentage of total investments
		Number of holdings at the beginning of the period	Acquired during the period	Disposed / matured during the period	Number of holdings at the end of the period	Carrying value	Market value	Unrealized appreciation		
Ishares MSCI World Plc	50,035	-	-	-	50,035	151,937,532	173,693,435	21,755,903	30.53%	31.43%
<b>Total - June 30, 2013</b>						<b>134,736,299</b>	<b>151,937,532</b>	<b>17,201,233</b>	<b>28.10%</b>	<b>31.04%</b>
<b>Total investment - September 30, 2013</b>						<b>530,882,558</b>	<b>552,596,735</b>	<b>21,714,177</b>	<b>97.13%</b>	<b>100.00%</b>
Total investment - June 30, 2013						472,133,535	489,423,053	17,289,518	90.52%	100.00%

## 8. REMUNERATION TO THE MANAGEMENT COMPANY

The Management Company is entitled to remuneration for services rendered to the Fund under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, of an amount not exceeding three percent per annum of the average daily net assets of the Fund during first five years of the Fund's existence and thereafter an amount equal to two percent per annum of such assets of the Fund. Currently, the Management Fee is charged at the rate 2.00% of the average daily net assets of the Fund. Remuneration charged in these financial statements is inclusive of the sales tax on services which is levied at the rate of 16.00% of the remuneration.

Through the Finance Act 2013, the Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective from 13 June 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which doesn't appear to be the spirit of the law. The matter has been taken up collectively by the Mutual Fund Association of Pakistan and a petition has been filed in the Sindh High Court against the imposition of FED in addition to Sindh Sales Tax. As a matter of abundant caution, remuneration of the Management Company charged to the Fund during the period includes the imposed FED.

		September 30, 2013 (Unaudited)	June 30, 2013 (Audited)
	Note	(Rupees)	
<b>9. ACCRUED AND OTHER LIABILITIES</b>			
Auditors' remuneration		260,534	195,000
Brokerage payable		956	1,526
Custody fee payable		80,800	7,200
Workers' Welfare Fund	9.1	2,047,125	1,473,246
Others		51,123	36,000
		<u>2,440,538</u>	<u>1,712,972</u>

### 9.1 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 is alleged 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 the 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 Honorable High Court of Sindh, challenging the applicability of WWF to the CISs, which is pending adjudication.

Subsequent to the year ended June 30, 2010, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. This clarification was forwarded by Federal Board of Revenue (FBR) (being the collecting agency of WWF on behalf of the Ministry) vide its letter dated October 06, 2010 to its members for necessary action. Based on this clarification, the FBR also withdrew notice of demand which it had earlier issued to one of the mutual funds for collection of WWF. However, the FBR vide its letter dated January 04, 2011 has cancelled its earlier letter dated October 06, 2010 ab initio and issued show cause notices to certain mutual funds for collecting WWF. In respect of such show cause notices, certain mutual funds have been granted stay by Honorable High Court of Sindh on the basis of the pending constitutional petition in the said court as referred above.

Subsequent to the year ended June 30, 2011, the Honourable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, has declared the said amendments as unlawful and unconstitutional and struck them down.

Subsequent to the year ended June 30, 2012 a larger bench of the Honorable High Court of Sindh has passed an order declaring that the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through Finance Act, 2006 and 2008, respectively, do not suffer from any constitutional or legal infirmity. The Legal counsel appointed by Mutual Fund Association of Pakistan is of the opinion that the constitution petitions filed by the Mutual Funds to challenge Workers' Welfare Fund have not been affected by the judgment passed by the larger bench of Sindh High Court and the stay granted to Mutual Funds in separate constitutional petitions remains intact.

In view of above stated facts and considering the vagaries of litigation, the Management Company as a matter of abundant caution has decided to continue to maintain the provision for WWF amounting to Rs. 2.047 million upto September 30, 2013. If the same had not been recorded, the net assets value per unit of the Fund would have been higher by Re. 0.39.



**10. CONTINGENCIES AND COMMITMENTS**

The Fund had no contingency or commitment at period end.

**11. TAXATION**

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule of 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 amongst the unit holders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the fund is required to distribute 90% of the net accounting income other than unrealized capital gains to the unit holders. The management intends to distribute at least 90% of the income earned by the year end by this Fund to the unit holders. 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. Accordingly, no provision has been made in these condensed interim financial information.

**12. TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS**

Related parties include Lakson Investments Limited being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the Trustee, SIZA Services (Private) Limited being the holding company of the Management Company, associated companies of the Management Company, key management personnel, other funds being managed by the Management Company and entities having more than 10% holding in the units of the Funds as at September 30, 2013.

Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively. Other transactions are in normal course of business, at contracted rates and terms determined in accordance with the market rates.

Transactions and balances with related parties other than those disclosed elsewhere are as follows:

	<b>September 30, 2013 (Unaudited)</b>	<b>June 30, 2013 (Audited)</b>
<b>12.1 Balance as at period / year end</b>	<b>(Rupees)</b>	
<b>Lakson Investments Limited - Management Company</b>		
Remuneration payable	<u>1,626,595</u>	<u>1,181,192</u>
Sales load payable	<u>2,959</u>	<u>2,959</u>
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	<u>90,995</u>	<u>96,562</u>
<b>Habib Bank AG Zurich - Custodian</b>		
Bank deposits	<u>2,789,066</u>	<u>1,997,251</u>
Custody fee payable	<u>80,800</u>	<u>7,200</u>
<b>Directors of the Management Company</b>		
<b>Mr. Babar Ali Lakhani</b>		
Units held as at the period / year ended		
47,797 (30 June 2013: 44,769) units	<u>5,217,901</u>	<u>4,972,722</u>

\* 23,543 (June 30, 2013: 22,052) units held in joint account with spouse Mrs. Zil Lakhani and

\* 3,423 (30 June 2013: 3,206) units held by minor son Mr. Hassan Ali Lakhani.

	September 30, 2013 (Unaudited)	June 30, 2013 (Audited)
	(Rupees)	
<b>Mr. Iqbal Ali Lakhani</b>		
Units held as at the year / period / year ended 414,968 (June 30, 2013: 388,682) units	<u>45,301,402</u>	<u>43,172,784</u>
<b>Mrs. Ronak Iqbal Lakhani (Spouse of Director Mr. Iqbal Ali Lakhani)</b>		
Units held as at the year / period / year ended 2,047,071 (June 30, 2013: 1,917,402) units	<u>223,475,687</u>	<u>212,975,031</u>
<b>Key Management Personnel, Employees and Connected Persons of the Management Company</b>		
Units held as at the year / period / year ended 180,008 (June 30, 2013: 168,605) units	<u>19,651,187</u>	<u>18,727,819</u>
<b>Associated companies / undertakings of the Management Company</b>		
<b>SIZA (Private) Limited</b>		
Units held as at the period / year ended Nil (30 June 2013: 79,033) units	<u>-</u>	<u>8,778,627</u>
<b>Lakson Business Solutions Limited - Employees Contributory Provident Fund Trust</b>		
Units held as at the period / year ended 4,410 (30 June 2013: 4,131) units	<u>481,454</u>	<u>458,832</u>
<b>Princeton Travels (Private) Limited - Employees Contributory Provident Fund Trust</b>		
Units held as at the period / year ended 4,523 (30 June 2013: 4,237) units	<u>493,799</u>	<u>470,597</u>
<b>Lakson Investments Limited - Employees Contributory Provident Fund Trust</b>		
Units held as at the period / year ended 2,375 (30 June 2013: 2,224) units	<u>259,245</u>	<u>247,063</u>
<b>Tritex Cotton Mills Limited - Employees Contributory Provident Fund Trust</b>		
Units held as at the period / year ended 3,053 (30 June 2013: 2,860) units	<u>333,315</u>	<u>317,653</u>
<b>Tetley Clover (Private) Limited - Employees Contributory Provident Fund Trust</b>		
Units held as at the period / year ended 7,916 (30 June 2013: 7,414) units	<u>865,149</u>	<u>823,545</u>
<b>Clover (Pakistan) Limited - Employees Contributory Provident Fund Trust</b>		
Units held as at the period / year ended 18,093 (30 June 2013: 16,947) units	<u>1,975,198</u>	<u>1,882,387</u>

	September 30, 2013 (Unaudited)	June 30, 2013 (Audited)
	(Rupees)	
<b>Clover (Pakistan) Limited - Employees Gratuity Fund</b>		
Units held as at the period / year ended		
9,612 (30 June 2013: 9,003) units	<u>1,049,324</u>	<u>1,000,018</u>
<b>Century Insurance Company Limited - Employees Contributory Provident Fund Trust</b>		
Units held as at the period / year ended		
13,570 (30 June 2013: 12,710) units	<u>1,481,398</u>	<u>1,411,791</u>
<b>GAM Corp. (Private) Limited - Employees Contributory Provident Fund Trust</b>		
Units held as at the period / year ended		
36,186 (30 June 2013: 33,894) units	<u>3,950,396</u>	<u>3,764,775</u>
<b>SIZA Foods (Private) Limited - Employees Contributory Provident Fund Trust</b>		
Units held as at the period / year ended		
21,486 (30 June 2013: 20,125) units	<u>2,345,548</u>	<u>2,235,335</u>
<b>Hassanali Karabhai Foundation - Employees Contributory Provident Fund Trust</b>		
Units held as at the period / year ended		
6,785 (30 June 2013: 6,355) units	<u>740,699</u>	<u>705,895</u>
<b>Colgate Palmolive (Pakistan) Limited - Employees Contributory Provident Fund Trust</b>		
Units held as at the period / year ended		
245,388 (30 June 2013: 229,844) units	<u>26,788,622</u>	<u>25,529,880</u>
<b>Colgate Palmolive (Pakistan) Limited - Employees Gratuity Fund</b>		
Units held as at the period / year ended		
92,727 (30 June 2013: 86,854) units	<u>10,122,889</u>	<u>9,647,236</u>
<b>SIZA Services (Private) Limited - Employees Contributory Provident Fund Trust</b>		
Units held as at the period / year ended		
10,177 (30 June 2013: 9,533) units	<u>1,111,049</u>	<u>1,058,843</u>
<b>Cyber Internet Services (Private) Limited - Employees Contributory Provident Fund Trust</b>		
Units held as at the period / year ended		
49,756 (30 June 2013: 46,604) units	<u>5,431,794</u>	<u>5,176,566</u>
<b>Sybrid (Private) Limited - Employees Contributory Provident Fund Trust</b>		
Units held as at the period / year ended		
15,831 (30 June 2013: 14,829) units	<u>1,728,298</u>	<u>1,647,089</u>

	September 30, 2013 (Unaudited)	June 30, 2013 (Audited)
	(Rupees)	
<b>Accuray Surgicals Limited - Employees Contributory Provident Fund Trust</b> Units held as at the period / year ended 39,579 (30 June 2013: 37,072) units	<u>4,320,745</u>	<u>4,117,723</u>
<b>Merit Packaging Limited - Employees Contributory Provident Fund Trust</b> Units held as at the period / year ended 52,018 (30 June 2013: 48,723) units	<u>5,678,694</u>	<u>5,411,864</u>
<b>Merit Packaging Limited - Employees Gratuity Fund</b> Units held as at the period / year ended 20,355 (30 June 2013: 19,065) units	<u>2,222,098</u>	<u>2,117,686</u>
<b>Century Paper &amp; Board Mills Limited - Employees Contributory Provident Fund Trust</b> Units held as at the period / year ended 179,003 (30 June 2013: 179,003) units	<u>19,541,484</u>	<u>19,882,718</u>
<b>Century Paper &amp; Board Mills Limited - Employees Gratuity Fund</b> Units held as at the period / year ended 96,386 (30 June 2013: 96,386) units	<u>10,522,338</u>	<u>10,706,079</u>
<b>Century Insurance Company Limited</b> Units held as at the period / year ended 931,586 (30 June 2013: 683,933) units	<u>101,699,850</u>	<u>75,967,684</u>
<b>12.2 Transactions during the period</b>	<b>September 30,</b>	
	<b>2013</b>	<b>2012</b>
	(Unaudited)	
	(Rupees)	
<b>Lakson Investments Limited - Management Company</b>		
Remuneration during the period	<u>3,697,361</u>	<u>1,948,547</u>
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration during the period	<u>274,774</u>	<u>167,978</u>
<b>Habib Bank AG Zurich - Custodian</b>		
Brokerage and settlement charges	<u>-</u>	<u>65,410</u>
Custody charges	<u>73,600</u>	<u>29,993</u>
Bank charges	<u>-</u>	<u>12,311</u>
<b>Directors of the Management Company</b>		
<b>Mr. Babar Ali Lakhani</b>		
Issue of bonus units: 3,028 (2012: 356) units	<u>314,991</u>	<u>35,823</u>
Redemption of units: nil (2012: 3,206) units	<u>-</u>	<u>32,798</u>

\*Includes trades in joint account with spouse  
Mrs. Zil Lakhani and trades by minor son Mr. Hassan.

	2013	September 30, 2012 (Unaudited) (Rupees)
<b>Mr. Iqbal Ali Lakhani</b>		
Issue of bonus units: 26,286 (2012: Nil) units	<u>2,734,728</u>	<u>-</u>
<b>Mrs. Ronak Iqbal Lakhani (Spouse of Director Mr. Iqbal Ali Lakhani)</b>		
Issue of bonus units: 129,669 (2012: Nil) units	<u>13,490,648</u>	<u>-</u>
<b>Key Management Personnel, Employees and Connected Persons of the Management Company</b>		
Issue of bonus units: 11,402 (2012: Nil) units	<u>1,186,291</u>	<u>-</u>
<b>Associated companies / undertakings of the Management Company</b>		
<b>SIZA (Private) Limited</b>		
Issue of bonus units: 5,345 (2012: 79,033) units	<u>556,072</u>	<u>7,943,298</u>
Redemption of units: 84,378 (2012: Nil) units	<u>8,854,145</u>	<u>-</u>
<b>Lakson Business Solutions Limited - Employees Contributory Provident Fund Trust</b>		
Issue of bonus units: 279 (2012: 230) units	<u>29,064</u>	<u>23,077</u>
<b>Princeton Travels (Private) Limited - Employees Contributory Provident Fund Trust</b>		
Issue of bonus units: 287 (2012: 235) units	<u>29,809</u>	<u>23,669</u>
<b>Lakson Investments Limited - Employees Contributory Provident Fund Trust</b>		
Issue of bonus units: 150 (2012: 124) units	<u>15,650</u>	<u>12,426</u>
<b>Tritex Cotton Mills Limited - Employees Contributory Provident Fund Trust</b>		
Issue of bonus units: 193 (2012: 159) units	<u>20,121</u>	<u>15,976</u>
<b>Tetley Clover (Private) Limited - Employees Contributory Provident Fund Trust</b>		
Issue of bonus units: 501 (2012: 412) units	<u>52,166</u>	<u>41,420</u>
<b>Clover (Pakistan) Limited - Employees Contributory Provident Fund Trust</b>		
Issue of bonus units: 1,146 (2012: 942) units	<u>119,238</u>	<u>94,675</u>

	2013	September 30, 2012 (Unaudited) (Rupees)
<b>Clover (Pakistan) Limited - Employees Gratuity Fund</b> Issue of bonus units: 609 (2012: 500) units	<u>63,345</u>	<u>50,296</u>
<b>Century Insurance Company Limited - Employees Contributory Provident Fund Trust</b> Issue of bonus units: 860 (2012: 706) units	<u>89,428</u>	<u>71,006</u>
<b>GAM Corp. (Private) Limited - Employees Contributory Provident Fund Trust</b> Issue of bonus units: 2,292 (2012: 1,884) units	<u>238,475</u>	<u>189,349</u>
<b>SIZA Foods (Private) Limited - Employees Contributory Provident Fund Trust</b> Issue of bonus units: 1,361 (2012: 1,119) units	<u>141,595</u>	<u>112,426</u>
<b>Hassanali Karabhai Foundation - Employees Contributory Provident Fund Trust</b> Issue of bonus units: 430 (2012: 353) units	<u>44,714</u>	<u>35,503</u>
<b>Colgate Palmolive (Pakistan) Limited - Employees Contributory Provident Fund Trust</b> Issue of bonus units: 15,544 (2012: 12,776) units	<u>1,617,160</u>	<u>1,284,025</u>
<b>Colgate Palmolive (Pakistan) Limited - Employees Gratuity Fund</b> Issue of bonus units: 5,874 (2012: 4,828) units	<u>611,093</u>	<u>485,207</u>
<b>SIZA Services (Private) Limited - Employees Contributory Provident Fund Trust</b> Issue of bonus units: 645 (2012: 530) units	<u>67,071</u>	<u>53,254</u>
<b>Cyber Internet Services (Private) Limited - Employees Contributory Provident Fund Trust</b> Issue of bonus units: 3,152 (2012: 2,590) units	<u>327,903</u>	<u>260,355</u>
<b>Sybrid (Private) Limited - Employees Contributory Provident Fund Trust</b> Issue of bonus units: 1,003 (2012: 824) units	<u>104,333</u>	<u>82,840</u>
<b>Accuray Surgicals Limited - Employees Contributory Provident Fund Trust</b> Issue of bonus units: 2,507 (2012: 2,061) units	<u>260,832</u>	<u>207,101</u>
<b>Merit Packaging Limited - Employees Contributory Provident Fund Trust</b> Issue of bonus units: 3,295 (2012: 2,708) units	<u>342,808</u>	<u>272,190</u>

	2013	September 30, 2012 (Unaudited) (Rupees)
<b>Merit Packaging Limited - Employees Gratuity Fund</b>		
Issue of bonus units: 1,289 (2012: 1,060) units	<u>134,142</u>	<u>106,509</u>
<b>Century Paper &amp; Board Mills Limited - Employees Contributory Provident Fund Trust</b>		
Issue of bonus units: Nil (2012: 9,950) units	<u>-</u>	<u>1,000,001</u>
<b>Century Paper &amp; Board Mills Limited - Employees Gratuity Fund</b>		
Issue of bonus units: Nil (2012: 5,358) units	<u>-</u>	<u>538,462</u>
<b>Century Insurance Company Limited</b>		
Issue of units: 201,401 (2012: Nil) units	<u>22,000,000</u>	<u>-</u>
Issue of bonus units: 46,253 (2012: 20,606) units	<u>4,812,082</u>	<u>2,071,007</u>
<b>Other - connected person due to holding more than 10% outstanding units</b>		
Mark-up on profit on loss sharing accounts	<u>69,704</u>	<u>352,079</u>
Bank charges	<u>2,600</u>	<u>1,400</u>
Issue of units: 564,904 (2012: nil) units	<u>60,500,000</u>	<u>-</u>
Issue of bonus units: 35,785 (2012: 29,412) units	<u>3,723,024</u>	<u>2,956,080</u>
Redemption of units: 630,251 (2012: nil) units	<u>67,503,012</u>	<u>-</u>

**13. GENERAL**

These condensed interim financial statements were authorized for issue by Board of Directors of the Management Company on October 28, 2013.

**For Lakson Investments Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director



A Lakson Group Company

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