

CONTENTS

	Page No.
Fund's information.....	1
Mission and Vision Statement.....	2
Report of the Directors of the Management Company	3
Report to the Trustee	6
Auditor Report to the Unit Holder	7
Condensed Interim Statement of Assets and Liabilities	8
Condensed Interim Income Statement	9
Condensed Interim Statement of Comprehensive Income	10
Condensed Interim Distribution Statement	11
Condensed Interim Statement of Movement in Unit Holders' Funds.....	12
Condensed Interim Statement of Cash Flows	13
Notes to the Condensed Interim Financial Statements.....	14

FUND'S INFORMATION

Management Company:	Alfalah GHP Investment Management Limited 12th Floor, Tower 'A', Saima Trade Towers I.I. Chundrigar Road, Karachi.
Board of Directors of the Management Company:	<ul style="list-style-type: none">- Ms. Maheen Rahman- Syed Ali Sultan- Mr. David Burlison- Mr. Hanspeter Beier- Mr. Amin Dawood Saleh- Mr. Muhammad Asif Saad- Mr. Abid Naqvi
CFO & Company Secretary Of the Management Company:	- Syed Muhammad Zeeshan
Audit Committee:	<ul style="list-style-type: none">- Syed Ali Sultan- Mr. Abid Naqvi- Mr. Amin Dawood Saleh
Fund Manager:	-Mr. Muddasir Ahmed Sheikh
Trustee:	Central Depository Company of Pakistan Limited. CDC House, 99-B, Block 'B', SMCHS, Main Shara-e-Faisal, Karachi.
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	Ernst & Young Ford Rhodes Sidat Hyder Chartered Accountants Progressive Plaza, Beaumont Road P.O. Box 15541, Karachi 75530.
Legal Advisor:	Bawany & Partners Room No. 404, 4th Floor Beaumont Plaza, 6-cl-10 Beaumont Road, Civil Lines Karachi.
Registrar:	Alfalah GHP Investment Management Limited 12th Floor, Tower 'A', Saima Trade Towers I.I. Chundrigar Road, Karachi.
Distributor:	Bank Alfalah Limited
Rating:	3 Star (Short term) / 3 Star (Long term) by PACRA

MISSION STATEMENT

Alfalah GHP Value fund aims to provide its unit holders with sustainable return over a period through active asset allocation strategies.

VISION STATEMENT

Alfalah GHP Value Fund aims to establish itself as the investment vehicle of choice for investors who seek to achieve sustainable and consistent return over the long term through investment exposure to various asset classes

DIRECTORS' REPORT

For the six month period ended 31 December, 2013

To our valued Unit Holders,

On behalf of the Board of Directors, I am pleased to present the Financial Statements of Alfalah GHP Value Fund (AGVF) for the six months ended 31 December, 2013. The Financial Statements of the Schemes prepared by the Management Company present true and fair view of the state of affairs of the Schemes and results of their operations, cash flows and movement in unit holders' funds.

Economic Review

The economy has shown strong growth in 1QFY14 GDP growth clocking in at 5%, with Large Scale Manufacturing up by 6.8% in 1HFY14. The energy sector circular debt issue has been significantly reduced to a large extent.

While 2QFY14 inflation was higher than the preceding quarter, average CPI remained comfortably below the discount rate of 10% for the 1HFY14.

Six month current account deficit numbers stood at USD1,589mn as opposed to USD83mn witnessed in 1HFY13. Lower amount received on account of the Coalition Support Fund (CSF) reimbursements during the period accounted for the bulk of the increased deficit. Some respite has come for the balance of payment position due to improvement witnessed in financial account which stands at negative USD16mn versus a negative USD562mn in the same period last year, due to higher bilateral financing. The IMF remains satisfied with Pakistan's progress on the reform agenda which has paved the way for reviving assistance from multilateral agencies. Project based lending from World Bank and ADB is expected to be ramped up from CY14 onwards.

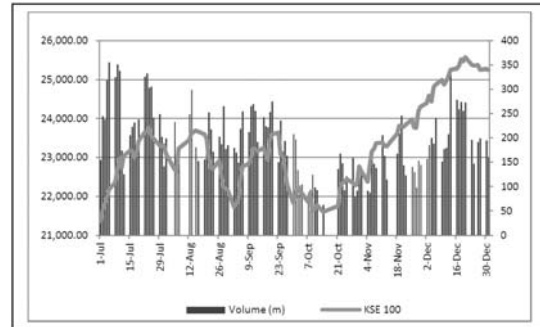
Provisional results compiled by the FBR showed a rise of 16% in revenue collection to reach PKR1,031bn during 1HFY14 as against a collection of PKR889bn during the same period last year. SBP reserves touched a multi-year low in December 2013 to reach USD3.1bn, which is less than one month of import cover. Consequently, the rupee devalued by 6% in the 1HFY14. The PKRs sudden devaluation appears to be more speculation driven as exports have increased along with remittance flows over the first six months of the fiscal year.

Capital Markets Review

EQUITIES REVIEW

The KSE-100 gave another strong performance in 2QFY14 with a 15.7% return for the period, a sharp increase over the 1QFY14 return of 3.9%, taking the cumulative return for 1HFY14 to 20.3%.

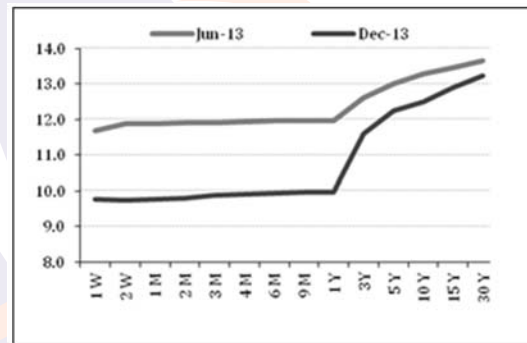
The market rally was quite broad based during the period with some illiquid scrips showing the greatest price appreciation. Food Producers, Personal Goods / Textiles, Cements, Oil & Gas, and Commercial Banks were the leading performers.



Going forward, the KSE-100 Index will respond to developments on the macro front as well as the upcoming Federal Budget due to be announced in May 2014.

MONEY MARKET REVIEW

After witnessing monetary easing of 5% (14% to 9%) over the last three years, SBP commenced monetary tightening in FY14 due to inflationary pressures and external side issues. The discount rate was increased by 50bps to 9.5% in September and again by another 50bps in the November monetary policy review.



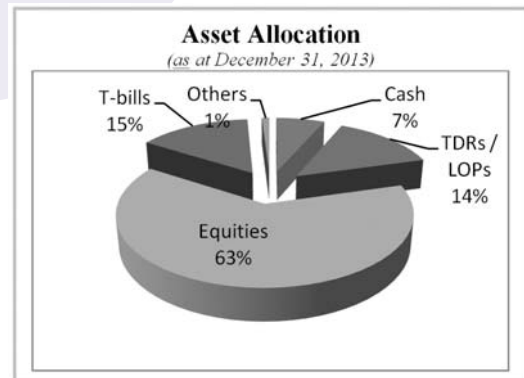
Thereafter, lower than expected inflation numbers, check on the exchange rate, and a generally improving macro-economic picture have led to a revised outlook on interest rates for the remaining part of the current fiscal year, with expectations of rates staying stable at current levels.

Fund Operations and Performance

Alfalah GHP Value Fund

In 1HFY14, AGVF earned a return of 9.35% while its benchmark earned a return of 12.09% during the same period.

A restructuring of the equity investment portfolio in Oct-Nov '13 yielded benefits as the fund yielded an 8.89% return on 60D basis as at calendar year end, while the fund's benchmark yielded a 6.59% return for the same period. The reshuffled exposure comprised of shedding positions in Banks, IPPs and Telecom and increasing weights in Textiles, Oil and Chemicals.



Additionally, substantial liquidity available with the fund was placed at higher yields to better match the fixed income component of the fund's benchmark.

The Pakistan Credit Rating Agency (PACRA) has maintained the Fund's performance rating of '3 Star/ 3 Star' Long Term / Short Term.

Key Financial Data

Description	Rs. In million	
	Six month period ended 31 December 2013	Six month period ended 31 December 2012
Net Assets at end of the period	517.15	487.31
Gross income earned	62.87	63.40
Net comprehensive income	36.15	53.98
Net Assets Value per Unit (Rs.)	59.51	51.61
Issuance of units during the period	0.58	20.01
Redemption of units during the period	106.11	1.23

Future Outlook

Macro indicators rest comfortably at this point with flat/declining oil price forecasted in the medium term, current account deficit set to remain at a nominal 1.5% of GDP, and inflation/interest rates expected to stabilize from 2HCY14 onwards. Pakistan's economy appears set for a fragile turnaround if the full execution of its reform agenda is witnessed.

Acknowledgement

The Directors express their gratitude to the Securities and Exchange Commission of Pakistan for its valuable support, assistance, and guidance. The Board also thanks the employees of the Management Company and the Trustee for their dedication and hard work and the unit holders for their confidence in the Management.

For and on behalf of the Board of Directors

Chief Executive Officer
Date February 27, 2014

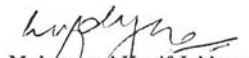
**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED****Head Office**

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahr-e-Faisal
Karachi - 74400, Pakistan,
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
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Email: info@cdcpak.com

**TRUSTEE REPORT TO THE UNIT HOLDERS****ALFALAH GHP VALUE FUND****Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance
Companies and Notified Entities Regulations, 2008**

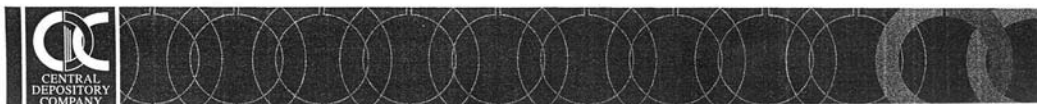
We Central Depository Company of Pakistan Limited, being the Trustee of Alfalah GHP Value Fund (the Fund) are of the opinion that Alfalah GHP Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2013 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.



Muhammad Hanif Jakhura
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 24, 2014





Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
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Pakistan

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DRAFT

AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Alfalah GHP Value Fund (the Fund)** as at **31 December 2013**, and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim distribution statement and condensed interim statement of movement in unit holders' fund for the half-year then ended together with the notes forming part thereof (here-in-after referred to as the "interim financial information"). Management Company is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.


Scope of Review

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

Conclusion

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

Chartered Accountants


Engagement Partner: Shabbir Yunus

Date:

Karachi

A Member Firm of Ernst & Young Global Limited

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT 31 DECEMBER 2013

	<i>Note</i>	31 December 2013 (Unaudited) ----- (Rupees) -----	30 June 2013 (Audited)
Assets			
Bank balances	5	35,580,531	95,010,246
Investments	6	491,102,721	478,279,469
Security deposits		2,600,000	2,600,000
Receivable against sale of shares		300,000	25,062,646
Prepayments and other receivables	7	814,070	213,146
Total assets		530,397,322	601,165,507
Liabilities			
Payable to the Management Company	8	2,102,425	1,258,007
Remuneration payable to the Trustee		86,974	112,389
Annual fee payable to the Securities and Exchange Commission of Pakistan		251,110	469,125
Amount payable on redemption of units		26,803	-
Accrued and other liabilities	9	10,775,369	26,973,538
Total liabilities		13,242,681	28,813,059
Net assets attributable to unit holders		517,154,641	572,352,448
Unit holders' fund		517,154,641	572,352,448
		(Number of Units)	
Number of units in issue		8,688,919	10,515,966
		(Rupees)	
Net assets value per unit		59.5189	54.4270

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

For Alfalah GHP Investment Management Limited
(Management Company)

 Chief Executive

 Director

CONDENSED INTERIM INCOME STATEMENT
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2013 (UN-AUDITED)

	Half year ended		Quarter ended	
	31 December 2013	2012	31 December 2013	2012
<i>Note</i>	----- (Rupees) -----		----- (Rupees) -----	
Income				
Interest income on bank deposits	5,136,797	5,001,039	3,001,220	1,996,103
Dividend income from equity securities	13,399,280	11,595,908	7,418,072	8,248,938
Net capital loss on sale of investments classified as 'available-for-sale'	-	(39,836,608)	-	(39,076,558)
Income from Sukuks	-	5,872,973	-	1,738,243
Impairment in the value of investments classified as 'available-for-sale'	-	(11,226,093)	-	-
Amortisation of discount on TFC / sukuk certificates and PIB	-	240,039	-	80,627
Reversal of impairment in the value of investments classified as 'available-for-sale'	-	49,654,387	-	45,714,387
Income from government securities	1,209,380	4,307,932	754,000	1,839,181
Net capital loss on sale of investments classified as 'at fair value through profit or loss - held-for-trading'	(3,644,725)	(127,889)	(30,896,574)	(6,006,888)
Net unrealised appreciation in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'	46,778,927	37,922,189	75,347,594	20,288,162
Total income	62,879,659	63,403,877	55,624,312	34,822,195
Expenses				
Remuneration of the Management Company	5,286,575	4,646,859	2,546,234	2,372,835
Sales tax on management fee	981,191	743,497	472,584	379,654
Federal excise duty on management fee	845,853	-	407,398	-
Remuneration of the Trustee	528,658	464,687	254,624	237,284
Annual fee to the Securities and Exchange Commission of Pakistan	251,110	220,726	120,944	112,709
Brokerage expense, federal excise duty and CVT	3,289,443	2,161,554	946,888	1,603,693
Bank and settlement charges	5,183	10,267	626	6,411
Legal and professional charges	-	47,371	-	22,686
Auditors' remuneration	214,236	301,439	107,113	151,720
Printing charges	125,554	110,800	125,554	110,800
Clearing charges	155,847	127,135	61,769	74,867
CDS transaction fee	64,631	32,186	16,048	23,648
Annual listing fee	15,121	20,165	7,559	10,083
Annual rating fee	50,412	50,411	25,207	25,206
Provision for Workers' Welfare Fund	737,845	1,133,500	737,845	638,865
Total expenses	12,551,659	10,070,597	5,830,393	5,770,461
Net income from operating activities	50,328,000	53,333,280	49,793,919	29,051,734
Element of (loss) / income and capital (losses) / gains included in prices of units sold less those in units redeemed - net	(14,173,568)	2,206,675	(3,578,388)	2,251,516
Net income for the period before taxation	36,154,432	55,539,955	46,215,531	31,303,250
Taxation	-	-	-	-
Net income for the period after taxation	36,154,432	55,539,955	46,215,531	31,303,250

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

For Alfalah GHP Investment Management Limited
(Management Company)

 Chief Executive

 Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2013 (UN-AUDITED)**

	Half year ended		Quarter ended	
	31 December		31 December	
	2013	2012	2013	2012
	------(Rupees)-----		------(Rupees)-----	
Net income for the period before taxation	36,154,432	55,539,955	46,215,531	31,303,250
Element of (loss) / income and capital (losses) / gains included in prices of units sold less those in units redeemed - net		(57,430)		(57,430)
Other comprehensive loss	-	(1,500,915)	-	(1,429,528)
Total comprehensive income for the period	<u>36,154,432</u>	<u>53,981,610</u>	<u>46,215,531</u>	<u>29,816,292</u>

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

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive

Director

**CONDENSED INTERIM DISTRIBUTION STATEMENT
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2013 (UN-AUDITED)**

	Half year ended		Quarter ended	
	31 December		31 December	
	2013	2012	2013	2012
	------(Rupees)-----		------(Rupees)-----	
Undistributed income brought forward				
Realised gains	16,184,242	15,380,066	64,690,959	6,107,547
Unrealised gains / (losses)	29,999,204	(10,599,239)	(28,568,612)	22,909,985
	46,183,446	4,780,827	36,122,347	29,017,532
Net income for the period after taxation	36,154,432	55,539,955	46,215,531	31,303,250
Element of (loss) / income and capital (losses) / gains included in prices of units sold less those in units redeemed - net		(57,430)		(57,430)
Interim distribution for the period:	-	(15,171,130)	-	(15,171,130)
Cash distribution	-	(30,306,684)	-	(30,306,684)
Bonus units				
	<u>82,337,878</u>	<u>14,785,538</u>	<u>82,337,878</u>	<u>14,785,538</u>
Undistributed income carried forward				
Undistributed income carried forward at period end	35,558,951	(23,136,651)	157,685,472	(5,502,624)
Realised gains	46,778,927	37,922,189	(75,347,594)	20,288,162
Unrealised gains / (losses)	82,337,878	14,785,538	82,337,878	14,785,538

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

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive

Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2013 (UN-AUDITED)**

	Half year ended		Quarter ended	
	31 December		31 December	
	2013	2012	2013	2012
	----(Rupees in)----		----(Rupees in)----	
Net assets at beginning of the period	572,352,448	431,929,324	502,492,362	455,116,113
Amount realised / unrealised on issuance of 10,473 units (December 31, 2012: 373,299 units) and 6,707 units (2012: 373,164 units) for six months and quarter respectively	589,044	20,012,501	368,092	20,005,240
Issuance of Nil bonus units in respect of final distribution (December 31, 2012: 588,822 units)	-	30,306,684	-	30,306,684
Amount paid / payable on redemption of 1,837,520 units (December 31, 2012: 23,454 units) and 637,763 units (2012: 3,748 units) for six months and quarter respectively	(106,114,851)	(1,236,552)	(35,499,732)	(205,953)
	466,826,641	481,011,957	467,360,722	505,222,084
Element of loss / (income) and capital losses / (gains) included in prices of units sold less those in units redeemed - net	14,173,568	(2,149,245)	3,578,388	(2,194,054)
Total comprehensive income before capital gain / (loss) - realised and unrealised	(6,979,770)	17,748,085	1,764,511	17,024,406
Net capital loss on sale of investments classified as 'at fair value through profit or loss - held-for-trading'	(3,644,725)	(127,889)	(30,896,574)	(6,006,888)
Element of (loss) / income and capital (losses) / gains included in prices of units sold less those in units redeemed - net		(57,430)		(57,430)
Net unrealised diminution on revaluation of investments classified as 'available-for-sale'	-	(1,500,915)	-	(1,429,528)
Net unrealised appreciation in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'	46,778,927	37,922,189	75,347,594	20,288,162
Total comprehensive income for the period	36,154,432	53,984,040	46,215,531	29,818,722
Distributions made during the period				
Cash distribution of dividend	-	(15,171,130)	-	(15,171,130)
Interim distribution of bonus units	-	(30,306,684)	-	(30,306,684)
Net assets at end of the period	517,154,641	487,368,938	517,154,641	487,368,938

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

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive

Director

**CONDENSED INTERIM CASH FLOWS STATEMENT
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2013 (UN-AUDITED)**

	Half year ended		Quarter ended	
	31 December		31 December	
	2013	2012	2013	2012
	------(Rupees)-----		------(Rupees)-----	
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the period before taxation	36,154,432	55,539,955	46,215,531	31,303,250
Adjustments for:				
Impairment in the value of investments classified as 'available for sale'	-	11,226,093	-	-
Reversal of impairment in the value of investments classified as 'available for sale'	-	(49,654,387)	-	(45,714,387)
Interest income on bank deposits	(5,136,797)	(5,001,039)	(3,001,220)	(1,996,103)
Dividend income from equity securities	(13,399,280)	(11,595,908)	(7,418,072)	(8,248,938)
Net capital loss on sale of investments classified as 'at fair value through profit or loss - held-for-trading'	3,644,725	127,889	30,896,574	6,006,888
Net unrealised appreciation in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'	(46,778,927)	(37,922,189)	(75,347,594)	(15,012,443)
Income from government securities	-	(337,917)	-	(205,481)
Income from sukuks certificates	-	(5,872,973)	-	(1,738,243)
Amortisation of discount on TFC / sukuk certificates and PIB	-	(240,039)	-	(80,627)
Provision for workers' welfare fund	737,845	1,133,500	737,845	638,865
Element of (income) / loss and capital gains / (losses) included in prices of units sold less those in units redeemed - net	14,173,568	(2,206,675)	3,578,388	(2,251,516)
	(10,604,434)	(44,803,690)	(4,338,548)	(37,298,735)
Decrease / (increase) in assets				
Investments - net	186,322,024	(45,227,177)	96,174,693	75,129,824
Receivable against sale of shares	24,762,646	(9,573,168)	(300,000)	(9,573,168)
Prepayments and other receivables	(600,924)	(69,424)	5,390,072	(39,424)
	210,483,746	(54,869,769)	101,264,765	65,517,232
(Decrease) / increase in liabilities				
Payable to the Management Company	844,418	117,353	482,822	82,353
Payable against purchase of investments	-	(804,695)	(1,812,001)	(34,658,695)
Remuneration payable to the Trustee	(25,415)	13,320	(110,927)	12,320
Annual fee payable to the Securities and Exchange Commission of Pakistan	(218,015)	(188,854)	120,943	113,146
Amount payable on redemption of units	26,803	-	26,803	-
Accrued and other liabilities	(16,936,014)	692,296	(768,519)	458,296
	(16,308,223)	(170,580)	(2,060,879)	(33,992,580)
Net cash generated from / (used in) operating activities	183,571,089	(99,844,039)	94,865,338	(5,774,083)
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividend and profit received	18,536,077	24,237,827	10,419,292	15,140,827
Cash dividend paid	-	(15,171,130)	-	(15,171,130)
Amount received on issuance of units	589,044	20,012,501	368,092	20,005,240
Payment against redemption of units	(106,114,851)	(1,236,552)	(35,499,732)	(205,953)
Net cash (used in) / generated from financing activities	(86,989,730)	27,842,646	(24,712,348)	19,768,984
Net increase / (decrease) in cash and cash equivalents during the period	96,581,359	(72,001,393)	70,152,990	13,994,901
Cash and cash equivalents at beginning of the period	95,010,246	192,530,735	121,438,615	106,534,441
Cash and cash equivalents at end of the period	<i>11</i> 191,591,605	120,529,342	191,591,605	120,529,342

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

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive

Director

**CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2013 (UN-AUDITED)**

1. LEGAL STATUS AND NATURE OF BUSINESS

Alfalalah GHP Value Fund is an open-end collective investment scheme (the Fund) established through a Trust Deed under the Trust Act, 1882, executed between Alfalah GHP Investment Management Limited, (the Management Company) and Central Depository Company of Pakistan Limited, (the Trustee). The Trust Deed was executed on May 19, 2005 and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the NBFC (Establishment and Regulation) Rules 2003 (NBFC Rules), on May 13, 2005.

The Management Company of the Fund has been licensed by SECP to act as an Asset Management Company under NBFC Rules. The registered office of the Management Company is situated at 12th Floor, Tower A, Saima Trade Tower, I.I. Chundrigar Road, Karachi.

Alfalalah GHP Value Fund is listed on the Karachi Stock Exchange Limited (KSE). The units of the Fund are offered to public on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund offers two types of units Growth and Income. Growth unit holders are entitled to bonus units and Income unit holders are entitled to cash dividend at the time of distribution by the Fund.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned 3-Star rating to the Fund in its rating report dated November 27, 2013.

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

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, 2013.

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, basis of accounting estimates applied and methods of computation adopted 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, 2013, except as described in note 3.1.

3.1 The Fund has adopted the following revised standards, amendments and interpretations of IFRSs which became effective during the current period:

IAS 19 – Employee Benefits – (Revised)

IFRS 7 – Financial Instruments: Disclosures – (Amendment)
– Amendments enhancing disclosures about offsetting of financial assets and financial liabilities

IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine

Improvements to Accounting Standards Issued by the IASB

IAS 1 – Presentation of Financial Statements - Clarification of the requirements for comparative information

IAS 16 – Property, Plant and Equipment – Clarification of Servicing Equipment

IAS 32 – Financial Instruments: Presentation – Tax Effects of Distribution to Holders of Equity Instruments

IAS 34 – Interim Financial Reporting – Interim Financial Reporting and Segment Information for Total Assets and Liabilities

The adoption of the above amendments, revisions, improvements to accounting standards and interpretations did not have any effect on the condensed interim financial statements.

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, 2013.

		31 December 2013 (Unaudited)	30 June 2013 (Audited)
		----- (Rupees in '000) -----	
5. BANK BALANCES	<i>Note</i>		
Bank balances - local currency	5.1	<u>35,580,531</u>	<u>95,010,246</u>

5.1 The deposit accounts with the banks carry profit at rates ranging from 6% to 8% per annum (June 30, 2013: 8% to 11% per annum) and include balance of Rs.35.544 million (June 30, 2013: Rs.94.974 million) with Bank Alfalah Limited, a related party.

		31 December 2013 (Unaudited)	30 June 2013 (Audited)
		----- (Rupees in '000) -----	
6. INVESTMENTS	<i>Note</i>		
Financial assets classified as 'at fair value through profit or loss' - held-for-trading			
Equity securities - quoted	6.1	335,091,647	444,780,834
Treasury Bills	6.2	79,820,320	33,498,635
Financial assets classified as 'available-for-sale'			
Term finance certificates	6.3	-	-
Held to maturity			
Term Deposit Receipts	6.4	<u>76,190,754</u>	-
		<u>491,102,721</u>	<u>478,279,469</u>

6.1 Equity securities - quoted - held-for-trading

Name of the Security	As at July 01, 2013	Purchases / bonus shares received during the period	Sold during the period	As at December 31, 2013	Carrying value as at December 31, 2013	Market value as at December 31, 2013	Net assets on the basis of market value net assets	Investment on the basis of market value total investment	Investee company paid up capital
	----- (Numer of certificates) -----				---- (Rupees in '000) ----		----- % -----		
Chemicals									
Engro Corporation Limited	405,000	428,500	833,500	-	-	-	-	-	-
Fatima Fertilizer Company Limited	-	1,205,000	1,205,000	-	-	-	-	-	-
Fauji Fertilizer Company Limited	303,100	198,500	200,000	301,600	33,153,905	33,767,136	6.53%	6.88%	0.02%
Arif Habib Corporation Limited	999,500	1,157,500	2,157,000	-	-	-	-	-	-
					<u>33,153,905</u>	<u>33,767,136</u>	<u>6.53%</u>	<u>6.88%</u>	<u>0.02%</u>
Banks									
Bank Alfalah Limited (a related party)	1,000,000	1,226,500	2,226,500	-	-	-	-	-	-
MCB Bank Limited	-	60,000	60,000	-	-	-	-	-	-
National Bank of Pakistan	341,570	1,046,000	1,387,570	-	-	-	-	-	-
Askari Bank Limited	1,555,798	-	1,555,798	-	-	-	-	-	-
Summit Bank Limited	1,402,609	-	1,402,609	-	-	-	-	-	-
Non - Life Insurance									
Adamjee Insurance Company Limited	503,000	1,270,000	1,773,000	-	-	-	-	-	-
Construction and Material									
D. G. Khan Cement Company Limited	299,208	955,000	863,000	391,208	30,713,901	33,538,262	6.49%	6.83%	0.09%
Lucky Cement Limited	161,277	61,000	51,000	171,277	35,033,749	51,360,834	9.93%	10.46%	0.05%
Maple Leaf Cement Company Limited	500,000	1,000,000	500,000	1,000,000	28,766,985	27,430,000	5.30%	5.59%	0.19%
					<u>94,514,635</u>	<u>112,329,096</u>	<u>21.72%</u>	<u>22.88%</u>	<u>0.33%</u>
Electricity									
The Hub Power Company Limited	290,840	200,000	300,000	190,840	7,852,024	11,587,805	2.24%	2.36%	0.02%
Oil and Gas									
Pakistan Petroleum Limited	118,237	140,147	141,000	117,384	20,366,220	25,115,481	4.86%	5.11%	0.01%
Pakistan State Oil Company Limited	152,160	75,200	122,900	104,460	26,534,997	34,703,701	6.71%	7.07%	0.04%
Oil and Gas Development Company Limited	118,436	164,500	104,400	178,536	39,753,582	49,339,922	9.54%	10.05%	0.00%
Pakistan Oilfields Limited	61,792	35,000	62,592	34,200	15,742,749	17,021,682	3.29%	3.47%	0.01%
					<u>102,397,548</u>	<u>126,180,786</u>	<u>24.40%</u>	<u>25.70%</u>	<u>0.06%</u>
Fixed Line Telecommunication									
Pakistan Telecommunication Company Limited	500,000	3,007,500	3,507,500	-	-	-	-	-	-
Telecard Limited	1,000,000	-	1,000,000	-	-	-	-	-	-
Wateen Telecom Limited (a related party)	353,253	-	353,253	-	-	-	-	-	-
Household Goods									
Tariq Glass Limited	-	2,360,500	2,360,500	-	-	-	-	-	-
Personal Goods									
Azgard Nine Limited	501,500	-	501,500	-	-	-	-	-	-
Nishat Mills Limited	-	1,250,000	847,400	402,600	41,153,496	51,226,824	9.91%	10.43%	0.11%
Amtex Limited	1,065,391	-	1,065,391	-	-	-	-	-	-
					<u>41,153,496</u>	<u>51,226,824</u>	<u>9.91%</u>	<u>10.43%</u>	<u>0.11%</u>
Total	<u>11,632,671</u>	<u>15,840,847</u>	<u>24,581,413</u>	<u>2,892,105</u>	<u>279,071,608</u>	<u>335,091,647</u>			

6.1.1 Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin:

	31 December 2013 (Unaudited)	30 June 2013 (Audited)
	-----(Rupees in)----	
	150,000	150,000
The Hub Power Company Limited	-	15,000
Pakistan Oilfields Limited	15,000	15,000
Oil and Gas Development Company Limited	25,000	25,000
Pakistan Petroleum Limited	190,000	205,000

6.2 Treasury Bills - held-for-trading

Issue date	Note	As at July 01, 2013	Purchased during the period	Sold / matured during the period	As at December 31, 2013	Carrying value as at December 31, 2013	Market value as at December 31, 2013	Unrealised gain / (loss) on revaluation	Net assets on the basis of market value	Total investment on the basis of market value
		----- (Numer of certificates) -----					----- (Rupees) -----		----- % -----	
Treasury bills - having face value of Rs.100 each										
Maturity upto 3 months		34,000	1,000,000	1,034,000	-	-	-	-	-	-
Maturity upto 6 months	6.2.1	-	800,000	-	800,000	79,855,229	79,820,320	(34,909)	15.43%	16.25%
		-	800,000	-	800,000	79,855,229	79,820,320	(34,909)		

6.2.1 This represents Market Treasury Bills having face value of Rs.80 million (June 30, 2013: Rs.Nil) carrying purchase yield of 9.51% per annum (June 30, 2013: Nil). These Treasury Bills have maturity upto January 09, 2014 (June 30, 2013: Nil).

6.3 Term finance certificates - Available-for-sale

Name of the investee company	Note	Maturity	Profit / mark-up rate	As at July 01, 2013	Purchase during the period	Redeemed * / sold during the period	As at December 31, 2013	Carrying value as at December 31, 2013	Market value as at December 31, 2013	Net assets on the basis of market value	Total investment on the basis of market value	Investment as % of issue size
				----- (Numer of certificates) -----					----- (Rupees in) -----		----- % -----	
Agritech Ltd-IV (Formerly Pak American Fertilizer Limited)	6.3.1	January 2015	Zero Coupon	1,141	-	-	1,141	5,705,000	-	-	-	-
Provision for impairment against term finance certificates								5,705,000				

6.3.1 This represents additional certificates of Agritech Limited received by the Fund through restructuring agreement reached between lenders and Agritech Limited. Under such agreement outstanding mark up due on May 29, 2011 amounting to Rs.7.61 million was settled in the form of zero coupon certificates valuing Rs.7.61 million. These certificates have been recorded as 100% impaired (Rs.Nil in the current period) since these have been received in lieu of suspended overdue mark-up to be recognised to income upon realisation.

6.4 Term deposit receipts are maintained with Allied Bank Limited and carry profit at the rate of 9.50% per annum (June 30, 2013: Nil). These deposits have maturity upto January 02, 2014 (June 30, 2013: Nil). Investment in term deposit receipts represents 15.27% of total investment on the basis of face value and 14.50% of net assets on the basis of face value.

	31 December 2013 (Unaudited)	30 June 2013 (Audited)
	----(Rupees in)----	
7. PREPAYMENTS AND OTHER RECEIVABLES		
Prepayments		
Annual listing fee	14,879	-
Annual rating fee	49,588	-
Other receivable		
Dividend receivable	357,072	207,263
Accrued mark-up / return on bank balances	392,531	5,883
	<u>814,070</u>	<u>213,146</u>
	31 December 2013 (Unaudited)	30 June 2013 (Audited)
	----(Rupees in '000)----	
8. PAYABLE TO THE MANAGEMENT COMPANY		
Remuneration payable to the Management Company	871,221	990,416
Sales tax payable on management fee	289,427	173,222
Federal excise duty payable on management fee	939,984	94,131
Sales load payable	1,793	238
	<u>2,102,425</u>	<u>1,258,007</u>
8.1	<p>As per the requirements of the Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on the services of the Management Company has been applied effective June 13, 2013. The Management Company is of the view that since the remuneration is already subject to provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law. The matter has been collectively taken up by the Management Company jointly with other Asset Management Companies and Central Depository Company of Pakistan Limited on behalf of schemes through a Constitutional Petition filed in the Honourable Sindh High Court (SHC) during September 2013 which is pending adjudication. However, the SHC has issued a stay order against the recovery of FED. In view of the pending decision, as a matter of abundant caution, the remuneration of the Management Company charged to the Fund during the period includes the imposed FED.</p>	
9. ACCRUED AND OTHER LIABILITIES		
Auditors' remuneration	296,655	390,000
Brokerage expense, federal excise duty and capital value tax payable	113,043	956,080
Clearing charges payable	18,561	27,163
Printing charges payable	18,354	-
Withholding tax payable	7,173	7,472
Provision for Workers' Welfare Fund	9,671,140	8,933,295
Legal and professional charges payable	16,246	16,246
Dividend payable to unit holders	-	15,951,359
Others	634,197	691,923
	<u>10,775,369</u>	<u>26,973,538</u>

9.1 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 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 Honourable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs, which is pending adjudication.

In August 2011, the Lahore High Court (LHC) issued a judgment in response to a petition in a similar case whereby the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through Finance Acts 2006 and 2008 have been declared unconstitutional and therefore struck down. However, during March 2013, the larger bench of the Honourable High Court of Sindh issued a judgment in response to various petitions in similar cases whereby the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through Finance Acts, 2006 and 2008 respectively (Money Bills) have been declared constitutional and overruled the judgement passed by a single-member Lahore High Court issued in August 2011.

MUFAP's legal counsel is of the view that the stay granted to mutual funds in respect of recovery of WWF remains intact and the constitutional petition filed by the mutual funds / Collective Investment Schemes to challenge the Workers' Welfare Fund contribution has not been affected by the Judgment passed by the larger bench of the Honourable High Court of Sindh.

In view of above stated facts and considering the uncertainty on the applicability of WWF to mutual funds, the Management Company, as a matter of abundant caution, has decided to continue to maintain the provision for WWF amounting to Rs.9.671 million up to December 31, 2013.

	Half year ended		Quarter ended	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
	Rupees		Rupees	
10. CASH AND CASH EQUIVALENTS				
Bank balances	35,580,531	120,529,342	35,580,531	120,529,342
Treasury bills maturing within 3 months	79,820,320	-	79,820,320	-
Term deposit receipts maturing within 1 month	76,190,754	-	76,190,754	-
	<u>191,591,605</u>	<u>120,529,342</u>	<u>191,591,605</u>	<u>120,529,342</u>

11. TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include Alfalah GHP Investment Management Limited being the Management Company, GHP Arbitrium AG, Bank Alfalah Limited and MAB Investment Incorporated being associated companies of Management Company, directors and key management personnel of Alfalah GHP Investment Management Limited and Central Depository Company of Pakistan Limited (CDC) being the trustee of the Fund, and other associated companies and connected persons. The transactions with connected persons are in the normal course of business and at contractual rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Rules 2003, the NBFC Regulations 2008 and Trust Deed respectively.

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

11.1 Unit Holders' Fund

Half year ended December 31, 2013 (Un-audited)										
	As at July 01, 2013	Issued for cash	Bonus	Redeemed	As at December 31, 2013	As at July 01, 2013	Issued for cash	Bonus	Redeemed	NAV as at December 31, 2013
	Units				Rupees					
Associated companies / undertakings										
Bank Alfalah Limited	2,889,739	-	-	-	2,889,739	157,144,007	-	-	-	171,994,087
GHP Arbitrium AG	1,179,455	-	-	-	1,179,455	64,138,763	-	-	-	70,199,864
Other Related Parties										
MAB Investment Inc.	2,211,207	-	-	-	2,211,207	120,245,437	-	-	-	131,608,608
Bank Alfalah Limited - Employees Provident Fund	885,143	-	-	-	885,143	48,134,076	-	-	-	52,682,738
Bank Alfalah Limited - Employees Gratuity Fund	919,714	-	-	-	919,714	50,014,047	-	-	-	54,740,366
Half year ended December 31, 2012 (Un-audited)										
	As at July 01, 2012	Issued for cash	Bonus	Redeemed	As at December 31, 2012	As at July 01, 2012	Issued for cash	Bonus	Redeemed	NAV as at December 31, 2012
	Units				Rupees					
Associated companies / undertakings										
Bank Alfalah Limited	2,889,739	-	-	-	2,889,739	146,740,946	-	-	15,171,130	149,139,430
GHP Arbitrium AG	971,654	-	99,110	-	1,070,764	54,373,396	-	-	-	55,262,130
Other Related Parties										
MAB Investment Inc.	1,821,628	-	185,808	-	2,007,436	101,937,600	9,563,549	-	-	103,603,772
Bank Alfalah Limited - Employees Provident Fund	729,195	-	74,379	-	803,574	40,805,488	3,828,274	-	-	41,472,454
Bank Alfalah Limited - Employees Gratuity Fund	757,675	-	77,284	-	834,959	42,399,218	3,977,794	-	-	43,092,234
Quarter ended December 31, 2013 (Un-audited)										
	As at Oct 01, 2013	Issued for cash	Bonus	Redeemed	As at December 31, 2013	As at Oct 01, 2013	Issued for cash	Bonus	Redeemed	NAV as at December 31, 2013
	Units				Rupees					
Associated companies / undertakings										
Bank Alfalah Limited	2,889,739	-	-	-	2,889,739	155,814,727	-	-	-	171,994,087
GHP Arbitrium AG	1,179,455	-	-	-	1,179,455	63,596,214	-	-	-	70,199,864
Other Related Parties										
MAB Investment Inc.	2,211,207	-	-	-	2,211,207	119,228,281	-	-	-	131,608,608
Bank Alfalah Limited - Employees Provident Fund	855,143	-	-	-	855,143	47,726,911	-	-	-	52,682,738
Bank Alfalah Limited - Employees Gratuity Fund	919,714	-	-	-	919,714	49,590,979	-	-	-	54,740,366
Quarter ended December 31, 2012 (Un-audited)										
	As at Oct 01, 2012	Issued for cash	Bonus	Redeemed	As at December 31, 2012	As at Oct 01, 2012	Issued for cash	Bonus	Redeemed	NAV as at December 31, 2012
	Units				Rupees					
Associated companies / undertakings										
Bank Alfalah Limited	2,889,739	-	-	-	2,889,739	154,976,703	-	-	15,171,130	149,139,430
GHP Arbitrium AG	971,654	-	99,110	-	1,070,764	57,425,073	-	-	-	55,262,130
Other Related Parties										
MAB Investment Inc.	1,821,628	-	185,808	-	2,007,436	107,658,793	-	-	-	103,603,772
Bank Alfalah Limited - Employees Provident Fund	729,195	-	74,379	-	803,574	43,095,674	-	-	-	41,472,454
Bank Alfalah Limited - Employees Gratuity Fund	757,675	-	77,284	-	834,959	44,778,851	-	-	-	43,092,234

	Half year ended (Un-audited)		Quarter ended (Un-audited)	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
	----- Rupees -----		----- Rupees -----	
11.2 Other transactions				
<i>Connected persons</i>				
Alfalah GHP Investment Management Limited - Management Company				
Remuneration of the Management Company	<u>5,286,575</u>	<u>4,646,859</u>	<u>2,546,234</u>	<u>2,372,835</u>
Sales tax on management fee	<u>981,191</u>	<u>743,497</u>	<u>472,584</u>	<u>379,654</u>
Federal excise duty on management fee	<u>845,853</u>	<u>-</u>	<u>407,398</u>	<u>-</u>
Sales load	<u>18,879</u>	<u>-</u>	<u>18,193</u>	<u>-</u>
<i>Other related parties</i>				
Central Depository Company of Pakistan Limited - (Trustee of the Fund)				
Remuneration of the Trustee	<u>528,658</u>	<u>464,687</u>	<u>254,624</u>	<u>237,284</u>
			31 December 2013 (Unaudited)	30 June 2013 (Audited)
			----- (Rupees) -----	
11.3 Other balances				
<i>Connected persons</i>				
Alfalah GHP Investment Management Limited - Management Company				
Remuneration payable to the Management Company			<u>871,221</u>	<u>990,416</u>
Sales tax payable on management fee			<u>289,427</u>	<u>173,222</u>
Federal excise duty payable on management fee			<u>939,984</u>	<u>94,131</u>
Sales load payable			<u>1,793</u>	<u>238</u>
<i>Other related parties</i>				
Central Depository Company of Pakistan Limited - (Trustee of the Fund)				
Remuneration payable to the Trustee			<u>86,974</u>	<u>112,389</u>
Security deposit			<u>100,000</u>	<u>100,000</u>

12. 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, 2013.

13. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 27 February 2014 by the Board of Directors of the Management Company.

14. GENERAL

14.1 Figures for the quarters ended December 31, 2013 and December 31, 2012 as reported in these condensed interim financial statements have not been subject to limited scope review by the external auditors.

14.2 Figures are rounded off to the nearest rupee.

**For Alfalah GHP Investment Management Limited
(Management Company)**

Chief Executive

Director