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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">- Miss. Maheen Rahman- Syed Ali Sultan- Mr. David Burlison- Mr. Hanspeter Beier- Mr. Amin Dawood Saleh- Mr. Kashif Abdur Rahman- Mr. Suleman Hudda
CFO & Company Secretary of the Management Company:	- Mr. Syed Mohammad Zeeshan
Audit Committee:	<ul style="list-style-type: none">- Syed Ali Sultan- Mr. Kashif Abdur Rahman- Mr. Amin Dawood Saleh
Hr Committee:	<ul style="list-style-type: none">- Syed Ali Sultan- Mr. Abdul Aziz Anis- Mr. David Burlison
Trustee:	MCB Financial Services Limited 3rd Floor, Adamjee House, I.I. Chundrigarh Road, Karachi.
Fund Manager:	- Mr. Syed Saifullah Kazmi
Bankers to the Fund:	Bank Alfalah Limited Faysal Bank Limited
Auditors:	KPMG Taseer Hadi & Co. Chartered Accountants First Floor, Sheikh Sultan Trust Building No. 2 Beaumont Road P.O. Box 8517, Karachi.
Legal Advisor:	Bawaney & 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:	Stability Rating AA (f) by PACRA

MISSION STATEMENT

Alfalah GHP Cash Fund will invest its assets in a prudent mix of short-term Government securities, placements and bank deposits so as to optimize the returns for its unit holders while maintaining liquidity and capital preservation as its primary goals

VISION STATEMENT

Alfalah GHP Cash Fund aims to become a preferred investment choice for investors having requirement of regular and steady income stream with preference on capital preservation and liquidity

DIRECTORS' REPORT For the three month period ended 30 September, 2013

To our valued Unit Holders,

On behalf of the Board of Directors, I am pleased to present the Financial Statements of Alfalah GHP Cash Fund (AGCF), for quarter ended 30 September, 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

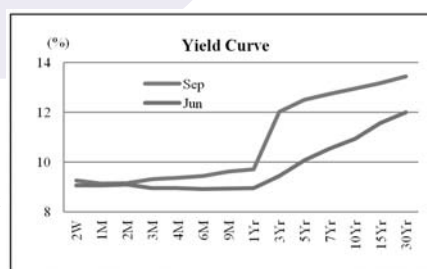
Inflation which had receded to its lowest level since rebasing of CPI in May saw strong resurgence in July-13, clocking in at 8.26%. Inflation picked up primarily on account of low base effect of last year, increased food prices because of Ramadan and newer taxes from FY14 budget. The trend continued in the month of Aug-13 with inflation picking up at 8.54% which also pushed SBP to increase its reverse repo rate from 9% to 9.5%. Although, CPI eased again in the month of Sep-13, it is likely to move up amid recent increase in domestic power tariffs and higher petroleum product prices. Furthermore, slippages in local currency shall also keep inflationary pressures intact for now.

The current account meanwhile, registered a deficit of USD 575mn in Aug-13, taking 2MFY14 deficit to USD 632mn, on the back of USD 1.6bn trade deficit in Aug-13 (highest since Oct-08). Meanwhile, remittances declined by 12% M/M and 2% Y/Y during the same period. Increase in C/A deficit on lower remittances highlights the growing dependence on remittances to plug in the trade deficit.

The new IMF program has kept the focus on resolving energy crisis along with achieving fiscal consolidation. Growth shall be the biggest casualty in near term as private sector remains reluctant to make new investments amid energy shortages. Meanwhile, in order to curtail fiscal deficit, government spending may also remain weak keeping economy in low growth ambit.

Money Market Review

The impact of reversal of monetary stance was observed in the money market yields where the yields on longer end were adjusted upwards. The yield on 10Yr PIB touched 13% mark; gaining approx 2% over the quarter but key interest remained in the shorter end. The treasuries' auction bidding pattern also remained skewed towards shorter maturities indicating the reversal in interest rate trend as beginning of the monetary tightening. The rising inflationary pressure coupled with higher government budgetary borrowing and weakening PKR-USD parity played a key role in re-shaping of yield curve. The result of PIB auction towards the end of the quarter also indicated possible further tightening during the year as the SBP increased the cutoff rates on 3 year, 5 year and 10 year bonds. The new cutoff stood at 11.69%, 12.15%, and 12.59% for 3, 5, and 10 years bonds respectively.

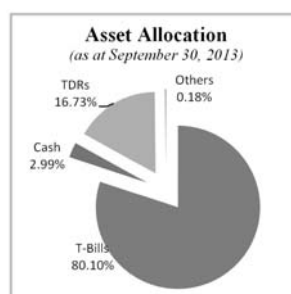


Going forward, the shorter end of the yield curve will continue to stay the preferred investment segment. Inflation will most likely continue its upwards trajectory over the rest of the year, creating space for further 50-100bps hike in policy rate during FY14.

In 1QFY14, AGAF earned a return of 1.90% while its benchmark KSE-100 yielded a return of 3.94% during the same period.

AGCF maintained a short duration during the period under review. The strategy was aimed to counter volatility that was expected from any interest rate hike. The lower duration allowed the fund to park maturities into higher rates and aid bottom line growth.

Going forward, AGCF will maintain its exposure mainly in short term papers to counter the volatility in secondary yields. The fund will also identify bank placements to capture higher yields to bolster the NAV. Maturities will be parked into highest possible yields once rates have plateaued.



Key Financial Data

Rs. In million

Description	1st Qtr period ended 30 September 2013	1st Qtr period ended 30 September 2012
Net Assets at end of the period	2,969.40	2978.35
Gross income earned	65.80	103.50
Net comprehensive income	53.44	87.42
Net Assets Value per Unit (Rs.)	500.33	500.56
Issuance of units during the period	438.83	330.05
Redemption of units during the period	382.56	911.77

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

31 October 2013
Karachi.

Maheen Rahman
Chief Executive

**CONDENSED INTERIM STATEMENT OF
ASSETS AND LIABILITIES (UNAUDITED)
AS AT 30 SEPTEMBER 2013**

		30 September 2013	30 June 2013
	<i>Note</i>	(Unaudited)	(Audited)
		(Rupees in '000)	
Assets			
Bank balances	5	589,279	931,051
Investments	6	2,393,514	1,980,514
Profit receivable		4,400	6,687
Prepayments		82	121
Preliminary expenses and floatation costs		920	1,080
Total assets		2,988,195	2,919,453
Liabilities			
Payable to Alfalah GHP Investment Management Limited - Management Company		4,510	2,950
Payable to MCB Financial Services Limited - Trustee		197	189
Payable to Securities and Exchange Commission of Pakistan -Annual fee		563	2,215
Accrued expenses and other liabilities		13,524	26,158
Total liabilities		18,794	31,512
Contingencies and Commitments	9	-	-
Net assets		2,969,401	2,887,941
Unit holders' funds (as per statement attached)		2,969,401	2,887,941
		(Number of units)	
Number of units in issue		5,934,826	5,772,161
		(Rupees)	
Net asset value per unit		500.33	500.32

The annexed notes 1 to 16 form an integral part of these financial information.

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

Chief Executive

Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2013**

	30 September 2013	30 September 2012
	Note	(Rupees in '000)
Income		
Capital gain on sale of investments	73	871
Profit from term deposit receipts	4,916	2,551
Income from placements	2,142	152
Profit on deposit accounts with banks	4,937	2,094
Unrealised appreciation in the value of investments		
-at fair value through profit or loss'	6.2	(1,156)
Income from government securities	54,890	92,097
Total income	65,802	103,503
Expenses		
Remuneration of Alfalah GHP Investment Management Limited - Management Company	7,512	8,475
Sales tax on Management fee	7	1,394
FED on Management fee	8	1,202
Remuneration of Central Depository Company of Pakistan Limited (Outgoing Trustee)	-	314
Remuneration of MCB Financial Services Limited (Trustee)	602	438
Annual fee - Securities and Exchange Commission of Pakistan	563	636
Amortisation of preliminary expenses and floatation costs	161	161
Bank and settlement charges	15	14
Legal and Professional Charges	-	23
Auditors' remuneration	108	110
Brokerage	64	29
Provision for workers' welfare fund	11	1,091
Fees and subscriptions	69	67
Printing and related cost	49	50
Total expenses	12,830	13,457
Net income from operating activities	52,972	90,046
Net element of (loss) and capital (losses) included in prices of units issued less those in units redeemed	474	(2,622)
Net income for the period	53,446	87,424

The annexed notes 1 to 16 form an integral part of these financial information.

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

Chief Executive

Director

**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2013**

	30 September 2013	30 September 2012
	<i>Note</i>	(Rupees in '000)
Net income for the period	53,446	87,424
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>53,446</u>	<u>87,424</u>

The annexed notes 1 to 16 form an integral part of these financial information.



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

Chief Executive

Director

**CONDENSED INTERIM DISTRIBUTION STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2013**

	30 September 2013	30 September 2012
	<i>Note</i>	
	(Rupees in '000)	
Undistributed income brought forward:		
Realised	443	5,835
Unrealised	1,414	(785)
	1,857	5,050
 Net income for the period	 53,445	 87,424
Interim distribution for the period ended 30 September 2013:		
- Cash distribution of Rs. 8.90 per unit (2012: Rs. 13.57 per unit)	(27,786)	(43,803)
- Issue of 51,068 bonus units (2012: 90,720 units)	(25,534)	(45,361)
	125	(1,740)
Undistributed income carried forward:		
Realised	3,138	(2,428)
Unrealised	(1,156)	5,738
	1,982	3,310

The annexed notes 1 to 16 form an integral part of these financial information.

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

Chief Executive

Director

**CONDENSED INTERIM STATEMENT OF
MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2013**

	30 September 2013	30 September 2012
<i>Note</i>	(Rupees in '000)	
Net assets at the beginning of the period	2,887,941	3,513,823
Issue of 874,086 units (2012: 655,556 units)	438,837	330,057
Redemption of 762,489 units (2012: 1,813,738 units)	(382,563)	(911,771)
	56,274	(581,714)
Net Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units repurchased	(474)	2,622
Interim bonus distribution of 51,068 units for the period (2012: 90,720 units)	25,534	45,361
Capital gain on sale of investments	73	871
Unrealised appreciation in the value of investments -at fair value through profit or loss'	(1,156)	5,738
Other net income for the period	54,529	80,815
Interim distribution for the period ended 30 September 2013:		
- Cash distribution of Rs. 8.90 per unit (2012: Rs. 13.57 per unit)	(27,786)	(43,803)
- Issue of 51,068 bonus units (2012: 90,720 units)	(25,534)	(45,361)
Net income / (loss) for the period less distribution	125	(1,740)
Net assets at the end of the period	2,969,401	2,978,352
	(Rupees)	
Net asset value per unit at the beginning of the period	500.32	500.72
Net asset value per unit at the end of the period	500.33	500.56

The annexed notes 1 to 16 form an integral part of these financial information.

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

Chief Executive

Director

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2013**

	30 September 2013	30 September 2012
	<i>Note</i>	
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	53,446	87,424
Adjustments for:		
Unrealised appreciation in the value of investments		
-'at fair value through profit or loss'	1,156	(5,738)
Profit on deposit accounts with banks	(4,937)	(2,094)
Amortisation of preliminary expenses and floatation costs	161	161
Profit from term deposit receipts	(4,916)	(2,551)
Income from placements	(2,142)	(152)
Provision for workers' welfare fund	1,091	1,784
Net element of (loss) and capital (losses)		
included in prices of units issued less those in units redeemed	(474)	2,622
	<u>43,385</u>	<u>81,456</u>
(Increase) / decrease in assets		
Investments	(414,156)	286,439
Prepayments	39	(83)
	<u>(414,117)</u>	<u>286,356</u>
Increase / (decrease) in liabilities		
Payable to Alfalah GHP Investment Management Limited - Management Company	1,560	187
Payable to MCB Financial Services Limited - Trustee	8	(74)
Payable to Securities and Exchange Commission of Pakistan - Annual fee	(1,652)	(555)
Accrued expenses and other liabilities	(13,725)	(140)
	<u>(13,809)</u>	<u>(582)</u>
Profit received	14,281	4,445
Net cash flows from operating activities	<u>(370,260)</u>	<u>371,675</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issue of units	438,837	330,057
Payment against redemption of units	(382,563)	(911,771)
Cash dividend paid	(27,786)	(43,803)
Net cash flows (used in) financing activities	<u>28,488</u>	<u>(625,517)</u>
Net decrease in cash and cash equivalents during the period	(341,772)	(253,842)
Cash and cash equivalents at beginning of the period	931,051	568,139
Cash and cash equivalents at end of the period	<u>589,279</u>	<u>314,297</u>

The annexed notes 1 to 16 form an integral part of these financial information.

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

Chief Executive

Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2013****1. LEGAL STATUS AND NATURE OF BUSINESS**

Alfalah GHP Cash 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 23 October 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) on 07 October 2009.

The first supplemental trust deed for change of trustee and amendment of trust deed of the Fund was executed between the MCB Financial Services Limited as the new Trustee. The Securities and Exchange Commission of Pakistan authorised the constitution of the Trust Deed on 13 June 2012 and it was executed on 21 June 2012 in accordance with the NBFC Regulations.

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.

Alfalah GHP Cash 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 unit and Income Unit Holders are entitled to cash dividend at the time of distribution by Fund.

The Fund is categorized as a 'money market scheme' and can invest in money market securities and placements as authorized in Fund Offering Documents.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned 'AM3' (Outlook: Negative) to the Management Company in its rating report dated 17 May 2012 and AA (f) to the Fund in its credit rating report Dated 09 January 2013.

The "Title" to the assets of the Fund are held in the name of MCB Financial Services Limited as the Trustee of the Fund.

These condensed interim financial statements comprise of the condensed interim statement of assets and liabilities as at 30 September 2013 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' funds, condensed interim statement of cash flows and notes thereto, for the period ended 30 September 2013.

2. BASIS OF PRESENTATION**2.1 Statement of compliance**

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34, 'Interim Financial Reporting' and should be read in conjunction with the financial statements of the Fund for the year end 30 June 2013. These condensed interim financial statements are unaudited.

The Directors of the Asset Management Company declare that these condensed interim financial statements give a true and fair view of the Fund.

2.2 Basis of measurement

These condensed interim financial information have been prepared under the historical cost convention, except that investments are measured at fair value.

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pak Rupees, which is the functional and presentation currency of the Fund and has been rounded off to the nearest thousand of Rupees.

2.4 Use of estimates and judgment

The preparation of financial information requires the Management Company to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by the Management in applying accounting policies and the key sources of estimating uncertainty are the same as those that applied to financial statements as at and for the year ended 30 June 2013.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are same as those applied in the preparation of the financial statements of the Fund for the year ended 30 June 2013.

3.1 Earnings per unit

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

4. FINANCIAL RISK MANAGEMENT

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

		30 September 2013 (Unaudited)	30 June 2013 (Audited)
	<i>Note</i>	(Rupees in '000)	
5. BANK BALANCES			
In deposit accounts	5.1	89,279	81,051
In term deposit receipts	5.2	500,000	850,000
		<u>589,279</u>	<u>931,051</u>

5.1 These balances in saving deposit accounts maintained with various banks carrying mark-up rates of 6.00% to 8.25 % (2013: 9.00% to 9.40%) per annum. This Includes Rs.89.28 million (2013: Rs. 81.050 million) with a related party that carry mark-up ranging from 6.00 % to 8.25%.

5.2 This represents term deposit receipt maintained with Bank Alfalah Limited carrying mark-up rate of 8.95% (2013: 9.90%) per annum and having maturity dates upto 16 October 13 (2013: 08 July 2013).

	30 September 2013 (Unaudited)	30 June 2013 (Audited)
	(Rupees in '000)	(Rupees in '000)
6. INVESTMENTS	<i>Note</i>	
At fair value through profit or loss - held for trading		
Market Treasury Bills	<i>6.1</i>	<u><u>2,393,514</u></u>
		<u><u>1,980,514</u></u>

6.1 Treasury Bills

Issue Date	Tenor	Face Value				Quantity as at 30 Sep 2013	Cost as at 30 Sep 2013	Market Value as at 30 Sep 2013	Market value	
		As at 01 Jul 2013	Purchases during the period	Sales during the period	Matured during the period				As at 30 Sep 2013	as a percentage of: net assets
						(Rupees in '000)				
18-Apr-13	03Months	400,000	-	-	400,000	-	-	-	-	
2-May-13	03Months	675,000	-	-	675,000	-	-	-	-	
27-Jun-13	03Months	445,000	-	200,000	245,000	-	-	-	-	
12-Jul-13	03Months	-	750,000	-	-	750,000	1	749,643	25.24	
7-Aug-13	03Months	-	370,000	-	-	370,000	1	367,330	12.36	
19-Sep-13	03Months	-	600,000	-	-	600,000	1	589,157	19.84	
21-Feb-13	06Months	15,000	-	-	15,000	-	-	-	-	
24-Jan-13	06Months	25,000	200,000	-	225,000	-	-	-	-	
30-May-13	06Months	53,000	-	-	-	53,000	1	52,248	1.76	
13-Jun-13	06Months	150,000	-	-	-	150,000	1	147,387	4.96	
27-Jun-13	06Months	250,000	-	-	-	250,000	1	244,968	8.24	
12-Jul-13	06Months	-	250,000	-	-	250,000	1	244,130	8.21	
26-Jul-12	12Months	-	200,000	-	200,000	-	-	-	-	
6-Sep-12	12Months	-	515,000	-	515,000	-	-	-	-	
20-Sep-13	12Months	-	225,000	150,000	75,000	-	-	-	-	
23-Aug-12	12Months	-	234,000	100,000	134,000	-	-	-	-	
		<u><u>2,013,000</u></u>	<u><u>3,344,000</u></u>	<u><u>450,000</u></u>	<u><u>2,484,000</u></u>	<u><u>2,423,000</u></u>		<u><u>2,394,863</u></u>	<u><u>2,393,514</u></u>	

	30 September 2013 (Unaudited)	30 June 2013 (Audited)
	(Rupees in '000)	(Rupees in '000)
6.2 Net unrealized diminution in the value of investments classified as 'at fair value through profit or loss'		
Fair value of investments classified as 'at fair value through profit or loss'	<u>2,393,514</u>	1,980,514
Cost of investments classified as 'at fair value through profit or loss'	<u>(2,394,863)</u>	(1,980,707)
Net unrealised appreciation / (diminution) in the value of investments 'at fair value through profit or loss'	<u>(1,349)</u>	(193)
Net unrealised (appreciation) / diminution in the value of investments at the beginning of the period	<u>193</u>	1,607
Net unrealised appreciation / diminution in the value of investments at the end of the period	<u>(1,156)</u>	1,414

7. SALES TAX ON MANAGEMENT FEE

During the current period, an amount of Rs. 1.3942 million (30 September 2012: Rs. 0.1356) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011.

8. FED ON MANAGEMENT FEE

As per Finance Act 2013, the description and duty on all types of financial services has been clubbed and extended under table II serial # 08 16% in FED Act 2005, with effect from 13 June 2013. During the current period, an amount of Rs. 1.2019 million (30 September 2013: Rs Nil) was charged on account of FED on management fee.

9. CONTINGENCIES & COMMITMENTS

There are no contingencies and commitments as at 30 September 2013.

10 DISTRIBUTION

The fund makes regular distribution on a monthly basis and has made following distribution during the period.

Date	Rate	Bonus		Cash Distribution	Total
		Units	Amount ---(Rupees in '000)---		
30 July 2013	2.96	17,342	8,671	9,241	17,912
28 August 2013	2.85	16,434	8,217	8,898	17,115
27 September 2013	3.09	17,292	8,646	9,647	18,293
Interim Distribution for September 2013	8.90	51,068	25,534	27,786	53,320

11. 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 Honorable High Court of Sindh (the Court), challenging the applicability of WWF to the CISs, which is pending adjudication.

During the year ended June 30, 2011, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However, on December 14, 2010, the Ministry filed its response against the constitutional petition requesting the Court to dismiss the petition. According to the legal counsel who is handling the case there is a contradiction between the aforementioned clarification issued by the Ministry and the response filed by the Ministry in Court.

During the year ended June 30, 2012, the Honorable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, had declared the said amendments as unlawful and unconstitutional. In March 2013, a larger bench of the Sindh High Court (SHC) passed an order declaring that the amendments introduced in the WWF Ordinance, 1971 through the Finance Act 2006 and 2008 respectively do not suffer from any constitutional or legal infirmity. However, the Honourable High Court of Sindh has not addressed the other amendments made in the WWF Ordinance 1971 about applicability of WWF to the CISs which is still pending before the Court. Without prejudice to the above, the Management Company, as a matter of abundant caution, has decided to retain the provision for WWF amounting to Rs 12.861 million (including Rs 1.091 million for the current quarter) in these financial statements. Had the same not been made the net asset value per unit of the Fund would have been higher by Rs 0.18 per unit.

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 realised or unrealised is distributed amongst the unit holders. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than unrealized capital gains / loss to the unit holders. The Management Company intends to distribute sufficient accounting income of the Fund for the year ending 30 June 2013 in order to comply with the above stated clause to enjoy the tax exemption. Accordingly, no tax provision has been made in these financial information for the year ended 30 September 2013.

13. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Alfalah GHP Investment Management Limited being the Management Company, Funds under management of the Management Company, GHP Arbitrium AG, Bank Alfalah Limited, MAB Investment Incorporated being associated companies of Management Company, Alfalah Insurance Company Limited, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund, Alfalah GHP Investment Management Limited - Staff Provident Fund, directors and key management personnel of Alfalah GHP Investment Management Limited and MCB Financial Services Limited (MCBFSL) being the trustee of the Fund, and other associated companies and connected persons.

The transactions with the connected persons / related parties are in the normal course of business, at contractual rates and terms determined in accordance with market rates.

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

13.1 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:

	30 September 2013 (Unaudited)	30 June 2013 (Audited)
	(Rupees in '000)	
Alfalaha GHP Investment Management Limited - Management Company		
Balance at beginning of the period / year	2,950	2,904
Remuneration for the period / year	7,512	29,534
Sales tax on Management fee for the period / year	1,394	4,760
FED on Management fee for the period / year	1,202	224
	10,108	34,518
Amount paid during the period / year	(8,548)	(34,472)
Balance at the end of the period / year	4,510	2,950
Central Depository Company of Pakistan Limited (Outgoing Trustee)		
Balance at beginning of the period / year	-	282
Remuneration for the period / year	-	314
	-	596
Amount paid during the period / year	-	(596)
Balance at the end of the period / year	-	-
MCB Financial Services Limited - Trustee		
Balance at beginning of the period / year	189	-
Remuneration for the period / year	602	2,150
	791	2,150
Amount paid during the period / year	(594)	(1,961)
Balance at the end of the period / year	197	189

Bank Alfalah Limited

Deposits at the end of the period / year	<u>89,279</u>	<u>81,050</u>
Term deposits receipts at the end of the period / year	<u>500,000</u>	<u>600,000</u>
Market Treasury bills	<u>2,393,514</u>	<u>1,980,514</u>
Profit receivable on term deposits receipts at the end of the period / year	<u>2,697</u>	<u>2,890</u>
Profit on deposit accounts at the end of the period / year	<u>4,937</u>	<u>5,876</u>
Profit receivable on deposit account at the end of the period / year	<u>1,700</u>	<u>-</u>
Profit on term deposit receipts at the end of the period / year	<u>4,916</u>	<u>18,190</u>
Income from placements at the end of the period / year	<u>2,142</u>	<u>-</u>
Bank charges at the end of the period / year	<u>15</u>	<u>49</u>

	30 September 2013		30 June 2013	
	(Units in '000)	(Rupees in '000)	(Units in '000)	(Rupees in '000)
Units sold to:				
- Alfalah Insurance Company Limited	<u>1</u>	<u>654</u>	<u>40</u>	<u>20,044</u>
- Other Executives	<u>1</u>	<u>654</u>	<u>15</u>	<u>7,706</u>
Units redeemed by:				
- Alfalah GHP Investment Management Limited Management Company	<u>20</u>	<u>10,000</u>	<u>32</u>	<u>16,000</u>
- Alfalah Insurance Company Limited	<u>24</u>	<u>12,000</u>	<u>325</u>	<u>164,000</u>
- Chief Executive	<u>0.09</u>	<u>44</u>	<u>-</u>	<u>-</u>
- Other Executives	<u>5</u>	<u>2,716</u>	<u>17</u>	<u>8,744</u>
Bonus Units distributed				
- Alfalah Insurance Company Limited	<u>3</u>	<u>1,601</u>	<u>21</u>	<u>10,288</u>
- Alfalah GHP Investment Management Limited Management Company	<u>11</u>	<u>5,735</u>	<u>56</u>	<u>28,030</u>
- Chief Executive	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
- Other Executives	<u>0.06</u>	<u>31</u>	<u>0.73</u>	<u>364</u>
Units held by:			30 September 2013	30 June 2013
			(Unaudited)	(Audited)
			----- (Units in '000) -----	
			<u>3,000</u>	<u>3,000</u>
- Bank Alfalah Limited			<u>100</u>	<u>100</u>
- Bank Alfalah Limited - Employees' Gratuity Fund			<u>166</u>	<u>188</u>
- Alfalah Insurance Company Limited			<u>645</u>	<u>654</u>
- Alfalah GHP Investment Management Limited Management Company			<u>-</u>	<u>0.09</u>
- Chief Executive			<u>1</u>	<u>5</u>
- Other Executives			<u>1</u>	<u>5</u>
Dividend Paid to:			----- (Rupees in '000) -----	
- Bank Alfalah Limited			<u>26,699</u>	<u>131,727</u>
- Bank Alfalah Limited - Employees' Gratuity Fund			<u>890</u>	<u>4,391</u>

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

Investments on the Statement of Assets and Liabilities are carried at fair value. The Management Company is of the view that the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since assets and liabilities are essentially short term in nature.

The Fund's accounting policy on fair value measurements of its investments is discussed in note 3.1 to these financial statements.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	30 September 2013			Total
	Level 1	Level 2	Level 3	
Financial assets at 'fair value through profit or loss'	----- (Rupees in '000) -----			
Market treasury bills	-	2,393,514	-	2,393,514

There have been no transfers to or from above levels during the period.

15. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on 31 October 2013 by the Board of Directors of the Management Company.

16. GENERAL

Figures have been rounded off to the nearest thousand rupees.

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

Chief Executive

Director