
ALFALAH Investments

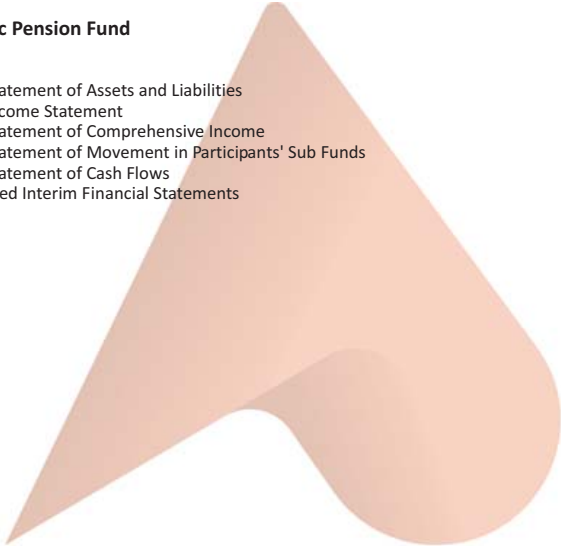
HALF YEARLY REPORT



**DECEMBER 31,
2018**

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**DIRECTORS' REPORT TO THE UNIT HOLDERS
FOR THE HALF YEAR ENDED DECEMBER 31, 2018**

On behalf of the Board of Directors, I am pleased to present the Financial Statements of Alfalah GHP Pension Fund (AGPF), and Alfalah GHP Islamic Pension Fund (AGIPF) for the half year ended December 31, 2018.

Economic Overview

Economic conditions have continued to slow over the last quarter with a noticeable decline in Large Scale Manufacturing due to general weakening of demand. The slowing growth can be seen as a direct result of higher inflation and a weakening rupee (PKR138.9/USD as of end CY18 as compared to PKR 110.7/USD end CY17), both of which have pushed up interest rates by 425bps over the calendar year with the outgoing quarter alone witnessing an aggressive 200bps hike.

The effects of continued hawkish policy action by the SBP can also be seen in the external account as exports have stabilized and are trending higher while imports have slowed quite considerably. International oil prices have helped contribute to this trend along with a dip in consumer imports. This combined with increased remittances has resulted in an overall reduction in the current account deficit by 4.43% as compared to 1HFY18.

The new government commenced formal negotiations with the IMF in November 2018. To cover for interim pressure on FX reserves, friendly donor countries have been tapped, with some already committing and placing financial assistance with the SBP. This will help tide over any immediate balance of payments crisis, but long-term a viable structural reform program will be necessary to ensure the growth trajectory of the country.

Going forward, we expect Pakistan-IMF talks to end soon and finalize some form of a funding package for Pakistan over the course of 2019. The type of conditions imposed within that package will largely determine how deep economic growth will be curtailed. Nevertheless, tighter fiscal and monetary conditions will limit inflation and growth over CY19 but will also lend some much needed stabilization.

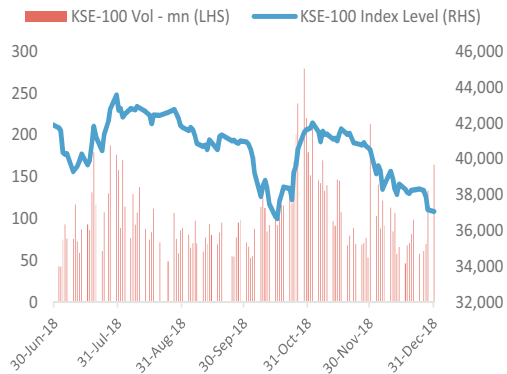
Equity Market Review

Throughout CY18, the KSE100 Index has been a lead indicator for a slowing economy and tighter monetary policy and as such stayed firmly in bear market territory throughout the year. The benchmark Index declined by 8.41% in CY18 to close the year, posting the second consecutive year of negative performance. Sector-wise earnings fell significantly in cyclical while defensive stocks remained favorites due to their natural hedge against economic headwinds.

The Index saw numerous oscillations throughout the year but failed to sustain any clear direction due to lack of visibility on the IMF program and the prospect of slowing earnings over FY18 and FY19. Participation was also lower with the average daily turnover decreasing by 5.8% to 96.6mn shares in CY18.

The Federal budget FY19 was largely positive for the stock market. The new measures which improved the market sentiments included a gradual reduction in corporate tax to 25% by 2023, change of taxation on stock brokers' commission, the removal of 5% tax on bonus shares and an extension in tax incentives deadline for investments in plant and machinery. The new government also introduced a mini budget during mid-September 2018 which was targeted towards improvement in fiscal deficit.

Going forward, a revival in the earnings cycle would help boost market performance particular in those sectors that benefit from a higher interest rate/weaker currency environment. Material progress on talks over financial support programs will add to better sentiment as well.



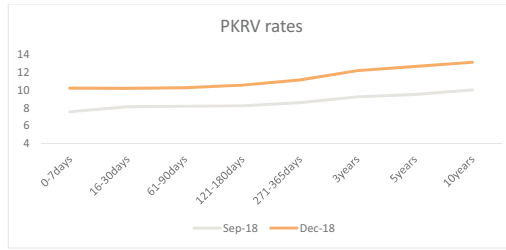
Money Market Review:

Yields trended back upwards into double digits as the policy rate was raised by 425bps (from 6.25% to 10.25%). The increase in rates was required to support a weak external position and limit imported inflation due to a 24% devaluation in the PKR/USD parity.

During the year SBP raised PKR 19.6 trillion from Treasury bills compared to PKR 12.6 trillion in 2017, with participation heavily skewed towards

shorter tenor instruments. In order to entice investors towards longer tenures, the central bank for the first time issued floating rate bonds which received an overwhelming response and proved to be a useful higher yielding instrument with a long term interest rate hedge.

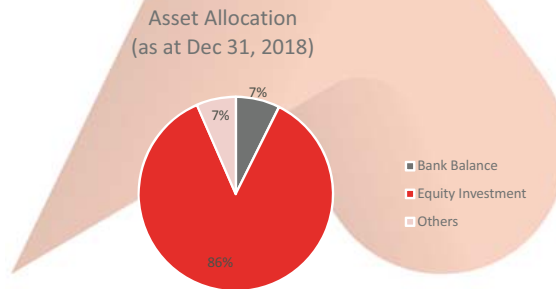
Going forward, the yield curve will mirror the policy action as decided by the SBP and monetary conditions are expected to stay tight well into 2019.



Fund Operations and Performance

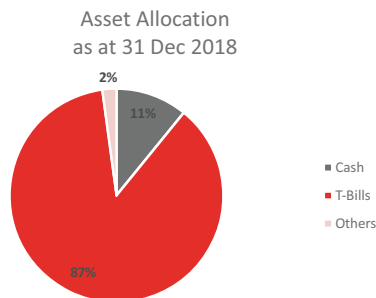
Alfalah GHP Pension Fund- Equity:

The fund generated a since inception return of -14.70%.



Alfalah GHP Pension Fund- Debt:

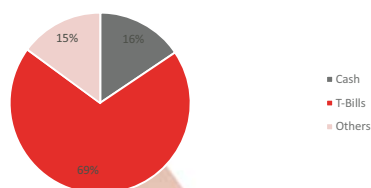
The fund generated a since inception return of 4.11%.



Alfaluh GHP Pension Fund- Money Market:

The fund generated a since inception return of 4.13%.

Asset Allocation
(as at 31 Dec 2018)



Key Financial Data

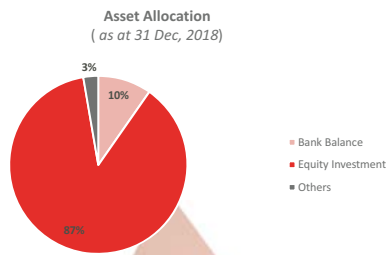
Description	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	Half year ended December 31, 2018		
Average Net Assets	41.50	45.07	38.22
Gross income	-4.67	1.77	1.48
Total Comprehensive Income	-5.17	1.23	1.02
Net Assets Value per Unit (PKR)	72.8237	108.3681	108.4110
Issuance of units during the period	6.99	10.37	13.14
Redemption of units during the period	-2.95	-1.36	-1.04

Key Financial Data

Description	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	Half year ended December 31, 2017		
Average Net Assets	36.14	37.52	35.12
Gross income	-5.28	1.09	0.99
Total Comprehensive Income	-5.76	0.64	0.58
Net Assets Value per Unit (PKR)	80.4881	103.6291	103.6914
Issuance of units during the period	14.49	5.84	5.01
Redemption of units during the period	-4.16	-1.03	-1.04

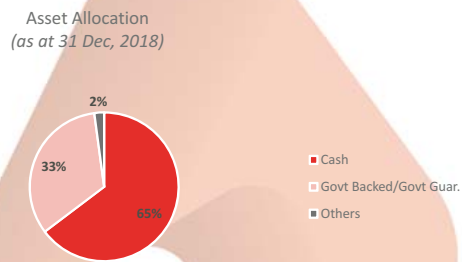
Alfalah GHP Islamic Pension Fund- Equity:

The fund generated a since inception return of -13.28%.



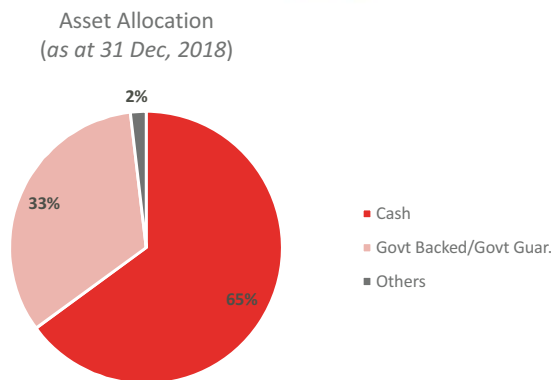
Alfalah GHP Islamic Pension Fund- Debt:

The fund generated a since inception return of 2.68%.



Alfalah GHP Islamic Pension Fund- Money Market:

The fund generated a since inception return of 2.88%.



Key Financial Data

Rs. In million

Description	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	Half year ended December 31, 2018		
<i>Average Net Assets</i>	37.89	37.64	37.80
<i>Gross income</i>	-3.77	1.13	1.17
<i>Total Comprehensive Income</i>	-4.23	0.66	0.71
<i>Net Assets Value per Unit (PKR)</i>	75.2684	105.4084	105.8271
<i>Issuance of units during the period</i>	6.13	1.15	12.18
<i>Redemption of units during the period</i>	-7.09	-6.35	-0.35

Key Financial Data

Description	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	Half year ended December 31, 2017		
<i>Average Net Assets</i>	33.18	34.63	31.13
<i>Gross income</i>	-5.56	0.71	0.78
<i>Total Comprehensive Income</i>	-6.04	0.28	0.40
<i>Net Assets Value per Unit (PKR)</i>	82.2807	102.5768	102.7317
<i>Issuance of units during the period</i>	8.25	2.39	0.76
<i>Redemption of units during the period</i>	-4.20	-1.18	-0.45

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

Chief Executive Officer

Date: February 20, 2019



**Alfalah
GHP Pension Fund**

FUND 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:	Ms. Maheen Rahman (CEO) Syed Ali Sultan Mr. Hanspeter Beier Mr. Muhammad Tauqir Zafar Mr. Abid Naqvi Mr. Tufail Jawed Ahmad Mr. Adeel Bajwa Ms. Mehreen Ahmed
Audit Committee:	Mr. Abid Naqvi Syed Ali Sultan Mr. Muhammad Tauqeer Zafar
HR Committee:	Syed Ali Sultan Mr. Tufail Jawed Ahmed Ms. Maheen Rahman (CEO) Mr. Adeel Bajwa
Risk Committee:	Mr. Tufail Jawed Ahmad Syed Ali Sultan Mr. Muhammad Tauqeer Zafar Ms. Maheen Rahman (CEO)
Chief Operating Officer and Company Secretary :	Mr. Noman Ahmed Soomro
Chief Financial Officer:	Syed Hyder Raza Zaidi
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C.I.I. Chundrigar Road, P.O.Box 4716 Karachi, Pakistan
Legal Advisor:	Ahmed & Qazi Advocates & Legal Consultants 402,403,404,417 Clifton Centre, Clifton, Karachi
Shariah Advisor:	Bank Islami Pakistan Limited 11th Floor, Dolmen Executive Towers, Marine Drive, Clifton, Block-4, Karachi
Registrar:	Alfalah GHP Investment Management Limited 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
Distributor:	Bank Alfalah Limited

**AUDITOR'S REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL
STATEMENTS TO THE UNIT HOLDERS**

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Alfalah GHP Pension Fund** (the Fund) as at December 31, 2018 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2018. The Management Company (Alfalah GHP Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2018 and December 31, 2017 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2018.

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 statements 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 condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.
Chartered Accountants

Engagement Partner: **Shahbaz Akbar**

Dated: **21 February, 2019**

Karachi

ALFALAH GHP PENSION FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2018

	December 31, 2018 (Un-Audited)					June 30, 2018 (Audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
Note	(Rupees)					(Rupees)					
Assets											
Bank balances	4	3,012,749	6,398,388	14,973,617	19,969	24,404,723	3,670,504	5,174,434	1,648,515	36,768	10,530,222
Investments	5	35,824,490	44,275,680	34,436,640	-	114,536,810	36,618,770	35,607,816	34,618,710	-	106,845,296
Security Deposit with Central Depository Company of Pakistan Limited		100,000	100,000	-	-	200,000	100,000	100,000	-	-	200,000
Dividend and other receivables	6	488,398	29,370	29,308	31	547,107	145,827	52,753	39,635	31	238,246
Formation cost	7	21,114	21,114	21,106	-	63,334	33,515	33,515	-	-	100,545
Total assets		39,446,751	50,824,552	49,460,671	20,000	139,751,974	40,568,616	40,968,518	36,340,375	36,800	117,914,309
Liabilities											
Payable against redemption of units		-	-	-	-	-	-	417,457	29,750	-	447,207
Payable to the Pension Fund Manager	8	59,044	71,561	61,334	20,000	211,939	55,396	55,869	50,143	36,650	198,058
Payable to the Trustee	9	26,496	28,200	26,008	-	80,704	27,235	26,509	24,748	-	78,492
Annual fee payable to the Securities and Exchange Commission of Pakistan		6,824	7,515	6,376	-	20,715	12,673	12,498	11,431	-	36,602
Accrued and other liabilities	10	53,433	113,734	113,828	-	280,995	54,654	91,780	92,075	150	238,659
Total liabilities		145,797	221,010	207,546	20,000	594,353	149,958	604,113	208,147	36,800	999,018
Net assets attributable to unit holders		39,300,954	50,603,542	49,253,125	-	139,157,621	40,418,658	40,364,405	36,132,228	-	116,915,291
Participants' sub-fund (as per statement attached)		39,300,954	50,603,542	49,253,125	-	139,157,621	40,418,658	40,364,405	36,132,228	-	116,915,291
Contingencies and commitments	13										
Number of units in issue	11	539,673	466,960	454,319			491,144	382,575	342,146		
Net assets value per unit		72,8237	108,3681	108,4110			82,2949	105,5072	105,6047		

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For Alfalah GHP Investment Management Limited
(Pension Fund Manager)

Chief Executive Officer

Chief Finance Officer

Director

ALFALAH GHP PENSION FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended December 31, 2018				Half year ended December 31, 2017				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note	(Rupees)				(Rupees)				
INCOME									
Profit / mark-up income	15	131,406	1,816,069	1,522,352	3,469,827	70,826	1,090,813	994,851	2,156,490
Dividend income		1,206,135	-	-	1,206,135	1,147,190	-	-	1,147,190
Loss on sale of investments - net		(305,674)	(41,179)	(37,016)	(383,869)	(2,106,250)	-	-	(2,106,250)
Unrealised loss on revaluation of investments - net		(5,701,317)	(1,855)	(1,443)	(5,704,615)	(4,395,194)	(1,966)	(1,857)	(4,399,017)
Total income		(4,669,450)	1,773,035	1,483,893	(1,412,522)	(5,283,428)	1,088,847	992,994	(3,201,587)
EXPENSES									
Remuneration of the Pension Fund Manager	8.1	313,676	340,196	288,792	942,664	277,363	275,579	251,208	804,150
Sindh sales tax on Remuneration of the Pension Fund Manager	8.2	40,778	44,225	37,543	122,546	36,057	35,825	32,657	104,539
Remuneration of the Trustee	9.1	50,445	54,544	46,246	151,235	52,179	51,808	46,981	150,968
Sindh sales tax on remuneration of the Trustee	9.2	6,558	7,091	6,012	19,661	6,783	6,735	6,107	19,625
Annual fee to the Securities and Exchange Commission of Pakistan		6,849	7,541	6,400	20,790	6,158	6,118	5,576	17,852
Brokerage and securities transaction costs		19,556	3,750	800	24,106	31,364	3,390	-	34,754
Auditors' remuneration		37,799	37,799	37,808	113,406	37,676	38,456	36,092	112,224
Printing charges		9,343	9,342	9,340	28,025	6,046	6,049	5,588	17,683
Amortization of formation cost		12,401	12,401	12,409	37,211	12,409	12,409	12,409	37,227
Bank charges		1,396	-	-	1,396	6,028	2,045	1,759	9,832
Provision against Sindh Workers' Welfare Fund	10.1	-	25,138	20,771	45,909	-	13,009	11,892	24,901
Total expenses		498,801	542,027	466,121	1,506,949	472,063	451,423	410,269	1,333,755
Net (loss) / income for the period before taxation		(5,168,251)	1,231,008	1,017,772	(2,919,471)	(5,755,491)	637,424	582,725	(4,535,342)
Taxation	16	-	-	-	-	-	-	-	-
Net (loss) / income for the period after taxation		(5,168,251)	1,231,008	1,017,772	(2,919,471)	(5,755,491)	637,424	582,725	(4,535,342)

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For Alfalah GHP Investment Management Limited
(Pension Fund Manager)

Chief Executive Officer

Chief Finance Officer

Director

ALFALAH GHP PENSION FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2018

	Quarter ended December 31, 2018				Quarter ended December 31, 2017				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note	(Rupees)				(Rupees)				
INCOME									
Profit / mark-up income	15	71,082	1,044,918	858,573	1,974,573	33,581	558,024	519,627	1,111,232
Dividend income		691,445	-	-	691,445	777,633	-	-	777,633
Loss on sale of investments - net		(277,661)	(13,206)	(9,820)	(300,687)	(1,848,857)	-	-	(1,848,857)
Unrealised loss on revaluation of investments - net		(4,780,402)	523	700	(4,779,179)	(460,296)	(3,117)	(2,806)	(466,219)
Total income		(4,295,536)	1,032,235	849,453	(2,413,848)	(1,497,939)	554,907	516,821	(426,211)
EXPENSES									
Remuneration of the Pension Fund Manager	8.1	159,640	181,362	151,477	492,479	133,482	140,435	132,136	406,053
Sindh sales tax on Remuneration of the Pension Fund Manager	8.2	20,753	23,577	19,692	64,022	17,352	18,256	17,178	52,786
Remuneration of the Trustee	9.1	24,584	27,884	23,150	75,618	24,880	26,132	24,340	75,352
Sindh sales tax on remuneration of the Trustee	9.2	3,196	3,625	3,009	9,830	3,234	3,397	3,164	9,795
Annual fee to the Securities and Exchange Commission of Pakistan		3,429	4,015	3,352	10,796	2,964	3,118	2,933	9,015
Brokerage and securities transaction costs		9,999	2,055	800	12,854	13,679	1,695	-	15,374
Auditors' remuneration		18,895	18,895	18,904	56,694	18,772	19,552	17,188	55,512
Printing charges		4,673	4,672	4,670	14,015	6,046	6,049	5,588	17,683
Amortization of formation cost		6,197	6,197	6,205	18,599	6,205	6,205	6,205	18,615
Bank charges		493	-	-	493	2,487	604	618	3,709
Provision against Sindh Workers' Welfare Fund	10.1	-	15,214	12,364	27,578	-	6,589	6,148	12,737
Total expenses		251,859	287,496	243,623	782,978	229,101	232,032	215,498	676,631
Net (loss) / income for the period before taxation		(4,547,395)	744,739	605,830	(3,196,826)	(1,727,040)	322,875	301,323	(1,102,842)
Taxation	16	-	-	-	-	-	-	-	-
Net (loss) / income for the period after taxation		(4,547,395)	744,739	605,830	(3,196,826)	(1,727,040)	322,875	301,323	(1,102,842)

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For Alfalah GHP Investment Management Limited
(Pension Fund Manager)

Chief Executive Officer

Chief Finance Officer

Director

ALFALAH GHP PENSION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended December 31, 2018				Half year ended December 31, 2017			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees)				(Rupees)			
Net (loss) / income for the period	(5,168,251)	1,231,008	1,017,772	(2,919,471)	(5,755,491)	637,424	582,725	(4,535,342)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	(5,168,251)	1,231,008	1,017,772	(2,919,471)	(5,755,491)	637,424	582,725	(4,535,342)

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For Alfalah GHP Investment Management Limited
(Pension Fund Manager)

Chief Executive Officer

Chief Finance Officer

Director

ALFALAH GHP PENSION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2018

	Quarter ended December 31, 2018				Quarter ended December 31, 2017			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees)				(Rupees)			
Net (loss) / income for the period	(4,547,395)	744,739	605,830	(3,196,826)	(1,727,040)	322,875	301,323	(1,102,842)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	(4,547,395)	744,739	605,830	(3,196,826)	(1,727,040)	322,875	301,323	(1,102,842)

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For Alfalah GHP Investment Management Limited
(Pension Fund Manager)

Chief Executive Officer

Chief Finance Officer

Director

ALFALAH GHP PENSION FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	For the Half Year Ended December 31, 2018				For the Half Year Ended December 31, 2017			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	(Rupees)				(Rupees)			
Net assets at the beginning of the period [June 30, 2018: ESF Rs. 82.2949 per unit, DSF Rs. 105.5072 per unit and MMS Rs. 105.6047 (June 30, 2017: ESF Rs. 93.8444 per unit, DSF Rs. 101.8344 per unit and MMS Rs. 101.8882 per unit)]	40,418,658	40,364,405	36,132,228	116,915,291	31,571,597	32,065,508	30,568,989	94,206,094
Issuance of units	11 6,997,297	10,365,596	13,138,608	30,501,501	14,488,534	5,847,667	5,005,503	25,341,704
Redemption of units	11 (2,946,750)	(1,357,467)	(1,035,483)	(5,339,700)	(4,162,665)	(1,031,744)	(1,037,321)	(6,231,730)
	4,050,547	9,008,129	12,103,125	25,161,801	10,325,869	4,815,923	3,968,182	19,109,974
Loss on sale of investments - net	(305,674)	(41,179)	(37,016)	(383,869)	(2,106,250)	-	-	(2,106,250)
Unrealised loss on revaluation of investments - net	(5,701,317)	(1,855)	(1,443)	(5,704,615)	(4,395,194)	(1,966)	(1,857)	(4,399,017)
Other income (net of expenses)	838,740	1,274,042	1,056,231	3,169,013	745,953	639,390	584,582	1,969,925
Total comprehensive (loss) / income for the period	(5,168,251)	1,231,008	1,017,772	(2,919,471)	(5,755,491)	637,424	582,725	(4,535,342)
Net assets at the end of the period [December 31, 2018: ESF Rs. 72.8237 per unit DSF Rs. 108.3681 per unit and MMS Rs. 108.4110 per unit (December 31, 2017: ESF Rs. 80.4881 per unit, DSF Rs. 103.6291 per unit and MMS Rs. 103.6914)]	39,300,954	50,603,542	49,253,125	139,157,621	36,141,975	37,518,855	35,119,896	108,780,726

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For Alfalah GHP Investment Management Limited
(Pension Fund Manager)

Chief Executive Officer

Chief Finance Officer

Director

ALFALAH GHP PENSION FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended December 31, 2018					Half year ended December 31, 2017					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
Note	(Rupees)					(Rupees)					
CASH FLOWS FROM OPERATING ACTIVITIES											
Net (loss) / income for the period before taxation	(5,168,251)	1,231,008	1,017,772	-	(2,919,471)	(5,755,491)	637,424	582,725	-	(4,535,342)	
Adjustments for:											
Unrealised loss on revaluation of investments - net	5,701,317	1,855	1,443	-	5,704,615	4,395,194	1,966	1,857	-	4,399,017	
Amortisation of formation cost	12,401	12,401	12,409	-	37,211	12,409	12,409	12,409	-	37,227	
Provision against Sindh Workers' Welfare Fund	-	25,138	20,771	-	45,909	-	13,009	11,892	-	24,901	
	545,467	1,270,402	1,052,395	-	2,868,264	(1,347,888)	664,808	608,883	-	(74,197)	
(Increase) / decrease in assets											
Investments - net	(4,907,037)	(1,855)	(1,443)	-	(4,910,335)	(7,724,454)	(1,966)	(1,857)	-	(7,728,271)	
Security Deposit with Central Depository Company of Pakistan Limited	-	-	-	-	-	-	-	-	-	-	
Dividend and other receivables	(342,571)	23,383	10,327	-	(308,861)	(140,143)	4,876	(3,738)	-	(139,005)	
Formation cost	-	-	-	-	-	-	-	-	-	-	
	(5,249,608)	21,528	8,884	-	(5,219,196)	(7,864,597)	2,910	(5,595)	-	(7,867,282)	
Increase / (decrease) in liabilities											
Payable to the Pension Fund Manager	3,648	15,692	11,191	(16,650)	13,881	5,139	9,660	8,426	36,000	59,225	
Payable to the Trustee	(739)	1,691	1,260	-	2,212	(179)	628	178	-	627	
Annual fee payable to the Securities and Exchange Commission of Pakistan	(5,849)	(4,983)	(5,055)	-	(15,887)	(482)	(452)	(883)	-	(1,817)	
Payable against redemption of units	-	(417,457)	(29,750)	-	(447,207)	-	-	-	-	(139,005)	
Accrued and other liabilities	(1,221)	(3,184)	982	(150)	(3,573)	(11,877)	(11,610)	(11,600)	-	(35,087)	
	(4,161)	(408,241)	(21,372)	(16,800)	(450,574)	(7,399)	(1,774)	(3,679)	36,000	22,948	
Net cash flows (used in) / generated from operating activities	(4,708,302)	883,689	1,039,907	(16,800)	(2,801,506)	(9,219,884)	665,944	599,409	36,000	(7,918,531)	
CASH FLOWS FROM FINANCING ACTIVITIES											
Amount received against issuance of units	6,997,297	10,365,596	13,138,608	-	30,501,501	14,488,534	5,847,667	5,005,503	-	25,341,704	
Amount paid against redemption of units	(2,946,750)	(1,357,467)	(1,035,483)	-	(5,339,700)	(4,162,665)	(1,031,744)	(1,037,321)	-	(6,231,730)	
Net cash flows generated from financing activities	4,050,547	9,008,129	12,103,125	-	25,161,801	10,325,869	4,815,923	3,968,182	-	19,109,974	
Net (decrease) / increase in cash and cash equivalents	(657,755)	9,891,818	13,143,032	(16,800)	22,360,295	1,105,985	5,481,867	4,567,591	36,000	11,914,443	
Cash and cash equivalents at the beginning of the period	3,670,504	40,782,250	36,267,225	36,789	80,756,748	1,977,121	32,206,815	30,713,481	19,969	64,917,386	
Cash and cash equivalents at the end of the period	14	3,012,749	50,674,068	49,410,257	19,969	103,117,043	3,083,106	37,688,682	35,281,072	55,969	76,108,829

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For Alfalah GHP Investment Management Limited
(Pension Fund Manager)

Chief Executive Officer

Chief Finance Officer

Director

ALFALAH GHP PENSION FUND

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Alfalah GHP Pension Fund (the Fund) was established under a Trust deed executed between Alfalah GHP Investment Management Limited (AGIML) as Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (the SECP) on September 26, 2016 and was executed on October 06, 2016 under the Voluntary Pension System Rules, 2005 (the VPS Rules). The Fund was authorized by the SECP as a Pension Fund on November 28, 2016. The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the VPS rules through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
- 1.2** The objective of the Fund is to provide participants with a portable, individualized, funded (based on defined contribution) and flexible pension scheme which is managed by a professional investment manager to assist them to plan and provide for their retirement. The design of the scheme empowers the participants to decide how much to invest in their pensions and how to invest it, as well as to continue investing in their pension accounts even if they change jobs.
- 1.3** Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as trustee of the Fund.
- 1.4** The Fund operates under an umbrella structure and is composed of Sub-Funds, each being a collective investment scheme. At present, the Fund consists of the following three Sub-Funds:

AGPF - Equity Sub-Fund (AGPF - ESF)

The Equity sub-fund consists of a minimum 90% of net assets invested in listed equity securities, investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) of equity sub-fund or paid-up capital of the investee company (subject to the conditions prescribed in the offering document to the Fund). Remaining assets of the equity sub-fund may be invested in government treasury bills or government securities having less than one year time to maturity, or be deposited with scheduled commercial banks having at least 'A' rating.

AGPF - Debt Sub-Fund (AGPF - DSF)

The Debt Sub-Fund consists of tradable debt securities with weighted average duration of the investment portfolio of the Sub-Fund not exceeding 5 years. At least 25% of the net assets of debt sub-fund shall be invested in securities issued by the Federal Government. Up to 25% may be deposited with banks having not less than "AA+" rating. Investments in securities issued by companies of a single sector shall not exceed 20% except for banking sector for which the exposure limit shall be up to 30% of net assets of a debt sub-fund. Deposit in a single bank shall not exceed 20% of net asset of the debt sub-fund. Composition of the remaining portion of the investments shall be according to the criteria mentioned in the offering document to the Fund.

AGPF - Money Market Sub-Fund (AGPF - MMSF)

The Money Market sub-fund consists of short term debt instruments with weighted average time to maturity not exceeding ninety days. There is no restriction on the amount of investment in securities issued by the Federal Government and deposit with commercial banks having 'A+' or higher rating provided that deposit with any one bank shall not exceed 20% of net assets of Money Market Sub-Fund. Investment in securities issued by provincial or city government, government corporate entities with 'A' or higher rating or a government corporations with 'A+' or higher rating shall be in proportion as defined in offering document to the Fund.

- 1.5** The Sub-Funds' units are issued against contributions by the eligible participants on a continuous basis since January 03, 2017 and can be surrendered to the Fund.
- 1.6** The participants of the Fund voluntarily determine the contribution amount subject to the minimum limit fixed by the Pension Fund Manager. Such contributions received from the participants are allocated among different Sub-Funds, in accordance with their respective preferences and in line with the prescribed allocation policy. The units held by the participants in the Sub-Funds can be redeemed on or before their retirement, and in case of disability or death subject to conditions laid down in the Trust Deed, Offering Document, the VPS Rules and the Income Tax Ordinance, 2001. According to the Trust Deed, there shall be no distribution from the Sub-Funds, and all income earned by the Sub-Funds shall be accumulated and retained in the Fund.

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- 1.7 Under the provisions of the Offering Document of the Fund, Contributions received from or on behalf of any Participant by Trustee in cleared funds on any business day shall be credited to the Individual Pension Account of the Participant after deducting the Front-end Fees, any premium payable in respect of any schemes selected by the Participant pursuant to the offering document and any bank charges in respect of the receipt of such Contributions. The net Contribution received in the Individual Pension Account shall be used to allocate such number of Units of the relevant Sub-Funds in accordance with the Allocation Policy selected by the Participant as is determined in accordance with the Trust Deed and the Units shall be allocated at Net Asset Value notified by the Pension Fund Manager at the close of that business day.

2. BASIS OF PREPARATION

- 2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. Such standards comprise of:
- International Accounting Standards (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and
 - Voluntary Pension Rules, 2005 (the VPS Rules) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the VPS Rules and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the VPS Rules and the requirements of the Trust Deed have been followed.

- 2.2 These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES AND JUDGMENTS AND CHANGES THEREIN

- 3.1 The accounting policies adopted and the methods of computation of balances used 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, 2018, except for the change in accounting policy as explained in note 3.2.

- 3.2 Effective from July 01, 2018, the Fund has adopted IFRS 9: "Financial Instruments" which has replaced IAS 39: "Financial Instruments: Recognition and Measurement". The standard addresses recognition, classification, measurement and derecognition of financial assets and financial liabilities. The standard has also introduced a new impairment model for financial assets which requires recognition of impairment charge based on 'expected credit losses' (ECL) approach rather than 'incurred credit losses' approach, as previously given under IAS 39. However, the SECP vide its letter dated November 21, 2017, has deferred the applicability of requirements of IFRS 9 relating to impairment for debt securities on mutual funds till further instructions. Currently, the Asset Management Companies are required to continue to follow the requirements of Circular 33 of 2012 for impairment of debt securities. Furthermore, the ECL has impact on all other assets of the Fund which are exposed to credit risk. However, majority of the assets of the Fund other than debt securities (for which there is a separate criteria as mentioned above) that are exposed to credit risk pertain to counter parties which have high credit rating. Therefore, the management believes that the impact of ECL would be very minimal and hence, the same has not been accounted for in these condensed interim financial statements.

All equity investments are required to be measured in the "Statement of Assets and Liabilities" at fair value, with gains and losses recognized in the "Income Statement", except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI. IFRS 9 has provided a criteria for debt securities whereby debt securities are either classified as (a) amortised cost or (b) at fair value through other comprehensive income "(FVOCI)" or (c) at fair value through profit or loss (FVPL) based on the business model of the entity. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Furthermore, the collection of contractual cash flows for debt securities is only incidental to achieving the Fund's business model's objective.

IFRS 9 requires securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis to be recognized as FVPL. The management considers its investment in debt and equity securities being managed as a group of assets and hence has classified them as FVPL. Accordingly, the Fund's investment portfolio is classified as fair value through profit or loss and other financial assets which are held for collection continue to be measured at amortised cost.

The adoption of IFRS-9 did not have any impact on classification and measurement of financial assets and financial liabilities on the date of its adoption.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on or after July 1, 2018 that have a material effect on these condensed interim financial statements of the Fund.

- 3.3** The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The significant estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation of uncertainty were the same as those that were applied in the audited annual financial statements as at and for the year ended June 30, 2018.

The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended June 30, 2018.

4. BANK BALANCES

	December 31, 2018 (Un-Audited)					June 30, 2018 (Audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others (note 4.1)	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others (note 4.1)	Total	
Note	(Rupees)					(Rupees)					
Savings accounts	4.2	3,012,749	6,398,388	14,973,617	19,969	24,404,723	3,670,504	5,174,434	1,648,515	36,769	10,530,222

- 4.1** These represent collection and redemption accounts maintained by the Fund.

- 4.2** These accounts carry profit rates ranging between 8% to 10.73% (June 30, 2018:4% to 7.35%) per annum. These include bank balance of 13.84 million (June 30, 2018: Rs. 9.68 million) which is maintained with Bank Alfalah Limited (a related party).

5. INVESTMENTS

	December 31, 2018 (Un-Audited)					June 30, 2018 (Audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
Note	(Rupees)					(Rupees)					
At fair value through profit or loss											
Listed equity securities	5.1	35,824,490	-	-	-	35,824,490	36,618,770	-	-	-	36,618,770
Market Treasury Bills	5.2	-	44,275,680	34,436,640	-	78,712,320	-	35,607,816	34,618,710	-	70,226,526
		<u>35,824,490</u>	<u>44,275,680</u>	<u>34,436,640</u>	<u>-</u>	<u>114,536,810</u>	<u>36,618,770</u>	<u>35,607,816</u>	<u>34,618,710</u>	<u>-</u>	<u>106,845,296</u>

5.1 Equity Sub Fund - Listed equity securities
Ordinary shares have a face value of Rs.10 each unless stated otherwise

Name of the investee company	As at July 01, 2018	Purchases during the period	Bonus / right during the period	Sales during the period	As at December 31, 2018	Carrying value	Market value	Unrealised gain / (loss)	Market value as a percentage of Net assets	Holding as a percentage of paid-up capital of investee company
Commercial banks										
Bank Al Habib Limited	19,950	-	-	2,000	17,950	1,414,999	1,234,781	(180,218)	3.14%	0.16%
Faysal Bank Limited	15,500	5,000	-	3,000	17,500	459,268	421,225	(38,043)	1.07%	0.12%
Habib Bank Limited	14,120	4,900	-	4,400	14,620	2,361,530	1,760,979	(600,551)	4.48%	0.10%
MCB Bank Limited	8,825	3,000	-	-	11,825	2,348,994	2,288,965	(60,029)	5.82%	0.10%
Meezan Bank Limited	5,700	-	570	500	5,770	428,659	533,090	104,431	1.36%	0.05%
The Bank of Punjab	31,000	56,500	-	-	87,500	1,055,360	1,047,375	(7,985)	2.67%	0.33%
United Bank Limited	11,700	6,000	-	-	17,700	2,895,946	2,170,728	(725,218)	5.52%	0.14%
						10,964,756	9,457,143	(1,507,613)		
Textile composite										
Nishat Mills Limited	8,300	5,000	-	-	13,300	1,880,429	1,682,849	(197,580)	4.28%	0.38%
						1,880,429	1,682,849	(197,580)		
Cement										
D.G. Khan Cement Company Limited	7,760	3,000	-	2,500	8,260	941,258	662,039	(279,219)	1.68%	0.19%
Fauji Cement Company Limited	11,500	2,000	-	6,000	7,500	175,945	156,975	(18,970)	0.40%	0.05%
Lucky Cement Limited	2,600	500	-	500	2,600	1,291,653	1,130,142	(161,511)	2.88%	0.08%
Maple Leaf Cement Factory Limited	8,687	9,500	-	1,500	16,687	863,282	678,327	(184,955)	1.73%	0.25%
						3,272,138	2,627,483	(644,655)		
Power generation and distribution										
Hub Power Company Limited	16,900	500	-	-	17,400	1,605,499	1,492,746	(112,753)	3.80%	0.15%
Kot Addu Power Company Limited	20,400	10,500	-	-	30,900	1,689,879	1,531,095	(158,784)	3.90%	0.35%
						3,295,378	3,023,841	(271,537)		
Oil and gas marketing companies										
Pakistan State Oil Company Limited	4,140	-	788	600	4,328	1,148,038	975,661	(172,377)	2.48%	0.11%
Sui Northern Gas Pipelines Limited	10,500	2,000	-	1,000	11,500	1,100,665	886,305	(214,360)	2.26%	0.18%
						2,248,703	1,861,966	(386,737)		
Oil and gas exploration companies										
Mari Petroleum Company Limited	1,100	420	152	-	1,672	2,293,797	2,066,358	(227,439)	5.26%	0.14%
Oil & Gas Development Company Limited	17,950	1,300	-	2,000	17,250	2,681,133	2,208,000	(473,133)	5.62%	0.04%
Pakistan Oilfields Limited	3,650	-	690	1,200	3,140	1,757,851	1,333,935	(423,916)	3.39%	0.11%
Pakistan Petroleum Limited	10,700	3,700	2,130	-	16,530	3,078,235	2,473,880	(604,355)	6.29%	0.07%
						9,811,016	8,082,173	(1,728,843)		
Industrial engineering										
International Industries Limited	3,100	-	-	500	2,600	603,954	400,530	(203,424)	1.02%	0.22%
International Steels Limited	7,200	-	-	1,000	6,200	630,540	407,774	(222,766)	1.04%	0.14%
Mughal Iron and Steel Industries Limited	-	6,000	-	-	6,000	328,785	242,700	(86,085)	0.62%	0.24%
						1,563,279	1,051,004	(512,275)		
Automobile assembler										
Indus Motor Company Limited	300	40	-	180	160	224,375	195,149	(29,226)	0.50%	0.02%
						224,375	195,149	(29,226)		
Automobile parts and accessories										
Thal Limited (face value Rs. 5 per share)	700	-	-	700	-	-	-	-	0.00%	0.00%
						-	-	-		
Fertilizer										
Engro Fertilizer Company Limited	29,500	4,500	-	-	34,000	2,556,385	2,347,700	(208,685)	5.97%	0.25%
Engro Corporation Limited	7,200	900	-	-	8,100	2,539,576	2,357,748	(181,828)	6.00%	0.15%
Fauji Fertilizer Company Limited	12,500	3,000	-	-	15,500	1,520,270	1,439,175	(81,095)	3.66%	0.12%
Fauji Fertilizer Bin Qasim Limited	10,000	-	-	4,500	5,500	212,300	204,985	(7,315)	0.52%	0.06%
						6,828,531	6,349,608	(478,923)		
Pharmaceuticals										
The Searle Company Limited	2,160	-	219	700	1,679	495,670	412,346	(83,324)	1.05%	0.08%
						495,670	412,346	(83,324)		
Paper and board										
Packages Limited	10	-	-	-	10	4,897	3,868	(1,029)	0.01%	0.00%
						4,897	3,868	(1,029)		
Chemicals										
Engro Polymer & Chemicals Limited	12,000	17,000	-	-	29,000	936,635	1,077,060	140,425	2.74%	0.32%
						936,635	1,077,060	140,425		
As at December 31, 2018						41,525,807	35,824,490	(5,701,317)		
As at June 30, 2018						39,345,690	36,618,770	(2,726,920)		

5.1.1 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001. As a result of these amendments, companies are liable to withhold bonus shares at the rate of 5 percent. In accordance with the requirement of the Ordinance these shares shall only be released if the Fund deposits tax equivalent to 5% of the value of the bonus shares issued. The value of tax is computed on the basis of day-end price on the first day of book closure.

In this regard, a constitutional petition has been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs, which is pending adjudication. The petition is based on the fact that because CISs are exempt from deduction of income tax under Clause 99 of Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should not be applicable on bonus shares received by CISs. A stay order has been granted by the High Court of Sindh in favour of CISs.

As at December 31, 2018, the following bonus shares of the Fund were withheld by certain companies at the time of declaration. The Fund has included these shares in its portfolio, as the management believes that the decision of the constitutional petition will be in favour of the CISs.

Name of the investee company	31-Dec-18		30-Jun-18	
	Bonus Shares			
	Number	Market value	Number	Market value
	Rupees		Rupees	
Pakistan State Oil Company Limited	30	6,763	25	7,950
The Searle Company Limited	36	8,841	31	10,550
	<u>66</u>	<u>15,604</u>	<u>56</u>	<u>18,500</u>

5.2 Government Securities - Market Treasury Bills

5.2.1 Debt Sub Fund

	Face value					Carrying value	Market value	Unrealised loss	Market value as a percentage of net assets of Sub-Fund
	As at July 01, 2018	Purchased during the period	Disposed off during the period	Matured during the period	As at December 31, 2018				
	(Rupees)								----- % -----
Market Treasury Bills - 3 Months	36,000,000	84,000,000	75,000,000	-	45,000,000	44,277,535	44,275,680	(1,855)	87.50%
Total as at December 31, 2018						<u>44,277,535</u>	<u>44,275,680</u>	<u>(1,855)</u>	
Total as at June 30, 2018						<u>35,608,346</u>	<u>35,607,816</u>	<u>(530)</u>	

5.2.2 Money Market Sub Fund

	Face value					Carrying value	Market value	Unrealised loss	Market value as a percentage of net assets of Sub-Fund
	As at July 01, 2018	Purchased during the period	Disposed off during the period	Matured during the period	As at December 31, 2018				
	(Rupees)								----- % -----
Market Treasury Bills - 3 Months	35,000,000	70,000,000	70,000,000	-	35,000,000	34,438,083	34,436,640	(1,443)	69.92%
Total as at December 31, 2018						<u>34,438,083</u>	<u>34,436,640</u>	<u>(1,443)</u>	
Total as at June 30, 2018						<u>34,619,225</u>	<u>34,618,710</u>	<u>(515)</u>	

6. DIVIDEND AND OTHER RECEIVABLES

	December 31, 2018 (Un-audited)					June 30, 2018 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)									
Profit receivable on bank balances	15,026	-	(1)	-	15,025	15,658	23,383	10,326	-	49,367
Dividend receivable	419,726	-	-	-	419,726	78,020	-	-	-	78,020
Advance tax	53,646	29,370	29,309	31	112,356	52,149	29,370	29,309	31	110,859
	<u>488,398</u>	<u>29,370</u>	<u>29,308</u>	<u>31</u>	<u>547,107</u>	<u>145,827</u>	<u>52,753</u>	<u>39,635</u>	<u>31</u>	<u>238,246</u>

7. FORMATION COST

Balance at the beginning of the period	33,515	33,515	33,515	-	100,545	58,062	58,062	58,062	-	174,186
Amortized during the period	12,401	12,401	12,409	-	37,211	24,547	24,547	24,547	-	73,641
Balance at the end of the period	<u>21,114</u>	<u>21,114</u>	<u>21,106</u>	<u>-</u>	<u>63,334</u>	<u>33,515</u>	<u>33,515</u>	<u>33,515</u>	<u>-</u>	<u>100,545</u>

- 7.1 Formation cost represent expenditure incurred prior to the commencement of the operations of the Fund. This costs is being amortized over three years in accordance with the requirements set out in the Trust Deed. These expenses were paid by the Pension Fund Manager and are payable to them by the Fund.

8. PAYABLE TO THE PENSION FUND MANAGER

	Note	December 31, 2018 (Un-audited)					June 30, 2018 (Audited)				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
		(Rupees)									
Pension Fund Manager remuneration	8.1	52,252	63,329	54,278	-	169,859	49,023	49,442	44,374	-	142,839
Sindh sales tax on remuneration of Pension Fund Manager	8.2	6,792	8,232	7,056	-	22,080	6,373	6,427	5,769	-	18,569
Sales load payable	8.3	-	-	-	-	-	-	-	-	16,650	16,650
Other payable		-	-	-	20,000	20,000	-	-	-	20,000	20,000
		<u>59,044</u>	<u>71,561</u>	<u>61,334</u>	<u>20,000</u>	<u>211,939</u>	<u>55,396</u>	<u>55,869</u>	<u>50,143</u>	<u>36,650</u>	<u>198,058</u>

- 8.1 In accordance with the provisions of the VPS Rules, the Pension Fund Manager is entitled to a remuneration for its services by way of an annual management fee not exceeding 1.50% of the net assets of each Sub-Funds calculated on a daily basis. Currently, the Pension Fund Manager Fee is charged at the rate of 1.50% of the daily net assets of the Sub-Funds which is paid monthly in arrears.
- 8.2 During the period, Sindh sales tax on Pension Fund Manager remuneration has been charged at 13% (June 30, 2018: 13%).
- 8.3 In accordance with the provisions of the Rules, the Pension Fund Manager is allowed to charge a maximum front-end fee of 3% of all the contribution received from a participant of the Fund. The Pension Fund Manager has accordingly charged up to a maximum front-end fee of 3% during the period.

9. PAYABLE TO THE TRUSTEE

	Note	December 31, 2018 (Un-audited)					June 30, 2018 (Audited)				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
(Rupees)											
Trustee remuneration	9.1	23,030	23,963	22,677	-	69,670	23,602	22,959	21,901	-	68,462
Sindh sales tax on trustee remuneration	9.2	2,993	3,115	2,898	-	9,006	3,068	2,985	2,847	-	8,900
CDS charges		473	1,066	433	-	1,972	500	500	-	-	1,000
Sindh sales tax on CDS charges		-	56	-	-	56	65	65	-	-	130
		26,496	28,200	26,008	-	80,704	27,235	26,509	24,748	-	78,492

9.1 CDC being the trustee of the Fund is entitled to a monthly remuneration for services rendered to the Sub-Funds under the provisions of the Trust Deed as per the tariff specified therein which is charged in proportion to the daily net assets of the pertinent Sub-Fund. The remuneration is paid to the trustee monthly in arrears.

9.2 During the period, Sindh sales tax on trustee remuneration has been charged at 13% (June 30, 2018: 13%).

10. ACCRUED AND OTHER LIABILITIES

	Note	December 31, 2018 (Un-audited)					June 30, 2018 (Audited)				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
(Rupees)											
Withholding tax payable		20,478	20,454	16,060	-	56,992	676	286	206	150	1,318
Provision against Sindh Workers' Welfare Fund	10.1	-	63,789	57,462	-	121,251	-	38,650	36,691	-	75,341
Auditors remuneration		22,375	19,777	29,621	-	71,773	53,978	52,844	55,178	-	162,000
Printing charges payable		9,354	9,347	10,318	-	29,019	-	-	-	-	-
Brokerage payable		1,010	325	325	-	1,660	-	-	-	-	-
Sindh sales tax on brokerage		216	-	-	-	216	-	-	-	-	-
Others		-	42	42	-	84	-	-	-	-	-
		53,433	113,734	113,828	-	280,995	54,654	91,780	92,075	150	238,659

10.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/mutual funds, MUFAP recommended that as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund for the period from May 21, 2015 to December 31, 2018, the net asset value of the Fund as at December 31, 2018 would have been higher by ESF Re. Nil, DSF Re. 0.1366 per unit and MMSF Re. 0.1265 per unit (June 30, 2018: ESF Re. Nil, DSF Re. 0.1010 per unit and MMSF Re. 0.1072 per unit).

11. NUMBER OF UNITS IN ISSUE

	For the Half Year Ended December 31, 2018 (Un-audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Number of units in issue -----			
Total units in issue at the beginning of the period	491,144	382,575	342,146	1,215,865
Add: Issuance of units during the period				
- Directly by participants	11,713	11,097	77,483	100,293
- Transfer to other Pension Fund	73,348	86,000	44,448	203,796
	85,061	97,097	121,931	304,089
Less: Units redeemed during the period				
- Directly by participants	(36,532)	(12,712)	(9,758)	(59,002)
Total units in issue at the end of the period	539,673	466,960	454,319	1,460,952

12. CONTRIBUTION TABLE

	For the Half Year Ended December 31, 2018 (Un-audited)					
	Equity Sub-Fund		Debt Sub-Fund		Money market Sub-Fund	
	Units	Rupees	Units	Rupees	Units	Rupees
Individuals	4,330	339,325	8,805	948,040	75,087	7,875,902
Employers	7,383	611,946	2,292	244,370	2,396	495,438
Transfer from Other pension fund	73,348	6,047,393	86,000	9,173,339	44,448	4,767,270
	85,061	6,998,664	97,097	10,365,749	121,931	13,138,610

13. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2018 and June 30, 2018.

14. CASH AND CASH EQUIVALENTS

	For the Half Year Ended December 31, 2018 (Un-audited)					For the Half Year Ended December 31, 2017 (Un-audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	----- (Rupees) -----					----- (Rupees) -----				
Bank balances	3,012,749	6,398,388	14,973,617	19,969	24,404,723	3,083,106	2,034,534	1,607,710	55,969	6,781,319
Market Treasury Bills	-	44,275,680	34,436,640	-	78,712,320	-	35,654,148	33,673,362	-	69,327,510
	3,012,749	50,674,068	49,410,257	19,969	103,117,043	3,083,106	37,688,682	35,281,072	55,969	76,108,829

15. PROFIT / MARK-UP INCOME

	For the Half Year Ended December 31, 2018 (Un-)				For the Quarter Ended December 31, 2017 (Un-audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees) -----				----- (Rupees) -----			
Profit / mark-up on:								
- Bank balances	131,406	179,067	126,523	436,996	71,082	108,190	106,823	286,095
- Market Treasury Bills	-	1,637,002	1,395,829	3,032,831	-	936,728	751,750	1,688,478
	<u>131,406</u>	<u>1,816,069</u>	<u>1,522,352</u>	<u>3,469,827</u>	<u>71,082</u>	<u>1,044,918</u>	<u>858,573</u>	<u>1,974,573</u>

16. TAXATION

16.1 The income of the Fund is exempt from taxation under clause 57 (3) (viii) of the Part I of the Second Schedule to the Income Tax Ordinance, 2001.

16.2 The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A(i) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

17. 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.

18. 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 Beteiligungen Holding Limited, Bank Alfalah Limited and MAB Investment Incorporated being associated companies of Management Company, 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 Central Depository Company of Pakistan Limited (CDC) being the trustee of the Fund, and other associated companies and connected persons. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investment and distribution payments to connected persons. The transactions with connected person are in the normal course of business, at contracted rates and at terms determined in accordance with the market rates.

Remuneration to the Pension Fund Manager and the Trustee of the Fund is determined in accordance with the provisions of the VPS Rules and the Trust Deed.

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:

18.1 Details of transaction with related parties during the period are as follows:

	For the Half Year Ended December 31, 2018 (Un-audited)					For the Half Year Ended December 31, 2017 (Un-audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)					(Rupees)				
Alfalah GHP Investment Management Limited (Pension Fund Manager)										
Remuneration of the Pension Fund Manager	313,676	340,196	288,792	-	942,664	277,363	275,579	251,208	-	804,150
Sindh sales tax on remuneration of the Pension Fund Manager	40,778	44,225	37,543	-	122,546	36,057	35,825	32,657	-	104,539
Sales load	-	-	-	-	-	-	-	-	43,500	43,500
Central Depository Company of Pakistan Limited (Trustee)										
Remuneration of the Trustee	50,445	54,544	46,246	-	151,235	52,179	51,808	46,981	-	150,968
Sindh sales tax on trustee fee	6,558	7,091	6,012	-	19,661	6,783	6,735	6,107	-	19,625
CDS charges	3,347	3,067	-	-	6,414	4,385	3,000	-	-	7,385
Sindh sales tax on CDS charges	-	316	-	-	316	570	390	-	-	960
Bank Alfalah Limited										
Profit / mark-up on bank balances	131,341	177,825	126,458	-	435,624	70,461	95,206	84,097	-	249,764
Bank charges	1,396	-	-	-	1,396	5,386	1,420	1,117	-	7,923
Alfalah Securities (Private) Limited										
Brokerage expense	-	-	-	-	-	1,201	-	-	-	1,201
Sindh sales tax on brokerage	-	-	-	-	-	156	-	-	-	156
Key Management Personnel										
Contribution	448,492	160,535	349,430	-	958,457	8,176,490	2,683,839	4,266,686	-	15,137,015
Contribution (Number of units)	6,349	1,495	3,553	-	11,397	90,012	26,432	41,585	-	158,029
Redemption	752,075	-	146,180	-	898,255	3,984,646	619,219	639,990	-	5,243,855
Redemption (Number of units)	10,228	-	1,645	-	11,873	48,116	6,025	6,260	-	60,401

18.2 Details of balances with related parties as at the period / year end are as follows:

	December 31, 2018 (Un-audited)					June 30, 2018 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)					(Rupees)				
Alfalah GHP Investment Management Limited (Pension Fund Manager)										
Pension Fund Manager remuneration	52,252	63,329	54,278	-	169,859	49,023	49,442	44,374	-	142,839
Sindh sales tax on remuneration of Pension Fund Manager	6,792	8,232	7,056	-	22,080	6,373	6,427	5,769	-	18,569
Sales load payable	-	-	-	-	-	-	-	-	16,650	16,650
Other payable	-	-	-	20,000	20,000	-	-	-	20,000	20,000
Investment at period end	21,847,110	32,510,430	32,523,300	-	86,880,840	24,688,470	31,652,160	31,681,410	-	88,022,040
Units held (Number of units)	300,000	300,000	300,000	-	900,000	300,000	300,000	300,000	-	900,000
Central Depository Company of Pakistan Limited (Trustee)										
Trustee remuneration	23,030	23,963	22,677	-	69,670	23,602	22,959	21,901	-	68,462
Sindh sales tax on trustee remuneration	2,993	3,115	2,898	-	9,006	3,068	2,985	2,847	-	8,900
CDS charges	473	1,066	433	-	1,972	500	500	-	-	1,000
Sindh sales tax on CDS charges	-	56	-	-	56	65	65	-	-	130
Security deposit	100,000	100,000	-	-	200,000	100,000	100,000	-	-	200,000
Bank Alfalah Limited										
Bank balance	2,997,538	2,383,232	8,458,410	-	13,839,180	3,048,970	5,067,755	1,526,615	36,769	9,680,109
Profit receivable on bank balances	15,026	-	-	-	15,026	11,584	19,310	6,253	-	37,147
Key Management Personnel										
Investment at year end	3,288,209	3,767,092	4,493,853	-	11,549,154	4,286,843	3,172,260	4,091,631	-	11,550,734
Units held (Number of Units)	45,153	34,762	41,452	-	121,367	43,188	30,067	38,745	-	112,000
Redemptions	744,841	-	178,336	-	923,177	5,506,521	1,110,145	1,391,549	-	8,008,215
Redemptions (Number of Units)	10,228	-	1,645	-	11,873	66,132	10,748	13,496	-	90,376

19. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradeable in an open market are revalued at market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

19.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

As at December 31, 2018, the Fund held the following financial instruments measured at fair value:

	As at December 31, 2018 (Un-audited)				As at June 30, 2018 (Audited)			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	(Rupees)				(Rupees)			
Equity Sub-Fund								
Financial assets classified as 'at fair value through profit or loss'								
- Listed equity securities	35,824,490	-	-	35,824,490	36,618,770	-	-	36,618,770
Debt Sub-Fund								
Financial assets classified as 'at fair value through profit or loss'								
- Market Treasury Bills	-	44,275,680	-	44,275,680	-	35,607,816	-	35,607,816
Money Market Sub-Fund								
Financial assets classified as 'at fair value through profit or loss' - held-for-trading								
- Market Treasury Bills	-	34,436,640	-	34,436,640	-	34,618,710	-	34,618,710

During the period ended December 31, 2018, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

20 CORRESPONDING FIGURES

Corresponding figures have been reclassified, rearranged or additionally incorporated in these condensed interim financial statements to facilitate comparison and to conform with changes in presentation in the current period. No significant rearrangements or reclassifications were made in these condensed interim financial statements.

21 GENERAL

21.1 Figures are rounded off to the nearest Pakistani Rupee.

21.2 Figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2018 and December 31, 2017 have not been subject to limited scope review by the statutory auditors of the Fund.

22 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on **20 February 2019** by the Board of Directors of the Pension Fund Manager.

**For Alfalah GHP Investment Management Limited
(Pension Fund Manager)**

Chief Executive Officer

Chief Finance Officer

Director



Alfalah
GHP Islamic Pension Fund

FUND 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:	Ms. Maheen Rahman (CEO) Syed Ali Sultan Mr. Hanspeter Beier Mr. Muhammad Tauqir Zafar Mr. Abid Naqvi Mr. Tufail Jawed Ahmad Mr. Adeel Bajwa Ms. Mehreen Ahmed
Audit Committee:	Mr. Abid Naqvi Syed Ali Sultan Mr. Muhammad Tauqeer Zafar
HR Committee:	Syed Ali Sultan Mr. Tufail Jawed Ahmed Ms. Maheen Rahman (CEO) Mr. Adeel Bajwa
Risk Committee:	Mr. Tufail Jawed Ahmad Syed Ali Sultan Mr. Muhammad Tauqeer Zafar Ms. Maheen Rahman (CEO)
Chief Operating Officer and Company Secretary :	Mr. Noman Ahmed Soomro
Chief Financial Officer:	Syed Hyder Raza Zaidi
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, P.O.Box 4716 Karachi, Pakistan
Legal Advisor:	Ahmed & Qazi Advocates & Legal Consultants 402,403,404,417 Clifton Centre, Clifton, Karachi
Shariah Advisor:	Bank Islami Pakistan Limited 11th Floor, Dolmen Executive Towers, Marine Drive, Clifton, Block-4, Karachi
Registrar:	Alfalah GHP Investment Management Limited 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
Distributor:	Bank Alfalah Limited

**AUDITOR'S REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL
STATEMENTS TO THE UNIT HOLDERS**

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Alfalah GHP Islamic Pension Fund** (the Fund) as at December 31, 2018 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the six months period ended December 31, 2018. The Management Company (Alfalah GHP Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2018 and December 31, 2017 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2018.

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 statements 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 condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.
Chartered Accountants

Engagement Partner: **Shahbaz Akbar**

Dated: **21 February, 2019**

Karachi

ALFALAH GHP ISLAMIC PENSION FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2018

Note	December 31, 2018 (Un-Audited)					June 30, 2018 (Audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund (Rupees)	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund (Rupees)	Others	Total	
Assets											
Bank balances	4	3,017,014	23,296,842	29,418,319	19,949	55,752,124	4,217,853	20,017,749	17,334,524	20,089	41,590,225
Investments	5	30,973,768	11,785,200	15,003,000	-	57,761,968	34,937,941	19,809,600	15,057,000	-	69,804,541
Security Deposit with Central Depository Company of Pakistan Limited		100,000	100,000	-	-	200,000	100,000	100,000	-	-	200,000
Dividend and other receivables	6	163,179	329,668	619,918	51	1,112,816	188,715	409,684	102,317	51	700,767
Formation cost	7	21,048	21,046	21,039	-	63,133	33,448	33,448	33,448	-	100,344
Total assets		<u>34,275,009</u>	<u>35,532,756</u>	<u>45,062,276</u>	<u>20,000</u>	<u>114,890,041</u>	<u>39,477,957</u>	<u>40,370,481</u>	<u>32,527,289</u>	<u>20,150</u>	<u>112,395,877</u>
Liabilities											
Payable against redemption of units		-	-	-	-	-	329,556	26,978	-	-	356,534
Payable to the Pension Fund Manager	8	51,261	50,691	64,484	20,000	186,436	51,088	52,945	44,919	20,150	169,102
Payable to the Trustee	9	25,866	26,032	27,755	-	79,653	26,948	26,695	24,575	-	78,218
Annual fee payable to the Securities and Exchange Commission of Pakistan		6,351	6,315	6,214	-	18,880	11,987	11,690	10,453	-	34,130
Accrued and other liabilities	10	56,976	64,041	91,202	-	212,219	72,838	74,274	82,389	-	229,501
Total liabilities		<u>140,454</u>	<u>147,079</u>	<u>189,655</u>	<u>20,000</u>	<u>497,188</u>	<u>162,861</u>	<u>495,160</u>	<u>189,314</u>	<u>20,150</u>	<u>867,485</u>
Net assets attributable to unit holders		<u>34,134,555</u>	<u>35,385,677</u>	<u>44,872,621</u>	<u>-</u>	<u>114,392,853</u>	<u>39,315,096</u>	<u>39,875,321</u>	<u>32,337,975</u>	<u>-</u>	<u>111,528,392</u>
Participants' sub-fund (as per statement attached)		<u>34,134,555</u>	<u>35,385,677</u>	<u>44,872,621</u>	<u>-</u>	<u>114,392,853</u>	<u>39,315,096</u>	<u>39,875,321</u>	<u>32,337,975</u>	<u>-</u>	<u>111,528,392</u>
Contingencies and commitments											
Number of units in issue	11	<u>453,505</u>	<u>335,701</u>	<u>424,018</u>		<u>467,081</u>	<u>386,091</u>	<u>311,011</u>			
Net assets value per unit		<u>75,2684</u>	<u>105,4084</u>	<u>105,8271</u>		<u>84,1719</u>	<u>103,2795</u>	<u>103,9769</u>			

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

For Alfalah GHP Investment Management Limited
(Pension Fund Manager)

Chief Executive Officer

Chief Finance Officer

Director

ALFALAH GHP ISLAMIC PENSION FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Note	Half year ended December 31, 2018				Half year ended December 31, 2017			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees)				(Rupees)			
INCOME									
Profit / mark-up income	14	61,651	1,196,356	1,224,487	2,482,494	42,471	896,588	811,507	1,750,566
Dividend income		1,212,447	-	-	1,212,447	1,034,206	-	-	1,034,206
Loss on sale of investments - net		(690,696)	(30,400)	(57,000)	(778,096)	(2,754,801)	-	-	(2,754,801)
Unrealised (loss) / gain on revaluation of investments - net		(4,349,977)	6,000	3,000	(4,340,977)	(3,882,731)	(190,000)	(28,500)	(4,101,231)
Total income		(3,766,575)	1,171,956	1,170,487	(1,424,132)	(5,560,855)	706,588	783,007	(4,071,260)
EXPENSES									
Remuneration of the Pension Fund Manager	8.1	286,573	284,800	285,571	856,944	269,551	259,975	233,741	763,267
Sindh sales tax on remuneration of the Pension Fund Manager	8.2	37,254	37,024	37,124	111,402	35,042	33,797	30,386	99,225
Remuneration of the Trustee	9.1	50,623	50,360	50,245	151,228	53,337	51,547	46,349	151,233
Sindh sales tax on remuneration of the Trustee	9.2	6,581	6,549	6,532	19,662	6,934	6,701	6,025	19,660
Annual fee to the Securities and Exchange Commission of Pakistan		6,352	6,316	6,214	18,882	5,984	5,771	5,189	16,944
Brokerage and securities transaction costs		14,789	3,354	433	18,576	33,472	3,390	1,500	38,362
Auditors' remuneration		37,798	37,798	37,808	113,404	40,798	37,758	33,667	112,223
Printing charges		9,343	9,345	9,340	28,028	5,984	6,010	5,781	17,775
Legal and professional charges		-	-	-	-	11,667	-	-	11,667
Amortization of formation cost		12,400	12,402	12,409	37,211	12,409	12,409	12,409	37,227
Bank charges		137	859	1,567	2,563	644	1,663	2,107	4,414
Provision against Sindh Workers' Welfare Fund	10.1	-	14,464	14,465	28,929	-	5,751	8,117	13,868
Total expenses		461,850	463,271	461,708	1,386,829	475,822	424,772	385,271	1,285,865
Net (loss) / income for the period before taxation		(4,228,425)	708,685	708,779	(2,810,961)	(6,036,677)	281,816	397,736	(5,357,125)
Taxation	15	-	-	-	-	-	-	-	-
Net (loss) / income for the period after taxation		(4,228,425)	708,685	708,779	(2,810,961)	(6,036,677)	281,816	397,736	(5,357,125)

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

For Alfalah GHP Investment Management Limited
(Pension Fund Manager)

Chief Executive Officer

Chief Finance Officer

Director

ALFALAH GHP ISLAMIC PENSION FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2018

	Note	Quarter ended December 31, 2018				Quarter ended December 31, 2017			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)									
INCOME									
Profit / mark-up income	14	39,099	606,177	731,728	1,377,004	20,191	447,872	396,294	864,357
Dividend income		649,407	-	-	649,407	736,679	-	-	736,679
Loss on sale of investments - net		(684,494)	(30,400)	(57,000)	(771,894)	(2,402,172)	-	-	(2,402,172)
Unrealised (loss) / gain revaluation of investments - net		(3,852,597)	345,200	108,000	(3,399,397)	31,409	(8,400)	(4,500)	18,509
Total income		(3,848,585)	920,977	782,728	(2,144,880)	(1,613,893)	439,472	391,794	(782,627)
EXPENSES									
Remuneration of the Pension Fund Manager	8.1	139,969	134,254	163,233	437,456	126,154	130,063	117,149	373,366
Sindh sales tax on remuneration of the Pension Fund Manager	8.2	18,196	17,453	21,220	56,869	16,400	16,908	15,229	48,537
Remuneration of the Trustee	9.1	24,201	23,220	28,191	75,612	25,546	26,343	23,727	75,616
Sindh sales tax on remuneration of the Trustee	9.2	3,146	3,021	3,665	9,832	3,321	3,424	3,084	9,829
Annual fee to the Securities and Exchange Commission of Pakistan		3,097	2,974	3,498	9,569	2,801	2,888	2,601	8,290
Brokerage and securities transaction costs		10,787	1,659	433	12,879	14,539	1,695	-	16,234
Auditors' remuneration		18,894	18,894	18,904	56,692	21,894	18,854	14,763	55,511
Printing charges		4,672	4,674	4,669	14,015	5,984	6,010	5,705	17,699
Legal and professional charges		-	-	-	-	11,667	-	-	11,667
Amortization of formation cost		6,196	6,198	6,205	18,599	6,205	6,205	6,205	18,615
Bank charges		25	859	1,517	2,401	49	68	32	149
Provision against Sindh Workers' Welfare Fund	10.1	-	14,156	10,624	24,780	-	4,540	4,066	8,606
Total expenses		229,183	227,362	262,159	718,704	234,560	216,998	192,561	644,119
Net (loss) / income for the period before taxation		(4,077,768)	693,615	520,569	(2,863,584)	(1,848,453)	222,474	199,233	(1,426,746)
Taxation	15	-	-	-	-	-	-	-	-
Net (loss) / income for the period after taxation		(4,077,768)	693,615	520,569	(2,863,584)	(1,848,453)	222,474	199,233	(1,426,746)

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

For Alfalah GHP Investment Management Limited
(Pension Fund Manager)

Chief Executive Officer

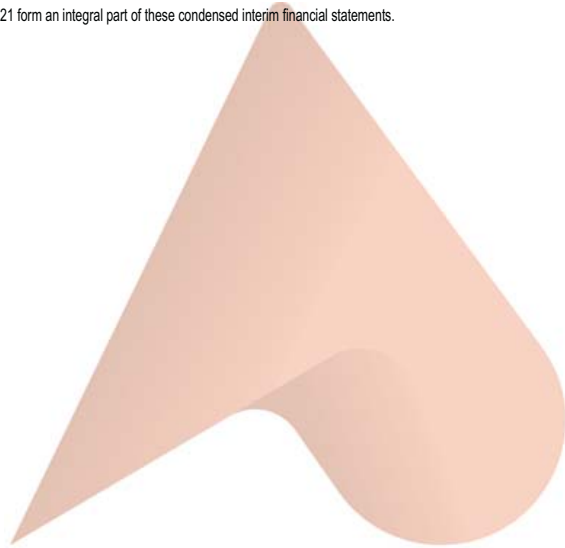
Chief Finance Officer

Director

ALFALAH GHP ISLAMIC PENSION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended December 31, 2018				Half year ended December 31, 2017			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees)				(Rupees)			
Net (loss) / income for the period	(4,228,425)	708,685	708,779	(2,810,961)	(6,036,677)	281,816	397,736	(5,357,125)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	(4,228,425)	708,685	708,779	(2,810,961)	(6,036,677)	281,816	397,736	(5,357,125)

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.



For Alfalah GHP Investment Management Limited
(Pension Fund Manager)

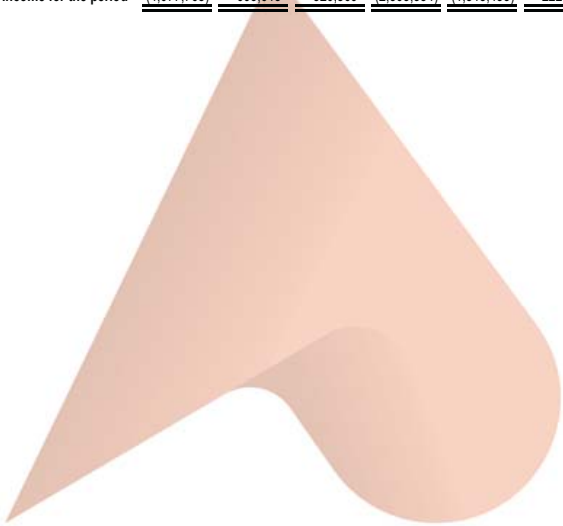
Chief Executive Officer

Chief Finance Officer

Director

ALFALAH GHP ISLAMIC PENSION FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2018

	Quarter ended December 31, 2018				Quarter ended December 31, 2017			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees) -----				----- (Rupees) -----			
Net (loss) / income for the period	(4,077,768)	693,615	520,569	(2,863,584)	(1,848,453)	222,474	199,233	(1,426,746)
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(4,077,768)</u>	<u>693,615</u>	<u>520,569</u>	<u>(2,863,584)</u>	<u>(1,848,453)</u>	<u>222,474</u>	<u>199,233</u>	<u>(1,426,746)</u>



For Alfalah GHP Investment Management Limited
(Pension Fund Manager)

Chief Executive Officer

Chief Finance Officer

Director

ALFALAH GHP ISLAMIC PENSION FUND

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018**

	Half year ended December 31, 2018				Half year ended December 31, 2017			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	(Rupees)				(Rupees)			
Net assets at the beginning of the period	39,315,096	39,875,321	32,337,975	111,528,392	35,159,348	33,142,414	30,427,902	98,729,664
[June 30, 2018: ESF Rs. 84.1719 per unit, DSF Rs. 103.2795 per unit and MMS Rs. 103.9769 per unit (June 30, 2017: ESF Rs. 97.2487 pe unit, DSF Rs. 101.7472 per unit and MMS Rs. 101.4180 per unit)]								
Issuance of units	11 6,130,458	1,154,762	12,178,419	19,463,639	8,254,651	2,391,807	755,020	11,401,478
Redemption of units	11 (7,082,574)	(6,353,091)	(352,552)	(13,788,217)	(4,195,525)	(1,183,737)	(448,904)	(5,828,166)
	(952,116)	(5,198,329)	11,825,867	5,675,422	4,059,126	1,208,070	306,116	5,573,312
Loss on sale of investments - net	(690,696)	(30,400)	(57,000)	(778,096)	(2,754,801)	-	-	(2,754,801)
Unrealised (loss) / gain on revaluation of investments - net	(4,349,977)	6,000	3,000	(4,340,977)	(3,882,731)	(190,000)	(28,500)	(4,101,231)
Other income (net of expenses)	812,248	733,085	762,779	2,308,112	600,855	471,816	426,236	1,498,907
Total comprehensive (loss) / income for the period	(4,228,425)	708,685	708,779	(2,810,961)	(6,036,677)	281,816	397,736	(5,357,125)
Net assets at the end of the period	34,134,555	35,385,677	44,872,621	114,392,853	33,181,797	34,632,300	31,131,754	98,945,851
[ESF Rs. 75.2683 per unit, DSF Rs. 105.4083 per unit and MMS Rs. 105.8272 per unit (December 31, 2017: ESF Rs. 82.2807 per unit, DSF Rs. 102.5768 per unit and MMS Rs. 102.7317 per unit)]								

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

**For Alfalah GHP Investment Management Limited
(Pension Fund Manager)**

Chief Executive Officer

Chief Finance Officer

Director

ALFALAH GHP ISLAMIC PENSION FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Half year ended December 31, 2018					Half year ended December 31, 2017				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)					(Rupees)				
CASH FLOWS FROM OPERATING ACTIVITIES										
Net (loss) / income for the period before taxation	(4,228,425)	708,685	708,779	-	(2,810,961)	(6,036,677)	281,816	397,736	-	(5,357,125)
Adjustments for:										
Unrealised (loss) / gain on revaluation of investments - net	4,349,977	(6,000)	(3,000)	-	4,340,977	3,882,731	190,000	28,500	-	4,101,231
Amortisation of formation cost	12,400	12,402	12,409	-	37,211	12,409	12,409	-	-	37,227
Provision against Sindh Workers' Welfare Fund	-	14,464	14,465	-	28,929	-	5,751	8,117	-	13,868
	133,952	729,551	732,653	-	1,596,156	(2,141,537)	489,976	446,762	-	(1,204,799)
(Increase) / decrease in assets										
Investments - net	(385,804)	8,030,400	57,000	-	7,701,596	(5,477,208)	-	(15,135,000)	-	(20,612,208)
Dividend and other receivables	25,536	80,016	(517,601)	-	(412,049)	(199,842)	(254,772)	48,687	(44)	(405,971)
	(360,268)	8,110,416	(460,601)	-	7,289,547	(5,677,050)	(254,772)	(15,086,313)	(44)	(21,018,179)
Increase / (decrease) in liabilities										
Payable to the Pension Fund Manager	173	(2,254)	19,565	-	17,484	2,295	6,434	2,383	(72,090)	(60,972)
Payable to the Trustee	(1,082)	(663)	3,180	-	1,435	12	867	51	-	930
Annual fee payable to the Securities and Exchange Commission of Pakistan	(5,636)	(5,375)	(4,239)	-	(15,250)	(608)	(711)	(1,255)	-	(2,574)
Payable against redemption of units	-	(329,556)	(26,978)	(150)	(356,684)	-	-	-	-	-
Accrued and other liabilities	(15,862)	(24,697)	(5,652)	-	(46,211)	(11,788)	(13,030)	(9,748)	(2,677)	(37,243)
	(22,407)	(362,545)	(14,124)	(150)	(399,226)	(10,089)	(6,440)	(8,563)	(74,767)	(99,859)
Net cash flows (used in) / generated from operating activities	(248,723)	8,477,422	257,928	(150)	8,486,477	(7,828,676)	228,764	(14,648,114)	(74,811)	(22,322,837)
CASH FLOWS FROM FINANCING ACTIVITIES										
Amount received against issuance of units	6,130,458	1,154,762	12,178,419	-	19,463,639	8,254,651	2,391,807	755,020	-	11,401,478
Payments made against redemption of units	(7,082,574)	(6,353,091)	(352,552)	-	(13,788,217)	(4,195,525)	(1,183,737)	(448,904)	-	(5,828,166)
Net cash flows (used in) / generated from financing activities	(952,116)	(5,198,329)	11,825,867	-	5,675,422	4,059,126	1,208,070	306,116	-	5,573,312
Net (decrease) / increase in cash and cash equivalents	(1,200,839)	3,279,093	12,083,796	(150)	14,161,899	(3,769,550)	1,436,834	(14,341,998)	(74,811)	(16,749,525)
Cash and cash equivalents at the beginning of the period	4,217,853	20,017,749	17,334,524	20,099	41,590,225	6,713,673	12,956,619	30,476,983	94,760	50,242,035
Cash and cash equivalents at the end of the period	3,017,014	23,296,842	29,418,319	19,949	55,752,124	2,944,123	14,393,453	16,134,985	19,949	33,492,510

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

For Alfalah GHP Investment Management Limited
(Pension Fund Manager)

Chief Executive Officer

Chief Finance Officer

Director

ALFALAH GHP ISLAMIC PENSION FUND

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alfalah GHP Islamic Pension Fund (the Fund) was established under a Trust deed executed between Alfalah GHP Investment Management Limited (AGIML) as Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (the SECP) on September 26, 2016 and was executed on October 06, 2016 under the Voluntary Pension System Rules, 2005 (the VPS Rules). The Fund was authorized by the SECP as a Pension Fund on November 28, 2016. The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the VPS rules through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
- 1.2 The objective of the Fund is to provide participants with a portable, individualized, Shariah Compliant, funded (based on defined contribution) and flexible pension scheme which is managed by a professional investment manager to assist them to plan and provide for their retirement. The design of the scheme empowers the participants to decide how much to invest in their pensions and how to invest it, as well as to continue investing in their pension accounts even if they change jobs.
- 1.3 Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as trustee of the Fund.
- 1.4 All operational, management and investment activities of the Fund are undertaken in accordance with the Islamic Shariah guidelines provided by the Shariah Advisor. The Fund operates under an umbrella structure and is composed of Sub-Funds, each being a collective investment scheme. At present, the Fund consists of the following three sub-funds:

AGIPF - Equity Sub-Fund (AGIPF - ESF)

The Equity sub-fund consists of a minimum 90% of net assets invested in listed equity securities, investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) of equity sub-fund or paid-up capital of the investee company (subject to the conditions prescribed in the offering document to the Fund). Remaining assets of the Equity Sub-Fund may be invested in any government treasury bills or government securities having less than one year time maturity, or be deposited with scheduled Islamic commercial banks having at least 'A' rating or Islamic windows of commercial banks having at least 'AA' rating.

AGIPF - Debt Sub-Fund (AGIPF - DSF)

The Debt Sub-Fund consists of Shariah compliant tradeable debt securities with weighted average time to maturity of the investment portfolio of the sub-fund not exceeding 5 years. At least 25% of the net assets of Debt Sub-Fund shall be invested in debt securities issued by the Federal Government. Upto 25% may be deposited with scheduled Islamic banks having not less than 'A+' rating or Islamic windows of commercial banks having not less than 'AA' rating. Investment in securities issued by companies of a single sector shall not exceed 20% except for banking sector for which the exposure limit shall be up to 30% of net assets of Debt Sub-Fund. Deposit in a single bank shall not exceed 20% of net asset of the debt sub-fund. Composition of the remaining portion of the investments shall be as defined in the offering document to the Fund.

AGIPF - Money Market Sub-Fund (AGIPF - MMSF)

The Money Market Sub-Fund consists of Shariah compliant short-term money market securities with weighted average time to maturity not exceeding one year. There is no restriction on the amount of investment in securities issued by the Federal Government and Islamic windows of commercial banks having 'A+' rating provided that deposit with any one bank shall not exceed 20% of net assets of Money Market Sub-Fund. Investment in securities issued by provincial government, city government, government corporation with 'A' or higher rating or a corporate entity with 'A+' or higher rating shall be in proportion as defined in offering document to the Fund.

- 1.5 The Sub-Funds' units are issued against contributions by the eligible participants on a continuous basis since January 03, 2017 and can be surrendered to the Fund.

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- 1.5.1 The participants of the Fund voluntarily determine the contribution amount subject to the minimum limit fixed by the Pension Fund Manager. Such contributions received from the participants are allocated among different Sub-Funds, in accordance with their respective preferences and in line with the prescribed allocation policy. The units held by the participants in the Sub-Funds can be redeemed on or before their retirement, and in case of disability or death subject to conditions laid down in the Trust Deed, Offering Document, the VPS Rules and the Income Tax Ordinance, 2001. According to the Trust Deed, there shall be no distribution from the Sub-Funds, and all income earned by the Sub-Funds shall be accumulated and retained in the Fund.
- 1.5.2 Under the provisions of the Offering Document of the Fund, contributions received from or on behalf of any Participant by the Trustee in cleared funds on any business day shall be credited to the Individual Pension Account of the Participant after deducting the front-end fees, bank charges, any Takaful contribution payable in respect of any schemes selected by the Participant. The net contribution received in the Individual Pension Account shall be used to allocate such number of units of the relevant Sub-Funds in accordance with the Allocation Policy selected by the Participant as is determined in accordance with the Trust Deed and the units shall be allocated at Net Asset Value noticed by the Pension Fund Manager at the close of that business day.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. Such standards comprise of:

- International Accounting Standards (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Voluntary Pension Rules, 2005 (the VPS Rules) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the VPS Rules and the requirements of the Trust Deed differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the VPS Rules and the requirements of the Trust Deed have been followed.

- 2.2 These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2018.

3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES AND JUDGMENTS AND CHANGES THEREIN

- 3.1 The accounting policies adopted and the methods of computation of balances used 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, 2018, except for the change in accounting policy as explained in note 3.2.
- 3.2 Effective from July 01, 2018, the Fund has adopted IFRS 9: "Financial Instruments" which has replaced IAS 39: "Financial Instruments: Recognition and Measurement". The standard addresses recognition, classification, measurement and derecognition of financial assets and financial liabilities. The standard has also introduced a new impairment model for financial assets which requires recognition of impairment charge based on 'expected credit losses' (ECL) approach rather than 'incurred credit losses' approach, as previously given under IAS 39. However, the SECP vide its letter dated November 21, 2017, has deferred the applicability of requirements of IFRS 9 relating to impairment for debt securities on mutual funds till further instructions. Currently, the Asset Management Companies are required to continue to follow the requirements of Circular 33 of 2012 for impairment of debt securities. Furthermore, the ECL has impact on all other assets of the Fund which are exposed to credit risk. However, majority of the assets of the Fund other than debt securities (for which there is a separate criteria as mentioned above) that are exposed to credit risk pertain to counter parties which have high credit rating. Therefore, the management believes that the impact of ECL would be very minimal and hence, the same has not been accounted for in these condensed interim financial statements.

All equity investments are required to be measured in the "Statement of Assets and Liabilities" at fair value, with gains and losses recognized in the "Income Statement", except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI. IFRS 9 has provided a criteria for debt securities whereby debt securities are either classified as (a) amortised cost or (b) at fair value through other comprehensive income "(FVOCI)" or (c) at fair value through profit or loss (FVPL) based on the business model of the entity. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Furthermore, the collection of contractual cash flows for debt securities is only incidental to achieving the Fund's business model's objective.

IFRS 9 requires securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis to be recognized as FVPL. The management considers its investment in debt and equity securities being managed as a group of assets and hence has classified them as FVPL. Accordingly, the Fund's investment portfolio is classified as fair value through profit or loss and other financial assets which are held for collection continue to be measured at amortised cost.

The adoption of IFRS-9 did not have any impact on classification and measurement of financial assets and financial liabilities on the date of its adoption.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on or after July 1, 2018 that have a material effect on these condensed interim financial statements of the Fund.

- 3.3 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The significant estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation of uncertainty were the same as those that were applied in the audited annual financial statements as at and for the year ended June 30, 2018.

The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended June 30, 2018.

	Note	December 31, 2018 (Un-Audited)					June 30, 2018 (Audited)					
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others (note 4.1)	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others (note 4.1)	Total	
		(Rupees)					(Rupees)					
4	BANK BALANCES											
	- Current account	4.2	-	20,000	-	-	20,000	-	10,000	-	-	10,000
	- Savings accounts	4.3	3,017,014	23,276,842	29,418,319	19,949	55,732,124	4,217,853	20,007,749	17,334,524	20,099	41,580,225
			<u>3,017,014</u>	<u>23,296,842</u>	<u>29,418,319</u>	<u>19,949</u>	<u>55,752,124</u>	<u>4,217,853</u>	<u>20,017,749</u>	<u>17,334,524</u>	<u>20,099</u>	<u>41,590,225</u>

- 4.1 These represent collection and redemption accounts maintained by the Fund.

- 4.2 This represents current account maintained with Bank Alfalah Limited (a related party).

- 4.3 These accounts carry profit rates ranging between 4.67% to 10.75% (June 30, 2018: 2.03% to 6%) per annum. These include bank balance of Rs. 8.997 million (June 30, 2018: Rs. 13.893 million) which is maintained with Bank Alfalah Limited (a related party).

	December 31, 2018 (Un-Audited)					June 30, 2018 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total

5 INVESTMENTS

At fair value through profit or loss

Listed equity securities	5.1	30,973,768	-	-	-	30,973,768	34,937,941	-	-	-	34,937,941
GoP Ijara Sukuk	5.2	-	11,785,200	15,003,000	-	26,788,200	-	19,809,600	15,057,000	-	34,866,600
		<u>30,973,768</u>	<u>11,785,200</u>	<u>15,003,000</u>	<u>-</u>	<u>57,761,968</u>	<u>34,937,941</u>	<u>19,809,600</u>	<u>15,057,000</u>	<u>-</u>	<u>69,804,541</u>

5.1 Equity Sub Fund - Listed equity securities

Ordinary shares have a face value of Rs. 10 each unless stated otherwise

Name of the investee company	As at July 01, 2018	Purchases during the period	Bonus / Right during the period	Sales during the period	As at December 31, 2018	Carrying value	Market value	Unrealised gain / (loss)	Market value as a percentage of net assets of the Fund	Holding as a percentage of paid-up capital of investee company
Commercial banks										
Meezan Bank Limited	18,620	-	1,862	5,000	15,482	1,150,172	1,430,382	280,210	4.19%	0.13%
						<u>1,150,172</u>	<u>1,430,382</u>	<u>280,210</u>		
Textile composite										
Nishat Mills Limited	9,300	2,700	-	-	12,000	1,697,264	1,518,360	(178,904)	4.45%	0.34%
						<u>1,697,264</u>	<u>1,518,360</u>	<u>(178,904)</u>		
Cement										
Fauji Cement Company Limited	24,000	11,000	-	20,000	15,000	363,835	313,950	(49,885)	0.92%	0.11%
D.G. Khan Cement Company Limited	9,900	2,100	-	3,700	8,300	935,301	665,245	(270,056)	1.95%	0.19%
Lucky Cement Limited	3,160	900	-	500	3,560	1,798,948	1,547,425	(251,523)	4.53%	0.11%
Maple Leaf Cement Factory Limited	10,662	3,500	-	-	14,162	709,002	575,685	(133,317)	1.69%	0.21%
						<u>3,807,086</u>	<u>3,102,305</u>	<u>(704,781)</u>		
Power generation and distribution										
Hub Power Company Limited	27,900	2,500	-	-	30,400	2,790,163	2,608,016	(182,147)	7.64%	0.26%
Kot Addu Power Company Limited	22,600	4,500	-	-	27,100	1,467,121	1,342,805	(124,316)	3.93%	0.31%
						<u>4,257,284</u>	<u>3,950,821</u>	<u>(306,463)</u>		
Oil and gas marketing companies										
Pakistan State Oil Company Limited	4,248	-	849	1,600	3,497	927,718	788,329	(139,389)	2.31%	0.09%
Sui Northern Gas Pipelines Limited	9,550	1,500	-	1,000	10,050	985,205	774,554	(210,651)	2.27%	0.16%
						<u>1,912,923</u>	<u>1,562,883</u>	<u>(350,040)</u>		
Oil and gas exploration companies										
Mari Petroleum Company Limited	1,330	40	137	40	1,467	2,007,577	1,813,007	(194,570)	5.31%	0.12%
Oil & Gas Development Company Limited	21,600	3,400	-	3,500	21,500	3,335,533	2,752,000	(583,533)	8.06%	0.05%
Pakistan Oilfields Limited	4,120	200	864	450	4,734	2,645,013	2,011,098	(633,915)	5.89%	0.17%
Pakistan Petroleum Limited	14,500	2,900	2,520	-	19,920	3,709,827	2,981,227	(728,600)	8.73%	0.09%
						<u>11,697,950</u>	<u>9,557,332</u>	<u>(2,140,618)</u>		
Engineering										
Mughal Iron and Steel Industries Limited		5,000	-	-	5,000	244,230	202,250	(41,980)	0.59%	0.20%
International Industries Limited	3,600	-	-	800	2,800	650,412	431,340	(219,072)	1.26%	0.23%
International Steels Limited	7,450	1,000	-	3,000	5,450	550,055	358,447	(191,608)	1.05%	0.13%
						<u>1,444,697</u>	<u>992,037</u>	<u>(452,660)</u>		
Automobile assembler										
Milat Tractors Limited	-	200	-	-	200	218,538	166,398	(52,140)	0.49%	0.05%
						<u>218,538</u>	<u>166,398</u>	<u>(52,140)</u>		

Name of the investee company	As at July 01, 2018	Purchases during the period	Bonus / Right during the period	Sales during the period	As at December 31, 2018	Carrying value	Market value	Unrealised gain / (loss)	Market value as a percentage of net assets of the Fund	Holding as a percentage of paid-up capital of investee company
	(Number of shares)					(Rupees)			(Percentage)	
Automobile parts and accessories										
Thal Limited (Face value Rs. 5 per share)	550	-	-	-	550	262,642	235,213	(27,429)	0.68%	0.37%
						<u>262,642</u>	<u>235,213</u>	<u>(27,429)</u>		
Fertilizer										
Dawood Hercules Corporation Limited	5,350	300	-	-	5,650	631,862	627,998	(3,864)	1.84%	0.12%
Engro Corporation Limited	8,800	2,000	-	-	10,800	3,384,225	3,143,664	(240,561)	9.21%	0.21%
Engro Fertilizers Limited	31,200	2,500	-	-	33,700	2,528,083	2,326,985	(201,098)	6.82%	0.25%
Fauji Fertilizer Company Limited	11,500	3,000	-	4,500	10,000	977,812	928,500	(49,312)	2.72%	0.08%
						<u>7,521,982</u>	<u>7,027,147</u>	<u>(494,835)</u>		
Pharmaceuticals										
The Searle Company Limited	1,620	-	168	500	1,288	380,240	316,320	(63,920)	0.93%	0.06%
						<u>380,240</u>	<u>316,320</u>	<u>(63,920)</u>		
Chemicals										
Engro Polymer & Chemicals Limited	12,000	13,500	-	-	25,500	791,226	947,070	155,844	2.77%	0.28%
ICI Pakistan Limited	460	-	-	300	160	128,240	127,099	(1,141)	0.37%	0.02%
						<u>919,466</u>	<u>1,074,169</u>	<u>154,703</u>		
Paper and board										
Packages Limited	1,180	-	-	1,100	80	39,178	30,946	(8,232)	0.09%	0.01%
						<u>39,178</u>	<u>30,946</u>	<u>(8,232)</u>		
Foods and personal care products										
Treet Corporation Limited	120	-	-	-	120	4,103	2,773	(1,330)	0.01%	0.01%
						<u>,103</u>	<u>2,773</u>	<u>(1,330)</u>		
Miscellaneous										
Synthetic Products Enterprises Limited	7,200	-	-	7,000	200	10,220	6,682	(3,538)	0.02%	0.02%
						<u>10,220</u>	<u>6,682</u>	<u>(3,538)</u>		
As at December 31, 2018						<u>35,323,745</u>	<u>30,973,768</u>	<u>(4,349,977)</u>		
As at June 30, 2018					200	<u>37,102,743</u>	<u>34,937,941</u>	<u>(2,164,802)</u>		

5.1.1 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001. As a result of these amendments, companies are liable to withhold bonus shares at the rate of 5 percent. In accordance with the requirement of the Ordinance these shares shall only be released if the Fund deposits tax equivalent to 5% of the value of the bonus shares issued. The value of tax is computed on the basis of day-end price on the first day of book closure.

In this regard, a constitutional petition has been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs, which is pending adjudication. The petition is based on the fact that because CISs are exempt from deduction of income tax under Clause 99 of Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should not be applicable on bonus shares received by CISs. A stay order has been granted by the High Court of Sindh in favour of CISs.

As at December 31, 2018, the following bonus shares of the Fund were withheld by certain companies at the time of declaration. The Fund has included these shares in its portfolio, as the management believes that the decision of the constitutional petition will be in favour of the CISs.

Name of investee company	31-Dec-18		30-Jun-18	
	Bonus shares			
	Number	Market value	Number	Market value
		Rupees		Rupees
Treet Corporation Limited	36	832	36	1,230
Synthetic Products Enterprises Limited	50	1,671	50	2,555
The Searle Company Limited	36	8,841	31	10,525
Pakistan State Oil Company Limited	37	8,341	31	9,868
	<u>159</u>	<u>19,685</u>	<u>148</u>	<u>24,178</u>

5.2 Government Securities - GoP Ijara Sukuk

5.2.1 Debt Sub Fund

	Face value					Carrying value	Market value	Unrealised gain / (loss)	Market value as a percentage of net assets of Sub-Fund
	As at July 01, 2018	Purchased during the period	Disposed off during the period	Matured during the period	As at December 31, 2018				
	(Rupees)								%
GOP Ijara Sukuk-3 years (December 18, 2015)	8,000,000	-	-	8,000,000	-	-	-	-	0.00%
GOP Ijara Sukuk-3 years (June 30, 2017)	12,000,000	-	-	-	12,000,000	11,779,200	11,785,200	6,000	33.31%
Total as at December 31, 2018						<u>11,779,200</u>	<u>11,785,200</u>	<u>6,000</u>	
Total as at June 30, 2018						<u>20,239,600</u>	<u>19,809,600</u>	<u>(430,000)</u>	

5.2.2 Money Market Sub Fund

	Face value					Carrying value	Market value	Unrealised gain / (loss)	Market value as a percentage of net assets of Sub-Fund
	As at July 01, 2018	Purchased during the period	Disposed off during the period	Matured during the period	As at December 31, 2018				
	(Rupees)								%
GOP Ijara Sukuk-3 years (December 18, 2015)	15,000,000	-	-	15,000,000	-	-	-	-	0.00%
GOP Ijara Sukuk-3 years (February 15, 2016)	-	15,000,000	-	-	15,000,000	15,000,000	15,003,000	3,000	33.43%
Total as at December 31, 2018						<u>15,000,000</u>	<u>15,003,000</u>	<u>3,000</u>	
Total as at June 30, 2018						<u>15,135,000</u>	<u>15,057,000</u>	<u>(78,000)</u>	

6 DIVIDEND AND OTHER RECEIVABLES

	December 31, 2018 (Un-Audited)					June 30, 2018 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)					(Rupees)				
Profit receivable on bank balances	10,894	8,754	271,754	-	291,402	11,253	76,385	68,497	-	156,135
Profit receivable on GoP Ijara Sukuk	-	318,708	348,164	-	666,872	-	333,299	33,820	-	367,119
Dividend receivable	139,890	-	-	-	139,890	165,067	-	-	-	165,067
Advance tax	12,395	2,206	-	51	14,652	12,395	-	-	51	12,446
	<u>163,179</u>	<u>329,668</u>	<u>619,918</u>	<u>51</u>	<u>1,112,816</u>	<u>188,715</u>	<u>409,684</u>	<u>102,317</u>	<u>51</u>	<u>700,767</u>

7 FORMATION COST

	December 31, 2018 (Un-Audited)					June 30, 2018 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)					(Rupees)				
Balance at the beginning of the period	33,448	33,448	33,448	-	100,344	58,062	58,062	58,062	-	174,186
Amortized during the period	12,400	12,402	12,409	-	37,211	24,614	24,614	24,614	-	73,842
Balance at the end of the period	<u>21,048</u>	<u>21,046</u>	<u>21,039</u>	<u>-</u>	<u>63,133</u>	<u>33,448</u>	<u>33,448</u>	<u>33,448</u>	<u>-</u>	<u>100,344</u>

7.1 Formation cost represent expenditure incurred prior to the commencement of the operations of the Fund. This costs is being amortized over three years in accordance with the requirements set out in the Trust Deed. These expenses were paid by the Pension Fund Manager and are payable to them by the Fund.

8 PAYABLE TO THE PENSION FUND MANAGER

Note	December 31, 2018 (Un-Audited)					June 30, 2018 (Audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
	(Rupees)					(Rupees)					
Pension Fund Manager remuneration	8.1	45,364	44,859	57,066	-	147,289	45,211	46,854	39,751	-	131,816
Sindh sales tax on remuneration of Pension Fund Manager	8.2	5,897	5,832	7,418	-	19,147	5,877	6,091	5,168	-	17,136
Sales load payable	8.3	-	-	-	-	-	-	-	150	150	-
Other payable		-	-	-	20,000	20,000	-	-	-	20,000	20,000
		<u>51,261</u>	<u>50,691</u>	<u>64,484</u>	<u>20,000</u>	<u>186,436</u>	<u>51,088</u>	<u>52,945</u>	<u>44,919</u>	<u>20,150</u>	<u>169,102</u>

8.1 In accordance with the provisions of the VPS Rules, the Pension Fund Manager is entitled to a remuneration for its services by way of an annual management fee not exceeding 1.50% of the net assets of each Sub-Funds calculated on a daily basis. Currently, the Pension Fund Manager Fee is charged at the rate of 1.50% of the daily net assets of the Sub-Funds which is paid monthly in arrears.

8.2 During the period, Sindh sales tax on Pension Fund Manager remuneration has been charged at 13% (2018: 13%).

8.3 In accordance with the provisions of the VPS Rules, the Pension Fund Manager is allowed to charge a maximum front-end fee of 3% of all the contributions received from a participant of the Fund. The Pension Fund Manager has accordingly charged up to a maximum front end fee of 3% during the period.

9 PAYABLE TO THE TRUSTEE

	Note	December 31, 2018 (Un-audited)					June 30, 2018 (Audited)				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
		(Rupees)					(Rupees)				
Trustee remuneration	9.1	22,740	22,119	24,177	-	69,036	23,348	23,123	21,748	-	68,219
Sindh sales tax on trustee remuneration	9.2	2,957	2,877	3,143	-	8,977	3,035	3,007	2,827	-	8,869
CDS charges		148	1,036	435	-	1,619	500	500	-	-	1,000
Sindh sales tax on CDS charges		21	-	-	-	21	65	65	-	-	130
		<u>25,866</u>	<u>26,032</u>	<u>27,755</u>	<u>-</u>	<u>79,653</u>	<u>26,948</u>	<u>26,695</u>	<u>24,575</u>	<u>-</u>	<u>78,218</u>

9.1 CDC being the trustee of the Fund is entitled to a monthly remuneration for services rendered to the Sub-Funds under the provisions of the Trust Deed as per the tariff specified therein which is charged in proportion to the daily net assets of the pertinent Sub-Fund. The remuneration is paid to the trustee monthly in arrears.

9.2 During the period, Sindh sales tax on Trustee remuneration has been charged at 13% (June 30, 2018: 13%).

10 ACCRUED AND OTHER LIABILITIES

	Note	December 31, 2018 (Un-audited)					June 30, 2018 (Audited)				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
		(Rupees)					(Rupees)				
Withholding tax payable		6,908	1,431	7,216	-	15,555	505	246	201	-	952
Provision against Sindh Workers' Welfare Fund	10.1	-	36,154	39,126	-	75,280	-	21,690	24,662	-	46,352
Auditors' remuneration		20,978	17,281	32,768	-	71,027	53,635	52,338	56,027	-	162,000
Printing charges payable		9,245	9,175	10,592	-	29,012	-	-	-	-	-
NCCPL charges payable		529	-	-	-	529	-	-	-	-	-
Brokerage payable		553	-	1,500	-	2,053	-	-	1,326	-	1,326
Sindh sales tax on brokerage		65	-	-	-	65	-	-	173	-	173
Charity / donation payable	10.2	18,698	-	-	-	18,698	18,698	-	-	-	18,698
		<u>56,976</u>	<u>64,041</u>	<u>91,202</u>	<u>-</u>	<u>211,690</u>	<u>72,838</u>	<u>74,274</u>	<u>82,389</u>	<u>-</u>	<u>229,501</u>

10.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/mutual funds, MUFAP recommended that as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund, the net asset value of the Fund as at December 31, 2018 would have been higher by Re 0.11 per unit (June 30, 2018: Re 0.06 per unit) and Re 0.09 per unit (June 30, 2018: Re 0.08 per unit) for Debt Sub-Fund and Money Market Sub-Fund respectively.

- 10.2 According to the instructions of the Shariah Advisor of the Fund, any income earned by the Fund from investments / portion of investments made in non shariah compliant avenues, should be donated for charitable purposes directly by the Fund.

Half year ended December 31, 2018 (Un-Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
11 NUMBER OF UNITS IN ISSUE	(Number of units in issue)			
Total units in issue at the beginning of the period	467,081	386,091	311,011	1,164,183
Add: Issuance of units during the period				
- Directly by participants	73,693	11,162	116,376	201,231
Less: Units redeemed during the period				
- Directly by participants	(87,269)	(61,553)	(3,369)	(152,191)
Total units in issue at the end of the period	<u>453,505</u>	<u>335,700</u>	<u>424,018</u>	<u>1,213,223</u>

Half year ended December 31, 2018 (Un-Audited)						
12 CONTRIBUTION TABLE	Equity Sub-Fund		Debt Sub-Fund		Money market Sub-Fund	
	Units	Rupees	Units	Rupees	Units	Rupees
Individuals	6,768	574,323	2,010	208,847	112,162	11,895,697
Employers	11,920	1,009,926	3,146	326,451	4,214	441,147
Transfer from other Pension Fund	55,005	4,546,209	6,006	619,764	-	-
	<u>73,693</u>	<u>6,130,458</u>	<u>11,162</u>	<u>1,155,062</u>	<u>116,376</u>	<u>12,336,844</u>

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2018 and June 30, 2018.

14 PROFIT / MARK-UP INCOME	Half year ended December 31, 2018 (Un-Audited)				Quarter year ended December 31, 2018 (Un-Audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Profit / mark-up on:								
- Bank balances	61,651	642,039	767,243	1,470,933	39,099	338,037	513,893	891,029
- Government securities - GoP Ijarah Sukuk	-	554,317	457,244	1,011,561	-	268,140	217,835	485,975
	<u>61,651</u>	<u>1,196,356</u>	<u>1,224,487</u>	<u>2,482,494</u>	<u>39,099</u>	<u>606,177</u>	<u>731,728</u>	<u>1,377,004</u>

15 TAXATION

The income of the Fund is exempt from taxation under clause 57 (3) (viii) of the Part I of the Second Schedule to the Income Tax Ordinance, 2001.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A(i) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

16 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.

17 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 Beteiligungen Holding Limited, Bank Alfalah Limited and MAB Investment Incorporated being associated companies of Management Company, 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 Central Depository Company of Pakistan Limited (CDC) being the trustee of the Fund, and other associated companies and connected persons. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investment and distribution payments to connected persons. The transactions with connected person are in the normal course of business, at contracted rates and at terms determined in accordance with the market rates.

Remuneration to the Pension Fund Manager and the Trustee of the Fund is determined in accordance with the provisions of the VPS Rules and the Trust Deed.

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:

17.1 Details of transaction with related parties during the period are as follows:

	Half year ended December 31, 2018 (Un-Audited)					Half year ended December 31, 2017 (Un-Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	(Rupees)									
Alfalah GHP Investment Management Limited (Pension Fund Manager)										
Remuneration of the Pension Fund Manager	286,573	284,800	285,571	-	856,944	269,551	259,975	233,741	-	763,267
Sindh sales tax on remuneration of the Pension Fund Manager	37,254	37,024	37,124	-	111,402	35,042	33,797	30,386	-	99,225
Sales load	-	-	-	-	-	-	-	-	60	60
Central Depository Company of Pakistan Limited (Trustee)										
Remuneration of the Trustee	50,623	50,360	50,245	-	151,228	53,337	51,547	46,349	-	151,233
Sindh sales tax on remuneration of the Trustee	6,581	6,549	6,532	-	19,662	6,934	6,701	6,025	-	19,660
CDS charges	2,536	3,037	-	-	5,573	4,306	3,000	-	-	7,306
Sindh sales tax on CDS charges	332	317	-	-	649	560	390	-	-	950
Bank Alfalah Limited										
Profit on bank balances	21,674	70,798	133,512	-	225,984	41,926	68,260	67,949	-	178,135
Alfalah Securities (Private) Limited										
Brokerage expense	1,165	-	-	-	1,165	2,326	-	-	-	2,326
Sindh sales tax on brokerage	151	-	-	-	151	302	-	-	-	302
Key Management Personnel										
Contribution	921,066	56,706	5,676	-	983,448	6,804,187	1,422,948	428,536	-	8,655,671
Contribution (number of units)	11,117	546	54	-	11,717	72,772	14,006	4,222	-	91,000
Redemption	409,823	-	-	-	409,823	3,651,308	691,484	242,855	-	4,585,647
Contribution (number of units)	5,007	-	-	-	5,007	41,045	6,794	2,386	-	50,225

17.2

Details of balances with related parties as at the period / year end are as follows:

	December 31, 2018 (Un-Audited)					June 30, 2018 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund (Rupees)	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund (Rupees)	Others	Total
Alfalsh GHP Investment Management Limited (Pension Fund Manager)										
Pension Fund Manager remuneration	45,364	44,859	57,066	-	147,289	45,211	46,854	39,751	-	131,816
Sindh sales tax on remuneration of Pension Fund Manager	5,897	5,832	7,418	-	19,147	5,877	6,091	5,168	-	17,136
Sales load payable	-	-	-	-	-	-	-	-	150	20,000
Others payable	-	-	-	20,000	20,000	-	-	-	20,000	150
Investment at period end	22,580,520	31,622,520	31,748,130	-	85,951,170	25,251,570	30,983,850	31,193,070	-	87,428,490
Units held (number of units)	300,000	300,000	300,000	-	900,000	300,000	300,000	300,000	-	900,000
Central Depository Company of Pakistan Limited (Trustee)										
Trustee remuneration	22,740	22,119	24,177	-	69,036	23,348	23,123	21,748	-	68,219
Sindh sales tax on trustee remuneration	2,957	2,877	3,143	-	8,977	3,035	3,007	2,827	-	8,869
CDS charges	148	1,036	435	-	1,619	500	500	-	-	1,000
Sindh sales tax on CDS charges	21	-	-	-	21	65	65	-	-	130
Security deposit	100,000	100,000	-	-	200,000	100,000	100,000	-	-	200,000
Bank Alfalah Limited										
Bank balance	1,820,334	2,768,157	4,390,705	19,949	8,999,145	2,614,273	5,449,699	5,809,190	20,099	13,893,261
Profit receivable on bank balances	10,894	777	36,277	-	47,948	7,180	16,829	9,307	-	33,316
Key Management Personnel										
Investment at year end	2,629,502	242,123	41,802	-	2,913,427	4,257,239	919,807	351,970	-	5,529,016
Units held (number of units)	34,935	2,297	395	-	-	50,578	8,906	3,385	-	62,869
Participant having holding of more than 10%										
Investment at year end	-	-	-	-	-	6,048,525	6,049,434	-	-	12,097,959
Units held (number of units)	-	-	-	-	-	71,859	58,573	-	-	130,432

18 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradeable in an open market are revalued at market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

18.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

As at December 31, 2018, the Fund held the following financial instruments measured at fair value:

	As at December 31, 2018 (Un-Audited)				As at June 30, 2018 (Audited)			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	(Rupees)				(Rupees)			
Equity Sub-Fund								
Financial assets classified as 'at fair value through profit or loss'								
- Investments in Listed equity securities	30,973,768	-	-	30,973,768	34,937,941	-	-	34,937,941
Debt Sub-Fund								
Financial assets classified as 'at fair value through profit or loss'								
- Investments in GoP Ijara Sukuks	-	11,785,200	-	11,785,200	-	19,809,600	-	19,809,600
Money Market Sub-Fund								
Financial assets classified as 'at fair value through profit or loss'								
- Investment in GoP Ijara Sukuks	-	15,003,000	-	15,003,000	-	15,057,000	-	15,057,000

During the period ended December 31, 2018, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

19 CORRESPONDING FIGURES

Corresponding figures have been reclassified and rearranged, wherever necessary, for the purpose of comparison and better presentation. No significant rearrangements or reclassifications have been made in these condensed interim financial statements during the current period.

20 GENERAL

20.1 Figures are rounded off to the nearest Pakistani Rupee.

20.2 Figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2018 and December 31, 2017 have not been subject to limited scope review by the statutory auditors of the Fund.

21 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on **20 February 2019** by the Board of Directors of the Pension Fund Manager.

**For Alfalah GHP Investment Management Limited
(Pension Fund Manager)**

Chief Executive Officer

Chief Finance Officer

Director

Key Financial Data

Rs. In million

Description	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	Half year ended December 31, 2018		
Average Net Assets	37.89	37.64	37.80
Gross income	-3.77	1.13	1.17
Total Comprehensive Income	-4.23	0.66	0.71
Net Assets Value per Unit (PKR)	75.2684	105.4084	105.8271
Issuance of units during the period	6.13	1.15	12.18
Redemption of units during the period	-7.09	-6.35	-0.35

Key Financial Data

Description	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	Half year ended December 31, 2017		
Average Net Assets	33.18	34.63	31.13
Gross income	-5.56	0.71	0.78
Total Comprehensive Income	-6.04	0.28	0.40
Net Assets Value per Unit (PKR)	82.2807	102.5768	102.7317
Issuance of units during the period	8.25	2.39	0.76
Redemption of units during the period	-4.20	-1.18	-0.45

اظہار تشکر

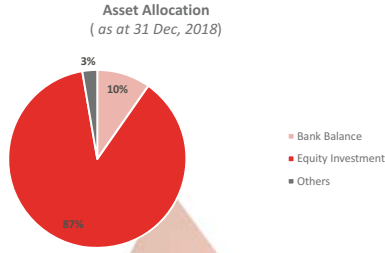
ڈائریکٹرز قابل قدر معاونت، مدد اور رہنمائی پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے شکرگزار ہیں۔ بورڈنگ اور محنت پر بیٹھنے والے کمپنی کے ملازمین اور سٹریٹنگ اور بیٹھنے والے میں اعتماد پر یونٹ ہولڈرز کا بھی شکریہ ادا کرتے ہیں۔

منجانب بورڈ

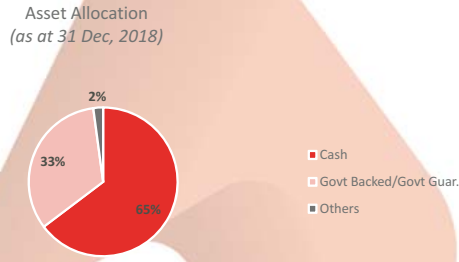
چیف ایگزیکٹو آفیسر

کراچی:

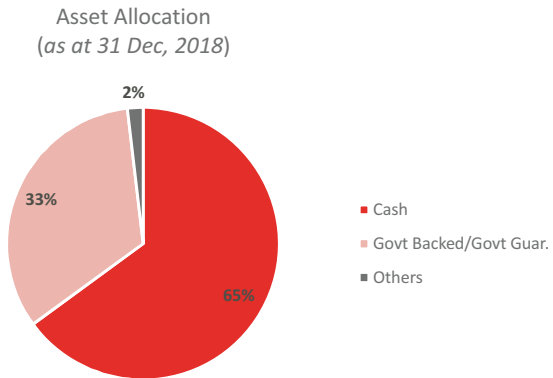
الفلاح GHP اسلامک پنشن فنڈ- ایکویٹی
 فنڈ نے آغاز سے 13.28- فیصد کارپوریشن کمایا۔



الفلاح GHP اسلامک پنشن فنڈ- ڈیپٹ
 فنڈ نے آغاز سے 2.68 فیصد کارپوریشن کمایا۔

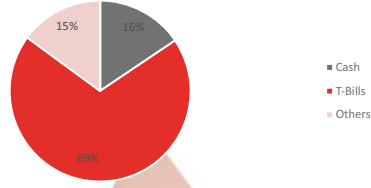


الفلاح GHP اسلامک پنشن فنڈ- منی مارکیٹ
 فنڈ نے آغاز سے 2.88 فیصد کارپوریشن کمایا۔



الفلاح GHP ٹیشن فنڈ - منی مارکیٹ
 فنڈ نے آغاز سے 4.13 فیصد کار بیٹن کمایا۔

Asset Allocation
 (as at 31 Dec 2018)



Key Financial Data

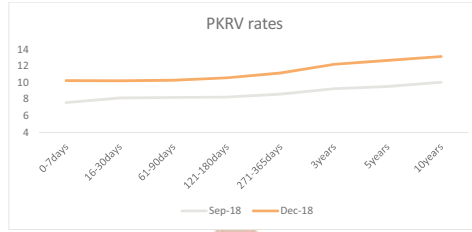
Description	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	Half year ended December 31, 2018		
Average Net Assets	41.50	45.07	38.22
Gross income	-4.67	1.77	1.48
Total Comprehensive Income	-5.17	1.23	1.02
Net Assets Value per Unit (PKR)	72.8237	108.3681	108.4110
Issuance of units during the period	6.99	10.37	13.14
Redemption of units during the period	-2.95	-1.36	-1.04

Key Financial Data

Description	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	Half year ended December 31, 2017		
Average Net Assets	36.14	37.52	35.12
Gross income	-5.28	1.09	0.99
Total Comprehensive Income	-5.76	0.64	0.58
Net Assets Value per Unit (PKR)	80.4881	103.6291	103.6914
Issuance of units during the period	14.49	5.84	5.01
Redemption of units during the period	-4.16	-1.03	-1.04

مٹی مارکیٹ کا جائزہ

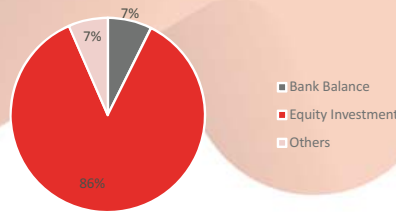
پیداوار واپس دو ہندسوں میں بڑھ گئی کیونکہ پالیسی شرح 425bps (6.25 فیصد سے 10.25 فیصد تک) تک زیادہ ہو گئی۔ شرحوں میں اضافہ پاکستانی روپیہ / امریکی ڈالر کی برابری میں



الفلاح GHP پنشن فنڈ - ایکویٹی

فنڈ نے آغاز سے 14.70 فیصد کارپیرن کمایا۔

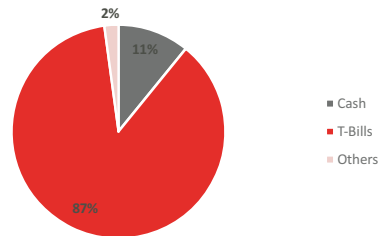
Asset Allocation
(as at Dec 31, 2018)



الفلاح GHP پنشن فنڈ - ڈیبٹ

فنڈ نے آغاز سے 4.11 فیصد کارپیرن کمایا۔

Asset Allocation
as at 31 Dec 2018



ڈائریکٹرز کی رپورٹ برائے 31 دسمبر 2018ء مختتمہ ششماہی

بورڈ آف ڈائریکٹرز کی جانب سے، میں 31 دسمبر 2018ء کو ختم ہونے والی ششماہی کے لئے الفلاح GHP پنشن فنڈ (AGPF)، اور الفلاح GHP اسلامک پنشن فنڈ (AGIPF) کے مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتا ہوں۔

معاشی جائزہ

اقتصادی حالات عام طلب کی کمی کے باعث بڑے پیمانے کی مینوفیکچرنگ میں قابل ذکر کمی کے ساتھ گزشتہ سہ ماہی سے خراب ہو رہے ہیں۔ نمونہ رفتار میں کمی اعلیٰ افراط زر اور روپیہ کی قدر میں کمی (CY17) مختتمہ کو 110.7 پاکستانی روپے / ڈالر کے مقابلے میں CY17 مختتمہ کو 138.9 پاکستانی روپے / ڈالر کے طور پر براہ راست دیکھی جاسکتی ہے، جن میں سے دونوں نے ختم ہونے والے سہ ماہی میں اکیلیا ایک جارحانہ 200 بی بی ایس اضافے کے مشاہدہ کے ساتھ بیلنڈ رسال کے دوران 425 بی بی ایس سو کی شرح بڑھادی ہے۔ ایس بی بی کی طرف سے مسلسل Hawkish پالیسی ایکشن کے اثرات بیرونی اکاؤنٹس میں بھی دیکھے جاسکتے ہیں کیونکہ برآمدات کو مستحکم کیا گیا ہے اور ان میں اضافہ کارخانہ بڑھ رہا ہے جبکہ درآمدات قابل ذکر کمی ہو رہی ہے۔ بین الاقوامی تیل کی قیمتوں نیکونز یومر درآمدات میں کمی کے ساتھ اس رجحان میں مدد کی ہے۔ اس اضافی ترسیلات زر کے ساتھ اس اشتراک کے نتیجے میں مالی سال 18 کی پہلی ششماہی کے مقابلے کرنٹ اکاؤنٹ خسارہ میں %4.43 تک مجموعی کمی ہوئی ہے۔ نئی حکومت نے نومبر 2018 میں آئی ایم ایف کے ساتھ نئی مذاکرات کا آغاز کیا۔ ایف ایس ذخائر پر عبوری دباؤ کا احاطہ کرنے کے لئے، دوستانہ ڈیزمما کو، ایس بی بی پی کے ساتھ پہلے ہی چند مالی امداد دینے اور کام کرنے والوں کو ٹیپ کیا گیا ہے۔ زیادہ ایس کے بحران کے کسی بھی فوری توازن پر قابو پانے میں مدد کرے گا، لیکن ملک کے ترقی کے فروغ کو یقینی بنانے کے لئے طویل مدتی قابل بھروسہ اصلاحاتی پروگرام کی اشد ضرورت ہوگی۔ آگے بڑھتے ہوئے، ہم امید کرتے ہیں کہ پاکستان - آئی ایم ایف مذاکرات جلد ہی ختم اور 2019 کے دوران پاکستان کے لئے امدادی پیکیج کی کچھ صورت کو جتنی کرے گا۔ اس پیکیج کے اندر لاگو شرائط کی نوعیت بڑی حد تک سٹے کرے گی کہ گہری اقتصادی نمونہ کی طرح کم ہوگی۔ اس کے باوجود، سخت مالی اور مانیٹری حالات CY19 کے دوران افراط زر اور نمونہ کو محدود کریں گے لیکن اس میں کچھ ضروری استحکام بھی فراہم کریں گے۔

ایکویٹی مارکیٹ کا جائزہ

CY18، کے اسی ای 1100 انڈیکس نے معیشت کی رفتار سے اور مانیٹری پالیسی کے سخت اور پورے سال میں ایسے حالات قائم رہنے کی طرف اشارہ کیا ہے۔ سال کے اختتام پر CY18 میں بیچ مارک انڈیکس کی %8.41 تک کمی، منفی کارکردگی کا مسلسل دوسرا سال درج کر رہی ہے۔ شعبہ واد آمدنی سائیکل میں نمایاں طور پر کم ہوئی جبکہ دفاعی اسٹاکس اقتصادی ہیڈ ونگ کے برعکس قدرتی بیچ کے باعث پسندیدہ رہا ہے۔ انڈیکس نے سال بھر میں بہت سے تسلسل دیکھے لیکن آئی ایم ایف پروگرام کی نمائندگی کی اور FY18 اور FY19 کے دوران کم آمدنی کے امکان کی وجہ سے کسی واضح سمت کو برقرار رکھے میں ناکام رہا ہے۔ CY18 میں اوسط یومیٹرن اور 5.8 فیصد کمی سے 96.6 ملین حصص کے ساتھ شرکت بھی کم تھی۔ اسٹاک مارکیٹ کے لئے وفاقی بجٹ FY19 زیادہ تر مثبت تھا۔ نئے اقدامات جنہوں نے مارکیٹ جذبات کو بہتر بنایا، میں کارپوریٹ ٹیکس میں 2023 تک 25 فیصد بندرتیج کی، اسٹاک بروکرڈ کمیشن پر ٹیکس کی تبدیلی، بونس حصص میں 5 فیصد ٹیکس کا خاتمہ اور پلانٹ اور مشینری میں سرمایہ کاری کے لئے ٹیکس رعایت کی آخری تاریخ میں توسیع شامل ہیں۔ نئی حکومت نے وسط ستمبر 2018 کے دوران مٹی بجٹ بھی متعارف کرایا جس میں مالیاتی خسارہ میں بہتری کی طرف اشارہ کیا گیا۔ آگے بڑھتے ہوئے، آمدنی کے سائیکل میں بحالی ان شعبوں جنہیں اعلیٰ شرح سود / کمزور کرنسی ماحول سے فائدہ حاصل ہو، کی خاص طور پر مارکیٹ کارکردگی کو بڑھانے میں مدد ملے گی۔ مالی معاوضت کے پروگراموں کے بارے میں مذاکرات پر مواد کی ترقی بہتر جذبات میں بھی اضافہ ہوگی۔

