

**IGI MONEY MARKET FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT DECEMBER 31, 2012**

		(Un-audited) December 31, 2012	(Audited) June 30, 2012
	Note	----- (Rupees) -----	
<b>Assets</b>			
Bank balances	5	120,439,707	257,013,308
Investments	6	2,957,717,680	2,653,346,353
Deferred formation cost		929,379	1,125,339
Accrued mark-up / return		641,250	707,791
Prepayments		19,840	-
<b>Total assets</b>		<b>3,079,747,856</b>	2,912,192,791
<b>Liabilities</b>			
Payable to the Management Company		2,553,424	2,297,016
Remuneration payable to the Trustee		306,063	277,825
Annual fee payable to the Securities and Exchange Commission of Pakistan		1,244,381	2,590,933
Amount payable on redemption of units		-	4,351,017
Dividend payable to unit holders		923,260	912,526
Accrued and other liabilities	7	508,096	592,148
<b>Total liabilities</b>		<b>5,535,224</b>	11,021,465
<b>Net assets</b>		<b>3,074,212,632</b>	2,901,171,326
<b>Unit holders' fund</b>		<b>3,074,212,632</b>	2,901,171,326
<b>Contingency</b>	8		
		----- (Number of units) -----	
<b>Number of units in issue</b>		<b>30,526,477</b>	28,573,697
		----- (Rupees) -----	
<b>Net assets value per unit</b>		<b>100.7064</b>	101.5329

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For IGI Funds Limited  
(Management Company)

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

\_\_\_\_\_  
Director

**IGI MONEY MARKET FUND**  
**CONDENSED INTERIM INCOME STATEMENT**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012 (UN-AUDITED)**

	Note	Half year ended		Quarter ended	
		December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
		----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----	----- (Rupees) -----
<b>Income</b>					
Finance income	9	178,712,320	227,469,603	88,221,680	114,497,440
Net gain on sale of investments classified as 'at fair value through profit or loss - held-for-trading'		1,714,082	1,035,696	881,093	1,110,814
Net unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'		2,453,284	591,748	(2,101,915)	(830,801)
<b>Total income</b>		<b>182,879,686</b>	<b>229,097,047</b>	<b>87,000,858</b>	<b>114,777,453</b>
<b>Expenses</b>					
Remuneration of the Management Company		13,273,389	14,221,946	6,918,704	7,375,585
Sales tax on management fee		2,123,743	2,275,506	1,106,995	1,180,088
Remuneration of the Trustee		1,838,427	1,938,432	949,200	997,332
Annual fee of the Securities and Exchange Commission of Pakistan		1,244,381	1,333,304	648,629	691,460
Brokerage expense		151,068	205,819	70,243	91,047
Bank and settlement charges		111,936	91,040	37,381	46,302
Amortisation of deferred formation cost		195,960	195,960	97,980	97,980
Auditors' remuneration		240,961	113,452	155,584	73,248
Legal and professional charges		-	10,325	-	-
Annual listing fee		20,160	20,056	10,120	10,028
Annual rating fee		80,669	75,440	42,949	37,720
Printing charges		62,928	62,928	31,464	31,464
<b>Total expenses</b>		<b>19,343,622</b>	<b>20,544,208</b>	<b>10,069,249</b>	<b>10,632,254</b>
<b>Net income from operating activities</b>		<b>163,536,064</b>	<b>208,552,839</b>	<b>76,931,609</b>	<b>104,145,199</b>
Element of (loss) / income and capital (losses) / gains included in prices of units sold less those in units redeemed - net		(2,375,955)	1,803,289	(1,863,105)	3,076,045
<b>Net income for the period before taxation</b>		<b>161,160,109</b>	<b>210,356,128</b>	<b>75,068,504</b>	<b>107,221,244</b>
Taxation	13	-	-	-	-
<b>Net income for the period after taxation</b>		<b>161,160,109</b>	<b>210,356,128</b>	<b>75,068,504</b>	<b>107,221,244</b>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For IGI Funds Limited  
(Management Company)

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

\_\_\_\_\_  
Director

**IGI MONEY MARKET FUND**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012 (UN-AUDITED)**

	Half year ended		Quarter ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
	----- (Rupees) -----		----- (Rupees) -----	
Net income for the period	161,160,109	210,356,128	75,068,504	107,221,244
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>161,160,109</u>	<u>210,356,128</u>	<u>75,068,504</u>	<u>107,221,244</u>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

**For IGI Funds Limited**  
**(Management Company)**

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

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

**IGI MONEY MARKET FUND**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012 (UN-AUDITED)**

Note	Half year ended		Quarter ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
	----- (Rupees) -----		----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net income for the period before taxation	161,160,109	210,356,128	75,068,504	107,221,244
<b>Adjustments for:</b>				
Net gain on sale of investment classified as 'at fair value through profit or loss - held-for-trading'	(1,714,082)	(1,035,696)	(881,093)	(1,110,814)
Net unrealised (appreciation) / diminution in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'	(2,453,284)	(591,748)	2,101,915	830,801
Element of loss / (income) and capital losses / (gains) gains included in prices of units sold less those in units redeemed - net	2,375,955	(1,803,289)	1,863,105	(3,076,045)
Amortisation of deferred formation cost	195,960	195,960	97,980	97,980
	<b>159,564,658</b>	<b>207,121,355</b>	<b>78,250,411</b>	<b>103,963,166</b>
<b>(Increase) / decrease in assets</b>				
Investments - net	(880,557,463)	(55,204,984)	447,973,924	1,121,679,246
Receivable against sale of investments	-	195,261,800	-	-
Accrued mark-up / return	66,541	-	(399,537)	-
Prepayments	(19,840)	690,760	10,120	(381,382)
	<b>(880,510,762)</b>	<b>140,747,576</b>	<b>447,584,507</b>	<b>1,121,297,864</b>
<b>Decrease in liabilities</b>				
Payable to the Management Company	256,408	1,454,206	(22,439)	246,865
Remuneration payable to the Trustee	28,238	105,391	337	18,767
Annual fee payable to the Securities and Exchange Commission of Pakistan	(1,346,552)	57,365	(1,942,304)	(584,479)
Amount payable on redemption of units	(4,351,017)	(1,631,400)	(735,000)	(11,400)
Accrued and other liabilities	(996,579)	(532,762)	(105,901)	(342,560,424)
	<b>(6,409,502)</b>	<b>(547,200)</b>	<b>(2,805,307)</b>	<b>(342,890,671)</b>
<b>Net cash (used in) / generated from operating activities</b>	<b>(727,355,606)</b>	<b>347,321,731</b>	<b>523,029,611</b>	<b>882,370,359</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Dividend paid	(7,688,538)	(27,543,565)	(3,175,755)	(14,272,222)
Amounts received on issue of units	2,624,848,806	3,468,336,898	1,381,337,662	1,397,787,039
Payment made against redemption of units	(2,606,731,765)	(2,639,790,586)	(1,480,914,475)	(1,152,754,303)
<b>Net cash generated from / (used in) financing activities</b>	<b>10,428,503</b>	<b>801,002,747</b>	<b>(102,752,568)</b>	<b>230,760,514</b>
Net (decrease) / increase in cash and cash equivalents during the period	<b>(716,927,103)</b>	<b>1,148,324,478</b>	<b>420,277,043</b>	<b>1,113,130,873</b>
Cash and cash equivalents at beginning of the period	<b>2,813,373,595</b>	<b>2,229,885,649</b>	<b>1,676,169,449</b>	<b>2,265,079,254</b>
<b>Cash and cash equivalents at end of the period</b> 10	<b><u>2,096,446,492</u></b>	<b><u>3,378,210,127</u></b>	<b><u>2,096,446,492</u></b>	<b><u>3,378,210,127</u></b>

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For IGI Funds Limited  
(Management Company)

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

\_\_\_\_\_  
Director

**IGI MONEY MARKET FUND**  
**CONDENSED INTERIM DISTRIBUTION STATEMENT**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012 (UN-AUDITED)**

	Half year ended		Quarter ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
	----- (Rupees) -----		----- (Rupees) -----	
<b>Undistributed income brought forward</b>	<b>43,802,471</b>	46,421,218	<b>17,091,374</b>	15,559,876
Total comprehensive income for the period	<b>161,160,109</b>	210,356,128	<b>75,068,504</b>	107,221,244
Final distribution of bonus @ 1.1274 units for every 100 units held, approved on: July 05, 2012 (2011: @ 1.5210 units for every 100 units held, approved on: July 05, 2011)	<b>(30,678,229)</b>	(34,655,893)	-	-
Final distribution of cash dividend @ Rs.1.1319 per unit held, approved on: July 05, 2012 (2011: @ Rs.1.5245 per unit held, approved on: July 05, 2011)	<b>(1,664,338)</b>	(5,716,812)	-	-
	<b>(32,342,567)</b>	(40,372,705)	-	-
Interim distribution of bonus @ 1.0451 units for every 100 units held, approved on: July 27, 2012 (2011: @ 1.0339 units for every 100 units held, approved on: July 29, 2011)	<b>(29,609,656)</b>	(29,802,235)	-	-
Interim distribution of cash dividend @ Rs.1.0464 per unit held, approved on: July 27, 2012 (2011: @ Rs.1.0351 per unit held, approved on: July 29, 2011)	<b>(1,538,619)</b>	(3,881,582)	-	-
Interim distribution of bonus @ 0.8875 units for every 100 units held, approved on: August 29, 2012 (2011: @ 0.7707 units for every 100 units held, approved on: August 29, 2011)	<b>(27,325,503)</b>	(25,043,054)	-	-
Interim distribution of cash dividend @ Rs.0.8908 per unit held, approved on: August 29, 2012 (2011: @ Rs.0.7739 per unit held, approved on: August 29, 2011)	<b>(1,309,826)</b>	(3,672,949)	-	-
Interim distribution of bonus @ 0.6720 units for every 100 units held, approved on: September 26, 2012 (2011: @ 1.0457 units for every 100 units held, approved on: September 29, 2011)	<b>(19,684,163)</b>	(26,246,851)	-	-
Interim distribution of cash dividend @ Rs.0.6749 per units held, approved on: September 26, 2012 (2011: @ Rs.1.0498 per unit held, approved on: September 29, 2011)	<b>(992,368)</b>	(4,976,850)	-	-
Interim distribution of bonus @ 0.7498 units for every 100 units held, approved on: October 25, 2012 (2011: @ 0.9119 units for every 100 units held, approved on: October 28, 2011)	<b>(26,812,627)</b>	(28,792,820)	<b>(26,812,627)</b>	(28,792,820)
Interim distribution of cash dividend @ Rs.0.7537 per units held, approved on: October 25, 2012 (2011: @ Rs.0.9174 per unit held, approved on: October 28, 2011)	<b>(1,108,235)</b>	(4,352,319)	<b>(1,108,235)</b>	(4,352,319)
Interim distribution of bonus @ 0.7271 units for every 100 units held, approved on: November 28, 2012 (2011: @ 0.9396 units for every 100 units held, approved on: November 29, 2011)	<b>(22,543,713)</b>	(30,489,166)	<b>(22,543,713)</b>	(30,489,166)
Interim distribution of cash dividend @ Rs.0.7312 per units held, approved on: November 28, 2012 (2011: @ Rs.0.9449 per unit held, approved on: November 29, 2011)	<b>(1,075,152)</b>	(4,943,053)	<b>(1,075,152)</b>	(4,943,053)
Interim distribution of bonus @ 0.6240 units for every 100 units held, approved on: December 31, 2012 (2011: @ 0.7686 units for every 100 units held, approved on: December 29, 2011)	<b>(18,131,180)</b>	(24,005,512)	<b>(18,131,180)</b>	(24,005,512)
Interim distribution of cash dividend @ Rs.0.6279 per units held, approved on: December 31, 2012 (2011: @ Rs.0.7732 per unit held, approved on: December 29, 2011)	<b>(923,260)</b>	(4,044,840)	<b>(923,260)</b>	(4,044,840)
	<b>(183,396,869)</b>	(230,623,936)	<b>(70,594,167)</b>	(96,627,710)
<b>Undistributed income carried forward</b>	<b>21,565,711</b>	26,153,410	<b>21,565,711</b>	26,153,410

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For IGI Funds Limited  
(Management Company)

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

\_\_\_\_\_  
Director

**IGI MONEY MARKET FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2012 (UN-AUDITED)**

	Half year ended		Quarter ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
	----- (Rupees) -----		----- (Rupees) -----	
<b>Net assets at beginning of the period</b>	<b>2,901,171,326</b>	2,694,679,191	<b>3,099,964,483</b>	3,364,352,214
Amount realised / unrealised on issuance of 26,028,679 units (December 31, 2011: 34,377,668 units) and 13,688,556 units (December 31, 2011: 13,833,924 units) for the six months and quarter ended respectively	<b>2,624,848,806</b>	3,468,336,898	<b>1,381,337,662</b>	1,397,787,039
Issuance of 1,740,608 bonus units in respect of final and interim distributions (December 31, 2011: 1,982,327 units)	<b>174,785,070</b>	199,035,684	<b>67,487,520</b>	83,287,651
Amount paid / payable on redemption of 25,816,507 units (December 31, 2011: 26,102,203 units) and 14,661,906 units (December 31, 2011: 11,409,513 units) for the six months and quarter ended respectively	<b>(2,606,731,765)</b>	(2,639,790,586)	<b>(1,480,914,475)</b>	(1,152,754,303)
	<b>3,094,073,437</b>	3,722,261,187	<b>3,067,875,190</b>	3,692,672,601
Element of loss / (income) and capital losses / (gains) gains included in prices of units sold less those in units redeemed - net	<b>2,375,955</b>	(1,803,289)	<b>1,863,105</b>	(3,076,045)
Total comprehensive income for the period before gains - realised and unrealised	<b>156,992,743</b>	208,728,684	<b>76,289,326</b>	106,941,231
Net gain on sale of investments classified as 'at fair value through profit or loss - held-for-trading'	<b>1,714,082</b>	1,035,696	<b>881,093</b>	1,110,814
Net unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'	<b>2,453,284</b>	591,748	<b>(2,101,915)</b>	(830,801)
Total comprehensive income for the period	<b>161,160,109</b>	210,356,128	<b>75,068,504</b>	107,221,244
<b>Distributions made during the period</b>				
Final distribution of bonus units	<b>(30,678,229)</b>	(34,655,893)	-	-
Final distribution of cash dividend	<b>(1,664,338)</b>	(5,716,812)	-	-
Interim distribution of bonus units	<b>(144,106,842)</b>	(164,379,638)	<b>(67,487,520)</b>	(83,287,498)
Interim distribution of cash dividend	<b>(6,947,460)</b>	(25,871,593)	<b>(3,106,647)</b>	(13,340,212)
	<b>(183,396,869)</b>	(230,623,936)	<b>(70,594,167)</b>	(96,627,710)
Net total comprehensive (loss) / income less distributions for the period	<b>(22,236,760)</b>	(20,267,808)	<b>4,474,337</b>	10,593,534
<b>Net assets at end of the period</b>	<b>3,074,212,632</b>	3,700,190,090	<b>3,074,212,632</b>	3,700,190,090

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For IGI Funds Limited  
(Management Company)

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

\_\_\_\_\_  
Director

**IGI MONEY MARKET FUND**  
**CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2012 (UN-AUDITED)**

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

IGI Money Market Fund (the Fund) has been established under the Non-Banking Finance Companies (Establishment and Regulation), Rules 2003 (the NBFC Rules) and has been authorised as a unit trust scheme by the Securities and Exchange Commission of Pakistan (SECP) on February 24, 2010. It has been constituted under a Trust Deed, dated March 04, 2010 between IGI Funds Limited (the Management Company), a company incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited (CDC) as the Trustee, also incorporated under the Companies Ordinance, 1984.

The Fund is an open ended fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The units are listed on the Lahore Stock Exchange Limited (LSE). The Fund was launched on May 27, 2010.

The Fund primarily invests in Government Securities, Certificates of Investment, Certificates of Deposits, Certificates of Musharika, Term Deposit Receipts, Commercial Papers, reverse repo, etc. The Fund is categorised as a money market scheme as specified by SECP and is subject to the guidelines prescribed by SECP.

Title to the assets of the Fund is held in the name of CDC as Trustee of the Fund.

The JCR-VIS Credit Rating Company Limited has assigned a rating of AA+ to the scheme as at October 05, 2012

**2. BASIS OF PRESENTATION**

The condensed interim financial statements have been prepared in accordance with the requirements of International Accounting Standard 34: 'Interim Financial Reporting', the Trust Deed, the NBFC Rules, Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and directives issued by SECP. In case where requirements differ, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the year ended June 30, 2012.

These condensed interim financial statements are un-audited but subject to limited scope review by the auditors.

### 3. ACCOUNTING POLICIES AND ESTIMATES

The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2012, except as described in note 3.1 below.

3.1 During the period, following amendments, interpretations and improvements to the accounting standards became effective:

IAS 1 Presentation of Financial Statements – Presentation of items of comprehensive income

IAS 12 Income Taxes (Amendment) - Recovery of Underlying Assets

The adoption of the above standards, amendments, interpretations and improvements did not have any material effect on these condensed interim financial statements of the Fund.

### 4. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2012.

		(Un-audited) December 31, 2012	(Audited) June 30, 2012
	Note	----- (Rupees) -----	
<b>5. BANK BALANCES</b>			
Bank balances - local currency	5.1	<u>120,439,707</u>	<u>257,013,308</u>
5.1 The deposit accounts with the banks carry profit at the rate ranging from 6% to 10.50% per annum (June 30, 2012: 5% to 11.70% per annum).			
<b>6. INVESTMENTS</b>			
<b>Financial assets classified as 'at fair value through profit or loss' - held-for-trading</b>			
Treasury bills	6.1	<b>2,198,068,704</b>	1,960,688,990
<b>Held to maturity</b>			
Commercial papers	6.2	<b>306,057,311</b>	210,687,174
Letter of placement	6.3	<b>152,416,555</b>	301,846,852
Term deposit receipts	6.4	<b>301,175,110</b>	180,123,337
		<b>759,648,976</b>	692,657,363
		<u><b>2,957,717,680</b></u>	<u>2,653,346,353</u>



## 6.1 Treasury bills - held-for-trading

Issue date	Note	As at	Purchased	Sold /	As at	Carrying value	Market value	Unrealised	% of net	% of total
		July 01, 2012	during the period	matured during the period	December 31, 2012	as at December 31, 2012	as at December 31, 2012	gain on revaluation	assets on the basis of market value	investment on the basis of market value
		----- (Number of certificates) -----				----- (Rupees) -----		----- (%) -----		
<b>Treasury bills having face value of Rs.100 each</b>										
Maturity upto 3 months	6.1.1	10,600,000	34,350,000	42,650,000	2,300,000	227,382,317	227,437,800	55,483	7.40%	7.69%
Maturity upto 6 months	6.1.2	3,500,000	30,490,000	14,483,000	19,507,000	1,913,755,743	1,916,130,909	2,375,166	62.33%	64.78%
Maturity upto 12 months	6.1.3	5,750,000	6,011,000	11,211,000	550,000	54,477,360	54,499,995	22,635	1.77%	1.84%
		<u>19,850,000</u>	<u>70,851,000</u>	<u>68,344,000</u>	<u>22,357,000</u>	<u>2,195,615,420</u>	<u>2,198,068,704</u>	<u>2,453,284</u>		

6.1.1 These represents market treasury bills having face value of Rs.230 million (June 30, 2012: Rs.1,060 million) and carrying purchase yield ranging between 9.28% to 9.40% per annum (June 30, 2012: 11.64% to 11.92%). These treasury bills have maturity upto February 21, 2013 (June 30, 2012: September 20, 2012).

6.1.2 These represents market treasury bills having face value of Rs.1,951 million (June 30, 2012: Rs.350 million) and carrying purchase yield ranging between 9.23% to 11.92% per annum (June 30, 2012: 11.52% to 11.87%). These treasury bills have maturity upto June 13, 2013 (June 30, 2012: August 09, 2012).

6.1.3 These represents market treasury bills having face value of Rs.55 million (June 30, 2012: Rs.575 million) and carrying purchase yield ranging between 9.45% to 9.58% per annum (June 30, 2012: 11.81% to 11.93%). These Treasury Bills have maturity upto February 07, 2013 (June 30, 2012: October 04, 2012).

## 6.2 Commercial papers - Sukuk certificates (secured) - held to maturity

Name of investee company	Rate of return per annum	----- (Face value) -----				Carrying value as at December 31, 2012	Maturity	Rating	Face value as percentage of net assets	Face value as percentage of total investments	Face value as percentage of issue size
		As at July 01, 2012	Purchased during the period	Matured during the period	As at December 31, 2012						
----- (Rupees) -----											
Hub Power Company Limited	11.83%	200,000,000	200,000,000	200,000,000	200,000,000	208,945,436	February 15, 2013	AA+	6.51%	6.76%	8.76%
Kot Addu Power Company Limited	10.52%	-	97,000,000	-	97,000,000	97,111,875	June 28, 2013	AA+	3.16%	3.28%	6.47%
		<u>200,000,000</u>	<u>297,000,000</u>	<u>200,000,000</u>	<u>297,000,000</u>	<u>306,057,311</u>			<u>9.67%</u>	<u>10.04%</u>	<u>15.23%</u>

6.3 These carry mark-up rate of 9.80% per annum (June 30, 2012: 12.40% to 12.45%) maturing on February 04, 2013 (June 30, 2012: August 15, 2012 and September 19, 2012) and have a credit rating of AA+. Investment in letters of placement of Pak Oman Investment Company Limited represent 5.07% (June 30, 2012: 5.65% ) of total investment on the basis of face value and 4.89% (June 30, 2012: 5.17%) of net assets on the basis of face value.

6.4 Term deposit receipts are maintained with various financial institutions and carry profit rates from 9.75 % to 9.80% per annum (June 30, 2012: 12.25%). These deposits will mature on February 11, 2013 and February 25, 2013 (June 30, 2012: July 18, 2012).

	(Un-audited) December 31, 2012	(Audited) June 30, 2012
	----- (Rupees) -----	
<b>7. ACCRUED AND OTHER LIABILITIES</b>		
Brokerage expense payable	36,501	60,196
Auditors' remuneration	220,961	261,000
Rating fee payable	67,489	-
Printing charges payable	45,709	50,000
Withholding and capital gains tax payable	137,436	220,952
	<u>508,096</u>	<u>592,148</u>

#### 8. CONTINGENCY - CONTRIBUTION TO 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 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 (SHC), challenging the applicability of WWF to the CISs, which is pending adjudication.

During the year 2012, the Honorable Lahore High Court (LHC) in a similar 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. The Management Company is hopeful that the decision of the LHC, will lend further support to the Constitutional Petition which is pending in the SHC. However, pending the decision of the said constitutional petition, the Management Company believes that the Fund is not liable to contribute to WWF. Hence, aggregate unrecognised amount of WWF as at December 31, 2012 amounted to Rs.14.90 million (June 30, 2012: Rs.11.677 million). Had the provision been made the net asset value per unit of the Fund would have been lower by Rs.0.488 (0.48%) per unit (June 30, 2012: Rs.0.409 (0.40%) per unit).

	Half yearly ended		Quarter ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
	----- (Rupees) -----			
<b>9. FINANCE INCOME</b>				
Interest income on:				
<b>Investments classified as 'at fair value through profit or loss' - held-for-trading</b>				
- Treasury bills	147,216,922	220,113,538	71,578,942	112,144,811
<b>Held to maturity</b>				
- Commercial papers	11,424,274	-	6,075,499	-
- Certificates of Investment	4,228,384	2,918,626	3,670,792	-
- Letter of placement	9,447,099	-	3,060,824	-
- Term deposit receipts	2,217,656	569,426	1,190,669	569,426
<b>Others</b>				
- Bank deposits	4,177,985	3,868,013	2,644,954	1,783,203
	<u>178,712,320</u>	<u>227,469,603</u>	<u>88,221,680</u>	<u>114,497,440</u>

#### 10. CASH AND CASH EQUIVALENTS

Bank balances	120,439,707	235,681,817	120,439,707	235,681,817
Treasury Bills maturing within 3 months	1,313,469,684	2,744,958,884	1,313,469,684	2,744,958,884
Term Deposit Receipts maturing within 3 months	301,175,110	397,569,426	301,175,110	397,569,426
Commercial paper maturing within 3 months	208,945,436	-	208,945,436	-
Letter of placement maturing within 3 months	152,416,555	-	152,416,555	-
	<u>2,096,446,492</u>	<u>3,378,210,127</u>	<u>2,096,446,492</u>	<u>3,378,210,127</u>

#### 11. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Related parties include IGI Funds Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, IGI Investment Bank Limited being the holding company of the Management Company, IGI Finex Securities Limited being the subsidiary of the IGI Investment Bank Limited, IGI Insurance Limited being the associated company of the IGI Investment Bank Limited and Packages Limited being the holding company of IGI Insurance Limited, Tri Pack Films Limited, Tetra Pak Pakistan Limited being the associates of IGI Insurance Limited, Key Management personnel of the Management Company and unit holders having 10% or more of units in issue. Transactions with these related parties involve issue and redemption of units and issue of bonus units.

Remuneration payable to the Management Company and the Trustee are determined in accordance with the provisions of Non-Banking Finance Companies and Notified Entities Regulations, 2008, and the Trust Deed respectively.

## 11.1 Unit Holders' Fund

	Half year ended December 31, 2012 (Un-audited)									
	As at July 01, 2012	Issued for cash / conversion in / transfer in	Bonus Units	Redeemed/ conversion out / transfer out	As at December 31, 2012	As at July 01, 2012	Issued for cash / conversion in / transfer in	Bonus (Rupees)	Redeemed / conversion out / transfer out	Net asset value as at December 31, 2012
	-----					-----				
<b>Connected persons</b>										
IGI Investment Bank Limited	1,970,360	2,983,664	57,281	5,011,305	-	200,056,352	300,000,000	5,753,590	506,043,732	-
IGI Investment Bank Limited - Group Provident Fund	25,202	-	1,507	-	26,709	2,558,855	-	151,320	-	2,689,787
IGI Finex Securities Limited	-	-	-	-	-	-	-	-	-	-
IGI Funds Limited - Management Company	342,652	34,760	18,861	155,327	240,946	34,790,477	3,500,000	1,893,680	15,700,000	24,264,805
Packages Limited	986,073	-	11,117	997,190	-	100,118,827	-	1,116,136	100,592,890	-
<b>Other related parties</b>										
Syedawala Agricultural Farm	498,873	-	29,830	-	528,703	50,652,071	-	3,766,989	-	53,243,852
<b>Key Management Personnel - Management Company</b>										
Syed Babar Ali - Group Chairman	91,539	-	1,999	93,538	-	9,294,234	-	200,480	9,395,189	-
Khalid Yacob - Director	6,270	-	374	-	6,644	636,551	-	37,643	-	669,123
Maheen Rehman - CEO	-	-	-	-	-	-	-	-	-	-
Adi Jehangir Cawasji	61,470	11,926	2,377	59,630	16,143	6,241,212	1,200,000	238,516	6,000,000	1,625,703
Other employees	-	-	-	-	-	-	-	-	-	-
<b>Unit holder holding 10% or more units</b>										
Pakistan Gum Industries (Pvt) Limited	-	4,360,337	126,727	-	4,487,064	-	440,010,000	12,736,159	-	451,876,043
Pakistan Petroleum Limited	3,124,274	-	186,817	-	3,311,091	317,216,591	-	18,758,806	-	333,448,030
	Half year ended December 31, 2011 (Un-audited)									
	As at July 01, 2011	Issued for cash / conversion in / transfer in	Bonus Units	Redeemed/ conversion out / transfer out	As at December 31, 2011	As at July 01, 2011	Issued for cash / conversion in / transfer in	Bonus (Rupees)	Redeemed / conversion out / transfer out	Net asset value as at December 31, 2011
-----					-----					
<b>Connected persons</b>										
IGI Investment Bank Limited	552,802	571,364	39,813	571,382	592,597	56,249,207	57,814,560	3,997,136	57,797,538	59,681,511
IGI Investment Bank Limited - Group Provident Fund	22,490	-	1,620	-	24,110	2,288,423	-	162,619	-	2,428,161
IGI Finex Securities Limited	-	571,382	-	571,382	-	-	57,797,538	-	57,816,451	-
IGI Funds Limited - Management Company	166,288	104,015	13,703	-	284,006	16,920,286	10,500,000	1,376,106	-	28,602,755
<b>Key Management Personnel - Management Company</b>										
Syed Babar Ali - Group Chairman	1,005,441	322,763	62,349	1,167,076	223,477	102,306,538	32,500,000	6,257,726	117,911,604	22,506,771
Khalid Yacob - Director	2,951	-	212	-	3,163	300,264	-	13,144	-	318,551
Maheen Rehman - CEO	15,115	-	1,088	-	16,203	1,537,995	-	109,290	-	1,631,833
Other employees	35,684	17,953	1,252	36,569	18,320	3,630,847	1,813,348	107,418	3,782,421	1,845,040

## Quarter ended December 31, 2012 (Un-audited)

	As at	Issued	Bonus	Redeemed /	As at	As at	Issued	Bonus	Redeemed /	Net asset
	October 01, 2012	for cash / conversion in / transfer in		conversion out / transfer out	December 31, 2012	October 01, 2012	for cash / conversion in / transfer in		(Rupees)	conversion out / transfer out
	----- Units -----				----- (Rupees) -----					
<b>Connected persons</b>										
IGI Investment Bank Limited	3,003,713	-	15,018	3,018,731	-	302,036,546	-	1,509,665	304,510,486	-
IGI Investment Bank Limited - Group Provident Fund	26,156	-	553	-	26,709	2,630,085	-	55,649	-	2,689,787
IGI Finex Securities Limited	-	-	-	-	-	-	-	-	-	-
IGI Funds Limited - Management Company	360,639	-	5,973	125,666	240,946	36,263,890	10,500,000	600,639	12,700,000	24,264,805
<b>Other related parties</b>										
Syedawala Agricultural Farm	517,750	-	10,953	-	528,703	52,062,079	-	1,101,561	-	53,243,852
<b>Key Management Personnel - Management Company</b>										
Syed Babar Ali - Group Chairman	-	-	-	-	-	-	-	-	-	-
Khalid Yacob - Director	6,507	-	137	-	6,644	654,271	-	13,843	-	669,123
Maheen Rehman - CEO	-	-	-	-	-	-	-	-	-	-
Adi Jehangir Cawasji	15,809	-	334	-	16,143	1,589,619	-	33,634	-	1,625,703
Other employees	-	-	-	-	-	-	-	-	-	-
<b>Unit holder holding 10% or more units</b>										
Pakistan Gum Industries (Pvt) Limited	1,520,115	2,873,989	92,960	-	4,487,064	152,854,238	290,000,000	9,348,851	-	451,876,043
Pakistan Petroleum Limited	3,242,493	-	68,598	-	3,311,091	326,046,988	-	6,898,697	-	333,448,030

## Quarter ended December 31, 2011 (Un-audited)

	As at	Issued	Bonus	Redeemed /	As at	As at	Issued	Bonus	Redeemed /	Net asset
	October 01, 2011	for cash / conversion in / transfer in		conversion out / transfer out	December 31, 2011	October 01, 2011	for cash / conversion in / transfer in		(Rupees)	conversion out / transfer out
	----- Units -----				----- (Rupees) -----					
<b>Connected persons</b>										
IGI Investment Bank Limited	577,338	-	15,259	-	592,597	58,002,075	-	1,534,854	-	59,681,511
IGI Investment Bank Limited - Group Provident Fund	23,489	-	621	-	24,110	2,359,793	-	62,445	-	2,428,161
IGI Finex Securities Limited	-	-	-	-	-	-	-	-	-	-
IGI Funds Limited - Management Company	173,674	104,015	6,317	-	284,006	17,448,148	10,500,000	635,422	-	28,602,755
<b>Key Management Personnel - Management Company</b>										
Syed Babar Ali - Group Chairman	948,971	322,763	19,499	1,067,756	223,477	95,337,940	32,500,000	1,961,203	107,911,604	22,506,771
Khalid Yacob - Director	3,082	-	81	-	3,163	309,631	-	-	-	318,551
Maheen Rehman - CEO	15,786	-	417	-	16,203	1,585,927	-	41,967	-	1,631,833
Other employees	2,146	16,485	181	492	18,320	215,694	1,665,348	18,215	49,686	1,845,040

## 11.2 Other transactions

	Half year ended (Un-audited)		Quarter ended (Un-audited)	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
<b><u>Connected persons</u></b>	----- (Rupees) -----		----- (Rupees) -----	
<b>IGI Funds Limited - Management Company</b>				
Remuneration of the Management Company	<u>13,273,389</u>	<u>14,221,946</u>	<u>6,918,704</u>	<u>7,375,585</u>
Sales tax on management fee	<u>2,123,743</u>	<u>2,275,506</u>	<u>1,106,995</u>	<u>1,180,088</u>
Sales load	<u>2,327</u>	<u>1,422,803</u>	<u>1,485</u>	<u>1,408,447</u>
<b>IGI Investment Bank Limited</b>				
Treasury Bill - purchased	<u>-</u>	<u>101,902,386</u>	<u>-</u>	<u>-</u>
<b>IGI Finex Securities Limited</b>				
Brokerage charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>IGI Income Fund - (Common Management)</b>				
Treasury Bill - purchased	<u>-</u>	<u>19,839,010</u>	<u>-</u>	<u>9,884,670</u>
Treasury Bill - sold	<u>-</u>	<u>123,438,474</u>	<u>-</u>	<u>-</u>
<b>IGI Aggressive Income Fund - (Common Management)</b>				
Treasury Bill - purchased	<u>-</u>	<u>17,904,780</u>	<u>-</u>	<u>-</u>
<b>IGI Capital Protected Fund - (Common Management)</b>				
Treasury Bill - purchased	<u>-</u>	<u>29,636,837</u>	<u>-</u>	<u>29,636,837</u>

## 11.3 Other related parties

<b>Central Depository Company of Pakistan Limited - (Trustee of the Fund)</b>				
Remuneration of the Trustee	<u>1,838,427</u>	<u>1,938,432</u>	<u>949,200</u>	<u>997,332</u>

(Un-audited) (Audited)  
December 31, June 30,  
2012 2012  
----- (Rupees) -----

## 11.4 Other balances

**Connected persons****IGI Funds Limited - Management Company**

Remuneration payable to the Management Company	<u>2,201,230</u>	<u>1,958,637</u>
Sales tax payable on management fees	<u>352,194</u>	<u>313,379</u>
Other payables	<u>-</u>	<u>25,000</u>

**Other related parties****Central Depository Company of Pakistan Limited -  
(Trustee of the Fund)**

Remuneration payable to the Trustee	<u>306,063</u>	<u>277,825</u>
-------------------------------------	----------------	----------------

## 12. FAIR VALUE HIERARCHY

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

**Level 1:** quoted prices in active markets for identical assets.

**Level 2:** other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

**Level 3:** techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at December 31, 2012, the Fund held the following financial instruments measured at fair value:

	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
<b>Investments classified as 'at fair value through profit or loss' - held-for-trading</b>				
Government securities				
- Market treasury bills	-	2,198,068,704	-	2,198,068,704
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

As at June 30, 2012, the Fund held the following financial instruments measured at fair value:

	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
<b>Investments classified as 'at fair value through profit or loss' - held-for-trading'</b>				
Government securities				
- Market treasury bills	-	1,960,688,990	-	1,960,688,990
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

During the half year ended December 31, 2012, 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.

## 13. 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 realized or unrealized is distributed amongst the unit holders. The Management Company intends to distribute not less than 90% of its annual accounting income, if any, to comply with the above clause at year end. Accordingly, no tax provision has been made in these condensed interim financial statements for the half year ended December 31, 2012.

## 14. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on **11th February 2013** by the Board of Directors of the Management Company.

**15. GENERAL**

**15.1** Figures for the quarters ended December 31, 2012 and December 31, 2011 as reported in these condensed interim financial statements have not been subject to limited scope review by the external auditors.

**15.2** Figures are rounded off to the nearest rupee.

**For IGI Funds Limited  
(Management Company)**

---

**Chief Executive Officer**

---

**Director**