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**FUND'S INFORMATION**

<b>Management Company:</b>	Alfalah GHP Investment Management Limited 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi..
<b>Board of Directors of the Management Company:</b>	<ul style="list-style-type: none"><li>- Ms. Maheen Rahman</li><li>- Syed Ali Sultan</li><li>- Mr. Michael Hermann</li><li>- Mr. Hanspeter Beier</li><li>- Mr. Amin Dawood Saleh</li><li>- Mr. Muhammad Asif Saad</li><li>- Mr. Abid Naqvi</li></ul>
<b>Head of Finance:</b>	- Syed Hyder Raza Zaidi
<b>Company Secretary:</b>	- Moinuddin
<b>Audit Committee:</b>	<ul style="list-style-type: none"><li>- Syed Ali Sultan</li><li>- Mr. Abid Naqvi</li><li>- Mr. Amin Dawood Saleh</li></ul>
<b>HR Committee:</b>	<ul style="list-style-type: none"><li>- Syed Ali Sultan</li><li>- Mr. Michael Hermann</li><li>- Ms. Maheen Rahman</li></ul>
<b>Trustee:</b>	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Shara-e-Faisal, Karachi
<b>Fund Manager:</b>	Mr. Muddasir Ahmed
<b>Bankers to the Fund:</b>	Bank Alfalah Limited
<b>Auditors:</b>	Ernst & Young Ford Rhodes Sidat Hyder Chartered Accountants Progressive Plaza, Beaumont Road P.O.Box 15541, Karachi 75530 Pakistan
<b>Legal Advisor:</b>	Bawaney & Partners Room No. 404, 4th Floor Beaumont Plaza, 6-cl-10 Beaumont Road, Civil Lines Karachi.
<b>Registrar:</b>	Alfalah GHP Investment Management Limited 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
<b>Distributor:</b>	Bank Alfalah Limited
<b>Rating:</b>	Stability Rating 2 Star by PACRA

### **MISSION STATEMENT**

*"To be the best money management company in Pakistan. We will hold our clients money in sacred trust that has to be actively protected and sustainably nurtured so as to achieve client objectives".*

### **VISION STATEMENT**

*"To be the leading wealth management firm by offering global investment advice, trust services, family estate planning etc for all Pakistani clients whether based in Pakistan or abroad".*

## DIRECTORS' REPORT

### *To our valued Unit Holders,*

The Board of Directors of Alfalah GHP Investment Management Limited is pleased to present you the half yearly report of Alfalah GHP Alpha Fund for the half year ended December 31, 2014.

### **Economic Review & Outlook**

#### ***Improving Balance of Payments offset by weak policy and fiscal constraints.***

Economic activity stayed mixed over 1HFY15, with improvements in current account and balance of payments offset by slippages on the fiscal front. Economic growth remained constrained due to energy shortages while tax targets were missed. Future prospects look promising as the economy will benefit greatly from the sharp reduction in international oil prices which should help ease inflationary pressures and reduce the oil import bill.

Current account deficit for 1HFY15 clocked in at USD 2.4bn, as opposed to USD 2.0bn witnessed in the previous period, mainly due to 13% jump in trade deficit. Financial account, however, rose to a healthy USD 2.4bn versus USD 0.25bn last year on account of issuance of Sukuk and conventional bonds to foreign investors. It is worth highlighting that current account posted a surplus of USD 76mn in Dec'14 (First Surplus over FY15 YTD) versus a deficit of USD568mn in Nov'14. Improvement was witnessed on most fronts with exports rising by a handsome 23% MoM and remittances soaring by 20% MoM in Dec 14. Current account deficit over 2HFY15 is expected to fall sharply as the full impact of lower oil prices gets priced into the import bill in the months to come.

The bulk of Pakistan's payments to the IMF have already been made between CY12-CY14; with receipts from new loan set to overtake repayments in the next two years. This was critical for reviving the assistance from multilateral agencies, which is now visible, and project based lending from World Bank, IDB, IFC and ADB has commenced from CY14 onwards.

On the fiscal and economic growth front, progress remains a challenge, efforts to raise Tax-to-GDP ratio have not yielded the desired results so far. The government missed its half-year tax collection target by a margin of PKR 90bn or 5.7%, a gap that is expected to widen further over the fiscal year. On the other hand, the fiscal deficit was indicated at 2.4% for 1HFY15 as compared to an overall full year target of 4.9%. This is primarily due to privatization and other inflows and reduction in PSDP. While this may reflect a positive trend it does not account for the heavy buildup of circular debt which will need to be cleared out over the next few months to avoid worsening of the energy situation.

#### **Privatization and Foreign Bond Sale supported Pak Rupee and Reserves**

In order to curtail budget deficit and raise foreign exchange reserves, which is one of the requirements of the International Monetary Fund's EFF program, the Privatization Commission (PC) divested part of its holding in Pakistan Petroleum Limited (5% stake), Allied Bank (11% stake) and United Bank Limited (20% stake). The government was able to raise a total of 67 bn, from the said divestments which reflects a positive return to the privatization agenda after a period of eight years.

In addition to raising proceeds via privatization, the Ministry of Finance was successful in issuing Eurobonds amounting to USD 2bn. The success of the issuance may be judged from the fact that the issue was oversubscribed 14 times (USD 7bn against USD0.5bn), and the government raised USD 2bn against its pre-sale target of USD 0.5bn. Furthermore, the government also sold USD 1bn in Sukuk bond to foreign investors against pre-sale target of USD 0.5bn.

These positive developments helped raise foreign exchange reserves from USD 10bn (Mar'14) to USD 15bn (Dec'14). These measures also reflected in a stable PKR/USD rate, wherein the Pak Rupee appreciated by 2% over 2QFY15.

#### **Policy delays may impact industry output and growth projections.**

After witnessing rise of 6.8% over 1HFY14, full year FY14 LSM growth slowed down to 4% due to resurgence of energy issues. Given early indications of unimpressive growth numbers from agriculture, GDP growth is expected to remain below its FY15 target of 5%.

On the industrial front, various ministries progressed slowly on policy development, due to which policies governing certain key sectors were delayed. Clear direction on such policy matters, with special emphasis on addressing energy shortages, will be needed to push overall industrial output higher.

#### **Inflation and interest rate outlook**

Over the period under review, headline inflation touched an 11-year low by posting 3.96% YoY in Nov'14. Inflation for Dec'14 clocked in at 4.3% YoY and helped curtail 1HFY15 inflation to 6.1% as opposed to 8.9% in the previous period. Going forward, inflation is anticipated to remain subdued should the current drop in crude oil prices prove to be a sustainable one. We expect CPI to clock in below 5% over 2HFY15 and real interest rates to remain positively strong. In light of this, we feel the stage is set for 100-150bps cut in the key policy rate over the remaining year.

#### **Equity Review**

The equity market continued its robust uptrend over 1HFY15, with the benchmark KSE-100 index rising from 29,653 points to 32,131 points. This translates into a return of 8.4%, majority of which was generated in 2QFY15 as the market closed flat over 1QFY15 owing to heightened political noise. Foreigners remained the key net buyers over 1HFY15, with net buying of USD 113mn.

Automobile sector, Pharmaceutical sector, Commercial Banks and Construction plays outperformed the broader index by a significant margin during the period. On the flip side, the heavy weight Oil & Gas sector was the major underperformer during the period due to hefty dip in international crude oil prices. With approximately 60% decline in price of the benchmark Arab light crude oil, Oil & Gas Exploration & Production companies bore the brunt of the negativity within the Oil & Gas sector. The entire sector contributes over 19% to the index and was a major factor in curtailing the performance of the index despite considerable upside witnessed in multiple sectors across the board.

We remain optimistic about the macroeconomic environment over 2HFY15 and anticipate that the government's ability to implement its economic agenda - which includes deficit reduction and privatization of SOEs - will serve as one of the key market drivers. Within this context, oil price has been a blessing for the economy as it has resulted in lower imports, slowdown in current account deficit and disinflation; and should lead to further monetary easing by the Central Bank. The plunge in oil price also ought to greatly benefit industries that consume the fuel either as a power source or as raw material. These major players within such industries (e.g. Glass, Paper & Board, Polyester Films, Transport etc.) should rally over the latter half of the ongoing fiscal year.

Furthermore, this is an opportune time for the government to reduce the subsidy given to the power sector and slowdown accretion of circular debt which has plagued the energy sector. Going forward, we expect the market to be driven by (i) implementation of government's economic agenda (ii) monetary easing (iii) higher corporate earnings growth for some sectors and (iv) improvement in health of the economy. In the near future though, global crude oil price trend and monetary policies should weigh most heavily on the market.

#### **Money Market Review**

Over 1HFY15, the State Bank of Pakistan reduced the discount rate by 50bps. This can be attributed to a very comfortable real interest rate and a sharp decline in monthly inflation numbers, which slipped to as low as 3.96% in November - breaking a 10-year record. Prior to the cut in the policy rate, the real interest rate had increased from 212bps (July) to an unprecedented 604bps (November), which warranted monetary easing.

With commodity prices continuing their sharp descent globally, we expect further price easing within the local economic environment. We believe this will keep inflation in check and allow for further monetary easing over 2HFY15.

#### **FUND PERFORMANCE AND REVIEW**

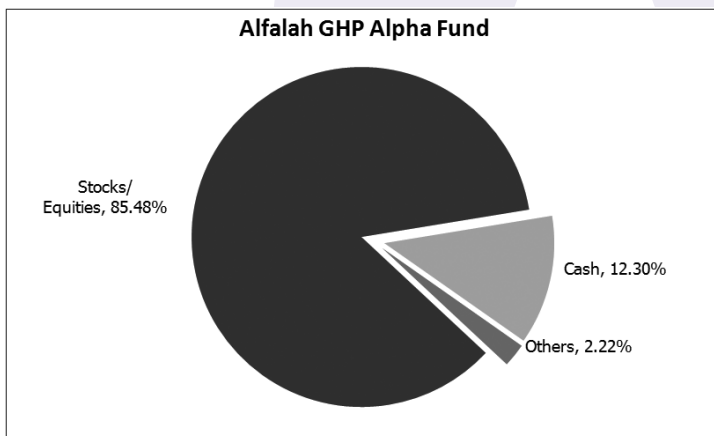
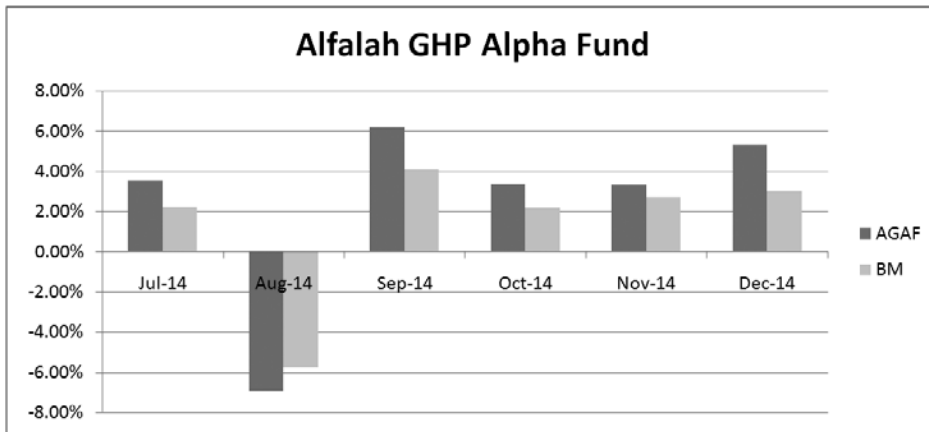
##### ***Alfalalah GHP Alpha Fund: Fund Operations and Performance***

The Fund generated a return of 15.07% against a benchmark (KSE - 100 Index) of 8.36%.

Performance of the Fund remained satisfactory where the Fund outperformed its benchmark. In addition, the portfolio was broadened to capture returns made on second/third tier stocks. The superior performance came in times when the stock market rally was more broad-based. Even in such scenario, the Fund maintained its investment discipline and kept exposure restricted to stocks with strong business fundamentals. The focus of Fund's strategy was to maintain adequate balance between stock returns and their underlying risks.

Management would like to highlight the significant improvement in return and ranking of the Alpha Fund as compared to the previous year in comparison. The fund rank improved from 21 out of 23 in FY14 to 8 out of 25 over 1HFY15 and continues to deliver strong performance on the back of a strong mix of stocks representing a diversified holding. Management feels that maintaining the investment discipline is an aspect of investment management as equity funds portfolios work with primary objective of providing long term value creation to unit holders' wealth.

PACRA has assigned "2-Star" long term rating and "3-Star" short term rating to the fund. The fund size on December 31st 2014 stood at PKR 738 mn.



**Key Financial Data**

(Rupees in millions)

Description	Six month period ended 31 December 2014	Six month period ended 31 December 2013
Net Assets at end of the period	738.30	130.09
Gross income	63.96	20.24
Total Comprehensive Income	96.63	16.22
Net Assets Value per Unit (Rs.)	66.22	64.61
Issuance of units during the period	508.42	13.16
Redemption of units during the period	28.90	8.45

**Future Outlook**

Going forward, the fund will maintain a strong exposure in the market, identifying best stocks in key sectors. The double digit earnings growth, rising investor confidence in policymakers' ability to deal with economic troubles and attractive valuations on regional comparison will bode well for equities in the long term.

**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 behalf of the Board

February 02, 2015  
Karachi

**Maheen Rahman**  
Chief Executive Officer



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

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

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

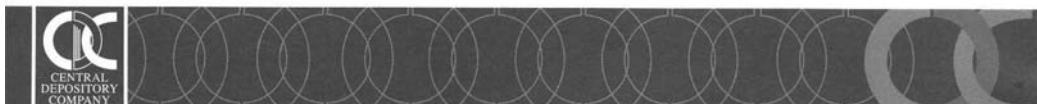
We Central Depository Company of Pakistan Limited, being the Trustee of Alfalah GHP Alpha Fund (the Fund) are of the opinion that Alfalah GHP Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2014 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.



**Aftab Ahmed Diwan**  
Officiating Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 19, 2015





## 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 Alpha Fund** (the Fund) as at 31 December 2014, 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 and notes to the accounts for the six month period then ended (here-in-after referred to as "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: February 02, 2015  
Karachi

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT DECEMBER 31, 2014**

		(Unaudited) December 31, 2014	(Audited) June 30, 2014
	Note	----- (Rupees) -----	
<b>Assets</b>			
Bank balances	5	92,272,475	27,257,613
Investments	6	639,608,406	164,828,330
Dividend and profit receivable		1,114,953	219,118
Deposits, prepayments and other receivables		2,796,424	5,160,000
Receivable against sale of investments		<u>12,494,517</u>	<u>42,359,420</u>
<b>Total assets</b>		<b>748,286,775</b>	<b>239,824,481</b>
<b>Liabilities</b>			
Payable to the Management Company	7	2,926,590	1,168,194
Remuneration payable to the Trustee		119,022	57,680
Annual fee payable to the Securities and Exchange Commission of Pakistan		160,323	145,850
Provision for Workers' Welfare Fund	8	5,669,315	3,697,869
Accrued expenses and other liabilities	9	1,109,725	1,015,508
Distribution payable		-	30,088,300
<b>Total liabilities</b>		<b>9,984,975</b>	<b>36,173,401</b>
<b>Net assets attributable to unit holders</b>		<b><u>738,301,800</u></b>	<b><u>203,651,080</u></b>
<b>Unit holders' fund</b>		<b><u>738,301,800</u></b>	<b><u>203,651,080</u></b>
---- (Number of Units) ----			
<b>Number of units in issue</b>		<b><u>11,149,580</u></b>	<b><u>3,538,513</u></b>
----- (Rupees) -----			
<b>Net asset value per unit</b>		<b><u>66.22</u></b>	<b><u>57.55</u></b>

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 Officer

\_\_\_\_\_  
 Director

**CONDENSED INTERIM INCOME STATEMENT  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2014 (UN-AUDITED)**

	Half year ended		Quarter ended	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
Note	------(Rupees)-----		------(Rupees)-----	
<b>Income</b>				
Interest income on bank deposits	1,960,706	469,540	1,492,029	232,238
Dividend income from equity securities	4,803,555	2,635,059	3,219,398	1,333,909
Net gain on sale of investments 'at fair value through profit or loss - held-for-trading'	5,190,414	7,341,392	5,787,892	(6,002,458)
Net unrealised appreciation in the value of investments 'at fair value through profit or loss - held-for-trading'	52,002,182	9,792,330	46,306,195	19,439,794
<b>Total income</b>	<b>63,956,857</b>	<b>20,238,321</b>	<b>56,805,514</b>	<b>15,003,483</b>
<b>Expenses</b>				
Remuneration of the Management Company	3,365,783	1,418,098	2,443,378	520,152
Sales tax on management fee	585,423	263,032	424,332	96,376
Federal excise duty on management fee	541,812	225,997	394,235	82,929
Remuneration of the Trustee	435,708	352,881	259,252	176,443
Annual fee to the Securities and Exchange Commission of Pakistan	160,323	56,733	111,979	27,971
Amortisation of deferred formation cost	-	59,316	-	-
Bank charges	7,925	2,845	4,590	1,262
Auditors' remuneration	301,022	231,881	167,780	115,936
Brokerage expense, federal excise duty and capital value tax	1,125,873	1,609,187	962,799	441,536
Clearing and settlement charges	155,702	157,561	84,156	65,851
Annual rating fee	85,699	69,324	47,648	34,667
Annual listing fee	20,137	15,118	12,593	7,556
Printing charges	75,616	105,104	25,748	105,104
Provision for Workers' Welfare Fund	1,971,446	330,978	1,873,132	292,017
<b>Total expenses</b>	<b>8,832,469</b>	<b>4,898,055</b>	<b>6,811,622</b>	<b>1,967,800</b>
<b>Net income from operating activities</b>	<b>55,124,388</b>	<b>15,340,266</b>	<b>49,993,892</b>	<b>13,035,683</b>
Element of income and capital gains included in prices of units sold less those in units redeemed - net	41,508,826	877,645	41,821,955	1,273,274
<b>Net income for the period before taxation</b>	<b>96,633,214</b>	<b>16,217,911</b>	<b>91,815,847</b>	<b>14,308,957</b>
Taxation	-	-	-	-
<b>Net income for the period after taxation</b>	<b>96,633,214</b>	<b>16,217,911</b>	<b>91,815,847</b>	<b>14,308,957</b>

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 Officer

Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2014 (UN-AUDITED)**

	Half year ended		Quarter ended	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	------(Rupees)-----		------(Rupees)-----	
<b>Net income for the period</b>	<b>96,633,214</b>	16,217,911	<b>91,815,847</b>	14,308,957
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<u><b>96,633,214</b></u>	<u>16,217,911</u>	<u><b>91,815,847</b></u>	<u>14,308,957</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 Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM CASH FLOWS STATEMENT  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2014 (UN-AUDITED)**

Note	Half year ended		Quarter ended	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	----- (Rupees) -----		----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net income for the period before taxation	96,633,214	16,217,911	91,815,847	14,308,957
<b>Adjustments for:</b>				
Dividend income from equity securities	(4,803,555)	(2,635,059)	(3,219,398)	(1,333,909)
Interest income on bank and other deposits	(1,960,706)	(469,540)	(1,492,029)	(232,238)
Provision for workers' welfare fund	1,971,446	330,978	1,873,132	292,017
Net (gain) / loss on sale of investments classified as 'at fair value through profit or loss - held-for-trading'	(5,190,414)	(7,341,392)	(5,787,892)	6,002,458
Net unrealised appreciation in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'	(52,002,182)	(9,792,330)	(46,306,195)	(19,439,794)
Element of income and capital gains included in prices of units sold less those in units redeemed - net	(41,508,826)	(877,645)	(41,821,955)	(1,273,274)
Amortisation of deferred formation cost	-	59,316	-	-
	<b>(6,861,023)</b>	<b>(4,507,761)</b>	<b>(4,938,490)</b>	<b>(1,675,783)</b>
<b>(Increase) / decrease in assets</b>				
Investments - net	(417,587,480)	2,605,431	(390,774,385)	(9,695,429)
Receivable against sale of investments	29,864,903	16,064,843	(12,494,517)	(173,849)
Prepayments and other receivable	2,363,576	(89,173)	(103,542)	1,233,298
	<b>(385,359,001)</b>	<b>18,581,101</b>	<b>(403,372,444)</b>	<b>(8,635,980)</b>
<b>(Decrease) / increase in liabilities</b>				
Payable against purchase of investments	-	-	-	(1,177,500)
Payable to the Management Company	1,758,396	(155,907)	1,567,683	(214,414)
Remuneration payable to the Trustee	61,342	(3,377)	60,632	(67,389)
Annual fee payable to the Securities and Exchange Commission of Pakistan	14,473	(65,352)	111,979	28,547
Distribution payable	(30,088,300)	-	-	-
Accrued and other liabilities	94,217	(21,307,662)	173,101	(650,079)
	<b>(28,159,872)</b>	<b>(21,532,298)</b>	<b>1,913,395</b>	<b>(2,080,835)</b>
<b>Net cash used in operating activities</b>	<b>(420,379,896)</b>	<b>(7,458,958)</b>	<b>(406,397,539)</b>	<b>(12,392,598)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Dividend and profit received	5,868,426	3,104,599	5,209,496	1,566,147
Amount received on issuance of units	508,424,397	13,156,590	488,759,061	6,557,518
Payment against redemption of units	(28,898,065)	(8,450,062)	(10,156,782)	(210,271)
<b>Net cash generated from financing activities</b>	<b>485,394,758</b>	<b>7,811,127</b>	<b>483,811,775</b>	<b>7,913,394</b>
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	<b>65,014,862</b>	<b>352,169</b>	<b>77,414,236</b>	<b>(4,479,204)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>27,257,613</b>	<b>7,442,997</b>	<b>14,858,239</b>	<b>12,274,370</b>
Cash and cash equivalents at end of the period	5 <u>92,272,475</u>	<u>7,795,166</u>	<u>92,272,475</u>	<u>7,795,166</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 Officer

Director

**CONDENSED INTERIM DISTRIBUTION STATEMENT  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2014 (UN-AUDITED)**

	Half year ended		Quarter ended	
	December 31, 2014 ------(Rupees)-----	December 31, 2013	December 31, 2014 ------(Rupees)-----	December 31, 2013
<b>Undistributed income brought forward</b>				
Realised gains	26,733,197	20,425,000	14,926,189	24,761,418
Unrealised (losses) / gains	(10,928,388)	(7,220,000)	5,695,987	(9,647,464)
	<b>15,804,809</b>	13,205,000	<b>20,622,176</b>	15,113,954
 Total comprehensive income for the period	 <b>96,633,214</b>	16,217,911	 <b>91,815,847</b>	14,308,957
 <b>Undistributed income carried forward</b>	 <b>112,438,023</b>	29,422,911	 <b>112,438,023</b>	29,422,911
 <b>Undistributed income carried forward at period end</b>				
Realised gains	60,435,841	19,630,581	66,131,828	9,983,117
Unrealised gains	52,002,182	9,792,330	46,306,195	19,439,794
	<b>112,438,023</b>	29,422,911	<b>112,438,023</b>	29,422,911

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 Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2014 (UN-AUDITED)**

	Half year ended		Quarter ended	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	------(Rupees)-----		------(Rupees)-----	
<b>Net assets at the beginning of the period</b>	<b>203,651,080</b>	110,041,465	<b>209,705,630</b>	110,705,379
Amount realised / unrealised on issuance of 8,087,685 units (December 31, 2013: 102,265 units) and 7,751,444 units (December 31, 2013: 102,265 units) for the six months and quarter ended respectively	<b>508,424,397</b>	13,156,590	<b>488,759,061</b>	6,557,468
Amount paid / payable on redemption of 476,618 units (December 31, 2013: 134,594 units) and 163,356 units (December 31, 2013: 3,457 units) for the six months and quarter ended respectively	<b>(28,898,065)</b>	(8,450,062)	<b>(10,156,783)</b>	(210,271)
	<b>683,177,412</b>	114,747,993	<b>688,307,908</b>	117,052,576
Element of income and capital gains included in prices of units sold less those in units redeemed - net	<b>(41,508,826)</b>	(877,645)	<b>(41,821,955)</b>	(1,273,274)
Total comprehensive income before capital gain - realised and unrealised	<b>39,440,618</b>	(915,811)	<b>39,721,760</b>	871,621
Net gain / (loss) on sale of investments classified as 'at fair value through profit or loss - held-for-trading'	<b>5,190,414</b>	7,341,392	<b>5,787,892</b>	(6,002,458)
Net unrealised appreciation in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'	<b>52,002,182</b>	9,792,330	<b>46,306,195</b>	19,439,794
Total comprehensive income for the period	<b>96,633,214</b>	16,217,911	<b>91,815,847</b>	14,308,957
<b>Net assets at the end of the period</b>	<b>738,301,800</b>	130,088,259	<b>738,301,800</b>	130,088,259

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 Officer

\_\_\_\_\_  
Director

## CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2014 (UN-AUDITED)

### 1. LEGAL STATUS AND NATURE OF BUSINESS

Alfalah GHP Alpha 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 December 27, 2007 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 February 29, 2008.

The Management Company of the Fund has been licensed by SECP to act as an Asset Management Company under NBFC Rules. The registered address of the Management Company is situated at 8th Floor, Executive Tower, Dolmen Mall, Block-4, Clifton, Karachi.

Alfalah GHP Alpha Fund is listed on the Karachi Stock Exchange. 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 Fund.

Alfalah GHP Alpha Fund (AGAF) is open-end Equity Fund. The primary investment objective of the Fund is long-term capital appreciation from a portfolio that is substantially constituted of equity and equity related securities.

The Fund has three classes of units. Class A (restricted / core) units were issued to core investors with no sales load. These units cannot be redeemed for a period of two years from the date of initial public offer and shall be charged no sales load. Class B units were offered and issued during the private placement and initial period of offer and shall be charged no sales load. Class C units were offered and issued after the initial period of offer and shall be issued with sales load.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned 'AM3+' (Outlook: Stable) to the Management Company in its rating report dated June 20, 2014 and 1 Star (short-term) and 2 Star (long-term) to the Fund in its rating report dated November 27, 2013.

'Title' to the assets of the Fund is 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, 2014.

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, 2014, except as described in note 3.1 below:

#### 3.1 New / Revised Standards, Interpretations and Amendments

The Fund has adopted the following revised standard, amendments and interpretation of IFRSs which became effective for the current period:

IAS 19 – Employee Benefits - Employee Contributions (Amendment)

IAS 32 – Financial Instruments : Presentation – (Amendment)  
– Offsetting Financial Assets and Financial Liabilities

IAS 36 – Impairment of Assets – (Amendment)  
– Recoverable Amount Disclosures for Non-Financial Assets

IAS 39 – Financial Instruments: Recognition and Measurement – (Amendment)  
– Novation of Derivatives and Continuation of Hedge Accounting

IFRIC 21 – Levies

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

In addition to the above standards and interpretations, improvements to various accounting standards have also been issued by the IASB and are generally effective for current period. Such improvements to the standards do not have any impact on the Fund's financial statements for the period.

### 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, 2014.

		(Un-audited) December 31, 2014	(Audited) June 30, 2014
	<i>Note</i>	----- <b>(Rupees)</b> -----	
<b>5. BANK BALANCES</b>			
Deposit accounts	5.1	<u><b>92,272,475</b></u>	<u>27,257,613</u>

5.1 The deposit accounts with the banks carry profit at rates ranging from 7.75% to 9.25% per annum (June 30, 2014: 7% to 9.25% per annum).

### 6. INVESTMENTS

**Financial assets classified as 'at fair value  
through profit or loss' - held-for-trading**

Equity securities - quoted	6.1	<u><b>639,608,406</b></u>	<u>164,828,330</u>
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## 6.1 Equity securities - quoted - held-for-trading

Name of security	As at July 01, 2014	Purchases / bonus shares received during the period	Sold during the period	As at December 31, 2014	Carrying value as at December 31, 2014	Market value as at December 31, 2014	Net assets on the basis of market value	Investment on the basis of market value	Investee company paid-up capital
	----- (Shares) -----				----- ( Rupees ) -----		----- % -----		
<b>Chemicals</b>									
Engro Fertilizers Limited	-	714,500	-	714,500	46,192,780	55,802,450	7.6%	8.7%	0.4%
ICI Pakistan Limited	33,900	13,000	-	46,900	20,925,565	21,689,374	2.9%	3.4%	2.3%
Engro Corporation Limited	54,600	6,000	43,000	17,600	3,145,922	3,898,576	0.5%	0.6%	0.1%
					<u>70,264,267</u>	<u>81,390,400</u>	11.0%	12.7%	2.8%
<b>Banks</b>									
Askari Bank Limited	-	861,000	-	861,000	19,255,410	19,863,270	2.7%	3.1%	0.2%
Allied Bank Limited	31,000	94,000	5,000	120,000	14,842,324	13,629,600	1.8%	2.1%	0.1%
Bank Al Habib Limited	161,000	353,000	514,000	-	-	-	-	0.0%	-
Bank Alfalah Limited (Related Party)	187,000	678,000	-	865,000	25,944,665	30,171,200	4.1%	4.7%	0.2%
Habib Bank Limited	19,700	135,000	-	154,700	32,048,432	33,455,422	4.5%	5.2%	0.2%
Habib Metropolitan Bank	191,500	158,000	322,000	27,500	968,393	1,025,750	0.1%	0.2%	0.0%
MCB Bank Limited	35,200	65,800	16,000	85,000	24,614,035	25,980,250	3.5%	4.1%	0.2%
National Bank of Pakistan	86,000	314,000	397,000	3,000	187,394	208,380	0.0%	0.0%	0.0%
United Bank Limited	57,933	111,000	26,000	142,933	26,063,614	25,257,690	3.4%	3.9%	0.2%
					<u>143,924,267</u>	<u>149,591,562</u>	20.1%	23.3%	1.1%
<b>Construction and materials</b>									
D.G.Khan Cement Company Limited	73,500	141,500	50,500	164,500	14,540,511	18,182,185	2.5%	2.8%	0.4%
Kohat Cement Company Limited	5,000	94,000	-	99,000	14,554,836	18,896,130	2.6%	3.0%	1.2%
Lucky Cement Limited	29,600	58,000	-	87,600	38,266,143	43,824,528	5.9%	6.9%	1.4%
Fecto Cement Limited	-	210,000	-	210,000	13,048,585	16,653,000	2.3%	2.6%	3.3%
Lafarge Pakistan Cement Limited	-	200,000	-	200,000	3,499,090	3,470,000	0.5%	0.5%	0.0%
Attock Cement (Pakistan) Limited	-	35,200	-	35,200	6,926,962	6,869,984	0.9%	1.1%	0.6%
Fauji Cement Company Limited	102,000	552,000	-	654,000	14,445,095	16,899,360	2.3%	2.6%	0.1%
Maple Leaf Cement Factory Limited	90,000	713,500	55,000	748,500	27,747,860	33,121,125	4.5%	5.2%	0.6%
					<u>133,029,082</u>	<u>157,916,312</u>	21.5%	24.7%	7.6%
<b>Electricity</b>									
K-Electric Limited	233,000	-	-	233,000	1,978,170	2,148,260	0.3%	0.3%	0.0%
Kot Addu Power Company Limited	-	426,500	-	426,500	29,449,815	33,667,910	4.6%	5.3%	0.4%
Hub Power Company Limited	121,200	201,300	-	322,500	20,511,595	25,271,100	3.4%	4.0%	0.2%
Nishat Chunian Power Limited	-	278,500	-	278,500	13,767,100	13,799,675	1.9%	2.2%	0.4%
Nishat Power Limited	-	338,000	-	338,000	15,853,850	15,412,800	2.1%	2.4%	0.4%
					<u>81,560,530</u>	<u>90,299,745</u>	12.3%	14.2%	1.4%
<b>Mutiutilities (gas and water)</b>									
Sui Northern Gas Pipelines Limited	-	100,000	100,000	-	-	-	-	-	-
<b>Oil and gas</b>									
Pakistan Petroleum Limited	-	15,000	-	15,000	3,364,260	2,647,800	0.4%	0.4%	0.0%
Mari Petroleum Company Limited	-	13,000	13,000	-	-	-	-	-	-
Pakistan State Oil Company Limited	12,300	-	-	12,300	4,782,855	4,402,293	0.6%	0.7%	0.2%
Oil & Gas Development Company Limited	41,600	5,300	40,000	6,900	1,814,026	1,420,503	0.2%	0.2%	0.0%
Pakistan Oilfields Limited	8,000	3,300	1,100	10,200	5,913,255	3,869,472	0.5%	0.6%	0.2%
					<u>15,874,396</u>	<u>12,340,068</u>	1.7%	1.9%	0.4%
<b>Non-life insurance</b>									
IGI Insurance Limited	-	72,800	-	72,800	18,176,304	19,698,224	2.7%	3.1%	1.6%
Adamjee Insurance Company Limited	114,432	-	110,000	4,432	202,853	219,207	0.0%	0.0%	0.0%
					<u>18,379,157</u>	<u>19,917,431</u>	2.7%	3.1%	1.6%
<b>Food producers</b>									
Engro Foods Limited	50,000	9,000	-	59,000	6,135,102	6,403,860	0.9%	1.0%	0.1%
					<u>6,135,102</u>	<u>6,403,860</u>	0.9%	1.0%	0.1%

Name of security	As at July 01, 2014	Purchases / bonus shares received during the period	Sold during the period	As at December 31, 2014	Carrying value as at December 31, 2014	Market value as at December 31, 2014	Net assets on the basis of market value	Investment on the basis of market value	Investee company paid-up capital
	----- (Shares) -----				----- (Rupees) -----		----- % -----		
<b>General industries</b>									
Packages Limited	-	28,500	-	28,500	19,152,721	19,331,265	2.6%	3.0%	2.3%
					19,152,721	19,331,265	2.6%	3.0%	2.3%
<b>Engineering</b>									
Millat Tractors Limited	5,600	11,000	16,600	-	-	-	-	-	-
Al-Ghazi Tractors Limited		27,000	27,000	-	-	-	-	-	-
					-	-	-	-	-
<b>Automobile and parts</b>									
Honda Atlas Cars (Pakistan) Limited	-	252,000	73,000	179,000	37,265,374	35,474,220	4.8%	5.5%	2.5%
Indus Motor Company Limited	-	30,000	10,000	20,000	14,632,277	17,606,400	2.4%	2.8%	2.2%
Pak Suzuki Motor Company Limited	39,000	97,400	26,000	110,400	40,083,840	40,971,648	5.5%	6.4%	5.0%
					91,981,491	94,052,268	12.7%	14.7%	9.7%
<b>Pharma and bio tech</b>									
Ferozsons Laboratories Limited	-	9,000	9,000	-	-	-	-	-	-
The Searle Company Limited	15,000	6,000	20,000	1,000	124,671	241,840	0.0%	0.0%	0.0%
					124,671	241,840	0.0%	0.0%	0.0%
<b>Personal goods</b>									
Amtex Limited	-	-	-	-	-	-	-	-	-
Artistic Denim Mills Limited	30,000	-	30,000	-	-	-	-	-	-
Gul Ahmed Textile Mills Limited	30,000	7,500	-	37,500	1,920,300	2,437,125	0.3%	0.4%	0.1%
Nishat Mills Limited	47,000	-	-	47,000	5,260,240	5,686,530	0.8%	0.9%	0.2%
					7,180,540	8,123,655	1.1%	1.3%	0.3%
<b>Total</b>	<u>1,905,065</u>	<u>7,438,600</u>	<u>1,904,200</u>	<u>7,439,465</u>	<u>587,606,224</u>	<u>639,608,406</u>			

6.1.1 The investments include bonus shares having market value of Rs.0.097 million withheld by the investee companies during the period as issuance of bonus shares has been made taxable through Finance Act, 2014. Consequently, bonus shares equivalent to 5 percent representing tax impact of the bonus announcement have been withheld by the investee companies.

The management of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in the Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemption given to mutual funds under clause 47B and 99 of Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case.

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

Note	(Un-audited)	(Audited)
	December 31, 2014	June 30, 2014
	----- (Rupees) -----	
Oil & Gas Development Company Limited	-	25,000
Lucky Cement Limited	28,000	18,000
Hub Power Company Limited	50,000	50,000
	<u>78,000</u>	<u>93,000</u>

6.3 Net unrealised appreciation in fair value of investments classified as 'at fair value through profit or loss'

Market value of investments	639,608,406	164,828,330
Less: Cost of investments	(587,606,224)	(153,899,942)
Unrealised appreciation in the value of investments	<u>52,002,182</u>	<u>10,928,388</u>

	(Un-audited) December 31, 2014	(Audited) June 30, 2014
	------(Rupees)-----	
<b>7. PAYABLE TO THE MANAGEMENT COMPANY</b>		
Management fee payable	977,458	266,719
Performance fee payable	423,830	142,864
Sales tax payable on management fee	302,515	77,636
Federal excise duty payable on management fee	1,222,787	680,975
	<u>2,926,590</u>	<u>1,168,194</u>

**8. PROVISION FOR WORKERS' WELFARE FUND**

There is no change in the status of the petition with the Honourable Sindh High Court as reported in note 12 to the annual financial statements of the Fund for the year ended June 30, 2014.

**9. ACCRUED AND OTHER LIABILITIES**

Auditors' remuneration	368,029	451,016
Brokerage expense, federal excise duty and capital value tax payable	419,523	329,093
Settlement charges payable	35,807	16,684
Printing charges payable	75,066	80,000
Withholding tax payable	1,794	14,908
Rating fee payable	209,506	123,807
	<u>1,109,725</u>	<u>1,015,508</u>

**10. FEDERAL EXCISE DUTY ON MANAGEMENT FEE**

There is no change in status of the petition pending with the Honourable Sindh High Court as reported in note 15 to the annual financial statements of the Fund for the year ended June 30, 2014.

**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, 2014 (Un-audited)									
	As at July 01, 2014	Issued for cash	Bonus	Redeemed	As at December 31, 2014	As at July 01, 2014	Issued for cash	Bonus	Redeemed	NAV as at December 31, 2014
	(Units)				(Rupees)					
<b>Associated companies / undertakings</b>										
Bank Alfalah Limited - EPF	1,388,889	-	-	-	1,388,889	79,930,556	-	-	-	91,972,222
Bank Alfalah Limited - EGF	500,000	-	-	-	500,000	28,775,000	-	-	-	33,110,000
<b>Other related parties</b>										
MCBFSL - Trustee Alfalah GHP Capital Preservation Fund	-	5,743,832	-	-	5,743,832	-	365,000,000	-	-	380,356,577
<b>Key Management Personnel</b>										
<b>Employees</b>										
Chief Operating Officer	8,866	5,342	-	14,208	-	510,240	300,000	-	888,290	-
<b>Unit holder holding 10% or more units</b>										
Bank Alfalah Limited - EPF	1,388,889	-	-	-	1,388,889	79,930,556	-	-	-	91,972,222
Syed Babar Ali	870,576	385,624	-	-	1,256,200	50,101,673	25,000,000	-	-	83,185,587
MCBFSL - Trustee Alfalah GHP Capital Preservation Fund	-	5,743,832	-	-	5,743,832	-	365,000,000	-	-	380,356,577
<b>Half year ended December 31, 2013 (Un-audited)</b>										
	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)					
<b>Associated companies / undertakings</b>										
Bank Alfalah Limited - Employees Provident Fund	1,388,889	-	-	-	1,388,889	78,833,333	-	-	-	89,740,705
Bank Alfalah Limited - Employees Gratuity Fund	500,000	-	-	-	500,000	28,380,000	-	-	-	32,306,654
<b>Quarter ended December 31, 2014 (Un-audited)</b>										
	As at October 01, 2014	Issued for cash	Bonus	Redeemed	As at December 31, 2014	As at October 01, 2014	Issued for cash	Bonus	Redeemed	NAV as at December 31, 2014
	(Units)				(Rupees)					
<b>Associated companies / undertakings</b>										
Bank Alfalah Limited - EPF	1,388,889	-	-	-	1,388,889	81,777,778	-	-	-	91,972,222
Bank Alfalah Limited - EGF	500,000	-	-	-	500,000	29,440,000	-	-	-	33,110,000
<b>Other related parties</b>										
Alfalah GHP Capital Preservation Fund	-	5,743,832	-	-	5,743,832	-	365,000,000	-	-	380,356,577
<b>Key Management Personnel</b>										
<b>Employees</b>										
Chief Operating Officer	14,208	-	-	14,208	-	836,572	-	-	888,290	-
<b>Unit holder holding 10% or more Units</b>										
Bank Alfalah Limited - EPF	1,388,889	-	-	-	1,388,889	81,777,778	-	-	-	91,972,222
Syed Babar Ali Alfalah GHP Capital Preservation Fund	870,576	385,624	-	-	1,256,200	51,259,539	25,000,000	-	-	83,185,587
	-	5,743,832	-	-	5,743,832	-	365,000,000	-	-	380,356,577

	Quarter ended December 31, 2013 (Un-audited)									
	As at October 01, 2013	Issued for cash	Bonus	Redeemed	As at December 31, 2013	As at October 01, 2013	Issued for cash	Bonus	Redeemed	NAV as at December 31, 2013
	(Units)					(Rupees)				
<b>Associated companies / undertakings</b>										
Bank Alfalah Limited - Employees Provident Fund	1,388,889	-	-	-	1,388,889	80,416,667	-	-	-	89,740,705
Bank Alfalah Limited - Employees Gratuity Fund	500,000	-	-	-	500,000	28,950,000	-	-	-	32,306,654

	Half year ended (Un-audited) December 31, 2014		Quarter ended (Un-audited) December 31, 2014	
	December 31, 2013	December 31, 2013	December 31, 2013	December 31, 2013
	(Rupees)		(Rupees)	

## 11.2 Other transactions

### Connected persons

#### Alfalah GHP Investment Management Limited - Management Company

Management Fee	<u>3,365,783</u>	<u>1,418,098</u>	<u>2,443,378</u>	<u>520,152</u>
Sales tax on management fee	<u>585,423</u>	<u>263,032</u>	<u>424,332</u>	<u>96,376</u>
Federal excise duty on management fee	<u>541,812</u>	<u>225,997</u>	<u>394,235</u>	<u>82,929</u>

### Other related parties

#### Central Depository Company of Pakistan Limited - (Trustee of the Fund)

Remuneration of the Trustee	<u>435,708</u>	<u>352,881</u>	<u>259,252</u>	<u>176,443</u>
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	(Un-audited) December 31, 2014	(Audited) June 30, 2014
	------(Rupees)-----	
<b>11.3 Other balances</b>		
<i>Connected persons</i>		
<b>Alfalah GHP Investment Management Limited - Management Company</b>		
Management fee payable	<u>1,401,288</u>	<u>409,583</u>
Sales tax payable on management fee	<u>302,515</u>	<u>77,636</u>
Federal excise duty payable on management fee	<u>1,222,787</u>	<u>680,975</u>
<b>Bank Alfalah Limited</b>		
Bank balance	<u>92,264,731</u>	<u>27,257,613</u>
<i>Other related parties</i>		
<b>Central Depository Company of Pakistan Limited - (Trustee of the Fund)</b>		
Remuneration payable to the Trustee	<u>119,022</u>	<u>57,680</u>
Security deposit	<u>200,000</u>	<u>200,000</u>

## 12. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether 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, 2014.

## 13. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on February 02, 2015 by the Board of Directors of the Management Company.

## 14. GENERAL

**14.1** Figures for the quarters ended December 31, 2014 and December 31, 2013 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 Officer

\_\_\_\_\_  
Director