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**FUND'S INFORMATION**

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

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**DIRECTORS' REPORT*****To our valued Unit Holders,***

The Board of Directors of Alfalah GHP Investment Management Limited is pleased to present you the half yearly report of the Alfalah GHP Cash Fund for the half year ended December 31, 2015.

***Economic Review & Outlook***

Pakistan observed substantial economic progress over 1HFY16, with improvement seen across a majority of economic indicators. Much of this improvement is owed to the prevalent low commodity cycle, which mainly benefits trade deficit countries like Pakistan that import commodities.

Owing to low crude oil prices, headline inflation averaged at 2.07% YoY over the period. On monthly basis, inflation settled as low as 1.31% (Sep'15) - a multi-decade low level for Pakistan. Low oil prices not only lowered the overall import bill (-10% YoY) and improved trade deficit (-9%YoY), but also kept incremental circular debt in check. With no formal agreement between oil exporters, significantly higher oil prices seen unlikely in the medium term.

The current account deficit of USD 1,267mn (1HFY16) as opposed to deficit of USD 2,463mn last year (1HFY15) reflected an improvement of 49%, derived from a 9% improvement in the trade balance and a 6% improvement in remittances. Low current account deficit coupled with foreign flows (from IMF and bilateral partners), Eurobond issuance and privatization proceeds pushed foreign exchange reserves to historical high level of USD 21bn.

The country saw its credit rating upgraded in May by Moody's and S&P's to B3 and B-, respectively, on the back of ongoing economic reforms at the federal level, improving macroeconomic indicators, rising foreign exchange reserves, and higher investment expected from the China Pakistan Economic Corridor (CPEC). Outlook on the country was also changed from stable to positive by the rating agencies. This improvement in sovereign rating enabled Pakistan to successfully launch another 10-year Eurobond worth USD 500m in Sep'16 at a rate of 8.25%, after having raised USD 2.0bn in Eurobond and USD 1.0bn in USD-denominated Sukuk in 2014.

During 1HFY16, the State Bank of Pakistan revised the key policy rate down by 50bps to 6.5%, and reduced the overnight target rate to 6.0%. The move came in light of record-low inflation and more than comfortable real rate of return, and was aimed at lifting private credit off-take and providing impetus to economic growth. Together with the 250bps cut that took place earlier over 2HFY15, the easing also helped industries, businesses and individual borrowers reduce their financing costs and avail cheaper financing for expansions. While manufacturers welcomed the recent easing, commercial banks were impacted negatively due to compressed interest spread.

Going forward, Pakistan is likely to continue to observe improvement in macroeconomic indicators, especially current account, foreign exchange reserves and GDP growth. Few areas that still need attention include fiscal deficit, tax-to-GDP ratio/tax targets and privatization of state-owned entities including Pakistan International Airlines, Pakistan Steel Mills and power distribution companies.

**Equity Review**

The local equity market posted a contraction of 4.6% over 1HFY16 as the KSE-100 index fell from 34,399 points to 32,816 points on the back of global equity pressure, falling crude oil prices, US Fed rate hike anticipation and local regulatory issues. The index still outperformed MSCI EM (-18.3%), MSCI FM (-12.4%) and MSCI Pakistan (-16.1%) on the back of performance generated by non-mainstream sectors, which are largely excluded from the three MSCI large-cap indices above. Average daily volumes at the bourse were only marginally up (+3.5%) from 258mn shares (2HFY15) to 267mn shares (1HFY16) owing to caution exercised by investors on the back of aforementioned foreign and local factors.

The downward trend at the local bourse can be attributed to a steep decline in the index heavy weight Oil and Gas sector (1HFY16: -26%) and the Banking sector (1HFY16: -5%). Banking sector, the heaviest weighted sector in the index, bipped on account of interest spread compression and slowdown in deposit growth. The Oil and Gas sector, on the other hand, remained under pressure due to falling international crude oil prices and OPEC's decision to not curtail oil supply. The resolution of the Iranian nuclear issue also dragged oil prices lower as it would mean greater oil supply in the future.

While lower commodity prices hurt commodity producers, they impacted import-oriented sectors positively as multiyear low raw material prices of Copper, Steel, Aluminum, Oil, Coal, Rubber etc. propped up gross margins and lifted bottom-line of material intensive companies. In this connection, Industrial Metals & Mining (+72.4%), Pharmaceuticals (+20.3%), Industrial Transportation (+10.7%) and Construction Sector (+0.8%) among others outperformed the broader index during the period. Notable appreciation was witnessed in the Software and Computer Services sector, which appreciated by 39.4% on the back of rapidly developing global clientele and more frequent orders from such clients.

We remain cautiously optimistic about the equity market over 2HFY16 and expect the market to leverage improving economic indicators. This improvement shall emanate from low commodity prices, government's economic reform agenda and demand coming from CPEC projects. Costs shall remain low for majority of manufacturing concerns, especially costs pertaining to raw material and financial leverage. Pakistan's re-entry into the emerging market (from frontier market) remains an eagerly anticipated trigger for 2016-17 as the reclassification could open avenues from which considerable foreign inflow could be realized. That said, regional equity performance coupled with regional currency movement will be a key influencing factor for the local market.

**Money Market Review**

On account of record low inflation (CPI), which touched a low of 1.31% in Sep'15 and averaged 2.07% for the period under discussion, the State Bank of Pakistan cut the discount rate further by 50bps to 6.5%. With price levels under control, the easing by the regulator was aimed at boosting aggregate demand and demand for loanable funds.

1HFY16 continued to be 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 easing cycle brought down bond yields by 69bps (3Y), 57bps (5Y) and 64bps (10Y) over 1HFY16. The government continued to fund its fiscal gap via longer-tenor PIBs as opposed to T-bills. The SBP conducted six PIB auctions over 1HFY16 and targeted PKR 300bn in borrowings.

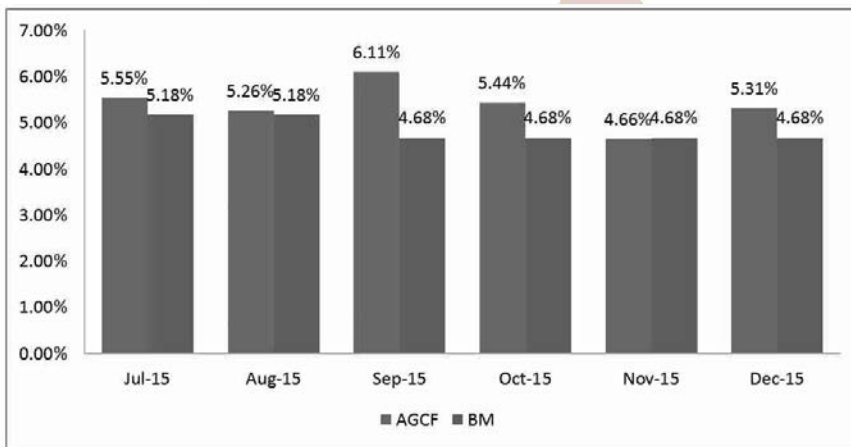
To protect depositors and keep banking deposits attractive enough, the State Bank of Pakistan raised the minimum deposit rate on PLS account by 50bps by narrowing the interest rate corridor. While the move gave depositors some benefit against the backdrop of falling deposit rates, interest rate margins of Commercial Banks, especially ones with low current accounts, were impacted negatively. This contributed further in reducing banking NIMs.

With inflation having reversed from its low of 1.31% in Sep'15, further monetary easing has come to a halt. Courtesy of globally low commodity prices and deflating domestic food prices (due to depressed agro-economics), CPI is expected to remain within a stable range, allowing for healthy real returns to depositors and stable yields to fixed income investors.

**Alfalah GHP Cash Fund: Fund Operations and Performance**

For the period ended December 31, 2015 the fund posted a return of 5.44%. During the same period the benchmark return (avg. 3M deposits rates of 3 "AA" rated banks) was 4.85%. AGCF is focused on delivering consistent, volatility-free returns to unitholders by reducing interest rate risk to a minimal. Majority of net assets were invested in short tenor treasury bills at attractive rates. Along with T-bill exposure, the fund also allocated investments to high yielding TDRs with financial institutions having high credit ratings.

The Fund's credit rating remained at "AA (f)" by PACRA. The fund size on December 31, 2015 stood at PKR 772mn.



**Key Financial Data**

(Rupees in millions)

Description	Six month period ended 31 December 2015	Six month period ended 31 December 2014
Net Assets at end of the period	771.76	2,383.82
Gross income	33.27	127.95
Total Comprehensive Income	20.60	97.61
Net Assets Value per Unit (Rs.)	514.71	524.12
Issuance of units during the period	122.69	2,548.25
Redemption of units during the period	422.76	2,378.62

**Future Outlook**

Going forward, the Fund plans to maintain its position in risk-free treasury securities while gradually raising its duration to generate better returns given the expected fall in interest rates around March or May. The fund intends to maintain low cash reserves, opting for short term T-Bills and high yielding placements, such as TDRs, COIs etc to bolster the bottom line.

**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.

 February 25, 2016  
 Karachi

For and behalf of the Board

**Maheen Rahman**  
 Chief Executive Officer

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

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

Alfalah GHP Cash Fund, an open-end Scheme established under a Trust Deed dated October 23, 2009 executed between Alfalah GHP Investment Management Limited, as the Management Company and Central Depository Company of Pakistan Limited (CDC), as the Trustee. The trust deed was approved 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 on 21 June 2012.

1. Alfalah GHP Investment Management Limited, the Management Company of Alfalah GHP Cash Fund has in all material respects managed Alfalah GHP Cash Fund during the six months period ended 31st December 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: February 10, 2016



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**AUDITORS' REPORT TO THE UNIT HOLDERS ON  
REVIEW OF INTERIM FINANCIAL INFORMATION****Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Alfalah GHP Cash Fund** (the Fund) as at **31 December 2015**, the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim distribution statement and condensed interim statement of movement in unit holders' fund and notes to the accounts for the six month period then ended (here-in-after referred to as "interim financial information"). Management Company is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

**Scope of Review**

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

**Chartered Accountants**

**Engagement Partner:** Shabbir Yunus

**Date:** February 25, 2016  
**Karachi**

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT DECEMBER 31, 2015**

		(Unaudited) December 31, 2015	(Audited) June 30, 2015
	Note	----- (Rupees) -----	
<b>Assets</b>			
Bank balances	5	668,025,374	85,151,305
Investments	6	130,374,743	1,149,427,061
Mark-up receivable on deposit accounts with banks		3,338,035	1,957,789
Prepayments		24,931	294,393
<b>Total assets</b>		<b>801,763,083</b>	<b>1,236,830,548</b>
<b>Liabilities</b>			
Payable to the Management Company	7	11,316,633	12,314,858
Payable to the Trustee		69,518	165,032
Annual fee payable to the Securities and Exchange Commission of Pakistan (SECP)		349,543	1,799,590
Provision for Workers' Welfare Fund (WWF)	8	17,794,505	17,794,505
Distribution payable		-	48,715,600
Redemption payable		-	108,657,022
Accrued and other liabilities	9	474,244	851,012
<b>Total liabilities</b>		<b>30,004,443</b>	<b>190,297,619</b>
<b>Net assets attributable to unit holders</b>		<b>771,758,640</b>	<b>1,046,532,929</b>
<b>Unit holders' fund</b>		<b>771,758,640</b>	<b>1,046,532,929</b>
<b>Contingencies and commitments</b>	10		
		---- (Number of Units) ----	
<b>Number of units in issue</b>		<b>1,499,417</b>	<b>2,089,041</b>
		----- (Rupees) -----	
<b>Net asset value per unit</b>		<b>514.71</b>	<b>500.96</b>

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

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

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2015 (UN-AUDITED)**

	Half year ended		Quarter ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Note	------(Rupees)-----		------(Rupees)-----	
<b>Income</b>				
Profit on deposit accounts with banks	<b>6,210,629</b>	5,083,407	<b>4,185,763</b>	3,219,952
Interest income on investments classified as held-for-trading				
- income from government securities	<b>24,579,175</b>	103,041,690	<b>9,135,593</b>	53,821,314
Interest income on investments classified as held to maturity				
- profit from term deposit receipts	<b>2,162,414</b>	4,734,049	<b>732,278</b>	3,824,185
- income from letters of placement	-	10,366,491	-	4,761,898
- income from certificates of investment	<b>298,610</b>	3,544,508	-	3,544,508
At fair value through profit or loss - held-for-trading'				
- net gain on sale of investments	6.2 <b>194,108</b>	548,765	<b>130,026</b>	982,893
- net unrealised (diminution) / appreciation	<b>(174,349)</b>	631,641	<b>(364,111)</b>	564,420
<b>Total income</b>	<b>33,270,587</b>	127,950,551	<b>13,819,549</b>	70,719,170
<b>Expenses</b>				
Remuneration of the Management Company	<b>4,663,024</b>	12,695,868	<b>2,011,767</b>	6,925,693
Sales tax on management fee	<b>756,879</b>	2,206,366	<b>326,315</b>	1,202,356
Federal excise duty on management fee	<b>745,699</b>	2,034,058	<b>321,498</b>	1,110,825
Remuneration of the Trustee	<b>549,507</b>	1,064,218	<b>239,756</b>	566,775
Sales tax on trustee fee	<b>76,931</b>	-	<b>33,566</b>	-
Annual fee to the Securities and Exchange Commission of Pakistan	<b>349,542</b>	952,190	<b>150,882</b>	519,427
Amortisation of preliminary expenses and floatation cost	-	321,080	-	160,540
Bank and settlement charges	<b>13,033</b>	23,030	<b>5,355</b>	10,809
Auditors' remuneration	<b>403,925</b>	300,564	<b>201,964</b>	192,188
Legal and professional charges	<b>123,714</b>	189,224	<b>23,462</b>	85,652
Brokerage expense	<b>37,028</b>	84,780	<b>17,001</b>	56,373
Provision for Workers' Welfare Fund	-	1,992,127	-	1,036,253
Fees and subscriptions	<b>195,747</b>	225,876	<b>91,727</b>	131,650
Printing and publication charges	<b>54,621</b>	100,274	<b>30,310</b>	50,412
<b>Total expenses</b>	<b>7,969,651</b>	22,189,655	<b>3,453,603</b>	12,048,953
<b>Net income from operating activities</b>	<b>25,300,936</b>	105,760,895	<b>10,365,947</b>	58,670,217
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	<b>(4,697,186)</b>	(8,146,677)	<b>(4,727,971)</b>	(7,893,801)
<b>Net income for the period before taxation</b>	<b>20,603,750</b>	97,614,218	<b>5,637,976</b>	50,776,416
Taxation	-	-	-	-
<b>Net income for the period after taxation</b>	<b>20,603,750</b>	<b>97,614,218</b>	<b>5,637,976</b>	<b>50,776,416</b>

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

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

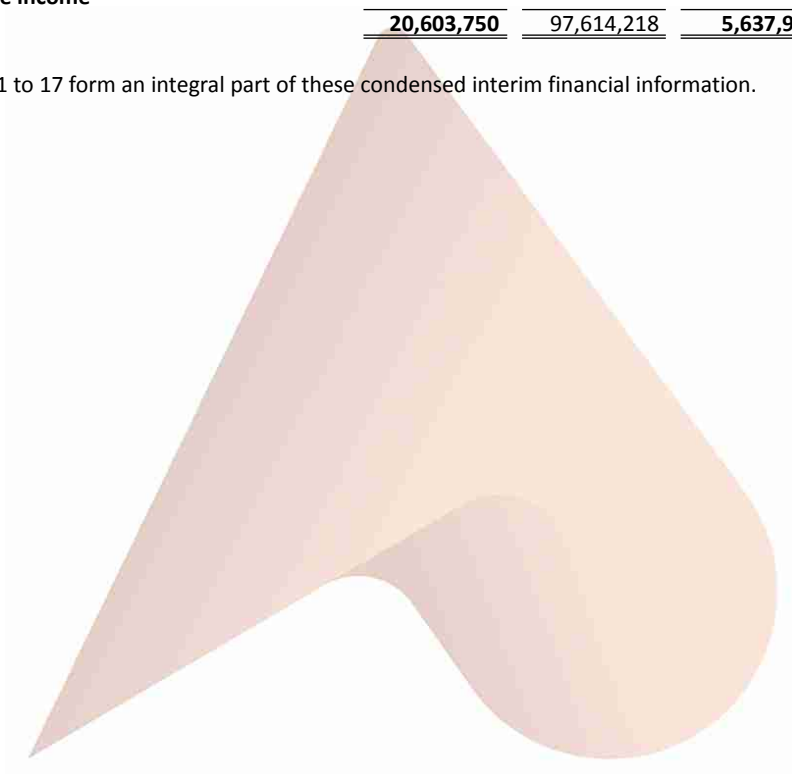
Chief Executive Officer

Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2015 (UN-AUDITED)**

	Half year ended		Quarter ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
	----- (Rupees) -----		----- (Rupees) -----	
<b>Net income for the period</b>	<b>20,603,750</b>	97,614,218	<b>5,637,976</b>	50,776,416
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b><u>20,603,750</u></b>	<u>97,614,218</u>	<b><u>5,637,976</u></b>	<u>50,776,416</u>

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



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

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM CASH FLOWS STATEMENT  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2015 (UN-AUDITED)**

	Half year ended		Quarter ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Note	----- (Rupees) -----		----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net income for the period before taxation	20,603,750	97,614,219	5,637,976	50,776,416
<b>Adjustments for:</b>				
Net gain on sale of investment classified as 'at fair value through profit or loss - held-for-trading'	-	-	-	-
Net unrealised loss / (gain) on investments classified as 'at fair value through profit or loss - held-for-trading'	174,349	(631,641)	364,111	(1,065,769)
Profit on deposit accounts with banks	(6,210,629)	(5,083,407)	(4,185,763)	(3,219,952)
Amortisation of preliminary expenses and floatation costs	-	321,080	-	160,540
Profit from term deposit receipts	(2,162,414)	(4,734,049)	(732,278)	(3,824,185)
Income from certificates of investment	(298,610)	(13,910,999)	-	(8,306,406)
Provision for Workers' Welfare Fund	-	1,992,127	-	1,036,253
Element of loss and capital losses included in prices of units sold less those in units redeemed - net	4,697,186	8,146,677	4,727,971	7,893,801
	16,803,632	83,714,007	5,812,017	43,450,698
<b>Decrease in assets</b>				
Investments - net	884,536,102	131,937,364	562,900,345	217,850,070
Prepayments	269,461	(3,599)	77,966	(201,397)
	884,805,563	131,933,765	562,978,311	217,648,673
<b>(Decrease) / increase in liabilities</b>				
Payable to the Management Company	(998,225)	2,685,139	89,540	1,518,822
Remuneration payable to the Trustee	(95,513)	26,386	(27,967)	14,388
Annual fee payable to Securities and Exchange Commission of Pakistan	(1,450,048)	(1,096,274)	150,882	519,427
Distribution payable	(48,715,600)	-	-	-
Redemption payable	(108,657,022)	-	-	-
Accrued and other liabilities	(376,768)	(1,783,822)	(323,373)	(196,066)
	(160,293,176)	(168,571)	(110,918)	1,856,571
Profit received on bank deposits	6,916,693	23,728,455	2,786,339	16,520,378
<b>Net cash from operating activities</b>	<b>748,232,712</b>	<b>239,207,656</b>	<b>571,465,749</b>	<b>279,476,320</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Amount received on issue of units	122,686,246	2,548,251,821	76,183,772	2,145,382,778
Payment against redemption of units	(422,761,471)	(2,378,622,447)	(378,507,176)	(2,118,738,514)
<b>Net cash (used in) / generated from financing activities</b>	<b>(300,075,225)</b>	<b>169,629,374</b>	<b>(302,323,404)</b>	<b>26,644,264</b>
Net increase in cash and cash equivalents during the period	448,157,487	408,837,030	269,142,345	306,120,584
Cash and cash equivalents at beginning of the period	350,242,630	203,955,270	529,257,773	306,671,716
<b>Cash and cash equivalents at end of the period</b>	<b>798,400,117</b>	<b>612,792,300</b>	<b>798,400,117</b>	<b>612,792,300</b>

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

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

Chief Executive Officer

Director

**CONDENSED INTERIM DISTRIBUTION STATEMENT  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2015 (UN-AUDITED)**

	Half year ended		Quarter ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
	----- (Rupees) -----		----- (Rupees) -----	
<b>Undistributed income brought forward:</b>				
Realised gains	7,384,791	10,723,192	22,245,311	58,279,026
Unrealised gains / (losses)	84,508	283,903	189,762	(434,128)
	<u>7,469,299</u>	<u>11,007,095</u>	<u>22,435,073</u>	<u>57,844,898</u>
Total comprehensive income for the period	20,603,750	97,614,219	5,637,975	50,776,416
<b>Undistributed income carried forward</b>	<u>28,073,049</u>	<u>108,621,314</u>	<u>28,073,048</u>	<u>108,621,314</u>
<b>Undistributed income carried forward at period end</b>				
Realised gains	27,878,941	108,072,549	28,068,703	107,638,421
Unrealised gains	194,108	548,765	4,346	982,893
	<u>28,073,049</u>	<u>108,621,314</u>	<u>28,073,049</u>	<u>108,621,314</u>

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

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

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2015 (UN-AUDITED)**

	Half year ended		Quarter ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
	----- (Rupees) -----		----- (Rupees) -----	
<b>Net assets at the beginning of the period</b>	<b>1,046,532,929</b>	2,108,430,814	<b>1,063,716,097</b>	2,298,506,603
Issue of 955,062 units (2014: 4,946,093 units) and 148,646 units (2014: 796,888 units) for the six months and quarter respectively	<b>122,686,246</b>	2,548,251,820	<b>76,183,773</b>	2,145,382,776
Redemption of 1,544,686 units (2014: 4,592,422 units) and 742,696 units (2014: 511,927 units) for the six months and quarter respectively	<b>(422,761,471)</b>	(2,378,622,447)	<b>(378,507,177)</b>	(2,118,738,513)
Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed:				
- Amount representing accrued loss and realised capital losses - transferred to the Income Statement	<b>4,697,186</b>	8,146,677	<b>4,727,971</b>	7,893,801
Total comprehensive income / (loss) for the period before capital gains / (losses) - realised and unrealised	<b>20,583,991</b>	96,433,813	<b>(364,111)</b>	564,420
Unrealised appreciation in the value of investments - at fair value through profit or loss'	<b>194,108</b>	548,765	<b>130,026</b>	982,893
Net capital (loss) / gain on sale of investments classified as 'at fair value through profit or loss - held-for-trading'	<b>(174,349)</b>	631,641	<b>5,872,061</b>	49,229,103
	<b>20,603,750</b>	97,614,219	<b>5,637,976</b>	50,776,416
Net income for the period less distribution	<b>20,603,750</b>	97,614,219	<b>5,637,976</b>	50,776,416
<b>Net assets at the end of the period</b>	<b>771,758,640</b>	2,383,821,083	<b>771,758,640</b>	2,383,821,083

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

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

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2015 (UN-AUDITED)**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

Alfalah GHP Cash Fund is an open-end collective investment scheme (the Fund) established through a Trust Deed under the Trust Act, 1882, executed between Alfalah GHP Investment Management Limited (the Management Company) and Central Depository Company of Pakistan Limited (the Trustee). The Trust Deed was executed on 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 between the MCB Financial Services Limited as the new Trustee. The Securities and Exchange Commission of Pakistan authorised the constitution of the Trust Deed on 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 Pakistan Stock Exchange Limited (Formerly Karachi Stock Exchange Limited). 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 the 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 December 31, 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**

The condensed interim financial statements for the six months period ended December 31, 2015, have been prepared in accordance with the requirements of International Accounting Standard 34: 'Interim Financial Reporting', the Trust Deed, the NBFC Rules, Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and directives issued by SECP. In case where requirements differ, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the year ended June 30, 2015.

These condensed interim financial statements are un-audited but subject to limited scope review by the auditors.



### 3. ACCOUNTING POLICIES AND ESTIMATES

The accounting policies, basis of accounting estimates applied and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2015, except as described in note 3.1 below:

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

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

IFRS 10 – Consolidated Financial Statements

IFRS 11 – Joint Arrangements

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 13 – Fair Value Measurement

The adoption of the above amendments to accounting standards did not have any effect on the condensed interim financial information, except for IFRS 13, which requires additional disclosure (see note 15).

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

### 4. FINANCIAL RISK MANAGEMENT

The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended June 30, 2015.

	<i>Note</i>	(Un-audited) December 31, 2015 ----- <b>(Rupees)</b> -----	(Audited) June 30, 2015 -----
<b>5. BANK BALANCES</b>			
Deposit accounts - local currency	5.1	<b>668,025,374</b>	85,151,305
		<b><u>668,025,374</u></b>	<u>85,151,305</u>
<b>5.1</b> This represents balances in saving deposit accounts maintained with various banks carrying mark-up at rates from 6.25% to 7.00% per annum (June 30, 2015: 6.00% to 7.00% per annum).			
<b>6. INVESTMENTS</b>			
<b>At fair value through profit or loss - held-for-trading</b>			
Treasury bills	6.1	-	884,335,736
<b>Held to maturity</b>			
Certificates of investment	6.2	-	265,091,325
Term deposit receipts	6.3	<b>130,374,743</b>	-
		<b><u>130,374,743</u></b>	<u>1,149,427,061</u>

**6.1 Market Treasury Bills - at fair value through profit or loss - held-for-trading**

	Maturity date	Yield	As at July 01, 2015	Purchased during the period	Sold / matured during the period	As at December 31, 2015	Carrying amount as at December 31, 2015	Market value as at December 31, 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											
Maturity upto 3 months	August 20, 2015	5.23% to 14.76%	4,650,000	11,400,000	16,050,000	-	-	-	-	-	-
Maturity upto 6 months	August 06, 2015	6.64% to 8.33%	4,250,000	6,900,000	11,150,000	-	-	-	-	-	-
			<u>8,900,000</u>	<u>18,300,000</u>	<u>27,200,000</u>	-	-	-	-	<u>0.00%</u>	<u>0.00%</u>

**6.2 Certificates of Investment - held to maturity**

Name of the investee company	Rate of Return per annum	Face Value			Carrying value as at December 31, 2015	Maturity	Rating	Face value as percentage of total investments	Face value as percentage of net assets
		As at July 01, 2015	Purchased during the period	Matured during the period					
		----- (Rupees) -----							
Pak Brunei Investment Company Limited	8.4% to 10.35%	130,000,000	-	130,000,000	-	July 09, 2015	AA+ / A1+	-	-
Pak Oman Investment Company Limited	8.32%	130,000,000	-	130,000,000	-	July 03, 2015	AA+ / A1+	-	-
		<u>260,000,000</u>	-	<u>260,000,000</u>	-			<u>-</u>	<u>-</u>

**6.3 Term Deposit Receipts - held to maturity**

Name of the investee company	Rate of Return per annum	Face Value			Carrying value as at December 31, 2015	Maturity	Face value as percentage of total investments	Face value as percentage of net assets	
		As at July 01, 2015	Purchased during the period	Matured during the period					As at December 31, 2015
		----- (Rupees) -----							
Bank Alfalah Limited (a related party)	7.25%	-	70,000,000	-	70,000,000	70,041,638	February 29, 2016	53.85%	9.07%
Allied Bank Limited	7.00%	-	60,000,000	-	60,000,000	60,333,105	February 04, 2016	46.15%	7.77%
		-	<u>130,000,000</u>	-	<u>130,000,000</u>	<u>130,374,743</u>		<u>100.00%</u>	<u>16.84</u>

	(Un-audited) December 31, 2015	(Audited) June 30, 2015
	------(Rupees)-----	
<b>7. PAYABLE TO THE MANAGEMENT COMPANY</b>		
Management fee	654,575	2,244,306
Sindh Sales Tax payable on remuneration of Management Company	1,458,368	1,599,266
FED payable on remuneration of Management Company	<u>9,203,690</u>	<u>8,471,286</u>
	<u><b>11,316,633</b></u>	<u><b>12,314,858</b></u>

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

There is no change in the status of the petition with the Honourable Sindh High Court as reported in note 11 to the annual financial statements of the Fund for the year ended June 30, 2015.

The Fund maintained a provision for WWF as on December 31, 2015 amounting to Rs.17.795 million (June 30, 2015: Rs.17.795 million). Had the provision not been made, the net assets value per unit of the Fund would have been higher by Rs.11.87 (2.31%) per unit (June 30, 2015: Rs.8.52 (1.70%) per unit).

**9. ACCRUED EXPENSES AND OTHER LIABILITIES**

Auditors' remuneration	357,381	398,202
Brokerage payable	17,336	32,300
Withholding tax	4,536	286,120
Printing charges	<u>94,991</u>	<u>134,390</u>
	<u><b>474,244</b></u>	<u><b>851,012</b></u>

**10. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments as at December 31, 2015.

**11. FEDERAL EXCISE DUTY ON MANAGEMENT REMUNERATION**

There is no change in status of the petition pending with the Honourable Sindh High Court as reported in note 11 to the annual financial statements of the Fund for the year ended June 30, 2015.

**12. TAXATION**

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed in cash amongst the unit holders. The Management Company intends to distribute sufficient accounting income of the Fund for the year ending June 30, 2015 in order to comply with the above stated clause to enjoy the tax exemption. Accordingly, no tax provision has been made in these condensed interim financial statements for the half year ended December 31, 2015.

	Half year ended (Un-audited)		Quarter ended (Un-audited)	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
	----- (Rupees) -----		----- (Rupees) -----	
<b>13. CASH AND CASH EQUIVALENTS</b>				
Bank balances	668,025,374	26,572,392	668,025,374	26,572,392
Term deposit receipts with maturity within 3 months	130,374,743	302,383,590	130,374,743	302,383,590
Letters of placement	-	30,286,330	-	30,286,330
Certificates of investment	-	253,549,988	-	253,549,988
	<b>798,400,117</b>	<b>612,792,300</b>	<b>798,400,117</b>	<b>612,792,300</b>

**14 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

Details of transactions and balances at period end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	Half year ended December 31, 2015 (Un-audited)									
	As at July 01, 2015	Issued for cash	Bonus	Redeemed	As at December 31, 2015	As at July 01, 2015	Issued for cash / conversion in / transfer in	Bonus	Redeemed / conversion out / transfer out	As at December 31, 2015
	----- (Units) -----				----- (Rupees) -----					
<b>14.1 Unit Holders' Fund</b>										
<b>Associated Companies / Undertakings</b>										
Bank Alfalah Limited*	1,050,927	-	-	-	1,050,927	526,472,603	-	-	-	540,922,855
<b>Other related parties</b>										
Alfalsh Insurance Company Limited	168,747	-	-	82,727	86,020	84,535,437	-	-	42,000,000	44,275,524
MCBFSL - Trustee Alfalah GHP Capital Preservation Fund	713,733	803,424	-	1,436,866	80,290	357,551,602	405,884,387	-	728,884,387	41,326,226
	----- (Units) -----				----- (Rupees) -----					
<b>Half year ended December 31, 2014 (Un-audited)</b>										
As at July 01, 2014	Issued for cash	Bonus	Redeemed	As at December 31, 2014	As at July 01, 2014	Issued for cash / conversion in / transfer in	Bonus	Redeemed / conversion out / transfer out	As at December 31, 2014	
	----- (Units) -----				----- (Rupees) -----					
<b>Unit Holders' Fund</b>										
<b>Associated Companies / Undertakings</b>										
Bank Alfalah Limited*	2,000,739	-	-	-	2,000,739	1,005,691,648	-	-	-	1,048,627,514
<b>Other related parties</b>										
Alfalsh Insurance Company Limited	154,918	-	-	-	154,918	77,870,965	-	-	-	81,195,500
Bank Alfalah Limited - Employee Gratuity Fund	100,000	-	-	-	100,000	50,266,000	-	-	-	52,412,000
Alfalsh GHP Capital Preservation Fund	-	3,097,594	-	2,725,294	372,300	-	1,600,000,000	-	1,413,000,000	195,129,414
<b>Unit holder holding 10% or more Units</b>										
Pakistan Petroleum Limited	449,920	48,772	-	-	498,692	226,156,998	25,000,000	-	-	261,374,631

	Quarter ended December 31, 2015 (Un-audited)									
	As at July 01, 2015	Issued for cash / conversion in / transfer in	Bonus	Redeemed/ conversion out / transfer out	As at December 31, 2015	As at July 01, 2015	Issued for cash / conversion in / transfer in	Bonus	Redeemed/ conversion out / transfer out	As at December 31, 2015
Unit Holders' Fund	(Units)					(Rupees)				
<b>Associated Companies / Undertakings</b>										
Bank Alfalah Limited*	1,050,927	-	-	-	1,050,927	533,986,734	-	-	-	540,922,855
<b>Other related parties</b>										
Alfalah Insurance Company Limited	121,181	-	-	35,161	86,020	61,573,475	-	-	18,000,000	44,275,524
MCBFSL - Trustee Alfalah GHP										
Capital Preservation Fund	769,173	-	-	688,883	80,290	390,824,527	-	-	351,000,000	41,326,226

	Quarter ended December 31, 2014 (Un-audited)									
	As at July 01, 2014	Issued for cash / conversion in / transfer in	Bonus	Redeemed/ conversion out / transfer out	As at December 31, 2014	As at July 01, 2014	Issued for cash / conversion in / transfer in	Bonus	Redeemed/ conversion out / transfer out	As at December 31, 2014
Associated Companies / Undertakings	(Units)					(Rupees)				
Bank Alfalah Limited*	2,000,739	-	-	-	2,000,739	1,005,691,648	-	-	-	1,048,627,514
<b>Other Related Parties</b>										
Alfalah Insurance Company Limited	154,918	-	-	-	154,918	77,870,965	-	-	-	81,195,500
Bank Alfalah Limited - Employee Gratuity Fund	100,000	-	-	-	100,000	50,266,000	-	-	-	52,412,000
Alfalah GHP Capital Preservation Fund	-	3,097,594	-	2,725,294	372,300	-	-	-	-	195,129,414
<b>Unit holder holding 10% or more Units</b>										
Pakistan Petroleum Limited	449,920	48,772	-	-	498,692	226,156,998	25,000,000	-	-	261,374,631

\* Bank Alfalah limited also holds more than 10% units in the Fund.

	Half year ended (Un-audited)		Quarter ended (Un-audited)	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
	------(Rupees)-----		------(Rupees)-----	
<b>14.2 Other transactions</b>				
<b>Balance as at period / year end:</b>				
<b>Alfalah GHP Investment Management Limited - Management Company</b>				
Remuneration to the Management Company	<u>4,663,024</u>	<u>12,695,868</u>	<u>2,011,767</u>	<u>6,925,693</u>
Sales tax on management fee	<u>756,879</u>	<u>2,206,366</u>	<u>326,315</u>	<u>1,202,356</u>
Federal excise duty on management fee	<u>745,699</u>	<u>2,034,058</u>	<u>321,498</u>	<u>1,110,825</u>
<b>Bank Alfalah Limited</b>				
Treasury Bill - purchased	<u>853,866,480</u>	<u>4,413,298,425</u>	<u>238,182,480</u>	<u>3,631,218,425</u>
Treasury Bill - sold	<u>297,851,100</u>	<u>1,315,793,820</u>	<u>-</u>	<u>663,581,500</u>
Profit on bank deposit	<u>1,482,604</u>	<u>5,083,407</u>	<u>1,482,604</u>	<u>5,083,407</u>
Bank charges	<u>9,984</u>	<u>23,030</u>	<u>3,934</u>	<u>10,809</u>
<b>CDC - Trustee Alfalah GHP Income Multiplier Fund</b>				
Treasury Bill - purchased	<u>69,541,670</u>	<u>123,272,500</u>	<u>-</u>	<u>98,326,900</u>
Treasury Bill - sold	<u>-</u>	<u>247,521,860</u>	<u>-</u>	<u>247,521,860</u>
<b>CDC - Trustee Alfalah GHP Sovereign Fund</b>				
Treasury Bill - sold	<u>9,972,420</u>	<u>296,817,500</u>	<u>9,972,420</u>	<u>296,817,500</u>
<b>CDC - Trustee Alfalah GHP Value Fund</b>				
Treasury Bill - purchased	<u>-</u>	<u>73,048,500</u>	<u>-</u>	<u>73,048,500</u>
Treasury Bill - Sold	<u>-</u>	<u>48,080,950</u>	<u>-</u>	<u>48,080,950</u>
<b>CDC - Trustee IGI Income Fund</b>				
Treasury Bill - purchased	<u>39,774,360</u>	<u>49,716,250</u>	<u>-</u>	<u>49,716,250</u>
Treasury Bill - sold	<u>-</u>	<u>108,640,840</u>	<u>-</u>	<u>68,750,440</u>
<b>CDC - Trustee Alfalah GHP Money Market Fund</b>				
Treasury Bill - sold	<u>-</u>	<u>98,500,800</u>	<u>-</u>	<u>98,500,800</u>
<b>MCB Financial Services Limited - Trustee</b>				
Trustee fee	<u>549,507</u>	<u>1,064,218</u>	<u>196,391</u>	<u>566,775</u>
Sales tax on trustee fee	<u>76,931</u>	<u>-</u>	<u>33,566</u>	<u>-</u>

	(Un-audited) December 31, 2015	(Audited) June 30, 2015
	------(Rupees)-----	
<b>14.3 Other balances</b>		
<i>Associated companies / undertakings</i>		
<b>Alfalah GHP Investment Management Limited - Management Company</b>		
Remuneration payable to the Management Company	<u>654,575</u>	<u>23,994,538</u>
Sales tax payable on management fees	<u>1,458,368</u>	<u>4,172,328</u>
Federal excise duty on management fee	<u>9,203,690</u>	<u>3,841,837</u>
<b>Bank Alfalah Limited</b>		
Bank balance	<u>5,999,212</u>	<u>7,041,824</u>
Profit receivable	<u>125,849</u>	<u>1,953,377</u>
<i>Other related parties</i>		
<b>MCB Financial Services</b>		
Trustee fee payable	<u>69,518</u>	<u>2,015,757</u>

## 15. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as 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 (i.e. an exit price). Adoption of IFRS 13, has not affected the condensed interim financial information.

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 half year by the level in the fair value hierarchy into which the fair value measurement is categorised:

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

	December 31, 2015			
	Level 1	Level 2	Level 3	Level 4
	----- (Rupees) -----			
<b>Financial assets classified as at fair value through profit or loss' - held-for-trading</b>				
Market treasury bills	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	June 30, 2015			
	Level 1	Level 2	Level 3	Level 4
	----- (Rupees) -----			
<b>Financial assets classified as at fair value through profit or loss' - held-for-trading</b>				
Market treasury bills	-	884,335,736	-	884,335,736
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

#### 16. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorised for issue on February 25, 2016 by the Board of Directors of the Management Company.

#### 17. GENERAL

**17.1** Figures for the quarters ended December 31, 2015 and December 31, 2014 as reported in these condensed interim financial statements have not been subject to limited scope review by the external auditors.

**17.2** Figures are rounded off to the nearest rupee.

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

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director