CONTENTS

FUND'S INFORMATION

Management Company:	Alfalah GHP Investment Management Limited 12th Floor, Tower 'A', Saima Trade Towers I.I. Chundrigar Road, Karachi.	
Board of Directors of the Management Company:	- Mr. Abdul Aziz Anis	(Subject to approval of SECP)
	- Syed Ali Sultan	(Subject to approval of SECP)
	- Mr. David Burlison	(Subject to approval of SECP)
	- Mr. Hanspeter Beier	(Subject to approval of SECP)
	- Mr. Amin Dawood Saleh	(Subject to approval of SECP)
	- Mr. Kashif Abdur Rahman	(Subject to approval of SECP)
	- Mr. Suleman Hudda	(Subject to approval of SECP)
CFO & Company Secretary Of the Management Company:	- Mr. Omer Bashir Mirza	
Audit Committee:	- Mr. Syed Ali Sultan - Mr. Kashif Abdur Rahman - Mr. Amin Dawood Saleh	
Hr Committee:	- Mr. Syed Ali Sultan - Mr. Abdul Aziz Anis - Mr. David Burlison	
Fund Manager:	-Mr. Zeeshan Khalil	
Trustee:	Central Depository Company of Pakistan Limited. CDC House, 99-B, Block 'B', SMCHS, Main Shara-e-Faisal, Karachi.	
Bankers to the Fund:	Bank Alfalah Limited Faysal Bank Limited	
Auditors:	Ernst &Young Ford Rhodes Sidat Hyder Chartered Accountants Progressive Plaza, Beaumont Road P.O. Box 15541, Karachi 75530.	
Legal Advisor:	Bawany & Partners Room No. 404, 4th Floor Beaumont Plaza, 6-cl-10 Beaumont Road, Civil Lines Karachi.	
Registrar:	Alfalah GHP Investment Management Limited 12th Floor, Tower 'A', Saima Trade Towers I.I. Chundrigar Road, Karachi.	
Distributor:	Bank Alfalah Limited	
Rating:	BBB (f)	

MISSION STATEMENT

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

VISION STATEMENT

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

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of Alfalah GHP Investment Management Limited (AGIM), the management company of Alfalah GHP Income Multiplier Fund (AGIMF) is pleased to present its annual report on the affairs of AGIMF along with the audited accounts, report of the trustee and auditors' report to the Units holders for the year ended June 30, 2013.

Financial Performance

Net assets under management as on June 30, 2013 were Rs. 333.75 million. During the period units worth Rs. 71.50 million were issued and units worth Rs. 0.03 million were redeemed.

AGIMF incurred total income of Rs. 35.893 million for the year ended 30 June 2013 after accounting for net impairment in value of investment classified as 'available for sale' of Rs. 29.144 million and capital loss on sale of investment Rs. 29.766 million, Major sources of revenue were income from government securities of Rs. 16.781 million, profit on bank deposits of Rs. 1.176 million, income from sukuk certificates of Rs. 16.945 million, income from term deposit receipts 1.519 million. After accounting for expenses of Rs. 6.534 million the net income from operating activities for the year stands at Rs. 29.608 million.

Income Distribution

The Board of Directors of Alfalah GHP Investment Management Limited (AGIM), the management company of Alfalah GHP Income Multiplier Fund (AGIMF), in its meeting held on 28 June 2013 has declared interim distribution for the period ending 30 June 2013 in the form of bonus units to the unit holders of growth units and cash divided to the unit holders of income units at the rate of Rs. 3.86 per unit (i.e. 0.0838% of the Ex-NAV of Rs. 46.04 at the beginning of the year).

Comments on Auditors Qualification

As at period end 2011 & 2012 all debt securities in portfolio of Fund are valued at MUFAP prices as required under circular 33 of 2012. The amount of reversal of impairment provision of debt securities classified as available for sale from non-performing to performing during the above periods are reversed through profit and loss account after calculating the difference between the acquisition cost (net of any principal repayments) and the fair value of security as announced by MUFAP on reclassification, less any impairment losses on debt securities earlier made on time based provision criteria of SECP circular 33 of 2012. The management is of the opinion that accounting treatment adopted by Management for valuing debt securities and their subsequent reversals are in compliance with SECP circulars and within the laid down accounting procedures of IAS 39 and further as per AMC Board approved provision policy. For clarification, the matter was referred to Trustee of the Fund (the "CDC - Trustee") and SECP. The CDC-Trustee in their opinion informed management that the issue does not pertain to the non-compliance of the SECP circulars as the securities were valued by the Management Company (AGIM) at the rates specified by MUFAP. The SECP in its response directed management to approach MUFAP for resolution of the said matter in light of the Regulatory Framework. In response to the SECP suggestion the management took the matter up with MUFAP. The Accounts and taxation committee of MUFAP heard the management point of view on the matter and recommended that accounting treatment should be left to the discretion of the AMC as long as the same doesn't distort the NAV and is not in violation of the IFRS or Regulations. The Committee was of the opinion that the treatment being used by the AMC is not impacting the NAV and the NAV being stated will remain the same with both treatments, and is not in violation of the Circular 33 as the net effect on the NAV is the same (and therefore doesn't impact the unit holders). The Committee recommended to write to SECP that the AMC should be given the discretion to choose the accounting treatment. Accordingly, the matter has again been referred to SECP for clarification and resolution.

Economic Review

Economic activity remained lackluster in FY13 as continuing problems including energy shortage, and law and order continued to cause problems, resulting in another year of missed economic targets on almost all major fronts including growth, deficits, etc. GDP growth of 3.60% during the year was again below target (4.30%), and even below the previous year's level of 3.70%. The services sector showed slightly above average growth of 3.7%, while manufacturing at 3.5% and agriculture at 3.3% growth, were below average. The Pak Rupee depreciated by over 5% during the year as the country's foreign exchange reserves dipped further to USD 11.02 billion, down USD 4.2 billion from the previous year.

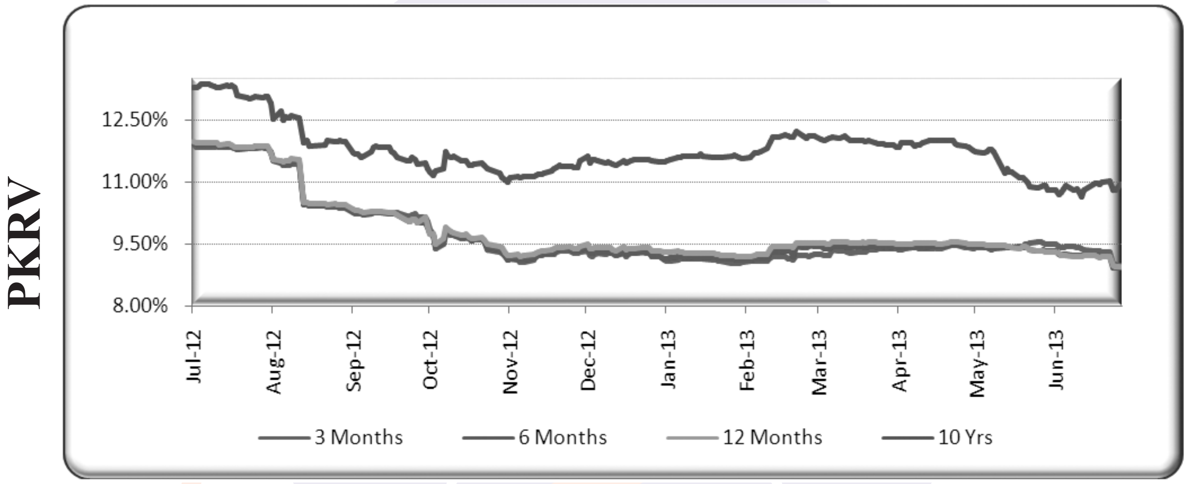
Foreign remittances were up again this year to USD 13.9 billion, up 5.6% from USD 13.1 billion in the previous year. Further support was also provided by net inflows of USD 568.8 million on account of Foreign Portfolio Investment, which had recorded a net out flow of USD 189.1 million in the previous year. Nevertheless, the external account continued to face pressure due to continued lack of progress on key issues, including auctioning of 3G licenses, receipt of outstanding privatization proceeds from Etisilat and dearth of new privatizations.

During FY13 net government borrowing for budgetary support took another quantum jump of 39% to PKR 1.590 trillion. Borrowing from commercial banks to meet budgetary support requirement increased to PKR1.012 trillion (63.66%), while PKR 0.578 trillion (36.34%) of the borrowing for budgetary support was met through the State Bank of Pakistan. Consequently, Net Domestic Assets (NDA) were up 21.09% to PKR8.6087 trillion. Increasing reliance on commercial banks to support the government's budgetary borrowing requirements continued to squeeze out the private sector, with private sector credit offtake showing negative growth of PKR 19.1 billion, a 0.56% decline to PKR 3.376 trillion.

In the plus column, CPI inflation remained restrained during the year with 7.8% growth versus 10.8% in the previous year. This enabled the central bank to reduce the benchmark policy discount rate by 300 bps during the year to 9.0% p.a.

Money Market Review

In FY13, SBP cumulatively announced a Treasury bill auction target of PKR 5,075.00 billion versus maturity of PKR 4,971.29 billion, while the SBP actually raised PKR 903.691 billion against the participation of PKR 1,336.202 billion. During the period, 3 months cut off yield decreased by 296.18 bps, 6 months by 297.47 bps and 12 months by 297.14 bps and settled at 8.9583, 8.9673 and 8.9808 respectively. Likewise, 10 year benchmark PIB cut off yield decreased by 234 bps to 11.0496%.



Asset allocation as on June 30, 2013

TFC's / PPTFCs / Sukuk	14.57%
Cash / Bank deposits	7.93%
Placements	27.76%
Treasury bills	43.73%
Other	6.01%
Total	**100.00%**

Future Outlook

We foresee the government struggling to fix the structural problems in coming year. Subsidies to power sector, low tax collection and declining exports are the key areas in which the government is expected to take harsh and unpopular decisions.

The new government has given top priority to the energy sector and has taken immediate steps to clear the long standing circular debt in the sector. However, unless cheaper sources of electricity can tapped, the problem will not be permanently resolved.

The need to get on to another IMF program will constrain the government to implement some unpopular and inflationary policies, which coupled with a weakening exchange rate would mean that interest rates would be adjusted higher.

Statement of Compliance:

- The financial statements prepared by the management present fairly its affairs and the results of its operations, cash flows and movement in unit holders' funds.

- The Fund has maintained proper books of accounts.

- Appropriate accounting policies have been consistently applied in preparation of financial statements. Accounting estimates are based on reasonable and prudent judgment.

- International Accounting Standards, as applicable in Pakistan, provisions of the Non Banking Financial Companies (Establishment and Regulation) Rules, 2003, Non Banking Finance Companies (NBFC Regulation 2008, requirements of the Trust Deed and directives of Securities and Exchange Commission of Pakistan have been followed in preparation of the financial statements.

- Finance Companies (NBFC) Regulations 2008, requirements of the Trust Deed and directives of Securities and Exchange Commission of Pakistan have been followed in preparation of the financial statements.

- The system of internal control is sound in design and has been effectively implemented and monitored.

- There are no significant doubts upon Funds' ability to continue as a going concern.

- There has been no material departure from the best practices of corporate governance, as detailed in the Karachi Stock Exchange (KSE) Listing Regulations.

- Outstanding statutory payments on account of taxes, duties, levies and charges, if any have been fully disclosed in the financial statements.

- Pattern of share holding of units is given in annexure of the annual report.

Attendance of Board Meetings:

Statement showing attendance of Board meetings of the Management Company - Alfalah GHP Investment Management Limited is given in annexure of the annual report.

Appointment of External Auditors

As recommended by the Audit Committee, the Board of Directors of the Management Company has appointed M/s Ernst & Young Ford Rhodes Sidat Hyder Chartered Accountants as the Fund's Auditors for the year ending June 30, 2014.

Acknowledgement:

The Board is thankful to the Securities and Exchange Commission of Pakistan, State Bank of Pakistan, the Trustee, Central Depository Company of Pakistan Limited and the management of Karachi Stock Exchange (Guarantee) Limited for their continued cooperation and support. The Directors also appreciate the efforts put in by the management team for the growth and the meticulous management of the Fund.

For and on behalf of the Board

12 August 2013
Karachi

Abdul Aziz Anis
Chief Executive

REPORT OF THE FUND MANAGER

Investment Objective

Alfalah GHP Income Multiplier Fund (AGIMF) is an open end Aggressive Fixed Income Fund. The primary investment objective of the Fund is to aim to generate stable and consistent returns while seeking capital preservation through a diversified portfolio of high quality debt securities and liquid money market instruments and placements.

Objective accomplishment

The per unit Net Asset Value of AGIMF has increased by 11.23% p.a. in FY13 against the benchmark of 10.25% p.a. The fund outperformed the benchmark by 0.98%. The fund generated the return through recovery of the prices of TFCs / Sukuk lost in previous years' provisioning against non performance issues and keeping the remaining liquidity in money market instruments particularly the government securities seeking capital preservation. By pursuing the policy of investing in liquid and risk free avenues the fund outperformed the benchmark by a healthy margin thus meeting the investment objective of its investment policy.

Benchmark relevant to the fund

The benchmark for this Fund is 12M KIBOR.

Fund's performance with benchmark (Annualised)

FY'13 Return	Benchmark	Relative Performance
11.23%	10.25%	0.98%

^ Annualised Returns - AGIMF

During the period the fund did not make any significant investment in TFCs / Sukuks rather the focus remained on recovering the overdue amounts from the non performing TFCs / Sukuks. The entire liquidity generated during the period was invested in government securities and short term placements with financial intuitions having strong credit rating.

Asset allocation (As at 30 June 2013)

TFC's / PPTFCs / Sukuk	14.57%
Cash / Bank deposits	7.93%
Placements	27.76%
Treasury bills	43.73%
Other	6.01%
TOTAL	**100.00%**

Any Significant changes in the state of affairs of fund

There were no significant changes in state of affairs of Funds for the year under review.

Fund's Performance

On size (Rupees in '000)

As on June 30, 2013	As on June 30, 2012	% Change
333,746	253,875	31.46%

On price ^ (Rupees)

As on June 30, 2013	As on June 30, 2012	% Change **
47.3441	46.0373	11.23%

^ Annualised Return based on Adjusted Prices
** Return calculated after incorporating distribution during the period

Disclosure on the Markets

The Fund mainly invests in the following markets:

- **Clean Market (TDRs, COIs, CODs, & LOPs)**
  Clean Market placements are done with large commercial banks at attractive deposit rates.

- **Repo Market**
  Repo lending is done to financial institutions on the basis of assets which serve as collateral for such lending.

- **Bonds / Bills Market (Govt. Sector)**
  Investments in bonds / bills are made in risk free government bonds / bills at attractive rates.

- **Corporate Paper (Private Sector)**
  Investment in Corporate papers (e.g., TFCs etc) issued by private and semi-private companies and corporate are made. This paper can either be listed or unlisted, secured or unsecured. The Fund seeks to invest here in line with overall investment parameters as set out in the Offering Document.

A full list of investment avenues for the Fund can be obtained from the Fund's Offering Document.

Market and their Returns

- **Clean / Call Market**
  The volumes in the call and clean market remained lackluster during most part of the year. Rates were on average in the range of 7.00% to 11.90% for overnight placements.

- **Repo Market**
  With the introduction of interest rate corridor by SBP the repo rates for the overnight funds move within a band of 250 bps from the discount rate i.e., with the discount rate at 9.00% (at Jun 30, 2013), the repo rate moved within the band of 6.50% to 9.00%.

- **Bond Market (PIB & Treasury Bills)**
  In FY13, SBP cumulatively announced a Treasury bill auction target of PKR 5,075.00 billion versus maturity of PKR 4,971.29 billion, while the SBP actually raised PKR 903.691 billion against the participation of PKR 1,336.202 billion. During the period, 3 months cut off yield has decreased by 296.18 bps, 6 months by 297.47 bps and 12 months by 297.14 bps and settled at 8.9583, 8.9673 and 8.9808 respectively. Likewise, 10 year benchmark PIB cut off yield has decreased by 234 bps to 11.0496%.

- **Corporate Paper**
  In FY 13 fixed income market saw very few numbers of issuance of new corporate papers. Prominent issues are Jahangir Siddiqui & Co. Ltd, KESC and Bank Alfalah Ltd. They cumulatively raised around PKR 7.7 billion by issuing term finance certificates. The secondary market for corporate papers showed volatility and majority trading was witnessed in Banks, telecommunication, cement and Fertilizer.

Disclosure of Other Remunerations

NIL

Performance Table

Key financial data is disclosed in notes to the financial statements

Risk Disclosure

Investors in the Fund must realize that all investment in mutual funds and securities are subject to market risks. Our target return / dividend payout cannot be guaranteed and it should be clearly understood that the portfolio of the Fund is subject to interest rates, money market and stock market fluctuations and other risks inherent in all such investments.

Disclaimer

Prices of the Units of the Fund and income from them may go up or down.

Under exceptional (extraordinary) circumstances, the Management Company may declare suspension of redemptions, invoke a queue system or announce winding-up. In such events the investor will probably have to wait for payment beyond the normal period and the redemption amount so determined may be lower than the price at the time the redemption request is lodged. Investors are advised to read the relevant clauses of the Fund's Trust Deed and Offering Document for more detailed information regarding this clause.

The Units of the Trust are not the bank deposits and are neither issued by, insured by, obligations of, nor otherwise supported by the SECP, any Government agency, the Management Company, the Trustee (except to the extent specifically stated in this document and the Trust Deed) or any of the shareholders of the Management Company or any of the Core Investors or any other bank or financial institutions.

Fund Manager

15 YEARS OF TRUST 1997-2012

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED

Head Office
CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahra-e-Faisal
Karachi - 74400. Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326020 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

ALFALAH GHP INCOME MULTIPLIER FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of Alfalah GHP Income Multiplier Fund (the Fund) are of the opinion that Alfalah GHP Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2013 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and

(iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Muhammad Hanif Jakhura
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 13, 2013

CENTRAL DEPOSITORY COMPANY

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE
FOR THE YEAR ENDED JUNE 30, 2013

This statement is being presented to comply with the Code of Corporate Governance (the Code) contained in Regulations No. 35 of listing regulations of Karachi Stock Exchange Limited (formerly Karachi Stock Exchange (Guarantee) Limited) 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 Code in the following manner:

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

Categories	Names
Independent Directors	Mr. Kashif Abdur Rahman Mr. Suleman Hudda
Executive Director	Mr. Abdul Aziz Anis
Non-Executive Directors	Mr. Syed Ali Sultan Mr. David Burlison Mr. Hanspeter Beier Mr. Amin Dawood Saleh Mr. Kashif Abdur Rahman Mr. Suleman Hudda

2 The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Management Company.

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 Development Finance Institution (DFI) or a Non-Banking Finance Institution or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.

4 Casual vacancies occurred in the Board on 06 August 2012 and 08 April 2013 which were filled on 26 April 2013.

5 The Management Company has prepared a 'Code of Conduct' which has been signed by all the directors and employees of the Company at the time of their appointment. However, it has not been placed on the Company's website.

6 The Board has developed a vision / mission statement and overall corporate strategy of the Management Company. A complete record of particulars of significant policies along with the dates will be developed and their record will be 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) and Company Secretary, 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 the meetings except for 51st and 53rd Board meetings. The minutes of the meetings were appropriately recorded and circulated.

9 The Board has not arranged orientation courses and training programs for its directors during the year.

10 There was no new appointment of Chief Financial Officer (CFO) and Company Secretary during the year.

11 The Directors' report for this year 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 and CFO before approval of the Board.

13 The directors, CEO and executive do not hold any interest in the units of the Fund other than that disclosed in the Financial Statements.

14 The Fund has complied with most of the corporate and financial reporting requirements of the Code.

15 The Board has formed an Audit Committee. It comprises three members, of whom all are non-executive directors including the Chairman of the Committee who is an independent director. However, the audit committee has not yet appointed / designated a secretary of the audit committee

16 The meetings of the Audit Committee were held at least once every quarter prior to approval of interim and final results of the Fund as required by the Code. The terms of reference of the committee have been formed and advised to the committee for compliance.

17 The Board has formed Human Resource and Remuneration Committee in its Board meeting dated, 28 August 2012. It comprises of 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, who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Management Company. The Management Company has not appointed / designated any person as the head of internal audit.

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 partners of the firm, their spouses and minor children do not hold units of the Fund and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the 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 Material / price sensitive information has been disseminated among all market participants at once through stock exchange.

22 The company has not submitted Secretarial Compliance Certificate as per clause xxii of the Code, which the company intends to seek compliance by the end of the next year.

23 We confirm that all other material principles, except those mentioned above, contained in the Code have been complied with.

For and on behalf of the Board of Directors

Chief Executive

EY
Building a better working world

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75530
Pakistan

Tel: +9221 3565 0007-11
Fax: +9221 3568 1965
eyfrsh.khi@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 Statement of Compliance with the best practices (the Statement) contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of **Alfalah GHP Investment Management** (the Management Company) of **Alfalah GHP Income Multiplier Fund** (the Fund) to comply with the Listing Regulation No. 35 (Chapter XI) of the Karachi Stock Exchange where the Fund is listed.

The responsibility for compliance with the Code is that of the Board of Directors 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 in respect of the Fund and report if it does not. A review is limited primarily to inquiries of the Management 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.

Further, Sub-Regulation (x) of Listing Regulation 35 notified by The Karachi Stock Exchange (Guarantee) Limited requires the Management Company to place before the Board of Directors for their consideration and approval 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 recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the audit committee. We are only required and have ensured compliance of requirement to the extent of approval of related party transactions by the Board of Directors and placement of such transactions before the audit committee. We have not carried out any procedure 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 in respect of the Fund for the year ended 30 June 2013.

We draw your attention to clause 4, 5, 6, 8, 9, 15, 18 and 23 of the Statement which mention certain requirements of the Code in respect of which progress is being made by the Management Company to seek compliance by the end of next year.

Our conclusion is not qualified in respect of the above matter.

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Date: 12 August 2013

Karachi

Building a better working world

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75530
Pakistan

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

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **Alfalah GHP Income Multiplier Fund (the Fund),** which comprise the statement of assets and liabilities as at **30 June 2013** and the related statements of income, comprehensive income, distribution, cash flows and movement in unit holders' fund for the year 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 the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations 2008 (the NBFC Regulations) and approved accounting standards as applicable in Pakistan. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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 qualified audit opinion.

Basis of Qualified Opinion

During 2011 and 2012, the Fund upgraded the classification of certain debt securities costing Rs. 147.4 million from non-performing to performing debt securities in accordance with the requirements of Circular 33 dated 24 October 2012 issued by Securities and Exchange Commission of Pakistan (SECP). However, the Fund did not fully reverse the provision held against such securities through income statement upon such reclassification. We consider that the partial reversal of provision subsequent to the upgradation of classification is not in line with the requirements of Circular 33 dated 24 October 2012 issued by SECP, which requires that no provision should be held against a performing security. As a consequence, the net profit for the year is overstated by Rs. 5.2 million and the undistributed loss as of 30 June 2013 is understated by Rs. 5.0 million.

EY
Building a better working world

Qualified Opinion

In our opinion, except for the effect of the matter described in paragraph above, the financial statements give a true and fair view of the state of the Fund's affairs as at **30 June 2013** and of its financial performance, cash flows and transactions for the year 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 the Trust Deed, NBFC Rules and NBFC Regulations, 2008.

Ernst & Young Ford Rhodes Sidat Hyder

Chartered Accountants

Audit Engagement Partner: Omer Chughtai

Date: 12 August 2013

Karachi

STATEMENT OF ASSETS AND LIABILITIES
AS AT 30 JUNE 2013

	Note	30 June 2013	30 June 2012
		(Rupees in '000)	
Assets			
Bank balances	4	**128,636**	25,769
Investments	5	**210,003**	212,114
Income and profit receivable	6	**18,959**	18,080
Advances, deposits and other receivables	7	**2,600**	2,600
Total assets		**360,198**	258,563
Liabilities			
Payable to Alfalah GHP Investment Management Limited - Management Company	9	**459**	304
Payable to Central Depository Company of Pakistan Limited - Trustee	10	**49**	49
Payable to Securities and Exchange Commission of Pakistan -Annual fee	11	**213**	195
Accrued expenses and other liabilities	12	**25,731**	4,140
Total liabilities		**26,452**	4,688
Contingencies and Commitments	13	-	-
Net assets		**333,746**	253,875
Unit holders' funds (as per statement attached)		**333,746**	253,875
		(Number of units)	
Number of units in issue	14	**7,049,373**	5,514,548
		(Rupees)	
Net asset value per unit		**47.3441**	46.0373

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive **Director**

INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013

	Note	**30 June 2013**	30 June 2012
		(Rupees in '000)	
Income			
Held for trading investment			
-Gain on sale		**448**	17
-Unrealised appreciation / (diminution) in the value of investment	5.3	**149**	(59)
		597	(42)
Available for sale investements			
-Loss on sale		**(29,766)**	(3,147)
-Reversal of impairment / (impairment) in value of investment	5.7	**29,144**	(47,100)
		(622)	(50,247)
Income from term finance certificates / sukuk certificates		**16,442**	36,797
Income from government securities - net of amortization of discount		**16,781**	8,265
Income from term deposit receipts		**1,519**	-
Profit on deposit accounts with banks		**1,176**	1,301
Total income / (loss)		**35,893**	(3,926)
Expenses			
Remuneration of Alfalah GHP Investment Management Limited - Management Company	9	**3,545**	3,249
Sales tax on Management fee		**574**	520
Federal Excise Duty on Management fee		**40**	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10	**595**	600
Annual fee - Securities and Exchange Commission of Pakistan	11	**213**	195
Transaction cost		**19**	5
Bank and Settelment charges		**25**	38
Fees and subscriptions		**287**	251
Auditor's remuneration	15	**491**	481
Legal charges		**-**	92
Amortization of preliminary expenses and floatation cost	8	**-**	558
Worker's welfare fund	12.1	**604**	-
Printing and related cost		**141**	130
Total expenes		**6,534**	6,119
Net income / (loss) from operating activities		**29,359**	(10,045)
Net element of income / (loss) and capital gains/(losses) included in prices of units issued less those in units redeemed		**249**	201
Net income / (loss) for the year		**29,608**	(9,844)

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive **Director**

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2013

	Note	**30 June 2013**	30 June 2012
		(Rupees in '000)	
Net income for the year		**29,608**	(9,844)
Other comprehensive income / (loss):			
Element of income / (loss) and capital gains (losses) included in prices of units sold less those in units redeemed - amount representing unrealized capital gains / (losses)		**70**	35
Unrealised appreciation / (diminution) in fair value of investments classified as 'available for sale'			
Surplus for the year		**29,350**	(47,168)
Recycled through income statement			
-on sale		**(51,799)**	(36,734)
-on impairment		**22,655**	83,834
		(29,144)	47,100
Other comprehensive income / (loss) for the year		**276**	(33)
Total comprehensive income for the year		**29,884**	(9,877)

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive **Director**

DISTRIBUTION STATEMENT
FOR THE YEAR ENDED 30 JUNE 2013

	30 June 2013	30 June 2012
	(Rupees in '000)	
Undistributed (loss) brought forward		
- Realized	(21,595)	(2,928)
- Unrealized	(59)	44
	(21,654)	(2,884)
Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units redeemed - amount representing unrealized capital gains / (losses)	70	35
Net income / (loss) for the year	29,608	(9,844)
Final distribution for the year ended 30 June 2012:		
- Cash distribution: Rs. Nil per unit (2011: 1.59 per unit)	-	(8,715)
- Issue of Nil bonus units (2011: 5,038 bonus units)	-	(246)
Interim distribution for the period ended 30 June 2013:		
- Cash distribution: Rs. 3.86 per unit (2012: 1.59 per unit)	(21,158)	-
- Issue of 118,132 bonus units (2012: 5,038 bonus units)	(5,597)	-
	2,923	(18,770)
Undistributed (loss) carried forward		
- Realized	(18,880)	(21,595)
- Unrealized	149	(59)
	(18,731)	(21,654)

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive **Director**

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED 30 JUNE 2013

	30 June 2013	30 June 2012
	(Rupees in '000)	
Net assets at the beginning of the period	**253,875**	284,292
Issue 1,417,279 units (2012: 105,494 units)	**71,500**	4,419
Redemption of 748 units (2012: 342,130 units)	**(36)**	(16,008)
	71,464	(11,589)
Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units repurchased:		
- amount representing accrued loss / (income) and realised capital losses /(gains) - transferred to the Income Statement	**(249)**	(201)
- amount representing unrealised capital loss / (gains) - transferred directly to the Distribution Statement	**(70)**	(35)
	(319)	(236)
Final bonus distribution of 118,294 (2012: 5,038) bonus units declared for the year ended 30 June 2013	**5,597**	246
Net unrealised appreciation on revaluation of investments classified as 'available-for-sale'	**206**	(68)
Capital loss on sale of investments	**(29,766)**	(3,130)
Unrealised (diminution) in the value of investments -'at fair value through profit or loss'	**149**	(59)
Other net (loss) / income for the year	**59,225**	(6,655)
Element of loss / income and capital (losses)/ gains included in prices of units sold less those in units reperchase	**70**	35
Final distribution for the year ended 30 June 2012:		
- Cash distribution: Rs. Nil per unit (2011: 1.59 per unit)	**-**	(8,715)
- Issue of Nil bonus units (2011: 5,038 bonus units)	**-**	(246)
Interim distribution for the period ended 30 June 2013:		
- Cash distribution: Rs. 3.86 per unit (2012: 1.59 per unit)	**(21,158)**	-
- Issue of 118,132 bonus units (2012: 5,038 bonus units)	**(5,597)**	-
Net income / (loss) for the year less distribution	**2,923**	(18,770)
Net assets at the end of the year	**333,746**	253,875
	(Rupees)	
Net asset value per unit at the beginning of the year	**46.0373**	49.4753
Net asset value per unit at the end of the year	**47.3441**	46.0373

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive **Director**

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2013

	30 June 2013	30 June 2012
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the year	**29,608**	(9,844)
Adjustments for:		
Unrealised (appreciation) /diminution in the value of investments -'at fair value through profit or loss'	**(149)**	59
Impairment in the value of investments classified as 'available for sale'	**(29,144)**	47,100
Profit on deposit accounts with banks	**(1,176)**	(1,301)
Amortisation of preliminary expenses and floatation costs	**-**	558
Income from term finance certificate - net of amortization of premium /discount	**(16,442)**	(36,797)
Income form Term deposit receipts	**(1,519)**	-
Provision for Worker's welfare fund	**604**	-
Net element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units repurchased	**(249)**	(201)
	(18,467)	(426)
(Increase) / decrease in assets		
Investments	**31,610**	(15,099)
Deposits & Prepayments	**-**	1,000
	31,610	(14,099)
Increase / (decrease) in liabilities		
Payable to Alfalah GHP Investment Management Limited - Management Company	**155**	27
Payable to Securities and Exchange Commission of Pakistan -Annual fee	**18**	(76)
Accrued expenses and other liabilities	**(171)**	94
	2	45
Profit received on investments	**18,258**	46,874
Net cash from operating activities	**31,403**	32,394
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issue of units	**71,500**	4,419
Payment against redemption of units	**(36)**	(16,008)
Cash dividend paid	**-**	(8,715)
Net cash inflow / (used in) financing activities	**71,464**	(20,304)
Net increase in cash and cash equivalents during the year	**102,867**	12,090
Cash and cash equivalents at beginning of the year	**25,769**	13,679
Cash and cash equivalents at end of the year	**128,636**	25,769

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

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive **Director**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

1. LEGAL STATUS AND NATURE OF BUSINESS

Alfalah GHP Income Multiplier Fund is an open-end collective investment scheme ("the Fund") established through a Trust Deed under the Trust Act, 1882, executed between Alfalah GHP Investment Management Limited, ("the Management Company") and Central Depository Companyof Pakistan Limited, ("the Trustee"). The Trust Deed was executed on 08 March 2007 and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the NBFC (Establishment and Regulation) Rules, 2003 ("NBFC Rules"), on 14 February 2007.

The Management Company of the Fund has been licensed by SECP to act as an Asset Management Company under NBFC Rules. The registered office of the Management Company is situated at 12th Floor, Tower A, Saima Trade Tower, I.I Chundrigar Road Karachi.

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

The Fund is categorized as an aggressive fixed income scheme and can invest in debt and money market securities as authorized in Funds Offering Document.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned 'AM3' (Outlook: Negative) to the Management Company in its rating report dated 17 May 2012 and BBB (f) Stability Rating to the fund in its rating report dated 29 June 2012.

The "Title" to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for the investments which are accounted for as stated in note 3.2.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the functional and presentation currency of the Fund.

2.4 Use of estimates and judgment

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that effect the application of policies and reported amounts of assets and 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 the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of approved accounting standards, as applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material judgment in the next year are as follows:

a) Classification and valuation of financial instruments (notes 3.2 and 5)
b) Impairment and Provisions(notes 3.3 and 3.8)
c) Taxation (note 3.12)

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the prepration of these financial statements are consistent with those of the previous financial years except as decribed in note 3.1

3.1 New and amended standards and interpretations

The Fund has adopted the following amendments to IFRSs which became effective for the current year:

IAS 1 – Presentation of Financial Statements – Presentation of items of other comprehensive income (Amendment)
IAS 12 – Income Taxes - Recovery of Underlying Assets (Amendment)
The adoption of the above amendments 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 asset 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 cost is 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 Income Statement.

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 receivable against sale of investments and other receivables and are carried at amortised cost using the effective yield method, less impairment losses, if any.

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 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 contractor 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 Statement of Comprehensive Income until derecognised or impaired, then the accumulated fair value adjustments recognised in Statement of Comprehensive Income are included in the Income Statement.

Fair value measurement principles

Basis of valuation of Term Finance Certificates / Sukuk Certificates

Investment in term finance certificates and sukuk certificates have been valued on the basis of period end rates quoted by the Mutual Fund Association of Pakistan.

Provision against non performing debt securities is made in accordance with the provisioning criteria prescribed by the Securities and Exchange Commission of Pakistan and the Fund's provisioning criteria. These are elaborated in note 3.3 to these financial statements.

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

Financial assets not carried at fair value through profit or loss are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of asset exceeds its recoverable amount. Impairment losses are recognised in Income Statement.

Impairment of debt securities held by the Fund is determined on the basis of repayment passed due from its contractual maturity. Such provisions are made as per criteria specified in Circular 33 of 2012 issued by Securities and Exchange Commission of Pakistan. Accelerated provisions are made if circumstances warrant, as per the provisioning policy approved by the Board of the Management Company.

However, the impairment loss on debt securities classified as available for sale is recognised in Income Statement. The reversal of impairment of debt security reclassified as performing by MUFAP in term of circular 33 of 2012 is made to the extent of increased price difference between amount recorded in books prior to reclassification as performing and price announced by MUFAP on reclassification.

In case of investments classified as available for sale a significant or prolong decline in the fair value of security below its cost is considered an indicator that the securities are impaired. If such indication exists for available for sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on financial asset previously recognised is removed from unit holders' fund and recognised in income statement. Decrease in impairment loss on available for sale securities is recognised in unit holders' fund and for debt securities classified as 'available for sale' is recognised in 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 repurchased

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 repurchased during an accounting year in the Income Statement while the portion of the element of income / (loss) and capital gains / (losses) that relates to unrealised gains / (losses) relating to available for sale investments 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.

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 15 June 2007 as per Trust Deed of the Fund.

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.

3.11 Earning per unit

Earnings per unit (EPU) for the year ended June 30, 2013 has not been disclosed in these financial statements 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 realize or unrealized is distributed 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 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 and loss' are included in the Income Statement in the period in which they arise.

- Income on TFCs, sukuk certificates, term deposit receipts, government securities, bank deposits and placements is recognised on a time proportionate basis using effective yield method.

- Element of income / (loss) and capital gains / (losses) included in prices of units sold less those in units repurchased is included in the Income Statement on the date of issue and redemption of units.

3.15 Expenses

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

3.16 Cash and cash equivalents

Cash and cash equivalent comprises deposits maintained with banks. Cash and cash equivalent are short term highly liquid investments 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.

3.17 Dividend distribution and appropriations

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

3.18 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following revised standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	**Effective date (annual periods Beginning on or after)**
IFRS 7 - Financial Instruments : Disclosures - (Amendments) -Amendments enhancing disclosures about offsetting of financial assets and financial liabilities	01 January 2013
IAS 19 - Employee Benefits -(Revised)	01 January 2013
IAS 32 - Offsetting Financial Assets and Financial liabilities - (Amendment)	01 January 2014
IFRIC 20 - Stripping Costs in the Production Phase of a Surface Mine	01 January 2013

The Fund expects that the adoption of the above revision, 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 amendments, improvements to various accounting standards have also been issued by the IASB. Such improvements are generally effective for accounting periods beginning on or after 01 January 2013. 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, 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	IASB Effective date (annual periods beginning on or after)
IFRS 9 – Financial Instruments: Classification and Measurement	01 January 2015
IFRS 10 – Consolidated Financial Statements	01 January 2013
IFRS 11 – Joint Arrangements	01 January 2013
IFRS 12 – Disclosure of Interests in Other Entities	01 January 2013
IFRS 13 – Fair Value Measurement	01 January 2013

4. BANK BALANCES

	Note	**30 June 2013**	30 June 2012
		(Rupees in '000)	
in deposit accounts	*4.1*	**28,636**	25,769
in term deposit receipts	*4.2*	**100,000**	-
		128,636	25,769

4.1 These balances in saving deposit accounts bear profit rates ranging from 8% to 9% per annum (30 June 2012: 5% to 11% per annum). This includes Rs. 28.619 million (30 June 2012: 1.153 million) with a related party that carry markup ranging from 8% to 9% per annum .

4.2 This represents term deposit receipts maintained with National Bank of Pakistan carrying mark-up rate of 9.90% per annum and will mature on 05 July 2013.

5. INVESTMENTS

	Note	**30 June 2013**	30 June 2012
		(Rupees in '000)	
- At fair value through profit or loss			
Market treasury bills	*5.1*	**157,534**	123,784
Investment in term finance certificates	*5.2*	**6,220**	-
		163,754	123,784
- Available for sale			
Investment in term finance certificates	*5.4*	**6,239**	18,855
Investment in sukuk certificates	*5.5*	**40,010**	69,475
		46,249	88,330
		210,003	212,114

5.1 Treasury Bills

Issue date	Tenor	Face Value: As at 01 July 2012	Face Value: Purchases during the Year	Face Value: Sales during the Year	Face Value: Matured during the Year	Face Value: As at 30 June 2013	Cost as at 30 June 2013	Market value as at 30 June 2013	Market value as a percentage of: Net assets	Market value as a percentage of: Total investment
		---- Number of shares ----					.....(Rupees in '000).......			
T-Bill (19-Apr-12)	03Months	65,000	-	-	65,000	-	-	-	-	-
T-Bill (03-May-12)	03Months	28,000	-	-	28,000	-	-	-	-	-
T-Bill (31-May-12)	03Months	-	4,700	-	4,700	-	-	-	-	-
T-Bill (28-Jun-12)	03Months	7,000	-	-	7,000	-	-	-	-	-
T-Bill (26-Jul-12)	03Months	-	56,000	28,000	28,000	-	-	-	-	-
T-Bill (20-Sep-12)	03Months	-	15,000	-	15,000	-	-	-	-	-
T-Bill (18-Oct-12)	03Months	-	28,000	-	28,000	-	-	-	-	-
T-Bill (13-Dec-12)	03Months	-	25,000	-	25,000	-	-	-	-	-
T-Bill (10-Jan-13)	03Months	-	20,000	20,000	-	-	-	-	-	-
T-Bill (24-Jan-13)	03Months	-	75,000	75,000	-	-	-	-	-	-
T-Bill (07-Feb-13)	03Months	-	101,000	26,000	75,000	-	-	-	-	-
T-Bill (21-Feb-13)	03Months	-	5,000	-	5,000	-	-	-	-	-
T-Bill (07-Mar-13)	03Months	-	100,000	100,000	-	-	-	-	-	-
T-Bill (21-Mar-13)	03Months	-	40,000	-	40,000	-	-	-	-	-
T-Bill (04-Apr-13)	03Months	-	25,000	-	25,000	-	-	-	-	-
T-Bill (02-May-13)	03Months	-	110,000	20,000	-	90,000	89,456	89,445	27	42.60
T-Bill (13-June-13)	03Months	-	40,000	-	-	40,000	39,346	39,346	12	18.74
Total		**100,000**	**644,700**	**269,000**	**345,700**	**130,000**	**128,802**	**128,791**		
T-Bill (08-Mar-12)	06Months	25,000	25,000	50,000	-	-	-	-	-	-
T-Bill (12-Jul-12)	06Months	-	135,000	135,000	-	-	-	-	-	-
T-Bill (26-Jul-12)	06Months	-	75,000	-	75,000	-	-	-	-	-
T-Bill (23-Aug-12)	06Months	-	110,000	105,000	5,000	-	-	-	-	-
T-Bill (06-Sep-12)	06Months	-	55,000	-	55,000	-	-	-	-	-
T-Bill (20-Sep-12)	06Months	-	40,000	-	40,000	-	-	-	-	-
T-Bill (04-Oct-12)	06Months	-	12,000	-	12,000	-	-	-	-	-
T-Bill (01-Nov-13)	06Months	-	35,000	-	35,000	-	-	-	-	-
T-Bill (27-Jun-13)	06Months	-	30,000	-	-	30,000	28,750	28,743	9	13.69
Total		**25,000**	**517,000**	**290,000**	**222,000**	**30,000**	**28,750**	**28,743**		
Grand Total		**125,000**	**1,161,700**	**559,000**	**567,700**	**160,000**	**157,552**	**157,534**		

5.2 Investment in quoted Term Finance Certificate - Held for Trading

Name of the investee company	Note	Maturity	Profit / mark-up percentage	As at 01 Jul 2012	Purchases during the Year	Sales / Mature during the year	Redemption during the Year	As at 30 June 2013	Cost as at 30 June 2013	Market value as at 30 June 2013	(Impairment) in the value of investments	Appreciation / (Diminution) in the value of investments	Market value as a percentage of: Net assets	Market value as a percentage of: Total investments	Outstanding principal value as a percentage of issued debt capital
				--------- Number of certificates ---------					--------(Rupees in '000)--------						
Listed term finance certificates															
Bank Alfalah Limited - V	5.2.1	March 2021	6M KIBOR +1.25%	-	1,225	-	-	1,225	6,124	6,220	-	96	1.86	2.96	0.12
									6,124	6,220	-	96			
Total investments at 'fair value through profit and loss'									163,676	163,754					

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

5.3 Net Unrealized appreciation / (diminution) in the value of investments classified as 'at fair value through profit or loss'

	30 June 2013	30 June 2012
	(Rupees in '000)	
Market value of investments	163,754	123,784
Less: Carrying value of investments	(163,676)	(123,855)
	78	(71)
Net unrealised (appreciation) in the value of investment at the beginning of the year	71	12
	71	12
Net unrealised (diminution) in the value of investment for the year	149	(59)

5.4 Investment in term finance certificate - 'available for sale'

Name of the investee company	Note	Maturity	Profit / mark-up percentage	As at 01 Jul 2012	Purchases during the year	Sales / Mature during the year	Redemption during the year	As at 30 June 2013	Cost as at 30 June 2013	Market value as at 30 June 2013	(Impairment) in the value of investments	Appreciation / (Diminution) in the value of investments	Market value as a percentage of: Net assets	Market value as a percentage of: Total investments	Outstanding principal value as a % of issued debt capital
				---------------- Number of certificates ----------------					----(Rupees in '000)----						
Listed term finance certificates															
Financial Receivable Securitization Limited (Class A)	5.4.1	January 2014	6M KIBOR + 2%	1,992	-	-	-	1,992	1,660	1,662	-	2	0.50	0.79	1.42
Trust Investment Bank Limited (TIBL)	5.4.2	July 2013	6M KIBOR + 1.85%	8,000	-	-	-	8,000	14,994	3,499	(11,495)	-	1.05	1.67	6.67
Unlisted term finance certificates															
Security Leasing Corporation Limited (SLCL)	5.4.3	January 2022	6%	2,000	-	-	-	2,000	1,743	1,078	(665)	-	0.32	0.51	2
Agritech Ltd (Formerly Pak American Fertilizer Limited)	5.4.4	November 2017	6M KIBOR + 1.75%	17,950	-	-	-	17,950	89,666	-	(89,666)	-	-	-	5.98
Agritech Ltd-IV (Formerly Pak American Fertilizer Limited)	5.4.5	January 2015	Zero Coupon	4,094	-	-	-	4,094	20,470	-	(20,470)	-	-	-	2.27
Invest Capital Investment Bank Ltd formerly (Al-Zamin Leasing Modaraba)		November 2013	6M KIBOR + 1.90%	10,000	-	10,000	-	-	-	-	-	-	-	-	7.14
									128,533	6,239	(122,296)	2			

5.4.1 These term finance certificates carry fixed mark-up rate equal to 6 months Karachi Interbank Offered Rate "ask side" plus 2% per annum, receivable semi-annually in arrears with a floor of 8% and cap of 16%. These term finance certificates are secured against hypothecation charge on the future receivables under "agreement to sell and purchase receivables".

5.4.2 These term finance certificates carry fixed mark-up rate equal to 6 months Karachi Interbank Offered Rate "ask side" plus 1.85% per annum, receivable semi-annually in arrears with a floor of 6% and cap of 10%. These term finance certificates are secured against first charge on specified leased assets and associated lease receivables with a 40% margin. TIBL defaulted on its payment of principal and markup due on 04 July 2012. Consequently, the security was classified as non-performing by MUFAP on 18 October 2012. Accordingly, accrual of markup on the same has been suspended and markup due amounting Rs. 1.437 million has been reversed and provision has been made amounting Rs. 11.495 million in accordance with the requirements of SECP circulars and directives issued from time to time and the Board's approved provisioning policy.

5.4.3 These term finance certificates carry fixed mark-up rate of 6.00% per annum, receivable monthly in arrears. These term finance certificates are secured against first charge on specific leased assets with related rentals receivables with 25% margin. SLCL had rescheduled its repayments through second supplemental Trust deed executed on May 18 2011. As per the supplemental deed, SLCL obtained the waiver from the obligation to pay the mark-up on the outstanding amount while the principal is to be repaid in 36 equal installments starting from April 29, 2011 to March 29, 2014. In February 2011 , SLCL rescheduled its monthly repayment from Rs. 78,125/- to Rs. 16,927/- without any alteration in the supplemental trust Deed. Subsequently the security was classified as 'non-performing' by MUFAP on 03 April 2012. Accordingly, provision has been made amounting Rs. 0.760 million in the current period in accordance with the requirements of SECP circulars and directives issued from time to time and the Board's approved provisioning policy. On 15 March 2013 the security was re-classified as Performing by MUFAP accordingly provision amounting Rs. 0.0949 million was reversed.

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

5.4.5 This represents additional certificates of Agritech Limited received by the Fund through restructuring agreement reached between lenders and Agritech Limited. Under such agreement outstanding mark up due on May 29, 2011 and July 13, 2011 against 1st and 2nd Issue respectively amounting to Rs. 20.47 million was settled in the form of certificates valuing Rs. 20.47 million. These investments had been recorded as 100% impaired (Rs. nil in current period) since these have been received in lieu of suspended overdue mark up to be recognised to income upon realisation.

5.5 Investment in sukuk certificate - 'available for sale'

Name of the investee company	Note	Maturity	Profit / mark-up percentage	As at 01 Jul 2012	Purchases during the year	Sales / Mature during the year	Redemption during the year	As at 30 June 2013	Cost as at 30 June 2013	Market value as at 30 June 2013	(Impairment) in the value of investments	Appreciation / (Diminution) in the value of investments	Market value as a percentage of: Net assets	Market value as a percentage of: Total investments	Outstanding principal value as a % of issued debt capital
				---------------- Number of certificates ----------------					----(Rupees in '000)----						
Maple Leaf Cement Factory Limited	5.5.1	December 2018	3M KIBOR +1%	15,000	-	-	-	15,000	67,341	26,937	(40,404)	-	8.07	12.83	1.88
Maple Leaf Cement Factory Limited -II	5.5.2	March 2013	3M KIBOR +1%	562	-	562	-	-	-	-	-	-	-	-	-
Kohat Cement Company Limited	5.5.2	September 2016	3M KIBOR +1.50%	25,000	-	2,000	-	23,000	17,431	13,073	(4,358)	-	3.92	6.23	5.00
									84,772	40,010	(44,762)	-			
									213,305	46,249	(167,058)	2			

5.5.1 This represents investment in sukuk certificates of Maple Leaf Cement Factory Limited (MLCF), secured against first pari passu charge over all present and future fixed assets with a 25% margin. Maple Leaf Cement Factory (MLCF) defaulted on the installment due on 13 September 2011 as per the restructured agreement. Consequently, the security was classified as non-performing by MUFAP on 19 September 2011 and accrual amounting to Rs. 9.235 million on the same was reversed. Accordingly, provision had been made amounting Rs. 40.40 million (including Rs. 11.226 million provided in current period) in accordance with the requirements of SECP circulars and directives issued from time to time and the Board's approved provisioning policy. During the year principal amounting Rs. 5.08 million was received accordingly provision amounting Rs. 4.535 million was reversed.

5.5.2 This represents additional sukuks of MLCF received by the Fund through restructuring agreement reached between lenders and MLCF. Under such agreement outstanding mark up due on 03 December 2009 amounting to Rs. 5.806 million was settled partially in cash and partially in the form of sukuk certificates valuing Rs. 2.81 million. These investments have been recorded as 100% impaired (Rs. Nil in current period) since these have been received in lieu of suspended overdue mark up to be recognised to income upon realisation. During the year suspended overdue markup amounting Rs. 2.81 million was received accordingly provision amounting Rs. 2.81 million was reversed.

5.5.3 This represents investment in sukuk certificates of Kohat Cement Company Limited (KCCL), secured against first pari passu hypothecation charge over all present and future fixed assets of the company equivalent to the facility amount with a 25% margin and mortgage over all present and future immovable properties of KCCL with a 25% margin over the facility amount. During the year the sukuk issued by Kohat Cement Company Limited has been regular on its payments as per the restructuring agreement which resulted in reversal in provision by Rs. 30.65 Million. Accordingly the maturity date of the sukuk has been reduced to June 2016 from September 2016 by excersicing Call option for early payments of outstanding principal amount represent 37% of principal amount due.

5.6 Net unrealized appreciation / (diminution) in the value of investments classified as 'available for sale'	30 June 2013	30 June 2012
	(Rupees in '000)	
Market value of investments	**46,249**	88,330
Less: Carrying value of investments	**(213,305)**	(284,736)
	(167,056)	(196,406)
Impairment charged during the year	**22,655**	83,834
Reversal of impairment during the year	**(11,972)**	(31,489)
	(156,373)	(144,061)
Net unrealized diminution in the value of investments at the beginning of the year	**196,406**	149,238
Realized on disposals during the year	**(39,827)**	(5,245)
Net unrealized (diminution)/appreciation in the value of investments at the end of the year	**206**	(68)

5.7 Particulars of impairment in the value of investments classified as 'available for sale'	**30 June 2013**	30 June 2012
	(Rupees in '000)	
Opening Balance	**196,202**	149,102
Charged for the year	**22,655**	83,834
Realised during the year	**(11,972)**	(31,489)
Reversal due to disposals during the year	**(39,827)**	(5,245)
Impairment in the value of investments classified as 'available for sale' - net	**(29,144)**	47,100
Closing balance	**167,058**	196,202

6. INCOME AND PROFIT RECEIVABLE

	30 June 2013	30 June 2012
	---- Rupees in '000 ----	
Receivable from term finance certificates	**321**	1,229
Receivable from sukuk certificates	**17,117**	16,693
Receivable from term deposit receipts	**1,519**	-
Profit receivable on deposit accounts with banks	**2**	158
	18,959	18,080

7. DEPOSITS AND PREPAYMENTS

Deposit with Central Depository Company of Pakistan Limited	**100**	100
Deposit with National Clearing Company of Pakistan Limited	**2,500**	2,500
	2,600	2,600

8. PRELIMINARY EXPENSES AND FLOATATION COSTS

Preliminary expenses and floatation costs	**-**	558
Amortisation during the year	**-**	(558)
	-	-

8.1 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 15 June 2007 as per the Trust Deed of the Fund. On 15 June 2012 the fund has completed five year in operation.

9. PAYABLE TO ALFALAH GHP INVESTMENT MANAGEMENT LIMITED – MANAGEMENT COMPANY

Under the provisions of NBFC Regulations 2008, the Management Company of the Fund is entitled to a 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. On 15 June 2012 the fund completed five year in operation however The Management Company has charged its remuneration at the rate of 1.25% per annum for the current period.

9.1 SALES TAX ON MANAGEMENT FEE

During the current period, an amount of Rs. 0.574 million (30 June 2012: Rs. 0.52) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011.

9.2 FEDERAL EXCISE DUTY ON MANAGEMENT FEE

During the current period, an amount of Rs. 0.040 million (30 June 2012: Rs. Nil) was charged on account of Federal Excise Duty on management fee levied through Finance Act 2013.

10. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

	Note	30 June 2013	30 June 2012
		---- Rupees in '000 ----	
Trustee fee	*10.1*	**49**	49

10.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net asset value of the Fund. The remuneration is payable to the trustee according to the following tariff structure:

Average net asset value	Tariff per annum
Up to Rs. 1 billion	0.17% p.a of Net Assets
1 billion to 5 billion	Rs. 1.7 Million plus 0.085% p.a of Net assets exceeding Rs 1 Billion
Over 5 billion	Rs. 5.1 Million plus 0.07% p.a of Net Assets exceeding Rs 5 Billion

11. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN - ANNUAL FEE

Under the provisions of NBFC Regulations, 2008, an open end income 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.

12. ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	30 June 2013	30 June 2012
		---- Rupees in '000 ----	
Auditors' remuneration		**349**	335
Auditors' remuneration Out of Pocket		**90**	-
Withholding tax payable		**3**	6
Provision for Workers' Welfare Fund	*12.1*	**3,926**	3,322
Other payable		**205**	477
Distribution payable		**21,158**	-
		25,731	4,140

12.1 WORKERS' WELFARE FUND

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

In August 2011, the Lahore High Court (LHC) issued a judgment in response to a petition in similar case whereby the amendments introduced in WWF Ordinance through Finance Acts 2006 and 2008 have been declared unconstitutional and therefore struck down. However, during March 2013, the SHC larger bench issued a judgment in response to various petitions in similar cases whereby the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through Finance Acts 2006 and 2008 respectively (Money Bills) have been declared constitutional and overruled a single-member Lahore High Court (LHC) bench judgment issued in August 2011.

MUFAP's legal counsel is of the view that the stay granted to mutual funds in respect of recovery of WWF remains intact and the constitutional petition filed by the Mutual Funds to challenge the Workers Welfare Fund contribution has not been affected by the Judgment passed by the larger bench of SHC.

In view of above stated facts and considering the uncertainty on the applicability of WWF to mutual funds due to show cause notices issued to a number of mutual funds, the management company as a matter of abundant caution has decided to continue to maintain the provision for WWF amounting to Rs. 3.926 million up to 30 June 2013.

13. CONTINGENCIES AND COMMITMENTS

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

14. CLASSES OF UNITS IN ISSUE

14.1 The Fund may issue following classes of units:

Class	Note	**Description**
A (Restricted / Core)	14.1.1	Units that shall be charged with no sales load.
A	14.1.2	Units that shall be charged with no sales load.
B	14.1.3	Units that shall be issued with or without sales load.

14.1.1 These units were issued to Core Investors. These units cannot be redeemed for a period of two years from the date of closure of Initial Period of Offer, as per offering document At the year ended 30 June 2013 the units outstanding in the class are 5,000,000 as income units.

14.1.2 These units were offered and issued during the Private Placement and Initial Period of Offer.

14.1.3 These units were offered and issued after the Initial Period of Offer. At the year ended 30 June 2013 the units outstanding in the class are 33,313 as growth units and 481,236 as income units.

15. AUDITORS' REMUNERATION

	30 June 2013	30 June 2012
	---- Rupees in '000 ----	
Audit fee	**275**	275
Review, other certifications and services	**200**	200
Out of pocket expenses	**16**	6
	491	481

16. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Alfalah GHP Investment Management Limited being the Management Company, GHP Arbitrium AG, Bank Alfalah Limited and MAB Investment Incorporated being associated companies of Management Company, directors and key management personnel of Alfalah GHP Investment Management Limited and Central Depository Company of Pakistan Limited (CDC) being the trustee of the Fund, Bank Alfalah Limited being sub custodian, and other associated companies and connected persons.

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

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules 2003 and NBFC Regulations 2008 and Trust Deed respectively.

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

16.1 Transactions and balances with connected persons / related parties:

	30 June 2013	30 June 2012
	(Units in '000)	
Units held by:		
Bank Alfalah Limited	**5,481**	5,481
	(Rupees in '000)	
Dividend paid to		
Bank Alfalah Limited	**21,158**	-
Alfalah GHP Investment Management Limited - Management Company		
	(Rupees in '000)	
Balance at the beginning of the year	**304**	277
Remuneration for the year	**3,545**	3,249
Sales tax for the year	**574**	520
FED for the year	**40**	-
	4,463	4,046
Amount paid during the year	**(4,004)**	(3,742)
Balance at the end of the year	**459**	304
Central Depository Company of Pakistan Limited - Trustee		
Balance at the beginning of the year	**49**	49
Remuneration for the year	**595**	600
Central Depository charges for the year	**6**	6
	650	655
Amount paid during the year	**(601)**	(606)
Balance at the end of the year	**49**	49
Deposit with Central Depository Company of Pakistan Limited	**100**	100
Bank Alfalah Limited		
Balance in deposit account at the end of the year	**28,619**	1,153
Profit receivable on deposit accounts at the end of the year	**-**	85
Bank charges	**-**	37
Profit on deposit accounts	**762**	1,093

17. FINANCIAL RISK MANAGEMENT

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 analyze 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 markets 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.

17.1 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 funds constitutive and investment policy documents, while optimizing the return. The Fund is categorized as an aggressive fixed income scheme and can invest in debt and money market securities as authorized in Fund's Offering Documents. 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.

17.1.1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates.

The majority of Fund's interest rate risk exposure arises on Fund's investment on debt securities (Sukuks). Cash and cash equivalents are not subject to fair value interest rate risks.

The Fund manages interest rate risk by keeping a major portion of funds into short terms investments in the rising interest rate environment. Interest rate risk in debt securities are mitigated by investing mostly in instrument carrying floating rate coupons which are linked to market interest rates, and are re-priced on quarterly / semi-annual basis. As at 30 June 2013, the investment in T-Bills, TFC's and Sukuk certificates exposed to interest rate risks is detailed in note 5.1, 5.3 and 5.4 respectively.

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

	30 June 2013					
	Effective rate of mark-up/ return %	Exposed to yield / interest rate risk			Not exposed to Yield/ Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
On-balance sheet financial instruments		------------------------- (Rupees in '000)			--------------------------	
Financial assets						
Bank balances	8 -9%	128,636	-	-	-	**128,636**
Investments	6 months KIBOR	128,790	80,135	-	1,078	**210,003**
Income and profit receivable	+1.65 to 6 months	-	-	-	18,959	**18,959**
Deposits and prepayments	KIBOR + 2.85, 3	-	-	-	2,600	**2,600**
	months KIBOR + 1.5	257,426	80,135	-	22,637	**360,198**
Financial liabilities						
Payable to Alfalah GHP Investment Management Limited - Management Company		-	-	-	459	**459**
Payable to Central Depository						**-**
Company of Pakistan Limited - Trustee		-	-	-	49	**49**
Accrued expenses and other liabilities		-	-	-	21,805	**21,805**
		-	-	-	22,313	**22,313**
On-balance sheet gap		**257,426**	**80,135**	**-**	**(324)**	**337,885**

	30 June 2012					
	Effective rate of mark-up/ return %	Exposed to yield / interest rate risk			Not exposed to Yield/ Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
On-balance sheet financial instruments		------------------------- (Rupees in '000)			--------------------------	
Financial assets						
Bank balances	5-11%	25,769	-	-	-	25,769
Investments	6 months KIBOR +1.65 to 6 months KIBOR + 2.85, 3 months KIBOR + 1.5	123,784	86,949	-	1,381	212,114
Income and profit receivable		-	-	-	18,080	18,080
Deposits and prepayments		-	-	-	2,600	2,600
		149,553	86,949	-	22,061	258,563
Financial liabilities						
Payable to Alfalah GHP Investment Management Limited - Management Company		-	-	-	304	304
Payable to Central Depository						-
Company of Pakistan Limited - Trustee		-	-	-	49	49
Payable to Securities & Exchange Commission of Pakistan - Annual fee		-	-	-	195	195
Accrued expenses and other liabilities		-	-	-	819	819
		-	-	-	1,367	1,367
On-balance sheet gap		149,553	86,949	-	20,694	257,196

The above table shows Fund's yield / interest rate sensitivity position for on balance sheet financial instruments based on the earlier of contractual repricing or maturity risk.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds KIBOR based interest bearing TFC's & Sukuk certificates exposing the Fund to cash flow interest rate risk. Fund's exposure in TFC's & sukuk certificates amount to Rs. 52.470 million as at 30 June 2013. The Management have determined that a fluctuation in KIBOR interest rate of 100 basis points at June 30, 2013, with all other variables held constant, the net assets of the Fund and net income for the year would have been higher / lower by Rs. 3.24 million (2012: Rs. 6.04 million).

The composition of the Fund' s investment portfolio and interest rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of 30 June 2013 is not necessarily indicative of future movements in interest rates.

b) Sensitivity analysis for fixed rate instruments

Presently, the Fund holds treasury bills which are classified as 'at fair value through profit and loss' exposing the Fund to fair value interest rate risk. In case of 100 basis points increase / decrease in rates on 30 June 2013, the income for the period and net assets would be lower by Rs. 0.266 million (2012: Rs. 0.100 million).

The composition of the Fund's investment portfolio, change in interest rates are expected to change over time. Accordingly, the sensitivity

17.1.2 Currency risk

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

17.1.3 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.

The fund is not subject to the other price risk as all investments of the fund are in corporate debt securities (TFC/Sukuk) both listed and unlisted which are fixed income instrument.

17.2 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 credit risk of the Fund principally arises from its investment in debt securities. The Fund is also exposed to counterparty, credit risk on cash and cash equivalents, deposits and other receivable balances.

Credit risk on debt securities is mitigated by investing primarily investment grade securities both listed and unlisted. The Fund's Cash and cash equivalents are held mainly with Bank Alfalah Limited, which is rated AA by PACRA (2012: AA by PACRA).

Management Company has policies of reviewing the credit worthiness of its counterparties by analysis sector performance, financial ratios, making issuing entity assessment, assessment of collateral / security structure and credit ratings.

The maximum exposure to credit risk before any credit enhancements at 30 June 2013 is the carrying amount of the financial assets as set out below:

	30 June 2013	30 June 2012
Financial assets	**---- Rupees in '000 ----**	
Bank balances	**128,636**	25,769
Investments	**52,469**	88,330
Income and profit receivable	**18,959**	18,080
Deposits	**2,600**	2,600
	202,664	134,779

Interest in Government securities amounting to Rs. 157.534 million (30 June 2012: 123.784) is not exposed to credit risk.

Secured	**52,469**	88,330
Unsecured	**150,195**	46,449
	202,664	134,779

None of the above financial assets were considered to be past due or impaired in 2013 and 2012 except for exposures as provided in note 5.1 and 5.2. The Management Company follows Circular 1 of 2009 containing criteria for provisioning of non-performing debt securities issued by SECP for the purpose of making provision against non-performing debt securities.

Sector wise analysis of maximum exposure to credit risk for investments in debt securities as at 30 June 2013 is given below:

	30 June 2013	30 June 2012
	---- Rupees in '000 ----	
Construction and material	**40,010**	67,475
Investment Banks / Companies / Securities	**11,382**	17,474
Leasing Companies	**1,077**	1,381
Miscellaneous	**-**	-
	52,469	86,330

The analysis below summarises the credit quality of the Fund's investment in term finance certificates and sukuk certificates as at 30 June 2013 and 30 June 2012.

Term Finance Certificates / Sukuk Certificates by credit rating category	**30 June 2013**	30 June 2012
A, A-, A+	**3.59%**	3.76%
BBB, BBB-, BB+, BB	**65.81%**	62.60%
CCC	**2.33%**	1.56%
Non rated / Non performing	**28.27%**	32.08%
	100%	100%

Concentration of credit Risk

Concentration of credit risk exists when changes in economic or industry factors similarly affects 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 diversified and transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentrations of credit risk.

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

The analysis below summarizes the credit quality of the Fund's investment in Bank balance, Term Finance Certificates and Sukuk certificates as at 30 June 2013.

AA	**28,619**	25,752
A+	**17**	17
A-	**-**	-
	28,636	25,769

17.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Fund is exposed to daily cash redemptions, if any. 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 period. 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 table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	….……….As at 30 June 2013 …………..		
	Carrying value	**Upto one month**	**More than one month upto three months**
	---------------- (Rupees in '000) ---------------		
Liabilities			
Payable to Alfalah GHP Investment Management Limited -Management Company	**459**	**459**	**-**
Payable to Central Depository Company of Pakistan Limited - Trustee	**49**	**49**	**-**
Accrued expenses and other liabilities	**25,731**	**-**	**25,731**
	26,239	**508**	**25,731**

	….……….As at 30 June 2012 …………..		
	Carrying value	Upto one month	More than one month upto three months
	---------------- (Rupees in '000) ---------------		
Liabilities			
Payable to Alfalah GHP Investment Management Limited - Management Company	304	304	-
Payable to Central Depository Company of Pakistan Limited - Trustee	49	49	-
Accrued expenses and other liabilities	4,140	-	4,140
	4,493	353	4,140

17.4 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;
- Risk mitigation, including insurance where this is effective.

17.5 Capital Risk Management

Alfalah GHP Income Multiplier Fund (AGIMF) is 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 causes adverse effects on the Fund's continuation as going concern.

The Fund's objective when managing net assets attributable to unit holders is to safe guard the Funds 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 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 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 distribute at least ninety percent of its income from sources other than capital gain as reduced by such expenses as are chargeable to the Fund.

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.

18. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

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

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

	June 30, 2013			
	Level 1	**Level 2**	**Level 3**	**Total**
	------------------- (Rupees in '000) -------------------			
Financial assets 'at fair value through profit or loss'				
Market treasury bills	-	157,534	-	157,534
Term Finance Certificates	-	6,220	-	6,220
	-	163,754	-	163,754
Financial assets classified as 'available for sale'				
Term Finance Certificates	-	5,161	1,078	6,239
Sukuk	-	13,073	26,937	40,010
	-	18,234	28,015	46,249
	-	181,988	28,015	210,003

19. 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 Non Banking Finance Companies and Notified Entities Regulations, 2008 has been disclosed in Annexure I to the financial statements.

20. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorised for issue on 12 August 2013 by the Board of Directors of the Management Company.

21. GENERAL

Figures have been rounded off to the nearest thousand rupees.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive **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

1.1 PERFORMANCE TABLE - AGIMF

	30 June 2013	30 June 2012	30 June 2011
	---------------(Rupees in '000)--------------		
Net Assets	**333,747**	253,875	284,292
	(Announcement date of distribution)		
Interim	**N/A**	N/A	N/A
Final	**27-Jun-13**	N/A	22-Aug-11
	(Percentage)		
Total return of the fund	**11.23%**	-3.90%	1.97%
Annual dividend distribution	**8.38%**	Nil	See Note Nil
Capital growth	**2.85%**	-3.90%	1.97%
Average annual return			
Half year	**N/A**	N/A	N/A
First year	**11.23%**	-3.90%	1.97%
Second year	**3.66%**	-0.97%	2.35%
Third year	**3.10%**	0.27%	0.0148

	30 June 2013	30 June 2012	30 June 2011
	(Rupees per unit)		
Net assets value	**47.3441**	46.0373	49.4753
Highest offer price	**52.7208**	51.9071	53.0108
Lowest offer price	**46.5413**	42.0173	47.1599
Year end offer price	**48.7645**	47.4184	50.9595
Highest repurchase price	**51.1852**	50.3953	51.4668
Lowest repurchase price	**45.1857**	40.7935	45.7863
Year end repurchase price	**47.3441**	46.0373	49.4753
Interim distribution	**3.86**	Nil	Nil
Final distribution	**Nil**	Nil	Nil
Total distribution	**3.86**	Nil	Nil
Return Since Inception - Annualised	**3.80%**	2.09%	3.72%
Return Since Inception - (CAGR)	**3.48%**	2.00%	3.53%
	(Days)		
Weighted average portfolio duration	**1.15 Years**	1.64 Years	3.89 Years

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

1.2 RATING

Credit rating of the Management Company is 'AM3'.
The stability rating of the fund is BBB(f)

1.3 PATTERN OF UNIT HOLDING

Category	As at 30 June 2013			
	Number of unit holder	Units held	Investment amount (Rupees in '000)	Percentage of totat investment %
Individual	5	14,141	669	0.20%
Associated companies	1	5,481,236	259,341	77.71%
Insurance companies	-	-	-	-
Bank / financial institutions	-	-	-	-
Retirement Funds	4	1,545,887	73,143	21.92%
Public companies				
Others	4	8,109	593	0.18%
	14	7,049,373	333,746	100%

Category	As at 30 June 2012			
	Number of unit holder	Units held	Investment amount (Rupees in '000)	Percentage of totat investment %
Individual	7	13,810	636	0.25%
Associated companies	1	5,481,236	252,341	99.40%
Insurance companies	-	-	-	
Bank / financial institutions	-	-	-	
Retirement Funds	1	12,005	553	0.22%
Public companies	-	-	-	
Others	4	7,497	345	0.14%
	13	5,514,548	253,875	100%

1.4 SIZE OF UNIT HOLDING

Size of Unit Holding	As at 30 June 2013			
	Number of Unit Holders	Total Units	Invested Amount (Rupees in '000)	%
1-1000	4	772	37	0.01
1001-5000	3	8,009	379	0.11
5001-10000	2	13,470	637	0.19
10001-50000	2	45,400	2,148	0.64
500001-5500000	3	6,981,722	330,545	99.04
Total	14	7,049,373	333,746	100.00

Size of Unit Holding	Number of Unit Holders	Total Units	Invested Amount (Rupees in '000)	%
	As at 30 June 2012			
1 -1000	6	877	40	0.02
1001 - 5000	3	7,977	367	0.14
5001 - 10000	2	12,454	573	0.23
10001 - 50000	1	12,005	553	0.22
500001 - 5500000	1	5,481,235	252,342	99.39
Total	**13**	**5,514,548**	**253,875**	**100.00**

1.5 TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID

List of the top ten brokers by percentage of the commission paid during the period are as follows:

Name of Broker	**2013 (Percentage)**
JS Global Capital Limited	39.58%
KASB Securities Limited	15.37%
C&M Management Pvt Limited	45.05%

Name of Broker	2012 (Percentage)
Pearl Securities Limited	52.68%
Invest Capital Market Ltd	27.60%
First Capital Securities Corporation Limited	11.19%
JS Global Capital Limited	8.54%

1.6 INVESTMENT COMMITTEE

Details of members of the investment committee of the Fund are as follows:

	Designation	**Qualification**	**Experience in years**
Abdul Aziz Anis	Chief Executive Officer	CFA / MBA (Finance)	17 +
Omer Bashir Mirza	CFO & Company Secretary	ACA	11 +
Zeeshan Khalil	Fund Manager	ACMA	8 +
Mr. Ather.H.Medina	Fund Manager	MBA / CFA Level II	18 +

1.6.1 Mr. Zeeshan Khalil is the Fund Manager of Alfalah GHP Income Multiplier Fund. Other Fund being managed by the Fund Manager are as follows:

- Alfalah GHP Cash Fund

1.7 ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The 48th , 49th, 50th, 51st, 52nd, 53rd Board Meetings were held on 08 Aug 2012, 16 Oct 2012, 15 Feb 2013, 28 Feb 2013, 16 Apr 2013 and 22 May 2013 respectively.

Name of Director	Number of Meetings			
	Held	Attended	Leave granted	Meeting not attended
Mr. Abdul Aziz Anis*	6	6	-	-
Mr. Hanspeter Beier*	6	-	6	-
Syed Ali Sultan*	4	4	-	-
Mr. David Burlison*	1	-	1	-
Mr. Amin Dawood Saleh*	1	1	-	-
Mr. Kashif Abdur Rehman*	1	1	-	-
Mr. Suleman Hudda*	1	1	-	-
Mr. Shakil Sadiq**	4	4	-	-
Mr. Shahab Bin Shahid ***	5	5	-	-
Mr. Shahid Hosain Kazi****	-	-	-	-

* New Board of Directors appointed on April 26, 2013 subject to SECP approval.

** Mr. Shakil Sadiq (Nominee Director - Bank Alfalah Ltd) has resigned from the Board with effect from April 08, 2013.

*** Mr. Shahab bin Shahid (Nominee Director - Bank Alfalah Ltd) has copmleted his tenor of Directorship on April 26, 2013.

**** Mr. Shahid Hosain Kazi (Nominee Director - Bank Alfalah Ltd) has resigned from the Board with effect from August 06, 2012.