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FUND'S INFORMATION

Management Company:	Alfalsh GHP Investment Management Limited 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
Board of Directors of the Management Company:	<ul style="list-style-type: none">- Ms. Maheen Rahman- Syed Ali Sultan- Mr. Michael Hermann- Mr. Hanspeter Beier- Mr. Amin Dawood Saleh- Mr. Abid Naqvi
Head of Finance:	- Syed Hyder Raza Zaidi
Chief Operating Officer & Company Secretary:	- Noman Ahmed Soomro
Audit Committee:	<ul style="list-style-type: none">- Syed Ali Sultan- Mr. Abid Naqvi- Mr. Amin Dawood Saleh
HR Committee:	<ul style="list-style-type: none">- Syed Ali Sultan- Mr. Michael Hermann- Ms. Maheen Rahman
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Shara-e-Faisal, Karachi
Fund Manager:	- Mr. Nabeel Malik
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	Ernst & Young Ford Rhodes Sidat Hyder Chartered Accountants Progressive Plaza, Beaumont Road P.O.Box 15541, Karachi 75530 Pakistan
Legal Advisor:	Bawaney & Partners Room No. 404, 4th Floor Beaumont Plaza, 6-cl-10 Beaumont Road, Civil Lines Karachi.
Registrar:	Alfalsh GHP Investment Management Limited 8-B, 8th Floor, Executive Tower, Dolmen City, Block-4, Clifton, Karachi.
Distributor:	Bank Alfalah Limited
Rating:	Stability Rating AA- (f) by PACRA

MISSION STATEMENT

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

VISION STATEMENT

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

**REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY
FOR THE THREE MONTH PERIOD ENDED SEPTEMBER 30, 2015*****To our valued Unit Holders,***

On behalf of the Board of Directors, I am pleased to present the Financial Statements of Alfalah GHP Sovereign Fund (AGSOF) for the three months ended 30 September, 2015. The Financial Statements of the Schemes prepared by the Management Company present true and fair view of the state of affairs of the Schemes and results of their operations, cash flows and movement in unit holders' funds.

Economic Review

Pakistan observed substantial economic progress over 1QFY16, with improvement seen across the majority of indicators. Much of this improvement is owed to the prevalent low commodity cycle, which mainly benefits trade deficit countries like Pakistan that import commodities.

Owing to low crude oil prices, headline inflation averaged 1.66% YoY over the quarter under review - a multi-decade low inflation level for Pakistan. Support was mainly seen in the import bill, which saw a decline of 17% YoY. Low oil prices not only improved the trade deficit by 25% YoY over 1QFY16, but also kept incremental circular debt in check. However, concrete and long-term efforts are required to keep the import bill lower as oil prices are still very volatile and continually fluctuating. Any material increase in commodity price might tilt the import bill again to previously higher levels. For now, the situation is very compatible as reflected in the low current account deficit coupled with foreign flows (from IMF and bilateral partners) and Eurobond issuance. This has pushed foreign exchange reserves to a historical high level of USD 20bn.

CPI also saw support emanating from low food prices on the back of depressed agro-economics. This does impact farm income however the effects may be balanced out via sectors using agricultural inputs. Lower CPI has also resulted in historically low levels of interest rates which should boost investment and consumption spend.

During the quarter, the State Bank of Pakistan revised the key policy rate down by 50bps to 6.5%, and reduced the overnight target rate to 6.0%. The move came in light of record-low inflation and more than comfortable real rate of return, and was aimed at lifting private credit off-take and providing impetus to economic growth.

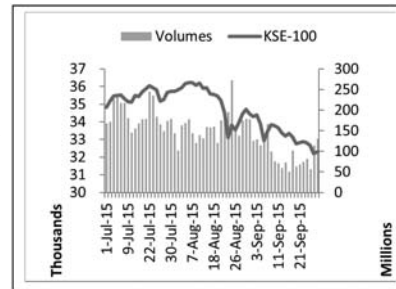
While manufacturers welcomed the recent easing, commercial banks could face some pressure as in the absence of private sector credit off take this could result in shrinkage of interest spreads. Furthermore, the government's attempt to tax banking transactions at 0.6% to widen the tax net was met with heavy criticism during the quarter. A direct impact was also seen on bank deposits, wherein total banking deposits fell from PKR 9.14tn in June to PKR 9.02tn in August (down by PKR 120bn), before recovering to PKR 9.06tn owing to aggressive quarter-end deposit mobilization. The governments continued reliance on indirect taxation methods to boost tax revenue points to a more regressive tax regime for the year.

Going forward, Pakistan is likely to continue to observe improvement in macroeconomic indicators, especially current account, foreign exchange reserves and inflation. Areas that still need significant attention include fiscal deficit, tax-to-GDP ratio/tax targets and faster privatization of state-owned entities.

Capital Markets Review

EQUITIES REVIEW

The quarter under review saw significant selloffs in regional and global equity markets. The Benchmark KSE100 also exhibited a similar trend and ended 6.1% lower on the back of an anticipation of a US Federal Reserve rate hike, regional currency devaluation, ensuing global equity slump, foreign selling and economic slowdown in China. Adding to the issues were rumors of SECP and NAB crackdown on local brokers and overall tighter liquidity in the interbank market. The benchmark KSE-100 index rose from 34,398 points to a high of 36,228 points during August, before succumbing to selling pressure, to settle lower at 32,287 points. Foreigners sold stocks worth USD 105mn over the period owing to the aforementioned factors.



The downward trend in the index was led by the Oil and Gas sector (-26.9%) and the Banking sector (-6.3%). While lower commodity prices hurt commodity producers, they impacted import-oriented sectors positively as multiyear low raw material prices propped up gross margins and lifted bottom-line of material intensive companies. In this connection, Pharmaceutical sector (+9.3%), Industrial Metals (+2.9%), Engineering sector (+1.0%), Food Producers (+1.8%) among others outperformed the broader index during the period. Notable appreciation was witnessed in the Software and Computer Services sector, which appreciated by an impressive 26% on the back of rapidly developing global clientele of locally listed sector constituents and frequent orders from such clients.

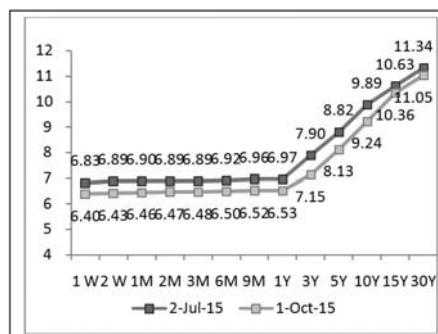
While the KSE100 Index has dropped over the quarter we maintain that Pakistan is a net beneficiary of global events in the commodities and inflation space. Further CPEC projects are now seen to be materializing actively on the ground. This combined with a far more stable current and fiscal account will yield benefits overall. As a result, we remain optimistic about the equity market over the remaining fiscal year and expect the market to leverage improving economic indicators.

Pakistan's re-entry into the emerging market (from frontier market) remains an eagerly anticipated trigger as the reclassification by MSCI could open avenues from which considerable foreign inflow could be realized. Primary risks to our view stem from further Chinese devaluation in the Yuan which could trigger further currency pressures regionally and force equities to correct thereby negatively impact both the PKR and the stock market.

Going forward, we expect the market to be driven by (i) implementation of government's economic reform agenda (ii) corporate earnings growth for selected sectors and (iii) categorization of the Index within emerging markets.

MONEY MARKET REVIEW

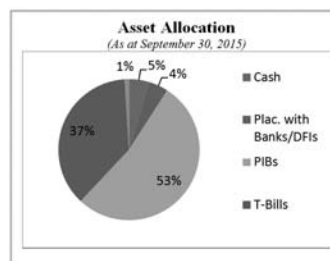
On the account of low inflation averaging at 1.66% YoY, SBP curtailed its discount rate at 6.5% and policy rate to 6.0% in the month of September. During the first quarter, yield curve shifted downwards by approximately 70bp across medium to longer tenors. Dryer liquidity was also witnessed in the interbank market due to a deposit outflow of approximately PKR 80bn during the quarter. Overall CPI appears benign but heavily dependent on the future movement of oil prices.



Alfalsh GHP Sovereign Fund

During 1QFY16, Alfalsh GHP Sovereign Fund generated a return of 8.29% while the fund's benchmark returned 6.28% during the same period.

The fund's allocation remained skewed primarily towards the medium term PIBs whereas the longer term bonds were gradually offloaded in order to bring the WAM lower and aim towards a more stable return and steer away from excess volatility. Rest of the allocation was placed in T-bills. The allocation toward bonds (approx. 50% average) bode well for the fund which is evident from its benchmark beating performance.



Going forward, the Fund plans to move to a higher allocation to PIBs while availing trading opportunities to boost yields.

Key Financial Data

Rs. In million

Description	Three month period ended 30 September 2015	Three month period ended 30 September 2014
Net Assets at end of the period	7,671.017	1,012.531
Gross income /(loss)	181.393	30.885
Net Comprehensive income /(loss)	156.839	27.076
Net Assets Value per Unit (Rs.)	104.9614	102.8244
Issuance of units during the period	1,969.937	969.392
Redemption of units during the period	-1,686.770	-490.727

Future Outlook

Going forward, we believe the market shall continue to perform well on the back of strong overall corporate results. Although there is a strong correlation between turmoil in the international markets and the KSE100, the downside was still muted as compared to international markets. We believe Pakistan has its own set of advantages in the current global climate and a bottom up bottom-up investment philosophy on stock picking will yield good Opportunities. Interest rate easing cycle will make medium to long term bond more attractive than short term instruments hence the focus is to maintain a medium term portfolio of securities.

Acknowledgement

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

For and behalf of the Board
Chief Executive Officer
Date: October 29, 2015

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT SEPTEMBER 30, 2015**

	Note	(Un-audited) September 30 2015	(Audited) June 30, 2015
-----(Rupees)----			
ASSETS			
Bank balances	5	342,878,953	920,882,900
Investments	6	7,320,643,550	6,266,318,786
Deferred formation cost		1,384,669	1,481,323
Mark-up receivable	7	74,832,624	187,536,231
Prepayments & other receivables	7	174,306	208,719
Total assets		7,739,914,102	7,376,427,959
LIABILITIES			
Payable to the Management Company	8	46,129,159	15,093,622
Remuneration payable to the Trustee		475,308	443,362
Annual fee payable to Securities and Exchange Commission of Pakistan		1,389,554	2,412,307
Provision for Workers' Welfare Fund	9	15,107,679	15,107,679
Distribution payable	10	-	28,004,222
Accrued and other liabilities		5,794,968	80,960,303
Total liabilities		68,896,668	142,021,495
Net assets attributable to unit holders		7,671,017,433	7,234,406,464
Unit holders' funds		7,671,017,433	7,234,406,464
		(Number of units)	
Number of units in issue		73,084,145	70,365,083
		(Rupees)	
Net assets value per unit		104.9614	102.8124

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

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

Chief Executive Officer

Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2015**

	Note	For the quarter ended	
		September 30, 2015	September 30, 2014
INCOME		----(Rupees)----	
Profit on deposit accounts with banks		2,790,793	1,505,943
Income from Government Securities		158,575,718	18,248,119
Income from Term Deposit Receipt		1,595,369	-
At fair value through profit or loss - held for trading			
- net gain / (loss) on sale of investments		3,595,505	602,523
- net unrealised appreciation		14,835,696	3,370,227
Total income		181,393,081	23,726,812
 EXPENSES			
Remuneration to the Management Company		18,527,700	1,846,244
Sales tax on management fee		3,008,899	321,246
Federal excise duty on management fee	8.1	2,964,429	295,404
Remuneration to the Trustee		1,782,271	276,917
Annual fee to the Securities and Exchange			
Commission of Pakistan		1,389,579	138,469
Brokerage expense		136,451	47,278
Bank charges		31,658	14,624
Amortization of deferred formation cost		96,656	96,602
Auditors' remuneration		117,808	108,376
Credit rating fee		64,332	55,474
Annual listing fee		10,080	5,060
Printing & advertisement expense		37,795	50,416
Workers Welfare Fund	9	-	552,570
Total expenses		28,167,658	3,808,680
Net income from operating activities		153,225,423	19,918,132
Element of (loss) / income and capital (losses) / gains included in prices of units sold less those in units redeemed - net		3,613,573	7,157,802
Net income for the period before taxation		156,838,996	27,075,934
Taxation	11	-	-
Net income for the period after taxation		156,838,996	27,075,934

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

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

Chief Executive Officer

Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2015**

	For the quarter ended	
	September 30, 2015	September 30, 2014
	----(Rupees)----	
Net income for the period	156,838,996	27,075,934
Other comprehensive income during the period	-	-
Total comprehensive income for the period	<u>156,838,996</u>	<u>27,075,934</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Alfalah GHP Investment Management Limited
(Management Company)

Chief Executive Officer

Director

**CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2015**

	For the quarter ended	
	September 30, 2015	September 30, 2014
	----(Rupees)----	
Undistributed income carried forward		
- Realized gains	38,651,642	804,301
- Unrealized gains / (loss)	154,288,252	(427,058)
	<u>192,939,894</u>	<u>377,243</u>
Total comprehensive income for the period	156,838,996	27,075,934
Undistributed income carried forward	<u>349,778,890</u>	<u>27,453,177</u>
Undistributed income carried forward at end of the period		
- Realized gains	334,943,194	24,082,950
- Unrealized gains	14,835,696	3,370,227
	<u>349,778,890</u>	<u>27,453,177</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

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

Chief Executive Officer

Director

**CONDENSED INTERIM STATEMENT OF
MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2015**

	For the quarter ended	
	September 30, 2015	September 30, 2014
	----(Rupees)----	
Net assets at beginning of the period	7,234,406,464	513,947,388
Issuance amount of 19,191,140 units (2014: 72,164,066 Units)	1,969,937,005	969,392,082
Redemption amount of 16,472,078 units (2014: 30,154,477)	<u>(1,686,551,459)</u>	<u>(490,726,792)</u>
	7,517,792,010	992,612,678
Element of income and capital gains included in prices of units sold less those in units redeemed - net	(3,613,573)	(7,157,802)
Total comprehensive income for the period before capital gains - realised and unrealised	138,407,795	23,103,184
Net capital gain on sale of investments classified as 'at fair value through profit or loss - held-for-trading'	3,595,505	602,523
Net unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'	14,835,696	3,370,227
Total comprehensive income for the period	156,838,996	27,075,934
Net assets at end of the period	7,671,017,433	1,012,530,810

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

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

Chief Executive Officer

Director

**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2015**

	For the quarter ended	
	September 30, 2015	September 30, 2014
	----(Rupees)----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	156,838,996	27,075,934
Adjustments for:		
Net capital gain on sale of investments classified as 'at fair value through profit or loss - held-for-trading'	(3,595,505)	(602,523)
Net unrealised appreciation in fair value of investments classified as 'at fair value through profit or loss - held-for-trading'	(14,835,696)	(3,370,227)
Provision for Workers' Welfare Fund	-	552,570
Amortisation of deferred formation cost	96,656	96,602
Element of income and capital gains included in prices of units sold less those in units redeemed - net	(3,613,573)	(7,157,802)
Unwinding of discounting income	-	-
	<u>134,890,878</u>	<u>16,594,554</u>
Increase in assets		
Investments - net	(1,035,893,563)	(407,394,226)
Prepayments and other receivables	112,738,019	(68,886,654)
	<u>(923,155,544)</u>	<u>(476,280,880)</u>
Increase / (decrease) in liabilities		
Payable to the Management Company	31,035,537	1,546,144
Remuneration payable to the Trustee	31,946	41,596
Annual fee payable to Securities and Exchange Commission of Pakistan	(1,022,753)	138,469
Distribution payable	(28,004,222)	-
Accrued and other liabilities	(75,165,335)	50,600,667
	<u>(73,124,827)</u>	<u>52,326,876</u>
Net cash used in operating activities	<u>(861,389,493)</u>	<u>(407,359,450)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received on issue of units	1,969,937,005	969,392,082
Payment against redemption of units	(1,686,551,459)	(490,726,792)
Net cash generated from / (used in) financing activities	<u>283,385,546</u>	<u>478,665,290</u>
Net increase in cash and cash equivalents during the period	<u>(578,003,947)</u>	<u>71,305,840</u>
Cash and cash equivalents at beginning of the period	<u>920,882,900</u>	<u>14,399,080</u>
Cash and cash equivalents at end of the period	<u><u>342,878,953</u></u>	<u><u>85,704,920</u></u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

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

Chief Executive Officer

Director

**CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2015****1. LEGAL STATUS AND NATURE OF BUSINESS**

Alfalsh GHP Sovereign Fund (the Fund) was constituted under Trust Deed dated April 21, 2014 between Alfalsh GHP Investment Management Limited (AGIML) as Management Company, incorporated under the Companies Ordinance, 1984 and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust deed was registered with Sub-Registrar on May 06, 2014.

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

The Fund was registered by the Securities and Exchange Commission of Pakistan (SECP) as a Notified Entity under Regulation 44 of the Non Banking finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) vide its letter No. SCD/AMCW/IGIFL/261/2012 dated September 11, 2012 and Offering Document was approved by SECP under Regulation 54 of the NBFC Regulations, vide its letter No. SCD/AMCW/DD-ZRK/AFGIML/961/2014 dated April 21, 2014.

The Fund is an open end mutual fund and is listed on Lahore Stock Exchange. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned 'AM2-' (Outlook: Stable) to the Management Company in its rating report dated April 15, 2015 and AA-(f) to the Fund in its rating report dated March 19, 2015.

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

2. BASIS OF PRESENTATION

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation which have been used in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the period ended 30 June 2015.

4. FINANCIAL RISK MANAGEMENT

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

	(Un-audited) September 30, 2015	(Audited) June 30, 2015
Note	----(Rupees)----	
5. BANK BALANCE - Local Currency		
Deposit account	5.1 342,878,953	920,882,900
	<u>342,878,953</u>	<u>920,882,900</u>

5.1 This represents balance in deposit accounts with banks and carry profit rate of 6.25% - 7.0% per annum (June 30, 2015: 6.25% to 9.25%).

6 INVESTMENTS
**Financial asset at fair value through profit and loss
- held for trading**

Treasury Bills	6.1	2,868,800,192	2,008,988,095
Pakistan Investment Bonds	6.2	4,101,843,358	4,257,330,691
Held to maturity			
Term Deposit Receipt (TDR)	6.3	350,000,000	-
		<u>7,320,643,550</u>	<u>6,266,318,786</u>

6.1 Treasury Bills

Issue date	Note	As at July 01, 2015	Purchased during the period	Sold / matured during the period	As at September 30, 2015	Carrying amount as at September 30, 2015	Market value as at September 30, 2015	% Net assets on the basis of market value	% Total investment on the basis of market value
				----- (No. of certificates) -----					
Treasury bills having face value of Rs.100 each									
Maturity upto 03 Months	6.1.1	13,500,000	22,066,000	26,900,000	8,666,000	862,942,046	863,125,070	11.25%	11.79%
Maturity upto 06 Months	6.1.2	7,050,000	13,500,000	-	20,550,000	2,001,191,431	2,005,675,122	26.15%	27.40%
		<u>20,550,000</u>	<u>35,566,000</u>	<u>26,900,000</u>	<u>29,216,000</u>	<u>2,864,133,477</u>	<u>2,868,800,192</u>	<u>37%</u>	<u>39%</u>

6.1.1 These represent treasury bills having face value of Rs.866 million (June 30, 2015: Rs.1,155 million) and carrying purchase yield ranging from 6.59% to 7.84% (June 30, 2015: 6.86% to 6.87%) per annum. These treasury bills have maturity upto November 26, 2015 (June 30, 2015: September 17, 2015).

6.1.2 These represent treasury bills having face value of Rs.2,055 million (June 30, 2015: 195 million) and carrying purchase yield ranging from 6.92% to 8.51% (June 30, 2015: 6.60% to 8.49%) per annum. These treasury bills have maturity upto March 17, 2016 (June 30, 2015: November 26, 2015).

6.2 Pakistan Investment Bonds (PIBs)

Issue date	Note	As at July 01, 2015	Purchased during the period	Sold / matured during the period	As at September 30, 2015	Carrying amount as at September 30, 2015	Market value as at September 30, 2015	% Net assets on the basis of market value	% Total investment on the basis of market value
				----- (No. of certificates) -----					
Maturity upto 03 Years	6.2.1	27,700,000	4,100,000	1,350,000	30,450,000	3,106,878,494	3,192,787,998	41.62%	43.61%
Maturity upto 05 Years	6.2.2	8,100,000	350,000	1,350,000	7,100,000	710,632,805	794,234,174	10.35%	10.85%
Maturity upto 10 Years	6.2.3	4,250,000	-	3,250,000	1,000,000	107,014,003	114,821,186	1.50%	1.57%
		<u>40,050,000</u>	<u>4,450,000</u>	<u>5,950,000</u>	<u>38,550,000</u>	<u>3,924,525,302</u>	<u>4,101,843,358</u>	<u>53%</u>	<u>56%</u>

6.2.1 These represent Pakistan Investment Bonds having face value of Rs. 3,045 million (June 30, 2015: 2,770 million) carrying purchase yield ranging between 7.12% to 12.52% (June 30, 2014: 12.51 to 7.06) per annum. These Pakistan Investment Bonds will mature on July 18, 2018 (June 30, 2015: March 26, 2015).

6.2.2 These represent Pakistan Investment Bonds having face value of Rs. 710 million (June 30, 2015: 0.810 million) carrying purchase yield ranging between 8.24% to 12.97% (June 30, 2015: 12.98% to 8.46%) per annum. These Pakistan Investment Bonds will mature on March 26, 2020 (June 30, 2015: March 26, 2020).

6.2.3 These represent Pakistan Investment Bonds having face value of Rs.100 million (June 30, 2015: 0.425 million) carrying purchase yield ranging between 10.48% to 10.50% (June 30, 2015: 9.81% to 10.45%) per annum. These Pakistan Investment Bonds will mature on March 26, 2025 (June 30, 2015: March 26, 2025).

6.3 Term Deposit Receipts - held to maturity

Name of the investee company	Rate of return per annum	Face value			Carrying value as at September 30, 2015	Maturity	Rating	Face value as percentage of total investments (%)	Face value as percentage of net assets (%)	
		As at July 01, 2015	Purchased during the period	Matured during the year						As at September 30, 2015
Allied Bank Limited	7.25%	-	350,000,000	-	350,000,000	350,000,000	October 8, 2015	AA+ / A1+	4.56%	4.78%
		-	350,000,000	-	350,000,000	350,000,000				

(Un-audited)
September 30,
2015
(Audited)
June 30,
2015
----- (Rupees) -----

7. PREPAYMENTS AND OTHER RECEIVABLES

Note

7.1 Prepayments

Annual listing fee	47,067	17,147
Annual rating fee	127,239	191,571
	<u>174,306</u>	<u>208,718</u>

7.2 Other receivables

Mark-up / return receivable on:		
- Bank balances	1,122,010	2,686,645
- Pakistan Investment Bonds	72,115,245	184,849,586
- Term Deposit Receipt	1,595,369	-
	<u>74,832,624</u>	<u>187,536,231</u>

8. PAYABLE TO THE MANAGEMENT COMPANY

Remuneration payable to the Management Company	8.1	7,046,269	4,412,554
Sales tax payable on management fee		1,221,519	2,262,270
Federal excise duty on management fee	8.2	8,178,005	5,213,576
Formation cost payable		5,000	1,919,423
Sales load payable		29,628,366	1,235,799
Other payables		50,000	50,000
		<u>46,129,159</u>	<u>15,093,622</u>

8.1 The Management Company is entitled to remuneration for services rendered to the Fund under the provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, of an amount not exceeding three percent per annum of the average daily net assets of the Fund during first five years of the Fund's existence and thereafter an amount equal to two percent per annum of such assets of the Fund. Currently, the Management Fee is charged @ 1% (June 30, 2015: 1%) of the average daily net assets of the Fund.

8.2 FEDERAL EXCISE DUTY ON MANAGEMENT FEE

There is no change in status of the petition pending with the Honourable Sindh High Court as reported in note 14 to the annual financial statements of the Fund for the year ended June 30, 2015.

9. PROVISION FOR WORKERS' WELFARE FUND

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

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

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

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

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

	(Un-audited) September 30, 2015	(Audited) June 30, 2015
	----- (Rupees) -----	
10. ACCRUED AND OTHER LIABILITIES		
Capital gain tax	5,082,653	17,440,966
Withholding tax	137,885	44,779,655
Sales load payable	-	18,010,289
Auditors' remuneration	533,490	415,682
Brokerage	18,598	271,943
Printing charges payable	22,342	41,768
	<u>5,794,968</u>	<u>80,960,303</u>

11. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the unit holders. The Management Company intends to distribute not less than 90% of its annual accounting income, if any, to comply with the above clause at year end. Accordingly, no tax provision has been made in these condensed interim financial statements for the three months period ended on September 30, 2015.

12 TRANSACTIONS AND BALANCES WITH 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, and other associated companies and connected persons. The transactions with connected persons are in the normal course of business and at contractual rates.

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

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

12.1 Unit Holders' Fund

	Three months ended September 30, 2015 (Un-audited)									
	As at July 01, 2015	Issued for cash	Bonus	Redeemed	As at September 30, 2015	As at July 01, 2015	Issued for cash	Bonus	Redeemed	NAV as at September 30, 2015
	(Units)				(Rupees)					
Associated Companies / Undertakings										
Bank Alfalah Limited	1,978,187	-	-	-	1,978,187	203,382,106	-	-	-	207,633,228
MCBFSL - Trustee Alfalah GHP Capital Preservation Fund	4,157,003	429,429	-	437,258	4,149,174	427,391,415	45,000,000	-	45,000,000	435,503,134
Alfalsh GHP Investment Management Limited - Staff Provident Fund	24,127	4,325	-	-	28,452	2,480,574	450,000	-	-	2,986,353
CDC - Trustee Alfalah GHP Conservative Allocation Plan	-	429,273	-	-	429,273	-	45,000,000	-	-	45,057,050
CDC - Trustee Alfalah GHP Moderate Allocation Plan	-	238,485	-	-	238,485	-	25,000,000	-	-	25,031,695
CDC - Trustee Alfalah GHP Active Allocation Plan	-	572,363	-	-	572,363	-	60,000,000	-	-	60,076,067
Management Company										
Alfalsh GHP Investment Management Limited	1,912,990	-	-	-	1,912,990	196,679,123	-	-	-	200,790,139
Key Management Personnel - Ansan Jawed Chishty	6,887	1,215	-	8,102	-	708,075	125,000	-	844,256	-
	Three months ended September 30, 2014 (Un-audited)									
As at July 01, 2014	Issued for cash	Bonus	Redeemed	As at September 30, 2014	As at July 01, 2014	Issued for cash	Bonus	Redeemed	NAV as at September 30, 2014	
(Units)				(Rupees)						
Associated Companies / Undertakings										
Bank Alfalah Limited	1,978,187	-	-	-	1,978,187	197,966,866	960,049	-	-	203,405,891
Alfalsh GHP Investment Management Limited	746,595	-	-	-	746,595	74,715,420	-	-	-	76,768,183
Key Management Personnel - Employees	3,106	-	-	3,106	-	310,833	-	-	315,043	-
Unit holder holding 10% or more Units										
Attock Cement Pakistan Limited	1,260,371	996,274	-	-	2,256,645	126,131,402	100,000,000	-	-	232,038,168

	(Un-audited) September 30, 2015	(Audited) June 30, 2015
	----- (Rupees) -----	
14.2 Other transactions		
Associated Companies / Undertakings		
Alfalsh GHP Investment Management Limited		
- Management Company		
Balance at beginning of the period	15,093,622	2,594,842
Remuneration to the Management Company	18,527,700	32,163,999
Sales tax on management fee	3,008,899	5,596,540
Federal excise duty on management fee	2,964,429	5,146,245
Sales load payable	24,890,231	1,235,799
	49,391,259	44,142,583
Amount paid during the period	(18,355,722)	(31,643,803)
Balance at the end of the period	<u>46,129,159</u>	<u>15,093,622</u>
Central Depository Company of Pakistan Limited		
Balance at beginning of the period	443,362	63,125
Remuneration to the Trustee	1,782,271	3,112,688
CDC charges for the year	-	-
	1,782,271	3,112,688
Amount paid during the period	(1,531,642)	(2,732,451)
Balance at the end of the period	<u>693,991</u>	<u>443,362</u>
Bank Alfalah Limited		
Deposits at the end of the period	342,878,953	918,968,477
Profit on deposit accounts for the period	2,790,793	21,449,161
Profit receivable at the end of the period	1,122,010	2,686,645
Bank charges for the period	31,658	46,672
Treasury Bills - purchased	290,852,500	2,142,610,465
Treasury Bills - sold	651,712,755	49,871,550
Pakistan Investment Bonds - Purchased	139,469,500	1,371,706,850
Alfalsh GHP Income Multiplier Fund		
Treasury Bills - purchased	178,030,060	39,370,280
Pakistan Investment Bonds - sold	-	49,346,700
Alfalsh GHP Money Market Fund (Formerly IGI Money Market Fund)		
Treasury Bills - purchased	148,603,920	600,467,035
Treasury Bills - sold	199,014,900	49,370,350
Alfalsh GHP Cash Fund		
Treasury Bills - purchased	-	831,908,560
Alfalsh GHP Income Fund (Formerly IGI Income Fund)		
Pakistan Investment Bonds - Purchased	-	55,374,350
Treasury Bills - purchased	14,861,535	-

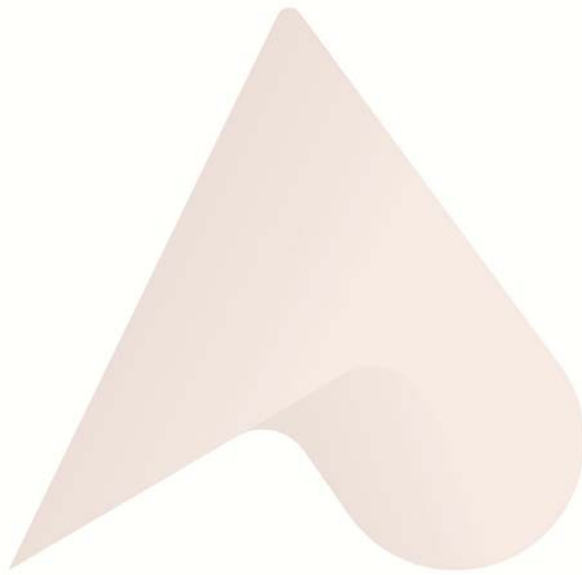
13. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 29, 2015 by the Board of Directors of the Management Company.

14. GENERAL

14.1 Being the first accounting period of the Fund, there are no corresponding figures to report.

14.2 Figures are rounded off to the nearest rupee.



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

Chief Executive Officer








Director










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