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FUND'S INFORMATION

Management Company:	Alfalah GHP Investment Management Limited 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
Board of Directors of the Management Company:	<ul style="list-style-type: none">- Ms. Maheen Rahman- Syed Ali Sultan- Mr. Michael Hermann- Mr. Hanspeter Beier- Mr. Amin Dawood Saleh- Mr. Muhammad Asif Saad- Mr. Abid Naqvi
Head of Finance:	- Syed Hyder Raza Zaidi
Chief Operating Officer & Company Secretary:	- Noman Ahmed Soomro
Audit Committee:	<ul style="list-style-type: none">- Syed Ali Sultan- Mr. Abid Naqvi- Mr. Amin Dawood Saleh
HR Committee:	<ul style="list-style-type: none">- Syed Ali Sultan- Mr. Michael Hermann- Ms. Maheen Rahman
Trustee:	MCB Financial Services Limited 3rd Floor, Adamjee House, I.I. Chundrigarh Road, Karachi.
Fund Manager:	Mr. Kashif Kasim (Jr. Fund Manager)
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	Ernst & Young Ford Rhodes Sidat Hyder Chartered Accountants Progressive Plaza, Beaumont Road P.O.Box 15541, Karachi 75530 Pakistan
Legal Advisor:	Bawaney & Partners Room No. 404, 4th Floor Beaumont Plaza, 6-cl-10 Beaumont Road, Civil Lines Karachi.
Registrar:	Alfalah GHP Investment Management Limited 8-B, 8th Floor, Executive Tower, Dolmen City,Block-4, Clifton, Karachi.
Distributor:	Bank Alfalah Limited
Rating:	Stability Rating AA (f) by PACRA

MISSION STATEMENT

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

VISION STATEMENT

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

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

To our valued Unit Holders,

The Board of Directors of Alfalah GHP Investment Management Limited is pleased to present you the Annual Report of the Alfalah GHP Cash Fund for the year ended June 30, 2015.

FY15 Economic Review

Macroeconomic landscape improved drastically over FY15. As agreed with the IMF, Pakistan's reform program was prioritized as the government increased utility prices multiple times to combat circular debt and curtail resource subsidies. The government also successfully privatized (completely or partially) United Bank Limited, Habib Bank Limited, Allied Bank Limited and Pakistan Petroleum Limited - thereby elevating its foreign exchange reserves. Although the divestment of Oil & Gas Development Company fell through due to under-subscription, the government was able to offset this by an immensely successful conventional Eurobond issuance of USD 2.0 bn and Shariah compliant Eurobond issuance of USD 1.0 bn.

As a result of those well-timed privatization and Eurobond issuances, the federal government was able to increase foreign exchange reserves from USD 14.1bn to USD 18.2bn. The rise in reserves was also helped by a 63% drop in Arab light crude oil price (from a high of USD 112.98/bbl to low of USD 41.36/bbl), which had a trickledown effect on reserves via trade and current accounts. As a result of cheaper oil, total import bill fell by 1.5%, which in turn pushed trade deficit lower by 28%. Current account balance over 11MFY15 stood at USD 1.98bn as compared to USD 3.03bn in corresponding period last year - down by 34%. Better external accounts and rising foreign exchange reserves kept the currency in check as the PKR lost only 3% against the greenback over FY15 as opposed to historical depreciation of 5%.

Headline inflation clocked in at a decade low of 2.11% in Apr'15, and averaged 4.56% for the entire year. In addition to a high base effect, disinflation was primarily led by a fall in food and commodity prices. Curtailed inflation allowed the central bank to reduce the key policy rate by 300bps over FY15.

As a result of improvement of macroeconomic indicators, Moody's rating agency upgraded Pakistan's sovereign credit rating from Caa1 to B3 during the year. With the government focused aggressively on privatization, infrastructure spending, fiscal consolidation and its energy reform agenda, further macroeconomic improvement can be expected over FY16.

Equity Market:

The benchmark index gained 16% in FY15 (13% in USD terms) compared to 42% in FY14. Although multiple sectors posted substantial price appreciation, the overall index could not keep up pace because of the sluggish performance put up by the index heavy-weight Oil & Gas and Banking sector.

Volumes of the KSE-100 index remained largely flat at 140.0mn per day over FY15. However, the value traded improved by a decent 26% to USD 90mn per day. Trading activity was more diversified this time around as substantial price appreciation was witnessed in second-tier and third-tier stocks. During the year, the KSE-All Share Index appreciated by 9%, while the KSE-100 index appreciated by 16%.

In terms of net investment at the bourse, mutual funds took the lead with net buying of USD 122.0mn, while Banks/DFIs were the biggest net sellers at USD138.0mn. Foreigners invested a net amount of mere USD 39.0mn over FY15, compared to net inflow of USD 262.0mn in FY14 and USD 553.0mn in FY13.

Sector wise analysis reveals that automobile manufacturers, cement players and electricity producers enjoyed the most success among heavy-weight sectors. The automobile sector appreciated by 94% due to margin growth and rise in sales.

The cement sector observed 47% appreciation on the bourse on account of 3.5% rise in cement dispatches and prospects of higher construction spending in the coming years. The electricity sector appreciated by 63% on account of attractive dividend yields in the midst of falling interest rate scenario. Other sectors that posted handsome returns include Chemicals (+41%), Food Producers (+14%), Pharmaceutical & Biotech (+31%), General Industrials (+34%) and Engineering (+75%). On the other hand, Oil & Gas sector lost 25% in value terms owing to fall in crude oil prices, while commercial banks lost 6% of value owing to falling net interest margins.

Despite rise in capital gain tax in budget FY16, the equity market is expected to remain upbeat on account of improving broader macroeconomic picture, successful negotiations with bilateral and multilateral partners and improving perception among foreign investors, healthy corporate earnings, higher aggregate demand and better business climate. Possible inclusion of Pakistan in MSCI Emerging Market Index and upgrade to B3 category by Moody's rating agency shall also highlight and elevate the bourse on the international platform over FY16. Most of the ingredients for a buoyant market remain in place with discount rate and inflation at a decade low and external account outlook stable. As alternate fixed income returns continue to drop, we see interest shifting towards equities.

Money Market:

On account of record low inflation that touched a low of 2.11%, and averaged 4.56% for the year, the central bank reduced the discount rate by 300bps over four monetary policies. With inflation under control, the SBP aimed at boosting aggregate demand and demand for loanable funds. This easing cycle brought down bond yields by 430bps (3Y), 371bps (5Y) and 306bps (10Y). Yields, however, were quick to rebound marginally in Jun'15 on account of profit-taking, deposit mobilization by banks and prevalence of illiquidity.

The year was particularly generous to bond fund managers who maintained high duration PIB exposures. Yields slipped substantially on these longer-tenor instruments, generating multi-year high returns. The government increased its borrowing horizon considerably and funded the fiscal gap via longer-tenor PIBs as opposed to T-bills.

Barring unforeseen circumstances, we expect the market to remain range bound over the next six months as interest rates are largely expected to stay flat over this period. The easing cycle appears to have bottomed out and it remains to be seen when exactly a reversal will kick in.

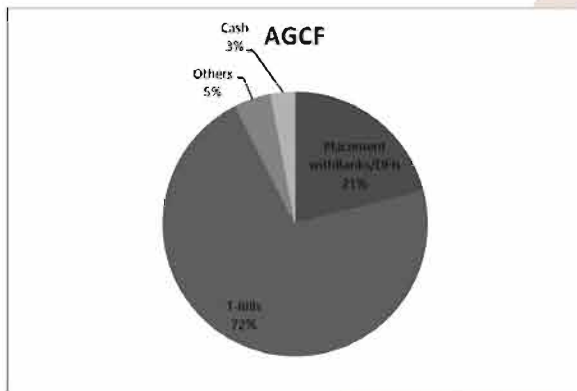
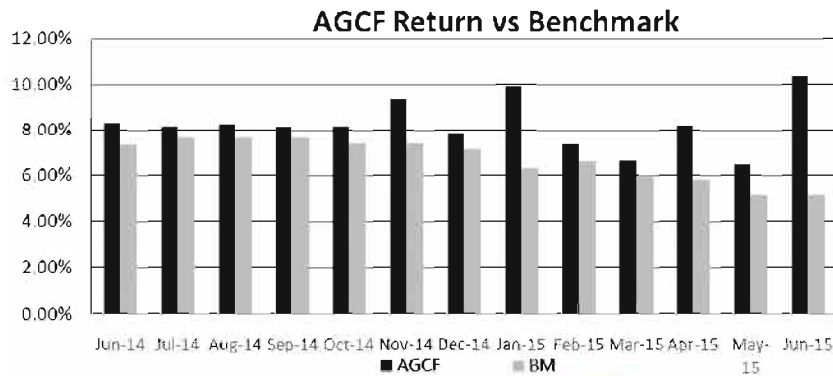
Overall outlook

Political stability and a faster pace of economic reform will be key elements of the government's strategy to revive GDP growth over FY16. Significant issues remain unresolved and to a certain level unaddressed - in particular structural issues within the power sector, pace of tax collection and a general reluctance to widen the tax net will all filter into weaker economic growth and a miss in key budgetary targets. Positive developments on the external front need to be matched with stronger revenue generation on the internal side so that the economy may re-rate to an overall better level of growth.

FUND PERFORMANCE AND REVIEW**Alfalah GHP Cash Fund: Fund Operations and Performance**

For the year ended June 30, 2015 the fund posted a return of 8.58%. During the same period the benchmark return (avg. 3M deposits rates of 3 "AA" rated banks) was 6.67%. AGCF was focused on maintaining high duration in order to gain maximum benefit from easing of monetary cycle. Majority of net assets were invested in treasury bills at attractive rates. Along with T-bill exposure, the fund also allocated investments to high yielding TDRs and LOPs with financial institutions having high credit ratings.

The fund's credit rating stood at "AA" by PACRA. The fund size on June 30th 2015 stood at PKR 1.047 bn compared to PKR 2.108 bn on June 30th 2014.



Key Financial Data

(Rupees in Million)

Description	For the year ended June 30 ,2015	For the year ended June 30 ,2014
Net Assets	1,046.533	2,108.431
Gross Income	227.390	258.284
Total Comprehensive Income	84.415	210.752
Net Assets Value per Unit (Rs.)	500.96	502.66
Issuance of units during the period	9,290.685	2,290.525
Redemption of units during the period	10,451.917	3,185.025

Payout

At the end of the year under review, the fund paid out cash dividend of Rs.44.80 per unit

Future Outlook

Going forward, the Fund shall maintain higher duration to benefit from any easing in the liquidity condition or monetary cycle. Exposure shall also be taken in TDRs and LOPs in a timely manner at attractive rates to prop-up fund returns. The fund will continue to maintain low cash reserves, opting for short term T-Bills and high yielding placements to bolster the bottom line.

Corporate Governance

The Management Company is committed to maintain the highest standards of Corporate Governance. Accordingly, the Board of Directors states that:

- a) Financial Statement represents fairly the state of affairs of funds under management of Alfalah GHP Investment Management Limited, the results of their operations, cash flow and the changes in Unit-holders funds.
- b) Proper books of accounts have been maintained.
- c) Appropriate accounting policies have been consistently applied in preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- d) International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of the financial statements.
- e) The system of internal control is sound in design and has been effectively implemented and monitored.
- f) There are no significant doubts upon Funds under management of Alfalah GHP Investment Management Limited's ability to continue as a going concern.
- g) There has been no material departure from the best practices of corporate governance as detailed in the listing regulations.
- h) The summary of key financial data is given above in this Director Report.
- i) Details of meetings of the Board of Directors held and the attendance of each director for these meetings are given in note # (iv.) of supplementary non financial information of this annual report.
- j) The pattern of unit holding is given in note # (i.) of supplementary non financial information of this annual report.
- k) The number of units of the Fund held by the Chief Executive, directors, executives and their spouses as at June 30, 2015 as given in note # 19.1.
- l) Summary of units acquired/ redeemed during the year by the Chief Executive, director, executives and their spouses during the year ended June 30, 2015 is given in note # 19.1.

Board of Directors

Name of Director	Designation	Meetings Held	Meeting Attended	Leave Granted
Syed Ali Sultan	Chairman	6	5	67th BOD
Mr. Amln Dawood Saleh	Director	6	4	62nd & 67th BOD
Mr. Michael Buchen	Director	6	6	-
Mr .David Burlison	Director	-	-	-
Mr. Hanspeter Beier	Director	6	3	64th, 65th & 67th BOD
Ms. Maheen Rahman	Chief Executive Officer	6	6	-
Mr. Abid Naqvi	Director	6	6	-
Mr. Asif Saad *	Director	6	2	64th, 65th, 66th & 67th BOD

* Subsequent to the year end, Mr. Asif Saad resigned from the Board of Directors of the Company with effect from July 09, 2015

Change In Board Members during the period

Name	Designation	Appointed	Resigned
Mr. Michael Buchen	Director	Appointed	
Mr .David Burlison	Director	-	Resigned

The Board places on record their thanks and appreciation to outgoing Directors for their valuable contributions in the progress of the Company.

Audit Committee Meetings

Below are the detail of Audit Committee meetings held during the period and attendance of Audit Committee Members.

Member	Meetings Held	Meetings Attended
Mr. Abid Naqvi	4	4
Syed Ali Sultan	4	4
Mr. Amin Dawood Saleh	4	2

Acknowledgement

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

For and on behalf of the Board

August 24, 2015
Karachi.

Maheen Rahman
Chief Executive

REPORT OF THE FUND MANAGER

Type of Fund

Open-end Scheme

Category of Fund

Conventional Money Market Scheme

Investment Objective

The investment objective of Alfalah GHP Cash Fund (AGCF) is to provide regular stream of income at comparative rate of return while preserving capital to extent possible by investing in assets with low risk and high degree of liquidity from a portfolio constituted of mostly money market securities and placements.

Accomplishment of Objective

The Fund has strived to achieve its objective as it provided the unit holders a competitive return as compared to peer funds with minimum possible risk through investing in low duration money market instruments within the guidelines provided under NBFC rules.

Market Review

On account of record low inflation that touched as low as 2.11%, and averaged 4.56% for the year, the central bank reduced the discount rate by 300bps over four monetary policies. With inflation under control, the SBP aimed at boosting aggregate demand and demand for loanable funds. This easing cycle brought down bond yields by 430bps (3Y), 371bps (5Y) and 306bps (10Y). Yields, however, were quick to rebound marginally in Jun'15 on account of profit-taking, deposit mobilization by banks and prevalence of illiquidity.

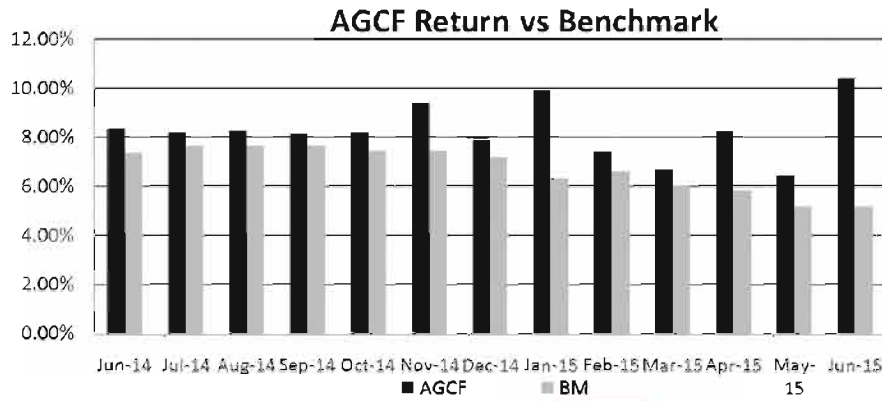
The year was particularly generous to bond fund managers who maintained high duration PIB exposures. Yields slipped substantially on these longer-tenor instruments, generating multi-year high returns. The government increased its borrowing horizon considerably and funded the fiscal gap via longer-tenor PIBs as opposed to T-bills. The SBP conducted 12 PIB auctions over FY15 and targeted PKR 750bn in borrowings. The bank mopped up a sizeable PKR 1,042bn against this target. Out of total acceptance, 45% was borrowed via 3Y PIB, 28% via 5Y PIB and remaining 21% via 10Y PIB.

Barring unforeseen circumstances, we expect the market to remain range bound over the next six months as interest rates are largely expected to stay flat over this period. The easing cycle appears to have bottomed out and it remains to be seen when exactly a reversal will kick in.

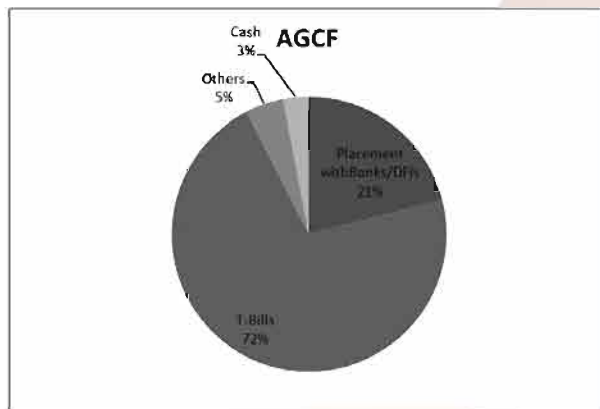
Fund Performance

For the year ended June 30, 2015 the fund posted a return of 8.58%. During the same period the benchmark return (avg. 3M deposits rates of 3 "AA" rated banks) was 6.67%. AGCF was focused on maintaining high duration in order to gain maximum benefit from easing of monetary cycle. Majority of net assets were invested in treasury bills at attractive rates. Along with T-bill exposure, the fund also allocated investments to high yielding TDRs and LOPs with financial institutions having high credit ratings.

The fund's credit rating stood at "AA" by PACRA. The fund size on June 30th 2015 stood at PKR 1.047 bn compared to PKR 2.108 bn on June 30th 2014.



Assets Allocation/Portfolio quality



Credit Quality (as % of Total Assets)

Govt. Guar.	71.50%	A	0.00%
AAA	0.00%	A-	0.00%
AA+	21.02%	BBB+	0.00%
AA	2.99%	BBB	0.00%
AA-	0.00%	Below IG	0.00%
A+	0.00%	NR/UR	4.48%

Future Outlook

Going forward, the Fund shall maintain higher duration to benefit from any easing in the liquidity condition or monetary cycle. Exposure shall also be taken in TDRs and LOPs in a timely manner at attractive rates to prop-up fund returns. The fund will continue to maintain low cash reserves, opting for short term T-Bills and high yielding placements to bolster the bottom line.

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(Rupees in Million)

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Redemption of units during the period	10,451.917	3,185.025

Payout

At the end of the year under review, the fund paid out cash dividend of Rs.44.80 per unit

Fund Manager

**REPORT OF THE TRUSTEE TO THE UNIT HOLDERS****ALFALSH GHP CASH FUND**

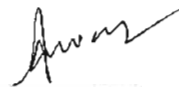
Report of the Trustee Pursuant to Regulation 41(b) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

Alfalsh GHP Cash Fund, an open-end Scheme established under a Trust Deed dated October 23, 2009 executed between Alfalsh GHP Investment Management Limited, as the Management Company and Central Depository Company of Pakistan Limited (CDC), as the Trustee. The Scheme was authorized by Securities and Exchange Commission of Pakistan (Commission) on October 07, 2009.

CDC retired as the Trustee of the Fund and MCB Financial Services Limited (MCBFSL) was appointed as the new trustee with effect from June 21, 2012.

1. Alfalsh GHP Investment Management Limited, the Management Company of Alfalsh GHP Cash Fund has in all material respects managed Alfalsh GHP Cash Fund during the year ended 30th June 2015 in accordance with the provisions of the following:

- (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws.
- (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement.
- (iii) the creation and cancellation of units are carried out in accordance with the deed.
- (iv) and any regulatory requirement



Khawaja Anwar Hussain
Chief Executive Officer
MCB Financial Services Limited

Karachi: September 16, 2015

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED JUNE 30, 2015

This statement is being presented to comply with the Code of Corporate Governance (the "Code") contained in Regulation No.5.19.23 of the Rule Book of the Karachi Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of Corporate Governance.

The Management Company has applied the principles contained in the CCG in the following manner:

1. The Management Company encourages representation of independent, executive and non-executive directors. At June 30, 2015 the Board includes:

Category	Names
Executive Director	Ms. Maheen Rahman (deemed director u/s 200 of Companies Ordinance, 1984)
Independent Directors	Mr. Abid Naqvi Mr. Asif Saad
Non-Executive Directors	Mr. Syed Ali Sultan Mr. Michael Buchen Mr. Hanspeter Beier Mr. Amln Dawood Saleh

The Independent Director meets the criteria of independence under clause 5.19.1. (b) of the CCG.

2. The Directors have confirmed that none of them is serving as a director on more than seven listed companies, including the Management Company (excluding the listed subsidiaries of listed holding companies).
3. All the resident Directors of the Management Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. During the year, one casual vacancy occurred on the Board which was filled within a period of 90 days.
5. The Management Company has prepared a 'Code of Conduct' and has ensured that appropriate steps have been taken to disseminate it throughout the Management Company along with its supporting policies and procedures.
6. The Board has developed a vision/misssion statement, overall corporate strategy and significant policies of the Management Company. A complete record of particulars of significant policies along with the dates on which these were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive Officer (CEO), Company Secretary, other executive and non-executive directors have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before such meetings. The minutes of the meetings were appropriately recorded and circulated.
9. Three directors have obtained certification under the 'Directors' training program' conducted by Institute of Corporate Governance. During the year two directors enrolled for Directors' training program and the certification was completed subsequent to the year end.

10. During the year, a new Company Secretary of the Management Company was appointed by the Board. The remuneration and terms and conditions of employment of the Company Secretary and any change thereto have been approved by the Board. No new appointment of the CFO and Head of Internal Audit was made during the year.
11. The Directors' Report of the Fund for the year ended June 30, 2015 has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The financial statements of the Fund were duly endorsed by the CEO, COO and Head of Finance of the Management Company before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the units of the Fund other than those disclosed in the Directors' Report, pattern of unit holding and notes to the financial statements.
14. The Management Company and Funds under its Management have complied with all the applicable corporate and financial reporting requirements of the Code.
15. The Board has formed an Audit Committee. It comprises of three members, all of whom are non-executive directors of the Management Company, including the Chairman of the Committee who is an independent director.
16. The meetings of the Audit Committee were held once in every quarter and prior to the approval of interim and final results of the Fund as required by the Code. The terms of reference of the Audit Committee have been approved in the meeting of the Board and the Committee has been advised to ensure compliance with those terms of reference.
17. The Board has formed Human Resource and Remuneration Committee. It comprises three members, of whom two are non-executive directors and the chairman of the Committee is a non-executive director.
18. The board has outsourced the internal audit function to M. Yousuf Adil Saleem & Co., Chartered Accountants (a member firm of Deloitte Touché Tohmatsu International), who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Management Company.
19. The statutory auditors of the Fund have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan (ICAP), that they or any of the partner of the firm, their spouse and minor children do not hold units of the Fund and that the firm and all its partners are in compliance with the International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by ICAP.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially affect the net assets value of the Fund, was determined and intimated to directors, employees and stock exchanges.
22. Material/price sensitive information has been disseminated among all market participants at once through the Exchanges.
23. We confirm that all other material principles contained in the Code have been complied with, except the requirement to put in place a mechanism for undertaking annual evaluation of the performance of the Board.

For and on behalf of the Board

Karachi, _____

Maheen Rahman
Chief Executive Officer



Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75420
Pakistan

Tel: +9221 3565 0007-11
Fax: +9221 3568 1965
eyfrsh.kh@pk.ey.com
ey.com/pk

REVIEW REPORT TO THE UNIT HOLDERS ON THE STATEMENT OF COMPLIANCE WITH THE BEST PRACTICES OF THE CODE OF CORPORATE GOVERNANCE

We have reviewed the enclosed Statement of Compliance with the best practices (the Statement) contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors (the Board) of Alfalsh GHP Investment Management Limited (the Management Company) of Alfalsh GHP Cash Fund (the Fund) for the year ended 30 June 2015 to comply with the requirements of Regulation No. 5.19.23 of Rule Book of Karachi Stock Exchange Limited where the Fund is listed.

The responsibility for compliance with the Code is that of the Board of the Management Company of the Fund. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement reflects the status of the Management Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Management Company to comply with the Code.

As part of our audit of financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board's statement on internal control covers all risks and controls, or to form an opinion on the effectiveness of such internal controls, the Management Company's corporate governance procedures and risks.

The Code requires the Management Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board for their review and approval the Fund's related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement does not appropriately reflect the Management Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Fund for the year ended 30 June 2015.

Further, we highlight below instances of non-compliance with the requirements of the Code as reflected in the paragraph references where these are stated in the Statement:

Paragraph Reference	Description
9	Two directors enrolled in a directors' training program during the year and the certification was completed subsequent to the year end.
23	The Board has yet to finalise and implement a mechanism for annual evaluation of the Board's performance.

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Karachi
Date: 24 August 2015

A Member Firm of Ernst & Young Global Limited

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **Alfalah GHP Cash Fund (the Fund)**, which comprise the statement of assets and liabilities as at **30 June 2015** and the related statements of income, comprehensive income, distribution, cash flows and movement in unit holders' fund for the period then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

The Management Company of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with the requirements of approved accounting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards as applicable in Pakistan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Fund's affairs as at **30 June 2015** and of its financial performance, cash flows and transactions for the period then ended in accordance with approved accounting standards as applicable in Pakistan.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Chartered Accountants

Audit Engagement Partner: Shabbir Yunus

August 24, 2015
Karachi

**STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2015**

	<i>Note</i>	June 30, 2015	June 30, 2014
		———— (Rupees) ————	
Assets			
Bank balances	4	85,151,305	2,872,515
Investments	5	1,149,427,061	2,131,946,778
Mark-up receivable on deposit accounts with banks		1,957,789	664,009
Prepayments	6	294,393	507,694
Preliminary expenses and floatation costs	7	-	443,125
Total assets		1,236,830,548	2,136,434,121
Liabilities			
Payable to the Management Company	8	12,314,858	7,409,958
Payable to the Trustee	9	165,032	156,929
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)	10	1,799,590	2,048,464
Provision for Workers' Welfare Fund (WWF)	11	17,794,505	16,071,753
Distribution payable		48,715,600	-
Redemption payable		108,657,022	1,824,551
Accrued and other liabilities	12	851,012	491,652
Total liabilities		190,297,619	28,003,307
Net assets attributable to unit holders		1,046,532,929	2,108,430,814
Unit holders' fund (as per the statement attached)		1,046,532,929	2,108,430,814
Contingencies and commitments	13	———— (Number of units) ————	
Number of units in issue		2,089,041	4,194,560
		———— (Rupees) ————	
Net asset value per unit		500.96	502.66

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive Officer

Director

**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015**

	<i>Note</i>	June 30, 2015 —— (Rupees) ——	June 30, 2014 ——
Income			
Finance Income	14	211,957,033	249,489,883
Profit on deposit accounts with banks		10,978,884	8,596,411
At fair value through profit or loss - held-for-trading			
- Net gain / (loss) on sale of investments		4,369,661	(86,453)
- Net unrealised appreciation in the value of investments	5.2	84,508	283,903
Total Income		227,390,086	258,283,744
Expenses			
Remuneration of the Management Company		23,994,538	27,312,750
Sales tax on management fee		4,172,328	5,069,250
Federal excise duty on management fee	15	3,841,837	4,370,047
Remuneration of the Trustee		2,015,757	2,238,766
Annual fee of SECP		1,799,590	2,048,464
Amortisation of preliminary expenses and floatation costs		443,125	636,895
Bank and settlement charges		51,485	73,909
Legal and professional charges		598,557	28,425
Auditors' remuneration	16	612,388	480,000
Brokerage expense		213,716	203,042
Provision for Workers' Welfare Fund	11	1,722,752	4,301,057
Fees and subscriptions		446,074	296,082
Printing and related cost		191,226	154,631
Total expenses		40,103,373	47,213,318
Net Income from operating activities		187,286,713	211,070,426
Element of loss and capital losses Included in prices of units sold less those in units redeemed - net		(102,871,863)	(318,658)
Net Income for the year before taxation		84,414,851	210,751,768
Taxation	17	-	-
Net Income for the year after taxation		84,414,851	210,751,768

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive Officer

Director

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015**

	June 30, 2015	June 30, 2014
	—— (Rupees) ——	
Net Income for the year	84,414,851	210,751,768
Other comprehensive Income for the year	-	-
Total comprehensive Income for the year	<u>84,414,851</u>	<u>210,751,768</u>

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive Officer

Director

**DISTRIBUTION STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	June 30, 2015 ----- (Rupees) -----	June 30, 2014
Undistributed Income brought forward:			
- Realised gains		10,723,192	441,948
- Unrealised gains		283,903	1,413,896
		11,007,095	1,855,844
Total comprehensive income for the year		84,414,851	210,751,768
Interim distribution for the year ended June 30, 2015:			
- Cash distribution of Rs.44.80 per unit (2014: Rs.36.68 per unit) approved on June 26, 2015	17 17	(87,952,646)	(96,081,958)
- Issue of Nil bonus units (2014: 209,989 units)		-	(105,518,559)
		(3,537,795)	9,151,251
Undistributed Income carried forward		7,469,300	11,007,095
Undistributed income carried forward at end of the year			
- Realised gains		7,384,791	10,723,192
- Unrealised gains		84,508	283,903
		7,469,299	11,007,095

The annexed notes 1 to 24 form an Integral part of these financial statements.

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

Chief Executive Officer

Director

**STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE YEAR ENDED 30 JUNE 2015**

	June 30, 2015	June 30, 2014
	—— (Rupees) ——	
Net assets at the beginning of the year	2,108,430,814	2,887,941,760
Issue of 17,494,779 units (2014: 4,708,276 units)	9,290,684,749	2,290,525,423
Redemption of 19,600,298 units (2014: 6,495,866 units)	(10,451,916,701)	(3,185,024,837)
	(1,161,231,952)	(894,499,414)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed - transferred to the Income Statement	102,871,863	318,658
Interim bonus distribution of NIL units for the year ended 30 June 2015 (2014: 209,989 units)	-	105,518,559
Capital (loss) / gain on sale of investments	4,369,661	(86,453)
Unrealised appreciation in the value of investments - 'at fair value through profit or loss'	84,508	283,903
Other net Income for the year	79,960,682	210,554,318
Interim distribution for the year ended 30 June 2015:		
- Cash distribution of Rs. 44.80 per unit (2014: Rs. 36.68 per unit)	(87,952,646)	(96,081,958)
- Issue of bonus units NIL (2014: 209,989 units)	-	(105,518,559)
Net loss for the year less distribution	(3,537,795)	9,151,251
Net assets at the end of the year	1,046,532,929	2,108,430,814
Net asset value per unit at the beginning of the year	502.66	500.32
Net asset value per unit at the end of the year	500.96	502.66

The annexed notes 1 to 24 form an integral part of these financial statements.

**Alfalsh GHP Investment Management Limited
(Management Company)**

Chief Executive Officer

Director

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015**

	Note	June 30, 2015 ----- (Rupees) -----	June 30, 2014 -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Income for the year before taxation		84,414,851	210,751,768
Adjustments for:			
Net (gain) / loss on sale of Investments classified as 'at fair value through profit or loss - held-for-trading		(4,369,661)	86,453
Net unrealised appreciation in fair value of Investments classified as 'at fair value through profit or loss - held-for-trading		(84,508)	(283,903)
Profit on deposit accounts with banks		(10,978,884)	(8,596,411)
Amortisation of preliminary expenses and floatation costs		443,125	636,895
Profit from market treasury bills		(4,816,212)	(24,402,341)
Income from placements		(21,946,828)	(13,478,339)
Provision for Workers' Welfare Fund		1,722,752	4,301,057
Element of loss and capital losses included in prices of units sold less those in units redeemed - net		<u>102,871,863</u>	<u>318,658</u>
		147,256,497	169,333,837
Decrease in assets			
Investments		<u>1,050,982,475</u>	<u>49,847,632</u>
Prepayments		<u>213,301</u>	<u>(386,694)</u>
		1,051,195,776	49,460,938
Increase in liabilities			
Payable to the Management Company		<u>4,904,900</u>	<u>4,459,488</u>
Payable to the Trustee		<u>8,103</u>	<u>(31,577)</u>
Annual fee payable to SECP		<u>(248,874)</u>	<u>(166,598)</u>
Redemption payable		<u>106,832,471</u>	<u>-</u>
Accrued and other liabilities		<u>359,360</u>	<u>2,023</u>
		111,855,960	4,263,336
Profit received during the year		<u>37,530,880</u>	<u>51,417,752</u>
Net cash generated from operating activities		<u>1,347,839,113</u>	<u>274,475,863</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received on issue of units		<u>9,290,684,749</u>	<u>2,290,525,423</u>
Payment against redemption of units		<u>(10,451,916,701)</u>	<u>(3,184,953,475)</u>
Cash dividend paid		<u>(39,237,046)</u>	<u>(108,226,477)</u>
Net cash flows used in financing activities		<u>(1,200,468,998)</u>	<u>(1,002,654,529)</u>
Net increase / (decrease) in cash and cash equivalents during the year		<u>147,370,115</u>	<u>(728,178,666)</u>
Cash and cash equivalents at beginning of the year		<u>202,872,515</u>	<u>931,051,181</u>
Cash and cash equivalents at end of the year	19	<u>350,242,630</u>	<u>202,872,515</u>

The annexed notes 1 to 24 form an integral part of these financial statements.

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

Chief Executive Officer

Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

1. LEGAL STATUS AND NATURE OF BUSINESS

Alfalah GHP Cash Fund (the Fund) is an open-end collective investment scheme established through a Trust Deed under the Trust Act, 1882, executed between Alfalah GHP Investment Management Limited, (the Management Company) and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed was executed on October 23, 2009 and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) on October 07, 2009.

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

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

Alfalah GHP Cash Fund is listed on the Karachi Stock Exchange. The units of the Fund are offered to public on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund offers two types of units, Growth and Income. Growth Unit Holders are entitled to bonus units and Income Unit Holders are entitled to cash dividend at the time of distribution by Fund.

The Fund is an open end money market scheme. The primary investment objective of the Fund is to provide a regular stream of income at competitive rate of return while preserving capital to the extent possible by investing in assets with low risk and a high degree of liquidity from a portfolio constituted mostly money market securities and placements.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned asset management rating of 'AM2-' (outlook stable) to the Management Company in its rating report dated April 15, 2015 and AA(f) to the Fund in its credit rating report dated March 19, 2015.

The 'Title' to the assets of the Fund is held in the name of MCB Financial Services Limited as the trustee of the Fund.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, the requirements of the Trust Deed, the NBFC Rules, the Non Banking Finance Companies and Notified Entities Regulation, 2008 (the NBFC Regulations) and directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for investments held at 'fair value through profit or loss' category which are measured at fair value.

2.3 Functional and presentation currency

The financial statements are presented in pak rupees, which is the Fund's functional and presentation currency.

2.4 Accounting estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

Judgments made by management in the application of accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment are explained in notes 3.2 and 3.3 respectively.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as described in note 3.1.

3.1 New Standards, Interpretations and Amendments

The Fund has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year:

IAS 19 – Employee Benefits – (Amendment) - Defined Benefit Plans: Employee Contributions

IAS 32 – Financial Instruments : Presentation – (Amendment)

– Offsetting Financial Assets and Financial Liabilities

IAS 36 – Impairment of Assets – (Amendment)

– Recoverable Amount Disclosures for Non-Financial Assets

New Standards, Interpretations and Amendments

IAS 39 – Financial Instruments: Recognition and Measurement – (Amendment)

– Novation of Derivatives and Continuation of Hedge Accounting

IFRIC 21 – Levies

Improvements to Accounting Standards Issued by the IASB

IFRS 2 Share-based Payment – Definitions of vesting conditions

IFRS 3 Business Combinations – Accounting for contingent consideration in a business combination

– Scope exceptions for joint ventures

IFRS 8 Operating Segments – Aggregation of operating segments

– Reconciliation of the total of the reportable segments' assets to the entity's assets

IFRS 13 Fair Value Measurement - Scope of paragraph 52 (portfolio exception)

IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets – Revaluation method – proportionate restatement of accumulated depreciation / amortisation

IAS 24 Related Party Disclosures - Key management personnel

IAS 40 Investment Property - Interrelationship between IFRS 3 and IAS 40 (ancillary services)

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

3.2 Financial Instruments

The Fund classifies its financial instruments and derivatives in the following categories:

a) Financial Instruments at fair value through profit or loss

An instrument is classified 'at fair value through profit or loss' if it is 'held-for-trading' or is designated as such upon initial recognition. Financial Instruments are designated 'at fair value through profit or loss' if the Fund manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Fund's documented risk management or investment strategy. Financial assets which are acquired principally for the purpose of generating profit from short-term price fluctuation or are part of the portfolio in which there is recent actual pattern of short-term profit taking are classified as 'held-for-trading' or derivatives. Upon initial recognition attributable transaction costs are recognised in Income Statement when incurred. Financial instruments 'at fair value through profit or loss' are measured at fair value, and changes therein are recognised in the Income Statement.

All derivatives in a net receivable position (positive fair value), are reported as financial assets held-for-trading. All derivatives in a net payable position (negative fair value), are reported as financial liabilities 'held-for-trading'.

b) Available-for-sale

Investments intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in market prices, are classified as 'available-for-sale'.

c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those classified by the Fund as 'fair value through profit or loss' or 'available-for-sale'. This includes letter of placements, receivable against sale of investments and other receivables.

d) Financial liabilities

Financial liabilities, other than those at 'fair value through profit or loss', are measured at amortised cost using the effective yield method.

Recognition

The Fund recognises financial assets and financial liabilities on the date when it becomes a party to the contractual provisions of the instrument. A regular way purchase of financial assets is recognised using trade date accounting. From this date, any gains and losses arising from changes in fair value of the financial assets or financial liabilities are recorded.

Financial liabilities are not recognised unless one of the parties has performed its part of the contract or the contract is a derivative contract.

Measurement

Financial Instruments are measured initially at fair value (transaction price) plus, in case of a 'financial instrument not at 'fair value through profit or loss', transaction costs that are directly attributable to the acquisition or issue of the financial instrument. Transaction costs on financial instrument at 'fair value through profit or loss' are expensed out immediately.

Subsequent to initial recognition, financial instruments classified as 'at fair value through profit or loss' and available-for-sale' are measured at fair value. Gains or losses arising, from changes in the 'fair value of the financial assets 'at fair value through profit or loss' are recognised in the Income Statement. Changes in the fair value of financial instruments classified as 'available-for-sale' are recognised in Unit Holders' Fund until derecognised or impaired, then the accumulated fair value adjustments recognised in Unit Holders' Fund are included in the Income Statement. Unquoted securities are carried at investment price or break-up value whichever ever is lower, except for Government and debt securities which are stated at fair value.

Fair value measurement principles**Basis of valuation of Government securities**

Fair value of the investments in Federal Government securities comprising Treasury Bills is determined by reference to the quotations obtained from the PKRV rate sheet on the Reuters page.

3.3 Impairment

Impairment loss on investment is recognised in the Income Statement whenever the carrying amount of investment exceeds its recoverable amount. If in a subsequent period, the amount of an impairment loss recognised decreases the impairment is reversed through the Income Statement amount. Impairment losses are recognised in the Income Statement.

3.4 Derecognition

The Fund derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition in accordance with International Accounting Standard 39: Financial Instruments; Recognition and Measurement.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expired.

3.5 Unit holders' fund

Unit holders' fund representing the units issued by the Fund, is carried at the redemption amount representing the investors' right to a residual interest in the Fund's assets.

3.6 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that date. The offer price represents the net asset value per unit as of the close of the business day plus the allowable sales load and any provision for duties and charges, if applicable. The sales load is payable to investment facilitators, distributors and the Management Company.

Units redeemed are recorded at the redemption price, applicable to units for which the distributors receive redemption applications during business hours of that day. The redemption price represents the net asset value per unit as of the close of the business day less any back-end load, any duties, taxes, and charges on redemption, if applicable.

3.7 Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units redeemed

An equalisation account called the 'element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units repurchased' is created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption.

The Fund records the net element of accrued income / (loss) and realised capital gains / (losses) relating to units issued and redeemed during an accounting period in the Income Statement while the portion of the element of income / (loss) and capital gains / (losses) that relates to unrealised gains / (losses) held by the Fund is recorded in a separate reserve account and any amount remaining in this reserve account at the end of an accounting period (whether gain or loss) is included in the amount available for distribution to the unit holders.

The net "element of income / loss and capital gains / losses in prices of units issued less those in units redeemed" during an accounting period is reported to the income statement. The Element is arrived at by comparing the unit prices with opening Ex-NAV at the beginning of the year.

3.8 Provisions

A provision is recognised in the balance sheet when the Fund has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

3.9 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund and are being amortised over a period of five years commencing from 13 March 2010 as per the requirements set out in the Trust Deed of the Fund & NBFC Regulations 2008.

3.10 Net asset value per unit

The net asset value per unit as disclosed on the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

3.11 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.

3.12 Taxation

Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 provides exemption from tax to any income derived by a Mutual Fund, if not less than ninety percent of its accounting income of a year as reduced by capital gains whether realized or unrealized is distributed in cash among the unit holders.

3.13 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Statement of Assets and Liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously.

3.14 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the Income Statement.

3.15 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the Income Statement on the date at which the transaction takes place.
- Unrealised gains / (losses) arising on revaluation of securities classified as 'fair value through profit or loss' are included in the Income Statement in the year in which they arise.
- Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed is included in the Income Statement on the date of issue and redemption of units.
- Income on certificate of investments, placements and Government securities is recognised on a time proportionate basis using effective yield method.
- Dividend income is recognised when the right to receive the dividend is established.
- Profit on bank deposit is recognized on time proportionate basis taking into account effective yield.

3.16 Expenses

All expenses including management fee and trustee fee are recognised in the Income Statement on an accrual basis.

3.17 Cash and cash equivalents

Cash and cash equivalent comprises saving account, short-term deposits maintained with banks and other short-term highly liquid investments with original maturities of three months or less and that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

3.18 Dividend distribution and appropriations

Dividend distributions and appropriations are recorded in the period in which the distributions and appropriations are approved.

3.19 Standards, Interpretations and amendments to approved accounting standards that are not yet effective

The following revised standards, interpretations and amendments with respect to the approved accounting standards

as applicable in Pakistan would be effective from the dates mentioned below against the respective standards, interpretations and amendments:

Standard, interpretation or amendment	Effective date (accounting periods beginning on or after)
IFRS 10 – Consolidated Financial Statements	January 01, 2015
IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements – Investment Entities (Amendment)	January 01, 2015
IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements – Investment Entities: Applying the Consolidation Exception (Amendment)	January 01, 2016
IFRS 10 Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	January 01, 2016
IFRS 11 – Joint Arrangements	January 01, 2015
IFRS 11 Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment)	January 01, 2016
IFRS 12 – Disclosure of Interests in Other Entities	January 01, 2015
IFRS 13 – Fair Value Measurement	January 01, 2015
IAS 1 – Presentation of Financial Statements - Disclosure Initiative (Amendment)	January 01, 2016
IAS 16 Property, Plant and Equipment and IAS 38 intangible assets - Clarification of Acceptable Method of Depreciation and Amortization (Amendment)	January 01, 2016
IAS 16 Property, Plant and Equipment IAS 41 Agriculture - Agriculture: Bearer Plants (Amendment)	January 01, 2016
IAS 27 – Separate Financial Statements – Equity Method in Separate Financial Statements (Amendment)	January 01, 2016

The Fund expects that the adoption of the above amendments and interpretation of the standards will not affect the Fund's financial statements in the period of initial application.

In addition to the above standards and interpretations, amendments to various accounting standards have also been issued by the IASB. Such improvements are generally effective for accounting periods beginning on or after July 01, 2014. The Fund expects that such improvements to the standards will not have any impact on the Fund's financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard	Effective date (annual periods beginning on or after)
IFRS 9 – Financial Instruments: Classification and Measurement	January 01, 2018
IFRS 14 – Regulatory Deferral Accounts	January 01, 2016
IFRS 15 – Revenue from Contracts with Customers	January 01, 2018

	Note	June 30, 2015	June 30, 2014
		(Rupees)	
4. BANK BALANCES			
Deposit accounts	4.1	<u>85,151,305</u>	<u>2,872,515</u>
		<u>85,151,305</u>	<u>2,872,515</u>

4.1 These represent balances in deposit accounts maintained with various banks carrying mark-up at rates of 6% to 7% (2014: 6% to 9.25%) per annum.

5. INVESTMENTS

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

Market treasury bills	5.1	884,335,736	1,930,864,042
Held to maturity			
Letters of placement	5.3	-	201,082,736
Certificates of investment	5.4	<u>265,091,325</u>	-
		<u>1,149,427,061</u>	<u>2,131,946,778</u>

5.1 Market Treasury Bills - 'at fair value through profit or loss' - held-for-trading

	Note	As at July 01, 2014	Purchased during the year	Sold / matured during the year	As at 30 June 2015	Carrying amount as at 30 June 2015	Market value as at 30 June 2015	Unrealised gain / (loss) on revaluation	% of net assets on the basis of market value	% of total investment on the basis of market value
		(No. of certificates)				(Rupees)			(%)	
Treasury bills - having face value of Rs.100 each										
Treasury Bills - 3 months	5.1.1	14,500,000	64,640,000	74,490,000	4,650,000	462,240,818	462,230,016	(10,802)	21.30%	23.05%
Treasury Bills - 6 months	5.1.2	5,000,000	66,000,000	66,750,000	4,250,000	421,920,575	422,105,720	185,145	19.45%	21.05%
Treasury Bills - 12 months		-	10,250,000	10,250,000	-	-	-	-	-	-
		<u>19,500,000</u>	<u>130,640,000</u>	<u>141,240,000</u>	<u>8,900,000</u>	<u>884,161,393</u>	<u>884,335,736</u>	<u>174,343</u>	40.75%	44.10%

5.1.1 These represent treasury bills having face value of Rs.465 million (June 30, 2014: Rs.1,450 million) carrying purchase yield ranging from 5.23% to 14.76% (June 30, 2014: 9.85% to 9.99%) per annum. These treasury bills have maturity upto August 20, 2015 (June 30, 2014: September 18, 2014).

5.1.2 These represent treasury bills having face value of Rs.425 million (June 30, 2014: Rs.500 million) carrying purchase yield ranging from 6.64% to 8.33% (June 30, 2014: 8.88% to 9.89%) per annum. These treasury bills have maturity upto August 06, 2015 (June 30, 2014: September 04, 2014).

	June 30, 2015	June 30, 2014
	(Rupees)	
5.2 Net unrealized appreciation in the value of Investments classified as 'at fair value through profit or loss'		
Fair value of Investments	884,395,796	1,930,864,042
Cost of Investments	<u>(884,161,343)</u>	<u>(1,930,774,207)</u>
Net unrealised appreciation in the value of investments	174,343	89,835
Net unrealised appreciation in the value of Investments at the beginning of the year	<u>(89,835)</u>	194,068
Net unrealised appreciation in the value of investments at the end of the year	<u>84,508</u>	<u>283,903</u>

5.3 Letters of placement - held to maturity

Name of the Investee company	Rate of return per annum	Face Value				Carrying value as at June 30, 2015	Maturity	Rating	Face value as percentage of total investments	Face value as percentage of net assets
		As at July 01, 2014	Purchased during the year	Matured during the year	As at 30 June 2015					
(Rupees)										
Pak Brunei Investment Company Limited	10% to 10.4%	200,000,000	255,000,000	455,000,000	-	-	January 08, 2015	AA+ / A1+	-	-
Pak Oman Investment Company Limited	9.5% to 10.25%	-	840,000,000	840,000,000	-	-	January 07, 2015	AA+ / A1+	-	-
		<u>200,000,000</u>	<u>1,095,000,000</u>	<u>1,295,000,000</u>	<u>-</u>	<u>-</u>			-	-

5.4 Certificates of Investment - held to maturity

Name of the Investee company	Rate of return per annum	Face Value				Carrying value as at June 30, 2015	Maturity	Rating	Face value as percentage of total investments	Face value as percentage of net assets
		As at July 01, 2014	Purchased during the year	Matured during the year	As at 30 June 2015					
(Rupees)										
Pak Brunei Investment Company Limited	8.4% to 10.35%	-	380,000,000	250,000,000	130,000,000	132,638,065	July 09, 2015	AA+ / A1+	-	-
Pak Oman Investment Company Limited	8.32%	-	130,000,000	-	130,000,000	132,453,260	July 03, 2015	AA+ / A1+	-	-
		<u>-</u>	<u>510,000,000</u>	<u>250,000,000</u>	<u>260,000,000</u>	<u>265,091,325</u>			-	-

	June 30, 2015	June 30, 2014
	(Rupees)	
6. PREPAYMENTS		
Annual fee - PACRA	170,679	121,075
Professional fee	<u>123,714</u>	<u>386,619</u>
	<u>294,393</u>	<u>507,694</u>
7. PRELIMINARY EXPENSES AND FLOATATION COSTS		
Balance at the beginning of the year	443,125	1,080,020
Amortization during the year	7.1 <u>(443,125)</u>	<u>(636,895)</u>
Balance at the end of the year	<u>-</u>	<u>443,125</u>

- 7.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund and are being amortized over a period of five years commencing from March 13, 2010 as per the requirements set out in the Trust Deed of the Fund and NBFC Regulations 2008.

	Note	June 30, 2015	June 30, 2014
		(Rupees)	
8. PAYABLE TO THE MANAGEMENT COMPANY			
Remuneration payable	8.1	2,244,306	1,794,204
Sales tax payable on management fee		1,599,266	986,305
Federal excise duty on management fee		8,471,286	4,629,449
		<u>12,314,858</u>	<u>7,409,958</u>

- 8.1 Under the provisions of the NBFC Regulations 2008, the Management Company of the Fund is entitled to remuneration during the first five years of the Fund, of an amount not exceeding three percent of the average annual net assets of the Fund and thereafter of an amount equal to two percent of such assets of the Fund. The Management Company has charged remuneration at the rate of 1% (June 30, 2014: 1%) per annum for the current period.

9. PAYABLE TO THE TRUSTEE

Trustee fee	9.1	<u>165,032</u>	<u>156,929</u>
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Average net asset value

Tariff per annum

Up to Rs.1 billion
Over 1 billion

Rs.0.5 million or 0.12% p.a. of NAV whichever is higher.
Rs.1.2 million plus 0.06% p.a. of NAV exceeding Rs.1,000 million.

10. ANNUAL FEE PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

Under the provisions of NBFC Regulations 2008, an open ended asset allocation scheme is required to pay an annual fee to the SECP, an amount equal to 0.075% of the average annual net assets of the Fund.

11. PROVISION FOR WORKERS' WELFARE FUND (WWF)

The Finance Act, 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / mutual funds (CISs) whose income exceeds Rs.0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a constitutional petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs, which is pending adjudication.

In August 2011, the Lahore High Court (LHC) issued a judgment in response to a petition in similar case whereby the amendments introduced in WWF Ordinance through Finance Acts 2006 and 2008 have been declared unconstitutional and therefore struck down. In March 2013, the SHC larger bench issued a judgment in response to various petitions in similar cases whereby the amendments introduced in the WWF Ordinance through Finance Acts 2006 and 2008 respectively (Money Bills) have been declared constitutional and overruled a single-member Lahore High Court (LHC) bench judgment issued in August 2011.

Further, in May 2014, the Honourable Peshawar High Court (PHC) held that the impugned levy of contribution introduced in the WWF Ordinance through Finance Acts, 1996 and 2009 lacks the essential mandate to be introduced and passed through a Money Bill under the constitution and, hence, the amendments made through the Finance Acts are declared as 'Ultra Vires'.

As per the legal counsel handling the case, the constitutional petition filed by the CIS to challenge the WWF contribution has not been affected by SHC judgment.

In view of the uncertainty on the applicability of WWF to mutual funds, the Management Company as a matter of prudence, has decided to retain the provision for WWF amounting to Rs.17.795 million (June 30, 2014: Rs.16.072 million) up to June 30, 2015. Had the provision not been made, the NAV per unit would have been higher by Rs.8.52 (1.70%) per unit (June 30, 2014: Rs.5.53 (0.76%) per unit).

The Finance Act, 2015 has excluded Mutual Funds and Collective Investment Schemes from the definition of 'industrial establishment' subject to WWF under WWF Ordinance, 1971. Accordingly, no provision for WWF is made from July 01, 2015 onwards. However, provision made till June 30, 2015 has not been reversed as the above lawsuit is pending in the SHC.

	June 30, 2015	June 30, 2014
	----- (Rupees) -----	
12. ACCRUED AND OTHER LIABILITIES		
Auditors' remuneration	398,202	382,973
Withholding tax	286,120	17,783
Brokerage payable	32,300	20,896
Printing charges	134,390	-
Other payable	-	70,000
	<u>851,012</u>	<u>491,652</u>
13. CONTINGENCIES AND COMMITMENTS		
There are no contingencies and commitments as at June 30, 2015.		
14. FINANCE INCOME		
Interest Income on:		
Financial assets classified as 'at fair value through profit or loss' - held-for-trading		
- Market treasury bills	4,816,212	24,402,341
Held to maturity		
- Letters of placement	21,946,828	13,478,339
- Certificates of investment	185,193,993	211,609,203
	<u>211,957,033</u>	<u>249,489,883</u>
15. FEDERAL EXCISE DUTY ON MANAGEMENT FEE		

As per the requirements of the Finance Act 2013, Federal Excise Duty (FED) at the rate of 16% on the services of the Management Company has been applied effective June 13, 2013. The Management Company is of the view

that since the remuneration is already subject to provincial sales tax, further levy of FED results in double taxation, does not appear to be the spirit of the law. The matter has been collectively taken up by the Management Company jointly with other Asset Management Companies and Central Depository Company of Pakistan Limited on behalf of schemes through a constitutional petition filed in the Honourable Sindh High Court (SHC) during September 2013 which is pending adjudication. However, the SHC has issued a stay order against the recovery of FED. The Fund, as a matter of abundant caution, has charged FED and sales tax thereon in its financial statements with effect from June 13, 2013.

	June 30, 2015	June 30, 2014
	(Rupees)	
16. AUDITORS' REMUNERATION		
Audit fee	315,370	250,000
Review and other certifications	212,630	230,000
	528,000	480,000
Sales tax	26,400	-
Out of pocket expenses	57,988	-
	<u>612,388</u>	<u>480,000</u>

17. TAXATION

The income of the Fund is exempt from income tax under Clause (99) of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001 (Clause 99) subject to the condition that not less than 90 percent of the accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed in cash amongst the unit holders. The Management Company has distributed not less than 90 percent of its annual accounting income to avail the tax exemption. Accordingly, no provision for current and deferred tax has been made in these financial statements.

18. CASH AND CASH EQUIVALENTS

Balances with banks	85,151,305	2,872,515
Letters of placement	-	200,000,000
Certificates of Investment	265,091,325	-
	<u>350,242,630</u>	<u>202,872,515</u>

19. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Alfalah GHP Investment Management Limited being the Management Company, Funds under management of the Management Company, GHP Arbitrium AG, Bank Alfalah Limited, MAB Investment Incorporated being associated companies of Management Company, Alfalah Insurance Company Limited, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund, Alfalah GHP Investment Management Limited - Staff Provident Fund, directors and key management personnel of Alfalah GHP Investment Management Limited and MCB Financial Services Limited (MCBFSL) being the trustee of the fund, persons holding 10% or more units of the fund, and other associated companies and connected persons. The transactions with the connected persons / related parties are in the normal course of business, at contractual rates.

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

19.1 Unit Holders' Fund

	For the year ended June 30, 2015									
	As at July 01, 2014	Issued for cash / conversion in / transferred in	Bonus	Redeemed / conversion out / transfer out	As at 30 June 2015	As at July 01, 2014	Issued for cash / conversion in / transferred in	Bonus	Redeemed / conversion out / transfer out	Amount outstanding as at June 30, 2015
	(Units)				(Rupees)					
Associated companies / undertakings										
Bank Alfalah Limited*	2,000,739	-	-	948,812	1,050,927	1,005,688,263	-	-	500,000,000	526,475,818
Alfalsh GHP Investment Management Limited	-	-	-	-	-	-	-	-	-	-
Other related parties										
Alfalsh Insurance Company Limited	154,918	168,747	-	154,918	168,747	77,870,834	84,500,000	-	89,979,372	84,536,115
Bank Alfalah Limited - Employees Gratuity Fund	100,000	-	-	100,000	-	50,265,840	-	-	54,165,000	-
MCBFSL-Trustee Alfalah GHP Capital Preservation Fund*	-	3,820,081	58,646	3,264,985	713,732	-	2,040,000,000	29,347,868	1,702,000,000	357,553,557
Key management personnel										
Head of Administration	-	192	-	192	-	-	100,000	-	108,227	-

	For the year ended June 30, 2014									
	As at July 01, 2013	Issued for cash / conversion in / transferred in	Bonus	Redeemed / conversion out / transfer out	As at 30 June 2014	As at July 01, 2013	Issued for cash / conversion in / transferred in	Bonus	Redeemed / conversion out / transfer out	Amount outstanding as at June 30, 2014
	(Units)				(Rupees)					
Associated companies / undertakings										
Bank Alfalah Limited	2,999,940	-	-	999,201	2,000,739	1,500,929,981	-	-	500,000,000	1,005,688,263
Alfalsh GHP Investment Management Limited	653,823	41,837	17,568	713,228	-	327,120,723	21,000,000	8,250,118	357,980,099	-
Other related parties										
Alfalsh Insurance Company Limited	187,090	-	11,668	43,840	154,918	93,604,869	-	5,835,012	22,000,000	77,870,834
Bank Alfalah Limited - Employees Gratuity Fund	100,000	-	-	-	100,000	50,092,000	-	3,668,780	-	50,265,840
Key management personnel										
Other Executives	300	634	12	945	-	150,096	317,686	5,781	473,445	-
Unit holder holding 10% or more units										
Pakistan Petroleum Limited	103,218	478,830	32,815	164,943	449,920	51,642,090	240,000,000	16,410,641	83,000,000	226,156,067

	June 30, 2015	June 30, 2014
	(Rupees)	
19.2 Other transactions		
Alfalah GHP Investment Management Limited - Management Company		
Remuneration of the Management Company	<u>23,994,538</u>	<u>27,312,750</u>
Sales tax on management fee	<u>4,172,328</u>	<u>5,069,250</u>
Federal excise duty on management fee	<u>3,841,837</u>	<u>4,370,047</u>
MCB Financial Services Limited - (Trustee of the Fund)		
Remuneration of the Trustee	<u>2,015,757</u>	<u>2,238,766</u>
Bank Alfalah Limited		
Deposits at the end of the year	<u>7,041,824</u>	<u>2,861,485</u>
Market treasury bills at the end of the year	<u>-</u>	<u>1,930,864,042</u>
Profit receivable on deposit accounts at the end of the year	<u>1,953,377</u>	<u>663,688</u>
Profit on deposit accounts during the year	<u>10,974,266</u>	<u>659,050</u>
Profit on term deposit receipts during the year	<u>-</u>	<u>12,723,425</u>
Bank charges during the year	<u>51,485</u>	<u>73,909</u>
Treasury Bills - purchased	<u>6,461,577,035</u>	<u>-</u>
Treasury Bills - sold	<u>2,567,429,460</u>	<u>-</u>
Dividend paid to:		
Bank Alfalah Limited	<u>47,081,549</u>	<u>91,708,081</u>
Bank Alfalah Limited - Employees Gratuity Fund	<u>-</u>	<u>3,668,780</u>
CDC - Trustee Alfalah GHP Income Multiplier Fund		
Treasury Bills - purchased	<u>221,267,000</u>	<u>-</u>
Treasury Bills - sold	<u>307,434,560</u>	<u>-</u>
CDC - Trustee Alfalah GHP Sovereign Fund		
Treasury Bills - sold	<u>831,908,560</u>	<u>-</u>
CDC - Trustee Alfalah GHP Value Fund		
Treasury Bills - purchased	<u>73,048,500</u>	<u>-</u>
Treasury Bills - sold	<u>48,080,950</u>	<u>-</u>
Alfalah GHP Income Fund (formerly IGI Income Fund)		
Treasury Bills - purchased	<u>139,027,660</u>	<u>-</u>
Treasury Bills - sold	<u>365,117,480</u>	<u>-</u>
Alfalah GHP Money Market Fund (formerly IGI Money Market Fund)		
Treasury Bills - purchased	<u>153,960,225</u>	<u>-</u>
Treasury Bills - sold	<u>1,461,702,835</u>	<u>-</u>
Alfalah GHP Stock Fund (formerly IGI Stock Fund)		
Treasury Bills - purchased	<u>39,845,240</u>	<u>-</u>

20. FINANCIAL RISK MANAGEMENT FRAMEWORK

The Fund's objective in managing risk is creation and protection of unit holder(s) value. Risk is inherent in Fund's activities therefore the Fund's risk management policies are established to manage risk on integrated basis to identify and analyse all risks faced by the Fund and to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Fund has exposure to market risk (which includes interest rate risk, currency risk and other price risk), credit risk, liquidity risk and operational risk arising from the financial instruments it holds. The Fund's risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

20.1 Market risk

Market risk is the risk that changes in market prices, such as interest rate or equity prices will affect the Fund's income or the fair value of its holdings of financial instruments. The objective of Market risk management is to manage and control market risk exposures within the investment parameters as defined in Fund's constitutive and investment policy documents, while optimizing the return. The Fund is categorized as money market scheme. The objective of the Fund is to provide a regular stream of income at a competitive rate of return while preserving capital to the extent possible by investing in assets with low risk and a high degree of liquidity from a portfolio constituted of money market securities and placements. The Management Company manages risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee and regulations laid down by the Securities and Exchange Commission of Pakistan.

Market risk comprises of three types of risk: Interest rate risk, currency risk and other price risk.

20.1.1 Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial instruments and future cash flows. The interest rate environment is monitored on a regular basis and the portfolio mix of fixed and floating rate securities is altered. The Fund's investment in fixed interest rate securities expose it to fair value interest rate risk and investments in variable interest rate securities expose the Fund to cash flow interest rate risk.

A summary of the Fund's interest rate gap position, categorized by maturity date, is as follows:

	Effective rate of mark-up/return %	June 30, 2015				Total
		Exposed to yield / profit rate risk			Not exposed to Interest rate risk	
		Upto three months	More than three months and upto one year	More than one year		
(Rupees)						
On balance sheet financial instruments						
Financial assets						
Bank balances	6% to 7%	85,151,305	-	-	-	85,151,305
Investments	5.23% to 14.76%	462,230,016	422,105,720	-	265,091,325	1,149,427,061
Mark-up receivable		-	-	-	1,957,789	1,957,789
Prepayments		-	-	-	294,393	294,393
Preliminary expenses and floatation costs		-	-	-	-	-
		<u>547,381,321</u>	<u>422,105,720</u>	<u>-</u>	<u>267,343,507</u>	<u>1,236,830,548</u>
Financial liabilities						
Payable to the Management Company		-	-	-	12,314,858	12,314,858
Payable to the Trustee		-	-	-	165,032	165,032
Distribution payable		-	-	-	48,715,600	48,715,600
Redemption payable		-	-	-	108,657,022	108,657,022
Accrued and other liabilities		-	-	-	564,892	564,892
		<u>-</u>	<u>-</u>	<u>-</u>	<u>170,417,404</u>	<u>170,417,404</u>
On-balance sheet gap		<u>547,381,321</u>	<u>422,105,720</u>	<u>-</u>	<u>96,926,103</u>	<u>1,066,413,144</u>

	Effective rate of mark-up/return %	June 30, 2014				Total
		Exposed to yield / profit rate risk			Not exposed to Interest rate risk	
		Upto three months	More than three months and upto one year	More than one year		
(Rupees)						
On balance sheet financial instruments						
Financial assets						
Bank balances	6% to 9.25%	2,872,515	-	-	-	2,872,515
Investments	8.88% to 9.99%	1,436,741,042	494,123,000	-	200,000,000	2,130,864,042
Mark-up receivable		-	-	-	664,009	664,009
Prepayments		-	-	-	121,000	121,000
Preliminary expenses and floatation costs		-	-	-	1,080,020	1,080,020
		<u>1,439,613,557</u>	<u>494,123,000</u>	<u>-</u>	<u>201,865,029</u>	<u>2,135,601,586</u>
Financial liabilities						
Payable to the Management Company		-	-	-	2,950,470	2,950,470
Payable to the Trustee		-	-	-	188,506	188,506
Redemption payable		-	-	-	1,824,551	1,824,551
Accrued and other liabilities		-	-	-	473,869	473,869
		<u>-</u>	<u>-</u>	<u>-</u>	<u>5,437,396</u>	<u>5,437,396</u>
On-balance sheet gap		<u>1,439,613,557</u>	<u>494,123,000</u>	<u>-</u>	<u>196,427,633</u>	<u>2,130,164,190</u>

Sensitivity analysis for fixed rate Instruments

In case of 100 basis points increase / decrease in interest rate (determined by market forces) at year end, the net assets attributable to unit holders of the Fund and net income for the year would be lower / higher by Rs.0.807 million (June 30, 2014: Rs.21.31 million). This analysis assumes that all other variables remain constant.

The composition of the Fund' s investment portfolio and interest rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2015 is not necessarily indicative of future movements in interest rates.

Sensitivity analysis for variable rate Instruments

The Fund does not hold any variable rate instruments as on June 30, 2015.

20.1.2 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present is not exposed to currency risk as all transactions are carried out in Pak Rupees.

20.1.3 Other price risk

Other price risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factor specific to an individual investment, its issuer or factors affecting all instrument traded in the market.

Presently, the Fund is not exposed to equity price risk, as the Fund does not hold any equity security as at June 30, 2015.

20.2 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund, resulting in a financial loss to the Fund. The Fund is also exposed to counterparty risk, credit risk on cash and cash equivalents, deposits and other receivable balances. There is a possibility of default by participants and of failure of the financial markets, the depositories, the settlements or clearing system etc.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Board of Directors. All transactions are settled / paid for upon delivery. The Fund does not expect to incur material credit losses on its financial assets.

The maximum exposure to credit risk before any credit enhancements at 30 June is the carrying amount of the financial assets as set out below:

	June 30, 2015	June 30, 2014
	—— (Rupees) ——	
Financial assets - secured		
Bank balances	85,151,305	2,872,515
Investments	265,091,325	201,082,736
Mark-up receivable	1,957,789	664,009
	<u>352,200,419</u>	<u>204,619,260</u>

Investment In Government securities amounting to Rs.884.335 million (2014: Rs.1,930.864 million) is not exposed to credit risk.

No financial assets carried at amortised cost were past due or impaired either at June 30, 2015 or June 30, 2014.

Concentration of credit Risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is broadly exposed to Government certificates and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentration of credit risk.

All deposits with Banks and Development Financial Institution are highly rated and risk of default is considered minimal.

Details of credit ratings of the balances with banks and certificates of investment as at June 30, 2015 are as follows:

	June 30, 2015	June 30, 2014
	———— (Rupees) ————	
AA	85,141,305	2,862,515
AA+	200,010,000	200,010,000
	<u>285,151,305</u>	<u>202,872,515</u>

20.3 Liquidity risk

Liquidity risk is the risk that the Fund may encounter difficulty in raising funds to meet its obligations and commitments. The Management Company manages the liquidity risk by maintaining maturities of financial assets and financial liabilities and investing a major portion of the Fund's assets in highly liquid financial assets.

The Fund has the ability to borrow, with prior approval of Trustee, for meeting redemption. No such borrowings have arisen during the year, the maximum amount available to the Fund from borrowings is limited to the extent of 15% of total assets at the time of borrowing with repayment within 90 days of such borrowings.

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption request in excess of ten percent of the units in issue and such requests would be treated as redemption request qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period from the statement of assets and liabilities date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

The maturity profile of the Fund's liabilities based on contractual maturities is given below:

	As at June 30, 2015			
	Total	Upto three month	Over three months and upto one year	More than one month upto three months
On balance sheet financial liabilities				
Liabilities	(Rupees)			
Payable to the Management Company	2,244,306	2,244,306	-	-
Payable to the Trustee	165,032	165,032	-	-
Accrued and other liabilities	564,892	166,690	398,202	-
Distribution payable	48,715,600	48,715,600	-	-
Redemption payable	108,657,022	108,657,022	-	-
	<u>160,346,852</u>	<u>159,948,650</u>	<u>398,202</u>	<u>-</u>

	As at June 30, 2014			
	Total	Upto three month	Over three months and upto one year	More than one month upto three months
On balance sheet financial liabilities				
Liabilities	(Rupees)			
Payable to the Management Company	1,794,204	1,794,204	-	-
Payable to the Trustee	156,929	156,929	-	-
Accrued and other liabilities	473,869	90,896	382,973	-
Redemption payable	1,824,551	1,824,551	-	-
	<u>4,249,553</u>	<u>3,866,580</u>	<u>382,973</u>	<u>-</u>

20.4 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Fund's operations either internally within the Fund or externally at the Fund's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behaviour. Operational risks arise from all of the Fund's activities.

The Fund's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the Board of Directors. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibilities;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;

- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

20.5 Capital Risk Management

Alfalah GHP Cash Fund (AGCF) is an open end collective investment scheme. The capital of the open end schemes is represented by net assets attributable to unit holders. The capital risk in case of open end scheme is the risk that the amount of net assets attributable to unit holders can change significantly on daily basis as the Fund is subject to daily issuance and redemption of units at the discretion of the unit holders and occurrence of the unexpected losses in investment portfolio which may cause adverse effects on the Fund's continuation as going concern.

The Fund's objective when managing net assets attributable to unit holders is to safeguard the Fund's ability to continue as going concern so that it can continue to provide optimum returns to its unit holders and to ensure reasonable safety of unit holders' fund. In order to maintain or adjust the capital structure, the Fund's policy is to perform the following:

- Monitors the level of daily issuance and redemptions relative to liquid assets;
- Redeem and issue unit in accordance with the constitutive documents of the Fund, which include the ability to restrict redemptions as allowed under rules and regulations; and
- Monitor portfolio allocations and return on net assets and where required make necessary adjustments in portfolio allocations in light of changes in market conditions.

The Fund Manager / Investment Committee members and the Chief Executive of the company critically monitor capital of the Fund on the basis of the value of net assets attributable to the unit holders and track the movement of "Assets under Management" as well as returns earned on the net assets to maintain investors' confidence and achieve future growth in business. Further, the Board of Directors is updated about the fund yield and movement of NAV and total size at the end of each quarter.

In accordance with the NBFC Regulations, the Fund is required to maintain minimum net assets of one hundred million rupees at all times during the life of the scheme.

21. 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.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the balance sheet date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

The following table shows financial instruments recognised at fair value, analysed between those whose fair value is based on:

- Level 1:** Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2:** Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3:** Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

	As at June 30, 2015			Total
	Level 1	Level 2	Level 3	
	(Rupees)			
Financial assets classified as at fair value through profit or loss' - held-for-trading				
Market treasury bills	-	884,335,736	-	884,335,736

	As at June 30, 2014			Total
	Level 1	Level 2	Level 3	
	(Rupees)			
Financial assets classified as at fair value through profit or loss' - held-for-trading				
Market treasury bills	-	1,930,864,042	-	1,930,864,042

22. SUPPLEMENTARY NON FINANCIAL INFORMATION

The information regarding unit holding pattern of the Fund, top ten brokers of the Fund, members of the Investment Committee, fund manager, meetings of the Board of Directors, credit rating of the Fund and the Management Company of the Fund as required under Schedule V of the NBFC Regulations has been disclosed in Annexure I to the financial statements.

23. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on August 24, 2015 by the Board of Directors of the Management Company.

24. GENERAL

Figures are rounded off to the nearest rupee.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Director

**SUPPLEMENTARY NON FINANCIAL INFORMATION
AS REQUIRED UNDER SECTION 6(D), (F), (G), (H), (I), AND (J)
OF THE FIFTH SCHEDULE TO THE
NON BANKING FINANCE COMPANIES AND NOTIFIED ENTITIES REGULATIONS, 2008**

(I) UNIT HOLDING PATTERN OF THE FUND

Category	As at 30 June 2015			
	Number of unit holders	Number of units held	(Rupees)	% of total
Individuals	35	51,343	25,721,169	2%
Associated Co./ Directors	4	1,933,407	968,565,953	93%
Insurance Co.	-	-	-	0%
Retirement & Other Funds	5	14,859	7,443,953	1%
Others	7	89,431	44,801,854	4%
	51	2,089,041	1,046,532,929	100%

Category	As at 30 June 2014			
	Number of unit holders	Number of units held	(Rupees)	% of total
Individuals	42	212,513	106,821,306	5%
Associated Co./ Directors	3	2,255,657	1,133,824,813	54%
Insurance Co.	3	120,202	60,420,791	3%
Banks/ DFIs	2	607,296	305,262,574	14%
Retirement & Other Funds	6	17,847	8,970,943	0%
Others	13	981,045	493,130,387	23%
	69	4,194,560	2,108,430,814	100%

(II) TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

	30 June 2015
	%
INVEST & FINANCE SECURITIES LIMITED	19
VECTOR CAPITAL PVT LIMITED	17
ICON SECURITIES LIMITED	16
BMA CAPITAL MANAGEMENT LIMITED	16
JS GLOBAL CAPITAL LIMITED	8
INVEST ONE MARKETS LIMITED	7
INVEST CAPITAL MARKETS LIMITED	6
KASB SECURITIES LIMITED	2
SUMMIT CAPITAL (PVT) LIMITED	1
C & M Management PVT Limited	1
	30 June 2014
	%
Optimus capital management	15
BMA Capital management	14
JS Global Capital Limited	13
Invest Capital Markets Limited	13
Pearl securities	11
ICON securities	9
KASB securities	7
Global Securities Pakistan Limited	6
C & M Management Pvt Limited	4
Invest and Finance Securities Limited	3

(iii) PARTICULARS OF MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

Maheen Rahman
Ather Husain Medina
Noman Soomro
Shariq Mukhtar Hashmi
Muddasir Ahmed Shaikh
Nabeel Malik
Imran Altaf
Kashif Kasim

Maheen Rahman – CEO

Maheen Rahman has over ten years of experience in the financial services industry. Prior to joining Alfalah GHP Investment Management Limited she was Head of Business Development at IGI Securities the brokerage arm of IGI Financial Services. She has also served as Head of Research for BMA Capital Management where she spearheaded the research effort to provide sound and in depth investment advice across all capital markets to a wide range of corporate and institutional clients. Ms Rahman has also worked with Merrill Lynch in their Investment Banking Group and was a key team member for several high profile international transactions that spanned the Asia Pacific region and North America. She has also worked with ABN Amro Bank in Corporate Finance and M&A Advisory and was involved in a series of equity raising and IPO activity across south-east Asia.

Ather Husain Medina

Mr. Medina, a qualified professional with extensive work experience of over 20 years in the financial sector is serving Alfalah GHP Investment Management Ltd. as Chief Investment Officer. Prior to joining the company he was associated with Invest Capital Investment Bank Ltd. as Head of Business Development and Atlas Asset Management as Chief Investment Officer. He has also worked with some other leading organizations which include National Investment Trust where he was heading the Research team, and SG Securities (HK) Holdings Ltd. and Indosuez W.I Carr Securities Pakistan in the Investment Research area. His expertise includes the banking sector of Pakistan as well, in which he worked at two leading commercial banks, Habib Bank Ltd. and MCB Bank Ltd. By qualification Mr. Medina is an MBA from the Institute of Business Administration (IBA), Karachi and holds a Computer Science degree from National University of Computer and Emerging Sciences (FAST-NU), Karachi.

Noman Soomro

Mr. Soomro is a qualified Chartered Accountant from the Institute of Chartered Accountants of Pakistan (ICAP). Prior to joining Alfalah GHP Investment Management Limited, he was Chief Financial Officer & Company Secretary of HBL Asset Management Limited for seven years. During his tenure as CFO, he was responsible for all financial and fiscal management aspects of Company operations and Mutual Funds/Pension Schemes under management of the Company. The job also included providing leadership and coordination in the administrative, business planning, strategy, accounting, taxation and budgeting efforts of the Company. Before HBL Asset Management Limited, he was working at A F Ferguson Chartered Accountants; a member firm of PricewaterhouseCoopers (PwC). During his five years at A.F Ferguson with the Assurance and Business Advisory Services of the firm, he conducted audits of major financial institutions of Pakistan including local and foreign commercial banks, mutual funds, modarbas, housing finance company and leasing companies. He was also a key member of the team which conducted pre-acquisition Financial and Taxation Due Diligence Review of a commercial bank in Pakistan. Mr. Soomro has also conducted Internal Audit reviews of a large commercial bank and a foreign bank, where the responsibilities included reporting on effectiveness and efficiency of internal audit department, and independent reporting on internal control weaknesses.

Shariq Mukhtar Hashmi

Mr. Hashmi holds a diversified experience of over 11 years with various private sector enterprises of repute. He joined IGI Funds Limited (which subsequently merged into Alfalah GHP Investment Management Limited

in Oct. 2013) in 2010 to lead the back office function as Head of Operations & Settlements. His association has continued, post-merger, as Head of Compliance & Risk Management. He has previously served National Asset Management Company as Head of Internal Audit and Feroze Sharif Tariq & Co Chartered Accountants in various capacities. He has also headed the Internal Audit Department of the Company. Mr. Hashmi is a qualified Accountant from the Association of Chartered Certified Accountants, UK and holds MBA degree in Finance from SZABIST University. He is also enrolled for Financial Risk Manager Certification of Global Association of Risk Professionals; USA.

Muddasir Ahmed Shaikh

Mr. Muddasir has more than 10 years of experience in Investment Management & Equity Research. During his career, he has served a number of public and private institutions of repute. Prior to joining IGI Funds Limited, he has been associated with Atlas Asset Management Limited, National Investment Trust Limited, and JS Investments Limited (Formerly JS Abamco Ltd.). Mr. Muddasir holds a Masters degree in Business Administration from Institute of Business Administration, Karachi.

Nabeel Malik

Mr. Nabeel Malik brings with him a rich and diversified experience in the field of fund management and fixed income trading/facilitation. Before becoming a part of IGI Funds' team, he was associated with Pak-Oman Asset Management Co, heading its Fixed Income Fund Management Dept. where he proficiently handled money market trading, liquidity and funds management contributing positively towards bottom line profitability. His diverse experience in the field of finance includes names like Pak-Kuwait Investment Co, Orix Investment Bank, KASB Securities, and Mobilink GSM.

Imran Altaf

Mr. Altaf has over six years of experience in Investment Valuation, Financial Research and Portfolio Management. Before joining Alfalah GHP Investment Management as a portfolio manager, he was associated with Faysal Asset Management as a fixed income portfolio manager over 2012 to 2014. He was previously affiliated with Faysal Bank Limited and its Equity Capital Market (ECM) division from 2010 to 2012 in the capacity of an investment analyst. Mr. Altaf is a CFA Charter holder and has an MBA Degree from SZABIST University.

Kashif Kasim

"Mr. Kasim is part of the Alfalah GHP's Investment team since 2013 and has continuously added value to the Investment Management function since then. As an acknowledgement of his efforts and quick learning skills he was promoted to the role of Junior Portfolio Manager. Mr. Kasim is pursuing his MBA from Pakistan Air Force Karachi Institute of Economics & Technology (PAF KIET) and is also a Level II candidate of Chartered Financial Analyst (CFA) exam.

(iv) ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The 62nd, 63rd, 64th, 65th, 66th & 67th Board Meetings were held on 27 Aug 2014, 27 Oct 2014, 02 Feb 2015, 23 Apr 2015, 13 May 2015 and 26 June 2015 respectively.

Name of Director	Number of Meetings			
	Held	Attended	Leave granted	Meeting not attended
Syed Ali Sultan	6	5	1	1
Mr. Amin Dawood Saleh	6	4	2	2
Mr. Michael Buchen	6	6	-	-
Mr. David Burlison	-	-	-	-
Mr. Hanspeter Beler	6	3	3	3
Ms. Maheen Rahman	6	6	-	-
Mr. Abid Naqvi	6	6	-	-
Mr. Asif Saad	6	2	4	4

- Subsequent to the year end, Mr. Asif Saad resigned from the Board of Directors of the Company with effect from July 9, 2015

PERFORMANCE TABLE AGAF

	30 June 2015	30 June 2014	30 June 2013	30 June 2012	30 June 2011
	(Rupees in '000)				
Net Assets	1,046,533	2,108,431	2,887,941	3,513,823	1,439,196
NAV per unit	500.9600	502.6600	500.3200	500.7200	505.4400
Selling price per unit	500.9600	502.6600	500.3200	500.7200	505.4400
Redemption price per unit	500.9600	502.6600	500.3200	500.7200	505.4400
Highest selling price per unit	545.2200	503.6900	505.4700	505.7600	509.2800
Highest redemption price per unit	545.2200	503.6900	505.4700	505.7600	509.2800
Lowest selling price per unit	500.7500	500.6400	500.1900	500.2500	500.2600
Lowest redemption price per unit	500.7500	500.6400	500.1900	500.2500	500.2600
Total interim distribution per unit	44.80	36.68	43.91	51.93	49.65
Interim distribution date	26-Jun-15	26-Jul-13	27-Jul-12	27-Jul-11	27-Jul-10
	N/A	28-Aug-13	27-Aug-12	27-Aug-11	27-Aug-10
	N/A	28-Sep-13	27-Sep-12	27-Sep-11	27-Sep-10
	N/A	31-Oct-13	28-Oct-12	27-Oct-11	27-Oct-10
	N/A	28-Nov-13	28-Nov-12	28-Nov-11	27-Nov-10
	N/A	28-Dec-13	27-Dec-12	27-Dec-11	27-Dec-10
	N/A	28-Jan-14	27-Jan-13	27-Jan-12	27-Jan-11
	N/A	28-Feb-14	27-Feb-13	27-Feb-12	28-Feb-11
	N/A	28-Mar-14	27-Mar-13	27-Mar-12	28-Mar-11
	N/A	25-Apr-14	29-Apr-13	27-Apr-12	28-Apr-11
	N/A	28-May-14	27-May-13	27-May-12	28-May-11
	N/A	27-Jun-14	28-Jun-13	27-Jun-12	N/A
Final distribution per unit	Nil	Nil	Nil	Nil	5.4
Final distribution date	N/A	N/A	N/A	N/A	2-Jul-11
Annualized returns %	6.67%	8.09%	9.06%	11.01%	11.56%
Income distribution %	8.91%	7.33%	8.77%	10.44%	10.99%
Weighted avg. portfolio duration (Days)	31 Days	41 Days	53.75 Days	36 Days	44 Days

Return since inception is **11.89%**








The past performance is not necessarily indicative of future performance and that units prices and investment returns may go down, as well as up.










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