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FUND'S INFORMATION

Management Company:	Alfalah GHP Investment Management Limited 8-B,8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, 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. Nabeel Malik
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 8-B,8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
Distributor:	Bank Alfalah Limited
Rating:	A- (f)

MISSION STATEMENT

Alfalah GHP Income Multiplier Fund aims to provide its unit holders with sustainable, consistent and inflation protected returns over a period of time through investment in income and money market instruments and securities.

VISION STATEMENT

Alfalah GHP Income Multiplier Fund aims to establish itself as the investment vehicle of choice for investors who seek to achieve sustainable, consistent and inflation protected returns over the long term through investment exposure to income and money market instruments and securities.

DIRECTORS' REPORT

For the nine month period ended 31 March, 2014

To our valued Unit Holders,

On behalf of the Board of Directors, I am pleased to present the Financial Statements of Alfalah GHP Income Multiplier Fund (AGIMF), for the nine months ended 31 March, 2014. 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

Economic indicators have begun to signal the beginnings of a turnaround in economic activity.

Overall growth in Large Scale Manufacturing (LSM) at 6.05% for the 7 month period Jul '13 - Jan '14 was driven mainly by exceptionally strong growth in Food, Beverage, and Tobacco sector, and the Fertilizer sector, which benefitted from increased supply of gas during the period. FY14 LSM growth will remain steady at 5% and resultantly, this improvement should deliver a higher GDP growth of over 4.5% as compared to the IMF's original target of 2.5%.

Inflation remained in check during 3QFY14 with the monthly CPI number down to 8.5% in March 2014. Core inflation further dipped in March to 7.6%, and Cumulative 9MFY14 CPI numbers now stand at 8.6%. Thus, the real interest rate stands at approximately 1.4%.

Current account for the month of Feb '14 posted a surplus of USD 164 million, taking the 8MFY14 current account deficit to USD 2 billion compared to USD 0.8 billion during the same period last year. Recently released data for Trade deficit (-5%MoM) and Remittances (+11%MoM) suggest further surplus in Mar'14.

Meanwhile, the PKR has shown appreciation against the USD during the period, and is expected to gain further strength going forward as USD inflows have picked up and further inflows are expected on account of Pakistan Development Fund, auction of 3G/4G licenses, Eurobond issue, Coalition Support Fund, and positive response from multilateral donor agencies .

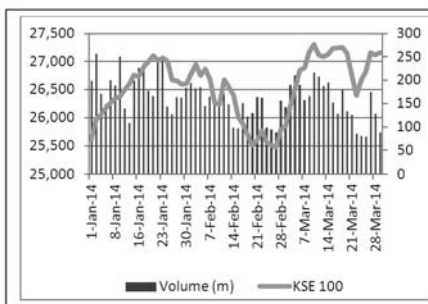
With no immediate risk to inflation, controlled parity, rising reserves, and manageable balance of payments as expected inflows are likely to finance the decline in exports, the SBP may get room to cut interest rates in CY14.

The pace of this recovery and its sustainability hinges on the governments continued ability to raise external financing to fund the budget deficit, given that tax revenues have fallen short of targets over this period. Positive efforts have been seen in this regard; should this sustain, domestic economic environment can be expected to improve with resultant positive benefits on capital markets.

Capital Markets Review

EQUITIES REVIEW

Despite a bearish spell from end-Jan to end-Feb which saw the KSE-100 dip 6%, the market recorded another appreciable performance in 3QFY14 as a 5.3% increase in March took the KSE-100's net return to 7.5% for the period taking the 9MFY14 gain to 29.3%. The February market decline was mostly driven by foreign selling, as foreign investors booked gains which accrued to them due to the sharp appreciation in the PKR. Overall, the quarter



closed positive due to improving macro situation and news of Pakistan's increased weightage in MSCI FM index.

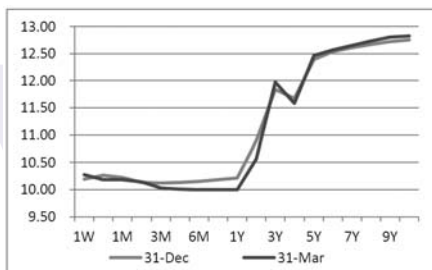
The 6.97% appreciation in the value of the PKR, while a boon for import dependent sectors, has proved a bane for exporting sectors, thus valuations for the Textile sector have been revised downwards, while Autos and Pharmaceutical companies have had their earnings forecasts revised upwards.

With the interest rate outlook having stabilized went, there are increasing expectations of a cut in the benchmark discount rate in the next Monetary Policy Statement due to be announced in May 2014. If this happens, it could provide a further boost to the equity markets.

MONEY MARKET REVIEW

SBP having tightened the monetary policy in 1HFY14 due to inflationary pressures and external side issues opted to maintain the discount rate steady at 10% in anticipation of improvement in macroeconomic indicators and a better foreign exchange reserve position.

Thereon, lower than expected inflation numbers, improving exchange rate, and a generally improving macro-economic picture has led to a stable outlook on interest rates for the remaining part of the current fiscal year.

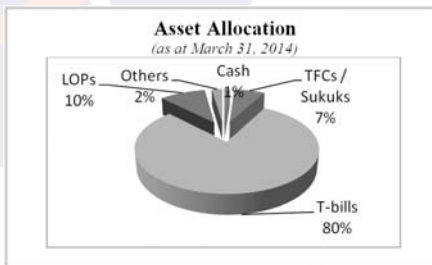


Fund Operations and Performance

Alfalalah GHP Income Multiplier Fund

During 3QFY14, Alfalalah GHP Income Multiplier Fund (AGIMF) generated a return of 11.56% p.a. versus the benchmark return of 10.43% p.a. taking the return for 9MFY14 to 10.47% p.a.

With stable in inflation numbers during the period, government and corporate instruments price volatility decreased considerably.



The Pakistan Credit Rating Agency (PACRA) has upgraded the Fund's stability rating to 'A- (f)' (Single A Minus - fund rating).

Key Financial Data

Rs. In million

Description	Nine month period ended 31 March 2014	Nine month period ended 31 March 2013
Net Assets at end of the period	1,068.90	316.90
Gross income earned	54.15	31.18
Net comprehensive income	32.71	26.59
Net Assets Value per Unit (Rs.)	50.0382	50.7594
Issuance of units during the period	779.93	36.50
Redemption of units during the period	83.90	0.023

Future Outlook

There has been definitive progress on the macroeconomic front during the tenure of the present government. 7MFY14 LSM growth of above 6% is encouraging and raises our expectations of GDP growth of above 4% for the year. Inflation has been kept in check while the PKR has shown strong appreciation during 3QFY14. Consequently, we expect the equity markets to stay strong for the remainder of the current fiscal year with further USD inflows expected on account of PDF, Eurobond issue, bandwidth auction, etc., and a stable to declining view on interest rates. Our top picks in this scenario would be Commercial Banks, Pharmaceuticals, and Auto stocks.

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

Maheen Rahman
Chief Executive

Date April 24, 2014

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

		(Un-audited) March 31, 2014	(Audited) June 30, 2013
		------(Rupees)-----	
	<i>Note</i>		
Assets			
Bank balances	5	120,622,587	128,636,343
Investments	6	931,121,127	210,002,931
Security deposits		3,286,638	2,600,000
Prepayments and other receivables		<u>22,157,451</u>	<u>18,958,882</u>
Total assets		1,077,187,803	360,198,156
Liabilities			
Payable to the Management Company	7.	2,504,093	458,732
Remuneration payable to the Trustee		97,408	49,053
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)		310,966	-
Dividend payable to unit holders		-	212,992
Accrued and other liabilities	8.	5,370,875	25,730,803
Total liabilities		8,283,342	26,451,580
Net assets		<u>1,068,904,461</u>	<u>333,746,576</u>
Unit holders' fund		<u>1,068,904,461</u>	<u>333,746,576</u>
Contingencies and Commitments	9.	-	-
		(Number of units)	
Number of units in issue		<u>21,361,752</u>	<u>7,049,373</u>
		(Rupees)	
Net assets value per unit		<u>50.0382</u>	<u>47.3442</u>

The annexed notes from 1 to 13 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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2014 (UN-AUDITED)**

	Nine Months ended		Quarter ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Note	------(Rupees)-----		------(Rupees)-----	
Income				
Finance income	49,560,577	26,012,452	25,247,567	7,623,661
Net gain on sale / redemption of investments classified as 'at fair value through profit or loss - held-for-trading'	28,560	(29,297,915)	28,934	(531,910)
Net unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss - held-for-trading (Impairment) / reversal in impairment of investments classified as 'available for sale'	620,702	(68,809)	882,796	(288,398)
	3,946,986	34,545,290	3,987,106	4,107,996
	-	-	-	-
Total income	54,156,825	31,191,018	30,146,403	10,911,349
Expenses				
Remuneration of the Management Company	5,182,793	2,488,031	2,746,155	869,728
Sales tax on management fee	961,047	398,085	508,806	139,157
Federal excise duty on management fee	830,128	-	440,266	-
Remuneration of the Trustee	701,982	450,412	370,597	147,946
Annual fee to the Securities and Exchange Commission of Pakistan	310,966	149,282	164,768	52,184
Brokerage expense	27,785	11,172	15,763	3,952
Bank and settlement charges	28,908	20,017	17,726	8,610
Amortisation of deferred formation cost	-	-	-	-
Auditors' remuneration	393,794	453,021	84,903	113,898
Legal and professional charges	-	67,562	-	22,192
Annual listing fee	22,495	30,028	7,380	9,863
Annual rating fee	183,237	170,166	60,210	60,166
Clearing charges	22,259	10,000	22,259	5,000
CDS transaction fee	4,000	4,500	1,000	1,500
Printing charges	182,258	118,300	36,990	30,450
Worker welfare fund	667,753	536,402	379,350	188,907
Total expenses	9,519,405	4,906,978	4,856,173	1,653,553
Net income from operating activities	44,637,420	26,284,040	25,290,230	9,257,796
Element of (loss) / income and capital (losses) / gains included in prices of units sold less those in units redeemed - net	(11,766,835)	52	(6,551,397)	(939)
Net income for the period before taxation	32,870,585	26,284,092	18,738,833	9,256,857
Taxation	-	-	-	-
Net income for the period after taxation	32,870,585	26,284,092	18,738,833	9,256,857

The annexed notes from 1 to 13 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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2014 (UN-AUDITED)**

	Nine Months ended		Quarter ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	------(Rupees)-----		------(Rupees)-----	
Net income for the period	32,870,585	26,284,092	18,738,833	9,256,857
Element of (loss) / income and capital (losses) / gains included in prices of units sold less those in units redeemed - net	(3,577)	36,282	(1,396)	36,282
Net unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'	(2,726)	273,967	(14)	(9,760)
Total comprehensive income for the period	<u><u>32,864,282</u></u>	<u><u>26,594,341</u></u>	<u><u>18,737,423</u></u>	<u><u>9,283,379</u></u>

The annexed notes from 1 to 13 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)**

	Nine Months ended		Quarter ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	------(Rupees)-----		------(Rupees)-----	
Accumulated loss brought forward				
Realised losses	(18,880,490)	(21,594,888)	(4,299,571)	(35,283,648)
Unrealised gains / (losses)	149,134	(59,112)	(302,214)	30,656,883
	(18,731,356)	(21,654,000)	(4,601,785)	(4,626,765)
Element of income / (loss) and capital gains (losses) included in price of units sold less those in units redeemed representing unrealised capital gains / (losses)	(3,577)	36,282	(1,396)	36,282
Net income for the period after taxation	32,870,585	26,284,092	18,738,833	9,256,857
Interim distribution of bonus units	(7,556,703)	-	(7,556,703)	-
Interim distribution of cash dividend	(5,564,583)	-	(5,564,583)	-
Accumulated gain / (loss) carried forward	1,014,366	4,666,374	1,014,366	4,666,374
Accumulated gain / (loss) carried forward at period end				
Realised losses	393,664	4,735,183	131,570	4,954,772
Unrealised (losses) / gains	620,702	(68,809)	882,796	(288,398)
	1,014,366	4,666,374	1,014,366	4,666,374

The annexed notes from 1 to 13 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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2014 (UN-AUDITED)**

	Nine Months ended		Quarter ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	(Rupees)		(Rupees)	
Net assets at beginning of the period	333,746,576	253,874,990	653,238,677	271,166,957
Amount realised / unrealised on issuance of 15,847,273 units (March 31, 2013: 729,294 units) and 8,984,355 units (March 31, 2013: Nil units) for the nine months and quarter ended respectively	779,993,020	36,500,000	442,363,274	36,500,000
Issuance of 155,149 bonus units in respect of final and interim distributions (March 31, 2013: Nil units)	7,556,703	-	7,556,703	-
Amount paid / payable on redemption of 1,689,733 units (March 31, 2013: 484 units) and 934,120 units (March 31, 2013: 104 units) for the nine months and quarter ended respectively	(83,905,246)	(23,199)	(46,423,123)	(5,195)
	1,037,391,053	290,351,791	1,056,735,531	307,661,762
Element of loss / (income) and capital losses / included in prices of units sold less those in units repurchased				
amount representing accrued loss / (income) & realised losses / (gains) transferred directly to the income statement	11,766,835	(52)	6,551,397	9 39
amount representing unrealised capital loss/(gains) transferred directly to the income statement	3,577	(36,282)	1,396	(36,282)
	11,770,412	(36,334)	6,552,793	(35,343)
Total comprehensive income for the period before gains - realised and unrealised	28,274,337	55,650,816	13,839,997	10,077,165
Net gain on sale / redemption of investments classified as 'at fair value through profit or loss - held-for-trading'	28,560	(29,297,915)	28,934	(531,910)
Element of (loss) / income and capital (losses) / gains included in prices of units sold less those in units redeemed - net	(3,577)	36,282	(1,396)	36,282
Provision for non-performing financial assets	3,946,986	-	3,987,106	-
Net unrealised appreciation / (diminution) in fair value of investments classified as 'at Available for-sale'	620,702	(68,809)	882,796	(288,398)
Net unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'	(2,726)	273,967	(14)	(9,760)
Total comprehensive income for the period	32,864,282	26,594,341	18,737,423	9,283,379
Distributions made during the period				
Final distribution of bonus units	-	-	-	-
Interim distribution of 155,149 bonus units	(7,556,703)	-	(7,556,703)	-
Interim distribution of cash dividend	(5,564,583)	-	(5,564,583)	-
	(13,121,286)	-	(13,121,286)	-
Net total comprehensive (loss) / income less distributions for the period	19,742,996	26,594,341	5,616,137	9,283,379
Net assets at end of the period	1,068,904,461	316,909,798	1,068,904,461	316,909,798

The annexed notes from 1 to 13 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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2014 (UN-AUDITED)**

	Nine Months ended		Quarter ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	------(Rupees)-----		------(Rupees)-----	
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the period before taxation	32,870,585	26,284,092	18,738,833	9,256,857
Adjustments for:				
Net gain on sale / redemption of investments classified as 'at fair value through profit or loss - held-for-trading'	(28,560)	29,297,915	(28,934)	531,910
Net unrealised (appreciation) / diminution in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'	(620,702)	68,809	(882,796)	288,398
Loss on asset acquired in settlement of placement with financial institution	-	-	-	-
Provision for non-performing financial assets	(3,946,986)	(34,545,290)	(3,987,106)	(4,107,996)
Element of loss / (income) and capital losses / (gains) included in prices of units sold less those in units redeemed - net	11,766,835	(52)	6,551,397	939
Amortisation of deferred formation cost	-	-	-	-
	<u>40,041,172</u>	<u>21,105,474</u>	<u>20,391,394</u>	<u>5,970,108</u>
(Increase) / decrease in assets				
Investments - net	(716,524,674)	(75,789,784)	(859,637,457)	(48,114,893)
Deposits, prepayments and other receivables	(3,885,207)	1,358,871	(2,962,987)	1,378,707
	<u>(720,409,881)</u>	<u>(74,430,913)</u>	<u>(862,600,444)</u>	<u>(46,736,186)</u>
Increase / (decrease) in liabilities				
Payable to the Management Company	2,045,361	64,154	1,114,787	38,894
Remuneration payable to the Trustee	48,355	1,780	18,322	1
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)	97,974	(45,659)	164,768	52,183
Accrued and other liabilities	(20,359,928)	325,042	319,534	7,148
	<u>(18,168,238)</u>	<u>345,317</u>	<u>1,617,411</u>	<u>98,226</u>
Net cash (used in) / generated from operating activities	<u>(698,536,947)</u>	<u>(52,980,122)</u>	<u>(840,591,639)</u>	<u>(40,667,852)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividend paid	(5,564,583)	-	(5,564,583)	-
Amounts received on issue of units	779,993,020	36,500,000	442,363,274	36,500,000
Payment made against redemption of units	(83,905,246)	(23,199)	(46,423,123)	(5,195)
Net cash used in financing activities	<u>690,523,191</u>	<u>36,476,801</u>	<u>390,375,568</u>	<u>36,494,805</u>
Net (decrease) / increase in cash and cash equivalents during the period	<u>(8,013,756)</u>	<u>(16,503,321)</u>	<u>(450,216,071)</u>	<u>(4,173,047)</u>
Cash and cash equivalents at beginning of the period	128,636,343	25,768,806	570,838,658	13,438,532
Cash and cash equivalents at end of the period	<u>120,622,587</u>	<u>9,265,485</u>	<u>120,622,587</u>	<u>9,265,485</u>

The annexed notes from 1 to 13 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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2014 (UN-AUDITED)**

1. LEGAL STATUS AND NATURE OF BUSINESS

Alfalalah GHP Income Multiplier 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 19th May, 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 14th Feb, 2007.

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 8-B 8th Floor, Execurive Tower, Dolmen city, Block 4, Clifton Karachi.

Alfalalah GHP Income Multiplier 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 the fund.

The fund is categorized as an asset allocation scheme and can invest in equity, debt and money market securities as authorized in Fund Offering Document. The Pakistan Credit Rating Agency Limited (PACRA) has assigned 'AM3' (Outlook: Positive) to the Management Company and 'A-(f)' Stability Rating to the fund. The "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. These condensed interim financial statements comprise of the condensed interim statement of assets and liabilities as at 31 March 2014 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 nine months period ended 31 March 2014.

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 June 30, 2013. These condensed interim financial statements are unaudited.

2.2 Basis of measurement

These condensed interim financial information have been prepared under the historical cost convention, except that investments held at 'fair value through profit or loss' category are measured at fair value.

2.3 Functional and presentation currency

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

2.4 Use of estimates and judgment

The preparation of condensed interim 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 AND ESTIMATES

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, except as follows:

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.

		(Un-audited) March 31, 2014	(Audited) June 30, 2013
	<i>Note</i>	----- (Rupees) -----	
5. BANK BALANCES			
In deposit accounts	5.1	40,622,587	128,636,343
In term deposit accounts	5.2	80,000,000	-
		<u>120,622,587</u>	<u>128,636,343</u>

5.1 These balances in saving deposit accounts bear profit rates ranging from 7.5% to 9.25% per annum (30 June 2013: 8% to 9% per annum). This includes Rs.88.191 million (30 June 2013 28.619 million) with related party that carry markup ranging from 8% to 9.00% per annum.

5.2 This represents term deposit receipt maintained with Allied Bank Limited carrying mark-up rate of 10% (2013: Nil) per annum and will mature on 03 April 2014 .

(Un-audited) (Audited)
March 31, June 30,
2014 2013
Note ----(Rupees in '000)----

6. INVESTMENTS
Financial assets classified as 'at fair value through profit or loss'
Held-for-trading

Term finance certificates	6.1	21,209,898	6,220,960
Sukuk certificates	6.2	24,237,853	-
Treasury bills	6.3	858,984,800	157,533,280
		904,432,551	163,754,240

Available-for-sale

Sukuk certificates	6.4	25,683,483	40,009,649
Term finance certificates	6.5	1,005,093	6,239,042
		26,688,576	46,248,691
		931,121,127	210,002,931

6.1 Term finance certificates - held-for-trading

Name of the investee company	Maturity	Profit / mark-up rate	As at July 01, 2013	Purchased during the period	Redeemed* / sold during the period	As at March 31, 2014	Carrying value as at March 31, 2014	Market value as at March 31, 2014	% of net assets on the basis of market value	% of total investment on the basis of market value	Investment as % of issue size
						(Number of certificates)	(Rupees)		(%)		
Bank Al-Falah Limited - V	January 28, 2021	6M KIBOR + 1.25%	1,225	-	-	1,225	6,122,550	6,242,711	0.58%	0.67%	0.12%
Engro Fertilizer III	November 30, 2015	6M KIBOR + 1.55%	-	3,000	-	3,000	14,952,029	14,967,187	1.40%	1.61%	0.30%
							21,074,579	21,209,898			

6.1.1 These term finance certificates carry fixed mark-up rate equal to 6 months Karachi Interbank Offered Rate plus 1.25% per annum, receivable semi-annually in arrears.

6.2 Sukuk certificates - held-for-trading

Name of the investee company	Maturity	Profit / mark-up rate	As at July 01, 2013	Purchased during the period	Sold during the period	As at March 31, 2014	Carrying value as at March 31, 2014	Market value as at March 31, 2014	% of net assets on the basis of market value	% of total investment on the basis of market value	Investment as % of issue size
						(Number of certificates)	(Rupees)		(%)		
Wapda Sukuk III	October 14, 2021	6M KIBOR + 1.00%	5,000	-	-	5,000	23,500,000	24,237,853	2.27%	2.60%	0.48%
							23,500,000	24,237,853			

6.3 Treasury bills - held-for-trading

Issue Date	Note	As at July 01, 2013	Purchased during the period	Sold during the period	As at March 31, 2014	Carrying value as at March 31, 2014	Market value as at March 31, 2014	Unrealised appreciation on revaluation	% of net assets on the basis of market value	% of total investment on the basis of market value
						(Rupees)		(%)		
Treasury bills having face value of Rs.100 each	6.3.1	130,000,000	1,991,000,000	1,255,000,000	866,000,000	859,199,738	858,984,800	(214,938)	80.36%	92.25%
Maturity upto 3 months		30,000,000	430,000,000	460,000,000	-	-	-	-	0.00%	0.00%
Maturity upto 6 months		-	-	-	-	-	-	-	0.00%	0.00%
Maturity upto 12 months		160,000,000	2,421,000,000	1,715,000,000	866,000,000	859,199,738	858,984,800	(214,938)		

6.3.1 These represent market treasury bills having face value of Rs.866 million (June 30, 2013: Rs.130 million) carrying purchase yield upto 10.15% per annum (June 30, 2013: 9.32%). The treasury bills have maturity upto May 15, 2014 (June 30, 2013: July 25, 2013: September 05, 2013).

6.4 Sukuk certificates - Available-for-sale

Name of the investee company	Maturity	Profit / mark-up rate	As at July 01, 2013	Purchased during the period	Sold during the period	As at March 31, 2014	Carrying value as at March 31, 2014	Market value as at March 31, 2014	Unrealised appreciation on revaluation	% of net assets on the basis of market value	% of total investment on the basis of market value
----- (Number of certificates) -----						----- (Rupees) -----		----- (%) -----			
Maple Leaf Cement Factory Limited (refer note 6.4.1)	December 2018	3M KIBOR + 1%	15,000	-	-	15,000	61,715,625	24,686,250	0.02	0.03	-
Kohat Cement Company Limited (refer note 6.4.2)	September 2016	3M KIBOR + 1.50%	23,000	-	-	23,000	1,329,644	997,233	-	-	-
							<u>63,045,269</u>	<u>25,683,483</u>			
Provision for impairment against sukuk certificates								<u>37,361,786</u>			

6.4.1 This represents investment in sukuk certificates of Maple Leaf Cement Factory Limited (MLCF), secured against first pari passu charge over all present and future fixed assets with a 25% margin. Maple Leaf Cement Factory (MLCF) defaulted on the installment due on 13 September 2011 as per the restructured agreement. Consequently, the security was classified as non-performing by MUFAP on 19 September 2011 and accrual amounting to Rs. 9.235 million on the same was reversed. Accordingly, provision had been made amounting Rs. 40.40 million in accordance with the requirements of SECP circulars and directives issued from time to time and the Board's approved provisioning policy. During the period principal amounting Rs. 5.625 million was received accordingly provision amounting Rs. 3.375 million was reversed.

6.4.2 This represents investment in sukuk certificates of Kohat Cement Company Limited (KCCL), secured against first pari passu hypothecation charge over all present and future fixed assets of the company equivalent to the facility amount with a 25% margin and mortgage over all present and future immovable properties of KCCL with a 25% margin over the facility amount. During the year the sukuk issued by Kohat Cement Company Limited has been regular on its payments as per the restructuring agreement which resulted in reversal in provision by Rs. 4.025 Million. Accordingly the maturity date of the sukuk has been reduced to June 2016 from September 2016.

6.5 Term finance certificates - Available-for-sale

Name of the investee company	Maturity	Profit / mark-up rate	As at July 01, 2013	Purchased during the period	Sold during the period	As at March 31, 2014	Carrying value as at March 31, 2014	Market value as at March 31, 2014	Unrealised appreciation on revaluation	% of net assets on the basis of market value	% of total investment on the basis of market value
----- (Number of certificates) -----						----- (Rupees) -----		----- (%) -----			
Financial Receivable Securitization Limited	January 2014	6M KIBOR + 2%	1,992	-	-	1,992	-	-	-	-	1.42
Trust Investment Bank Limited (6.5.1)	July 2013	6M KIBOR + 1.85%	8,000	-	-	8,000	14,994,000	-	0.00%	0.00%	6.67
Security Leasing Corporation Limited (6.5.2)	March 2014	6.00%	2,000	-	-	2,000	1,625,008	1,005,093	0.09%	0.11%	2.00
Agritech Ltd (Formerly Pak American Fertilizer Limited) (6.5.3)	November 2017	6M KIBOR + 1.75%	17,950	-	-	17,950	89,666,353	-	0.00%	0.00%	6.00
Agritech Ltd-IV (Formerly Pak American Fertilizer Limited) (6.5.4)	January 2015	Zero Coupon	4,094	-	-	4,094	20,470,000	-	0.00%	0.00%	2.00
							<u>126,755,361</u>	<u>1,005,093</u>			
Provision for impairment against term finance certificates								<u>125,750,268</u>			

6.5.1 These term finance certificates carry fixed mark-up rate equal to 6 months Karachi Interbank Offered Rate "ask side" plus 1.85% per annum, receivable semi-annually in arrears with a floor of 6% and cap of 10%. These term finance certificates are secured against first charge on specified leased assets and associated lease receivables with a 40% margin. TIBL defaulted on its payment of principal and markup due on 04 July 2012. Consequently, the security was classified as non-performing by MUFAP on 18 October 2012. Accordingly, accrual of markup on the same has been suspended and markup due amounting Rs. 1.437 million has been reversed and provision has been made amounting Rs. 14.994 million (including Rs. 3.499 million provided in current period) in accordance with the requirements of SECP circulars and directives issued from time to time and the Board's approved provisioning policy.

6.5.2 These term finance certificates carry fixed mark-up rate of 6.00% per annum, receivable monthly in arrears. These term finance certificates are secured against first charge on specific leased assets with related rentals receivables with 25% margin. SLCL had rescheduled its repayments through second supplemental Trust deed executed on May 18 2011. As per the supplemental deed, SLCL obtained the waiver from the obligation to pay the mark-up on the outstanding amount while the principal is to be repaid in 36 equal installments starting from April 29, 2011 to March 29, 2014. In February 2011, SLCL rescheduled its monthly repayment from Rs. 78,125/- to Rs. 16,927/- without any alteration in the supplemental trust Deed. Subsequently the security was classified as 'non-performing' by MUFAP on 03 April 2012. Accordingly, provision has been made amounting Rs. 0.760 million in the current period in accordance with the requirements of SECP circulars and directives issued from time to time and the Board's approved provisioning policy. On 15 March 2013 the security was re-classified as Performing by MUFAP accordingly provision amounting Rs. 0.140 million was reversed (including Rs. 0.045 million reversed in current period).

6.5.3 These term finance certificates carry fixed mark-up rate equal to 6 months Karachi Interbank Offered Rate "ask side" plus 1.75% per annum, receivable semi-annually in arrears. These term finance certificates are secured against first pari passu charge over all present and future fixed assets with a 25% margin. Agritech Limited (formerly Pak American Fertilizer Limited) defaulted on its payment of principal and markup due on 29 May 2010. In prior year, a restructuring agreement was signed between Agritech Limited and the Investment Agent of the term finance certificates, whereby, certain terms included in the original trust deed dated November 15, 2007 were amended, including the repayment period which was extended from 29 November 2014 to 29 November 2017. Consequently, the security was classified as non-performing by MUFAP on 14 June 2010 and accrual on the same was suspended. Accordingly, the security has been fully provided (Rs. nil in current period) in accordance with the requirements of SECP circulars and directives issued from time to time and the Board's approved provisioning policy.

6.5.4 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 and July 13, 2011 against 1st and 2nd Issue respectively amounting to Rs. 20.47 million was settled in the form of certificates valuing Rs. 20.47 million. These investments had been recorded as 100% impaired (Rs. nil in current period) since these have been received in lieu of suspended overdue mark up to be recognised to income upon realisation.

	Note	(Un-audited) March 31, 2014	(Audited) June 30, 2013
		----- (Rupees) -----	
7. PAYABLE TO THE MANAGEMENT COMPANY			
Remuneration payable to the Management Company		1,095,314	360,679
Sales tax payable on management fee	7.1	307,743	58,349
FED payable	7.2	869,832	39,704
Front End Load payable to the Management Company		<u>231,204</u>	<u>-</u>
		<u>2,504,093</u>	<u>458,732</u>

7.1 Effective from 1 July 2011, through The Sindh Sales Tax on Services Act, 2011, sales tax at the rate 16% is imposed on the fund management services. Remuneration to the management company charged to the Fund during the period includes the imposed tax.

7.2 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 effective from June 13, 2013.

	Note	(Un-audited) March 31, 2014	(Audited) June 30, 2013
		----- (Rupees) -----	
8. ACCRUED AND OTHER LIABILITIES			
Auditors' remuneration		500,194	439,200
Brokerage expense payable		5,249	30
Withholding tax payable		37,834	3,106
Printing charges payable		88,456	-
Dividend payable		-	21,165,268
Rating fee payable		-	121,000
Payable to Workers' Welfare Fund	8.1	4,593,570	3,925,816
Settlement charges payable		69,189	-
Others		76,383	76,383
		<u>5,370,875</u>	<u>25,730,803</u>

8.1 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.4.594 million up to March 31, 2014.

9. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at 31 March 2014.

10. TRANSACTIONS 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, Bank Alfalah Limited being sub custodian, and other associated companies and connected persons. The transactions with connected persons are in the normal course of business, at contractual rates and term determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision 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:

10.1 Unit Holders' Fund

	Nine months ended March 31, 2014 (Un-audited)									
	As at July 01, 2013	Issued for cash / conversion in / transfer in	Bonus	Redeemed / out / transfer out	As at March 31, 2014	As at July 01, 2013	Issued for cash / conversion in / transfer in	Bonus	Redeemed / out / transfer out	Net asset value as at March 31, 2014
	Units					(Rupees)				
Associated companies/ Undertakings										
Bank Alfalah Limited	5,481,236	-	-	-	5,481,236	259,555,689	-	-	-	274,271,162
Unit holder holding 10% or more units										
Archroma Pakistan Limited - Gratuity Fund	965,475	407,125	28,202	-	1,400,802	45,680,868	20,000,000	20,000,000	-	70,093,603

10.2 Other transactions

	Nine months ended		Quarter ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	----- (Rupees) -----		----- (Rupees) -----	
Connected persons				
Alfalah GHP Investment Management Ltd - Management Company				
Remuneration of the Management Company	<u>5,182,793</u>	<u>2,488,031</u>	<u>2,746,155</u>	<u>869,728</u>
Sales tax on management fee	<u>961,047</u>	<u>398,085</u>	<u>508,806</u>	<u>139,157</u>
Federal excise duty on management fee	<u>830,128</u>	<u>-</u>	<u>440,266</u>	<u>-</u>
Sales load	<u>231,204</u>	<u>-</u>	<u>-</u>	<u>-</u>
Central Depository Company of Pakistan Limited - (Trustee of the Fund)				
Remuneration of the Trustee	<u>701,982</u>	<u>450,412</u>	<u>370,597</u>	<u>147,946</u>

	(Un-audited) March 31, 2014	(Audited) June 30, 2013
	----- (Rupees) -----	
10.3 Other balances		
<i>Connected persons</i>		
Alfalah GHP Investment Management Limited - Management Company		
Remuneration payable to the Management Company	<u>1,326,518</u>	<u>360,680</u>
Sales tax payable on management fee	<u>307,743</u>	<u>58,348</u>
FED payable on management fee	<u>869,832</u>	<u>39,704</u>
<i>Other related parties</i>		
Central Depository Company of Pakistan Limited (Trustee of the Fund)		
Remuneration payable to the Trustee	<u>97,408</u>	<u>49,053</u>

11. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realized or unrealised 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 nine months period ended March 31, 2014.

12. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 24th April, 2014 by the Board of Directors of the Management Company.

13. GENERAL

Figures are rounded off to the nearest rupee.

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

Chief Executive

Director