



Alfalah Investments

ISLAMIC FUNDS

ANNUAL REPORT
JUNE 30, 2024

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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 trusts services, family estate planning etc for all Pakistani clients whether based in Pakistan or abroad".

DIRECTORS' REPORT TO THE UNIT HOLDERS FOR THE YEAR ENDED JUNE 30, 2024

On behalf of the Board of Directors, I am pleased to present the Financial Statements of Alfalah GHP Islamic Stock Fund (AGISTF), Alfalah GHP Islamic Sovereign Fund Plan-1 (AGSOF), Alfalah GHP Islamic Sovereign Fund Plan-2 (AGSOF), Alfalah Islamic Stable Return Fund Plan-2, Alfalah Islamic Stable Return Fund Plan-4, Alfalah GHP Islamic Income Fund (AGIIF), Alfalah GHP Islamic Prosperity Planning Fund (AGIPPF), Alfalah GHP Islamic Dedicated Equity Fund (AGIDEF), Alfalah GHP Islamic Value Fund (AGIVF), Alfalah Islamic Rozana Amdani Fund (AIRAF) and Alfalah Islamic Money Market Fund (AIMMF) for the year ended June 30, 2024.

Economy Overview

Real GDP growth for FY24 clocked in at 2.38% as compared to -0.21% in FY23. Growth remained in positive territory mainly because of strong growth in agriculture sector of 6.25% after being impacted adversely in FY23 due to mass destruction of major agriculture crops and livestock caused by floods. Ample increase in export of 12% helped to curtail leakages in external account, as CAD for FY24 stood at USD 681million as compared to USD 3.275bn in same period last year (down substantially by 79%). Moreover, remittances remained a key support for stabilization of external balance this year and continued on a rising trend in FY24, as monthly remittance averaged at USD 2.5bn compared to USD 2.3bn in FY23.

On account of resumption of inflows from multilateral and bilateral partners as well as continuation of IMF program, forex reserves recovered massively to USD 13.97bn at June end compared to USD 9.16bn at the end of last year. Improved macros resulted in stabilization of exchange rate this year which faced immense pressure last year. Going forward, PKR might depreciate at normal levels of 5%-6% on an annual basis as potential flows from friendly countries and fiscal consolidation will likely keep PKR slide in check.

Inflation for FY24 averaged at 23.9% as compared to 29.04% in FY23, mainly due to stability in exchange rate coupled with lower political noise, rising agricultural yields, fiscal consolidation and softening oil prices and even fell to 12% by year end. In response to subsiding inflation, the Central Bank announced a highly anticipated 150bps cut in the policy rate to 20.5% on June 10, 2024, marking the first rate cut since June 2023.

On the fiscal front, tax revenue surged handsomely by 28% in FY24 compared to 16% last year. As per tax revenue breakup for FY24, direct tax revenue increased by 39%, while indirect taxes including duties and sales tax have increased by 22. Moreover, higher markup expense and defense expenses resulted in fiscal deficit to arrive at 6.81% of GDP for FY24 compared to 7.7% for same period last year.

IMF and Pakistan have reached a Staff level Agreement on a 37 month Extended Fund Facility (EFF) expected to be around SDR 5,320mn (~US\$7bn). This agreement builds on the economic stabilization achieved through the 2023 Stand-By Arrangement (SBA) that successfully concluded in May'24. This agreement is subject to approval by the IMF's Executive Board, which should be forthcoming in the next few weeks and the timely confirmation of necessary financing assurances from Pakistan's development and bilateral partners (particularly China and GCC states). The IMF program has provided much-needed certainty and assurance for our economic plan. Its guidance and support have strengthened the path towards sustainable growth and prosperity.

Large Scale Manufacturing Index (LSMI) is on the rising trajectory with May 2024 index increased by 7.5% YoY. Further boost in economic activity is expected as monetary easing has already started and it is expected to continue going forward. GDP is anticipated to grow by 3.60% in FY25 respectively with Agriculture expected to continue to play a major role this year as well.

Real interest rates remain significantly positive even after a 100 bps cut in the latest MPC meeting. Monetary easing is expected to continue throughout the year as inflation is expected to average around 11%-12% in FY25. However, several factors need to be considered in determining quantum and speed of the rate cuts including budgetary pressures, PKR depreciation and any uptick in oil prices due to worsening of Middle East conflict and another round of electricity tariff hikes owing to reduce circular debts starting in October 2024. All these factors pose an upside risk to inflation estimates.

Equity Market Review

During FY24, the benchmark index remained on a bullish trajectory and posted a positive return of 90.33% on account of improving economic indicators and fiscal consolidation. The index remained positive during the year as it peaked at 80,059 level in June'24, and closed at a lower level of 78,445 points.

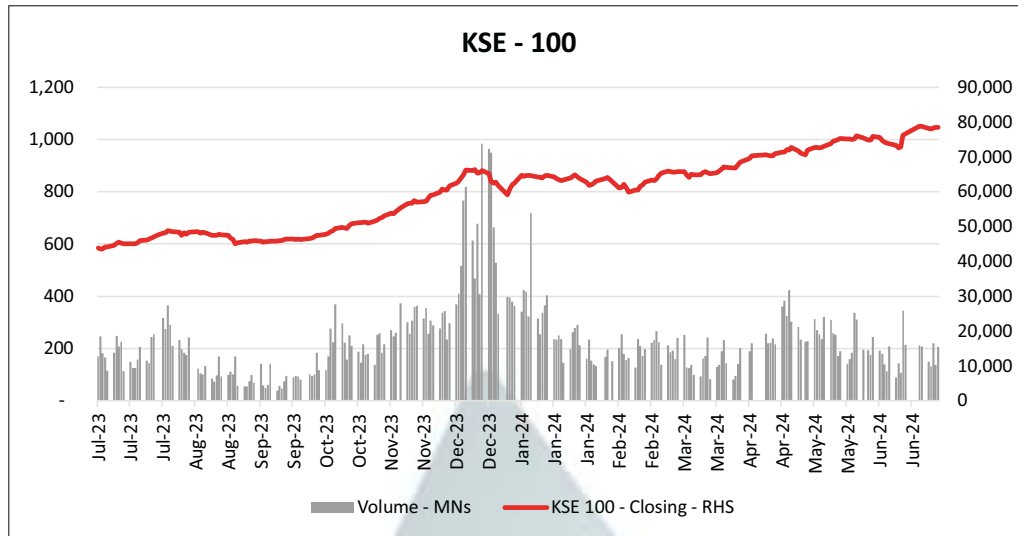
Improvement in macro-economic indicators including a) recovery in economic activity due to declining trend of inflation; b) improving forex reserves and stable PKR due to multilateral and bilateral support and fiscal consolidation and c) signing of a 9 months long standby agreement with IMF resulted in bullish investor sentiments and resulted in investors shifting allocation to equity as valuation was already attractive.

Due to the above mentioned factors, average trading volume of KSE-100 index also increased by 156%YoY to 232 million shares. Banking, Fertilizer and Power sectors contributed to the index the most, as investors jumped to sectors with attractive valuation, high dividend yield, stable demand and USD pegged revenues in case of the Power sector, while chemical sector contributed most negatively to the index due to depressed global chemical margins on the back of fear of global recession and overcapacity by many Chinese players.

Foreigners remained net buyers in FY24, as the net foreign inflow amounted to USD 139.23mn compared to net inflow of USD 22.09mn during FY23.

Going forward, we believe that the new staff level agreement on a 37month Extended Fund facility will keep fiscal and external account check and stable, the focus will likely be on preserving macroeconomic stability ensuring prudent monetary policy, avoiding fiscal slippages, maintaining market based exchange rate and implementing long-term economic reform. This will provide much-needed clarity and assurance for the economic plan.

A favorable macroeconomic outlook i.e. falling inflation, monetary easing, improving reserves, and a stable PKR, serves as a booster for the Equity market in future as the benchmark index is still trading at attractive multiples (forward PE of 4x) and offers a decent dividend yield of 12%.



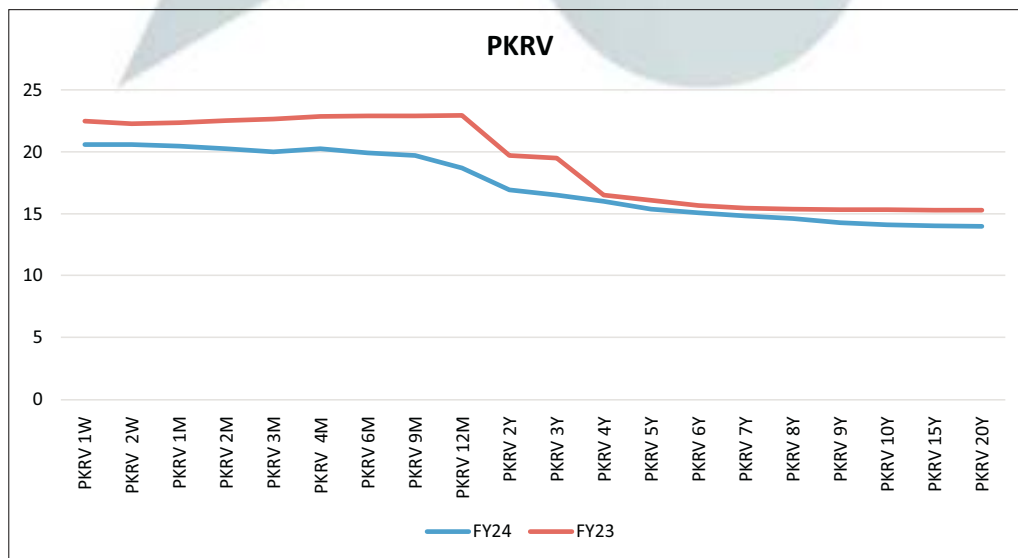
Money Market

Real GDP growth for FY24 posted a growth of 2.38% in FY24 as compared to -0.21% in FY23

Inflation for FY24 averaged at 23.9% compared to 29.04% in FY23, mainly due to stability in exchange rate coupled with lower political noise, rising agricultural yields, fiscal consolidation and softening oil prices and even fell to 12% by year end. As a result, the Central Bank has started monetary easing from June 2024 resulting in 250bps cut in interest rates in previous 2 meetings.

The next monetary policy is scheduled on September 12, 2024, where another cut in the policy rate cannot be ruled out as inflation is forecasted to maintain a lower trajectory, paving way for further anticipated monetary easing.

The current real interest rate stands impressively high at 8.4%, well above its historical median of 1%, providing a robust foundation for potential monetary easing actions. This could potentially lead to a reduction in the policy rate by 5%-6% over the next fiscal year. However, risks persists, particularly from potential inflationary impacts stemming from reforms outlined in the budget and IMF program, as well as volatility in exchange rates and oil prices.



Fund Operations and Performance

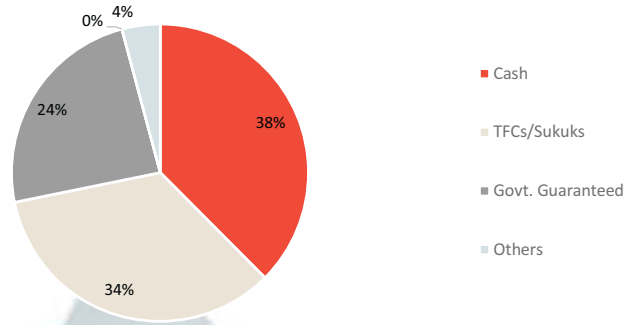
Alfalah GHP Islamic Income Fund:

Alfalah GHP Islamic Income Fund generated a return of 21.13% during the year under review while the benchmark return was 10.10%.

Payout

During the year, the fund paid out cash dividend of PKR 21.2402 per unit to the unit holders.

Asset Allocation
(as at 30-June-2024)



Key Financial Data

(Rupees in Million)

Description	For the year ended June 30, 2024	For the year ended June 30, 2023
Average Net Assets	2,538.3470	3,824.7289
Gross income	505.94	567.47
Total Comprehensive Income	468.05	509.08
Net Assets Value per Unit (PKR)	102.2833	102.8265
Issuance of units during the year	5,077.29	4,011.29
Redemption of units during the year	-4,934.86	-7,308.45

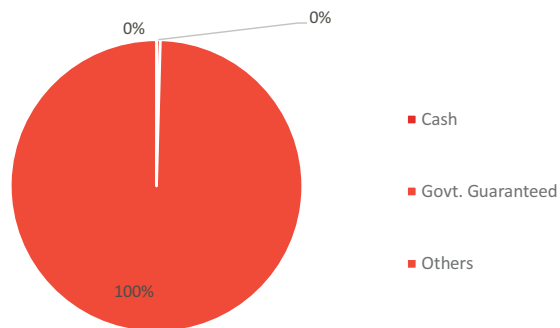
Alfalah Islamic stable Return Fund- Plan 2*:

During FY24, Alfalah Islamic Stable return Fund-Plan 4(AISRF-4) generated a return of 22.03% while the benchmark of the fund generated 11.21%.

Payout

During the year, the fund paid out cash dividend of PKR 5.4469 per unit to the unit holders.

Asset Allocation
(as at 30-June-2024)



Key Financial Data

(Rupees in Million)

Description	For the year ended June 30, 2024
Average Net Assets	1,385.886
Gross income	78.334
Total Comprehensive Income	77.424
Net Assets Value per Unit (PKR)	100.2858
Issuance of units during the year	1413.137
Redemption of units during the year	0

Alfalah Islamic Stock Fund:

During FY24, Alfalah Islamic Stock Fund generated a return of 93.40% while the benchmark of the fund generated 78.70%

Payout

During the year, the fund paid out cash dividend of PKR 32.7589 per unit to the unit holders.

Asset Allocation
(as at 30-June-2024)



Key Financial Data

(Rupees in Million)

Description	For the year ended June 30, 2024	For the year ended June 30, 2023
Average Net Assets	1623.94	1,319.0385
Gross income	1111.80	77.55
Total Comprehensive Income	1037.13	14.55
Net Assets Value per Unit (PKR)	38.6436	36.9196
Issuance of units during the year	3223.53	502.45
Redemption of units during the year	-2161.27	-665.04

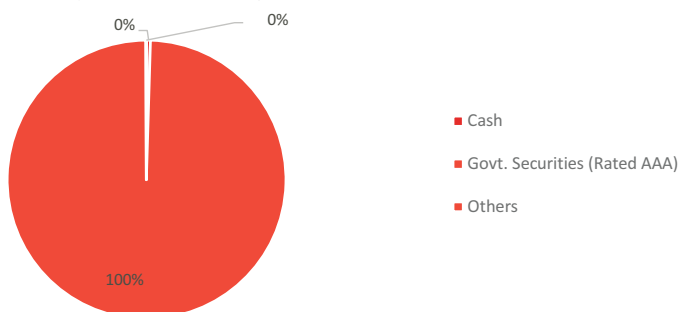
Alfalah Islamic stable Return Fund- Plan 4*:

During FY24, Alfalah Islamic Stable return Fund-Plan 4(AISRF-4) generated a return of 24.59% while the benchmark of the fund generated 11.21%.

Payout

During the year, the fund paid out cash dividend of PKR 2.5 per unit to the unit holders

Asset Allocation
(as at 30-June-2024)



Key Financial Data**(Rupees in Million)**

Description	For the year ended June 30, 2024
Average Net Assets	1,072.035
Gross income	28.7819
Total Comprehensive Income	27.7778
Net Assets Value per Unit (PKR)	100.1272
Issuance of units during the year	1079.821
Redemption of units during the year	0

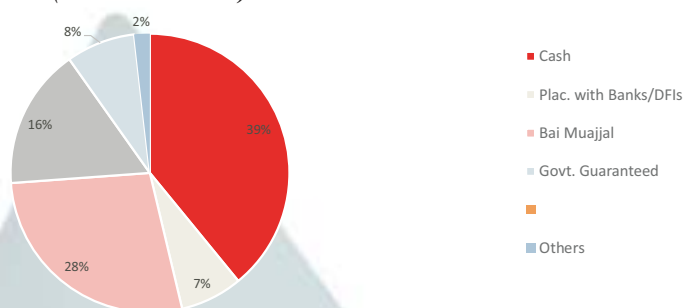
Alfalalah Islamic Money Market Fund:

During FY24, Alfalah Islamic Money Market Fund (AIMMF) generated a return of 21.86% while the benchmark of the fund generated 10.28%.

Payout

During the year, the fund paid out cash dividend of PKR 21.2529 per unit to the unit holders.

**Asset Allocation
(as at 30-June-2024)**

**Key Financial Data****(Rupees in Million)**

Description	For the year ended June 30, 2024	For the year ended June 30, 2023
Average Net Assets	15,041.58	2,548.833
Gross income	3,159.04	167.320
ssNet Comprehensive income	2,996.91	158.643
Net Assets Value per Unit (Rs.)	100.2090	100.0000
sIssuance of units during the period	81,116.09	22,204.3
Redemption of units during the period	-60,458	-14,448.947

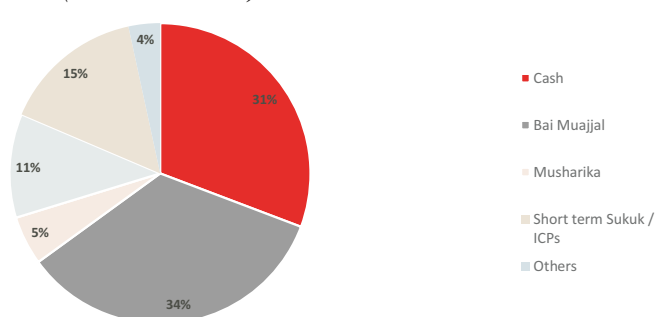
Alfalalah Islamic Rozana Amdani Fund:

The fund's return stood at 22.08% against the benchmark return of 10.28%.

Payout

During the year, the fund paid out cash dividend of PKR 20.05708 per unit to the unit holders.

**Asset Allocation
(as at 30-June-2024)**



Key Financial Data**(Rupees in Million)**

Description	For the year ended June 30, 2024	For the year ended June 30, 2023
Average Net Assets	44,571.9215	16,876.2295
Gross income	9,420.531	2,943.734
Net Comprehensive income	8,950.5430	2,802.868
Net Assets Value per Unit (Rs.)	100.0000	100.0000
Issuance of units during the period	152,970.268	77,109.394
Redemption of units during the period	-127,549.968	-52,690.959

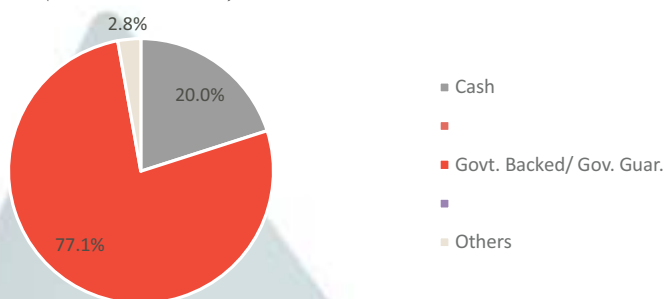
Alfalsh Islamic Sovereign Plan-1*:

The fund's return stood at 20.65% against the benchmark return of 19.89%.

Payout

During the year, the fund paid out cash dividend of PKR 16.3356 per unit to the unit holders.

**Asset Allocation
(as at 30-June-2024)**

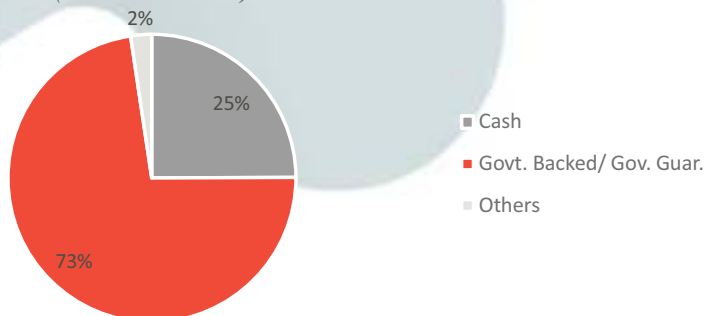
**Alfalsh Islamic Sovereign Plan-2*:**

The fund's return stood at 18.05% against the benchmark return of 19.63%.

Payout

During the year, the fund paid out cash dividend of PKR 0.00 per unit to the unit holders.

**Asset Allocation
(as at 30-June-2024)**

**Key Financial Data****(Rupees in Million)**

Description	For the year ended June 30, 2024
Average Net Assets	6611.81
Gross income	684.91
Total Comprehensive Income	632.41
Net Assets Value per Unit (PKR)	109.8921
Issuance of units during the year	20,537.69
Redemption of units during the year	-15,076.61

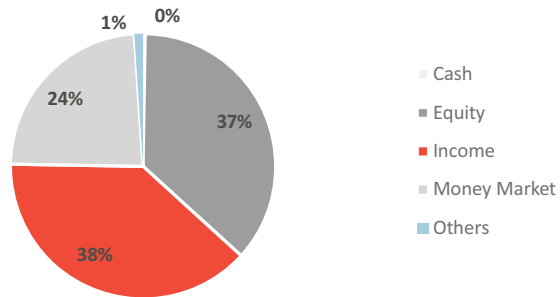
Alfalah GHP Islamic Prosperity Planning Fund- Moderate Allocation Plan:

The fund generated a return of 34.62% against the benchmark which generated 21.81%.

Payout

During the year, the fund paid out cash dividend of PKR 36.019 per unit to the unit holders.

**Asset Allocation
(as at 30-June-2024)**



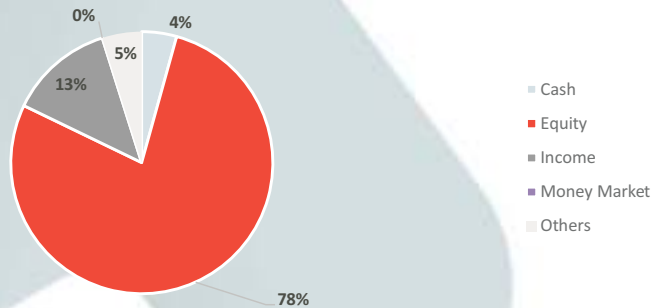
Alfalah GHP Islamic Prosperity Planning Fund- Active Allocation Plan II:

The fund generated a return of 54.70% against the benchmark which generated 36.42%.

Payout

During the year, the fund paid out cash dividend of PKR 49.6636 per unit to the unit holders

**Asset Allocation
(as at 30-June-2024)**



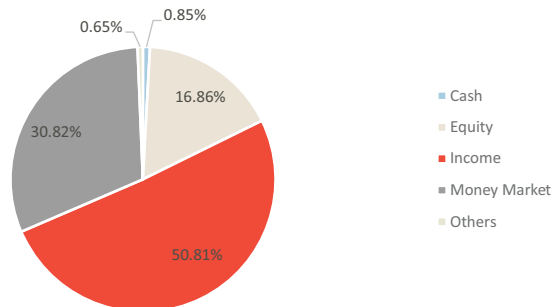
Alfalah GHP Islamic Prosperity Planning Fund - Balance Allocation Plan:

The fund generated a return of 28.22% against the benchmark which generated 19.08%.

Payout

During the year, the fund paid out cash dividend of PKR. 12.2024 per unit to the unit holders.

**Asset Allocation
(as at 30-June-2024)**



Key Financial Data

Alfalah GHP Islamic Prosperity Planning Fund

(Rupees in Million)

Description	Islamic Moderate Plan	Islamic Balance Allocation Plan	Islamic Active Allocation Plan - II	Islamic Moderate Plan	Islamic Balance Allocation Plan	Islamic Active Allocation Plan - II	Islamic Capital Preservation Plan - IV
	For the year ended June 30, 2024			For the year ended June 30, 2023			
Average Net Assets	79.52	167.31	50.25	68.99	181.32	175.59	29.97
Gross (loss) / income	24.02	42.99	19.80	8.69	22.53	18.26	3.39
Total Comprehensive (loss) / Income	23.51	42.04	19.08	8.38	21.70	17.15	3.25
Net Assets Value per Unit (PKR)	104.3577	101.2350	90.8004	104.2928	101.1543	90.8003	100.5237
Issuance of units during the year	71.32	111.53	15.91	6.66	16.48	5.52	7.64
Redemption of units during the year	-54.48	-113.49	-75.87	-3.54	-5.95	-272.61	-28.83

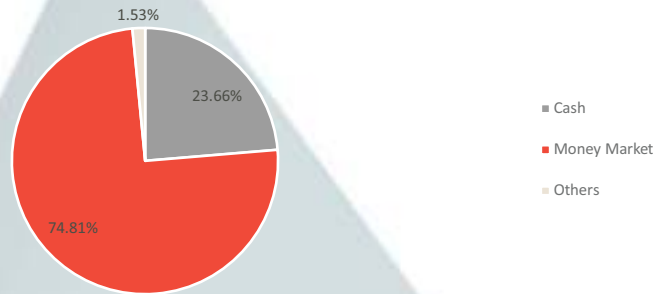
Alfalah GHP Islamic Prosperity Planning Fund 2 - KTrade Islamic Plan 7:

The fund generated a return of 14.59% against the benchmark which generated 9.53%.

Payout

During the year, the fund paid out cash dividend of PKR. 0.00 per unit to the unit holders.

**Asset Allocation
(as at 30-June-2024)**



Key Financial Data

(Rupees in Million)

Description	For the year ended June 30, 2024	For the year ended June 30, 2023
Average Net Assets	37.14	164.7056
Gross income	6.25	22.768
Net Comprehensive income	5.82	21.236
Net Assets Value per Unit (Rs.)	112.5354	100.6164
Issuance of units during the period	416.93	95.93
Redemption of units during the period	-417.10	-90.92

Alfalah GHP Islamic Dedicated Equity Fund:

The fund generated a return of 82.55% against the benchmark which generated 78.70%.

**Asset Allocation
(as at 30-June-2024)**



Key Financial Data**(Rupees in Million)**

Description	For the year ended June 30, 2024	For the year ended June 30, 2023
Average Net Assets	89.1309	84.9414
Gross (Loss)	56.12	4.306
Total Comprehensive Loss	51.87	0.21
Net Assets Value per Unit (PKR)	63.1021	63.1021
Issuance of units during the year	189.33	63.10
Redemption of units during the year	-189.34	-176.81

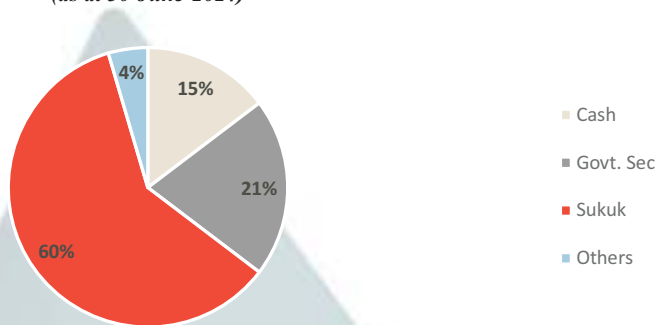
Alfalah GHP Islamic Value Fund:

The fund generated a return of 24.31% against the benchmark which generated 10.65%.

Payout

During the year, the fund paid out cash dividend of PKR 0.00 Per unit to the unit holders.

**Asset Allocation
(as at 30-June-2024)**

**Key Financial Data****(Rupees in Million)**

Description	For the year ended June 30, 2024	For the year ended June 30, 2023
Average Net Assets	3025.29	2,147.270
Gross (loss)	670.99	355.09
Total Comprehensive Loss	658.100	347.42
Net Assets Value per Unit (PKR)	111.2031	89.4572
Issuance of units during the year	6278.16	5,866.60
Redemption of units during the year	-6411.36	-5,391.74

*These funds launched during the year and returns are based on since inception return.

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.

August 30, 2024

For and behalf of the Board

Chief Executive Officer



**Alfalah GHP
Islamic Income Fund**

FUND INFORMATION

Management Company:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Board of Directors of the Management Company:	Mr. Atif Aslam Bajwa Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Mr. Sohail Sultan Mr. Khalilullah Shaikh Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO))
Audit Committee (BAC):	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh
Business Risk Management Committee (BRMC)	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh Mr. Khaldoon Bin Latif (CEO)
Human Resource & Remuneration Committee (HRRC):	Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Board Investment Committee (BIC):	Mr. Farooq Ahmed Khan Mr. Sohail Sultan Ms. Ayesha Aziz
Head of Legal & Company Secretary:	Ms. Nahl Eman Chamdia
Chief Financial Officer:	Mr. Faisal Ali Khan
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, P.O.Box 4716 Karachi, Pakistan
Legal Advisor:	Haider Waheed House 188, Street 33, Khyaban-e-Qasim, DHA Pahse VIII, Karachi MSB Consultants F-66/2, Park Lane, Block 5 Clifton, Karachi.
Shariah Advisor:	BankIslami Pakistan Limited 11th Floor, Dolmen Executive Towers, Marine Drive, Clifton, Block-4, Karachi
Registrar:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Distributor:	Bank Alfalah Limited
Rating:	A+(f) by PACRA

Alfalah GHP Islamic Income Fund

Annual Fund Manager's Report

Type of Fund: Open-end Scheme

Category of Fund: Shariah Compliant (Islamic) Income Scheme

Investment Objective

To minimize risk, construct a liquid portfolio of shariah approved fixed income instruments and provide competitive returns to the unit holders.

Accomplishment of Objective

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

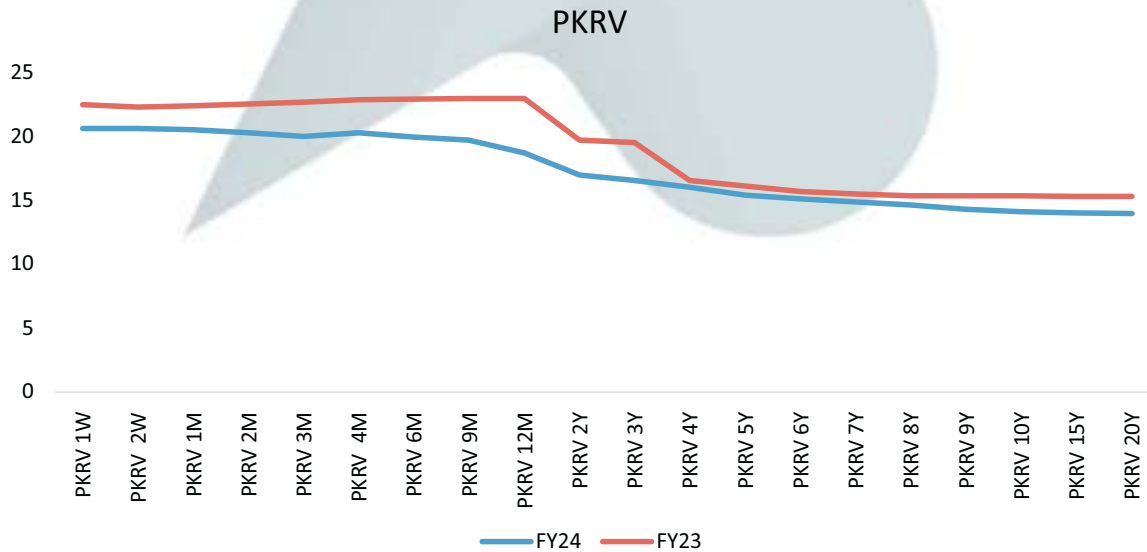
Money Market Review

Real GDP growth for FY24 posted a growth of 2.38% in FY24 as compared to -0.21% in FY23

Inflation for FY24 averaged at 23.9% compared to 29.04% in FY23, mainly due to stability in exchange rate coupled with lower political noise, rising agricultural yields, fiscal consolidation and softening oil prices and even fell to 12% by year end. As a result, the Central Bank has started monetary easing from June 2024 resulting in 250bps cut in interest rates in previous 2 meetings.

The next monetary policy is scheduled on September 12, 2024, where another cut in the policy rate cannot be ruled out as inflation is forecasted to maintain a lower trajectory, paving way for further anticipated monetary easing.

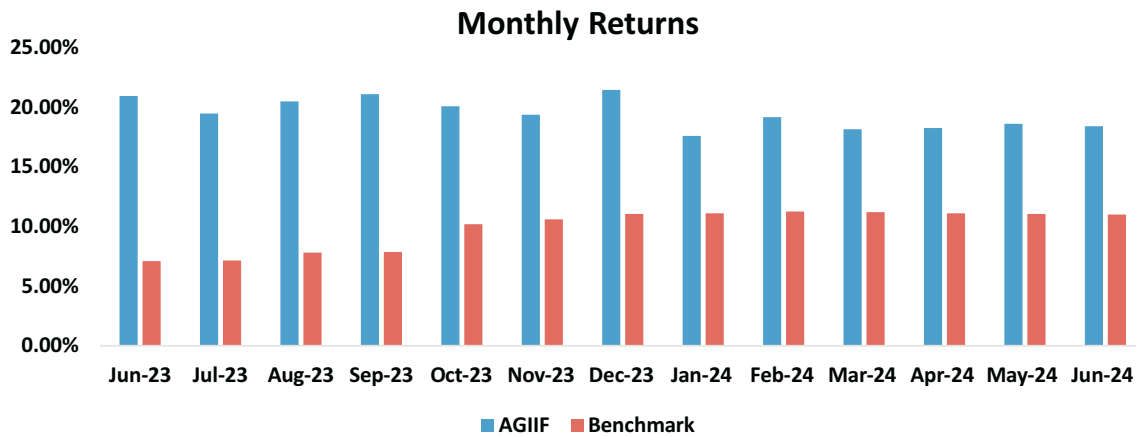
The current real interest rate stands impressively high at 8.4%, well above its historical median of 1%, providing a robust foundation for potential monetary easing actions. This could potentially lead to a reduction in the policy rate by 5%-6% over the next fiscal year. However, risks persists, particularly from potential inflationary impacts stemming from reforms outlined in the budget and IMF program, as well as volatility in exchange rates and oil prices.



Fund Performance

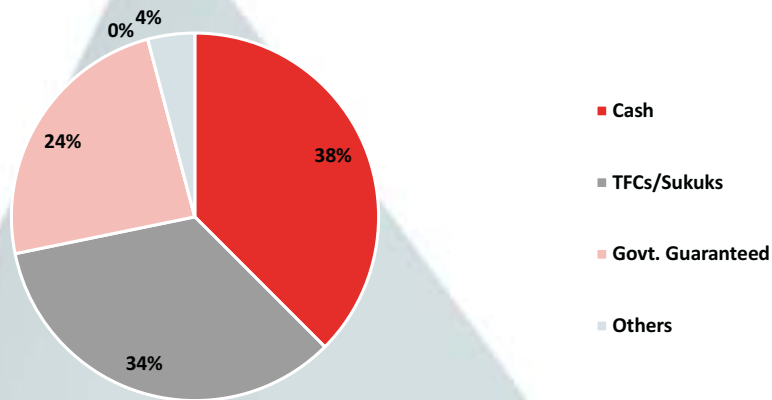
Alfalah GHP Islamic Income Fund generated a return of 21.13% during the year under review while the benchmark return was 10.10%.

Performance comparison with Benchmark



Assets Allocation

Asset Allocation
(as at 30-June-2024)



Credit Quality (as % of Total Assets)			
Govt. Guaranteed (Rated AAA)	24.08%	A1	0.00%
AAA	12.98%	A1+	11.52%
AA+	2.16%	A-	0.00%
AA	5.82%	BBB+	0.00%
AA-	9.48%	BBB	0.00%
A+	29.82%	NR/UR/MTS	4.14%

⇒ **Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

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

⇒ **Disclosure on unit split (if any), comprising:-**

There were no unit splits during the period.

⇒ **Disclosures of circumstances that materially affect any interests of unit holders**

Investments are subject to market risk.

⇒ **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme.**

No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

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TRUSTEE REPORT TO THE UNIT HOLDERS

ALFALAH GHP ISLAMIC INCOME FUND

**Report of the Trustee pursuant to Regulation 41(h) and clause 8 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 Islamic Income Fund (the Fund) are of the opinion that Alfalah Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2024 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;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) 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.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 26, 2024





Alfalsh Investments

Shariah Advisory Board
Mufti Shaikh Noman
Mufti Javed Ahmad



SHARIAH REVIEW REPORT ALFALAH ISLAMIC INCOME FUND

We, the Shariah Advisors of the Alfalah Islamic Income Fund ('AIIF') managed by Alfalah Asset Management Limited, are issuing this report in accordance with the Modified and Restated Trust Deed dated February 12, 2015 and Replacement 3rd Supplemental Offering Document dated March 11, 2015 of the said Fund. The scope of the report is to express an opinion on the Shariah Compliance of the Fund's activities.

It is the responsibility of the Management Company of the said Fund to establish and maintain a system of internal controls to ensure compliance with issued Shariah guidelines. As Shariah Advisors, our responsibility is to express an opinion, based on our review of the representations made by the management, to the extent where such compliance can be objectively verified.

In the capacity of Shariah Advisors of the Fund, we have reviewed and given approval for investment in following avenues during the period from July 01, 2023 to June 30, 2024.

Investment Avenue
<i>GoP (Government of Pakistan) Ijarah Sukuk</i>
<i>Approved Shariah Compliant Sukuk</i>
<i>Approved Islamic Commercial Papers</i>
<i>Approved Bai Mu'ajjal Transactions</i>
<i>Term Deposit Receipts with Approved Islamic Banks</i>

We hereby certify that all the above-mentioned investments and all the provisions of the scheme made by the Fund are in compliance with the Shariah principles.

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

For and on behalf of Shariah Advisory Board.

Mufti Shaikh Noman
Shariah Advisor

Mufti Javed Ahmad
Shariah Board Member

Alfalsh Asset Management Limited

2nd Floor, Islamic Chamber of Commerce, Industry and Agriculture Building, Block-9, Clifton, Karachi - 75600 Pakistan.
U: +92 (21) 111-090-090 | W: www.alfalahamc.com

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

Alfalah GHP Islamic Income Fund has fully complied with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor for its operations, investments and placements made during the year ended June 30, 2024. This has been duly confirmed by the Shariah Advisor of the Fund.

Dated: September 26, 2024

Mr. Khaldoun Bin Latif
Chief Executive Officer



Independent Assurance Report on Compliance with the Shariah Governance Regulations, 2023

To the unit holders of Alfalah GHP Islamic Income Fund (the Fund)

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of Alfalah GHP Islamic Income Fund (the Fund) for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar(s).

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2024) is assessed, comprise the Shariah principles and rules as defined in the Regulations and reproduced as under:

- i. Legal and regulatory framework administered by the Commission;
- ii. Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission;
- iii. Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;
- iv. Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and
- v. Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2024, which are annexed.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions having Shariah implications, entered into by the Fund with its customers, other financial institutions, and stakeholders, and related policies and procedures, are, in substance and in their legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for the design, implementation, and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, And Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2024, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than audits or reviews of historical financial statements', issued by the International Auditing and Assurance Standards Board.


That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgment, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures was sufficient and appropriate to provide a basis for our opinion.

7. Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2024 are in compliance with the Shariah principles (criteria specified in para 2 above), in all material respects.

 UHY Hassan Naeem & Co,
Chartered Accountants
Engagement Partner: Arslan Ahmed
Dated: September 26, 2024



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Alfalah GHP Islamic Income Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alfalah GHP Islamic Income Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer notes 4 and 5 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks of the Fund as at June 30, 2024 amounted to Rs. 954.13 million and investments aggregated to Rs. 1,519.34 million. The existence of balances with banks and existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none"> • Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; • Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and • Obtained bank reconciliation statements and tested reconciling items on a sample basis.

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Other Matter

The financial statements of the Fund for the year ended June 30, 2023 were audited by another firm of Chartered Accountants who had expressed an unmodified opinion thereon vide their report dated September 28, 2023.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Junaid Mesia**.

A. F. Ferguson & Co.
Chartered Accountants

Dated: September 30, 2024

Karachi

UDIN: AR202410611nW4AgZjbN

ALFALAH GHP ISLAMIC INCOME FUND
STATEMENT OF ASSETS AND LIABILITIES

As AT JUNE 30, 2024

	Note	2024	2023
		----- (Rupees) -----	
Assets			
Balances with banks	4	954,125,552	574,904,882
Investments	5	1,519,335,872	1,694,974,399
Advances, deposits, prepayments and other receivable	6	116,207,593	100,262,846
Total assets		<u>2,589,669,017</u>	<u>2,370,142,127</u>
Liabilities			
Payable to Alfalah Asset Management Limited - Management Company	7	5,542,346	6,031,032
Payable to Central Depository Company of Pakistan Limited - Trustee	8	2,015,458	2,016,200
Payable to the Securities and Exchange Commission of Pakistan	9	161,727	764,952
Advance against issuance of units - net		-	100,000
Accrued expenses and other liabilities	10	48,535,925	7,241,637
Total liabilities		<u>56,255,456</u>	<u>16,153,821</u>
Net assets		<u>2,533,413,561</u>	<u>2,353,988,306</u>
Unit holders' fund (as per statement attached)		<u>2,533,413,561</u>	<u>2,353,988,306</u>
Contingencies and commitments	11		
		----- Number of units -----	
Number of units in issue		<u>24,528,779</u>	<u>22,892,818</u>
		----- Rupees -----	
Net asset value per unit		<u>103.2833</u>	<u>102.8265</u>

The annexed notes 1 to 23 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC INCOME FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		----- (Rupees) -----	
Income			
Profit on sukuk certificates		219,749,865	250,662,229
Income from government securities		148,972,304	116,903,142
Profit on term deposits receipts		-	16,868,780
Profit on balances with banks		138,524,163	221,818,338
Loss on sale of investments - net		(16,603,504)	(14,528,872)
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.4	15,301,434	(24,249,767)
Total income		<u>505,944,262</u>	<u>567,473,850</u>
Total expenses			
Remuneration of Alfalah Asset Management Limited - Management Company	7.1	26,817,643	42,168,630
Sindh Sales Tax on remuneration of the Management Company	7.2	3,486,294	5,481,922
Allocated expenses	7.3	1,218,979	2,382,653
Selling and marketing expenses	7.4	1,218,979	2,332,629
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	1,828,544	2,868,621
Sindh Sales Tax on remuneration of the Trustee	8.2	237,711	372,921
Fee to the Securities and Exchange Commission of Pakistan	9.1	1,835,477	764,977
Auditors' remuneration	12	385,632	336,493
Fees and subscriptions		243,129	242,405
Transaction charges		159,283	438,336
Printing charges		23,076	29,942
Bank and settlement charges		21,818	558,000
Shariah advisory fee		421,157	420,070
Total expenses		<u>37,897,722</u>	<u>58,397,599</u>
Net income for the year before taxation		<u>468,046,540</u>	<u>509,076,251</u>
Taxation	14	-	-
Net income for the year after taxation		<u>468,046,540</u>	<u>509,076,251</u>
Earnings per unit	3.13	-	-
Allocation of net income for the year			
Net income for the year after taxation		468,046,540	509,076,251
Income already paid on units redeemed		(192,536,513)	(262,495,208)
		<u>275,510,027</u>	<u>246,581,043</u>
Accounting income available for distribution			
- Relating to capital gains		-	-
- Excluding capital gains		275,510,027	246,581,043
		<u>275,510,027</u>	<u>246,581,043</u>

The annexed notes 1 to 23 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC INCOME FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	----- (Rupees) -----	
Net income for the year after taxation	468,046,540	509,076,251
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>468,046,540</u>	<u>509,076,251</u>

The annexed notes 1 to 23 form an integral part of these financial statements.



For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC INCOME FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	2024			2023		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)			(Rupees)		
Net assets at the beginning of the year	2,262,856,682	91,131,624	2,353,988,306	5,371,566,352	81,063,729	5,452,630,081
Issuance of 45,004,727 units (2023: 36,924,623 units)						
- Capital value (at net asset value per unit at the beginning of the year)	4,627,678,561	-	4,627,678,561	3,781,044,397	-	3,781,044,397
- Element of income	449,613,065	-	449,613,065	230,241,109	-	230,241,109
Total proceeds on issuance of units	5,077,291,626	-	5,077,291,626	4,011,285,506	-	4,011,285,506
Redemption of 43,368,766 units (2023: 67,280,664 units)						
- Capital value (at net asset value per unit at the beginning of the year)	(4,459,458,417)	-	(4,459,458,417)	(6,889,472,699)	-	(6,889,472,699)
- Element of loss	(282,867,995)	(192,536,513)	(475,404,508)	(156,479,205)	(262,495,208)	(418,974,413)
Total payments on redemption of units	(4,742,326,412)	(192,536,513)	(4,934,862,925)	(7,045,951,904)	(262,495,208)	(7,308,447,112)
Total comprehensive income for the year	-	468,046,540	468,046,540	-	509,076,251	509,076,251
Final distribution for the year ended June 30, 2024 @ Rs. 21.24 per unit declared on June 22, 2024 (2023: Rs. 14.75 per unit declared on June 24, 2023)	(166,541,409)	(264,508,577)	(431,049,986)	(74,043,272)	(236,513,148)	(310,556,421)
Net assets at the end of the year	2,431,280,487	102,133,074	2,533,413,561	2,262,856,682	91,131,624	2,353,988,306
	(Rupees)			(Rupees)		
Undistributed income brought forward						
- Realised income		115,381,391			71,609,831	
- Unrealised (loss) / income		(24,249,767)			9,453,898	
		<u>91,131,624</u>			<u>81,063,729</u>	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		275,510,027			246,581,043	
		<u>275,510,027</u>			<u>246,581,043</u>	
Distributions during the year		(264,508,577)			(236,513,148)	
Undistributed income carried forward		<u>102,133,074</u>			<u>91,131,624</u>	
Undistributed income carried forward						
- Realised income		86,831,640			115,381,391	
- Unrealised income / (loss)		15,301,434			(24,249,767)	
		<u>102,133,074</u>			<u>91,131,624</u>	
	(Rupees)			(Rupees)		
Net asset value per unit at the beginning of the year		<u>102.8265</u>			<u>102.3990</u>	
Net asset value per unit at the end of the year		<u>103.2833</u>			<u>102.8265</u>	

The annexed notes 1 to 23 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC INCOME FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		468,046,540	509,076,251
Adjustments for:			
Net unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.4	(15,301,434)	24,249,767
		452,745,106	533,326,018
Decrease / (increase) in assets			
Investments - net		190,939,961	725,806,921
Advances, deposits, prepayments and other receivable		(15,944,747)	8,733,987
		174,995,214	734,540,908
Increase / (decrease) in liabilities			
Payable to Alfalah Asset Management Limited - Management Company		(488,686)	(8,794,650)
Payable to Central Depository Company of Pakistan Limited - Trustee		(742)	(243,162)
Payable to the Securities and Exchange Commission of Pakistan		(603,225)	(516,421)
Accrued expenses and other liabilities		41,294,288	(19,742,170)
		40,201,635	(29,296,403)
Net cash generated from operating activities		667,941,955	1,238,570,523
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance of units - net of refund of capital		4,910,650,217	3,937,342,234
Payments against redemption and conversion of units		(4,934,862,925)	(7,308,447,112)
Dividend paid		(264,508,577)	(236,513,148)
Net cash used in financing activities		(288,721,285)	(3,607,618,026)
Net increase / (decrease) in cash and cash equivalents during the year		379,220,670	(2,369,047,503)
Cash and cash equivalents at the beginning of the year		574,904,882	2,943,952,385
Cash and cash equivalents at the end of the year	4	954,125,552	574,904,882

The annexed notes 1 to 23 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC INCOME FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alfalah GHP Islamic Income Fund (the Fund) is an open-ended fund constituted under a Trust Deed entered into on July 3, 2008 between IGI Funds Limited and Central Depository Company of Pakistan Limited as the Trustee. On October 15, 2013, the management rights of the Fund were transferred from IGI Funds Limited to Alfalah Asset Management Limited (the Management Company) by means of Securities and Exchange Commission of Pakistan sanctioned order No. SCD/NBFC-II/IGIFL & AFGHP/742/2013. The SECP has approved third Supplemental Trust Deed, under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), vide its letter No. SCD/AMCW/AGIIF/240/2015 dated February 03, 2015 to modify and restate the previous Trust Deed to effectuate renaming of the Fund to Alfalah GHP Islamic Income Fund.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate issued by the SECP on February 3, 2023 which is valid for a period of three years w.e.f March 9, 2023. The registered office of the Management Company is situated at Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, Street 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
- 1.3 The Fund is categorised as a 'Shariah Compliant Islamic Income Scheme' pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund are being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.
- 1.4 According to the Trust Deed, the objective of the Fund is to provide good total return through a combination of current income and long-term capital appreciation, consistent with reasonable investment risk in a shariah compliant manner. The Fund invests in shariah compliant deposits, profit bearing accounts, certificates of investment, Musharika and Morabaha arrangements and debt securities. The investment objectives and policy are explained in the Fund's offering document.
- 1.5 The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 29, 2023 (2023: 'AM2+' assigned by PACRA dated August 31, 2023). The Fund has been given a stability rating of AA-(f) by Pakistan Credit Rating Agency Limited (PACRA) dated April 09, 2024 (2023: AA-(f) dated April 13, 2023).
- 1.6 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 PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Accounting Standards) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the requirements of IFRS Accounting Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

2.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2023. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and hence, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Fund which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements.
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

2.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires the management to exercise judgment in the application of the Company's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors, including expectation of future events, that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying value of assets and liabilities. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both the current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 3.2 and 5).

2.5 Accounting convention

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

2.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented.

3.1 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The short term investments are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

3.2 Financial assets

3.2.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

3.2.2 Classification and subsequent measurement

3.2.2.1 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); and
- at fair value through profit or loss (FVPL)

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognized at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

3.2.3 Impairment (other than debt securities)

The fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost. The fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

3.2.4 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has been placed on the Management Company's website as required under the SECP's circular.

3.2.5 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset.

3.2.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss arising on derecognition of financial assets is taken to the Income Statement.

3.3 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss arising on derecognition of financial liabilities is taken to the Income Statement.

3.4 Offsetting of financial assets and financial liabilities

Financial assets and financial 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 to realise the assets and settle the liabilities simultaneously.

3.5 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.6 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

3.7 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on the day when the application is received. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load, provision of any duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company / distributors receive redemption applications during business hours on that date. The redemption price represents the NAV as on the close of the business day, less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

3.8 Distribution to unit holders

Distribution to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

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

Element of income represents the difference between Net Asset Value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

3.10 Revenue recognition

- Gains / (losses) arising on sale of investments are included in Income Statement and are recognised on the date when the transaction takes place;
- Unrealised gains / (losses) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the period in which they arise;
- Income on sukuk certificates is recognised on a time proportionate basis using the effective yield method, except for the securities which are classified as Non-Performing Asset under Circular No. 33 of 2012 issued by the SECP for which the profits are recorded on cash basis; and
- Profit on balances with banks and other income is recognised on an accrual basis.

3.11 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee of the SECP are recognised in the Income Statement on an accrual basis.

3.12 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

3.13 Earnings / (loss) per unit

Earnings / (loss) per unit is calculated by dividing the net profit / loss of the year after taxation of the Fund by the weighted average number of units outstanding during the year.

Earnings / (loss) per unit has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

3.14 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

	Note	2024 ------(Rupees)-----	2023 ------(Rupees)-----
4 BALANCES WITH BANKS			
Balances with banks in:			
Savings accounts	4.1	953,923,333	574,894,882
Current accounts	4.2	202,219	10,000
		<u>954,125,552</u>	<u>574,904,882</u>

4.1 This includes balances of Rs. 49.09 million (2023: Rs. 57.40 million) maintained with Bank Alfalah Limited (a related party) that has an expected profit rate of 20.00% (2023: 20.40%) per annum. Other savings accounts of the Fund have expected profit rates ranging from 10.00% to 20.13% (2023: 8.50% to 21.00%) per annum.

4.2 This includes Rs. 0.01 million (2023: Rs. 0.01 million) held with Bank Alfalah Limited (a related party).

	Note	2024 ------(Rupees)-----	2023 ------(Rupees)-----
5 INVESTMENTS			
Investments - 'at fair value through profit or loss'			
Corporate sukuk certificates	5.1	707,298,250	880,334,699
Short term sukuk certificates	5.2	300,000,000	175,000,000
Government securities - GoP Ijara sukuk certificates	5.3	512,037,622	639,639,700
		<u>1,519,335,872</u>	<u>1,694,974,399</u>

5.1 Corporate sukuk certificates

Name of the security	Profit payments / principle redemptions	Profit rate	Issue date	Maturity date	Number of certificates				Carrying Value as at June 30, 2024	Market Value as at June 30, 2024	Unrealised appreciation / (diminution) as at June 30, 2024	Market Value as a percentage of		
					As at July 1, 2023	Purchased during the year	Sold / matured during the year	As at June 30, 2024				net assets of the Fund	total investments of the Fund	
											----- Rupees -----		----- % -----	
COMMERCIAL BANKS														
Meezan Bank Limited (AA+, VIS Face Value Rs. 1,000,000)	Semi-Annually / at maturity	6M Kibor + 0.9%	January 9, 2020	January 9, 2030	158	-	-	158	158,800,967	159,027,000	226,033	6.28%	10.47%	
Dubai Islamic Bank Pakistan Limited (AA-, VIS, Face Value Rs. 1,000,000)	Semi-Annually / at maturity	6M Kibor + 0.5%	December 2, 2022	February 12, 2032	222	-	-	222	222,304,222	222,732,600	428,378	8.79%	14.66%	
ENGINEERING														
Mughal Iron & Steel Industries Limited (AA+, PACRA, Face Value Rs. 437,500)	Quarterly	3M Kibor + 1.3%	March 2, 2021	March 2, 2026	240	-	-	240	99,000,000	105,388,500	6,388,500	4.16%	6.94%	
POWER GENERATION & DISTRIBUTION														
The Hub Power Company Limited (AA+, PACRA, Face Value Rs. 25,000)	Quarterly	3M Kibor + 1.9%	August 22, 2019	August 22, 2023	4,345	-	4,345	-	-	-	-	-	-	
Hub Power Holding Company Limited (AA+, PACRA, Face Value Rs. 75,000)	Semi-Annually	6M Kibor + 2.5%	November 12, 2020	November 12, 2025	235	-	-	235	16,078,700	17,968,688	1,889,988	0.71%	1.18%	
Engro Powergen Thar (Private) Limited (AA-, PACRA, Face Value Rs. 2,500)	Quarterly / Annually	3M Kibor + 1.1%	August 2, 2019	August 2, 2024	9,600	-	-	9,600	18,184,586	24,014,400	5,829,814	0.95%	1.58%	
K-Electric Limited (AA, PACRA, Face Value Rs. 3,250)	Quarterly	3M Kibor + 1.7%	August 3, 2020	August 3, 2027	11,500	-	-	11,500	37,328,197	38,029,062	700,865	1.50%	2.50%	
Pakistan Energy Sukuk II (AAA, VIS, Face Value Rs. 5,000)	Semi-Annually	6M Kibor + 0.1%	May 21, 2020	May 21, 2030	23,000	-	-	23,000	115,023,000	115,138,000	115,000	4.54%	7.58%	
PHARMACEUTICAL														
OBS AGP (Pvt.) Limited (A+, VIS, Face Value Rs. 1,000,000)	Quarterly	24.63%	November 29, 2023	November 29, 2030	-	25	-	25	25,000,000	25,000,000	-	0.99%	1.65%	
Total as on June 30, 2024									691,719,672	707,298,250	15,578,578	27.92%	46.55%	
Total as on June 30, 2023									903,813,166	880,334,699	(23,478,466)			

5.2 Short term sukuk certificates

Name of the security	Profit payments / principle redemptions	Profit rate	Issue date	Maturity date	Number of certificates				Carrying Value as at June 30, 2024	Market Value as at June 30, 2024	Unrealised appreciation / (diminution) as at June 30, 2024	Market Value as a percentage of		
					As at July 1, 2023	Purchased during the year	Sold / matured during the year	As at July 1, 2024				net assets of the Fund	total investments of the fund	
											----- Rupees -----		----- % -----	
K-Electric STS XVI (A1+, PACRA, Face Value Rs. 1,000,000)	Semi-Annually	6M Kibor + 0.3%	April 11, 2023	October 11, 2023	25	-	25	-	-	-	-	-	-	
Abhi (Pvt.) Limited (A1+, PACRA, Face Value Rs. 1,000,000)	Semi-Annually	6M Kibor + 2.6%	May 11, 2023	November 11, 2023	150	-	150	-	-	-	-	-	-	
JDW Sugar Mills Limited (A+, VIS, Face Value Rs. 1,000,000)	Quarterly	3M Kibor + 1.55%	December 18, 2024	June 18, 2024	-	250	250	-	-	-	-	-	-	
Pakistan Telecommunication Company Limited STS-IV (A-1+, VIS Face value: Rs. 1,000,000)	Semi-Annually	6M Kibor + 0.15%	June 12, 2024	December 12, 2024	-	300	-	300	300,000,000	300,000,000	-	11.84%	19.75%	
Total as on June 30, 2024									300,000,000	300,000,000	-	11.84%	19.75%	
Total as on June 30, 2023									175,000,000	175,000,000	-			

5.3 Government securities - GoP Ijarah sukuk certificates

Name of the security	Profit payments / principal redemptions	Issue date	Maturity date	Profit rate	Number of certificates				Carrying Value as at June 30, 2024	Market Value as at June 30, 2024	Unrealised appreciation / (diminution) as at June 30, 2024	Market value as a percentage of	
					As at July 01, 2023	Purchased during the year	Matured / sold during the year	As at June 30, 2024				net assets of the Fund	total investments of the Fund
GoP Ijarah Sukuk Certificates GIS (VRR) - XXII	Semi-annually / At maturity	December 09, 2020	December 09, 2025	Weighted average 6 months T-Bills	600	-	-	600	59,826,000	60,450,000	624,000	2.39%	3.98%
GoP Ijarah Sukuk Certificates GIS (VRR) - XXI	Semi-annually / At maturity	July 29, 2020	July 29, 2025	Weighted average 6 months T-Bills	3,000	200	3,000	200	20,082,000	19,992,000	(90,000)	0.79%	1.32%
GoP Ijarah Sukuk Certificates GIS (VRR) - XXX	Semi-annually / At maturity	April 17, 2023	April 17, 2024	Weighted average 6 months T-Bills	1,420	4,100	5,520	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXI	Semi-annually / At maturity	May 22, 2023	May 22, 2024	Weighted average 6 months T-Bills	350	2,036	2,386	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXII	Semi-annually / At maturity	June 26, 2023	June 26, 2024	Weighted average 6 months T-Bills	1,000	-	1,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates GIS (VRR) - XL	Semi-annually / At maturity	December 04, 2023	December 04, 2024	Weighted average 6 months T-Bills	-	250	-	250	25,000,000	25,085,000	85,000	0.99%	1.65%
GoP Ijarah Sukuk Certificates GIS (VRR) - XLI	Semi-annually / At maturity	December 04, 2023	December 04, 2026	Weighted average 6 months T-Bills	-	1,750	1,750	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates GIS (VRR) - XLII	Semi-annually / At maturity	December 04, 2023	December 04, 2028	Weighted average 6 months T-Bills	-	3,500	1,750	1,750	176,758,750	175,280,000	(1,478,750)	6.92%	11.54%
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXVII	Semi-annually / At maturity	August 07, 2023	August 07, 2024	Weighted average 6 months T-Bills	-	350	350	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXVIII	Semi-annually / At maturity	September 20, 2023	September 20, 2024	Weighted average 6 months T-Bills	-	1,250	1,250	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXIX	Semi-annually / At maturity	October 09, 2023	October 09, 2024	Weighted average 6 months T-Bills	-	9,064	8,460	604	60,461,017	60,575,160	114,143	2.39%	3.99%
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXVIII	Semi-annually / At maturity	September 20, 2023	September 20, 2024	Weighted average 6 months T-Bills	-	2,910	1,250	1,660	165,346,200	165,933,600	587,400	6.55%	10.92%
GoP Ijarah Sukuk Certificates GIS (FRR) - XXXIII	Semi-annually / At maturity	December 04, 2023	December 04, 2026	16.19%	-	1,200	1,200	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates GIS (FRR) - XXXIV	Semi-annually / At maturity	October 09, 2023	October 09, 2024	22.49%	-	9,000	9,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates GIS (FRR) - XI	Semi-annually / At maturity	December 15, 2021	December 15, 2026	11.40%	50	-	-	50	4,504,000	4,379,000	(125,000)	0.17%	0.29%
GoP Ijarah Sukuk (1 year) *	Semi-annually / At maturity	December 11, 2023	December 09, 2024	18.01%	-	9,947	9,925	22	98,361	101,838	3,477	-	0.01%
GoP Ijarah Sukuk (1 year) *	Semi-annually / At maturity	May 10, 2024	May 09, 2025	18.99%	-	36	7	29	124,362	124,874	512	-	0.01%
GoP Ijarah Sukuk (1 year) *	Semi-annually / At maturity	April 26, 2024	April 25, 2025	18.67%	-	13	5	8	34,023	34,744	721	-	-
GoP Ijarah Sukuk (1 year) *	Semi-annually / At maturity	May 24, 2024	May 23, 2025	18.83%	-	26	7	19	80,053	81,406	1,353	-	0.01%
Total as on June 30, 2024									<u>512,314,766</u>	<u>512,037,622</u>	<u>(277,144)</u>	<u>20.20%</u>	<u>33.70%</u>
Total as on June 30, 2023									<u>640,411,000</u>	<u>639,639,700</u>	<u>(771,300)</u>		

5.3.1 The nominal value of these sukuk certificates is Rs 100,000 each except for GoP Ijarah Sukuk (1 year) which are listed on Pakistan Stock Exchange Limited (PSX) and have nominal value of Rs. 5,000 each.

5.4 Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	Note	2024 ------(Rupees)-----	2023
Market value of investments	5.1, 5.2 & 5.3	1,519,335,872	1,694,974,399
Less: carrying value of investments	5.1, 5.2 & 5.3	<u>(1,504,034,438)</u>	<u>(1,719,224,166)</u>
		<u>15,301,434</u>	<u>(24,249,767)</u>

6 ADVANCES, DEPOSIT, PREPAYMENTS AND PROFIT RECEIVABLE

Security deposit with Central Depository Company of Pakistan Limited		100,000	100,000
Prepayments		14,752	17,272
Profit receivable on:			
- Balances with banks		50,603,570	21,032,516
- Corporate sukuk certificates		31,891,552	44,988,916
- Government securities - GoP Ijara sukuk certificates		29,209,389	29,921,375
Advance tax	6.1	4,388,330	4,202,767
		<u>116,207,593</u>	<u>100,262,846</u>

6.1 As per clause 47(B) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to Collective Investment Schemes (CISs) are exempt from withholding tax under section 150 and 151. However, during the year ended June 30, 2024, withholding tax on profit on balances with banks and debt instruments paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on dividend and profit on bank balances amounts to Rs. 4.388 million during the year. (2023: 4.203 million)

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Honourable Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other asset management companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund has been shown as advance tax as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

7 PAYABLE TO ALFALAH ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	2024 ------(Rupees)-----	2023
Remuneration payable	7.1	2,496,380	2,517,582
Sindh Sales Tax payable on remuneration of the Management Company	7.2	324,529	327,286
Allocated expenses payable	7.3	620,158	1,046,161
Selling and marketing expenses payable	7.4	1,218,979	1,255,206
Sales load payable		2,954	5,451
Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the Management Company	7.5	879,346	879,346
		<u>5,542,346</u>	<u>6,031,032</u>

7.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document, subject to the total expense ratio limit. The Management Company has charged remuneration at a rate of 1.10% (2023: 0.25%) of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

7.2 During the year, an amount of Rs. 3.486 million (2023: Rs. 5.482 million) was charged on remuneration of the Management Company levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2023: 13%).

7.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses for registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company, based on its own discretion, has charged such expenses at the rate of 0.05% (2023: 0.05%) per annum of the average annual net assets of the Fund for the year subject to total expense charged being lower than actual expense incurred.

- 7.4 In accordance with Circular 11 dated July 5, 2019 issued by the SECP with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the following rates during the year ended June 30, 2024, subject to total expense charged being lower than actual expense incurred:

Rate applicable from July 1, 2023 to June 30, 2024	Rate applicable from July 1, 2022 to June 30, 2023
0.05% per annum of the average annual net assets of the Fund	0.25% per annum of the average annual net assets of the Fund

- 7.5 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs. 0.78 million (June 30, 2023: Rs. 0.88 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan.

Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Re 0.032 (2023: Re 0.038) per unit.

- 7.6 During the year, the Securities and Exchange Commission of Pakistan (SECP) carried out onsite inspection of the Management Company and inspected, among other matters, the mechanism of chargeability of selling & marketing expenses to the funds under its management. As a result of this inspection, SECP raised certain observations relating to the chargeability of such expenses by the Management Company to the funds under its management. The Management Company has responded to the observations highlighted by the SECP and there has been no further correspondence on this matter with the SECP. Accordingly, the impact of the SECP's observations on unit holder's fund, if any, is not determinable as at the reporting date.

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2024 ------(Rupees)-----	2023
Remuneration payable to the Trustee	8.1	213,361	214,018
Sindh Sales Tax payable on remuneration of the Trustee	8.2	27,737	27,822
CDS charges payable		<u>1,774,360</u>	<u>1,774,360</u>
		<u>2,015,458</u>	<u>2,016,200</u>

- 8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.075% (2023: 0.17%) per annum of the average annual net assets of the Fund.

- 8.2 During the year, an amount of Rs. Rs. 0.238 million (2023: Rs. 0.373 million) was charged on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2023: 13%).

9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Fee payable	9.1	<u>161,727</u>	<u>764,952</u>
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9.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.075% (2023: 0.02%) per annum of the daily net assets during the year ended June 30, 2024.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

10 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2024	2023
		------(Rupees)-----	
Auditors' remuneration payable		311,657	218,798
Settlement charges payable		151,378	181,605
Transaction charges payable		314,984	153,222
Withholding and capital gain tax payable		43,293,166	4,356,218
Printing charges payable		205,471	190,582
Shariah advisory fee payable		550,721	489,350
Rating fee payable		154,167	252,946
Sales load payable		3,527,272	1,398,916
Other payable		27,109	-
		<u>48,535,925</u>	<u>7,241,637</u>

11 CONTINGENCIES AND COMMITMENTS

There were no other contingencies and commitments outstanding as at June 30, 2024 and June 30, 2023.

12 AUDITORS' REMUNERATION

Annual audit fee	162,303	177,381
Fee for other certifications	162,303	93,124
Out of pocket expenses	32,461	41,063
Sindh Sales Tax	28,565	24,925
	<u>385,632</u>	<u>336,493</u>

13 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2024 is 1.55% (2023: 1.29%) which includes 0.23% (2023: 0.08%) representing government levies on the Fund such as Sales Taxes, fee to the SECP etc. This ratio is within the maximum limit of 2.5% (excluding government levies) prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Income Scheme'.

14 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company has distributed at least 90% of the Fund's accounting income for the year ended June 30, 2024 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore no provision for taxation has been made in these financial statements.

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

15 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Alfalah Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee of the Fund, Bank Alfalah Limited, Alfalah CLSA Securities (Private) Limited, MAB Investment Incorporated, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund, Alfalah GHP Investment Management Limited - Staff Provident Fund being the associates of the Management Company, Funds under management of the Management Company and directors and their close family members and key management personnel of the Management Company. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

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

Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

15.1 Unit holders' fund

	For The Year Ended June 30, 2024									
	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2024	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2024
	(Units)					(Rupees)				
Associated companies / undertakings										
Alfalaha Asset Management Limited (Management Company)	25	-	-	25	-	2,540	-	-	45	-
Alfalaha GHP Islamic Prosperity Planning Fund - Islamic Moderate Allocation Plan	432,637	90,272	51,734	272,455	302,188	44,486,548	10,000,000	5,319,687	51,648,747	31,210,974
Alfalaha GHP Islamic Prosperity Planning Fund - Islamic Balanced Allocation Plan	998,867	90,272	147,271	376,182	860,228	102,709,998	10,000,000	15,143,339	84,023,441	88,847,187
Alfalaha GHP Islamic Prosperity Planning Fund - Islamic Active Allocation Plan II	181,231	300,819	-	482,050	-	18,635,349	33,500,000	-	24,050,633	-
Alfalaha GHP Islamic Prosperity Planning Fund - Islamic Capital Preservation Plan IV	62,090	-	-	62,090	-	6,397,895	-	-	6,716,713	-
Alfalaha GHP Islamic Prosperity Planning Fund II - Alfalaha Islamic Capital Preservation Plan VI	-	257,274	-	257,274	-	-	28,500,000	-	14,244,607	-
Key management personnel										
Director – Structured Investments & Digital Transformation	-	285	25	156	154	-	32,137	2,587	17,465	15,906
Vice President - IT	9,011	-	1,575	41	10,545	926,570	-	161,944	5,079	1,089,084
Head of Investors Relation Department	7	18	-	11	14	698	2,149	-	1,408	1,446
Head of Human Resources	12	-	2	-	14	1,245	-	219	-	1,459
Head of Digital Transformation	-	8	1	9	-	-	1,008	87	1,019	-
	For The Year Ended June 30, 2024									
	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2024	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2024
	(Units)					(Rupees)				
Associated companies / undertakings										
Alfalaha Asset Management Limited (Management Company)	22	3	-	-	25	2,529	-	276	-	2,540
Alfalaha GHP Islamic Prosperity Planning Fund - Islamic Moderate Allocation Plan	577,212	31,058	54,457	230,090	432,637	59,105,952	3,240,000	5,576,440	24,900,000	44,486,548
Alfalaha GHP Islamic Prosperity Planning Fund - Islamic Balanced Allocation Plan	1,587,086	-	125,732	713,951	998,867	162,516,027	-	12,874,811	77,100,000	102,709,998
Alfalaha GHP Islamic Prosperity Planning Fund - Islamic Active Allocation Plan II	2,016,089	827,113	22,812	2,684,783	181,231	206,445,463	86,140,000	2,335,963	286,800,000	18,635,349
Alfalaha GHP Islamic Prosperity Planning Fund - Islamic Capital Preservation Plan IV	379,987	21,089	7,815	346,801	62,090	38,910,338	2,200,000	800,321	37,420,000	6,397,895
Alfalaha GHP Islamic Prosperity Planning Fund II - Alfalaha Islamic Capital Preservation Plan VI	1,537,003	1,289,786	-	2,826,789	-	157,387,614	139,931,503	-	308,905,244	-
Key management personnel										
Chief Executive Officer	-	67,405	-	67,405	-	-	7,578,021	-	7,776,538	-
Vice President - IT	8,033	-	983	5	9,011	82,259	100,628	-	500	926,570
Head of Investors Relation Department	6	-	1	-	7	614	-	-	80	698
Head of Human Resources	11	-	1	-	12	1,105	-	77	-	1,245

Transactions during the year	2024	2023
	------(Rupees)-----	
Alfalsh Asset Management Limited - Management Company		
Remuneration of the Management Company	26,817,643	42,168,630
Sindh sales tax on remuneration of the Management Company	3,486,294	5,481,922
Allocated expenses	1,218,979	2,382,653
Selling and marketing expenses	1,218,979	2,332,629
Bank Alfalah Limited		
Profit on bank balances	8,305,483	2,335,855
Bank charges	21,818	55,000
Alfalsh GHP Money Market Fund		
K-Electric Limited STS - XIII - Sale	-	172,000,000
CDC-Trustee AISRF - Alfalah Islamic Stable Return Plan I		
GoP Ijara sukuk certificates - Purchase	99,500	1,000,500
Alfalsh GHP Islamic Pension Fund - Money Market		
GoP Ijara sukuk certificates - Sale	-	20,390,344
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	1,828,544	2,868,621
Sindh Sales Tax on remuneration of the Trustee	237,711	372,921
CDS charges	-	558,000
Balances outstanding during the year		
Alfalsh Asset Management Limited - Management Company		
Remuneration payable	2,496,380	2,517,582
Sindh Sales Tax payable on remuneration of the Management Company	324,529	327,286
Allocated expenses payable	620,158	1,046,161
Selling and marketing expenses payable	1,218,979	1,255,206
Sales load payable	2,954	5,451
Provision for Federal Excise Duty and related Sindh Sales Tax on remuneration of the Management Company	879,346	879,346
Bank Alfalah Limited		
Balances with banks	60,912,479	57,407,936
Profit receivable	1,615,788	2,188,039
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	213,361	214,018
Sindh Sales Tax payable on remuneration of the Trustee	27,737	27,822
CDS charges payable	1,774,360	1,774,360
Security deposit	100,000	100,000

16 FINANCIAL INSTRUMENTS BY CATEGORY

	----- 2024 -----		
	At amortised cost	At fair value through profit or loss	Total
	------(Rupees)-----		
Financial assets			
Balances with banks	954,125,552	-	954,125,552
Investments	-	1,519,335,872	1,519,335,872
Deposits and other receivables	111,804,511	-	111,804,511
	<u>1,065,930,063</u>	<u>1,519,335,872</u>	<u>2,585,265,935</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	5,542,346	-	5,542,346
Payable to Central Depository Company of Pakistan Limited - Trustee	2,015,458	-	2,015,458
Accrued expenses and other liabilities	5,242,759	-	5,242,759
	<u>12,800,563</u>	<u>-</u>	<u>12,800,563</u>

	2023		
	At amortised cost	At fair value through profit or loss	Total
	------(Rupees)-----		
Financial assets			
Balances with banks	574,904,882	-	574,904,882
Investments	-	1,694,974,399	1,694,974,399
Deposits and other receivables	96,042,807	-	96,042,807
	<u>670,947,689</u>	<u>1,694,974,399</u>	<u>2,365,922,088</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	6,031,032	-	6,031,032
Payable to Central Depository Company of Pakistan Limited - Trustee	2,016,200	-	2,016,200
Advance against issuance of units - net	100,000	-	100,000
Accrued expenses and other liabilities	2,885,419	-	2,885,419
	<u>11,032,651</u>	<u>-</u>	<u>11,032,651</u>

17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

17.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal risk management policies and investment guidelines approved by the Investment Committee and the regulations laid down by the SECP.

Market risk comprises of three types of risks: profit rate risk, currency risk, and price risk.

(i) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2024, the Fund is exposed to such risk on its balances held with banks and investments in sukuk certificates. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds KIBOR based sukuk certificates and balances with banks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Fund would have been higher / lower by Rs. 24.57 million (2023: Rs. 18.18 million).

The composition of the Fund's investment portfolio, profit rates and the rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

Particulars	2024					Total
	Effective yield / profit rate	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
----- (Rupees) -----						
On-balance sheet financial instruments						
Financial assets						
Balances with banks	10.00% to 20.13%	954,125,552	-	-	-	954,125,552
Investments	11.40% to 24.98%	189,948,000	385,660,160	939,005,850	4,721,862	1,519,335,872
Deposits and other receivables		-	-	-	111,804,511	111,804,511
Sub total		<u>1,144,073,552</u>	<u>385,660,160</u>	<u>939,005,850</u>	<u>116,526,373</u>	<u>2,585,265,935</u>
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	5,542,346	5,542,346
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	2,015,458	2,015,458
Accrued and other liabilities		-	-	-	5,242,759	5,242,759
Sub total		<u>-</u>	<u>-</u>	<u>-</u>	<u>12,800,563</u>	<u>12,800,563</u>
On-balance sheet gap		<u>1,144,073,552</u>	<u>385,660,160</u>	<u>939,005,850</u>	<u>103,725,810</u>	<u>2,572,465,372</u>
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap		<u>1,144,073,552</u>	<u>385,660,160</u>	<u>939,005,850</u>		
Cumulative profit rate sensitivity gap		<u>1,144,073,552</u>	<u>1,529,733,712</u>	<u>2,468,739,562</u>		

Particulars	2023					Total
	Effective yield / profit rate	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
----- (Rupees) -----						
On-balance sheet financial instruments						
Financial assets						
Balances with banks	8.50% - 21.00%	574,904,882	-	-	-	574,904,882
Investments	15.48%- 22.90%	-	-	1,694,974,399	-	1,694,974,399
Deposits and other receivables		-	-	-	96,042,807	96,042,807
Sub total		<u>574,904,882</u>	<u>-</u>	<u>1,694,974,399</u>	<u>96,042,807</u>	<u>2,365,922,088</u>
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	6,031,032	6,031,032
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	2,016,200	2,016,200
Advance against issuance of units - net		-	-	-	100,000,000	100,000,000
Accrued and other liabilities		-	-	-	2,885,419	2,885,419
Sub total		<u>-</u>	<u>-</u>	<u>-</u>	<u>11,032,651</u>	<u>11,032,651</u>
On-balance sheet gap		<u>574,904,882</u>	<u>-</u>	<u>1,694,974,399</u>	<u>85,010,156</u>	<u>2,354,889,437</u>
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap		<u>574,904,882</u>	<u>-</u>	<u>1,694,974,399</u>		
Cumulative profit rate sensitivity gap		<u>574,904,882</u>	<u>574,904,882</u>	<u>2,269,879,281</u>		

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Equity price risk is the risk that the fair value of equity instruments decreases as a result of changes in the level of equity indices and the value of individual stocks. The Fund does not hold any instruments that expose it to price risk (other than those arising from profit rate risk or currency risk) as of June 30, 2024.

17.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, 2008, the Fund can borrow in the short-term to ensure settlement subject to the maximum limit which is fifteen percent of the net assets up to 90 days and would be secured by the assets of the Fund. However, no borrowing was required to be obtained by the Fund during the year.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemption requests during the year ended June 30, 2024.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

2024						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

On-balance sheet financial instruments

Financial assets

Balances with banks	954,125,552	-	-	-	-	-	954,125,552
Investments	-	189,948,000	385,660,160	421,830,112	521,897,600	-	1,519,335,872
Deposits and other receivable	111,704,511	-	-	-	-	100,000	111,804,511
	1,065,830,063	189,948,000	385,660,160	421,830,112	521,897,600	100,000	2,585,265,935

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	5,542,346	-	-	-	-	-	5,542,346
Payable to Central Depository Company of Pakistan Limited - Trustee	2,015,458	-	-	-	-	-	2,015,458
Accrued expenses and other liabilities	4,931,102	311,657	-	-	-	-	5,242,759
	12,488,906	311,657	-	-	-	-	12,800,563
Net financial assets	1,053,341,157	189,636,343	385,660,160	421,830,112	521,897,600	100,000	2,572,465,372

----- 2023 -----						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

----- (Rupees) -----

On-balance sheet financial instruments

Financial assets

Balances with banks	574,904,882	-	-	-	-	574,904,882
Investments	-	-	-	1,694,974,399	-	1,694,974,399
Deposits and other receivable	95,942,807	-	-	-	100,000	96,042,807
	670,847,689	-	-	1,694,974,399	-	100,000
						2,365,922,088

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	6,031,032	-	-	-	-	6,031,032
Payable to Central Depository Company of Pakistan Limited - Trustee	2,016,200	-	-	-	-	2,016,200
Advance against issuance of units - net	100,000	-	-	-	-	100,000
Accrued expenses and other liabilities	2,666,621	218,798	-	-	-	2,885,419
	10,813,853	218,798	-	-	-	11,032,651
Net financial assets	660,033,836	(218,798)	-	1,694,974,399	-	100,000
						2,354,889,437

17.3 Credit risk

17.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. Credit risk arises from deposits with banks and financial institutions, profit receivable on bank deposits, credit exposure arising as a result of investment in debt securities, profit receivable on debt securities and receivable against conversion of units.

Credit risk arising on the debt instruments other than government securities is mitigated by investing in rated instruments or instruments issued by rated counterparties of credit ratings of at least investment grade by the recognised rating agencies. The Fund receives a monthly rating update, against which investments are reviewed. The Fund, however, also invests in unrated instruments based on internal ratings assigned by the Fund manager using an approach that is consistent with the approach used by the rating agencies. Credit risk arising on other financial assets is monitored through a regular analysis of financial position of financial position of brokers and other parties. In accordance with the risk management policy of the Fund, the investment manager monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

The table below analyses the Fund's maximum exposure to credit risk:

	----- 2024 -----		----- 2023 -----	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
Balances with banks	954,125,552	954,125,552	574,904,882	574,904,882
Investments	1,519,335,872	1,007,298,250	1,694,974,399	1,055,334,699
Advances, deposits, prepayments and other receivable	116,207,593	86,998,204	100,262,846	70,341,471
	<u>2,589,669,017</u>	<u>2,048,422,006</u>	<u>2,370,142,127</u>	<u>1,700,581,052</u>

----- (Rupees) -----

The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets. Investment in government securities and related profit receivable, however, are not exposed to credit risk and have been excluded from the above analysis as these are guaranteed by the Government of Pakistan.

No financial assets were considered to be past due or impaired as at June 30, 2024.

17.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks and related profit receivable thereon. The credit rating profile of balances with banks is as follows:

Banks	Rating agency	Rating (Short Term / Long Term)	2024	2023
			% of financial assets exposed to credit risk	% of financial assets exposed to credit risk
Soneri Bank Limited *	PACRA	A1+/AA-	-	-
Bank Alfalah Limited	PACRA	A1+/AAA	6.39%	1.52%
MCB Bank Limited	PACRA	A1/A+	63.86%	0.03%
Habib Bank Limited *	VIS	A-1+/AAA	0.03%	-
Dubai Islamic Bank Limited	VIS	A-1+ / AA	0.06%	0.06%
Bank Islami Pakistan Limited	PACRA	A1/AA-	0.14%	1.81%
National Bank of Pakistan	PACRA	A1+/AAA	10.56%	0.10%
Allied Bank Limited	PACRA	A1+/AAA	0.74%	0.14%
Meezan Bank Limited	VIS	A-1+/AAA	0.02%	0.01%
Habib Metropolitan Bank Limited	PACRA	A1+/AA+	0.01%	0.02%
Faysal Bank Limited	PACRA	A1+/AA	15.83%	27.87%
Al Baraka Bank (Pakistan) Limited	VIS	A-1 / A+	2.30%	68.33%
Bank Al Habib Limited	PACRA	A1+/AAA	0.03%	0.11%
U-Microfinance Bank Limited *	VIS	A-1/A+	-	0.01%
United Bank Limited *	VIS	A1+/AAA	0.02%	-
The Bank of Punjab *	PACRA	A1+/AA+	0.01%	-
			<u>100.00%</u>	<u>100.00%</u>

Ratings of investments have been disclosed in related notes to these financial statements. Since, the assets of the Fund are held with credit worthy counterparties, therefore any significant credit risk is mitigated.

17.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2024 and June 30, 2023 are unsecured and are not impaired.

18 FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: 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); and
- Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at June 30, 2024 and June 30, 2023, the Fund held the following financial instruments measured at fair value:

----- 2024 -----			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			

Financial assets 'at fair value through profit or loss'

Investments

Corporate sukuk certificates	-	707,298,250	-	707,298,250
Short term sukuk certificates	-	300,000,000	-	300,000,000
Government securities - GoP Ijara sukuk certificates				
	342,862	511,694,760	-	512,037,622
	<u>342,862</u>	<u>1,518,993,010</u>	<u>-</u>	<u>1,519,335,872</u>

----- 2023 -----			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			

Financial assets 'at fair value through profit or loss'

Investments

Corporate sukuk certificates	-	880,334,699	-	880,334,699
Short term sukuk certificates	-	175,000,000	-	175,000,000
Government securities - GoP Ijara sukuk certificates				
	-	639,639,700	-	639,639,700
	<u>-</u>	<u>1,694,974,399</u>	<u>-</u>	<u>1,694,974,399</u>

19 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 17, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

20 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 as required under Schedule V of the NBFC Regulations has been disclosed in the Annexure to the financial statements.

21 CORRESPONDING FIGURES

Corresponding figures have been re-classified, re-arranged or additionally incorporated in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current period. No significant rearrangements or reclassifications were made in these financial statements.

22 GENERAL

Figures have been rounded off to the nearest rupee.

23 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 30, 2024** by the Board of Directors of the Management Company.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

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

(i) UNIT HOLDING PATTERN OF THE FUND

Category	As at 30 June 2024			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	4491	18,530,102	1,913,850,915	76%
Insurance Co.	21	768,009	79,322,557	3%
Retirement & Other Funds	116	4,511,254	465,937,410	18%
Others	24	719,406	74,302,679	3%
	4652	24,528,771	2,533,413,561	100%

Category	As at 30 June 2023			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	3999	15,794,492	1,624,092,826	69%
Insurance Co.	19	724,417	74,489,292	3%
Retirement & Other Funds	59	4,059,424	417,416,379	18%
Others	79	2,314,479	237,989,809	10%
	4156	22,892,812	2,353,988,306	100%

(ii) TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

	30 June 2024 %
ALFALAH CLSA SECURITIES	55.05%
C&M Management (Private Limited)	12.70%
CONTINENTAL	2.54%
ICON Management	10.49%
Magenta Capital(Pvt)Ltd.	15.21%
No Broker	0.33%
SUMMIT CAPITAL MARKET	4%

	30 June 2023 %
Next Capital Limited	18.18%
BIPL Securities Limited	49.84%
Continental Exchange (Pvt.) Limited	4.45%
Summit Capital (Private) Limited	6.12%
AKD Securities Limited	21.40%

(iii) PARTICULARS OF MEMBERS OF THE INVESTMENT COMMITTEE

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

Khaldoon Bin Latif	Chief Executive Officer
Ayub Khuhro	Chief Investment Officer
Faisal Ali Khan	Chief Financial Officer
Shariq Mukhtar Hashmi	Chief Compliance Officer
Mustafa Kamal	Head of Fixed Income
Muddasir Ahmed Shaikh	Head of Equities
Shams-ud-din Shah, CFA, FCCA	Head of Research
Omar Mukhtar	Head of Risk
Salman Jawaid	Fund Manager Fixed Income Funds
Anil Kumar, CFA	Fund Manager Equity Funds

Khaldoon Bin Latif-Chief Executive Officer

Mr. Latif has been associated with the capital markets for over 18 years, with both domestic and international experience providing a comprehensive blend. Prior to joining Alfalah Investments, Mr. Khaldoon was associated with Faysal Asset Management Limited as its Chief Executive Officer (CEO) and under his leadership, Faysal Asset Management has achieved significant growth during his tenure and transformed into major industry player. Earlier he was associated with BMA Asset Management Company Limited as its CEO, JS Investments Limited as its Chief Investment Officer (CIO) and KASB Funds Limited as its CEO. Before KASB Funds he was the General Manager and Director of TSWLL Bahrain, a wholly owned subsidiary of TAIB Bank BSC, where he headed their brokerage, asset management, custody and advisory operations.

He has been a member of the Mutual Fund Association for over six years and has been the Vice Chairman from FY2021-22. He is also a non-executive director on a bank holding company out of Bahrain, IIBank LLC, that has operations in Africa and Europe. He is a former board member of TRG and Pace Pakistan. In addition to this, he brings both buy and sell side exposure of domestic capital markets in Pakistan. He began his career on the sell side with AKD Securities Ltd in various capacities including Head of Foreign Institutional Sales and Equity Research in the capacity of Head of Research and Chief Economist. On the buy side, he has worked with PICIC AMC as Head of Research and Product Development where his tenor also included active management of the PICIC Energy Fund.

Mr. Latif is a LUMS Alumni and has done a number of capital market courses with CFA association, Daiwa, J.P. Morgan and Bahrain Institute of Banking and Finance (BIBF). He has also completed his Director certification program from IBA.

Mr. Ayub Khoro – Chief Investment Officer

Muhammad Ayub Khuhro brings over 15 years of extensive experience in the banking and asset management industry to his role as Chief Investment Officer at Alfalah Investments. Prior to joining the company, he served as Chief Investment Officer at Faysal Asset Management Limited (FAML), where he played a pivotal role in revitalizing the investment process, fund management teams, and research department. His strategic initiatives significantly contributed to FAML's unprecedented growth and its ability to adapt to evolving market dynamics. Mr. Khuhro's career journey began at Pak Oman AMC in the research division, followed by a role as Research Head in the Equity Capital Markets Division at Faysal Bank Limited. His responsibilities included managing an equity portfolio valued at over USD 80 million and providing comprehensive research insights to support the Investment Committee's decision-making process. Additionally, he played a key role in IPOs and private equity valuations for the bank. With a Bachelor's degree in Economics from Lahore University of Management Sciences (LUMS), Mr. Khuhro possesses a deep understanding of equity, fixed income, and money market investments. His expertise extends to strategic and tactical asset allocations, driven by thorough research and evaluation of historical performance across multiple asset classes and instruments.

Faisal Ali Khan-Chief Financial Officer

Faisal Ali Khan is serving as Chief Financial Officer of Alfalah Investments and prior to joining he was associated with Faysal Funds where he served as CFO and Company Secretary. In past he has worked with reputed financial sector organizations including BMA Funds, Saudi Pak Industrial and Agricultural Company (Pvt.) Ltd, Attock Refinery Limited and KPMG. Mr. Khan is a fellow member of the Institute of Chartered Accountant of Pakistan having a professional experience of over nineteen years ranging from financial reporting, regulatory compliance, budgeting and taxation to corporate and secretarial practices including 15 years of experience in the asset management and investment advisory industry.

Mr. Shariq Mukhtar Hashmi – Chief Compliance Officer

Mr. Hashmi holds a diversified experience of over 11 years with various private sector enterprises of repute. He joined IGI Funds Limited (which subsequently merged into Alfalah GHP Investment Management Limited in Oct. 2013) in 2010 to lead the back office function as Head of Operations & Settlements. His association has continued, post-merger, as Head of Compliance & Risk Management. He has previously served National Asset Management Company as Head of Internal Audit and Feroze Sharif Tariq & Co Chartered Accountants in various capacities. He has also headed the Internal Audit Department of the Company. Mr. Hashmi is a qualified Accountant from the Association of Chartered Certified Accountants, UK and holds MBA degree in Finance from SZABIST University. He is also enrolled for Financial Risk Manager Certification of Global Association of Risk Professionals; USA.

Mr. Muddasir Ahmed Shaikh - – Head of Equities

Mr. Shaikh is heading the Equity Investments team at Alfalah Investments. He has been an integral part of the team since 2007 and holds about two decades of professional experience. He joined the Investment Management Industry in 2004, right after his graduation with an MBA degree. Over the years, he has served various public and private financial institutions of repute. He started his career as Research Analyst and has progressed over the year to higher levels in portfolio management.

Mr. Shaikh is an Alumni of the prestigious Institute of Business Administration, Karachi (IBA).

Mr. Shams-ud-din Shah - Head of Research

Mr. Shams is a CFA charter holder and member of ACCA. He holds +8 years of experience in financial service industry and has been associated with Alfalah since June 2017. He leads the Research Department and aptly covers Economy, Ban. ks, Construction and Material sectors along with supervision and professional development of other research analysts in the team. His hard work, strong analytical skills and thorough understanding of the economy and sector dynamics have earned him recognition and rendered effective support to the Portfolio Management function.

Mr. Mustafa Kamal - Head of Fixed Income

"Mr. Mustafa Kamal has more than 18 years of work experience in the investment management profession out of which he has been associated with the Mutual Fund Industry for over 15 years. Prior to joining Alfalah Investments, he was working as a Chief Investment Officer with Pak Oman Asset Management Limited. Over the years, he has worked at companies like Askari Investments, National Fullerton Asset Management, Crescent Leasing & ORIX Investment Bank. He is an MBA with Majors in Finance.

Currently serving the company as a Head of Fixed Income Funds, Mr. Kamal is a key member of portfolio management team and a member of the investment committee for the mutual funds. During his career he has managed wide range of conventional and Islamic mutual funds schemes."

Mr. Omar Mukhtar – Head of Risk

Mr. Mukhtar is the Head of Risk Management and has remained part of the Board Risk & Investment Committees and has played an instrumental role in the establishment of the Risk Management, Enterprise Risk Management & Information Security framework for the organization. He brings with him an experience of over fifteen years in the field of Risk Management in the Mutual Funds Industry. Prior to becoming part of the Alfalah Investments team, he was associated with UBL Funds Ltd in managing their Risk Management Function. Mr. Mukhtar has done his MBA in Finance from Greenwich University and holds a BBA Honors degree. He is also a member of GARP (Global Association of Risk Professionals).

Mr. Salman Jawaid - Fund Manager Fixed Income Fund

Mr. Salman is managing the Fixed Income Funds at Alfalah Investments. He has almost more than 12 years of work experience in the Mutual Fund Industry precisely in the Fund Management Department. He is an MBA in Finance from the Institute of Business Management (IOBM) and also pursuing his education in the CFA program. Over the years, he has worked at National Investment Trust Limited (NIT) and Faysal Asset Management in the portfolio management department.

Mr. Anil Kumar - Jr. Fund Manager Equity Funds

Mr. Anil has over 3 years of well-rounded sectoral exposure in Investment Research and Fund Management. He was earlier associated as Research Analyst with Alfalah Investments, where he has actively covered Chemical Sector, Cement Sector, Pharmaceutical sector, Textile sector and has also identified many profitable investment ideas. Prior to joining Alfalah, he was associated with UBL Fund Managers and Darson Securities Limited. Anil has done Bachelors (BBA) from Iqra University with majors in Finance and is a CFA Level 3 candidate.

(iv) ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The dates of the meetings of the Board of Directors of the Management Company of the fund and the attendance of its members are given below.

Name of Director	Meeting held on				
	August 25, 2023	October 30, 2023	December 21, 2023	February 22, 2024	April 30, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓	✓
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Khaled Khanfer	Leave	Leave	✓	✓	✓
Ms. Ayesha Aziz	✓	✓	✓	✓	✓
Mr. Atif Bajwa	✓	✓	✓	✓	✓
Mr. Sohail Sultan	✓	✓	✓	✓	✓

(v) MEETINGS OF BOARD AUDIT COMMITTEE

The dates of the meetings of the Board Audit Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on				
	August 24, 2023	September 26, 2023	October 26, 2023	February 21, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	✓	Leave	✓	✓
Ms. Ayesha Aziz		✓	✓	✓	Resigned
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Farooq Ahmed Khan		✓			✓

(vi) MEETINGS OF BOARD RISK MANAGEMENT COMMITTEE

The dates of the meetings of the Board Risk Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on			
	August 22, 2023	October 28, 2023	February 20, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	Leave	✓	Leave
Mr. Khalilullah Shaikh	✓	✓	✓	✓
Mr. Farooq Ahmed Khan	-	-	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓

(vii) MEETINGS OF BOARD HUMAN RESOURCE MANAGEMENT COMMITTEE

The dates of the meetings of the Board Human Resource Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on		
	August 21, 2023	September 26, 2023	February 19, 2024
Mr. Kabir Ahmad Qureshi		✓	✓
Mr. Khalilullah Shaikh	-	✓	-
Ms. Ayesha Aziz	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓

(viii) MEETINGS OF BOARD INVESTMENT COMMITTEE

The dates of the meetings of the Board Investment Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on	
	December 14, 2023	April 24, 2024
Mr. Farooq Ahmed Khan	-	✓
Mr. Sohail Sultan	✓	✓
Ms. Ayesha Aziz	✓	✓

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PERFORMANCE TABLE - AGISIF

	30 June 2024	30 June 2023 (Rupees in '000)	30 June 2022	30 June 2021	30 June 2020 (Rupees in '000)	30 June 2019
Net Assets	3,824,729	3,824,729	6,391,206	7,628,686	9,724,629	4,604,327
NAV per unit	103.2833	102.8265	102.3990	102.1553	102.0298	101.9017
Selling price per unit	104.4504	103.9884	103.5561	103.3097	103.1827	103.0532
Redemption price per unit	103.2833	102.8265	102.3990	102.1553	102.0298	101.9017
Highest selling price per unit	128.2726	118.4682	108.1036	103.8015	108.4693	107.5010
Highest redemption price per unit	125.3074	117.1445	106.8957	102.6416	107.2573	106.2998
Lowest selling price per unit	104.2045	103.5910	103.3202	103.1530	103.0741	102.9520
Lowest redemption price per unit	103.0401	102.4335	102.1657	102.0004	101.9224	101.3135
1st interim distribution per unit	Nil	Nil	0.4604	0.05686	2.8076	4.5581
Interim distribution date	N/A	N/A	29-Jul-21	29-Jul-20	26-Sep-19	29-Mar-19
2nd interim distribution per unit	Nil	Nil	1.0816	0.6052	5.3556	1.4397
Interim distribution date	N/A	N/A	26-Aug-21	1-Sep-20	27-Feb-20	29-May-19
3rd interim distribution per unit	Nil	Nil	0.7789	0.4775	2.0736	Nil
Interim distribution date	N/A	N/A	29-Sep-21	30-Sep-20	5-May-20	N/A
4th interim distribution per unit	Nil	Nil	0.5831	0.4672	0.5331	Nil
Interim distribution date	N/A	N/A	29-Oct-21	28-Oct-20	29-May-20	N/A
5th interim distribution per unit	Nil	Nil	0.4187	0.5375	Nil	Nil
Interim distribution date	N/A	N/A	27-Nov-21	28-Nov-20	N/A	N/A
6th interim distribution per unit	Nil	Nil	0.73	0.5044	Nil	Nil
Interim distribution date	N/A	N/A	28-Dec-21	29-Dec-20	N/A	N/A
7th interim distribution per unit	Nil	Nil	Nil	0.4842	Nil	Nil
Interim distribution date	N/A	N/A	N/A	28-Jan-21	N/A	N/A
8th interim distribution per unit	Nil	Nil	Nil	0.5459	Nil	Nil
Interim distribution date	N/A	N/A	N/A	25-Feb-21	N/A	N/A
9th interim distribution per unit	Nil	Nil	Nil	0.4654	Nil	Nil
Interim distribution date	N/A	N/A	N/A	27-Mar-21	N/A	N/A
10th interim distribution per unit	Nil	Nil	Nil	0.6118	Nil	Nil
Interim distribution date	N/A	N/A	N/A	30-Apr-21	N/A	N/A
11th interim distribution per unit	Nil	Nil	Nil	0.4873	Nil	Nil
Interim distribution date	N/A	N/A	N/A	28-May-21	N/A	N/A
Final distribution per unit	21.24	14.7455	4.7082	0.4686	0.4669	0.911
Final distribution date	22-Jun-24	23-Jun-23	24-Jun-22	26-Jun-21	24-Jun-20	30-Jun-19
Annualized returns	21.13%	14.88%	9.09%	6.40%	11.56%	7.60%
Income distribution	20.66%	14.40%	8.58%	5.60%	11.03%	6.55%
Weighted avg. portfolio duration	2.09 Yrs%	2.50Yrs	1.84Yrs	2.06Yrs	0.56Yrs	1.48Yrs

Return since inception is 8.87%

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



Alfalah
GHP Islamic Stock Fund

FUND INFORMATION

Management Company:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Board of Directors of the Management Company:	Mr. Atif Aslam Bajwa Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Mr. Sohail Sultan Mr. Khalilullah Shaikh Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Audit Committee (BAC):	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh
Business Risk Management Committee (BRMC)	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh Mr. Khaldoon Bin Latif (CEO)
Human Resource & Remuneration Committee (HRRC):	Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Board Investment Committee (BIC):	Mr. Farooq Ahmed Khan Mr. Sohail Sultan Ms. Ayesha Aziz
Head of Legal & Company Secretary:	Ms. Nahl Eman Chamdia
Chief Financial Officer:	Mr. Faisal Ali Khan
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, P.O.Box 4716 Karachi, Pakistan
Legal Advisor:	Haider Waheed House 188, Street 33, Khyaban-e-Qasim, DHA Pahse VIII, Karachi MSB Consultants F-66/2, Park Lane, Block 5 Clifton, Karachi.
Registrar:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Distributor:	Bank Alfalah Limited

Alfalah GHP Islamic Stock Fund

Annual Fund Manager's Report

Type of Fund: Open-end Scheme

Category of Fund: Shariah compliant Islamic Equity Scheme (Previously Shariah Compliant Asset Allocation Scheme)

Investment Objective

The investment objective of Alfalah GHP Islamic Stock Fund (AGISF) is seeking long term capital appreciation and income from a diversified portfolio developed in consistence with the principles of Shariah.

Accomplishment of Objective

The Fund has strived to achieve its objective as it provided the unit holders a competitive and attractive return as compared to peer funds via investments in Shariah Compliant avenues.

Equity Market Review

During FY24, the benchmark index remained on a bullish trajectory and posted a positive return of 90.33% on account of improving economic indicators and fiscal consolidation. The index remained positive during the year as it peaked at 80,059 level in June'24, and closed at a lower level of 78,445 points.

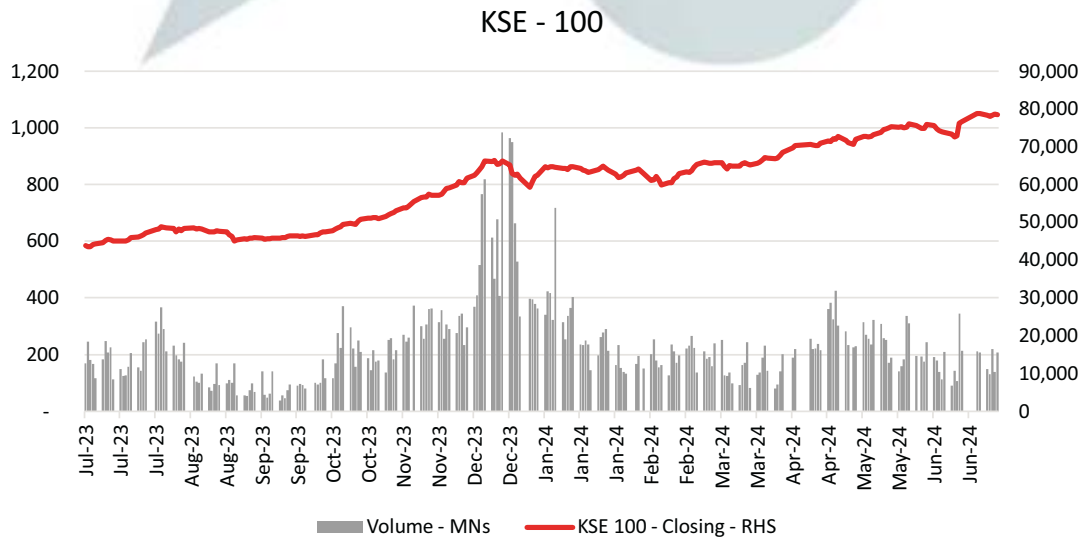
Improvement in macro-economic indicators including a) recovery in economic activity due to declining trend of inflation; b) improving forex reserves and stable PKR due to multilateral and bilateral support and fiscal consolidation and c) signing of a 9 months long standby agreement with IMF resulted in bullish investor sentiments and resulted in investors shifting allocation to equity as valuation was already attractive.

Due to the above mentioned factors, average trading volume of KSE-100 index also increased by 156%YoY to 232 million shares. Banking, Fertilizer and Power sectors contributed to the index the most, as investors jumped to sectors with attractive valuation, high dividend yield, stable demand and USD pegged revenues in case of the Power sector, while chemical sector contributed most negatively to the index due to depressed global chemical margins on the back of fear of global recession and overcapacity by many Chinese players.

Foreigners remained net buyers in FY24, as the net foreign inflow amounted to USD 139.23mn compared to net inflow of USD 22.09mn during FY23.

Going forward, we believe that the new staff level agreement on a 37month Extended Fund facility will keep fiscal and external account check and stable, the focus will likely be on preserving macroeconomic stability ensuring prudent monetary policy, avoiding fiscal slippages, maintaining market based exchange rate and implementing long-term economic reform. This will provide much-needed clarity and assurance for the economic plan.

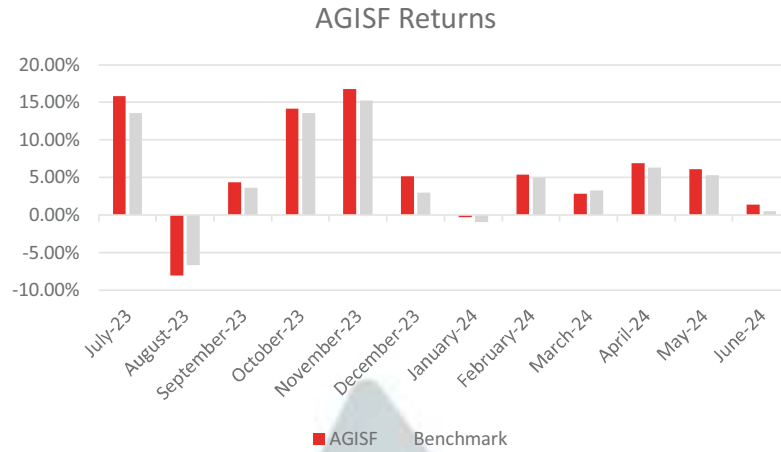
A favorable macroeconomic outlook i.e. falling inflation, monetary easing, improving reserves, and a stable PKR, serves as a booster for the Equity market in future as the benchmark index is still trading at attractive multiples (forward PE of 4x) and offers a decent dividend yield of 12%



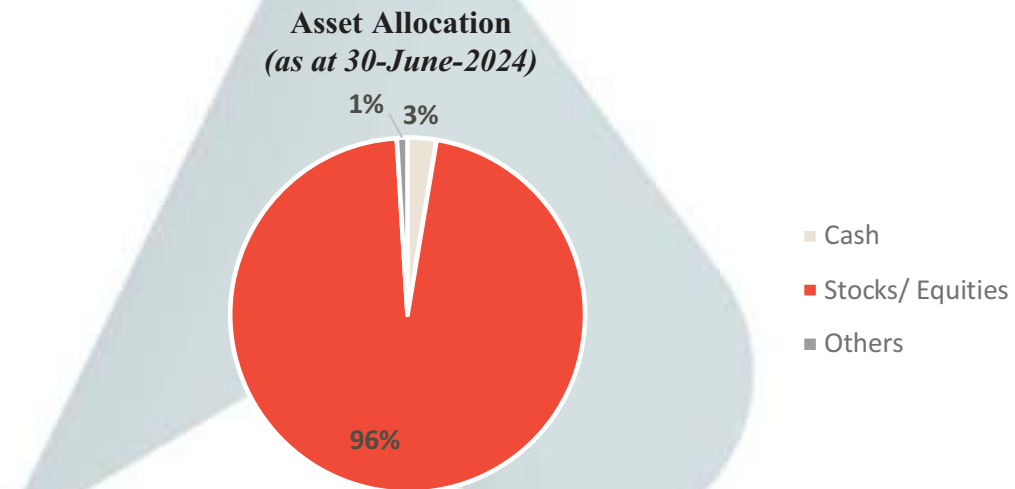
Fund Performance

During FY24, AGISF earned a return of 93.40% versus the benchmark return 78.70% during the year.

AGISF Return Vs Benchmark



Assets Allocation



⇒ **Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

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

⇒ **Disclosure on unit split (if any), comprising:-**

There were no unit splits during the period.

⇒ **Disclosures of circumstances that materially affect any interests of unit holders**

Investments are subject to market risk.

⇒ **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme.**

No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

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) 34326021 - 23
URL: www.cdcPakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

ALFALAH GHP ISLAMIC STOCK FUND

**Report of the Trustee pursuant to Regulation 41(h) and clause 8 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 Islamic Stock Fund (the Fund) are of the opinion that Alfalah Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2024 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;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) 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.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 26, 2024



Alfalsh Investments

Shariah Advisory Board

Mufti Shaikh Noman

Mufti Javed Ahmad



SHARIAH REVIEW REPORT ALFALAH ISLAMIC STOCK FUND

We, the Shariah Advisors of the Alfalah Islamic Stock Fund ('AISF') managed by Alfalah Asset Management Limited, are issuing this report in accordance with the Modified and Restated Trust Deed dated February 12, 2015 and Replacement 3rd Supplement Offering Document dated March 11, 2015 of the said Fund. The scope of the report is to express an opinion on the Shariah Compliance of the Fund's activities.

It is the responsibility of the Management Company of the said Fund to establish and maintain a system of internal controls to ensure compliance with issued Shariah guidelines. As Shariah Advisors, our responsibility is to express an opinion, based on our review of the representations made by the management, to the extent where such compliance can be objectively verified.

In the capacity of Shariah Advisors of the Fund, we provide consent for investment in equities securities based on the Shariah Guidelines during the period from July 1, 2023 to June 30, 2024.

We hereby certify that the investments made by the Funds are in compliance with Shariah principles.

For the Year 2023-24 provision against Charity is made amount to Rs. 1,872,058.98/- in respect of dividend purification.

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

For and on behalf of Shariah Advisory Board.

Mufti Shaikh Noman
Shariah Advisor

Mufti Javed Ahmad
Shariah Board Member

Alfalsh Asset Management Limited

2nd Floor, Islamic Chamber of Commerce, Industry and Agriculture Building, Block-9, Clifton, Karachi - 75600 Pakistan.
U: +92 (21) 111-090-090 | W: www.alfalahamc.com

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

Alfalah GHP Islamic Stock Fund has fully complied with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor for its operations, investments and placements made during the year ended June 30, 2024. This has been duly confirmed by the Shariah Advisor of the Fund.

Dated: September 26, 2024

Mr. Khaldoun Bin Latif
Chief Executive Officer



Independent Assurance Report on Compliance with the Shariah Governance Regulations, 2023

To the unit holders of Alfalah GHP Islamic Stock Fund (the Fund)

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of **Alfalah GHP Islamic Stock Fund (the Fund)** for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar(s).

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2024) is assessed, comprise the Shariah principles and rules as defined in the Regulations and reproduced as under.

- i. Legal and regulatory framework administered by the Commission;
- ii. Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission;
- iii. Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;
- iv. Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and
- v. Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2024, which are annexed.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions having Shariah implications, entered into by the Fund with its customers, other financial institutions, and stakeholders, and related policies and procedures, are, in substance and in their legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for the design, implementation, and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, And Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2024, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than audits or reviews of historical financial statements', issued by the International Auditing and Assurance Standards Board.


That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgment, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures was sufficient and appropriate to provide a basis for our opinion.

7. Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2024 are in compliance with the Shariah principles (criteria specified in para 2 above), in all material respects.

 UHY Hassan Naeem & Co,
Chartered Accountants
Engagement Partner: Arslan Ahmed
Dated: September 26, 2024



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Alfalah GHP Islamic Stock Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alfalah GHP Islamic Stock Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer notes 5 and 6 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks of the Fund as at June 30, 2024 amounted to Rs. 45,210 million and investments aggregated to Rs. 2,094,565 million. The existence of balances with banks and existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none"> • Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; • Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and • Obtained bank reconciliation statements and tested reconciling items on a sample basis.

Affel

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

»KARACHI »LAHORE »ISLAMABAD



Other Matter

The financial statements of the Fund for the year ended June 30, 2023 were audited by another firm of Chartered Accountants who had expressed an unmodified opinion thereon vide their report dated September 28, 2023.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Affel



- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Junaid Mesia**.

A. F. Ferguson & Co.
Chartered Accountants
Dated: September 30, 2024
Karachi
UDIN: AR202410611PvJO0fVmG

ALFALAH GHP ISLAMIC STOCK FUND
STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2024

	2024	2023
Note	(Rupees)	
Assets		
Balances with banks	5 45,209,770	19,549,324
Investments	6 2,094,565,429	1,263,758,600
Security deposits	7 2,600,000	2,600,000
Receivable against sale of investment	20,220,219	-
Advances, prepayment, dividend and profit receivable	8 755,895	273,526
Total assets	2,163,351,313	1,286,181,450
Liabilities		
Payable to Alfalah Asset Management Limited - Management Company	9 24,419,895	20,187,456
Payable to Central Depository Company of the Pakistan Limited - Trustee	10 260,639	194,350
Payable to the Securities and Exchange Commission of Pakistan	11 152,332	263,605
Payable against purchase of investments	-	4,793,538
Payable against redemption of units	199,538	-
Accrued expenses and other liabilities	12 15,694,711	8,480,676
Dividend payable	1,672,678	50,944
Total liabilities	42,399,793	33,970,569
Net assets	2,120,951,520	1,252,210,881
Unit holders' fund (as per statement attached)	2,120,951,520	1,252,210,881
Contingencies and commitments	13	
	----- (Number of units) -----	
Number of units in issue	54,884,898	33,917,239
	----- (Rupees) -----	
Net asset value per unit	38.6436	36.9196

The annexed notes from 1 to 25 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC STOCK FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
Note	(Rupees)	
Income		
Dividend income	116,117,436	113,783,395
Profit on saving accounts in banks	1,357,665	8,810,995
Net realised gain on sale of investments	380,237,042	8,229,592
	497,712,143	130,823,982
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.3 614,127,539	(53,275,211)
Total income	<u>1,111,839,682</u>	<u>77,548,771</u>
Expenses		
Remuneration of Alfalah Asset Management Limited - Management Company	9.1 34,140,736	26,362,933
Sindh sales tax on remuneration of the Management Company	9.2 4,438,296	3,427,177
Allocated expenses	9.3 1,626,696	6,401,865
Selling and marketing expenses	9.4 19,393,779	17,356,631
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1 2,627,085	2,300,210
Sindh sales tax on remuneration of the Trustee	10.2 341,521	299,027
Fees to Securities and Exchange Commission of Pakistan	11.1 1,545,372	263,630
Brokerage expense including sales tax expense	6,647,096	2,318,577
CDS charges expenses	80,474	-
Auditors' remuneration	14 912,197	863,164
Printing charges	36,808	29,986
Fees and subscriptions	27,450	27,375
Charity expense	1,872,086	2,593,990
Shariah advisory fee	601,649	600,055
Bank and settlement charges	414,390	151,317
Total expenses	<u>74,705,635</u>	<u>62,995,937</u>
Net income for the year before taxation	<u>1,037,134,047</u>	<u>14,552,834</u>
Taxation	16 -	-
Net income for the year after taxation	<u>1,037,134,047</u>	<u>14,552,834</u>
Earnings per unit	4.13	
Allocation of net income for the year		
Net income for the year after taxation	1,037,134,047	14,552,834
Income already paid on units redeemed	(253,163,387)	(1,320,529)
	<u>783,970,660</u>	<u>13,232,305</u>
Accounting income available for distribution		
- Relating to capital gain	783,970,660	1,320,529
- Excluding capital gain	-	11,911,776
	<u>783,970,660</u>	<u>13,232,305</u>

The annexed notes from 1 to 25 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC STOCK FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	----- (Rupees) -----	-----
Net income for the year after taxation	1,037,134,047	14,552,834
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>1,037,134,047</u>	<u>14,552,834</u>

The annexed notes from 1 to 25 form an integral part of these financial statements.



For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC STOCK FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	2024			2023		
	Capital Value	Accumulated loss	Total	Capital Value	Accumulated loss	Total
	(Rupees)			(Rupees)		
Net assets at beginning of the year	1,935,562,763	(683,351,882)	1,252,210,881	2,098,139,024	(682,827,932)	1,415,311,092
Issuance of 61,290,432 units (2023: 13,340,044 units)						
- Capital value (at net asset value per unit at the beginning of the year)	2,262,818,235	-	2,262,818,235	492,290,312	-	492,290,312
- Element of income	960,708,271	-	960,708,271	10,164,831	-	10,164,831
Total proceeds on issuance of units	3,223,526,506	-	3,223,526,506	502,455,143	-	502,455,143
Redemption of 40,322,773 units (2023: 17,774,824 units)						
- Capital value (at net asset value per unit at the beginning of the year) (1,488,700,662)		-	(1,488,700,662)	(655,947,885)	-	(655,947,885)
- Element of loss	(672,572,840)	(253,163,387)	(925,736,227)	(7,776,289)	(1,320,529)	(9,096,818)
Total payments on redemption of units	(2,161,273,502)	(253,163,387)	(2,414,436,889)	(663,724,174)	(1,320,529)	(665,044,703)
Total comprehensive income for the year	-	1,037,134,047	1,037,134,047	-	14,552,834	14,552,834
Distribution for the year ended June 30, 2024 @ Rs. 32.7589 per unit declared on June 28, 2024	(222,814,739)	(754,668,286)	(977,483,025)	-	-	-
Distribution for the year ended June 30, 2023 @ Rs. 0.4491 per unit declared on June 27, 2023	-	-	-	(1,307,230)	(13,756,255)	(15,063,485)
Net assets at end of the year	2,775,001,028	(654,049,508)	2,120,951,520	1,935,562,763	(683,351,882)	1,252,210,881
Accumulated loss brought forward		(Rupees)			(Rupees)	
- Realised loss		(630,076,671)			(438,182,818)	
- Unrealised loss		(53,275,211)			(244,645,114)	
		(683,351,882)			(682,827,932)	
Accounting income available for distribution						
- Relating to capital gain		783,970,660			1,320,529	
- Excluding capital gain		-			11,911,776	
		783,970,660			13,232,305	
Distribution for the year ended June 30, 2024 @ Rs. 32.7589 per unit declared on June 28, 2024		(754,668,286)			-	
Distribution for the year ended June 30, 2023 @ Rs. 0.4491 per unit declared on June 27, 2023		-			(13,756,255)	
Accumulated losses carried forward		(654,049,508)			(683,351,882)	
Accumulated loss carried forward						
- Realised loss		(1,268,177,047)			(630,076,671)	
- Unrealised income / (loss)		614,127,539			(53,275,211)	
		(654,049,508)			(683,351,882)	
		(Rupees)			(Rupees)	
Net asset value per unit at the beginning of the year		36.9196			36.9032	
Net asset value per unit at the end of the year		38.6436			36.9196	

The annexed notes from 1 to 25 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC STOCK FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
Note	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year after taxation	1,037,134,047	14,552,834
Adjustment for:		
Net unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.3 (614,127,539)	53,275,211
	423,006,508	67,828,045
(Increase) / decrease in assets		
Investments	(241,693,047)	499,873
Advances, prepayment, dividend and profit receivable	(482,369)	756,198
	(242,175,416)	1,256,071
Increase / (decrease) in liabilities		
Payable to Alfalah Asset Management Limited - Management Company	4,232,439	(5,477,418)
Payable to Central Depository Company of the Pakistan Limited - Trustee	66,289	(32,829)
Payable to the Securities and Exchange Commission of Pakistan	(111,273)	(131,119)
Payable against redemption of units	199,538	-
Accrued expenses and other liabilities	7,214,035	988,003
	11,601,028	(4,653,363)
Net cash generated from operating activities	192,432,120	64,430,753
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units - net of refund of capital	3,000,711,767	501,147,913
Payments against redemption and conversion of units	(2,414,436,889)	(665,044,703)
Dividend paid	(753,046,552)	(13,756,255)
Net cash used in financing activities	(166,771,674)	(177,653,045)
Net increase / (decrease) in cash and cash equivalents during the year	25,660,446	(113,222,292)
Cash and cash equivalents at the beginning of the year	19,549,324	132,771,615
Cash and cash equivalents at the end of the year	5 45,209,770	19,549,323

The annexed notes from 1 to 25 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC STOCK FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Alfalah GHP Islamic Stock Fund (formerly Alfalah GHP Islamic Fund) (the Fund) is an open-end collective investment scheme established through a Trust Deed under the Trust Act, 1882, executed between Alfalah Asset Management Limited, (the Management Company) and Central Depository Company of Pakistan Limited, (the Trustee). The Trust Deed was executed on April 11, 2007 and was approved by the Securities and Exchange Commission of Pakistan (the SECP) in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), on March 29, 2007. The SECP approved the second Supplemental Trust Deed, under the NBFC Regulations, vide its letter No. SCD/AMCW/AGISF/239/2015 dated February 03, 2015 to modify and restate the previous Trust Deed to effectuate renaming of the Fund to Alfalah GHP Islamic Stock Fund.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act). Accordingly, on September 17, 2022 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate issued by the SECP on February 23, 2023 which is valid for a period of three years w.e.f. March 9, 2023. The registered office of the Management Company is situated at Islamic Chamber of Commerce, Industry & Agricultural Building, 2nd floor, ST-2/A, Block-9, KDA Scheme 5, Clifton Karachi.

1.3 The Fund is categorized as a 'shariah compliant equity scheme' pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs.100 per unit. Thereafter, the units of the Fund are being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.

1.4 According to the Trust Deed, the objective of the Fund is to provide good total return through a combination of current income and long-term capital appreciation, consistent with reasonable investment risk in shariah compliant equity securities. The Fund invests in shariah compliant securities and profit bearing accounts. The investment objectives and policies are explained in the Fund's offering document.

1.5 VIS Credit Rating Limited has assigned an asset manager rating of AM1 (stable outlook) to the Management Company on December 29, 2023 [2023: AM2++ (stable outlook) on August 31, 2023 by Pakistan Credit Rating Agency Limited (PACRA)].

1.6 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 transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the IFRS Accounting Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

3.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting year beginning on July 1, 2023. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and hence, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Fund which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

3.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual years beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

3.4 Critical accounting estimates and judgments

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 4.2 and 6).

3.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values.

3.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The short term investments are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

4.2.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

4.2.2 Classification and subsequent measurement

4.2.2.1 Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the "Statement of Assets and Liabilities" at fair value, with gains and losses recognised in the "Income Statement", except where an irrevocable election has been made at the time of initial recognition to measure the investment at Fair Value through Other Comprehensive Income (FVOCI). The management considers its investment in equity securities being managed as a group of assets and hence has classified them as FVPL. Accordingly, the irrevocable option has not been considered.

The dividend income for equity securities classified under FVPL is recognised in the Income Statement.

Since all investments in equity instruments have been designated as FVPL, the subsequent movement in the fair value of equity securities is routed through the Income Statement.

4.2.3 Impairment (other than debt securities)

The fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets carried at amortised cost. The fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions. Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

4.2.4 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

4.2.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

4.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

4.4 Offsetting of financial assets and financial liabilities

Financial assets and financial 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 to realise the assets and settle the liabilities simultaneously.

4.5 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.6 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are being amortised over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the NBFC Regulations.

4.7 Net asset value per unit

The Net Asset Value (NAV) per unit, as disclosed in the "Statement of Assets and Liabilities", is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

4.8 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company / distributors receive redemption applications during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

4.9 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

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

Element of income represents the difference between Net Asset Value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting year. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.11 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the Income Statement, on the date when the transaction takes place.
- Unrealised gains / (losses) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the year in which they arise.
- Dividend income is recognised when the Fund's right to receive the same is established i.e. on the commencement of date of book closure of the investee company / institution declaring the dividend.
- Profit on saving accounts with bank is recognised on an accrual basis.

4.12 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee of SECP are recognised in the Income Statement on an accrual basis.

4.13 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

Deferred

Deferred tax is accounted for using the balance sheet method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax is calculated at the rates that are expected to apply to the year when the differences reverse based on enacted tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

4.13 Earnings / (loss) per unit

Earnings / (loss) per unit is calculated by dividing the net profit / loss of the year after taxation of the Fund by the weighted average number of units outstanding during the year.

Earnings / (loss) per unit has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

4.14 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

5	BALANCES WITH BANKS	Note	2024	2023
			----- (Rupees) -----	
	Balances with banks in:			
	- Savings accounts	5.1 & 5.2	2,656,716	3,076,024
	- Current account	5.1 & 5.2	42,553,054	16,473,300
			<u>45,209,770</u>	<u>19,549,324</u>

5.1 The rate of return on these accounts ranges from 11.75% to 20.60% (2023: 8.50% to 21.75%) per annum. These include bank balance of Rs. 42.593 million (2023: Rs. 17.12 million) maintained with Bank Alfalah Limited (a related party), carrying profit at the rate of 20.50% (2023: 19.95%) per annum.

5.2 This balance is maintained with Bank Alfalah Limited (a related party).

6	INVESTMENTS	Note	2024	2023
			----- (Rupees) -----	
	At fair value through profit or loss			
	Listed equity securities	6.1	2,086,093,009	1,252,060,760
	Units of Mutual funds	6.2	8,472,420	11,697,840
			<u>2,094,565,429</u>	<u>1,263,758,600</u>

6.1 Listed equity securities

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

Name of the investee company	Note	As at July 1, 2023	Acquired during the year	Bonus / Right shares during the year	Sold during the year	As at June 30, 2024	As at June 30, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments	Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company
							Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealized gain / (loss)			
		----- (Number of shares) -----					----- (Rupees) -----			----- % -----		
Fertilizer												
Engro Corporation Limited		299,612	183,433	-	301,198	181,847	54,741,794	60,502,315	5,760,521	2.85%	2.89%	0.03%
Engro Fertilizer Limited		829,114	330,000	-	457,400	701,714	75,934,384	116,638,901	40,704,517	5.50%	5.57%	0.05%
Fauji Fertilizer Bin Qasim Limited		-	295,000	-	-	295,000	9,865,778	10,463,650	597,872	0.49%	0.50%	0.02%
							140,541,956	187,604,866	47,062,910	8.85%	8.96%	0.11%
Cement												
Cherat Cement Company Limited		271,690	328,596	-	177,800	422,486	60,638,384	68,920,141	8,281,757	3.25%	3.29%	0.22%
D. G. Khan Cement Limited		205,000	180,000	-	139,000	246,000	12,754,749	22,206,420	9,451,671	1.05%	1.06%	0.06%
Fauji Cement Limited		1,539,000	1,837,500	-	725,000	2,651,500	44,311,291	60,745,864	16,434,573	2.86%	2.90%	0.11%
Kohat Cement Limited		178,302	-	-	88,500	89,802	15,577,735	22,489,052	6,911,317	1.06%	1.07%	0.05%
Lucky Cement Limited		196,995	19,500	-	75,800	140,695	81,179,003	127,569,439	46,390,436	6.01%	6.09%	0.05%
Maple Leaf Cement Factory Limited		1,197,561	1,367,500	-	895,000	1,670,061	58,387,401	63,462,318	5,074,917	2.99%	3.03%	0.16%
Pioneer Cement Limited		253,000	305,500	-	202,712	355,788	40,227,428	60,003,646	19,776,218	2.83%	2.86%	0.16%
							313,075,991	425,396,881	112,320,889	20.06%	20.31%	0.79%

Name of the investee company	Note	As at July 1, 2023	Acquired during the year	Bonus / Right shares during the year	Sold during the year	As at June 30, 2024	As at June 30, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments	Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company
							Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealized gain / (loss)			
							(Rupees)		%			
Power generation and distribution												
Hub Power Company Limited	6.1.3	692,918	1,864,000	-	726,000	1,830,918	193,035,617	298,586,107	105,550,490	14.08%	14.26%	0.14%
K-Electric Limited		-	19,960,000	-	6,997,792	12,962,208	60,388,602	60,015,023	(373,579)	2.83%	2.87%	0.05%
Nishat Churnian Power Limited		-	992,000	-	992,000	-	-	-	-	-	-	-
Nishat Power Limited		-	170,000	-	170,000	-	-	-	-	-	-	-
Saif Power Limited		-	520,000	-	520,000	-	-	-	-	-	-	-
							253,424,219	358,601,130	105,176,911	16.91%	17.12%	0.19%
Refinery												
Attock Refinery Limited		77,000	50,500	-	127,500	-	-	-	-	-	-	-
National Refinery Limited		22,500	-	-	22,500	-	-	-	-	-	-	-
							-	-	-	-	-	-
Oil and gas marketing companies												
Attock Petroleum Limited		22,163	-	-	22,163	-	-	-	-	-	-	-
Pakistan State Oil Limited	6.1.2	269,352	416,971	-	266,500	419,823	58,437,413	69,778,781	11,341,368	3.29%	3.33%	0.09%
Shell Pakistan Limited		69,200	100,000	-	94,200	75,000	10,467,035	10,057,500	(409,535)	0.47%	0.48%	0.04%
Sui Northern Gas Pipelines Limited		482,000	609,608	-	508,500	583,108	32,153,257	37,009,865	4,856,608	1.74%	1.77%	0.09%
Hascol Petroleum Limited *	6.1.2	4,221	-	-	-	4,221	23,427	26,128	2,701	0.00%	0.00%	0.00%
							101,081,131	116,872,274	15,791,142	5.51%	5.58%	0.22%
Oil and gas exploration companies												
Mari Petroleum Company Limited		65,853	7,500	-	24,0560	75,000	83,558,492	133,710,225	50,151,733	6.30%	6.38%	0.04%
Oil & Gas Development Company Limited		1,085,099	470,000	-	594,500	960,599	89,128,633	130,036,287	40,907,653	6.13%	6.21%	0.02%
Pakistan Oilfields Limited		160,146	-	-	160,146	-	-	-	-	-	-	-
Pakistan Petroleum Limited		1,222,065	975,000	-	909,700	1,287,365	110,550,028	150,763,315	40,213,288	7.11%	7.20%	0.05%
							283,237,153	414,509,827	131,272,674	19.54%	19.79%	0.11%
Automobile assembler												
Millat Tractors Limited		108,105	88,681	-	98,029	98,757	50,443,899	62,817,353	12,373,454	2.96%	3.00%	0.05%
Sazgar Engineering Works Limited		245,000	379,036	-	534,697	89,339	43,977,670	74,371,144	30,393,474	3.51%	3.55%	0.15%
Honda Atlas Cars (Pakistan) Limited		-	65,000	-	65,000	-	-	-	-	-	-	-
Pak Suzuki Motor Company Limited		-	165,000	-	165,000	-	-	-	-	-	-	-
							94,421,569	137,188,497	42,766,928	6.47%		0.20%
Textile composite												
Interloop Limited		313,740	205,000	-	315,000	203,740	10,532,935	14,430,904	3,897,969	0.68%	0.69%	0.01%
Kohinoor Textile Limited	6.1.2	277,751	-	-	144,000	133,751	6,809,263	11,095,983	4,286,720	0.52%	0.53%	0.05%
Nishat Mills Limited		254,167	105,000	-	111,000	248,167	15,074,059	17,582,632	2,508,573	0.83%	0.84%	0.07%
Towellers Limited		-	14,701	-	-	14,701	2,313,737	2,075,194	(238,543)	0.10%	0.10%	0.09%
							34,729,994	45,184,713	10,454,719	2.13%	2.16%	0.22%
Engineering												
Agha Steel Industries Limited		2,650	-	-	2,650	-	-	-	-	-	-	-
International Industries Limited		41,603	-	-	41,603	-	-	-	-	-	-	-
International Steels Limited		73,900	250,000	-	154,737	169,163	11,399,809	14,302,732	2,902,922	0.67%	0.68%	0.04%
Mughal Iron & Steel Industries Limited		-	455,600	-	455,600	-	-	-	-	-	-	-
							11,399,809	14,302,732	2,902,922	0.67%	0.68%	0.04%
Pharmaceuticals												
Citi Pharma Limited		495,953	250,000	-	745,953	-	-	-	-	-	-	-
Highnoon Laboratories Limited	6.1.2	24,262	12,600	-	5,500	31,362	11,830,855	22,379,296	10,548,441	1.06%	1.07%	0.06%
AGP Limited		244,756	-	-	244,756	-	-	-	-	-	-	-
The Searle Company Limited	6.1.2	310,498	535,000	90,810	382,520	553,788	31,683,983	31,632,371	(51,613)	1.49%	1.51%	0.11%
							43,514,838	54,011,667	10,496,828	2.55%	2.58%	0.17%
Food and personal care products												
Al Shaheer Corporation Limited *	6.1.2	274	-	-	-	274	1,981	2,211	232	0.00%	0.00%	0.00%
National Foods Limited		143,700	-	-	143,700	-	-	-	-	-	-	-
The Organic Meat Company Limited		-	1,397,065	-	965,000	432,065	14,801,609	15,204,367	402,758	0.72%	0.73%	0.29%
Unity Foods Limited		-	1,115,000	-	1,115,000	-	-	-	-	-	-	-
							14,803,590	15,206,579	402,990	0.72%	0.73%	0.29%
Commercial Banks												
Meezan Bank Limited		980,044	223,008	-	518,675	684,377	68,673,353	163,833,010	95,159,657	7.72%	7.82%	0.04%
Bankislami Pakistan Limited		405,000	385,000	-	790,000	-	-	-	-	-	-	-
Faysal Bank Limited		619,469	400,000	-	332,000	687,469	17,491,091	36,050,874	18,559,783	1.70%	1.72%	0.05%
							86,164,444	199,883,884	113,719,440	9.42%	9.54%	0.08%
Chemical												
Engro Polymer & Chemicals Limited		368,500	-	-	368,500	-	-	-	-	-	-	-
Agri-tech Limited		-	1,674,217	-	725,000	949,217	18,975,655	19,420,980	445,324	0.92%	0.93%	0.22%
Descon Oxychem Limited		-	695,000	-	695,000	-	-	-	-	-	-	-
							18,975,655	19,420,980	445,324	0.92%	0.93%	0.22%
Automobile parts & accessories												
Thal Limited		24,600	-	-	24,600	-	-	-	-	-	-	-

Name of the investee company	Note	As at July 1, 2023	Acquired during the year	Bonus / Right shares during the year	Sold during the year	As at June 30, 2024	As at June 30, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments	Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company
							Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealized gain / (loss)			
							(Rupees)			%		
Technology & communication												
Systems Limited		213,177	30,341	-	212,341	31,177	12,480,950	13,041,339	560,389	0.61%	0.62%	0.01%
Avanceon Limited		255,415	145,000	-	400,415	-	-	-	-	-	-	-
Air Link Communication Limited		-	583,388	-	260,000	323,388	20,716,827	28,726,556	8,009,729	1.35%	1.37%	0.08%
							33,197,777	41,767,895	8,570,118	1.97%	1.99%	0.09%
Glass & Ceramics												
Tariq Glass Limited		273,952	561,618	-	507,298	328,272	29,261,697	38,260,102	8,998,405	1.80%	1.83%	0.19%
Cable & Electrical Goods												
Pakistan Cables Limited		-	150,000	-	150,000	-	-	-	-	-	-	-
Pak Elektron Limited		-	400,000	-	400,000	-	-	-	-	-	-	-
Paper and Board												
Cherat Packaging Limited		-	134,500	-	134,500	-	-	-	-	-	-	-
Property												
TPL Properties Limited.		-	639,703	-	639,703	-	-	-	-	-	-	-
Real estate investment trust												
TPL REIT Fund I		-	533,354	-	-	533,354	9,064,023	8,000,310	(1,063,713)	0.38%	0.38%	0.03%
Synthetic & Rayon												
Image Pakistan Limited		-	943,500	-	943,500	-	-	-	-	-	-	-
Transport												
Pakistan National Shipping Corporation		-	92,200	-	92,200	-	-	-	-	-	-	-
Miscellaneous												
Synthetic Products Limited	6.1.2	21,398	-	-	-	21,398	222,539	340,656	118,117	0.02%	0.02%	0.02%
Pakistan Aluminium Beverage Cans Limited		144,500	260,906	-	276,225	129,181	8,396,765	9,540,017	1,143,252	0.45%	0.46%	0.04%
							8,619,304	9,880,673	1,261,369	0.47%	0.47%	0.06%
Exchange Traded Funds												
Alfalah Consumer Index (ETF)	6.2	1,848,000	-	-	1,070,000	778,000	4,924,740	8,472,420	3,547,680	0.40%	0.40%	18.11%
As at June 30, 2024							<u>1,480,437,890</u>	<u>2,094,565,429</u>	<u>614,127,539</u>			
As at June 30, 2023							<u>1,317,033,792</u>	<u>1,263,758,600</u>	<u>(53,275,192)</u>			

* Nil figures due to rounding off

6.1.1 All shares have a nominal value of Rs 10 each except for the shares of K-Electric Limited which has face value of Rs 3.5 each and National Foods Limited and Thal Limited which have face value of Rs 5 each.

6.1.2 The Finance Act, 2014 introduced an amendment to the Income Tax Ordinance 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

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

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically. The CISs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019 in the Honourable High Court of Sindh and, on July 15, 2019, the Honourable High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

The Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the year were not withheld by the investee companies.

As at June 30, 2024, the following bonus shares of the Fund were withheld by certain companies at the time of declaration of the bonus shares.

Name of investee company	June 30, 2024		June 30, 2023	
	Bonus shares		Bonus shares	
	Number of shares withheld	Market value	Number of shares withheld	Market value
		(Rupees)		(Rupees)
Hascol Petroleum Limited	4,221	25,326	4,221	23,427
Kohinoor Textile Mills Limited	1,287	106,821	1,287	65,521
The Searle Company Limited	18,788	1,070,916	18,788	719,956
Highnoon Laboratories Limited	1	714	1	357
Al Shaheer Corporation Limited	274	2,192	274	1,981
Pakistan State Oil Company Limited	9,103	1,511,098	9,103	1,010,524
Synthetic Products Limited	20,494	327,904	20,494	213,138
	<u>54,168</u>	<u>3,044,971</u>	<u>54,168</u>	<u>2,034,904</u>

6.1.3 The above investments include shares having a market value (in aggregate) amounting to Rs. 65.23 million (2023: Rs. 27.83 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with circular no. 11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan. The details of shares which have been pledged are as follows:

Name of security	June 30, 2024		June 30, 2023	
	Number of shares	Market value	Number of shares	Market value
The Hub Power Company Limited	400,000	65,232,000	400,000	27,832,000
	<u>400,000</u>	<u>65,232,000</u>	<u>400,000</u>	<u>27,832,000</u>

6.2 Units of open-ended mutual funds

Name of the fund	Issued / Transferred during the year	Issued during the year	Redeemed during the year	As at June 30, 2024	As at June 30, 2024			Market value as a percentage of		Holding as percentage of paid-up capital of investee company	Paid-up capital of investee company
					Carrying value	Market value	Unrealised gain / (loss)	net assets of the Fund	total investments		
					-----Rupees-----			-----%-----			
Alfalah Consumer Index Exchange Traded Fund	1,848,000	-	1,070,000	778,000	4,924,740	8,472,420	3,547,680	0.40%	0.40%	18.11%	42,962,000
Total as at June 30, 2024					<u>4,924,740</u>	<u>8,472,420</u>	<u>3,547,680</u>				
Total as at June 30, 2023					<u>14,487,725</u>	<u>11,697,840</u>	<u>(2,789,885)</u>				

6.3 Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'

	Note	2024	2023
		-----Rupees-----	
Market value of investments	5.1 & 5.2	2,094,565,429	1,263,758,600
Less: Carrying value of investments	5.1 & 5.2	1,480,437,890	1,317,033,792
		<u>614,127,539</u>	<u>(53,275,192)</u>

7 SECURITY DEPOSITS

Central Depository Company of Pakistan Limited	100,000	100,000
National Clearing Company of Pakistan Limited	2,500,000	2,500,000
	<u>2,600,000</u>	<u>2,600,000</u>

8	ADVANCES, PREPAYMENT, DIVIDEND AND PROFIT RECEIVABLE	Note	2024	2023
			-----Rupees-----	
	Advance tax on dividend		56,726	53,230
	Listing fee		29,950	-
	Profit receivable on bank balances		77,939	220,048
	Dividend receivable		591,280	248
			<u>755,895</u>	<u>273,526</u>

**9 PAYABLE TO ALFALAH ASSET MANAGEMENT LIMITED
- MANAGEMENT COMPANY**

Management remuneration payable	9.1	4,927,589	2,190,049
Sindh sales tax payable on management remuneration	9.2	1,422,674	1,069,013
Allocated expenses payable	9.3	895,707	454,086
Selling and marketing expenses payable	9.4	10,715,189	10,079,700
Sales load payable		1,046,365	982,237
Federal Excise Duty payable on management remuneration	9.5	5,412,371	5,412,371
		<u>24,419,895</u>	<u>20,187,456</u>

9.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document, subject to the total expense ratio limit. The Management Company has charged remuneration at a rate of 2% till May and 3% in June (2023: 2%) of the average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

9.2 Sindh Sales Tax on remuneration of the Management Company levied through the Sindh Sales Tax on Services Act, 2011 has been charged at the rate of 13%.

9.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

During the year, the Management Company has charged such expenses to the Fund at the rate of 0.10% (2023: 2.00%) of the average net assets of the Fund which has been approved by the board of directors.

9.4 In accordance with the SECP's circular 11 dated July 5, 2019 the asset management companies are allowed to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) subject to the maximum limit approved by the board of directors as part of the annual plan.

Accordingly, the Management Company has charged selling and marketing expenses based on its discretion (duly approved by the Board of Directors) while keeping in view the annual plan, overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the rates ranging from 1.01% to 1.88% (2023: 0.30% to 0.55%) of the average annual net assets of the Fund.

During the year, the Securities and Exchange Commission of Pakistan (SECP) carried out onsite inspection of the Management Company and inspected, among other matters, the mechanism of chargeability of selling & marketing expenses and accounting & operational charges to the funds under its management. As a result of this inspection, SECP raised certain observations relating to the chargeability of such expenses by the Management Company to the funds under its management. The Management Company has responded to the observations highlighted by the SECP and the management is engaged with SECP in this regard. Accordingly, the impact of the SECP's observations on the financial statements, if any, is not determinable as at the reporting date.

9.5 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED and the related sales tax has been made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 5.41 million is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the Net Asset Value per unit of the Fund would have been higher by Re 0.18 (2023: Re 0.16) per unit.

10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2024 -----Rupees-----	2023
Trustee remuneration payable	10.1	228,689	171,989
Sindh sales tax payable on Trustee remuneration	10.2	31,950	22,361
		<u>260,639</u>	<u>194,350</u>

10.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed at the following rates:

Net Assets (Rs.)	Tariff
up to Rs. 1,000 million	Rs. 0.7 million or 0.20% pa of NAV which ever is higher
from Rs.1,000 million and above	Rs. 2.0 million plus 0.10% per annum of NAV exceeding Rs. 1,000 million.

10.2 Sindh Sales Tax on remuneration of Trustee levied through the Sindh Sales Tax on Services Act, 2011 has been charged at the rate of 13%.

11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2024 -----Rupees-----	2023
Fee payable	11.1	<u>152,332</u>	<u>263,605</u>

11.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged the SECP fee at the rate of 0.095% per annum of the daily net assets during the year.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

12 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2024 ----- (Rupees) -----	2023
Auditors' remuneration payable		821,270	481,473
Brokerage expense payable		2,493,933	1,094,706
Settlement charges		58,636	281,661
Withholding tax payable		9,114,943	1,397,972
Charity payable	12.1	1,872,086	2,593,989
Shariah advisory fee payable		756,557	735,708
Capital value tax payable		7,855	7,855
Sales load payable		250,884	198,785
Printing charges payable		4,665	-
Annual Rating fee payable		235,413	235,413
Conversion payable		51,944	1,293,302
Other liabilities		26,525	159,812
		<u>15,694,711</u>	<u>8,480,676</u>

12.1 According to the instruction of the Shariah Advisory Board, if any income is earned by the Fund from investments, a portion of which has been made in non-shariah compliant avenues, such portion of the income of the Fund from that investee should be donated for charitable purposes directly by the Fund.

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 and June 30, 2023.

14 AUDITORS' REMUNERATION	2024 ----- (Rupees) -----	2023
Audit fee	383,921	440,000
Review and other certification	383,921	286,569
Out of pocket expenses	76,785	72,657
Sindh sales tax	67,570	63,938
	<u>912,197</u>	<u>863,164</u>

15 TOTAL EXPENSE RATIO (TER)

The Total Expense Ratio (TER) of the Fund as at June 30, 2024 is 4.47% (2023: 4.78%) which includes 0.42% (2023: 0.88%) representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an shariah compliant equity scheme.

16 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2024 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

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

17 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Alfalah Asset Management Limited being the Management Company, Funds under management of the Management Company, Bank Alfalah Limited, Alfalah CLSA Securities (Private) Limited and MAB Investment Incorporated being associated companies of Management Company, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund, Alfalah GHP Investment Management Limited - Staff Provident Fund, directors and key management personnel of Alfalah GHP Investment Management Limited and Central Depository Company of Pakistan Limited (CDC) being the Trustee of the Fund, and other associated companies and connected persons. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

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

Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

17.1 Unit Holders' Fund

For the year ended June 30, 2024										
As at July 1, 2023	Issued for cash / conversion in / transfer in	Bonus	Redeemed / conversion out/ transfer out	As at July 30, 2024	As at July 1, 2023	Issued for cash / conversion in / transfer in	Bonus	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2024	
(Units)					(Rupees)					
Associated Companies / Undertakings										
Key Management Personnel (Employees)										
Head of Equity	24,274	289	242	24,274	531	896,186	19,739	9,340	988,507	20,520
Head of Research	8	27,240	26	27,218	56	295	1,619,268	994	1,700,239	2,158
SEVP Portfolio	32,262	-	-	32,262	(0)	1,191,100	-	-	1,353,692	(12)
Director Private Equity	11,628	11,057	9,373	11,628	20,430	429,301	789,517	362,223	789,517	789,489
Chief Operating Officer	-	25	18	-	43	-	921	700	-	1,663
Head of Compliance	9	-	6	-	15	332	-	249	-	597
Head of Fixed Income	-	3,755	1,595	1,714	3,636	-	126,465	61,662	101,178	140,508
Head of Investment Services	-	10,080	4,265	5,049	9,296	-	709,222	164,809	359,222	359,231
Unit holder holding 10% or more units	23,066,756	-	18,078,707	1,740,396	39,405,067	851,615,404	-	698,628,125	100,000,000	1,522,754,708
	23,134,937	52,446	18,094,232	1,842,541	39,439,074	854,132,618	3,265,132	699,228,102	105,292,355	1,524,068,863

For the year ended June 30, 2023										
As at July 1, 2023	Issued for cash / conversion in / transfer in	Bonus	Redeemed / conversion out/ transfer out	As at July 30, 2024	As at July 1, 2023	Issued for cash / conversion in / transfer in	Bonus	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2024	
Associated Companies / Undertakings					(Units)					
Key Management Personnel (Employees)										
Head of Equity	37,534	72	248	13,580	24,274	1,385,115	2,708	9,171	500,000	896,186
Head of Human Resource	8	-	-	-	8	300	-	-	-	295
SEVP Portfolio	5,257	43,918	330	17,243	32,262	194,006	1,647,537	12,189	650,106	1,191,100
Director Private Equity	-	11,509	119	-	11,628	-	424,710	4,393	-	429,301
Head of Compliance	9	-	-	-	9	327	-	-	-	332
Unit holder holding 10% or more units	24,503,820	-	277,125	1,714,189	23,066,756	904,269,364	1,667,517	10,234,823	65,000,000	851,615,404
	24,546,628	55,499	277,822	1,745,012	23,134,937	905,849,112	3,742,472	10,260,576	66,150,106	854,132,618

17.2 Other transactions during the year

	2024	2023
	------(Rupees)-----	
Associated companies / undertakings		
Alfalah GHP Investment Management Limited - Management Company		
Remuneration of the Management Company	34,140,736	26,362,933
Sindh sales tax on remuneration of the Management Company	4,438,296	3,427,177
Allocated expenses	1,626,696	6,401,865
Selling and marketing expenses	19,393,779	17,356,631
Sales load	178,785	262,855
Bank Alfalah Limited - Islamic Banking Division		
Profit on bank balances	9,394	211
Sales Load	45,002	31,298
Alfalah CLSA Securities (Private) Limited		
Brokerage expenses	200,174	-
Other related party		
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	2,627,085	2,300,210
Sindh sales tax on remuneration of the Trustee	341,521	299,027
Settlement charges	80,474	600,055
Alfalah Consumer Index Exchange Traded Fund (fund managed by the Management Company)		
Units redeemed: 1,070,000 units (2023: 140,000 units)	8,297,910	5,166,448

17.3 Other balances outstanding as at year end

Associated companies / undertakings		
Alfalah GHP Investment Management Limited - Management Company		
Management remuneration payable	4,927,589	2,190,049
Sindh sales tax payable on management remuneration	1,422,674	1,069,013
Federal excise duty payable on management remuneration	5,412,371	5,412,371
Payable against allocated expenses	895,707	454,086
Payable against selling and marketing expenses	10,715,189	10,079,700
Sales load payable	1,046,365	982,237
Bank Alfalah Limited		
Bank balances	37,389,583	16,586,334
Sales load payable	250,884	198,875

	2024	2023
	----- (Rupees) -----	
Alfalah CLSA Securities (Private) Limited		
Brokerage expense payable	-	-
Other related party		
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	228,689	171,989
Sindh sales tax payable on trustee remuneration	31,950	22,361
Security deposit	100,000	100,000
Alfalah Consumer Index Exchange Traded Fund (fund managed by the Management Company)		
Outstanding 778,000 units (June 30, 2023: 1,848,000 units)	8,472,420	11,697,840

17.4 Other balances due to / from related parties / connected persons are included in the respective notes to the financial statements.

18 FINANCIAL INSTRUMENTS BY CATEGORY

	----- 2024 -----		
	At amortised cost	At fair value through profit or loss	Total
	----- Rupees -----		
Financial assets			
Balances with banks	45,209,770	-	45,209,770
Investments	-	2,094,565,429	2,094,565,429
Security deposits	2,600,000	-	2,600,000
Receivable against sale of investment	20,220,219	-	20,220,219
Dividend and profit receivable	669,219	-	669,219
	<u>68,699,208</u>	<u>2,094,565,429</u>	<u>2,163,264,637</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	24,419,895	-	24,419,895
Payable to Central Depository Company of the Pakistan Limited - Trustee	260,639	-	260,639
Payable against redemption of units	199,538	-	199,538
Accrued expenses and other liabilities	6,579,768	-	6,579,768
Dividend payable	1,672,678	-	1,672,678
	<u>33,132,518</u>	<u>-</u>	<u>33,132,518</u>
	----- 2023 -----		
	At amortised cost	At fair value through profit or loss	Total
	----- Rupees -----		
Financial assets			
Balances with banks	19,549,324	-	19,549,324
Investments	-	1,263,758,600	1,263,758,600
Security deposits	2,600,000	-	2,600,000
Receivable against sale of investment	-	-	-
Dividend and profit receivable	220,296	-	220,296
	<u>22,369,620</u>	<u>1,263,758,600</u>	<u>1,286,128,220</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	20,187,456	-	20,187,456
Payable to Central Depository Company of the Pakistan Limited - Trustee	194,350	-	194,350
Payable against purchase of investments	4,793,538	-	4,793,538
Accrued expenses and other liabilities	7,082,704	-	7,082,704
Dividend payable	50,944	-	50,944
	<u>32,308,992</u>	<u>-</u>	<u>32,308,992</u>

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: yield / profit rate risk, currency risk, and price risk.

19.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

19.1.2 Yield / profit rate risk

Yield / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits. The profit rate profile of the Fund's profit bearing financial instruments, as at June 30, 2024, is as follows:

	2024	2023
	----- (Rupees) -----	
Variable rate instruments (financial assets)		
Bank balances	<u>45,209,770</u>	<u>19,549,324</u>

a) Sensitivity analysis for variable rate instrument

Presently, the Fund has bank balances which expose the Fund to variable rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the impact would have been immaterial. The analysis assumes that all other variables remain constant.

b) Sensitivity analysis for fixed rate instruments

The Fund does not have any investment in fixed rate instrument as of June 30, 2024 therefore it is not exposed to any fair value profit rate risk.

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Yield / profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

2024					
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
----- Rupees -----					
Financial assets					
Balances with banks	11.75% - 20.60%	45,209,770	-	-	45,209,770
Investments		-	-	2,094,565,429	2,094,565,429
Security deposits		-	-	2,600,000	2,600,000
Receivable against sale of investment		-	-	20,220,219	20,220,219
Dividend and profit receivable		-	-	669,219	669,219
		45,209,770	-	2,118,054,867	2,163,264,637

2024					
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		

----- Rupees -----

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	-	-	-	24,419,895	24,419,895
Payable to Central Depository Company of the Pakistan Limited - Trustee	-	-	-	260,639	260,639
Payable against redemption of units	-	-	-	199,538	199,538
Accrued expenses and other liabilities	-	-	-	6,579,768	6,579,768
Dividend payable	-	-	-	1,672,678	1,672,678
	-	-	-	33,132,518	33,132,518

On-balance sheet gap (a)	45,209,770	-	-	2,084,922,349	2,130,132,119
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Off-balance sheet financial instruments	-	-	-	-	-
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Off-balance sheet gap (b)	-	-	-	-	-
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Total profit rate sensitivity gap (a+b)	45,209,770	-	-		
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Cumulative profit rate sensitivity gap	45,209,770	45,209,770	45,209,770		
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2023					
Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		

----- Rupees -----

Financial assets

Balances with banks	8.50% -21.75%	3,076,024	-	-	16,473,300	19,549,324
Investments		-	-	-	1,263,758,600	1,263,758,600
Security deposits		-	-	-	2,600,000	2,600,000
Receivable against sale of investment		-	-	-	-	-
Dividend and profit receivable		-	-	-	220,296	220,296
		3,076,024	-	-	1,283,052,196	1,286,128,220

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company		-	-	-	20,187,456	20,187,456
Payable to Central Depository Company of the Pakistan Limited - Trustee		-	-	-	194,350	194,350
Payable against redemption of units		-	-	-	4,793,538	4,793,538
Accrued expenses and other liabilities		-	-	-	7,082,704	7,082,704
Dividend payable		-	-	-	50,944	50,944
Dividend payable		-	-	-	32,308,992	32,308,992

On-balance sheet gap (a)	3,076,024	-	-	1,250,743,204	1,253,819,228
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Off-balance sheet financial instruments	-	-	-	-	-
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Off-balance sheet gap (b)	-	-	-	-	-
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Total profit rate sensitivity gap (a+b)	3,076,024	-	-		
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Cumulative profit rate sensitivity gap	3,076,024	3,076,024	3,076,024		
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19.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund has exposure to equity price arising from the Fund investments in equity securities. The Fund manages its price risk arising from investment in the equity securities by diversifying its portfolio within the eligible limits prescribed in the Fund's constitutive documents, the NBFC regulations and circulars issued by the SECP time to time.

The table below summarizes the sensitivity of the Fund's net assets attributable to unit holders to the equity price movements as at June 30, 2024. The analysis is based on the assumption that the KSE index increased / decreased by 1%, with all other variables held constant and that the fair value of the Fund's portfolio of equity securities moved according to their historical correlation with the index. This represents managements' best estimate of a reasonable possible shift in the KSE index, having regard to the historical volatility of the index of the past three years.

At June 30, 2024, the fair value of equity securities exposed to price risk was disclosed in note 5.1.

<i>Effect due to increase / decrease in KSE 100 index</i>	2024	2023
	----- (Rupees) -----	
Investment and net assets	<u>20,945,654</u>	<u>12,637,586</u>
Income statement	<u>20,945,654</u>	<u>12,637,586</u>

19.2 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligations as it falls due.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets and the credit risk is minimised.

19.2.1 Exposure to credit risk

The table below analyses the Fund's maximum exposure to credit risk:

	2024		2023	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	----- Rupees -----			
Balances with banks	45,209,770	45,209,770	19,549,324	19,549,324
Investments	2,094,565,429	-	1,263,758,600	-
Security deposits	2,600,000	2,600,000	2,600,000	2,600,000
Receivable against sale of investment	20,220,219	20,220,219	220,296	220,296
Dividend and profit receivable	669,219	582,543	53,230	-
	<u>2,163,264,637</u>	<u>68,612,532</u>	<u>1,286,181,450</u>	<u>22,369,620</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets. Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in equity securities of Rs. 2,094 million (2023: Rs. 1,263 million) is not exposed to credit risk.

There is a possibility of default by participants or failure of the financial market / stock exchanges, the depositories, the settlements or clearing systems, etc. Settlement risk on equity securities is considered minimal because of inherent controls established in the settlement process. The Fund's policy is to enter into financial contracts in accordance with internal risk management policies and instruments guidelines approved by the Investment Committee.

No financial assets were considered to be past due or impaired as at June 30, 2024.

19.2.2 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks and mark-up accrued thereon and receivable against sale of investments. The credit rating profile of balances with banks is as follows:

Bank name	Rating agency	Rating (Short Term / Long Term)	2024	2023
			Percentage of total bank balances	
Bank Alfalah Limited	PACRA	A1+/AA+	94.21%	84.84%
Meezan Bank Limited	VIS	A-1+/AAA	0.02%	0.04%
National Bank of Pakistan	VIS	A1+/AAA	0.00%	0.12%
Habib Bank Limited	VIS	A-1+/AAA	0.09%	0.16%
Bank Islami Pakistan Limited	PACRA	A1/AA-	0.08%	0.91%
Dubai Islamic Bank Pakistan Limited	VIS	A-1+ / AA	0.14%	1.68%
MCB Islamic Bank Limited	PACRA	A1 / A+	0.60%	0.35%
Allied Bank Limited	PACRA	A1+/AAA	4.86%	11.89%
			<u>100.00%</u>	<u>100.00%</u>

19.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect the groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. Despite the high concentration of credit risk as stated above, the Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit worthy counter parties thereby mitigating any significant concentrations of credit risk.

19.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily settlement of equity securities and daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, 2008, the Fund can borrow in the short-term to ensure settlement, the maximum limit of which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund.

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

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting year to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

	2024					Financial instruments with no fixed maturity	Total
	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years		
	Rupees						
Financial assets							
Balances with banks	45,209,770	-	-	-	-	-	45,209,770
Investments	-	-	-	-	-	2,094,565,429	2,094,565,429
Security deposits	-	-	-	-	-	2,600,000	2,600,000
Receivable against sale of investment	20,220,219	-	-	-	-	-	20,220,219
Dividend and profit receivable	-	-	-	-	-	669,219	669,219
	65,429,989	-	-	-	-	2,097,834,648	2,163,264,637

2024						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total

Rupees

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	24,419,895	-	-	-	-	24,419,895
Payable to Central Depository Company of the Pakistan Limited - Trustee	260,639	-	-	-	-	260,639
Payable against redemption of units	199,538	-	-	-	-	199,538
Accrued expenses and other liabilities	6,579,768	-	-	-	-	6,579,768
Dividend payable	1,672,678	-	-	-	-	1,672,678
	33,132,518	-	-	-	-	33,132,518

Net assets

	32,297,471	-	-	-	2,097,834,648	2,130,132,119
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2023						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total

Rupees

Financial assets

Balances with banks	19,549,324	-	-	-	-	19,549,324
Investments	-	-	-	-	1,263,758,600	1,263,758,600
Security deposits	-	-	-	-	2,600,000	2,600,000
Receivable against sale of investment	-	-	-	-	-	-
Dividend and profit receivable	220,296	-	-	-	-	220,296
	19,769,620	-	-	-	1,266,358,600	1,286,128,220

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	20,187,456	-	-	-	-	20,187,456
Payable to Central Depository Company of the Pakistan Limited - Trustee	194,350	-	-	-	-	194,350
Payable against purchase of investments	4,793,538	-	-	-	-	4,793,538
Accrued expenses and other liabilities	7,082,704	-	-	-	-	7,082,704
Dividend payable	50,944	-	-	-	-	50,944
	32,308,992	-	-	-	-	32,308,992

Net (liabilities) / assets

	(12,539,372)	-	-	-	1,266,358,600	1,253,819,228
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20 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

Fair value hierarchy

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: 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); and

Level 3: inputs for the assets or liability that are not based on observable market data (i.e. unobservable inputs).

As at 30 June 2024 and 30 June 2023, the Fund held the following financial instruments measured at fair values:

June 30, 2024			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			
Financial assets at fair value through profit or loss			
Investments			
Listed equity securities	2,086,093,009	-	2,086,093,009
Units of mutual funds	8,472,420	-	8,472,420
	<u>2,094,565,429</u>	<u>-</u>	<u>2,094,565,429</u>
Financial assets at fair value through profit or loss			
Investments			
Listed equity securities	1,252,060,760	-	1,252,060,760
Units of mutual funds	11,697,840	-	11,697,840
	<u>1,263,758,600</u>	<u>-</u>	<u>1,263,758,600</u>

There were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements during the year.

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The Fund is an open end collective investment scheme. The unit holders' fund of open end schemes is represented by net assets attributable to unit holders. The risk in case of an open end scheme is 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 unexpected losses in investment portfolio which may cause adverse effects on the Fund's continuation as a going concern.

The Fund's objective when managing net assets attributable to unit holders is to safeguard the Fund's ability to continue as a 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 unit holder fund structure, the Fund performs the following:

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

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically monitor capital of the Fund on the basis of the value of net assets attributable to the unit holders and track the movement of "Assets under Management" as well as returns earned on the net assets to maintain investors' confidence and achieve future growth in business. Further, the Board of Directors is updated about the Fund's yield and movement of net asset value 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 gains as reduced by such expenses as are chargeable to the Fund.

Under the NBFC Regulations, the minimum size of an open end scheme shall be one hundred million rupees at all times during the life of the scheme. However, the Fund is exempt from any "Minimum Fund Size" requirement as specified under the NBFC Regulations.

22 SUPPLEMENTARY NON FINANCIAL INFORMATION

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

23 CORRESPONDING FIGURES

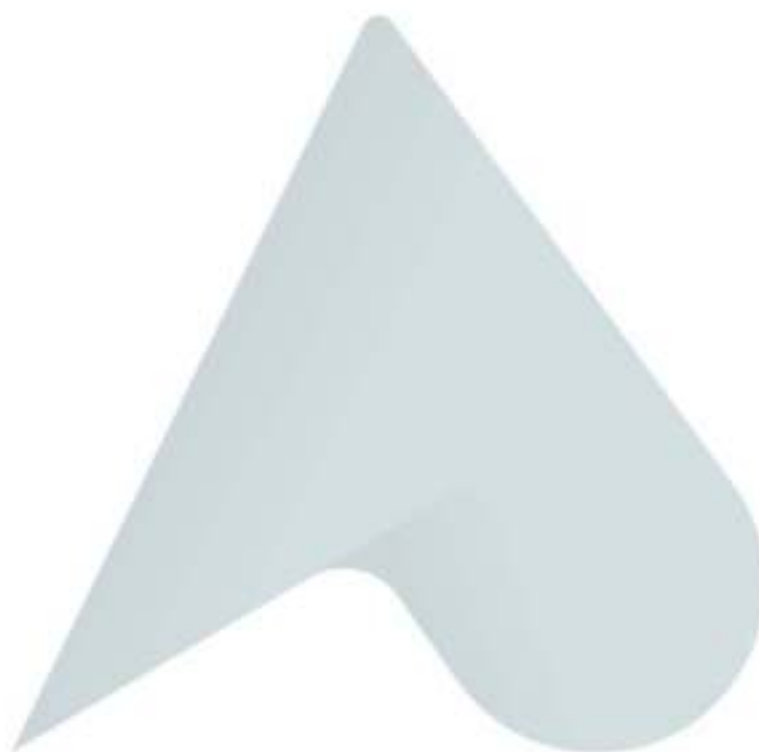
Corresponding figures have been re-classified, re-arranged or additionally incorporated in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications were made in these financial statements.

24 GENERAL

Figures have been rounded off to the nearest rupee, unless otherwise stated.

25 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on **August 30, 2024**.



For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

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

(i) UNIT HOLDING PATTERN OF THE FUND

Category	As at 30 June 2024			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	1849	4,399,920	170,028,747	8%
Retirement & Other Funds	69	40,193,749	1,553,231,152	73%
Insurance Co.	18	9,288,780	358,951,906	17%
Others	60	1,002,449	38,739,716	2%
	1996	54,884,898	2,120,951,520	100%

Category	As at 30 June 2023			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	1809	2,236,169	82,558,483	4%
Retirement & Other Funds	66	19,899,919	734,697,119	36%
Insurance Co.	14	2,947,361	108,815,399	5%
Others	62	8,833,786	326,139,880	16%
	1951	33,917,235	1,252,210,881	62%

(ii) TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

	30 June 2024 %
JS Global Capital Limite	9%
KTRADE SECURITIES LI	8%
Topline Securities Limite	8%
CHASE SECURTIES PAK	6%
Optimus Markets Pvt Ltd	5%
ALFALAH CLSA SECURI	4%
AL HABIB CAPITAL MAR	4%
BMA Capital Managemen	4%
Arif Habib Limited	4%
Taurus Securities Limited	4%

	30 June 2023 %
Chase Securities Pakistan (Pvt) Limited	8%
Topline Securities (Pvt) Limited	8%
EFG Hermes Pakistan Limited	8%
Insight Securities (Private) Limited	7%
JS Global Capital Limited	6%
Ismail Iqbal Securities (Pvt.) Limited	6%
Al Habib Capital Markets Limited	6%
MULTILINE SECURITIES LIMITED	5%
Khadim Ali Shah Bukhari Securities (Pvt.) Ltd	5%
BMA Capital Management Limited	5%

(iii) PARTICULARS OF MEMBERS OF THE INVESTMENT COMMITTEE

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

Khaldoon Bin Latif	Chief Executive Officer
Ayub Khuhro	Chief Investment Officer
Faisal Ali Khan	Chief Financial Officer
Shariq Mukhtar Hashmi	Chief Compliance Officer
Mustafa Kamal	Head of Fixed Income
Muddasir Ahmed Shaikh	Head of Equities
Shams-ud-din Shah, CFA, FCCA	Head of Research
Omar Mukhtar	Head of Risk
Salman Jawaaid	Fund Manager Fixed Income Funds
Anil Kumar, CFA	Fund Manager Equity Funds

Khaldoon Bin Latif-Chief Executive Officer

Mr. Latif has been associated with the capital markets for over 18 years, with both domestic and international experience providing a comprehensive blend. Prior to joining Alfalah Investments, Mr. Khaldoon was associated with Faysal Asset Management Limited as its Chief Executive Officer (CEO) and under his leadership, Faysal Asset Management has achieved significant growth during his tenure and transformed into major industry player. Earlier he was associated with BMA Asset Management Company Limited as its CEO, JS Investments Limited as its Chief Investment Officer (CIO) and KASB Funds Limited as its CEO. Before KASB Funds he was the General Manager and Director of TSWLL Bahrain, a wholly owned subsidiary of TAIB Bank BSC, where he headed their brokerage, asset management, custody and advisory operations.

He has been a member of the Mutual Fund Association for over six years and has been the Vice Chairman from FY2021-22. He is also a non-executive director on a bank holding company out of Bahrain, IIBank LLC, that has operations in Africa and Europe. He is a former board member of TRG and Pace Pakistan. In addition to this, he brings both buy and sell side exposure of domestic capital markets in Pakistan. He began his career on the sell side with AKD Securities Ltd in various capacities including Head of Foreign Institutional Sales and Equity Research in the capacity of Head of Research and Chief Economist. On the buy side, he has worked with PICIC AMC as Head of Research and Product Development where his tenor also included active management of the PICIC Energy Fund.

Mr. Latif is a LUMS Alumni and has done a number of capital market courses with CFA association, Daiwa, J.P. Morgan and Bahrain Institute of Banking and Finance (BIBF). He has also completed his Director certification program from IBA.

Mr. Ayub Khoro – Chief Investment Officer

Muhammad Ayub Khuhro brings over 15 years of extensive experience in the banking and asset management industry to his role as Chief Investment Officer at Alfalah Investments. Prior to joining the company, he served as Chief Investment Officer at Faysal Asset Management Limited (FAML), where he played a pivotal role in revitalizing the investment process, fund management teams, and research department. His strategic initiatives significantly contributed to FAML's unprecedented growth and its ability to adapt to evolving market dynamics. Mr. Khuhro's career journey began at Pak Oman AMC in the research division, followed by a role as Research Head in the Equity Capital Markets Division at Faysal Bank Limited. His responsibilities included managing an equity portfolio valued at over USD 80 million and providing comprehensive research insights to support the Investment Committee's decision-making process. Additionally, he played a key role in IPOs and private equity valuations for the bank. With a Bachelor's degree in Economics from Lahore University of Management Sciences (LUMS), Mr. Khuhro possesses a deep understanding of equity, fixed income, and money market investments. His expertise extends to strategic and tactical asset allocations, driven by thorough research and evaluation of historical performance across multiple asset classes and instruments.

Faisal Ali Khan-Chief Financial Officer

Faisal Ali Khan is serving as Chief Financial Officer of Alfalah Investments and prior to joining he was associated with Faysal Funds where he served as CFO and Company Secretary. In past he has worked with reputed financial sector organizations including BMA Funds, Saudi Pak Industrial and Agricultural Company (Pvt.) Ltd, Attock Refinery Limited and KPMG. Mr. Khan is a fellow member of the Institute of Chartered Accountant of Pakistan having a professional experience of over nineteen years ranging from financial reporting, regulatory compliance, budgeting and taxation to corporate and secretarial practices including 15 years of experience in the asset management and investment advisory industry.

Mr. Shariq Mukhtar Hashmi – Chief Compliance Officer

Mr. Hashmi holds a diversified experience of over 11 years with various private sector enterprises of repute. He joined IGI Funds Limited (which subsequently merged into Alfalah GHP Investment Management Limited in Oct. 2013) in 2010 to lead the back office function as Head of Operations & Settlements. His association has continued, post-merger, as Head of Compliance & Risk Management. He has previously served National Asset Management Company as Head of Internal Audit and Feroze Sharif Tariq & Co Chartered Accountants in various capacities. He has also headed the Internal Audit Department of the Company. Mr. Hashmi is a qualified Accountant from the Association of Chartered Certified Accountants, UK and holds MBA degree in Finance from SZABIST University. He is also enrolled for Financial Risk Manager Certification of Global Association of Risk Professionals; USA.

Mr. Muddasir Ahmed Shaikh - – Head of Equities

Mr. Shaikh is heading the Equity Investments team at Alfalah Investments. He has been an integral part of the team since 2007 and holds about two decades of professional experience. He joined the Investment Management Industry in 2004, right after his graduation with an MBA degree. Over the years, he has served various public and private financial institutions of repute. He started his career as Research Analyst and has progressed over the year to higher levels in portfolio management.

Mr. Shaikh is an Alumni of the prestigious Institute of Business Administration, Karachi (IBA).

Mr. Shams-ud-din Shah - Head of Research

MrShams is a CFA charter holder and member of ACCA. He holds +8 years of experience in financial service industry and has been associated with Alfalah since June 2017. He leads the Research Department and aptly covers Economy, Ban. ks, Construction and Material sectors along with supervision and professional development of other research analysts in the team. His hard work, strong analytical skills and thorough understanding of the economy and sector dynamics have earned him recognition and rendered effective support to the Portfolio Management function.

Mr. Mustafa Kamal - Head of Fixed Income

"Mr. Mustafa Kamal has more than 18 years of work experience in the investment management profession out of which he has been associated with the Mutual Fund Industry for over 15 years. Prior to joining Alfalah Investments, he was working as a Chief Investment Officer with Pak Oman Asset Management Limited. Over the years, he has worked at companies like Askari Investments, National Fullerton Asset Management, Crescent Leasing & ORIX Investment Bank. He is an MBA with Majors in Finance.

Currently serving the company as a Head of Fixed Income Funds, Mr. Kamal is a key member of portfolio management team and a member of the investment committee for the mutual funds. During his career he has managed wide range of conventional and Islamic mutual funds schemes."

Mr. Omar Mukhtar – Head of Risk

Mr. Mukhtar is the Head of Risk Management and has remained part of the Board Risk & Investment Committees and has played an instrumental role in the establishment of the Risk Management, Enterprise Risk Management & Information Security framework for the organization. He brings with him an experience of over fifteen years in the field of Risk Management in the Mutual Funds Industry. Prior to becoming part of the Alfalah Investments team, he was associated with UBL Funds Ltd in managing their Risk Management Function. Mr. Mukhtar has done his MBA in Finance from Greenwich University and holds a BBA Honors degree. He is also a member of GARP (Global Association of Risk Professionals).

Mr. Salman Jawaid - Fund Manager Fixed Income Fund

Mr. Salman is managing the Fixed Income Funds at Alfalah Investments. He has almost more than 12 years of work experience in the Mutual Fund Industry precisely in the Fund Management Department. He is an MBA in Finance from the Institute of Business Management (IOBM) and also pursuing his education in the CFA program. Over the years, he has worked at National Investment Trust Limited (NIT) and Faysal Asset Management in the portfolio management department.

Mr. Anil Kumar - Jr. Fund Manager Equity Funds

Mr. Anil has over 3 years of well-rounded sectoral exposure in Investment Research and Fund Management. He was earlier associated as Research Analyst with Alfalah Investments, where he has actively covered Chemical Sector, Cement Sector, Pharmaceutical sector, Textile sector and has also identified many profitable investment ideas. Prior to joining Alfalah, he was associated with UBL Fund Managers and Darson Securities Limited. Anil has done Bachelors (BBA) from Iqra University with majors in Finance and is a CFA Level 3 candidate.

(iv) ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The dates of the meetings of the Board of Directors of the Management Company of the fund and the attendance of its members are given below.

Name of Director	Meeting held on				
	August 25, 2023	October 30, 2023	December 21, 2023	February 22, 2024	April 30, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓	✓
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Khaled Khanfer	Leave	Leave	✓	✓	✓
Ms. Ayesha Aziz	✓	✓	✓	✓	✓
Mr. Atif Bajwa	✓	✓	✓	✓	✓
Mr. Sohail Sultan	✓	✓	✓	✓	✓

(v) **MEETINGS OF BOARD AUDIT COMMITTEE**

The dates of the meetings of the Board Audit Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on				
	August 24, 2023	September 26, 2023	October 26, 2023	February 21, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	✓	Leave	✓	✓
Ms. Ayesha Aziz		✓	✓	✓	Resigned
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Farooq Ahmed Khan		✓			✓

(vi) **MEETINGS OF BOARD RISK MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Risk Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on			
	August 22, 2023	October 28, 2023	February 20, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	Leave	✓	Leave
Mr. Khalilullah Shaikh	✓	✓	✓	✓
Mr. Farooq Ahmed Khan	-	-	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓

(vii) **MEETINGS OF BOARD HUMAN RESOURCE MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Human Resource Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on		
	August 21, 2023	September 26, 2023	February 19, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓
Mr. Khalilullah Shaikh	-	✓	-
Ms. Ayesha Aziz	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓

(viii) **MEETINGS OF BOARD INVESTMENT COMMITTEE**

The dates of the meetings of the Board Investment Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on	
	December 14, 2023	April 24, 2024
Mr. Farooq Ahmed Khan	-	✓
Mr. Sohail Sultan	✓	✓
Ms. Ayesha Aziz	✓	✓

**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**

PERFORMANCE TABLE - AGISF

	30 June 2024	30 June 2023	30 June 2022	30 June 2021	30 June 2020
	(Rupees in '000)				
Net Assets	2,120,952	1,252,211	1,415,311	2,324,622	1,899,448
NAV per unit	38.6436	36.9196	36.9032	45.3768	40.0924
Selling price per unit	39.9536	38.1712	38.1542	46.9151	41.4515
Redemption price per unit	38.6436	36.9196	36.9032	45.3768	40.0924
Highest selling price per unit	74.1058	40.2843	49.7932	59.0934	53.4178
Highest redemption price per unit	72.3928	38.9634	48.1606	57.1558	51.6663
Lowest selling price per unit	39.9536	35.2819	37.3559	42.0103	31.6076
Lowest redemption price per unit	38.6436	34.1251	36.1311	40.6328	30.5712
Total interim distribution per unit	Nil	Nil	Nil	9.5717	Nil
Interim distribution date	Nil	0.45	N/A	25-Jun-21	N/A
Final distribution per unit	0.95	Nil	Nil	Nil	Nil
Final distribution date	28-Jun-24	Nil	N/A	N/A	N/A
Annualized returns	93.40%	6.44%	-18.67%	36.75%	-1.34%
Income distribution	0.03	0.01	Nil	23.87%	Nil
Weighted avg. portfolio duration	N/A	N/A	N/A	N/A	N/A

Return since inception is 9.49%

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

**Summary of Actual Proxy voted by Alfalah
GHP Islamic Stock Fund**

Nature of Meeting	Meeting Date	Resolutions	Holding	%age Holding	Favour	Against	Abstain
The Hub Power Company Limited							
EOGM	30-Aug-21	Announcement of Financial Results for the year ended June 2021	1,113,710	0.09%	✓		
Fauji Cement Company Limited							
EOGM	28-Oct-21	Approved financial results of the first quarter ended on September 30, 2021	1,098,000	0.08%	✓		
		Considered the amalgamation of Askari cement limited with and into FCCL through a scheme arrangement					
Fauji Cement Company Limited							
EOGM	26-Feb-22	Approved, adopted and agreed the scheme of arrangement of amalgamation of Askari cement limited and Fauji Cement Company Limited	1,138,000	0.08%	✓		
		Special resolution to increase authorized share capital by 25 billion rupees by the creation of 1 billion ordinary shares					
Mari Petroleum Company Limited							
EOGM	25-Apr-22	Approved financial results of the nine months period ended March 31, 2022	72,767	0.05%	✓		
Mari Petroleum Company Limited							
EOGM	22-Jun-22	Election of Directors	72,767	0.05%	✓		
		Considered matters other than financial results					



Alfalah
GHP Islamic Prosperity
Planning Fund

FUND INFORMATION

Management Company:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Board of Directors of the Management Company:	Mr. Atif Aslam Bajwa Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Mr. Sohail Sultan Mr. Khalilullah Shaikh Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Audit Committee (BAC):	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh
Business Risk Management Committee (BRMC)	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh Mr. Khaldoon Bin Latif (CEO)
Human Resource & Remuneration Committee (HRRC):	Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Board Investment Committee (BIC):	Mr. Farooq Ahmed Khan Mr. Sohail Sultan Ms. Ayesha Aziz
Head of Legal & Company Secretary:	Ms. Nahl Eman Chamdia
Chief Financial Officer:	Mr. Faisal Ali Khan
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, P.O.Box 4716 Karachi, Pakistan
Legal Advisor:	Haider Waheed House 188, Street 33, Khyaban-e-Qasim, DHA Pahse VIII, Karachi MSB Consultants F-66/2, Park Lane, Block 5 Clifton, Karachi.
Shariah Advisor:	Bank Islami Pakistan Limited 11th Floor, Dolmen Executive Towers, Marine Drive, Clifton, Block-4, Karachi
Registrar:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Distributor:	Bank Alfalah Limited

Alfalah GHP Islamic Prosperity Planning Fund

Annual Fund Manager's Report

Type of Fund: Open-end Scheme

Category of Fund: Shariah Compliant Fund of Funds Scheme

Investment Objective

Alfalah GHP Islamic Prosperity Planning Fund is an Open-ended Shariah Complaint Fund of Funds Scheme that aims to generate returns on investment as per the respective Allocation Plan by investing in Shariah complaint Mutual funds in line with the risk tolerance of the investor.

Accomplishment of Objective

The Fund has achieved its objective of generating higher return by investing in a mix of underlying fixed income and equity based mutual funds within the guidelines provided under NBFC rules.

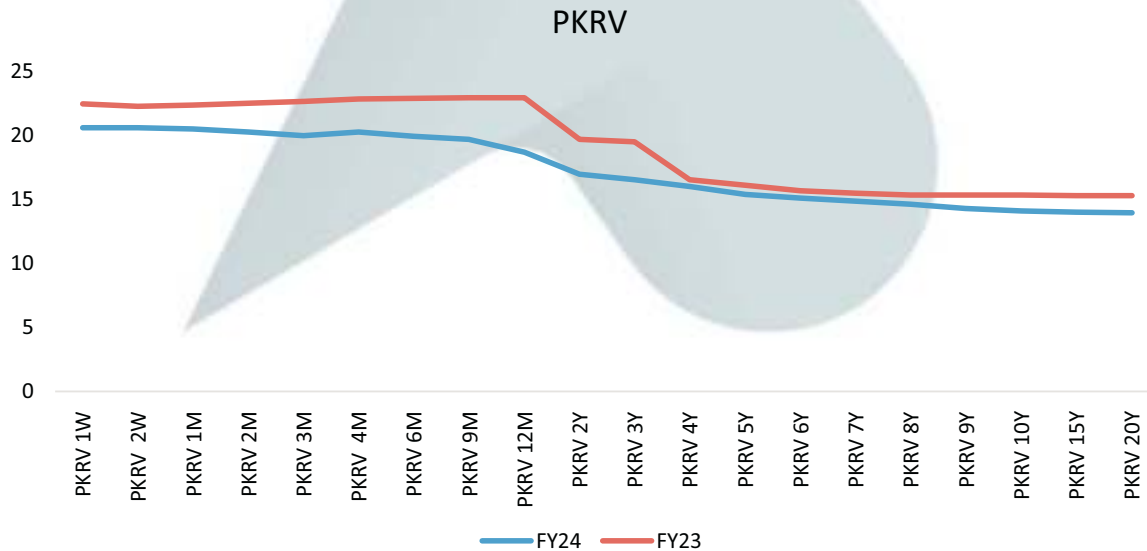
Money Market

Real GDP growth for FY24 posted a growth of 2.38% in FY24 as compared to -0.21% in FY23

Inflation for FY24 averaged at 23.9% compared to 29.04% in FY23, mainly due to stability in exchange rate coupled with lower political noise, rising agricultural yields, fiscal consolidation and softening oil prices and even fell to 12% by year end. As a result, the Central Bank has started monetary easing from June 2024 resulting in 250bps cut in interest rates in previous 2 meetings.

The next monetary policy is scheduled on September 12, 2024, where another cut in the policy rate cannot be ruled out as inflation is forecasted to maintain a lower trajectory, paving way for further anticipated monetary easing.

The current real interest rate stands impressively high at 8.4%, well above its historical median of 1%, providing a robust foundation for potential monetary easing actions. This could potentially lead to a reduction in the policy rate by 5%-6% over the next fiscal year. However, risks persists, particularly from potential inflationary impacts stemming from reforms outlined in the budget and IMF program, as well as volatility in exchange rates and oil prices.



Equity Market Review

During FY24, the benchmark index remained on a bullish trajectory and posted a positive return of 90.33% on account of improving economic indicators and fiscal consolidation. The index remained positive during the year as it peaked at 80,059 level in June'24, and closed at a lower level of 78,445 points.

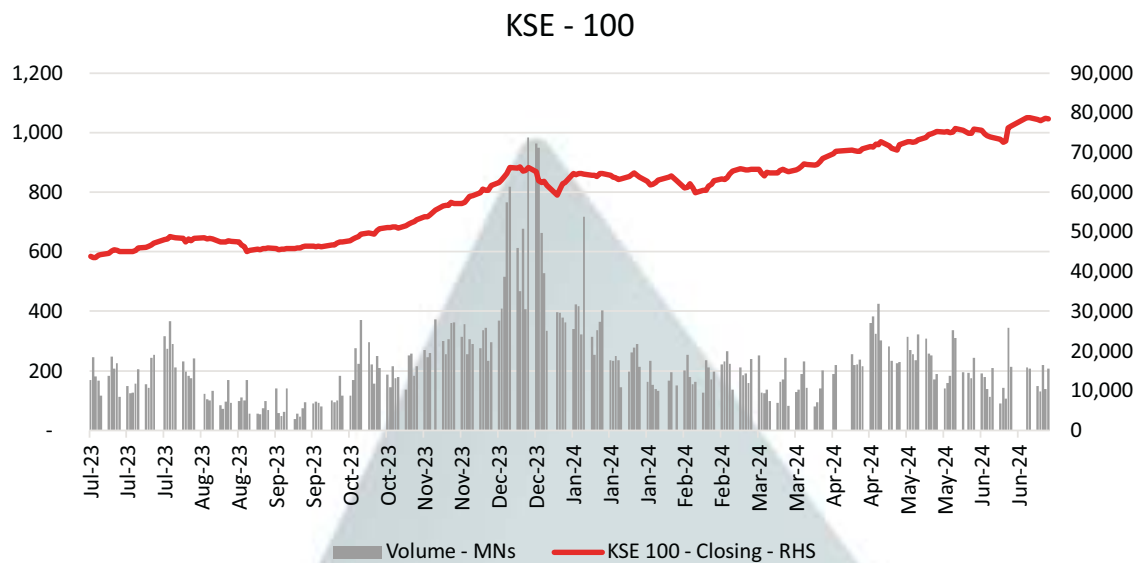
Improvement in macro-economic indicators including a) recovery in economic activity due to declining trend of inflation; b) improving forex reserves and stable PKR due to multilateral and bilateral support and fiscal consolidation and c) signing of a 9 months long standby agreement with IMF resulted in bullish investor sentiments and resulted in investors shifting allocation to equity as valuation was already attractive.

Due to the above mentioned factors, average trading volume of KSE-100 index also increased by 156%YoY to 232 million shares. Banking, Fertilizer and Power sectors contributed to the index the most, as investors jumped to sectors with attractive valuation, high dividend yield, stable demand and USD pegged revenues in case of the Power sector, while chemical sector contributed most negatively to the index due to depressed global chemical margins on the back of fear of global recession and overcapacity by many Chinese players.

Foreigners remained net buyers in FY24, as the net foreign inflow amounted to USD 139.23mn compared to net inflow of USD 22.09mn during FY23.

Going forward, we believe that the new staff level agreement on a 37month Extended Fund facility will keep fiscal and external account check and stable, the focus will likely be on preserving macroeconomic stability ensuring prudent monetary policy, avoiding fiscal slippages, maintaining market based exchange rate and implementing long-term economic reform. This will provide much-needed clarity and assurance for the economic plan.

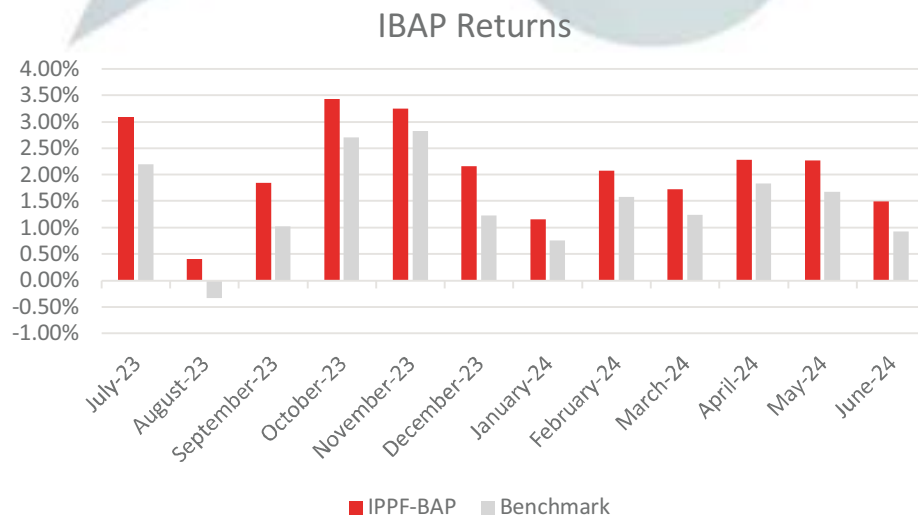
A favorable macroeconomic outlook i.e. falling inflation, monetary easing, improving reserves, and a stable PKR, serves as a booster for the Equity market in future as the benchmark index is still trading at attractive multiples (forward PE of 4x) and offers a decent dividend yield of 12%



Islamic Balance Fund:

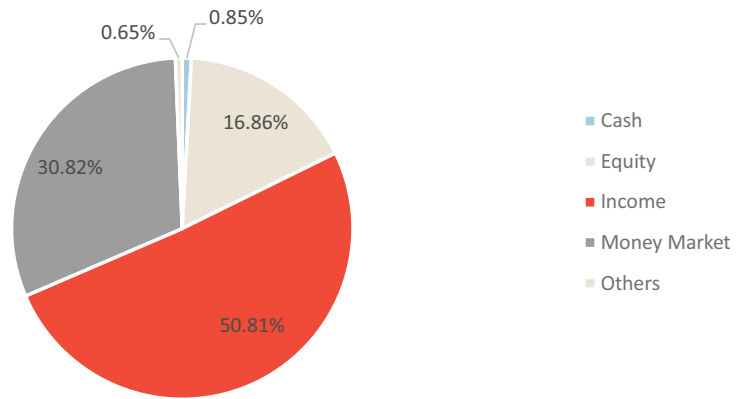
The fund generated a return of 28.22% against the benchmark which generated 19.08%.

Performance comparison with Benchmark



Assets Allocation

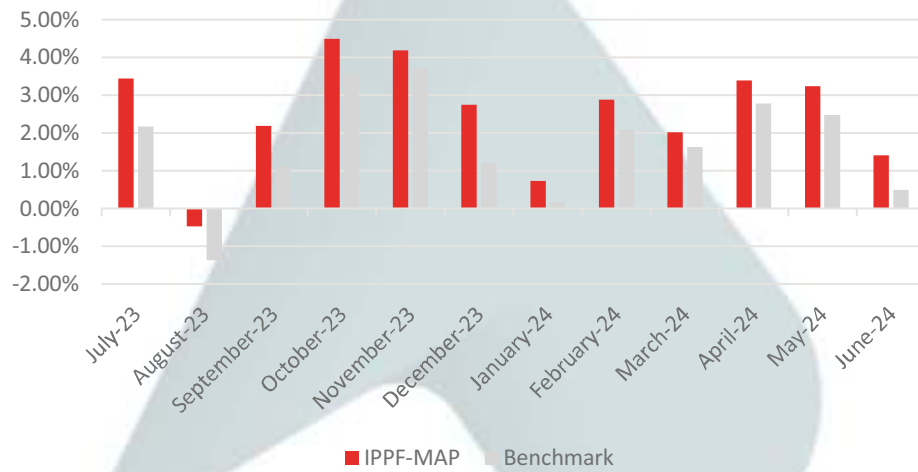
**Asset Allocation
(as at 30-June-2024)**



Islamic Moderate Fund:

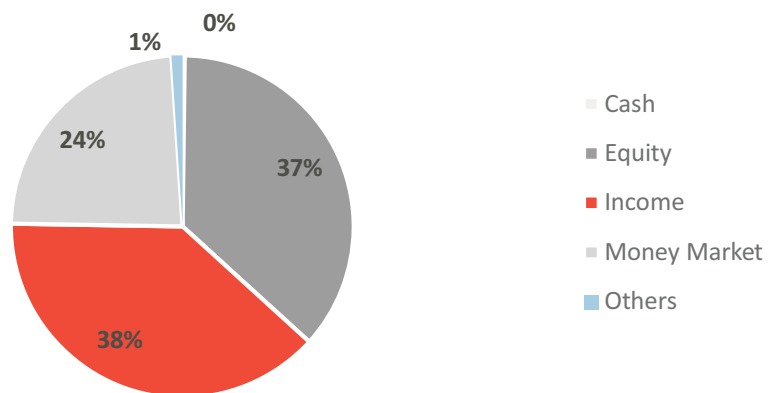
The fund generated a return of 34.62% against the benchmark which generated 21.81%.

IMAP - Returns



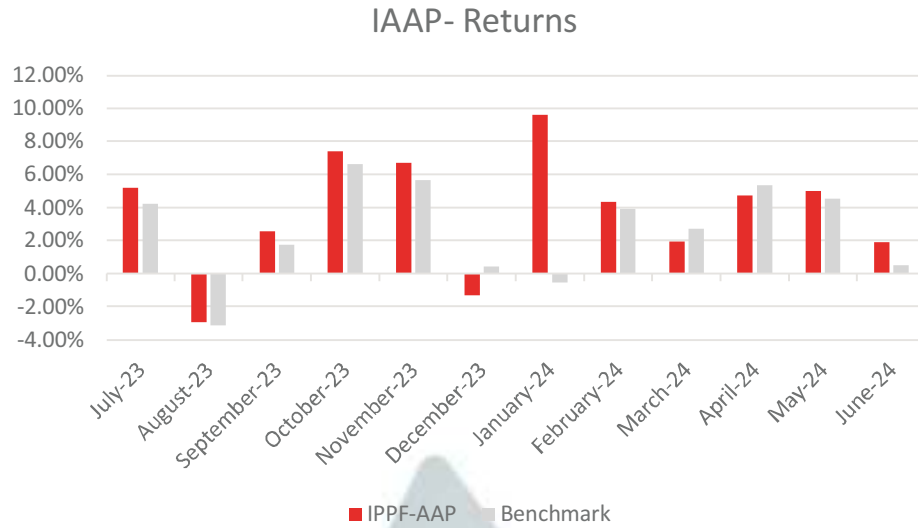
Assets Allocation

**Asset Allocation
(as at 30-June-2024)**

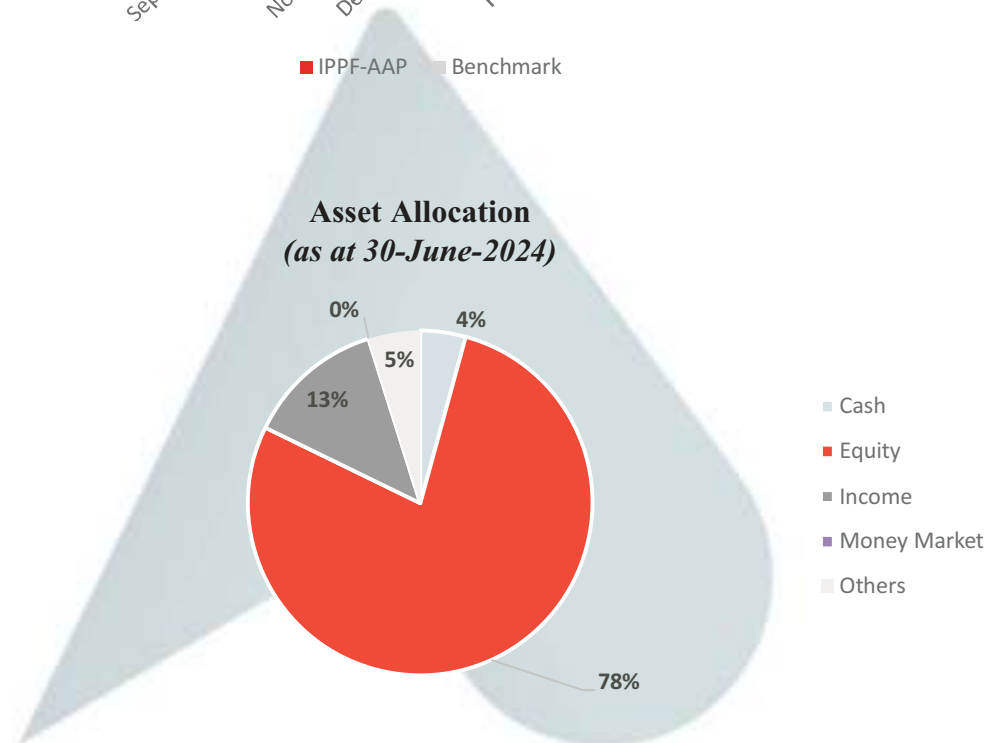


Islamic Active Fund - II:

The fund generated a return of 54.70% against the benchmark which generated 36.42%.



Assets Allocation



⇒ **Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

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

⇒ **Disclosure on unit split (if any), comprising:-**

There were no unit splits during the period.

⇒ **Disclosures of circumstances that materially affect any interests of unit holders**

Investments are subject to market risk.

⇒ **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme.**

No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahr-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdc-pakistan.com
Email: info@cdc-pak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 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 Islamic Prosperity Planning Fund (the Fund) are of the opinion that Alfalah Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2024 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;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) 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.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 26, 2024





SHARIAH REVIEW REPORT
ALFALAH ISLAMIC PROSPERITY PLANNING FUND

We, the Shariah Advisors of the Alfalah Islamic Prosperity Planning Fund ('AIPPF') managed by Alfalah Asset Management Limited, are issuing this report in accordance with the Trust Deed and Offering Document of the said Fund. The scope of the report is to express an opinion on the Shariah Compliance of the Fund's activities.

It is the responsibility of the Management Company of the said Fund to establish and maintain a system of internal controls to ensure compliance with issued Shariah guidelines. As Shariah Advisors, our responsibility is to express an opinion, based on our review of the representations made by the management, to the extent where such compliance can be objectively verified.

In the capacity of Shariah Advisors of the Fund, we have checked following avenues presented to us by the Management in which AGIPPF made investment during the period from July 1, 2023 to June 30, 2024.

Investment Head	Investment Avenue
Shariah Compliant Funds	Shariah Compliant Money Market Fund Shariah Compliant Equity Funds Shariah Complaint Income Funds

We hereby certify that the Investments made by the Funds are in Compliance with Shariah principles.

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

For and on behalf of Shariah Advisory Board.


Mufti Shaikh Noman
Shariah Advisor


Mufti Javed Ahmad
Shariah Board Member

Alfalsh Asset Management Limited

2nd Floor, Islamic Chamber of Commerce, Industry and Agriculture Building, Block-9, Clifton, Karachi - 75600 Pakistan.
U: +92 (21) 111-090-090 | W: www.alfalahamc.com

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

Alfalah GHP Islamic Prosperity Planning Fund has fully complied with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor for its operations, investments and placements made during the year ended June 30, 2024. This has been duly confirmed by the Shariah Advisor of the Fund.

Dated: September 26, 2024

Mr. Khaldoun Bin Latif
Chief Executive Officer



Independent Assurance Report on Compliance with the Shariah Governance Regulations, 2023

To the unit holders of Alfalah GHP Islamic Prosperity Planning Fund (the Fund)

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of Alfalah GHP Islamic Prosperity Planning Fund (the Fund) for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar(s).

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2024) is assessed, comprise the Shariah principles and rules as defined in the Regulations and reproduced as under.

- i. Legal and regulatory framework administered by the Commission;
- ii. Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission;
- iii. Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;
- iv. Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and
- v. Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above.

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2024, which are annexed.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions having Shariah implications, entered into by the Fund with its customers, other financial institutions, and stakeholders, and related policies and procedures, are, in substance and in their legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for the design, implementation, and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, And Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2024, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than audits or reviews of historical financial statements', issued by the International Auditing and Assurance Standards Board.


That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgment, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures was sufficient and appropriate to provide a basis for our opinion.

7. Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2024 are in compliance with the Shariah principles (criteria specified in para 2 above), in all material respects.

 UHY Hassan Naeem & Co,
Chartered Accountants
Engagement Partner: Arslan Ahmed
Dated: September 26, 2024



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Alfalah GHP Islamic Prosperity Planning Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alfalah GHP Islamic Prosperity Planning Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer notes 4 and 5 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks of the Fund as at June 30, 2024 amounted to Rs. 2.71 million and investments aggregated to Rs. 272.60 million. The existence of balances with banks and existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none"> • Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; • Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and • Obtained bank reconciliation statements and tested reconciling items on a sample basis.

A.F.F.

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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Other Matter

The financial statements of the Fund for the year ended June 30, 2023 were audited by another firm of Chartered Accountants who had expressed an unmodified opinion thereon vide their report dated September 28, 2023.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Junaid Mesia**.

A. F. Ferguson & Co.
Chartered Accountants
Dated: September 30, 2024
Karachi
UDIN: AR202410611xjRAGvD6

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2024

June 30, 2024								
(Audited)								
	Islamic Moderate Allocation Plan	Islamic Balanced Allocation Plan	Islamic Active Allocation Plan II	Islamic Active Allocation Plan III	Islamic Capital Preservation Plan IV	Islamic Capital Preservation Plan V	Total	
Note ----- (Rupees) -----								
ASSETS								
Balances with banks	4	179,572	1,482,733	955,333	45,158	15,870	30,202	2,708,868
Investments	5	80,068,431	172,222,875	20,309,497	-	-	-	272,600,803
Advances, profit and other receivable	6	852,382	1,142,185	1,086,757	372,965	228,085	130,513	3,812,887
Total assets		81,100,385	174,847,793	22,351,587	418,123	243,955	160,715	279,122,558
LIABILITIES								
Payable to Alfalah Asset Management Limited - Management Company	7	222,001	315,494	38,821	347,236	131,770	160,715	1,216,037
Payable to Central Depository Company of Pakistan Limited - Trustee	8	10,413	22,922	52,261	-	217	-	85,813
Payable to the Securities and Exchange Commission of Pakistan	9	9,772	21,047	9,950	-	-	-	40,769
Accrued expenses and other liabilities	10	5,424,545	5,902,852	2,477,505	70,887	111,968	-	13,987,757
Total liabilities		5,666,731	6,262,315	2,578,537	418,123	243,955	160,715	15,330,376
NET ASSETS		<u>75,433,654</u>	<u>168,585,478</u>	<u>19,773,050</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>263,792,182</u>
UNIT HOLDERS' FUND		<u>75,433,654</u>	<u>168,585,478</u>	<u>19,773,050</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>263,792,182</u>
(as per statement attached)								
CONTINGENCIES AND COMMITMENTS 11								
----- (Number of units) -----								
NUMBER OF UNITS IN ISSUE		<u>722,837</u>	<u>1,665,289</u>	<u>217,764</u>	<u>-</u>	<u>-</u>	<u>-</u>	
----- (Rupees) -----								
NET ASSET VALUE PER UNIT		<u>104.3577</u>	<u>101.2350</u>	<u>90.8004</u>	<u>-</u>	<u>-</u>	<u>-</u>	

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2024

June 30, 2023								
(Audited)								
	Islamic Moderate Allocation Plan	Islamic Balanced Allocation Plan	Islamic Active Allocation Plan II	Islamic Active Allocation Plan III	Islamic Capital Preservation Plan IV	Islamic Capital Preservation Plan V	Total	
Note	----- (Rupees) -----							
ASSETS								
Balances with banks	4	1,908,473	867,300	1,001,842	999,637	705,488	28,990	5,511,730
Investments	5	75,368,089	190,787,855	83,936,076	-	17,539,828	-	367,631,848
Advances, profit and other receivable	6	363,750	1,323,215	1,324,255	372,965	258,401	130,513	3,773,099
Total assets		77,640,312	192,978,370	86,262,173	1,372,602	18,503,717	159,503	376,916,677
LIABILITIES								
Payable to Alfalah Asset Management Limited - Management Company	7	405,050	457,744	334,770	1,301,715	126,781	159,503	2,785,563
Payable to Central Depository Company of Pakistan Limited - Trustee	8	131,282	99,147	154,390	-	10,642	-	395,461
Payable to the Securities and Exchange Commission of Pakistan	9	13,790	36,205	115,409	-	5,903	-	171,307
Dividend payable		-	-	-	-	827,872	-	827,872
Accrued expenses and other liabilities	10	5,007,492	4,919,766	2,624,053	70,887	721,033	-	13,343,231
Total liabilities		5,557,614	5,512,862	3,228,622	1,372,602	1,692,231	159,503	17,523,434
NET ASSETS		72,082,698	187,465,508	83,033,551	-	16,811,486	-	359,393,243
UNIT HOLDERS' FUND (as per statement attached)		72,082,698	187,465,508	83,033,551	-	16,811,486	-	359,393,243
CONTINGENCIES AND COMMITMENTS 11								
----- (Number of units) -----								
NUMBER OF UNITS IN ISSUE		691,157	1,853,262	914,463	-	167,239	-	
----- (Rupees) -----								
NET ASSET VALUE PER UNIT		104.2928	101.1543	90.8003	-	100.5237	-	

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

For the year ended June 30, 2024					
	Islamic Moderate Allocation Plan	Islamic Balanced Allocation Plan	Islamic Active Allocation Plan II	Islamic Capital Preservation Plan IV	Total
Income	(Rupees)				
Profit on balances with banks	47,413	250,826	243,448	4,353	546,040
Dividend income from units of open end mutual funds	22,299,782	38,492,673	9,255,548	188,888	70,236,891
Gain on sale of investments - net	7,240,525	6,308,320	15,034,099	840,020	29,422,964
	29,587,720	45,051,819	24,533,095	1,033,261	100,205,895
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.2 (5,560,925)	(2,060,355)	(4,729,265)	-	(12,350,545)
Total income	24,026,795	42,991,464	19,803,830	1,033,261	87,855,350
Expenses					
Remuneration of Alfalah Asset Management Limited - Management Company	7.1 433	16,753	27,962	2,503	47,651
Sindh Sales Tax on remuneration of the Management Company	7.2 56	2,178	3,635	325	6,194
Allocated expenses	7.3 157,505	336,939	99,995	9,137	603,576
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1 55,382	117,301	35,001	3,599	211,283
Sindh Sales Tax on remuneration of the Trustee	8.2 7,200	15,249	4,550	468	27,467
Fee to the Securities and Exchange Commission of Pakistan	9.1 54,434	114,477	22,757	909	192,577
Auditors' remuneration	179,770	239,878	464,535	8,526	892,709
Annual listing fee charges	1,927	6,749	12,681	3,808	25,165
Legal and professional charges	32,751	65,949	-	-	98,700
Shariah advisory fee	13,134	23,844	47,602	2,155	86,735
Printing & other charges	6,252	9,532	1,550	-	17,334
Total expenses	508,844	948,849	720,268	31,430	2,209,391
Net income for the year before taxation	23,517,951	42,042,615	19,083,562	1,001,831	85,645,959
Taxation	14 -	-	-	-	-
Net income for the year after taxation	23,517,951	42,042,615	19,083,562	1,001,831	85,645,959
Earnings per unit	3.13				
Allocation of net income for the year					
Net income for the year after taxation	23,517,951	42,042,615	19,083,562	1,001,831	85,645,959
Income already paid on units redeemed	(17,431,097)	(21,076,121)	(15,152,609)	(30,151)	(53,689,978)
	6,086,854	20,966,494	3,930,953	971,680	31,955,981
Accounting income available for distribution					
- Relating to capital gains	1,679,600	4,247,965	10,304,834	840,020	17,072,419
- Excluding capital gains	4,407,254	16,718,529	(6,373,881)	131,660	14,883,562
	6,086,854	20,966,494	3,930,953	971,680	31,955,981

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	For the year ended June 30, 2023						Total	
	Islamic Moderate Allocation Plan	Islamic Balanced Allocation Plan	Islamic Active Allocation Plan II	Islamic Active Allocation Plan III	Islamic Capital Preservation Plan IV	Islamic Capital Preservation Plan V		
Income	Note (Rupees)							
Profit on balances with banks	51,860	62,579	228,872	72,933	39,973	34,005	490,222	
Dividend income from units of open end mutual funds	7,338,045	18,575,485	5,970,298	-	1,499,732	-	33,383,560	
Gain on sale of investments - net	1,400,291	3,992,111	12,576,352	2,139,026	1,952,326	1,175,778	23,235,884	
	8,790,196	22,630,175	18,775,522	2,211,959	3,492,031	1,209,783	57,109,666	
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	(93,693)	(98,430)	(510,642)	-	(97,440)	-	(800,205)	
Total income	8,696,503	22,531,745	18,264,880	2,211,959	3,394,591	1,209,783	56,309,461	
Expenses								
Remuneration of Alfalah Asset Management Limited - Management Company	7.1	-	12,072	30,847	18,180	7,007	2,094	70,200
Sindh Sales Tax on remuneration of the Management Company	7.2	-	1,569	4,010	2,363	911	272	9,125
Allocated expenses	7.3	117,094	309,382	223,126	-	51,971	-	701,573
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	52,042	124,774	116,286	13,075	20,826	8,988	335,991
Sindh Sales Tax on remuneration of the Trustee	8.2	6,765	16,221	15,117	1,700	2,707	1,168	43,678
Fee to the Securities and Exchange Commission of Pakistan	9.1	13,815	36,230	41,551	3,990	5,928	2,337	103,851
Auditors' remuneration	12	107,137	290,967	566,688	65,744	38,847	10,583	1,079,966
Annual listing fee charges		1,830	6,604	31,226	4,878	4,015	2,079	50,632
Legal and professional charges		-	-	-	-	-	-	-
Shariah advisory fee		6,581	24,373	47,457	26,069	8,030	20,057	132,567
Printing & other charges		2,584	7,287	37,997	1,421	3,017	644	52,950
Total expenses		307,848	829,479	1,114,305	137,420	143,259	48,222	2,580,533
Net income for the year before taxation		8,388,655	21,702,266	17,150,575	2,074,539	3,251,332	1,161,561	53,728,928
Taxation	14	-	-	-	-	-	-	-
Net income for the year after taxation		8,388,655	21,702,266	17,150,575	2,074,539	3,251,332	1,161,561	53,728,928
Earnings per unit	3.13							
Allocation of net income for the year								
Net income for the year after taxation		8,388,655	21,702,266	17,150,575	2,074,539	3,251,332	1,161,561	53,728,928
Income already paid on units redeemed		-	-	-	-	-	-	-
		8,388,655	21,702,266	17,150,575	2,074,539	3,251,332	1,161,561	53,728,928
Accounting income available for distribution								
- Relating to capital gains		1,306,598	3,893,681	12,065,710	2,139,026	1,854,886	1,175,778	22,435,679
- Excluding capital gains		7,082,057	17,808,585	5,084,865	(64,487)	1,396,446	(14,217)	31,293,249
		8,388,655	21,702,266	17,150,575	2,074,539	3,251,332	1,161,561	53,728,928

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2024

	For the year ended June 30, 2024				Total
	Islamic Moderate Allocation Plan	Islamic Balanced Allocation Plan	Islamic Active Allocation Plan II	Islamic Capital Preservation Plan IV	
	----- (Rupees) -----				
Net income for the year after taxation	23,517,951	42,042,615	19,083,562	1,001,831	85,645,959
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	<u>23,517,951</u>	<u>42,042,615</u>	<u>19,083,562</u>	<u>1,001,831</u>	<u>85,645,959</u>

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2024

For the year ended June 30, 2023							Total
Islamic Moderate Allocation Plan	Islamic Balanced Allocation Plan	Islamic Active Allocation Plan II	Islamic Active Allocation Plan III	Islamic Capital Preservation Plan IV	Islamic Capital Preservation Plan V		
----- (Rupees) -----							
Net income for the year after taxation	8,388,655	21,702,266	17,150,575	2,074,539	3,251,332	1,161,561	53,728,928
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive income for the year	<u>8,388,655</u>	<u>21,702,266</u>	<u>17,150,575</u>	<u>2,074,539</u>	<u>3,251,332</u>	<u>1,161,561</u>	<u>53,728,928</u>

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

For the year ended June 30, 2024												Total	
Islamic Moderate Allocation Plan			Islamic Balanced Allocation Plan			Islamic Active Allocation Plan II			Islamic Capital Preservation Plan IV				
Capital value	Accumulated loss	Total	Capital value	Undistributed income	Total	Capital value	Accumulated loss	Total	Capital value	Undistributed income	Total		
Note												(Rupees)	(Rupees)
Net assets at the beginning of the year	102,313,037	(30,230,339)	72,082,698	105,899,133	81,566,375	187,465,508	262,853,141	(179,819,590)	83,033,551	15,237,494	1,573,992	16,811,486	359,393,243
Issuance of:													
Islamic Moderate Allocation Plan: 554,327 units													
Islamic Balanced Allocation Plan: 933,796 units													
Islamic Active Allocation Plan -II: 138,841 units													
- Capital value (at net asset value per unit at the beginning of the year)	57,812,315	-	57,812,315	94,457,481	-	94,457,481	12,606,804	-	12,606,804	-	-	-	164,876,600
- Element of income	13,517,111	-	13,517,111	17,074,045	-	17,074,045	3,311,305	-	3,311,305	-	-	-	33,902,461
Total proceeds on issuance of units	71,329,426	-	71,329,426	111,531,526	-	111,531,526	15,918,109	-	15,918,109	-	-	-	198,779,061
Redemption of:													
Islamic Moderate Allocation Plan: 522,647 units													
Islamic Balanced Allocation Plan: 1,121,769 units													
Islamic Active Allocation Plan -II: 835,540 units													
Islamic Capital Preservation Plan IV: 167,239 units													
- Capital value (at net asset value per unit at the beginning of the year)	(54,508,319)	-	(54,508,319)	(113,471,758)	-	(113,471,758)	(75,867,283)	-	(75,867,283)	(16,811,483)	-	(16,811,483)	(260,658,843)
- Element of income / (loss)	30,012	(17,431,097)	(17,401,085)	(25,497)	(21,076,121)	(21,101,618)	(9,516)	(15,152,609)	(15,162,125)	(971,683)	(30,151)	(1,001,834)	(54,666,662)
Total payments on redemption of units	(54,478,307)	(17,431,097)	(71,909,404)	(113,497,255)	(21,076,121)	(134,573,376)	(75,876,799)	(15,152,609)	(91,029,408)	(17,783,166)	(30,151)	(17,813,317)	(315,325,505)
Total comprehensive income for the year	-	23,517,951	23,517,951	-	42,042,615	42,042,615	-	19,083,562	19,083,562	-	1,001,831	1,001,831	85,645,959
Distributions during the year	(13,517,194)	(6,069,823)	(19,587,017)	(17,051,285)	(20,829,510)	(37,880,795)	(3,301,806)	(3,930,958)	(7,232,764)	-	-	-	(64,700,576)
Net assets at end of the year	105,646,962	(30,213,308)	75,433,654	86,882,119	81,703,359	168,585,478	199,592,645	(179,819,595)	19,773,050	(2,545,672)	2,545,672	-	894,443,192
Undistributed (loss) / income brought forward													
- Realised (loss) / income	(30,136,646)			81,664,805			(179,308,948)			1,671,432			
- Unrealised loss	(93,693)			(98,430)			(510,642)			(97,440)			
	(30,230,339)			81,566,375			(179,819,590)			1,573,992			
Accounting income available for distribution													
- Relating to capital gains	1,679,600			4,247,965			10,304,834			840,020			
- Excluding capital gains	4,407,254			16,718,529			(6,373,881)			131,660			
	6,086,854			20,966,494			3,930,953			971,680			
Distribution during the year	(6,069,823)			(20,829,510)			(3,930,958)			-			
Accumulated (loss) / undistributed income carried forward	(30,213,308)			81,703,359			(179,819,595)			2,545,672			
Accumulated (loss) / undistributed income carried forward													
- Realised (loss) / income	(24,652,383)			83,763,714			(175,090,330)			2,545,672			
- Unrealised loss	(5,560,925)			(2,060,355)			(4,729,265)			-			
	(30,213,308)			81,703,359			(179,819,595)			2,545,672			
		(Rupees)		(Rupees)			(Rupees)			(Rupees)			
Net asset value per unit at beginning of the year		104.2928		101.1543			90.8003			100.5237			
Net asset value per unit at end of the year		104.3577		101.2350			90.8004			-			

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	For the year ended June 30, 2023															Total			
	Islamic Moderate Allocation Plan			Islamic Balanced Allocation Plan			Islamic Active Allocation Plan I			Islamic Active Allocation Plan II			Islamic Capital Preservation Plan IV				Islamic Capital Preservation Plan V		
	Capital value	Accumulated loss	Total	Capital value	Undistributed income	Total	Capital value	Accumulated loss	Total	Capital value	Accumulated loss	Total	Capital value	Undistributed income	Total		Capital value	Accumulated loss	Total
	(Rupees)																		
Net assets at the beginning of the year	96,006,879	(30,629,147)	65,377,732	95,366,211	80,482,415	175,848,626	529,935,086	(189,408,725)	340,526,361	142,197,149	(73,134,901)	69,062,248	43,329,324	91,166	43,420,490	22,888,873	(27,758)	22,861,115	717,096,572
Issuance of:																			
Islamic Moderate Allocation Plan 64,177 units; Islamic Balanced Allocation Plan: 163,744 units; Islamic Active Allocation Plan -I: 61,340 units; Islamic Active Allocation Plan -II: 758 units; Islamic Capital Preservation Plan -I: 7,440 units; Islamic Capital Preservation Plan -V: Nil units;																			
- Capital value (at net asset value per unit at the beginning of the year)	6,656,812	-	6,656,812	16,486,112	-	16,486,112	5,529,771	-	5,529,771	66,644	-	66,644	742,225	-	742,225	-	-	-	28,481,564
- Element of income / (loss)	4,888	-	4,888	806	-	806	(5)	-	(5)	298	-	298	21,790	-	21,790	-	-	-	27,777
Total proceeds on issuance of units	6,661,700	-	6,661,700	16,486,918	-	16,486,918	5,529,766	-	5,529,766	66,942	-	66,942	764,015	-	764,015	-	-	-	29,509,341
Redemption of:																			
Islamic Moderate Allocation Plan: 3,314 units; Islamic Balanced Allocation Plan: 57,402 units; Islamic Active Allocation Plan -I: 2,924,229 units; Islamic Active Allocation Plan -II: 786,266 units; Islamic Capital Preservation Plan -I: 275,445 units; Islamic Capital Preservation Plan -V: 229,321 units;																			
- Capital value (at net asset value per unit at the beginning of the year)	(343,746)	-	(343,746)	(5,777,565)	-	(5,777,565)	(263,817,784)	-	(263,817,784)	(69,128,892)	-	(69,128,892)	(27,478,725)	-	(27,478,725)	(22,861,102)	-	(22,861,102)	(389,207,814)
- Element of loss	(11,037)	-	(11,037)	(175,686)	-	(175,686)	(8,983,863)	-	(8,983,863)	(2,074,837)	-	(2,074,837)	(1,354,970)	-	(1,354,970)	(1,161,574)	-	(1,161,574)	(13,771,967)
Total payments on redemption of units	(354,783)	-	(354,783)	(5,953,251)	-	(5,953,251)	(272,811,647)	-	(272,811,647)	(71,203,729)	-	(71,203,729)	(28,833,695)	-	(28,833,695)	(24,022,676)	-	(24,022,676)	(402,979,781)
Total comprehensive income for the year	-	8,388,655	8,388,655	-	21,702,266	21,702,266	-	17,150,575	17,150,575	-	2,074,539	2,074,539	-	3,251,332	3,251,332	-	1,161,561	1,161,561	53,728,928
Distributions during the year	20	(759)	(7,989,847)	(7,990,606)	(745)	(20,618,306)	(20,619,051)	(64)	(7,561,440)	(7,561,504)	-	-	(22,150)	(1,788,506)	(1,790,656)	-	-	-	(37,961,817)
Net assets at end of the year	102,313,037	(30,230,339)	72,082,698	105,899,133	81,566,375	187,465,508	262,853,141	(179,819,590)	83,033,551	71,060,362	(71,060,362)	-	15,237,494	1,573,982	16,811,486	(1,133,803)	1,133,803	-	399,993,243
Undistributed income brought forward																			
- Realised (loss) / income	(28,628,630)			83,320,679			(160,244,635)			(71,667,267)			1,134,948					238,415	
- Unrealised loss	(2,000,517)			(2,838,284)			(28,164,090)			(1,447,614)			(1,043,782)					(266,173)	
Accounting income available for distribution	(30,629,147)			80,482,415			(188,408,725)			(73,134,901)			91,166					(27,758)	
Accounting income available for distribution																			
- Relating to capital gains	1,306,598			3,893,681			12,065,710			2,139,026			1,854,886					1,175,778	
- Excluding capital gains	7,082,057			17,808,585			5,084,865			(64,487)			1,396,446					(14,217)	
	8,388,655			21,702,266			17,150,575			2,074,539			3,251,332					1,161,561	
Distribution during the year	(7,989,847)			(20,618,306)			(7,561,440)			-			(1,788,506)					-	
Accumulated (loss) / undistributed income carried forward	(30,230,339)			81,566,375			(179,819,590)			(71,060,362)			1,573,982					1,133,803	
Accumulated (loss) / undistributed income carried forward																			
- Realised (loss) / income	(30,136,646)			81,654,605			(179,308,946)			(71,060,362)			1,671,432					1,133,603	
- Unrealised loss	(83,693)			(8,430)			(510,642)			-			(97,440)					-	
	(30,230,339)			81,566,375			(179,819,590)			(71,060,362)			1,573,982					1,133,803	
	(Rupees)																		
Net asset value per unit at beginning of the year	103.7258			100.6638			90.1495			87.9205			99.7613			99.6904			
Net asset value per unit at end of the year	104.2928			101.1543			90.8003			-			100.5237			-			

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

For the year ended June 30, 2024							Total	
Islamic Moderate Allocation Plan	Islamic Balanced Allocation Plan	Islamic Active Allocation Plan II	Islamic Active Allocation Plan III	Islamic Capital Preservation Plan IV	Islamic Capital Preservation Plan V			
CASH FLOWS FROM OPERATING ACTIVITIES								
Note							(Rupees)	
Net income for the year before taxation	23,517,951	42,042,615	19,083,562	-	1,001,831	-	85,645,959	
Adjustments for:								
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.2	5,560,925	2,060,355	4,729,265	-	-	12,350,545	
		29,078,876	44,102,970	23,812,827	-	1,001,831	97,996,504	
(Increase) / decrease in assets								
Investments - net		(10,261,267)	16,504,625	58,897,314	-	17,539,828	82,680,500	
Advances, profit and other receivable		(488,632)	181,030	237,498	-	30,316	(39,788)	
		(10,749,899)	16,685,655	59,134,812	-	17,570,144	82,640,712	
Increase / (decrease) in liabilities								
Payable to Alfalah Asset Management Limited - Management Company		(183,049)	(142,250)	(295,949)	(954,479)	4,989	1,212	(1,569,526)
Payable to Central Depository Company of Pakistan Limited - Trustee		(120,869)	(76,225)	(102,129)	-	(10,425)	-	(309,648)
Payable to the Securities and Exchange Commission of Pakistan		(4,018)	(15,158)	(105,459)	-	(5,903)	-	(130,538)
Accrued expenses and other liabilities		417,053	983,086	(146,548)	-	(609,065)	-	644,526
		109,117	749,453	(650,085)	(954,479)	(620,404)	1,212	(1,365,186)
Net cash generated from / (used in) operating activities		18,438,094	61,538,078	82,297,554	(954,479)	17,951,571	1,212	179,272,030
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts against issuance and conversion of units - net of refund of capital		71,329,426	111,531,526	15,918,109	-	-	-	198,779,061
Payments against redemption and conversion of units		(71,909,404)	(134,573,376)	(91,029,408)	-	(17,813,317)	-	(315,325,505)
Dividends paid		(19,587,017)	(37,880,795)	(7,232,764)	-	(827,872)	-	(65,528,448)
Net cash used in financing activities		(20,166,995)	(60,922,645)	(82,344,063)	-	(18,641,189)	-	(182,074,892)
Net (decrease) / increase in cash and cash equivalents during the year								
		(1,728,901)	615,433	(46,509)	(954,479)	(689,618)	1,212	(2,802,862)
Cash and cash equivalents at the beginning of the year		1,908,473	867,300	1,001,842	999,637	705,488	28,990	5,511,730
Cash and cash equivalents at the end of the year	4	179,572	1,482,733	955,333	45,158	15,870	30,202	2,708,868

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	For the year ended June 30, 2023						Total
	Islamic Moderate Allocation Plan	Islamic Balanced Allocation Plan	Islamic Active Allocation Plan II	Islamic Active Allocation Plan III	Islamic Capital Preservation Plan IV	Islamic Capital Preservation Plan V	
CASH FLOWS FROM OPERATING ACTIVITIES	Note ----- (Rupees) -----						
Net income for the year before taxation	8,388,655	21,702,266	17,150,576	2,074,539	3,251,332	1,161,561	53,728,929
Adjustments for:							
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	93,693	98,430	510,642	-	97,440	-	800,205
	8,482,348	21,800,696	17,661,218	2,074,539	3,348,772	1,161,561	54,529,134
(Increase) / decrease in assets							
Investments - net	(6,771,960)	(13,567,598)	255,571,436	67,342,836	25,547,941	22,496,518	350,619,173
Advances, profit and other receivable	(8,979)	(51,061)	(291,092)	440,883	(2,112)	174,890	262,529
Increase / (decrease) in liabilities	(6,780,939)	(13,618,659)	255,280,344	67,783,719	25,545,829	22,671,408	350,881,703
Payable to Alfalah Asset Management Limited - Management Company	(37,795)	192,639	167,625	(177,329)	(94,069)	(148,890)	(97,819)
Payable to Central Depository Company of Pakistan Limited - Trustee	136,893	82,095	131,388	(4,479)	6,535	(1,620)	350,812
Payable to the Securities and Exchange Commission of Pakistan	(737)	(5,046)	41,551	(14,362)	(3,545)	(5,017)	12,844
Payable against redemption of units	-	(1)	-	-	-	-	(1)
Accrued expenses and other liabilities	728,686	1,646,244	2,123,627	(773,836)	427,943	(617,031)	3,535,633
	827,047	1,915,931	2,464,191	(970,006)	336,864	(772,558)	3,801,469
Net cash generated from operating activities	2,528,456	10,097,968	275,405,754	68,888,253	29,231,465	23,060,411	409,212,306
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts against issuance and conversion of units - net of refund of capital	6,660,941	16,486,173	5,529,702	66,942	741,865	-	29,485,623
Payments against redemption and conversion of units	(354,783)	(5,953,251)	(272,611,647)	(70,204,092)	(28,833,695)	(23,993,686)	(401,951,154)
Dividends paid	(7,989,847)	(20,618,306)	(7,561,440)	-	(940,633)	-	(37,110,226)
Net cash used in financing activities	(1,683,689)	(10,085,384)	(274,643,385)	(70,137,150)	(29,032,463)	(23,993,686)	(409,575,757)
Net increase / (decrease) in cash and cash equivalents during the year	844,767	12,584	762,369	(1,248,897)	199,002	(933,275)	(363,451)
Cash and cash equivalents at the beginning of the year	1,063,706	854,716	239,473	2,248,534	506,486	962,265	5,875,180
Cash and cash equivalents at the end of the year	<u>4 1,908,473</u>	<u>867,300</u>	<u>1,001,842</u>	<u>999,637</u>	<u>705,488</u>	<u>28,990</u>	<u>5,511,730</u>

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Alfalah GHP Islamic Prosperity Planning Fund (the Fund) is an open-end collective investment scheme established through a Trust Deed under the Trust Act, 1882, executed between Alfalah Asset Management Limited (the Management Company) and Central Depository Company of Pakistan Limited (the Trustee) on March 15, 2016. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), on April 25, 2016.

After promulgation of Provincial Trust Acts namely "Sindh Trusts Act, 2020" (the Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan, the abovementioned Trust Deeds have been registered under the Sindh Trust Act on 13 September, 2021.

1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules) through a certificate issued by the SECP on February 3, 2023 which is valid for a period of three years w.e.f March 9, 2023. The registered office of the Management Company is situated at 2nd Floor, Islamic Chambers of Commerce, Industry and Agriculture Building, Clifton, Karachi, Pakistan.

1.3 The Fund is categorised as a 'Fund of Funds Scheme' pursuant to the provisions contained in Circular 7 of 2009. The units of the Fund are being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.

1.4 According to the Trust Deed, the objective of the Fund is to generate returns on investment as per the respective Allocation Plan by investing in collective investment schemes in line with the risk tolerance of the investor. The duration of the Fund is perpetual, however, allocation plans may have a set time frame. The Fund invests in units of other mutual funds, bank deposits. The investment objectives and policy are explained in the Fund's offering document. Presently, the Fund offers the following allocation plans:

- a. Alfalah GHP Islamic Moderate Allocation Plan: The initial maturity of plan was two (2) years from the close of subscription period. However, the duration of the plan has been changed to perpetual.
- b. Alfalah GHP Islamic Balanced Allocation Plan is perpetual.
- c. Alfalah GHP Islamic Active Allocation Plan II: The initial maturity of plan was two (2) years from the close of subscription period. However the duration of the plan has been changed to perpetual.

1.5 VIS Credit Rating Limited has assigned an asset manager rating of AM1 (stable outlook) to the Management Company on December 29, 2023 [June 30, 2023: AM2+ dated March 3, 2023 by Pakistan Credit Rating Agency Limited (PACRA)].

1.6 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.

1.7 During the year ended June 30, 2023, Islamic Active Allocation Plan III and Islamic Capital Preservation Plan V matured on January 27, 2023 as per the provisions of the offering document. All the liabilities relating to these Plans have been settled and no amount is outstanding as at June 30, 2024.

1.8 During the current period, Islamic Capital Preservation Plan IV matured on October 6, 2023 as per the provisions of the offering document.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Accounting Standards, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

2.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2023. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and hence, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Fund which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements.
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

2.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires the management to exercise judgment in the application of the Company's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors, including expectation of future events, that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying value of assets and liabilities. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both the current and future years.

The estimates and judgments that have a significant effect on these financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 3.2 and 5)

2.5 Accounting convention

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

2.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupee, which is the Fund's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

3.1 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The short term investments are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

3.2 Financial assets

3.2.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the "Income Statement".

3.2.2 Classification and subsequent measurement

3.2.2.1 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); or
- at fair value through profit or loss (FVTPL)

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognized at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

3.2.3 Impairment (other than debt securities)

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and FVOCI. The Fund recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

3.2.4 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has also been placed on the Management Company's website as required under the SECP's circular.

3.2.5 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset.

3.2.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the "Income Statement".

3.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the "Income Statement".

3.4 Offsetting of financial assets and financial liabilities

Financial assets and financial 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 to realise the assets and settle the liabilities simultaneously.

3.5 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions, if any, are regularly reviewed and adjusted to reflect the current best estimate.

3.6 Net asset value per unit

The Net Asset Value (NAV) per unit, as disclosed in the "Statement of Assets and Liabilities", is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

3.7 Issue and redemption of units

Units issued are recorded at the offer price of each allocation plan, determined by the Management Company for the applications received by the Management Company / distributors during business hours on the day when the application is received. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load, provision of duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price of each allocation plan prevalent on the date on which the Management Company receives redemption applications during business hours on that date. The redemption price represents NAV as on the close of business day, less any duties, taxes, charges on redemption and provision for transactions costs, if applicable.

3.8 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

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

Element of income represents the difference between net asset value per unit on the issuance or redemption date, as the case may be, of units and the net asset value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

3.10 Revenue recognition

- Gains / (losses) arising on sale of investments are included in Income Statement and are recognised on the date when the transaction takes place;
- Unrealised gains / (losses) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the period in which they arise;
- Dividend income is recognized when the Fund's right to receive the same is established. i.e. on the commencement of date of book closure of the investee Fund declaring the dividend; and

- Profit on balances with banks and other income is recognised on an accrual basis.

3.11 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee to the SECP are recognised in the "Income Statement" on an accrual basis.

3.12 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

3.13 Earnings / (loss) per unit

Earnings per unit is calculated by dividing the net income for the year after taxation of the Fund by the weighted average number of units outstanding during the year.

Earnings per unit (EPU) has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

3.14 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

4 BALANCES WITH BANKS

		June 30, 2024						
		(Audited)						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
	Note	(Rupees)						
Balances with banks in savings accounts	4.1	179,572	1,482,733	955,333	45,158	15,870	30,202	2,708,868

		June 30, 2023						
		(Audited)						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
	Note	(Rupees)						
Balances with banks in savings accounts	4.1	1,908,473	867,300	1,001,842	999,637	705,488	28,990	5,511,730

- 4.1 Deposits in savings accounts include Rs. 0.033 million, Rs. 0.305 million, Rs. 0.501 million, Rs. 0.045 million, Rs. 0.016 million and Rs. 0.030 million maintained with Bank Alfalah Limited (a related party) for IMAP, IBAP, IAAP II, IAAP III, ICPP IV and ICPP V (2023: Rs. 1.462 million, Rs. 0.710 million, Rs. 0.407 million, Rs. 0.999 million, Rs. 0.706 million and Rs. 0.029 million). They carry profit at the rate of 18.75% (June 30, 2023: 20.50%) per annum.

5 INVESTMENTS

		June 30, 2024						
		(Audited)						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
At fair value through profit or loss		Note ----- (Rupees) -----						
Units of open-end mutual funds	5.1	80,068,431	172,222,875	20,309,497	-	-	-	272,600,803

		June 30, 2023						
		(Audited)						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
At fair value through profit or loss		Note ----- (Rupees) -----						
Units of open-end mutual funds	5.1	75,368,089	190,787,855	83,936,076	-	17,539,828	-	367,631,848

5.1 Units of Mutual Funds

5.1.1 Islamic Moderate Allocation Plan

Name of investee	As at July 1, 2023	Purchased / reinvested during the year	Redeemed during the year	As at June 30, 2024	As at June 30, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments
					Carrying value	Market value	Unrealised diminution		
				----- (Rupees) -----			----- % -----		
Alfalah GHP Islamic Income Fund	432,637	142,006	272,455	302,188	31,469,515	31,211,004	(258,511)	41.38	38.98
Alfalah Islamic Rozana Amdani Fund	211,587	481	212,068	-	-	-	-	-	-
Alfalah GHP Islamic Dedicated Equity Fund	154,079	478,774	163,288	469,565	34,304,777	29,630,535	(4,674,242)	39.28	37.01
Alfalah Islamic Money Market Fund	-	280,399	88,531	191,868	19,855,064	19,226,892	(628,172)	25.49	24.01
Total as at June 30, 2024					85,629,356	80,068,431	(5,560,925)		
Total as at June 30, 2023					75,461,687	75,368,089	(93,598)		

5.1.2 Islamic Balanced Allocation Plan

Name of investee	As at July 1, 2023	Purchased / reinvested during the year	Redeemed during the year	As at June 30, 2024	As at June 30, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments
					Carrying value	Market value	Unrealised diminution		
				----- (Rupees) -----			----- % -----		
Alfalah GHP Islamic Income Fund	998,867	237,542	376,181	860,228	89,048,109	88,847,188	(200,921)	52.70	51.59
Alfalah Islamic Rozana Amdani Fund	677,299	1,538	678,837	-	-	-	-	-	-
Alfalah GHP Islamic Dedicated Equity Fund	323,585	334,267	190,597	467,255	31,339,719	29,484,798	(1,854,921)	17.49	17.12
Alfalah Islamic Money Market Fund	-	775,400	237,615	537,785	53,895,402	53,890,889	(4,513)	31.97	31.29
Total as at June 30, 2024					174,283,230	172,222,875	(2,060,355)		
Total as at June 30, 2023					190,886,285	190,787,855	(98,428)		

5.1.3 Islamic Active Allocation Plan II

Name of investee	As at July 1, 2023	Purchased / reinvested during the year	Redeemed during the year	As at June 30, 2024	As at June 30, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments
					Carrying value	Market value	Unrealised diminution		
					----- Number of units -----				
Alfalah GHP Islamic Income Fund	181,231	300,819	482,050	-	-	-	-	-	
Alfalah Islamic Rozana Amdani Fund	425,357	966	426,323	-	-	-	-	-	
Alfalah GHP Islamic Dedicated Equity Fund	360,719	875,533	960,268	275,984	22,132,958	17,415,130	(4,717,828)	88.08	
Alfalah Islamic Money Market Fund	-	433,551	433,551	-	-	-	-	-	
AISF-Alfalah Islamic Sovereign Plan - I	-	128,496	99,605	28,891	2,905,804	2,894,367	(11,437)	14.64	
Total as at June 30, 2024					25,038,762	20,309,497	(4,729,265)		
Total as at June 30, 2023					84,446,718	83,936,076	(510,642)		

5.1.4 Islamic Capital Preservation Plan IV

Name of investee	As at July 1, 2023	Purchased / reinvested during the year	Redeemed during the year	As at June 30, 2024	As at June 30, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments
					Carrying value	Market value	Unrealised diminution		
					----- Number of units -----				
Alfalah GHP Islamic Income Fund	62,091	-	62,091	-	-	-	-	-	
Alfalah Islamic Rozana Amdani Fund	82,890	188	83,078	-	-	-	-	-	
Alfalah GHP Islamic Dedicated Equity Fund	45,422	-	45,422	-	-	-	-	-	
Alfalah Islamic Money Market Fund	-	84,522	84,522	-	-	-	-	-	
Total as at June 30, 2024					-	-	-		
Total as at June 30, 2023					17,637,268	17,539,828	(97,440)		

5.2 Net unrealised diminution on re-measurement of investments classified as financial assets 'at fair value through profit or loss'

Note	June 30, 2024							
	(Audited)							
	IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total	
	----- (Rupees) -----							
Market value of investments	5.1	80,068,431	172,222,875	20,309,497	-	-	-	272,600,803
Less: carrying value of investments	5.1	85,629,356	174,283,230	25,038,762	-	-	-	284,951,348
		<u>(5,560,925)</u>	<u>(2,060,355)</u>	<u>(4,729,265)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,350,545)</u>

Note	June 30, 2023							
	(Audited)							
	IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total	
	----- (Rupees) -----							
Market value of investments	5.1	75,368,089	190,787,855	83,936,075	-	17,539,828	-	367,631,847
Less: carrying value of investments	5.1	75,461,687	190,886,285	84,446,717	-	17,637,268	-	368,431,957
		<u>(93,598)</u>	<u>(98,430)</u>	<u>(510,642)</u>	<u>-</u>	<u>(97,440)</u>	<u>-</u>	<u>(800,110)</u>

		June 30, 2024						
		(Audited)						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
		(Rupees)						
6	ADVANCES, PROFIT AND OTHER RECEIVABLE							
	Advance tax	838,626	1,021,797	1,015,492	372,965	228,085	130,513	3,607,478
	Profit receivable on bank balances	13,756	120,388	71,265	-	-	-	205,409
		<u>852,382</u>	<u>1,142,185</u>	<u>1,086,757</u>	<u>372,965</u>	<u>228,085</u>	<u>130,513</u>	<u>3,812,887</u>

		June 30, 2023						
		(Audited)						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
		(Rupees)						
	Advance tax	338,627	1,021,797	1,015,492	372,965	228,085	130,513	3,107,479
	Profit receivable on bank balances	25,123	301,418	308,763	-	30,316	-	665,620
		<u>363,750</u>	<u>1,323,215</u>	<u>1,324,255</u>	<u>372,965</u>	<u>258,401</u>	<u>130,513</u>	<u>3,773,099</u>

- 6.1 As per clause 47(B) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to Collective Investment Schemes (CISs) are exempt from withholding tax under section 150 and 151. However, during the year ended June 30, 2024, withholding tax on profit on balances with banks paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on profit on bank balances amounts to Rs. 0.839 million, Rs. 1.022 million, Rs. 1.015 million, Rs. 0.373 million, Rs. 0.228 million and Rs. 0.131 million during the year for IMAP, IBAP, IAAP II, IAAP III, ICPP IV and ICPP V respectively. (2023: Rs. 0.339 million, Rs. 1.022 million, Rs. 1.015 million, Rs. 0.373 million, Rs. 0.228 million and Rs. 0.131 million)

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Honourable Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other asset management companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund has been shown as advance tax as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

		June 30, 2024						
		(Audited)						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
		(Rupees)						
7	PAYABLE TO ALFALAH ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY							
	Remuneration payable	433	3,646	3,506	-	1,438	-	9,023
	Sindh Sales Tax payable on remuneration of the Management Company	56	474	456	-	187	-	1,173
	Allocated expenses payable	80,677	164,723	34,859	-	70,145	-	350,404
	Formation cost payable	-	-	-	-	60,000	-	60,000
	Sales load payable	47,014	53,417	-	-	-	-	100,431
	Other payable to the Management Company	10,000	10,000	-	347,236	-	160,715	527,951
	Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	83,821	83,234	-	-	-	-	167,055
		<u>222,001</u>	<u>315,494</u>	<u>38,821</u>	<u>347,236</u>	<u>131,770</u>	<u>160,715</u>	<u>1,216,037</u>

		June 30, 2023						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Note		(Rupees)						
Remuneration payable	7.1	89,839	45,514	31,060	-	5,868	-	172,281
Sindh Sales Tax payable on remuneration of the Management Company	7.2	11,679	5,917	4,038	-	763	-	22,397
Allocated expenses payable	7.3	34,256	287,872	299,672	-	60,150	-	681,950
Formation cost payable		-	-	-	-	60,000	-	60,000
Sales load payable		185,455	35,207	-	-	-	-	220,662
Other payable to the Management Company		-	-	-	1,301,715	-	159,503	1,461,218
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	7.4	83,821	83,234	-	-	-	-	167,055
		<u>405,050</u>	<u>457,744</u>	<u>334,770</u>	<u>1,301,715</u>	<u>126,781</u>	<u>159,503</u>	<u>2,618,508</u>

7.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document, subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 1.25% (2023: 1.25%) of the average net assets of the Fund for IMAP, IBAP, IAAP II and ICPP IV respectively. The remuneration is paid to the Management Company on a monthly basis in arrears.

7.2 During the year, an amount of Rs. 0.006 million (2023: Rs. 0.009 million) at the rate of 13% (2023: 13%) per annum was charged on remuneration of the Management Company levied through the Sindh Sales Tax on Services Act, 2011.

7.3 In accordance with Regulation 60 of NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). Accordingly, the Management Company has charged allocated expenses at the rate of 1.25% (2023: 1.25%) of the average net assets of the Fund for IMAP, IBAP, IAAP II and ICPP IV respectively. This is subject to the charged expense not being higher than actual expense incurred.

7.4 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs. 0.0838 million and Rs. 0.0832 million (2023: Rs. 0.0838 million and Rs. 0.0832 million) for IMAP and IBAP is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan.

Had the provision not been made, the Net Asset Value per unit would have been higher by Re 0.116 and Re 0.050 (2023: Re 0.121 and Re 0.045) per unit for IMAP and IBAP respectively.

7.5 During the year, the Securities and Exchange Commission of Pakistan (SECP) carried out onsite inspection of the Management Company and inspected, among other matters, the mechanism of chargeability of allocated expenses to the funds under its management. As a result of this inspection, SECP raised certain observations relating to the chargeability of such expenses by the Management Company to the funds under its management. The Management Company has responded to the observations highlighted by the SECP and the management is engaged with SECP in this regard. Accordingly, the impact of the SECP's observations on the financial statements, if any, is not determinable as at the reporting date.

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

June 30, 2024								
(Audited)								
IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total		
Note (Rupees)								
Remuneration payable to the Trustee	8.1	9,215	20,285	46,249	-	192	-	75,941
Sindh Sales Tax payable on remuneration of the Trustee	8.2	1,198	2,637	6,012	-	25	-	9,872
		<u>10,413</u>	<u>22,922</u>	<u>52,261</u>	<u>-</u>	<u>217</u>	<u>-</u>	<u>85,813</u>

Remuneration payable to the Trustee
Sindh Sales Tax payable on remuneration of the Trustee

June 30, 2023								
(Audited)								
IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total		
Note (Rupees)								
Remuneration payable to the Trustee	8.1	116,179	87,741	136,628	-	9,418	-	349,966
Sindh Sales Tax payable on remuneration of the Trustee	8.2	15,103	11,406	17,762	-	1,224	-	45,495
		<u>131,282</u>	<u>99,147</u>	<u>154,390</u>	<u>-</u>	<u>10,642</u>	<u>-</u>	<u>395,461</u>

Remuneration payable to the Trustee
Sindh Sales Tax payable on remuneration of the Trustee

- 8.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily net asset value of the Fund. The remuneration is payable to the trustee at the rate of 0.07% (2023: 0.53%) per annum of the daily net assets of the Fund for IMAP, IBAP, IAAP II and ICPP IV respectively
- 8.2 During the year, an amount of Rs. 0.027 million (2023: Rs. 0.044 million) at the rate of 13% (2023: 13%) per annum was charged on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011.

9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

June 30, 2024								
(Audited)								
IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total		
Note (Rupees)								
Fee payable	9.1	9,772	21,047	9,950	-	-	-	40,769

Fee payable

June 30, 2023								
(Audited)								
IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total		
Note (Rupees)								
Fee payable	9.1	13,790	36,205	115,409	-	5,903	-	171,307

Fee payable

- 9.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.075% (2023: 0.02%) per annum of the daily net assets of the Fund for IMAP, IBAP, IAAP II and ICPP IV respectively.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the Fund was required to pay SECP fee within three months of the close of accounting year.

		June 30, 2024						
		(Audited)						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
10 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	(Rupees)						
Auditors' remuneration payable		124,579	250,656	660,864	54,579	50,998	-	1,141,676
Printing charges payable		9,372	115,815	33,849	-	16,527	-	175,563
Listing fee payable		6,952	21,089	11,169	-	-	-	39,210
Rating fee payable		92,130	142,752	157,451	-	17,705	-	410,038
Shariah advisory fee payable		71,241	17,140	12,487	-	26,738	-	127,606
Withholding tax payable		921,605	4,173,289	683,566	-	-	-	5,778,460
Capital gain tax payable		1,267,359	1,050,978	371,982	-	-	-	2,690,319
Sales load payable		2,832,827	131,133	-	-	-	-	2,963,960
Other payable		98,480	-	546,137	16,308	-	-	660,925
		<u>5,424,545</u>	<u>5,902,852</u>	<u>2,477,505</u>	<u>70,887</u>	<u>111,968</u>	<u>-</u>	<u>13,987,757</u>

		June 30, 2023						
		(Audited)						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
	Note	(Rupees)						
Auditors' remuneration payable		32,389	10,778	375,912	54,579	54,088	-	527,746
Printing charges payable		101,084	128,902	34,240	-	16,322	-	280,548
Listing fee payable		46,194	57,781	-	-	6,662	-	110,637
Rating fee payable		92,130	142,752	157,451	-	17,705	-	410,038
Shariah advisory fee payable		84,105	43,049	-	-	29,110	-	156,264
Withholding tax payable		1,957,206	4,387,161	2,056,450	-	597,146	-	8,997,963
Sales load payable		2,694,384	149,343	-	-	-	-	2,843,727
Other payable		-	-	-	16,308	-	-	16,308
		<u>5,007,492</u>	<u>4,919,766</u>	<u>2,624,053</u>	<u>70,887</u>	<u>721,033</u>	<u>-</u>	<u>13,343,231</u>

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 and June 30, 2023.

12 AUDITORS' REMUNERATION

		June 30, 2024						
		(Audited)						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
		(Rupees)						
Annual audit fee		96,462	111,116	250,868	-	4,484	-	462,930
Fee for half yearly review of condensed interim financial statements		57,848	94,788	147,876	-	2,692	-	303,204
Out of pocket expenses 12,144		-	16,205	31,381	-	718	-	60,448
Sindh Sales Tax		13,316	17,769	34,410	-	632	-	66,126
		<u>179,770</u>	<u>239,878</u>	<u>464,535</u>	<u>-</u>	<u>8,526</u>	<u>-</u>	<u>892,709</u>

		June 30, 2023						
		(Audited)						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
		(Rupees)						
Annual audit fee		50,000	140,000	260,000	-	16,500	-	466,500
Fee for half yearly review of condensed interim financial statements		25,000	75,000	135,000	45,294	10,000	7,282	297,576
Out of pocket expenses 24,201		-	54,414	129,711	15,921	9,469	2,517	236,233
Sindh Sales Tax		7,936	21,553	41,977	4,529	2,878	784	79,657
		<u>107,137</u>	<u>290,967</u>	<u>566,688</u>	<u>65,744</u>	<u>38,847</u>	<u>10,583</u>	<u>1,079,966</u>

13 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2024 are 0.64%, 0.56%, 1.40% and 0.37% (2023: 0.43%, 0.44%, 1.32% and 0.81%) which includes 0.07%, 0.07%, 0.06% and 0.02% (2023: 0.03%, 0.03%, 0.03% and 0.03%) representing government levies on IMAP, IBAP, IAAP II and ICPP IV respectively such as Sales Taxes, fee to the SECP etc. This ratio is within the maximum limit of 2.5% (excluding government levies) prescribed under the NBFC Regulations for a collective investment scheme categorised as a "Fund of Funds Scheme".

14 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company has distributed at least 90% of the Fund's accounting income for the year ended June 30, 2024 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore no provision for taxation has been made in these financial statements.

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

15 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Alfalah Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee of the Fund, Bank Alfalah Limited, Alfalah CLSA Securities (Private) Limited, MAB Investment Incorporated, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund, Alfalah GHP Investment Management Limited - Staff Provident Fund being the associates of the Management Company, Funds under management of the Management Company and directors and their close family members and key management personnel of the Management Company. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

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

Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

Allocated expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

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

15.1 Unit holders' fund

	For the year ended June 30, 2024									
	(Audited)									
	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2024	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2024
Islamic Moderate Allocation Plan										
	----- Units -----					----- Rupees -----				
Associated companies / undertakings										
Alfalah GHP Islamic Income Fund	432,637	142,006	-	272,455	302,188	44,474,558	14,632,453	-	28,074,061	31,211,004
Alfalah Islamic Rozana Amdani Fund	211,587	481	-	212,068	-	21,158,868	48,100	-	21,206,968	-
Alfalah GHP Islamic Dedicated Equity Fund	154,079	478,774	-	163,288	469,565	9,734,663	30,230,217	-	10,310,150	29,630,535
Alfalah Islamic Money Market Fund	-	280,399	-	88,531	191,868	-	28,098,491	-	8,871,599	19,226,892
Unit holder holding 10% or more units	563,628	-	-	-	563,628	58,782,342	-	-	-	58,818,922

For the year ended June 30, 2024														
(Audited)														
As at July 01, 2022	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2023	As at July 01, 2022	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2023					
Associated companies / undertakings					Units					Rupees				
Alfalsh GHP Islamic Income Fund	577,212	31,059	-	175,634	432,637	59,103,243	3,186,547	-	18,019,445	44,474,558				
Alfalsh Islamic Rozana Amdani Fund	-	211,587	-	-	211,587	-	21,158,868	-	-	21,158,868				
Alfalsh GHP Islamic Dedicated Equity Fund	150,257	52,764	-	48,942	154,079	11,354,311	3,660,387	-	3,395,244	9,734,663				
Unit holder holding 10% or more units	563,628	-	-	-	563,628	58,462,765	-	-	-	58,782,342				

For the year ended June 30, 2024														
(Audited)														
As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2024	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2024					
Islamic Balance Allocation Plan					Units					Rupees				
Alfalsh GHP Islamic Income Fund	998,867	237,542	-	376,181	860,228	102,709,966	24,479,863	-	38,767,290	88,847,188				
Alfalsh Islamic Rozana Amdani Fund	677,299	1,538	-	678,837	-	67,729,925	153,800	-	67,883,725	-				
Alfalsh GHP Islamic Dedicated Equity Fund	323,585	334,267	-	190,597	467,255	20,347,964	21,056,324	-	12,006,187	29,484,798				
Alfalsh Islamic Money Market Fund	-	775,400	-	237,615	537,785	-	77,702,047	-	23,811,158	53,890,889				
Unit holder holding 10% or more units	771,330	-	-	-	771,330	78,023,346	-	-	-	78,085,593				

For the year ended June 30, 2024														
(Audited)														
As at July 01, 2022	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2023	As at July 01, 2022	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2023					
Associated companies / undertakings					Units					Rupees				
Alfalsh GHP Islamic Income Fund	1,587,086	-	-	588,219	998,867	162,516,027	-	-	60,358,761	102,709,966				
Alfalsh Islamic Rozana Amdani Fund	-	677,299	-	-	677,299	-	67,729,925	-	-	67,729,925				
Alfalsh GHP Islamic Dedicated Equity Fund	232,012	91,573	-	-	323,585	14,802,660	5,800,425	-	-	20,347,964				
Unit holder holding 10% or more units	771,330	-	-	-	771,330	77,645,009	-	-	-	78,023,346				

For the year ended June 30, 2024														
(Audited)														
As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2024	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2024					
Islamic Active Allocation Plan II					Units					Rupees				
Alfalsh GHP Islamic Income Fund	181,231	300,819	-	482,050	-	18,635,355	30,996,718	-	49,670,959	-				
Alfalsh Islamic Rozana Amdani Fund	425,357	966	-	426,323	-	42,535,668	96,601	-	42,632,639	-				
Alfalsh GHP Islamic Dedicated Equity Fund	360,719	875,533	-	960,268	275,984	22,765,052	55,281,934	-	60,632,177	17,415,130				
Alfalsh Islamic Money Market Fund	-	433,551	-	433,551	-	-	43,445,706	-	43,445,706	-				
Alfalsh Islamic Sovereign Fund - Plan I	-	128,496	-	99,605	28,891	-	12,873,026	-	9,978,659	2,894,367				
Unit holder holding 10% or more units	120,338	-	-	-	102,926	10,926,727	-	-	-	9,345,722				

For the year ended June 30, 2024									
(Audited)									
As at July 01, 2022	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2023	As at July 01, 2022	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2023

Units

Rupees

Associated companies / undertakings

Alfalsh GHP Islamic Income Fund	2,016,089	827,113	-	2,661,971	181,231	18,635,355	85,226,627	-	274,292,400	18,635,355
Alfalsh Islamic Rozana Amdani Fund	-	425,357	-	-	425,357	42,535,668	42,536,038	-	-	42,535,668
Alfalsh GHP Islamic Dedicated Equity Fund	2,093,576	281,909	-	2,014,766	360,719	22,765,052	17,799,985	-	127,214,120	22,765,052
Bank Alfalah Limited - Employee Gratuity Fund	1,762,336	-	-	1,762,336	-	171,378,188	-	-	160,020,814	-
Unit holder holding 10% or more units	120,338	-	-	-	120,338	10,848,411	-	-	-	10,926,727

For the year ended June 30, 2024									
(Audited)									
As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2024	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2024

Units

Rupees

Islamic Capital Preservation Plan IV**Associated companies / undertakings**

Alfalsh GHP Islamic Income Fund	62,091	-	-	62,091	-	6,384,632	-	-	6,397,924	-
Alfalsh Islamic Rozana Amdani Fund	82,890	188	-	83,078	-	8,288,988	18,800	-	8,307,866	-
Alfalsh GHP Islamic Dedicated Equity Fund	45,422	-	-	45,422	-	2,866,198	-	-	2,867,986	-
Alfalsh Islamic Money Market Fund	-	84,522	-	84,522	-	-	8,469,861	-	8,469,861	-
Unit holder holding 10% or more units	107,034	-	-	107,034	-	10,759,434	-	-	11,238,570	-

For the year ended June 30, 2024									
(Audited)									
As at July 01, 2022	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2023	As at July 01, 2022	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2023

Units

Rupees

Associated companies / undertakings

Alfalsh GHP Islamic Income Fund	379,987	21,089	-	338,985	62,091	38,912,354	2,173,034	-	34,929,385	6,384,632
Alfalsh Islamic Rozana Amdani Fund	-	82,890	-	-	82,890	-	8,289,066	-	-	8,288,988
Alfalsh GHP Islamic Dedicated Equity Fund	67,004	102,512	-	124,094	45,422	4,272,855	6,472,699	-	7,835,406	2,866,198
Unit holder holding 10% or more units	340,115	-	-	233,082	107,034	33,930,354	-	-	24,298,670	10,759,434

15.1.1 This reflects the position of related party / connected persons status as at June 30, 2024 and June 30, 2023.

15.2 Transactions during the year

Year ended June 30, 2024							
(Audited)							
IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total	
(Rupees)							
Associated companies / undertakings							
Alfalah Asset Management Limited - Management Company							
Remuneration of the Management Company	433	16,753	27,962	-	2,503	-	47,651
Sindh Sales Tax on remuneration of the Management Company	56	2,178	3,635	-	325	-	6,194
Allocated expenses	157,505	336,939	99,995	-	9,137	-	603,576
Bank Alfalah Limited							
Profit on balances with banks	25,499	110,248	170,089	-	4,352	-	310,188
Central Depository Company of Pakistan Limited - Trustee							
Remuneration of the Trustee	55,382	117,301	35,001	-	3,599	-	211,283
Sindh Sales Tax on remuneration of the Trustee	7,200	15,249	4,550	-	468	-	27,467

Year ended June 30, 2023							
(Audited)							
IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total	
(Rupees)							
Associated companies / undertakings							
Alfalah Asset Management Limited - Management Company							
Remuneration of the Management Company	-	12,072	30,847	18,180	7,007	2,094	70,200
Sindh Sales Tax on remuneration of the Management Company	-	1,569	4,010	2,363	911	272	9,125
Allocated expenses	117,094	309,382	223,126	-	51,971	-	701,573
Bank Alfalah Limited							
Profit on balances with banks	12,963	38,584	113,427	-	25,431	23,371	213,776
Central Depository Company of Pakistan Limited - Trustee							
Remuneration of the Trustee	52,042	124,774	116,286	13,075	20,826	8,988	335,991
Sindh Sales Tax on remuneration of the Trustee	6,765	16,221	15,117	1,700	2,707	1,168	43,678

15.3 Amounts outstanding as at year end

June 30, 2024							
(Audited)							
IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total	
(Rupees)							
Associated companies / undertakings							
Alfalah Asset Management Limited - Management Company							
Remuneration payable	433	3,646	3,506	-	1,438	-	9,023
Sindh Sales Tax on remuneration of Management Company	56	474	456	-	187	-	1,173
Allocated expenses payable	80,677	164,723	34,859	-	70,145	-	350,404
Formation cost payable	-	-	-	-	60,000	-	60,000
Sales load payable	47,014	53,417	-	-	-	-	100,431
Other payable to the Management Company	10,000	10,000	-	347,236	-	160,715	527,951
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	83,821	83,234	-	-	-	-	167,055

June 30, 2024						
(Audited)						
IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total

Bank Alfalah Limited

Balances with banks	32,920	304,948	501,225	45,158	15,870	30,202	930,323
Sales load payable	47,014	53,417	-	-	-	-	100,431
Profit receivable on balances with banks	358	10,125	8,295	-	-	-	18,778

**Central Depository Company of
Pakistan Limited - Trustee**

Trustee remuneration payable	9,215	20,285	46,249	-	192	-	75,941
Sindh Sales Tax payable on Trustee remuneration	1,198	2,637	6,012	-	25	-	9,872

June 30, 2023						
(Audited)						
IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total

Associated companies / undertakings

**Alfalah Asset Management Limited -
Management Company**

Remuneration payable	89,839	45,514	31,060	-	5,868	-	172,281
Sindh Sales Tax on remuneration of Management Company	11,679	5,917	4,038	-	763	-	22,397
Payable against allocated expenses	34,256	287,872	299,672	-	60,150	-	681,950
Formation cost payable	-	-	-	-	60,000	-	60,000
Sales load payable	185,455	35,207	-	-	-	-	220,662
Other payable to the Management Company	-	-	-	1,301,715	-	159,503	1,461,218
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	83,821	83,234	-	-	-	-	167,055

Bank Alfalah Limited

Balances with banks	1,462,059	709,780	406,637	-	524,310	-	3,102,786
Profit receivable on balances with banks	27,414	38,762	112,408	-	42,332	-	220,916

**Central Depository Company of
Pakistan Limited - Trustee**

Trustee remuneration payable	116,179	87,741	136,628	-	9,418	-	349,966
Sindh Sales Tax payable on Trustee remuneration	15,103	11,406	17,762	-	1,224	-	45,495

16 FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	June 30, 2024																	
	Islamic Moderate Allocation Plan			Islamic Balanced Allocation Plan			Islamic Active Allocation Plan II			Islamic Active Allocation Plan III			Islamic Capital Preservation Plan IV			Islamic Capital Preservation Plan V		
	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total
(Rupees)																		
Financial assets																		
Balances with banks	179,572	-	179,572	1,482,733	-	1,482,733	955,333	-	955,333	45,158	-	45,158	15,870	-	15,870	30,202	-	30,202
Investments	-	80,068,431	80,068,431	-	172,222,875	172,222,875	-	20,309,497	20,309,497	-	-	-	-	-	-	-	-	-
Profit and other receivables	13,756	-	13,756	120,388	-	120,388	71,265	-	71,265	-	-	-	-	-	-	-	-	-
	<u>193,328</u>	<u>80,068,431</u>	<u>80,261,759</u>	<u>1,603,121</u>	<u>172,222,875</u>	<u>173,825,996</u>	<u>1,026,598</u>	<u>20,309,497</u>	<u>21,336,095</u>	<u>45,158</u>	<u>-</u>	<u>45,158</u>	<u>15,870</u>	<u>-</u>	<u>15,870</u>	<u>30,202</u>	<u>-</u>	<u>30,202</u>
Financial liabilities																		
Payable to Alfalah Asset Management Limited - Management Company	222,001	-	222,001	315,494	-	315,494	38,821	-	38,821	347,236	-	347,236	131,770	-	131,770	160,715	-	160,715
Payable to Central Depository Company of Pakistan Limited - Trustee	10,413	-	10,413	22,922	-	22,922	52,261	-	52,261	-	-	-	217	-	217	-	-	-
Accrued expenses and other liabilities	3,235,581	-	3,235,581	678,585	-	678,585	1,421,957	-	1,421,957	70,887	-	70,887	111,968	-	111,968	-	-	-
	<u>3,467,995</u>	<u>-</u>	<u>3,467,995</u>	<u>1,017,001</u>	<u>-</u>	<u>1,017,001</u>	<u>1,513,039</u>	<u>-</u>	<u>1,513,039</u>	<u>418,123</u>	<u>-</u>	<u>418,123</u>	<u>243,955</u>	<u>-</u>	<u>243,955</u>	<u>160,715</u>	<u>-</u>	<u>160,715</u>

Particulars	June 30, 2023																	
	Islamic Moderate Allocation Plan			Islamic Balanced Allocation Plan			Islamic Active Allocation Plan II			Islamic Active Allocation Plan III			Islamic Capital Preservation Plan IV			Islamic Capital Preservation Plan V		
	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total
	(Rupees)																	
Financial assets																		
Balances with banks	1,908,473	-	1,908,473	867,300	-	867,300	1,001,842	-	1,001,842	999,637	-	999,637	705,488	-	705,488	28,990	-	28,990
Investments	-	75,368,089	75,368,089	-	190,787,855	190,787,855	-	83,936,076	83,936,076	-	-	-	-	17,539,828	17,539,828	-	43	43
Profit and other receivables	25,123	-	25,123	301,418	-	301,418	308,763	-	308,763	-	-	-	30,316	-	30,316	-	-	-
	<u>1,933,596</u>	<u>75,368,089</u>	<u>77,301,685</u>	<u>1,168,718</u>	<u>190,787,855</u>	<u>191,956,573</u>	<u>1,310,605</u>	<u>83,936,076</u>	<u>85,246,681</u>	<u>999,637</u>	<u>-</u>	<u>999,637</u>	<u>735,804</u>	<u>17,539,828</u>	<u>18,275,632</u>	<u>28,990</u>	<u>43</u>	<u>29,033</u>
Financial liabilities																		
Payable to Allfalah Asset Management Limited - Management Company	405,050	-	405,050	457,744	-	457,744	334,770	-	334,770	1,301,715	-	1,301,715	126,781	-	126,781	159,503	-	159,503
Payable to Central Depository Company of Pakistan Limited - Trustee	131,282	-	131,282	99,147	-	99,147	154,390	-	154,390	-	-	-	10,642	-	10,642	-	-	-
Dividend payable	-	-	-	-	-	-	-	-	-	-	-	-	827,872	-	827,872	-	-	-
Accrued expenses and other liabilities	3,050,286	-	3,050,286	532,605	-	532,605	567,603	-	567,603	70,887	-	70,887	123,887	-	123,887	-	-	-
	<u>3,586,618</u>	<u>-</u>	<u>3,586,618</u>	<u>1,089,496</u>	<u>-</u>	<u>1,089,496</u>	<u>1,056,763</u>	<u>-</u>	<u>1,056,763</u>	<u>1,372,602</u>	<u>-</u>	<u>1,372,602</u>	<u>1,089,182</u>	<u>-</u>	<u>1,089,182</u>	<u>159,503</u>	<u>-</u>	<u>159,503</u>

17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

17.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal risk management policies and investment guidelines approved by the Investment Committee and the regulations laid down by the SECP.

Market risk comprises of three types of risks: profit rate risk, currency risk, and price risk.

(i) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2024, the Fund is exposed to such risk on its balances held with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits. The profit rate profile of the Fund's profit bearing financial instruments, as at June 30, 2024, is as follows:

	June 30, 2024						Total
	IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	
Variable rate instruments (financial assets)	(Rupees)						
Balances with banks	179,572	1,482,733	955,333	45,158	15,870	30,202	2,708,868
	<u>179,572</u>	<u>1,482,733</u>	<u>955,333</u>	<u>45,158</u>	<u>15,870</u>	<u>30,202</u>	<u>2,708,868</u>

	June 30, 2023						Total
	IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	
Variable rate instruments (financial assets)	(Rupees)						
Balances with banks	1,908,473	867,300	1,001,842	999,637	705,488	28,990	5,511,730
	<u>1,908,473</u>	<u>867,300</u>	<u>1,001,842</u>	<u>999,637</u>	<u>705,488</u>	<u>28,990</u>	<u>5,511,730</u>

a) **Sensitivity analysis of variable rate instruments**

Presently, the Fund holds bank balances which expose the Fund to cash flow profit rate risk. A reasonably possible change of 100 basis points in profit rates at the reporting date with all other variables held constant the impact on net income and net assets will be as follows:

	June 30, 2024						
	IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Change in basis points	----- (Rupees) -----						
Increase in 100 basis points	1,796	14,827	9,553	452	159	302	27,089
Decrease in 100 basis points	(1,796)	(14,827)	(9,553)	(452)	(159)	(302)	(27,089)

	June 30, 2023						
	IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Change in basis points	----- (Rupees) -----						
Increase in 100 basis points	19,085	8,673	10,018	9,996	7,055	290	55,117
Decrease in 100 basis points	(19,085)	(8,673)	(10,018)	(9,996)	(7,055)	(290)	(55,117)

The composition of the Fund's investment portfolio, profit rates and the rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determine

Islamic Moderate Allocation Plan

Particulars	June 30, 2024					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	----- (Rupees) -----				
On-balance sheet financial instruments						
Financial assets						
Balances with banks 19.00% - 21.00%		179,572	-	-	-	179,572
Investments		-	-	-	80,068,431	80,068,431
Profit and other receivables		-	-	-	13,756	13,756
Sub total		179,572	-	-	80,082,187	80,261,759
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	222,001	222,001
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	10,413	10,413
Accrued expenses and other liabilities		-	-	-	3,235,581	3,235,581
Sub total		-	-	-	3,467,995	3,467,995
On-balance sheet gap (a)		179,572	-	-	76,614,192	76,793,764
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		179,572	-	-		
Cumulative profit rate sensitivity gap		179,572	179,572	179,572		

Particulars	June 30, 2023					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	(Rupees)				
On-balance sheet financial instruments						
Financial assets						
Balances with banks	12.00% - 20.50%	1,908,473	-	-	-	1,908,473
Investments		-	-	-	75,368,089	75,368,089
Profit and other receivables		-	-	-	25,123	25,123
Sub total		<u>1,908,473</u>	<u>-</u>	<u>-</u>	<u>75,393,212</u>	<u>77,301,685</u>
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	405,050	405,050
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	131,282	131,282
Accrued expenses and other liabilities		-	-	-	3,050,286	3,050,286
Sub total		<u>-</u>	<u>-</u>	<u>-</u>	<u>3,586,618</u>	<u>3,586,618</u>
On-balance sheet gap (a)		<u>1,908,473</u>	<u>-</u>	<u>-</u>	<u>71,806,594</u>	<u>73,715,067</u>
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		<u>1,908,473</u>	<u>-</u>	<u>-</u>		
Cumulative profit rate sensitivity gap		<u>1,908,473</u>	<u>1,908,473</u>	<u>1,908,473</u>		

Islamic Balanced Allocation Plan

Particulars	June 30, 2024					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	(Rupees)				
On-balance sheet financial instruments						
Financial assets						
Balances with banks	19.00% - 21.00%	1,482,733	-	-	-	1,482,733
Investments		-	-	-	172,222,875	172,222,875
Profit and other receivables		-	-	-	120,388	120,388
Sub total		<u>1,482,733</u>	<u>-</u>	<u>-</u>	<u>172,343,263</u>	<u>173,825,996</u>
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	315,494	315,494
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	22,922	22,922
Accrued expenses and other liabilities		-	-	-	678,585	678,585
Sub total		<u>-</u>	<u>-</u>	<u>-</u>	<u>1,017,001</u>	<u>1,017,001</u>
On-balance sheet gap (a)		<u>1,482,733</u>	<u>-</u>	<u>-</u>	<u>171,326,262</u>	<u>172,808,995</u>
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		<u>1,482,733</u>	<u>-</u>	<u>-</u>		
Cumulative profit rate sensitivity gap		<u>1,482,733</u>	<u>1,482,733</u>	<u>1,482,733</u>		

Particulars	June 30, 2023					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	----- (Rupees) -----				
On-balance sheet financial instruments						
Financial assets						
Balances with banks	12.00% - 20.50%	867,300	-	-	-	867,300
Investments		-	-	-	190,787,855	190,787,855
Profit and other receivables		-	-	-	301,418	301,418
Sub total		867,300	-	-	191,089,273	191,956,573
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	457,744	457,744
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	99,147	99,147
Accrued expenses and other liabilities		-	-	-	532,605	532,605
Sub total		-	-	-	1,089,496	1,089,496
On-balance sheet gap (a)		867,300	-	-	189,999,777	190,867,077
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		867,300	-	-	-	-
Cumulative profit rate sensitivity gap		867,300	867,300	867,300	-	-

Islamic Active Allocation Plan II

Particulars	June 30, 2024					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	----- (Rupees) -----				
On-balance sheet financial instruments						
Financial assets						
Balances with banks	19.00% - 21.00%	955,333	-	-	-	955,333
Investments		-	-	-	20,309,497	20,309,497
Profit and other receivables		-	-	-	71,265	71,265
Sub total		955,333	-	-	20,380,762	21,336,095
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	38,821	38,821
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	52,261	52,261
Accrued expenses and other liabilities		-	-	-	1,421,957	1,421,957
Sub total		-	-	-	1,513,039	1,513,039
On-balance sheet gap (a)		955,333	-	-	18,867,723	19,823,056
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		955,333	-	-	-	-
Cumulative profit rate sensitivity gap		955,333	955,333	955,333	-	-

Particulars	June 30, 2023					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	----- (Rupees) -----				
On-balance sheet financial instruments						
Financial assets						
Balances with banks	12.00% - 20.50%	1,001,842	-	-	-	1,001,842
Investments		-	-	-	83,936,076	83,936,076
Profit and other receivables		-	-	-	308,763	308,763
Sub total		<u>1,001,842</u>	<u>-</u>	<u>-</u>	<u>84,244,839</u>	<u>85,246,681</u>
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	334,770	334,770
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	154,390	154,390
Accrued expenses and other liabilities		-	-	-	567,603	567,603
Sub total		<u>-</u>	<u>-</u>	<u>-</u>	<u>1,056,763</u>	<u>1,056,763</u>
On-balance sheet gap (a)		<u>1,001,842</u>	<u>-</u>	<u>-</u>	<u>83,188,076</u>	<u>84,189,918</u>
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		<u>1,001,842</u>	<u>-</u>	<u>-</u>		
Cumulative profit rate sensitivity gap		<u>1,001,842</u>	<u>1,001,842</u>	<u>1,001,842</u>		

Islamic Active Allocation Plan III

Particulars	June 30, 2024					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	----- (Rupees) -----				
On-balance sheet financial instruments						
Financial assets						
Balances with banks	19.00% - 21.00%	45,158	-	-	-	45,158
Investments		-	-	-	-	-
Profit and other receivables		-	-	-	-	-
Sub total		<u>45,158</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,158</u>
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	347,236	347,236
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	70,887	70,887
Sub total		<u>-</u>	<u>-</u>	<u>-</u>	<u>418,123</u>	<u>418,123</u>
On-balance sheet gap (a)		<u>45,158</u>	<u>-</u>	<u>-</u>	<u>(418,123)</u>	<u>(372,965)</u>
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		<u>45,158</u>	<u>-</u>	<u>-</u>		
Cumulative profit rate sensitivity gap		<u>45,158</u>	<u>45,158</u>	<u>45,158</u>		

Particulars	June 30, 2023					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	----- (Rupees) -----				
On-balance sheet financial instruments						
Financial assets						
Balances with banks	12.00% - 20.50%	999,637	-	-	-	999,637
Investments		-	-	-	-	-
Profit and other receivables		-	-	-	-	-
Sub total		<u>999,637</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>999,637</u>
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	1,301,715	1,301,715
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	70,887	70,887
Sub total		<u>-</u>	<u>-</u>	<u>-</u>	<u>1,372,602</u>	<u>1,372,602</u>
On-balance sheet gap (a)		<u>999,637</u>	<u>-</u>	<u>-</u>	<u>(1,372,602)</u>	<u>(372,965)</u>
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total profit rate sensitivity gap (a) + (b)		<u>999,637</u>	<u>-</u>	<u>-</u>		
Cumulative profit rate sensitivity gap		<u>999,637</u>	<u>999,637</u>	<u>999,637</u>		

Islamic Capital Preservation Plan IV

Particulars	June 30, 2024					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	----- (Rupees) -----				
On-balance sheet financial instruments						
Financial assets						
Balances with banks	19.00% - 21.00%	15,870	-	-	-	15,870
Investments		-	-	-	-	-
Profit and other receivables		-	-	-	-	-
Sub total		<u>15,870</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,870</u>
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	131,770	131,770
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	217	217
Accrued expenses and other liabilities		-	-	-	111,968	111,968
Sub total		<u>-</u>	<u>-</u>	<u>-</u>	<u>243,955</u>	<u>243,955</u>
On-balance sheet gap (a)		<u>15,870</u>	<u>-</u>	<u>-</u>	<u>(243,955)</u>	<u>(228,085)</u>
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total profit rate sensitivity gap (a) + (b)		<u>15,870</u>	<u>-</u>	<u>-</u>		
Cumulative profit rate sensitivity gap		<u>15,870</u>	<u>15,870</u>	<u>15,870</u>		

Particulars	June 30, 2023					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
%	(Rupees)					
On-balance sheet financial instruments						
Financial assets						
Balances with banks	12.00% - 20.50%	705,488	-	-	-	705,488
Investments		-	-	-	17,539,828	17,539,828
Profit and other receivables		-	-	-	30,316	30,316
Sub total		705,488	-	-	17,570,144	18,275,632
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	126,781	126,781
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	10,642	10,642
Dividend payable		-	-	-	827,872	827,872
Accrued expenses and other liabilities		-	-	-	123,887	123,887
Sub total		-	-	-	1,089,182	1,089,182
On-balance sheet gap (a)		705,488	-	-	16,480,962	17,186,450
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		705,488	-	-		
Cumulative profit rate sensitivity gap		705,488	705,488	705,488		

Islamic Capital Preservation Plan V

Particulars	June 30, 2024					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
%	(Rupees)					
On-balance sheet financial instruments						
Financial assets						
Balances with banks	19.00% - 21.00%	30,202	-	-	-	30,202
Investments		-	-	-	-	-
Profit and other receivables		-	-	-	-	-
Sub total		30,202	-	-	-	30,202
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	160,715	160,715
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	-	-
Sub total		-	-	-	160,715	160,715
On-balance sheet gap (a)		30,202	-	-	(160,715)	(130,513)
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		30,202	-	-		
Cumulative profit rate sensitivity gap		30,202	30,202	30,202		

Particulars	June 30, 2023					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	----- (Rupees) -----				
On-balance sheet financial instruments						
Financial assets						
Balances with banks	12.00% - 20.50%	28,990	-	-	-	28,990
Investments		-	-	-	-	-
Profit and other receivables		-	-	-	-	-
Sub total		28,990	-	-	-	28,990
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	159,503	159,503
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	-	-
Sub total		-	-	-	159,503	159,503
On-balance sheet gap (a)		28,990	-	-	(159,503)	(130,513)
Off-balance sheet financial instruments						
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		28,990	-	-		
Cumulative profit rate sensitivity gap		28,990	28,990	28,990		

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Equity price risk is the risk that the fair value of equity instruments decreases as a result of changes in the level of equity indices and the value of individual stocks. The Fund does not have any investment in equity securities as of June 30, 2024.

17.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, 2008, the Fund can borrow in the short-term to ensure settlement subject to the maximum limit which is fifteen percent of the net assets up to 90 days and would be secured by the assets of the Fund. However, no borrowing was required to be obtained by the Fund during the year.

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

The table below summarizes the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

Islamic Moderate Allocation Plan

-----2024-----						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

On-balance sheet financial instruments

Financial assets

Balances with banks	179,572	-	-	-	-	-	179,572
Investments	-	-	-	-	-	80,068,431	80,068,431
Deposits and other receivable	13,756	-	-	-	-	-	13,756
	193,328	-	-	-	-	80,068,431	80,261,759

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	222,001	-	-	-	-	-	222,001
Payable to Central Depository Company of Pakistan Limited - Trustee	10,413	-	-	-	-	-	10,413
Accrued expenses and other liabilities	3,235,581	-	-	-	-	-	3,235,581
	3,467,995	-	-	-	-	-	3,467,995
Net financial assets	(3,274,667)	-	-	-	-	80,068,431	76,793,764

-----2023-----						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

On-balance sheet financial instruments

Financial assets

Balances with banks	1,908,473	-	-	-	-	-	1,908,473
Investments	-	-	-	-	-	75,368,089	75,368,089
Deposits and other receivable	25,123	-	-	-	-	-	25,123
	1,933,596	-	-	-	-	75,368,089	77,301,685

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	405,050	-	-	-	-	-	405,050
Payable to Central Depository Company of Pakistan Limited - Trustee	131,282	-	-	-	-	-	131,282
Accrued expenses and other liabilities	3,050,286	-	-	-	-	-	3,050,286
	3,586,618	-	-	-	-	-	3,586,618
Net financial assets	(1,653,022)	-	-	-	-	75,368,089	73,715,067

Islamic Balanced Allocation Plan

2024						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

On-balance sheet financial instruments

Financial assets

Balances with banks	1,482,733	-	-	-	-	-	1,482,733
Investments	-	-	-	-	-	172,222,875	172,222,875
Deposits and other receivable	120,388	-	-	-	-	-	120,388
	1,603,121	-	-	-	-	172,222,875	173,825,996

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	315,494	-	-	-	-	-	315,494
Payable to Central Depository Company of Pakistan Limited - Trustee	22,922	-	-	-	-	-	22,922
Accrued expenses and other liabilities	678,585	-	-	-	-	-	678,585
	1,017,001	-	-	-	-	-	1,017,001
Net financial assets	586,120	-	-	-	-	172,222,875	172,808,995

2023						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

On-balance sheet financial instruments

Financial assets

Balances with banks	867,300	-	-	-	-	-	867,300
Investments	-	-	-	-	-	190,787,855	190,787,855
Deposits and other receivable	301,418	-	-	-	-	-	301,418
	1,168,718	-	-	-	-	190,787,855	191,956,573

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	457,744	-	-	-	-	-	457,744
Payable to Central Depository Company of Pakistan Limited - Trustee	99,147	-	-	-	-	-	99,147
Accrued expenses and other liabilities	532,605	-	-	-	-	-	532,605
	1,089,496	-	-	-	-	-	1,089,496
Net financial assets	79,222	-	-	-	-	190,787,855	190,867,077

Islamic Active Allocation Plan II

2024						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

On-balance sheet financial instruments

Financial assets

Balances with banks	955,333	-	-	-	-	955,333
Investments	-	-	-	-	20,309,497	20,309,497
Deposits and other receivable	71,265	-	-	-	-	71,265
	1,026,598	-	-	-	20,309,497	21,336,095

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	38,821	-	-	-	-	38,821
Payable to Central Depository Company of Pakistan Limited - Trustee	52,261	-	-	-	-	52,261
Accrued expenses and other liabilities	1,421,957	-	-	-	-	1,421,957
	1,513,039	-	-	-	-	1,513,039
Net financial assets	(486,441)	-	-	-	20,309,497	19,823,056

2023						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

On-balance sheet financial instruments

Financial assets

Balances with banks	1,001,842	-	-	-	-	1,001,842
Investments	-	-	-	-	83,936,076	83,936,076
Deposits and other receivable	308,763	-	-	-	-	308,763
	1,310,605	-	-	-	83,936,076	85,246,681

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	334,770	-	-	-	-	334,770
Payable to Central Depository Company of Pakistan Limited - Trustee	154,390	-	-	-	-	154,390
Accrued expenses and other liabilities	567,603	-	-	-	-	567,603
	1,056,763	-	-	-	-	1,056,763
Net financial assets	253,842	-	-	-	83,936,076	84,189,918

Islamic Active Allocation Plan III

2024						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

On-balance sheet financial instruments

Financial assets

Balances with banks	45,158	-	-	-	-	-	45,158
Investments	-	-	-	-	-	-	-
Deposits and other receivable	-	-	-	-	-	-	-
	45,158	-	-	-	-	-	45,158

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	347,236	-	-	-	-	-	347,236
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-	-	-
Accrued expenses and other liabilities	70,887	-	-	-	-	-	70,887
	418,123	-	-	-	-	-	418,123

Net financial assets

	(372,965)	-	-	-	-	-	(372,965)
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2023						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

On-balance sheet financial instruments

Financial assets

Balances with banks	999,637	-	-	-	-	-	999,637
Investments	-	-	-	-	-	-	-
Deposits and other receivable	-	-	-	-	-	-	-
	999,637	-	-	-	-	-	999,637

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	1,301,715	-	-	-	-	-	1,301,715
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-	-	-
Accrued expenses and other liabilities	70,887	-	-	-	-	-	70,887
	1,372,602	-	-	-	-	-	1,372,602

Net financial assets

	(372,965)	-	-	-	-	-	(372,965)
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Islamic Capital Preservation Plan IV

2024						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

On-balance sheet financial instruments

Financial assets

Balances with banks	15,870	-	-	-	-	-	15,870
Investments	-	-	-	-	-	-	-
Deposits and other receivable	-	-	-	-	-	-	-
	15,870	-	-	-	-	-	15,870

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	131,770	-	-	-	-	-	131,770
Payable to Central Depository Company of Pakistan Limited - Trustee	217	-	-	-	-	-	217
Accrued expenses and other liabilities	111,968	-	-	-	-	-	111,968
	243,955	-	-	-	-	-	243,955

Net financial assets

	(228,085)	-	-	-	-	-	(228,085)
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2023						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

On-balance sheet financial instruments

Financial assets

Balances with banks	705,488	-	-	-	-	-	705,488
Investments	-	-	-	-	-	17,539,828	17,539,828
Deposits and other receivable	30,316	-	-	-	-	-	30,316
	735,804	-	-	-	-	17,539,828	18,275,632

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	126,781	-	-	-	-	-	126,781
Payable to Central Depository Company of Pakistan Limited - Trustee	10,642	-	-	-	-	-	10,642
Dividend payable	827,872	-	-	-	-	-	827,872
Accrued expenses and other liabilities	123,887	-	-	-	-	-	123,887
	1,089,182	-	-	-	-	-	1,089,182

Net financial assets

	(353,378)	-	-	-	-	17,539,828	17,186,450
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Islamic Capital Preservation Plan V

2024						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

On-balance sheet financial instruments

Financial assets

Balances with banks	30,202	-	-	-	-	-	30,202
Investments	-	-	-	-	-	-	-
Deposits and other receivable	-	-	-	-	-	-	-
	30,202	-	-	-	-	-	30,202

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	160,715	-	-	-	-	-	160,715
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-	-	-
Accrued expenses and other liabilities	-	-	-	-	-	-	-
	160,715	-	-	-	-	-	160,715
Net financial assets	(130,513)	-	-	-	-	-	(130,513)

2023						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

On-balance sheet financial instruments

Financial assets

Balances with banks	28,990	-	-	-	-	-	28,990
Investments	-	-	-	-	-	-	-
Deposits and other receivable	-	-	-	-	-	-	-
	28,990	-	-	-	-	-	28,990

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	159,503	-	-	-	-	-	159,503
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-	-	-
Dividend payable	-	-	-	-	-	-	-
Accrued expenses and other liabilities	-	-	-	-	-	-	-
	159,503	-	-	-	-	-	159,503
Net financial assets	(130,513)	-	-	-	-	-	(130,513)

17.3 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligations as it falls due.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets.

17.3.1 Exposure to credit risk

The table below analyses the Fund's maximum exposure to credit risk:

Islamic Moderate Allocation Plan

	2024		2023	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	(Rupees)			
Balances with banks	179,572	179,572	1,908,473	1,908,473
Investments	80,068,431	80,068,431	75,368,089	75,368,089
Advances, profit and other receivable	852,382	852,382	363,750	363,750
	<u>81,100,385</u>	<u>81,100,385</u>	<u>77,640,312</u>	<u>77,640,312</u>

Islamic Balance Allocation Plan

	2024		2023	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	(Rupees)			
Balances with banks	1,482,733	1,482,733	867,300	867,300
Investments	172,222,875	172,222,875	190,787,855	190,787,855
Advances, profit and other receivable	1,142,185	1,142,185	1,323,215	1,323,215
	<u>174,847,793</u>	<u>174,847,793</u>	<u>192,978,370</u>	<u>192,978,370</u>

Islamic Active Allocation Plan II

	2024		2023	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	(Rupees)			
Balances with banks	955,333	955,333	1,001,842	1,001,842
Investments	20,309,497	20,309,497	83,936,076	83,936,076
Advances, profit and other receivable	1,086,757	1,086,757	1,324,255	1,324,255
	<u>22,351,587</u>	<u>22,351,587</u>	<u>86,262,173</u>	<u>86,262,173</u>

Islamic Active Allocation Plan III

	2024		2023	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	(Rupees)			
Balances with banks	45,158	45,158	999,637	999,637
Investments	-	-	-	-
Advances, profit and other receivable	372,965	372,965	372,965	372,965
	<u>418,123</u>	<u>418,123</u>	<u>1,372,602</u>	<u>1,372,602</u>

Islamic Capital Preservation Plan IV

	2024		2023	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	(Rupees)			
Balances with banks	15,870	15,870	705,488	705,488
Investments	-	-	17,539,828	17,539,828
Advances, profit and other receivable	228,085	228,085	258,401	258,401
	<u>243,955</u>	<u>243,955</u>	<u>18,503,717</u>	<u>18,503,717</u>

Islamic Capital Preservation Plan V

	2024		2023	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	(Rupees)			
Balances with banks	30,202	30,202	28,990	28,990
Investments	-	-	-	-
Advances, profit and other receivable	130,513	130,513	130,513	130,513
	<u>160,715</u>	<u>160,715</u>	<u>159,503</u>	<u>159,503</u>

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in units of mutual funds are not exposed to credit risk.

The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets.

No financial assets were considered to be past due or impaired as at June 30, 2024 and June 30, 2023.

17.3.2 Credit quality of financial assets

The Fund held bank balances at June 30, 2024 with banks having following credit ratings:

Islamic Moderate Allocation Plan

Bank	Rating agency	Rating	2024	2023
			Percentage of total bank balance	
Allied Bank Limited	PACRA	A1+ / AAA	5.51%	-
Bank Alfalah Limited	PACRA	A1+ / AAA	18.34%	74.29%
Bank Islami Pakistan Limited	PACRA	A1 / AA-	34.36%	4.27%
Dubai Islamic Bank Limited	VIS	A1+ / AA	21.59%	7.38%
Soneri Bank Limited	PACRA	A1+ / AA-	8.07%	0.51%
Meezan Bank Limited	VIS	A1+ / AAA	5.85%	1.02%
National Bank of Pakistan	PACRA	A1+ / AAA	-	12.54%
Faysal Bank Limited	VIS	A1+ / AA	6.29%	-
			<u>100.00%</u>	<u>100.00%</u>

Islamic Balance Allocation Plan

Bank	Rating agency	Rating	2024	2023
			Percentage of total bank balance	
Allied Bank Limited	PACRA	A1+ / AAA	0.68%	-
Dubai Islamic Bank Limited	VIS	A1+ / AA	1.52%	2.43%
Soneri Bank Limited	PACRA	A1+ / AA-	0.98%	1.83%
Bank Alfalah Limited	PACRA	A1+ / AAA	20.57%	81.84%
Bank Islami Pakistan Limited	PACRA	A1 / AA-	74.77%	9.22%
Meezan Bank Limited	VIS	A1+ / AAA	0.71%	-
National Bank of Pakistan	PACRA	A1+ / AAA	-	4.68%
Faysal Bank Limited	VIS	A1+ / AA	0.77%	-
			<u>100.00%</u>	<u>100.00%</u>

Islamic Active Allocation Plan II

Bank	Rating agency	Rating	2024	2023
			Percentage of total bank balance	
Allied Bank Limited	PACRA	A1+ / AAA	1.11%	-
Bank Alfalah Limited	PACRA	A1+ / AAA	53.03%	52.18%
Bank Islami Pakistan Limited	PACRA	A1 / AA-	38.43%	26.60%
Dubai Islamic Bank Limited	VIS	A1+ / AA	2.85%	4.58%
Soneri Bank Limited	PACRA	A1+ / AA-	2.56%	1.24%
Meezan Bank Limited	VIS	A1+ / AAA	1.11%	-
National Bank of Pakistan	PACRA	A1+ / AAA	-	15.40%
Faysal Bank Limited	VIS	A1+ / AA	0.91%	-
			<u>100.00%</u>	<u>100.00%</u>

Islamic Active Allocation Plan III

Bank	Rating agency	Rating	2024	2023
			Percentage of total bank balance	
Bank Alfalah Limited	PACRA	A1+ / AAA	100.00%	100.00%
			100.00%	100.00%

Islamic Capital Preservation Plan IV

Bank	Rating agency	Rating	2024	2023
			Percentage of total bank balance	
Bank Alfalah Limited	PACRA	A1+ / AAA	100.00%	100.00%
			100.00%	100.00%

Islamic Capital Preservation Plan V

Bank	Rating agency	Rating	2024	2023
			Percentage of total bank balance	
Bank Alfalah Limited	PACRA	A1+ / AAA	100.00%	100.00%
			100.00%	100.00%

Above ratings are on the basis of available ratings assigned by PACRA and Vital Information Services (VIS) as of June 30, 2024.

17.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect the groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. Despite the high concentration of credit risk as stated above, the Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit worthy counter parties thereby mitigating any significant concentrations of credit risk.

18 FAIR VALUE MEASUREMENT

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

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

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

18.1 Fair value hierarchy

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: 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); and
- Level 3: inputs for the assets or liability that are not based on observable market data (i.e. unobservable inputs).

As at June 30, 2024 and June 30, 2023, the Fund held the following financial instruments measured at fair value:

Islamic Moderate Allocation Plan

	As at June 30, 2024				As at June 30, 2023			
	(Audited)				(Audited)			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----				----- (Rupees) -----			
Financial assets 'at fair value through profit or loss'								
Units of open-end mutual funds	-	80,068,431	-	80,068,431	-	75,368,089	-	75,368,089

Islamic Balanced Allocation Plan

As at June 30, 2024 (Audited)				As at June 30, 2023 (Audited)			
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
----- (Rupees) -----				----- (Rupees) -----			
Financial assets 'at fair value through profit or loss'							
Units of open-end mutual funds							
-	172,222,875	-	172,222,875	-	190,787,855	-	190,787,855

Islamic Active Allocation Plan II

As at June 30, 2024 (Audited)				As at June 30, 2023 (Audited)			
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
----- (Rupees) -----				----- (Rupees) -----			
Financial assets 'at fair value through profit or loss'							
Units of open-end mutual funds							
-	20,309,497	-	20,309,497	-	83,936,076	-	83,936,076

Islamic Capital Preservation Plan IV

As at June 30, 2024 (Audited)				As at June 30, 2023 (Audited)			
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
----- (Rupees) -----				----- (Rupees) -----			
Financial assets 'at fair value through profit or loss'							
Units of open-end mutual funds							
-	-	-	-	-	17,539,828	-	17,539,828

19 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 18, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

20 DISTRIBUTIONS DURING THE YEAR

Islamic Moderate Allocation Plan

-----June 30, 2024-----			
Rate per unit	Declaration date	Refund of capital	Distribution from income
----- Rupees -----			
Distribution for the year ended June 30, 2024	Rs. 36.019	June 29, 2024	13,517,194
			6,069,823
			13,517,194
			6,069,823

-----June 30, 2023-----			
Rate per unit	Declaration date	Refund of capital	Distribution from income
----- Rupees -----			
Distribution for the year ended June 30, 2023	Rs. 12.7217	June 26, 2023	759
			7,989,847
			759
			7,989,847

Islamic Balanced Allocation Plan

Distribution for the year ended June 30, 2024

-----June 30, 2024-----			
Rate per unit	Declaration date	Refund of capital	Distribution from income
		----- Rupees -----	
Rs. 28.4405	June 29, 2024	17,051,285	20,829,510
		<u>17,051,285</u>	<u>20,829,510</u>

Distribution for the year ended June 30, 2023

-----June 30, 2023-----			
Rate per unit	Declaration date	Refund of capital	Distribution from income
		----- Rupees -----	
Rs. 12.2024	June 26, 2023	745	20,618,306
		<u>745</u>	<u>20,618,306</u>

Islamic Active Allocation Plan II

Distribution for the year ended June 30, 2024

-----June 30, 2024-----			
Rate per unit	Declaration date	Refund of capital	Distribution from income
		----- Rupees -----	
Rs. 49.6636	June 29, 2024	3,301,806	3,930,958
		<u>3,301,806</u>	<u>3,930,958</u>

Distribution for the year ended June 30, 2023

-----June 30, 2023-----			
Rate per unit	Declaration date	Refund of capital	Distribution from income
		----- Rupees -----	
Rs. 8.8644	June 26, 2023	64	7,561,440
		<u>64</u>	<u>7,561,440</u>

Islamic Capital Preservation Plan IV

Distribution for the year ended June 30, 2023

-----June 30, 2023-----			
Rate per unit	Declaration date	Refund of capital	Distribution from income
		----- Rupees -----	
Rs. 9.9644	June 26, 2023	22,150	1,768,506
		<u>22,150</u>	<u>1,768,506</u>

21 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 as required under Schedule V of the NBFC Regulations has been disclosed in the Annexure to the financial statements.

22 CORRESPONDING FIGURES

Corresponding figures have been re-classified, re-arranged or additionally incorporated in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current period. No significant rearrangements or reclassifications were made in these financial statements.

23 GENERAL

23.1 Figures have been rounded off to the nearest rupee, unless otherwise stated.

24 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 30, 2024** by the Board of Directors of the Management Company.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

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

(i) **UNIT HOLDING PATTERN OF THE FUND****Ismaic Moderate Allocation Plan**

Category	As at 30 June 2024			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	187	406,800	42,452,673	56%
Retirement & Other Funds	18	145	15,138	0%
Others	4	315,893	32,965,843	44%
	-	-	-	-
	209	722,837	75,433,654	100%

Balance Allocation Plan

Category	As at 30 June 2024			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	1435	901,616	91,275,045	54%
Retirement & Other Funds	17	68,267	6,911,018	4%
Others	25	695,406	70,399,415	42%
	1477	1,665,289	168,585,478	100%

Ismaic Active Allocation PlanII

Category	As at 30 June 2024			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	212	217,746	19,771,447	100%
Retirement & Other Funds	0	-	-	0%
Others	5	18	1,603	0%
	217	217,764	19,773,050	100%

Ismaic Moderate Allocation Plan

Category	As at 30 June 2023			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	211	365,032	38,070,166	53%
Retirement & Other Funds	18	108	11,245	0%
Others	13	326,017	34,001,287	47%
	-	-	-	-
	242	691,157	72,082,698	100%

Balance Allocation Plan

Category	As at 30 June 2023			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	1521	1,249,700	126,412,612	67%
Retirement & Other Funds	17	53,306	5,392,156	3%
Others	28	550,255	55,660,740	30%
	1566	1,853,261	187,465,508	100%

Islmaic Active Allocation PlanII

Category	As at 30 June 2023			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	231	914,460	83,033,361	100%
Retirement & Other Funds	-	-	-	0%
Others	5	2	190	0%
	<u>236</u>	<u>914,462</u>	<u>83,033,551</u>	<u>100%</u>

Islmaic Capital Preservation Plan IV

Category	As at 30 June 2023			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	142	164,067	16,492,646	98%
Retirement & Other Funds	2	2	241	0%
Others	8	3,169	318,600	2%
	<u>152</u>	<u>167,239</u>	<u>16,811,486</u>	<u>100%</u>



(iii) PARTICULARS OF MEMBERS OF THE INVESTMENT COMMITTEE

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

Khaldoon Bin Latif	Chief Executive Officer
Ayub Khuhro	Chief Investment Officer
Faisal Ali Khan	Chief Financial Officer
Shariq Mukhtar Hashmi	Chief Compliance Officer
Mustafa Kamal	Head of Fixed Income
Muddasir Ahmed Shaikh	Head of Equities
Shams-ud-din Shah, CFA, FCCA	Head of Research
Omar Mukhtar	Head of Risk
Salman Jawaaid	Fund Manager Fixed Income Funds
Anil Kumar, CFA	Fund Manager Equity Funds

Khaldoon Bin Latif-Chief Executive Officer

Mr. Latif has been associated with the capital markets for over 18 years, with both domestic and international experience providing a comprehensive blend. Prior to joining Alfalah Investments, Mr. Khaldoon was associated with Faysal Asset Management Limited as its Chief Executive Officer (CEO) and under his leadership, Faysal Asset Management has achieved significant growth during his tenure and transformed into major industry player. Earlier he was associated with BMA Asset Management Company Limited as its CEO, JS Investments Limited as its Chief Investment Officer (CIO) and KASB Funds Limited as its CEO. Before KASB Funds he was the General Manager and Director of TSWLL Bahrain, a wholly owned subsidiary of TAIB Bank BSC, where he headed their brokerage, asset management, custody and advisory operations.

He has been a member of the Mutual Fund Association for over six years and has been the Vice Chairman from FY2021-22. He is also a non-executive director on a bank holding company out of Bahrain, IIBank LLC, that has operations in Africa and Europe. He is a former board member of TRG and Pace Pakistan. In addition to this, he brings both buy and sell side exposure of domestic capital markets in Pakistan. He began his career on the sell side with AKD Securities Ltd in various capacities including Head of Foreign Institutional Sales and Equity Research in the capacity of Head of Research and Chief Economist. On the buy side, he has worked with PICIC AMC as Head of Research and Product Development where his tenor also included active management of the PICIC Energy Fund.

Mr. Latif is a LUMS Alumni and has done a number of capital market courses with CFA association, Daiwa, J.P. Morgan and Bahrain Institute of Banking and Finance (BIBF). He has also completed his Director certification program from IBA.

Mr. Ayub Khoro – Chief Investment Officer

Muhammad Ayub Khuhro brings over 15 years of extensive experience in the banking and asset management industry to his role as Chief Investment Officer at Alfalah Investments. Prior to joining the company, he served as Chief Investment Officer at Faysal Asset Management Limited (FAML), where he played a pivotal role in revitalizing the investment process, fund management teams, and research department. His strategic initiatives significantly contributed to FAML's unprecedented growth and its ability to adapt to evolving market dynamics. Mr. Khuhro's career journey began at Pak Oman AMC in the research division, followed by a role as Research Head in the Equity Capital Markets Division at Faysal Bank Limited. His responsibilities included managing an equity portfolio valued at over USD 80 million and providing comprehensive research insights to support the Investment Committee's decision-making process. Additionally, he played a key role in IPOs and private equity valuations for the bank. With a Bachelor's degree in Economics from Lahore University of Management Sciences (LUMS), Mr. Khuhro possesses a deep understanding of equity, fixed income, and money market investments. His expertise extends to strategic and tactical asset allocations, driven by thorough research and evaluation of historical performance across multiple asset classes and instruments.

Faisal Ali Khan-Chief Financial Officer

Faisal Ali Khan is serving as Chief Financial Officer of Alfalah Investments and prior to joining he was associated with Faysal Funds where he served as CFO and Company Secretary. In past he has worked with reputed financial sector organizations including BMA Funds, Saudi Pak Industrial and Agricultural Company (Pvt.) Ltd, Attock Refinery Limited and KPMG. Mr. Khan is a fellow member of the Institute of Chartered Accountant of Pakistan having a professional experience of over nineteen years ranging from financial reporting, regulatory compliance, budgeting and taxation to corporate and secretarial practices including 15 years of experience in the asset management and investment advisory industry.

Mr. Shariq Mukhtar Hashmi – Chief Compliance Officer

Mr. Hashmi holds a diversified experience of over 11 years with various private sector enterprises of repute. He joined IGI Funds Limited (which subsequently merged into Alfalah GHP Investment Management Limited in Oct. 2013) in 2010 to lead the back office function as Head of Operations & Settlements. His association has continued, post-merger, as Head of Compliance & Risk Management. He has previously served National Asset Management Company as Head of Internal Audit and Feroze Sharif Tariq & Co Chartered Accountants in various capacities. He has also headed the Internal Audit Department of the Company. Mr. Hashmi is a qualified Accountant from the Association of Chartered Certified Accountants, UK and holds MBA degree in Finance from SZABIST University. He is also enrolled for Financial Risk Manager Certification of Global Association of Risk Professionals; USA.

Mr. Muddasir Ahmed Shaikh - – Head of Equities

Mr. Shaikh is heading the Equity Investments team at Alfalah Investments. He has been an integral part of the team since 2007 and holds about two decades of professional experience. He joined the Investment Management Industry in 2004, right after his graduation with an MBA degree. Over the years, he has served various public and private financial institutions of repute. He started his career as Research Analyst and has progressed over the year to higher levels in portfolio management.

Mr. Shaikh is an Alumni of the prestigious Institute of Business Administration, Karachi (IBA).

Mr. Shams-ud-din Shah - Head of Research

MrShams is a CFA charter holder and member of ACCA. He holds +8 years of experience in financial service industry and has been associated with Alfalah since June 2017. He leads the Research Department and aptly covers Economy, Ban. ks, Construction and Material sectors along with supervision and professional development of other research analysts in the team. His hard work, strong analytical skills and thorough understanding of the economy and sector dynamics have earned him recognition and rendered effective support to the Portfolio Management function.

Mr. Mustafa Kamal - Head of Fixed Income

"Mr. Mustafa Kamal has more than 18 years of work experience in the investment management profession out of which he has been associated with the Mutual Fund Industry for over 15 years. Prior to joining Alfalah Investments, he was working as a Chief Investment Officer with Pak Oman Asset Management Limited. Over the years, he has worked at companies like Askari Investments, National Fullerton Asset Management, Crescent Leasing & ORIX Investment Bank. He is an MBA with Majors in Finance.

Currently serving the company as a Head of Fixed Income Funds, Mr. Kamal is a key member of portfolio management team and a member of the investment committee for the mutual funds. During his career he has managed wide range of conventional and Islamic mutual funds schemes."

Mr. Omar Mukhtar – Head of Risk

Mr. Mukhtar is the Head of Risk Management and has remained part of the Board Risk & Investment Committees and has played an instrumental role in the establishment of the Risk Management, Enterprise Risk Management & Information Security framework for the organization. He brings with him an experience of over fifteen years in the field of Risk Management in the Mutual Funds Industry. Prior to becoming part of the Alfalah Investments team, he was associated with UBL Funds Ltd in managing their Risk Management Function. Mr. Mukhtar has done his MBA in Finance from Greenwich University and holds a BBA Honors degree. He is also a member of GARP (Global Association of Risk Professionals).

Mr. Salman Jawaid - Fund Manager Fixed Income Fund

Mr. Salman is managing the Fixed Income Funds at Alfalah Investments. He has almost more than 12 years of work experience in the Mutual Fund Industry precisely in the Fund Management Department. He is an MBA in Finance from the Institute of Business Management (IOBM) and also pursuing his education in the CFA program. Over the years, he has worked at National Investment Trust Limited (NIT) and Faysal Asset Management in the portfolio management department.

Mr. Anil Kumar - Jr. Fund Manager Equity Funds

Mr. Anil has over 3 years of well-rounded sectoral exposure in Investment Research and Fund Management. He was earlier associated as Research Analyst with Alfalah Investments, where he has actively covered Chemical Sector, Cement Sector, Pharmaceutical sector, Textile sector and has also identified many profitable investment ideas. Prior to joining Alfalah, he was associated with UBL Fund Managers and Darson Securities Limited. Anil has done Bachelors (BBA) from Iqra University with majors in Finance and is a CFA Level 3 candidate.

(iv) ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The dates of the meetings of the Board of Directors of the Management Company of the fund and the attendance of its members are given below.

Name of Director	Meeting held on				
	August 25, 2023	October 30, 2023	December 21, 2023	February 22, 2024	April 30, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓	✓
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Khaled Khanfer	Leave	Leave	✓	✓	✓
Ms. Ayesha Aziz	✓	✓	✓	✓	✓
Mr. Atif Bajwa	✓	✓	✓	✓	✓
Mr. Sohail Sultan	✓	✓	✓	✓	✓

(v) **MEETINGS OF BOARD AUDIT COMMITTEE**

The dates of the meetings of the Board Audit Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on				
	August 24, 2023	September 26, 2023	October 26, 2023	February 21, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	✓	Leave	✓	✓
Ms. Ayesha Aziz		✓	✓	✓	Resigned
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Farooq Ahmed Khan		✓			✓

(vi) **MEETINGS OF BOARD RISK MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Risk Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on			
	August 22, 2023	October 28, 2023	February 20, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	Leave	✓	Leave
Mr. Khalilullah Shaikh	✓	✓	✓	✓
Mr. Farooq Ahmed Khan	-	-	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓

(vii) **MEETINGS OF BOARD HUMAN RESOURCE MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Human Resource Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on		
	August 21, 2023	September 26, 2023	February 19, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓
Mr. Khalilullah Shaikh	-	✓	-
Ms. Ayesha Aziz	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓

(viii) **MEETINGS OF BOARD INVESTMENT COMMITTEE**

The dates of the meetings of the Board Investment Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on	
	December 14, 2023	April 24, 2024
Mr. Farooq Ahmed Khan	-	✓
Mr. Sohail Sultan	✓	✓
Ms. Ayesha Aziz	✓	✓

(iv) ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The 98th, 99th, 100th, 101st & 102nd Board Meetings were held on 30 Aug 2021, 28 Oct 2021, 22 Feb 2022 and 21 April 2022 respectively.

Name of Director	Number of Meetings			Meeting not attended
	Held	Attended	Leave Granted	
Mr. Tanveer Awan	6	4	Resigned	Resigned
Mr. Kabir Ahmad Qureshi	6	6	-	-
Mr. Khaldoon Bin Latif	2	2	-	-
Mr. Hanspeter Beier	6	4	1	Resigned
Mr. Khalilullah Shaikh	6	6	-	-
Mr. Khaled Khanfer	6	4	2	2
Mr. Atif Bajwa	1	1	-	-
Mr. Sohail Sultan	1	1	-	-
Mr. Saad ur Rahman	6	5	1	1



**SUPPLEMENTARY NON FINANCIAL INFORMATION
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OF THE FIFTH SCHEDULE TO THE NON BANKING FINANCE
COMPANIES AND NOTIFIED ENTITIES REGULATIONS, 2008**

PERFORMANCE TABLE - AGIPPF

	30-Jun 2024		
	Islamic Moderate Allocation Plan	Balance Allocation Plan	Islamic Active Allocation Plan II
Net Assets	75,434	168,585	19,773
NAV per unit	104.3577	101.2350	90.8004
Selling price per unit	106.1579	102.6903	93.4109
Redemption price per unit	104.3577	101.2350	90.8004
Highest selling price per unit	144.4200	131.5217	144.4376
Highest redemption price per unit	140.4522	129.5001	141.3885
Lowest selling price per unit	101.8619	102.5832	93.4109
Lowest redemption price per unit	101.8619	101.1544	90.8001
Total interim distribution per unit	36.0190	28.4405	49.6636
Interim distribution date	28-Jun-24	28-Jun-24	28-Jun-24
Final distribution per unit	Nil	Nil	Nil
Final distribution date	Nil	Nil	Nil
Annualized returns	34.62%	28.22%	54.70%
Income distribution	34.54%	28.12%	0.54695414
Weighted avg. portfolio duration	N/A	N/A	N/A

	30-Jun 2023			
	Islamic Moderate Allocation Plan	Balance Allocation Plan	Islamic Active Allocation Plan II	Islamic Capital Preservation Plan IV
	72,083	187,466	83,034	16,811
	104.2928	101.1543	90.8003	100.5237
	107.2391	102.5831	93.3655	103.3634
	104.2928	101.1543	90.8003	100.5237
	119.7372	114.4605	N/A	N/A
	116.4476	112.8663	97.8216	110.9696
	102.5927	102.0858	N/A	N/A
	104.1550	100.6639	88.7973	99.7612
	12.7217	12.2024	Nil	11.0495
	23-Jun-23	23-Jun-23	Nil	23-Jun-22
	Nil	Nil	Nil	Nil
	Nil	Nil	Nil	Nil
	12.88%	12.67%	10.63%	11.92%
	12.26%	12.12%	Nil	11.08%
	N/A	N/A	N/A	N/A

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PERFORMANCE TABLE - AGIPPF

	30 June 2022					
	Islamic Moderate Allocation Plan	Balance Allocation Plan	Islamic Active Allocation Plan II	Islamic Active Allocation Plan III	Islamic Capital Preservation Plan IV	Islamic Capital Preservation Plan V
Net Assets	75,755	206,383	369,159	71,943	47,333	25,048
NAV per unit	103.7259	100.6639	90.1495	87.9206	99.7612	99.6905
Selling price per unit	106.6562	102.0858	N/A	N/A	N/A	N/A
Redemption price per unit	103.7259	100.6639	88.7973	85.7226	99.7612	99.6905
Highest selling price per unit	119.9332	109.9228	N/A	N/A	N/A	N/A
Highest redemption price per unit	116.6382	108.3918	99.0438	92.7973	103.9026	103.0860
Lowest selling price per unit	106.2719	101.7748	N/A	N/A	N/A	N/A
Lowest redemption price per unit	103.3522	100.3573	87.6922	85.4858	99.1751	98.4790
Total interim distribution per unit	10.1737	7.6181	Nil	4.5627	1.5049	1.5035
Interim distribution date	24-Jun-22	24-Jun-22	Nil	24-Jun-22	24-Jun-22	24-Jun-22
Final distribution per unit	Nil	Nil	Nil	Nil	Nil	Nil
Final distribution date	Nil	Nil	Nil	Nil	Nil	Nil
Annualized returns	10.25%	7.97%	-7.30%	5.55%	1.86%	1.36%
Income distribution	9.85%	7.60%	Nil	5.21%	1.51%	1.51%
Weighted avg. portfolio duration	N/A	N/A	N/A	N/A	N/A	N/A


	30 June 2021					
	Islamic Moderate Allocation Plan	Balance Allocation Plan	Islamic Active Allocation Plan II	Islamic Active Allocation Plan III	Islamic Capital Preservation Plan IV	Islamic Capital Preservation Plan V
	63,260	212,075	394,214	73,652	50,898	25,208
	103.3169	100.3020	97.2449	87.6002	99.7087	99.6445
	106.2356	101.7188	N/A	N/A	N/A	N/A
	103.3169	100.3020	95.7862	85.4102	99.7087	99.6445
	120.2134	111.5738	N/A	N/A	N/A	N/A
	116.9107	110.0198	113.7988	101.2267	106.8190	106.8779
	101.8665	101.0792	N/A	N/A	N/A	N/A
	99.0679	99.6714	89.6575	79.9089	99.7087	99.6445
	12.0278	9.1196	15.0438	13.2285	5.0917	5.0202
	25-Jun-21	25-Jun-21	25-Jun-21	25-Jun-21	25-Jun-21	25-Jun-21
	Nil	Nil	Nil	Nil	Nil	Nil
	Nil	Nil	Nil	Nil	Nil	Nil
	17.00%	10.06%	24.50%	23.91%	4.49%	4.36%
	12.20%	9.17%	16.70%	16.28%	5.08%	5.01%
	N/A	N/A	N/A	N/A	N/A	N/A

**SUPPLEMENTARY NON FINANCIAL INFORMATION
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PERFORMANCE TABLE - AGIPPF

	30 June 2020					
	Islamic Moderate Allocation Plan	Balance Allocation Plan	Islamic Active Allocation Plan II	Islamic Active Allocation Plan III	Islamic Capital Preservation Plan IV	Islamic Capital Preservation Plan V
Net Assets	70,099	230,952	350,189	68,961	86,038	28,997
NAV per unit	98.5484	99.4139	90.0817	81.2741	100.2739	100.2582
Selling price per unit	101.3324	100.8181	N/A	N/A	N/A	N/A
Redemption price per unit	98.5484	99.4139	88.7305	79.2422	100.2739	100.2582
Highest selling price per unit	105.6006	104.0323	92.6319	94.4054	103.2990	103.4726
Highest redemption price per unit	102.6993	102.5833	94.0425	96.8260	103.9197	103.4726
Lowest selling price per unit	100.9602	99.9209	86.5046	86.7560	100.0000	100.0000
Lowest redemption price per unit	98.0297	98.5292	87.8219	88.9805	100.0000	100.0000
Total interim distribution per unit	Nil	Nil	Nil	Nil	Nil	Nil
Interim distribution date	Nil	Nil	Nil	Nil	Nil	Nil
Final distribution per unit	5.4490	8.8238	0.3125	12.6758	7.3595	7.8755
Final distribution date	30-Jun-20	30-Jun-20	30-Jun-20	30-Jun-20	30-Jun-19	30-Jun-19
Annualized returns	5.94	5.03	-0.65	-1.99	7.43	7.95
Income distribution	5.55%	8.89%	0.34%	13.63%	7.35%	7.86%
Weighted avg. portfolio duration	N/A	N/A	N/A	N/A	N/A	N/A

	30 June 2019					
	Islamic Moderate Allocation Plan	Balance Allocation Plan	Islamic Active Allocation Plan II	Islamic Active Allocation Plan III	Islamic Capital Preservation Plan IV	Islamic Capital Preservation Plan V
	293,683	367,701	410,898	602,314	173,752	55,876
	98.1864	99.2760	90.6267	92.9739	100.1956	100.1816
	100.9602	100.6783	N/A	N/A	N/A	N/A
	98.1864	99.2760	89.2673	90.6496	100.1956	100.1816
	105.6006	104.0323	92.6319	94.4054	103.2990	103.4726
	102.6993	102.5833	94.0425	96.8260	103.9197	103.4726
	100.9602	99.9209	86.5046	86.7560	100.0000	100.0000
	98.0297	98.5292	87.8219	88.9805	100.0000	100.0000
	Nil	Nil	Nil	Nil	Nil	Nil
	Nil	Nil	Nil	Nil	Nil	Nil
	4.5953	3.3133	Nil	Nil	3.7162	3.4161
	30-Jun-19	30-Jun-19	N/A	N/A	30-Jun-19	30-Jun-19
	4.94	3.18	-1.93	-2.41	3.91	3.60
	4.6917	3.3323	Nil	Nil	3.7162	3.4161
	N/A	N/A	N/A	N/A	N/A	N/A



**Alfalah
GHP Islamic
Dedicated Equity Fund**

FUND INFORMATION

Management Company:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Board of Directors of the Management Company:	Mr. Atif Aslam Bajwa Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Mr. Sohail Sultan Mr. Khalilullah Shaikh Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Audit Committee (BAC):	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh
Business Risk Management Committee (BRMC)	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh Mr. Khaldoon Bin Latif (CEO)
Human Resource & Remuneration Committee (HRRC):	Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Board Investment Committee (BIC):	Mr. Farooq Ahmed Khan Mr. Sohail Sultan Ms. Ayesha Aziz
Head of Legal & Company Secretary:	Ms. Nahl Eman Chamdia
Chief Financial Officer:	Mr. Faisal Ali Khan
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	Yousuf Adil Chartered Accountants. Cavish Court, A-35 Shahrah-e-Faisal Road, Bangalore Town Block A Bangalore Town, Karachi
Legal Advisor:	Haider Waheed House 188, Street 33, Khyaban-e-Qasim, DHA Pahse VIII, Karachi MSB Consultants F-66/2, Park Lane, Block 5 Clifton, Karachi.
Shariah Advisor:	Bank Islami Pakistan Limited 11th Floor, Dolmen Executive Towers, Marine Drive, Clifton, Block-4, Karachi
Registrar:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Distributor:	Bank Alfalah Limited

Alfalah GHP Islamic Dedicated Equity Fund

Annual Fund Manager's Report

Type of Fund: Open-end Scheme

Category of Fund: Shariah compliant Islamic Equity Scheme (Previously Shariah Compliant Asset Allocation Scheme)

Investment Objective

The investment objective of Alfalah GHP Islamic Dedicated Equity Fund (AGIDEF) is seeking long term capital appreciation and income from a diversified portfolio developed in consistence with the principles of Shariah.

Accomplishment of Objective

The Fund has strived to achieve its objective as it provided the unit holders a competitive and attractive return as compared to peer funds via investments in Shariah Compliant avenues.

Equity Market Review

During FY24, the benchmark index remained on a bullish trajectory and posted a positive return of 90.33% on account of improving economic indicators and fiscal consolidation. The index remained positive during the year as it peaked at 80,059 level in June'24, and closed at a lower level of 78,445 points.

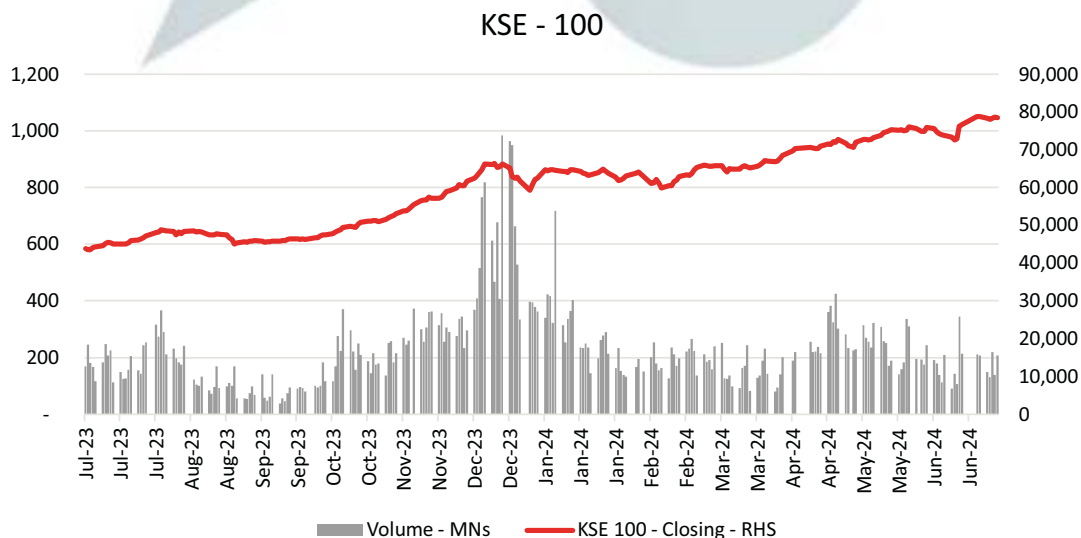
Improvement in macro-economic indicators including a) recovery in economic activity due to declining trend of inflation; b) improving forex reserves and stable PKR due to multilateral and bilateral support and fiscal consolidation and c) signing of a 9 months long standby agreement with IMF resulted in bullish investor sentiments and resulted in investors shifting allocation to equity as valuation was already attractive.

Due to the above mentioned factors, average trading volume of KSE-100 index also increased by 156%YoY to 232 million shares. Banking, Fertilizer and Power sectors contributed to the index the most, as investors jumped to sectors with attractive valuation, high dividend yield, stable demand and USD pegged revenues in case of the Power sector, while chemical sector contributed most negatively to the index due to depressed global chemical margins on the back of fear of global recession and overcapacity by many Chinese players.

Foreigners remained net buyers in FY24, as the net foreign inflow amounted to USD 139.23mn compared to net inflow of USD 22.09mn during FY23.

Going forward, we believe that the new staff level agreement on a 37month Extended Fund facility will keep fiscal and external account check and stable, the focus will likely be on preserving macroeconomic stability ensuring prudent monetary policy, avoiding fiscal slippages, maintaining market based exchange rate and implementing long-term economic reform. This will provide much-needed clarity and assurance for the economic plan.

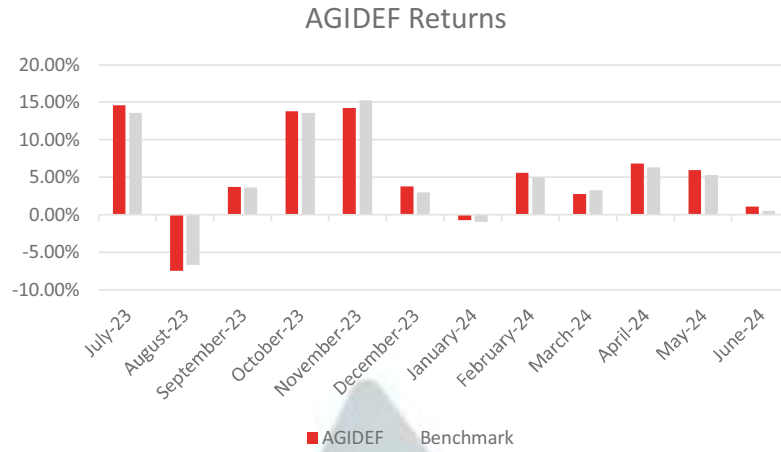
A favorable macroeconomic outlook i.e. falling inflation, monetary easing, improving reserves, and a stable PKR, serves as a booster for the Equity market in future as the benchmark index is still trading at attractive multiples (forward PE of 4x) and offers a decent dividend yield of 12%



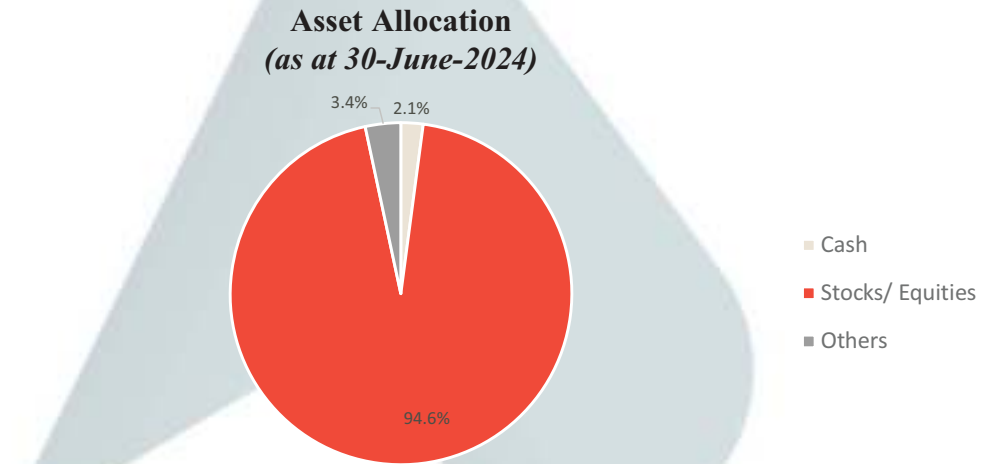
Fund Performance

The fund generated a return of 82.55% against the benchmark which generated 78.70%.

Performance comparison with Benchmark



Assets Allocation



⇒ **Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

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

⇒ **Disclosure on unit split (if any), comprising:-**

There were no unit splits during the period.

⇒ **Disclosures of circumstances that materially affect any interests of unit holders**

Investments are subject to market risk.

⇒ **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme.**

No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

**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) 34326021 - 23
URL: www.cdcPakistan.com
Email: info@cdcpak.com




TRUSTEE REPORT TO THE UNIT HOLDERS

ALFALAH GHP ISLAMIC DEDICATED EQUITY FUND

**Report of the Trustee pursuant to Regulation 41(h) and clause 8 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 Islamic Dedicated Equity Fund (the Fund) are of the opinion that Alfalah Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2024 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;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) 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.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 26, 2024





Alfalah Investments

Shariah Advisory Board
Mufti Shaikh Noman
Mufti Javed Ahmad



SHARIAH REVIEW REPORT ALFALAH ISLAMIC DEDICATED EQUITY FUND

We, the Shariah Advisors of the Alfalah Islamic Dedicated Equity Fund ("AIDEF") managed by Alfalah Asset Management Limited, are issuing this report in accordance with the Trust Deed and Offering Document of the said Fund. The scope of the report is to express an opinion on the Shariah Compliance of the Fund's activities.

It is the responsibility of the Management Company of the said Fund to establish and maintain a system of internal controls to ensure compliance with issued Shariah guidelines. As Shariah Advisors, our responsibility is to express an opinion, based on our review of the representations made by the management, to the extent where such compliance can be objectively verified.

In the capacity of Shariah Advisors of the Fund, we provide consent for investment in equities securities based on the Shariah Guidelines during the period from July 1, 2023 to June 30, 2024.

We hereby certify that the investments made by the Funds are in compliance with Shariah principles.

For the Year 2023-24 provision against Charity is made amount to Rs 133,059.24/- in respect of dividend purification.

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

For and on behalf of Shariah Advisory Board.

Mufti Shaikh Noman
Shariah Advisor

Mufti Javed Ahmad
Shariah Board Member

Alfalah Asset Management Limited

2nd Floor, Islamic Chamber of Commerce, Industry and Agriculture Building, Block-9, Clifton, Karachi - 75600 Pakistan.
U: +92 (21) 111-090-090 | W: www.alfalahamc.com

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

Alfalah GHP Islamic Dedicated Equity Fund has fully complied with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor for its operations, investments and placements made during the year ended June 30, 2024. This has been duly confirmed by the Shariah Advisor of the Fund.

Dated: September 26, 2024

Mr. Khaldoun Bin Latif
Chief Executive Officer



INDEPENDENT ASSURANCE REPORT ON COMPLIANCE WITH THE SHARIAH GOVERNANCE REGULATIONS, 2023

To The Board of Directors of Alfalah Asset Management Limited

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (the SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) – External Shariah Audit of **Alfalah GHP Islamic Dedicated Equity Fund** (the Fund) for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with the Shariah principles for the year ended **June 30, 2024**. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar.

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2024) is assessed, comprise of the Shariah principles and rules, as defined in the Regulations and reproduced as under:

- a) legal and regulatory framework administered by the SECP;
- b) Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by the SECP;
- c) Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan (ICAP), as notified by the SECP;
- d) guidance and recommendations of the Shariah advisory committee, as notified by the SECP; and
- e) approvals, rulings or pronouncements of Shariah Supervisory board or the Shariah Advisor of the Islamic financial institution, in line with (a) to (d) above.

Our engagement was carried out as required under Regulation 29 of Chapter VII of the Regulations.

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2024, which are annexed.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions, having Shariah implications, entered into by the Fund with its unit holders, other financial institutions and stakeholders and related policies and procedures are, in substance and legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for design, implementation and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan (the Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Y.A.

The firm applies International Standard on Quality Management (ISQM-1) "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications, with Shariah principles in all material respects for the year ended June 30, 2024, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements Other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Funds financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.


The procedures selected by us for the engagement depended on our judgement, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures were sufficient and appropriate to provide a basis for our opinion.

6. Conclusion

Based on our reasonable assurance engagement, we report that, in our opinion, the Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2024, are in compliance with the Shariah principles (criteria specified in the paragraph 2 above), in all material respects.

The engagement partner on the assurance resulting in this independent assurance report is Arif Nazeer.


Chartered Accountants
Date: September 27, 2024
Place: Karachi

INDEPENDENT AUDITOR'S REPORT

To the Unit Holders of Alfalah GHP Islamic Dedicated Equity Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Alfalah GHP Islamic Dedicated Equity Fund (the Fund)**, which comprise the statement of assets and liabilities as at **June 30, 2024**, and the income statement, statement of comprehensive income, the statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance, cash flows and transactions for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund and Alfalah Asset Management Limited (the Management Company) in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted by the Institute of Chartered Accountants of Pakistan together with the ethical requirements that are relevant to our audit of the financial statements in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The annual financial statements of the Fund for the year ended June 30, 2023 were audited by another firm of chartered accountants, whose audit report dated September 28, 2023, expressed an unmodified opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report in respect of the Fund but does not include the financial statements and our auditor's report thereon and the information related to any other fund.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

YA

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

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

In preparing the financial statements, Management Company is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Management Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management Company.
- Conclude on the appropriateness of Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Directors of Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Y A

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is Arif Nazeer.


Chartered Accountants

Place: Karachi

Date: September 27, 2024

UDIN: AR202410099ne5jw3zaG

ALFALAH GHP ISLAMIC DEDICATED EQUITY FUND

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2024

Assets	Note	2024 ----- (Rupees) -----	2023 -----
Bank balances	4	1,210,625	2,190,739
Investments	5	74,899,896	56,247,064
Security deposits	6	2,600,000	2,600,000
Advance, dividend, profit and other receivables	7	54,636	23,187
Total assets		78,765,157	61,060,990
Liabilities			
Payable to Alfalah Asset Management Limited - Management Company	8	346,337	452,699
Payable to Central Depository Company of Pakistan Limited - Trustee	9	67,063	21,381
Fee payable to the Securities and Exchange Commission of Pakistan	10	23,788	16,992
Accrued expenses and other liabilities	11	1,797,562	1,307,570
Total liabilities		2,234,750	1,798,642
Net assets attributable to the unit holders		76,530,407	59,262,348
Unit holders' fund (as per the statement attached)		76,530,407	59,262,348
Contingencies and commitments	12	----- (Number of units) -----	
Number of units in issue		1,212,804	939,151
Net asset value per unit		63.1021	63.1021

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC DEDICATED EQUITY FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

Income	Note	2024 ----- (Rupees) -----	2023 -----
Profit on bank balances		22,888	58,651
Net realised gain on sale of investments		28,719,760	1,556,024
Dividend income		7,994,843	6,093,637
Net unrealised appreciation / (diminution) on revaluation of investments classified as financial assets 'at fair value through profit or loss'	5.3	19,382,391	(3,402,209)
Total income		56,119,882	4,306,103
Expenses			
Remuneration of Alfalah Asset Management Limited - Management Company	8.1	1,775,815	1,699,052
Sindh sales tax on remuneration of the Management Company	8.2	230,857	220,877
Allocated expenses	8.3	95,870	389,846
Selling and marketing expenses		-	8,856
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	177,279	169,901
Sindh sales tax on remuneration of the Trustee	9.2	23,045	22,087
Fee to the Securities and Exchange Commission of Pakistan	10	84,200	16,992
Bank and settlement charges		308,978	405,034
Auditors' remuneration	13	568,641	568,641
Brokerage and securities transaction costs		674,597	423,171
Printing and related costs		30,080	29,979
Charity expense	11.1	133,059	146,329
Legal and professional expense		130,515	-
Total expenses		4,232,936	4,100,765
Net income for the year before taxation		51,886,946	205,338
Taxation	14	-	-
Net income for the year after taxation		51,886,946	205,338
Allocation of net income for the year			
Net income for the year after taxation		51,886,946	205,338
Income already paid on units redeemed		(28,877,275)	(12,101)
Accounting income available for distribution		23,009,671	193,237
Relating to capital gains		23,009,671	193,237
Excluding capital gains		-	-
		23,009,671	193,237
Earnings per unit	3.15		

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC DEDICATED EQUITY FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	----- (Rupees) -----	
Net income for the year after taxation	51,886,946	205,338
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>51,886,946</u>	<u>205,338</u>

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



For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC DEDICATED EQUITY FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	2024			2023		
	Capital value	Accumulated loss	Total	Capital value	Accumulated loss	Total
	----- Rupees -----			----- Rupees -----		
Net assets at the beginning of the year	379,038,134	(319,775,786)	59,262,348	492,750,346	(319,775,788)	172,974,558
Issuance of 2,371,029 units (2023: 957,138 units)						
- Capital value (at net asset value per unit at the beginning of the year)	149,616,909	-	149,616,909	61,066,553	-	61,066,553
- Element of income	39,715,985	-	39,715,985	2,031,289	-	2,031,289
Total proceeds on issuance of units	189,332,894	-	189,332,894	63,097,842	-	63,097,842
Redemption of 2,097,376 units (2023: 2,729,138 units)						
- Capital value (at net asset value per unit at the beginning of the year)	132,348,830	-	132,348,830	174,122,279	-	174,122,279
- Element of income	28,118,194	28,877,275	56,995,469	2,675,674	12,101	2,687,775
Total payments on redemption of units	160,467,024	28,877,275	189,344,299	176,797,953	12,101	176,810,054
Total comprehensive income for the year	-	51,886,946	51,886,946	-	205,338	205,338
Final distribution for the year ended June 30, 2024 @ Rs. 52.0908 per unit declared on June 28, 2024	(11,597,780)	(23,009,702)	(34,607,482)	-	-	-
Final distribution for the year ended June 30, 2023 @ Rs. 0.2194 per unit declared on June 28, 2023	-	-	-	(12,101)	(193,235)	(205,336)
Net assets at the end of the year	396,306,224	(319,775,817)	76,530,407	379,038,134	(319,775,786)	59,262,348
	(Rupees)			(Rupees)		
Accumulated loss brought forward						
- Realised loss		(316,373,577)			(294,549,252)	
- Unrealised loss		(3,402,209)			(25,226,536)	
		<u>(319,775,786)</u>			<u>(319,775,788)</u>	
Accounting income available for distribution						
- Relating to capital gains		23,009,671			193,237	
- Excluding capital gains		-			-	
		<u>23,009,671</u>			<u>193,237</u>	
Final distribution for the year ended June 30, 2024 @ Rs. 52.0908 per unit declared on June 28, 2024		(23,009,702)			-	
Final distribution for the year ended June 30, 2023 @ Rs. 0.2194 per unit declared on June 28, 2023		-			(193,235)	
Accumulated loss carried forward		<u>(319,775,817)</u>			<u>(319,775,786)</u>	
Accumulated loss carried forward						
- Realised loss		(339,158,208)			(316,373,577)	
- Unrealised gain / (loss)		19,382,391			(3,402,209)	
		<u>(319,775,817)</u>			<u>(319,775,786)</u>	
		(Rupees)			(Rupees)	
Net asset value per unit at the beginning of the year		<u>63.1021</u>			<u>63.8012</u>	
Net asset value per unit at the end of the year		<u>63.1021</u>			<u>63.1021</u>	

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC DEDICATED EQUITY FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ----- (Rupees) -----	2023 -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		51,886,946	205,338
Adjustments for:			
Net unrealised appreciation / (diminution) on revaluation of investments classified as financial assets 'at fair value through profit or loss'	5.3	<u>(19,382,391)</u>	3,402,209
		32,504,555	3,607,547
Decrease / (increase) in assets			
Investments - net		<u>729,559</u>	101,920,252
Advance, dividend, profit and other receivables		<u>(31,449)</u>	1,499,984
		698,110	103,420,236
Increase / (decrease) in liabilities			
Payable to Alfalah Asset Management Limited - Management Company		<u>(106,362)</u>	(2,046,820)
Payable to Central Depository Company of Pakistan Limited - Trustee		<u>45,682</u>	(15,412)
Fee payable to the Securities and Exchange Commission of Pakistan		<u>6,796</u>	(37,715)
Accrued expenses and other liabilities		<u>489,992</u>	(246,806)
		436,108	(2,346,753)
Net cash generated from operating activities		<u>33,638,773</u>	104,681,030
CASH FLOWS FROM FINANCING ACTIVITIES			
Amounts received against issuance of units - net of refund of capital		<u>177,735,114</u>	63,085,741
Payment made against redemption of units		<u>(189,344,299)</u>	(176,810,054)
Dividend paid		<u>(23,009,702)</u>	(193,235)
Net cash used in financing activities		<u>(34,618,887)</u>	(113,917,548)
Net decrease in cash and cash equivalents during the year		<u>(980,114)</u>	(9,236,518)
Cash and cash equivalents at beginning of the year		<u>2,190,739</u>	11,427,257
Cash and cash equivalents at end of the year	4	<u>1,210,625</u>	<u>2,190,739</u>

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC DEDICATED EQUITY FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Alfalah GHP Islamic Dedicated Equity Fund (the Fund) is an open-end collective investment scheme established through a Trust Deed under the Trust Act, 1882, executed between Alfalah Asset Management Limited (the Management Company) and Central Depository Company of Pakistan Limited (CDC), as the Trustee. The Trust Deed was executed on April 06, 2017, and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), on March 28, 2017.

During the year ended 30 June 2021, the Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" (the Trust Act). Consequently, the Fund was required to be registered under the Sindh Trusts Act and on September 9, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trusts Act.

1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Financing Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) through a certificate issued by the SECP on February 23, 2023 which is valid for a period of three years w.e.f March 9, 2023. The registered office of the Management Company is situated at Islamic Chamber of Commerce, Industry & Agriculture Building, 2nd floor, ST-2/A, Block-9, KDA Scheme 5, Clifton Karachi.

1.3 According to the trust deed, the objective of the Fund is to provide good total return through a combination of current income and long-term capital appreciation, consistent with reasonable investment risk in shariah compliant equity securities. The Fund invests in shariah compliant securities and profit bearing accounts.

1.4 Alfalah GHP Islamic Dedicated Equity Fund is an Open-end Shariah Compliant Islamic Equity Fund. The objective of The Fund is to provide other 'Fund of Funds' Schemes an avenue for investing in Shariah Compliant Equities

1.5 The VIS Credit Rating Company Limited has assigned an asset manager rating of AM1 (positive outlook) to the Management Company on December 29, 2023 (PACRA rating 2023: AM2++ dated August 31, 2023).

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the requirements of IFRSs, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

2.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2023. The amendments require the disclosure of 'material', rather than 'significant', accounting policies. Although the amendments did not result in any changes to the accounting policies themselves.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain standards, amendments and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 2024 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are, therefore, not detailed in these financial statements.

2.4 Critical accounting estimates and judgments

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

The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements relate to classification, valuation, and impairment of financial assets (notes 3.3 and 5).

2.5 Accounting convention

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

2.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The short term investments are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

3.3 Financial assets

3.3.1 Classification and subsequent measurement

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the Statement of Assets and Liabilities at fair value, with gains and losses recognised in the "Income Statement", except where an irrevocable election has been made at the time of initial recognition to measure the investment at fair value through other comprehensive income (FVOCI). The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The management considers its investment in equity securities as a group of assets and assesses them on a fair value basis and hence has classified them as fair value through profit or loss (FVTPL). Accordingly, the irrevocable option has not been considered.

The dividend income for equity securities classified under FVTPL are to be recognised in the "Income Statement".

Since all investments in equity instruments have been designated as FVTPL, the subsequent movement in the fair value of equity securities is routed through the "Income Statement".

3.3.2 Expected Credit Loss

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets carried at amortised cost and FVOCI. The Fund recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects :

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

The 12 months ECL is recorded for all financial assets in which there is no significant increase in credit risk from the date of initial recognition, whereas a lifetime ECL is recorded for all remaining financial assets.

3.3.3 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset.

3.3.4 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the "Income Statement".

3.3.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the "Income Statement".

3.4 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the "Income Statement".

3.5 Offsetting of financial assets and financial liabilities

Financial assets and financial 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 to realise the assets and settle the liabilities simultaneously.

3.6 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on enacted tax rates.

3.7 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are being amortised over five years in accordance with the requirements set out in the Trust Deed of the Fund and the NBFC Regulations.

3.8 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.9 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

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

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

3.11 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 / Management Company during business hours of the day on which applications are received. The offer price represents the net asset value per unit as of the close of the business day plus the allowable sales load, any provision for duties and charges, and provision for transaction costs, if applicable. The sales load is payable to the investment facilitators, distributors, and the Management Company.

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

3.12 Net asset value per unit

The net asset value (NAV) per unit as disclosed in the "Statement of Assets and Liabilities" is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

3.13 Revenue recognition

- Gains or losses arising on sale of investments classified as financial asset at 'fair value through profit or loss' are recorded at the date on which the transaction takes place;
- Unrealised appreciation / (diminution) arising on revaluation of investments classified as financial assets 'at fair value through profit or loss' are recorded in the period in which they arise;
- Profit income on bank balances is recognised on an accrual basis; and
- Dividend income is recognised when the right to receive the dividend is established. i.e. on the date of commencement of book closure of the investee company / institution declaring the dividend.

3.14 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee to the SECP are recognised in the "Income Statement" on an accrual basis.

3.15 Earnings / (loss) per unit

Earnings / (loss) per unit is calculated by dividing the net income / (loss) for the year after taxation of the Fund by the weighted average number of units outstanding during the year.

Earnings / (loss) per unit (EPU) has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

3.16 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the "Income Statement".

4. BANK BALANCES

	Note	2024 ----- (Rupees) -----	2023 -----
Balances with banks in:			
- Savings accounts	4.1	100,695	170,821
- Current account	4.2	1,109,930	2,019,918
		<u>1,210,625</u>	<u>2,190,739</u>

4.1 These accounts carry profit rates ranging between 11% to 20.5% (2023: 10.22% to 19.5%) per annum. These include bank balance of Rs. 4,707 (2023: Rs. 4,055) maintained with Bank Alfalah Limited - Islamic Banking Division, a related party, carrying profit at the rate of 11% (2023: 10.22%) per annum.

4.2 This current account is maintained with Bank Alfalah Limited - Islamic Banking Division (a related party).

5. INVESTMENTS

At fair value through profit or loss

Listed equity securities	5.1	74,594,976	55,753,324
Exchange traded fund	5.2	304,920	493,740
		<u>74,899,896</u>	<u>56,247,064</u>

5.1 Listed equity securities

Fully paid up ordinary shares with a face value of Rs. 10 each unless stated otherwise.

Name of the investee company	Note	As at July 01, 2023	Purchases during the year	Bonus / right shares received during the year	Sold during the year	As at June 30, 2024	As at June 30, 2024			Market Value as a percentage of		Holding as a percentage of paid-up capital of investee company
							Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments	
						-----Rupees-----			-----%			
Commercial banks												
Faysal Bank Limited		27,000	88,000	-	100,736	14,264	372,202	748,004	375,802	1.00	1.00	0.05
Meezan Bank Limited	5.1.3	48,879	81,200	-	102,200	27,879	3,776,010	6,673,954	2,897,944	8.91	8.91	0.37
							4,148,212	7,421,958	3,273,746	9.91	9.91	0.42
Textile composite												
Interloop Limited		16,101	30,230	-	35,900	10,431	668,156	738,828	70,672	0.99	0.99	0.05
Kohinoor Textile Mills Limited		12,000	-	-	7,800	4,200	213,822	348,432	134,610	0.47	0.47	0.13
Nishat Mills Limited	5.1.3	11,526	21,000	-	22,800	9,726	678,344	689,087	10,743	0.92	0.92	0.20
Towellers Limited		-	4,500	-	-	4,500	704,839	635,220	(69,619)	0.85	0.85	3.74
							2,265,161	2,411,567	146,406	3.23	3.23	4.12
Cement												
Attock Cement Pakistan Limited		-	16,000	-	8,200	7,800	701,642	757,692	56,050	1.01	1.01	0.55
Cherat Cement Company Limited		10,530	21,100	-	15,877	15,753	2,434,238	2,569,787	135,549	3.43	3.43	1.32
D.G. Khan Cement Company Limited		6,000	39,300	-	34,900	10,400	718,060	938,808	220,748	1.25	1.25	0.21
Fauji Cement Company Limited		10,000	155,500	-	68,000	97,500	1,872,126	2,233,725	361,599	2.98	2.98	0.09
Kohat Cement Company Limited	5.1.3	7,700	3,500	-	7,000	4,200	824,572	1,051,806	227,234	1.40	1.40	0.54
Lucky Cement Limited	5.1.3	9,298	7,050	-	10,800	5,548	3,918,674	5,030,538	1,111,864	6.72	6.72	1.72
Maple Leaf Cement Factory Limited	5.1.3	44,557	112,500	-	97,000	60,057	2,277,463	2,282,166	4,703	3.05	3.05	0.22
Pioneer Cement Limited		10,700	20,600	-	17,400	13,900	1,686,146	2,344,235	658,089	3.13	3.13	1.03
							14,432,921	17,208,757	2,775,836	22.97	22.97	5.68
Power Generation and Distribution												
The Hub Power Company Limited	5.1.3	25,656	153,276	-	120,900	58,032	6,178,627	9,463,859	3,285,232	12.64	12.64	0.73
K-Electric Limited	5.1.1	-	750,000	-	322,000	428,000	2,037,297	1,981,640	(55,657)	2.65	2.65	0.02
Nishat Chunian Power Limited		-	51,000	-	51,000	-	-	-	-	-	-	-
Nishat Power Limited		-	16,000	-	16,000	-	-	-	-	-	-	-
Saif Power Limited		-	17,000	-	17,000	-	-	-	-	-	-	-
							8,215,924	11,445,499	3,229,574	15.29	15.29	0.75
Oil and Gas Marketing Companies												
Attock Petroleum Limited		1,000	-	-	1,000	-	-	-	-	-	-	-
Pakistan State Oil Company Limited	5.1.2	12,719	31,700	-	33,800	10,619	1,609,374	1,764,984	155,610	2.36	2.36	0.38
Shell Pakistan Limited		3,300	5,500	-	3,300	5,500	743,999	737,550	(6,449)	0.98	0.98	0.34
Sui Northern Gas Pipelines Limited		24,000	73,100	-	76,800	20,300	1,285,536	1,288,441	2,905	1.72	1.72	0.20
							3,638,909	3,790,975	152,066	5.06	5.06	0.92

Name of the investee company	Note	As at July 01, 2023	Purchases during the year	Bonus / right shares received during the year	Sold during the year	As at June 30, 2024	As at June 30, 2024			Market Value as a percentage of		Holding as a percentage of paid-up capital of investee company
							Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments	
						-----Rupees-----			-----%			
Oil and Gas Exploration Companies												
Mari Petroleum Company Limited	5.1.3	3,114	2,400	-	3,800	1,714	3,262,625	4,648,951	1,386,326	6.21	6.21	3.48
Oil and Gas Development Company Limited	5.1.3	47,330	143,600	-	152,200	38,730	4,187,055	5,242,880	1,055,825	7.00	7.00	0.12
Pakistan Oilfields Limited	5.1.3	10,116	-	-	10,116	-	-	-	-	-	-	-
Pakistan Petroleum Limited	5.1.3	51,776	151,100	-	157,100	45,776	4,229,539	5,360,827	1,131,288	7.16	7.16	0.20
							11,679,219	15,252,658	3,573,439	20.37	20.37	3.80
Engineering												
Agha Steel Industries Limited		350	-	-	350	-	-	-	-	-	-	-
International Industries Limited	5.1.3	83	-	-	83	-	-	-	-	-	-	-
International Steels Limited		100	-	-	100	-	-	-	-	-	-	-
Mughal Iron and Steel Industries Limited		-	41,500	-	33,300	8,200	542,065	762,600	220,535	1.02	1.02	0.23
							542,065	762,600	220,535	1.02	1.02	0.23
Automobile Assemblers												
Millat Tractors Limited		3,798	11,500	-	12,950	2,348	1,244,384	1,493,516	249,132	1.99	1.99	0.78
Pak Suzuki Motor Company Limited		-	8,800	-	8,800	-	-	-	-	-	-	-
Sazgar Engineering Works Limited		11,000	15,200	-	23,100	3,100	598,965	2,580,626	1,981,661	3.45	3.45	4.27
							1,843,349	4,074,142	2,230,794	5.44	5.44	5.05
Paper and Board												
Cherat Pack		-	10,500	-	10,500	-	-	-	-	-	-	-
Century Paper		-	30,000	-	30,000	-	-	-	-	-	-	-
Fertilizer												
Engro Corporation Limited	5.1.3	17,179	23,100	-	35,100	5,179	1,479,128	1,723,105	243,977	2.30	2.30	0.32
Engro Fertilizers Limited	5.1.3	38,137	79,600	-	89,200	28,537	2,880,280	4,743,420	1,863,140	6.33	6.33	0.36
Fauji Fertilizer Company Limited		-	17,200	-	17,200	-	-	-	-	-	-	-
							4,359,408	6,466,525	2,107,117	8.63	8.63	0.68
Pharmaceuticals												
AGP Limited		11,052	-	-	11,052	-	-	-	-	-	-	-
Citi Pharma Limited		23,117	69,000	-	91,500	617	14,022	17,585	3,563	0.02	0.02	0.01
Highnoon Laboratories Limited		1,484	2,000	-	2,100	1,384	552,324	987,595	435,271	1.32	1.32	1.86
The Searle Company Limited	5.1.2	14,688	-	-	9,500	5,188	198,804	296,339	97,535	0.40	0.40	0.06
The Searle Company Limited - Right issue		-	4,132	-	4,132	-	-	-	-	-	-	-
							765,150	1,301,520	536,369	1.74	1.74	1.93
Chemical												
Descon Oxychem limited		-	40,000	-	40,000	-	-	-	-	-	-	-
Engro Polymer and Chemicals Limited		13,000	-	-	13,000	-	-	-	-	-	-	-
AgriTech Limited		-	70,000	-	44,000	26,000	383,476	531,960	148,484	0.71	0.71	0.13
							383,476	531,960	148,484	0.71	0.71	0.13
Foods and Personal Care Products												
National Foods Limited	5.1.1	6,500	-	-	6,500	-	-	-	-	-	-	-
The Organic Meat Company Limited	5.1.1 & 5.1.2	22	-	2	-	24	457	845	388	0.00	0.00	0.00
Unity Foods Limited		-	117,500	-	117,500	-	-	-	-	-	-	-
							457	845	388	0.00	0.00	0.00
Synthetic and Rayon												
Image Pakistan Limited		-	149,967	-	122,500	27,467	370,804	363,114	(7,690)	0.48	0.48	0.16
Technology and Communication												
Air Link Communication Limited		-	60,200	-	50,500	9,700	372,659	861,651	488,992	1.15	1.15	0.22
Avanceon Limited		12,190	-	-	12,190	-	-	-	-	-	-	-
Systems Limited	5.1.3	9,948	2,600	-	10,750	1,798	767,315	752,102	(15,213)	1.00	1.00	0.26
							1,139,974	1,613,753	473,780	2.15	2.15	0.48
Transport												
Pakistan National Shipping Corporation		-	6,500	-	6,500	-	-	-	-	-	-	-
Glass and Ceramics												
Tariq Glass Industries Limited		10,850	70,000	-	67,500	13,350	1,209,615	1,555,942	346,327	2.08	2.08	0.90

Name of the investee company	Note	As at July 01, 2023	Purchases during the year	Bonus / right shares received during the year	Sold during the year	As at June 30, 2024	As at June 30, 2024			Market Value as a percentage of		Holding as a percentage of paid-up capital of investee company
							Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments	
						-----Number of shares-----			-----Rupees-----		-----%-----	
Miscellaneous												
Pakistan Aluminium Beverage Cans Limited		8,500	16,000	-	19,500	5,000	330,000	369,250	39,250	0.49	0.49	0.10
Synthetic Products Enterprises Limited	5.1.1	1,502	-	-	-	1,502	15,621	23,911	8,290	0.03	0.03	0.02
							345,621	393,161	47,540	0.52	0.52	0.12
Total as at June 30, 2024							55,340,265	74,594,976	19,254,711			
Total as at June 30, 2023							59,044,700	55,753,324	(3,291,376)			

5.1.1 All shares are fully paid-up ordinary shares of Rs 10 each except for Synthetic Products Enterprise Limited and National Foods Limited, which have fully paid-up share of Rs 5 each. The K-Electric Limited has fully paid-up ordinary shares of Rs 3.5 each.

5.1.2 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance, 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

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

On June 27, 2018, the Supreme Court of Pakistan passed a judgement whereby the suits which were already pending or to be filed in future could only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to continue. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically. The CISs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019 and on July 15, 2019, the Honourable High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

Finance Act, 2018 effective from July 1, 2018 had omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund since July 1, 2018 were not withheld by the investee companies.

Later on, the Finance Act, 2023 effective from July 01, 2023 has included section 236Z of the Income Tax Ordinance, 2001 requiring every Company quoted on stock exchange issuing bonus shares to the shareholders of the Company to withhold 10% of the bonus shares to be issued. During the year Funds had investment in Companies which issued bonus shares and respective bonus shares were withheld by Companies.

Name of the Company	2024		2023	
	Bonus Shares		Bonus Shares	
	Number of shares withheld	Market value (Rupees)	Number of shares withheld	Market value (Rupees)
The Organic Meat Company Limited	1	845	-	-
Pakistan State Oil Company Limited	591	1,764,984	591	65,607
The Searle Company Limited	1,412	296,339	1,412	54,108
		<u>2,062,168</u>		<u>119,715</u>

5.1.3 The above investments include shares having a market value (in aggregate) amounting to Rs 16.523 million (2023: Rs 10.172 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the Securities and Exchange Commission of Pakistan. The details of shares which have been pledged are as follows:

Name of Security	2024	2023	2024	2023
	Number of Shares		Market Value	
	----- (Rupees) -----			
Meezan Bank Limited	7,645	7,645	1,830,137	381,126
Lucky Cement Limited	730	730	661,913	660,299
Kohat Cement Company Limited	890	890	222,883	41,769
Maple Leaf Cement Factory Limited	1,245	1,245	47,310	1,196,685
Engro Corporation Limited	3,775	4,775	1,255,980	49,621
Engro Fertilizers Limited	14,500	14,500	2,410,190	936,000
Mari Petroleum Company Limited	775	775	2,102,064	1,069,445
Oil and Gas Development Company Limited	32,000	12,000	4,331,840	398,604
Pakistan Petroleum Limited	6,740	6,740	789,321	458,018
Pakistan State Oil Company Limited	447	447	74,296	182,799
The Searle Company Limited	1,090	1,090	62,261	1,240,975
The Hub Power Company Limited	15,370	15,370	2,506,540	154,388
Nishat Mills Limited	3,220	3,220	228,137	35,271
Pakistan Oilfields Limited	-	1,140	-	1,173,846
Systems Limited	-	5,430	-	2,190,082
International Industries Limited	-	40	-	2,930
			16,522,872	10,171,858

5.2 Exchange traded fund

Name of the fund	As at July 01, 2023	Issued during the year	Redeemed during the year	As at June 30, 2024	As at June 30, 2024			Market value as a percentage of	
					Carrying value	Market value	Unrealised gain / (loss)	net assets of the Fund	total investments
	-----Number of shares-----				-----Rupees-----			-----%-----	
Alfalah Consumer Index Exchange Traded Fund	78,000	-	50,000	28,000	177,240	304,920	127,680	0.40%	0.41%
Total as at June 30, 2024					177,240	304,920	127,680		
Total as at June 30, 2023					2,844,200	2,257,920	(586,280)		

5.3 Net unrealised appreciation / (diminution) on revaluation of investments classified as financial assets 'at fair value through profit or loss'

	Note	2024	2023
		----- (Rupees) -----	
Market value of investments	5.1 & 5.2	74,899,896	56,247,064
Less: carrying value of investments	5.1 & 5.2	(55,517,505)	(59,649,273)
		19,382,391	(3,402,209)

6. SECURITY DEPOSITS

Central Depository Company of Pakistan Limited	100,000	100,000
National Clearing Company of Pakistan Limited	2,500,000	2,500,000
	2,600,000	2,600,000

7. ADVANCE, DIVIDEND, PROFIT AND OTHER RECEIVABLES	Note	2024 ----- (Rupees) -----	2023
Dividend receivable		21,280	-
Profit receivable on bank balances		24,294	14,213
Advance tax	7.1	9,062	8,974
		<u>54,636</u>	<u>23,187</u>

7.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding tax on dividend, profit on bank deposits, profit on markup on margin trading system and profit on debt securities paid to the Fund has been deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on profit on debt, profit on bank deposits and dividends amounts to Rs.0.0091 million (2023: Rs.0.0089 million).

For this purpose, Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund on dividend, profit on bank deposits, profit on margin trading system and profit on debt securities has been shown as advance tax under 'Advances, deposits and prepayments' as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

8. PAYABLE TO ALFALAH ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	2024 ----- (Rupees) -----	2023
Management remuneration payable	8.1	219,483	190,899
Sindh sales tax payable on management remuneration	8.2	27,879	24,817
Preliminary expenses and floatation cost payable		57,500	57,500
Payable against allocated expenses	8.3	41,475	179,483
		<u>346,337</u>	<u>452,699</u>

8.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management remuneration as disclosed in the Offering Document, subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 2% (2023: 2%) per annum of daily average net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

8.2 During the year, an amount of Rs. 0.231 million (2023: Rs. 0.221 million) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 0.153 million (2023: Rs. 0.196 million) has been paid to the Management Company which acts as a collecting agent.

8.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). During the current year, the Management Company has charged such expenses to the Fund at the rate of 0.11% (2023: 0.46%) of the average net assets of the Fund.

9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2024 ----- (Rupees) -----	2023
Trustee remuneration payable	9.1	59,350	18,922
Sindh sales tax payable on trustee remuneration	9.2	7,713	2,459
		<u>67,063</u>	<u>21,381</u>

9.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed as follows:

Average net asset value (Rupees)	Tariff per annum
Up to Rs 1,000 million	Rs. 0.7 million or 0.20% p.a. of Net Assets whichever is higher.
Over Rs 1,000 million	Rs. 2.0 million plus 0.10% per annum of net assets exceeding Rs 1 billion

9.2 During the year, an amount of Rs. 0.023 million (2023: Rs. 0.022 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh sales tax on Services Act, 2011 and an amount of Rs. 0.023 million (2023: Rs. 0.024 million) was paid to the Trustee which acts as a collecting agent.

10. FEE PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

	Note	2024 ----- (Rupees) -----	2023 -----
Fee payable	10.1	<u>23,788</u>	<u>16,992</u>

10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non refundable fee to the Securities and Exchange Commission of Pakistan (SECP).

Effective from July 1, 2023, the SECP vide SRO No. 592(I)/2023 dated May 17, 2023, has revised the rate of fee to 0.095% per annum of the daily net assets of the Fund, applicable to an "Equity Scheme". Previously, the rate of fee applicable on all categories of CISs was Rs. 0.02 per annum of the daily net assets of the Fund. Accordingly, the Fund has charged the SECP fee at the rate of 0.095% per annum of the daily net assets during the year.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the Fund was required to pay SECP fee within three months of the close of accounting year.

11. ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	2024 ----- (Rupees) -----	2023 -----
Brokerage payable		664,950	150,097
Auditors' remuneration payable		577,208	577,848
Charity payable	11.1	133,059	146,329
Printing charges payable		113,625	102,645
Settlement charges payable		113,084	30,094
Shariah advisory fee payable		100,208	197,008
Withholding tax payable		95,428	103,549
		<u>1,797,562</u>	<u>1,307,570</u>

11.1 According to the instructions of the Shariah Advisory Board, any income earned by the Fund from investments, a portion of which has been held in non-shariah compliant avenues, such portion of the income Rs. 0.133 million (2023: Rs. 0.146 million) of the Fund should be donated for charitable purposes directly by the Fund. Accordingly, the dividend income is recorded net of charity portion.

12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 and June 30, 2023.

13. AUDITORS' REMUNERATION

	2024 ----- (Rupees) -----	2023 -----
Annual audit fee	181,500	181,500
Review and other certification	297,154	297,154
Out of pocket expenses	47,865	47,865
Sindh sales tax	42,122	42,122
	<u>568,641</u>	<u>568,641</u>

14. TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders.

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

Since the Management Company intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2024 to the unit holders in the manner as explained above, accordingly no provision for taxation has been made in these financial statements.

15. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2024 is 4.75% (2023: 4.83%) which includes 0.46% (2023: 0.36%) representing government levies on the Fund such as sales taxes, annual fee to the SECP etc. The TER excluding government levies is 4.29% (2023: 4.47%) which is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

16. TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / connected persons include Alfalah Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee of the Fund, Bank Alfalah Limited, MAB Investment Incorporation, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund and Alfalah Asset Management Limited - Staff Provident Fund being the associates of the Management Company, Funds under management of the Management Company and directors and their close family members and key management personnel of the Management Company. Connected persons also includes any person beneficially owning directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates duly approved by the Board of Directors. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

Remuneration of the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

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

16.1 Unit Holders' Fund

	2024									
	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2024	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2024
	----- (Units) -----					----- (Rupees) -----				
Associated companies / undertakings										
Alfalah GHP Islamic Prosperity Planning Fund	883,804	1,140,120	548,436	1,359,556	1,212,804	55,769,888	100,246,156	34,607,454	121,886,966	76,530,479
Alfalah GHP Islamic Prosperity Planning Fund 2	55,347	682,473	-	737,820	-	3,492,512	54,479,256	-	67,457,333	-

	2024									
	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2024	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2024
	----- (Units) -----					----- (Rupees) -----				
Associated companies / undertakings										
Alfalah GHP Islamic Prosperity Planning Fund	2,711,151	527,637	3,062	2,358,046	883,804	172,974,558	35,000,000	193,235	153,617,552	55,769,888
Alfalah GHP Islamic Prosperity Planning Fund 2	-	422,993	192	367,838	55,347	-	27,892,503	12,101	23,192,503	3,492,512

16.2 Details of transaction with related parties / connected persons during the year are as follows:

Associated companies / undertakings	2024	2023
	----- Rupees -----	
Alfalah Asset Management Limited - Management Company		
Remuneration of Alfalah Asset Management Limited - Management Company	1,775,815	1,699,052
Sindh sales tax on remuneration of the Management Company	230,857	220,877
Allocated expenses	95,870	389,846
Selling and marketing expense	-	8,856
Bank Alfalah Limited - Islamic Banking Division		
Profit on bank balances	22,888	-
Alfalah Consumer Index Exchange Traded Fund		
Purchase of Nil units (2023: 40,000 units)	-	302,200
Sale of 50,000 units (2023: 250,000 units)	417,000	1,958,000
Other related party		
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	177,279	169,901
Sindh sales tax on remuneration of the Trustee	23,045	22,087

16.3 Details of balances with related parties / connected persons as at year end are as follows:

Associated companies / undertakings		
Alfalah Asset Management Limited (Management Company)		
Management remuneration payable	219,483	190,899
Sindh sales tax payable on management remuneration	27,879	24,817
Preliminary expenses and floatation cost payable	57,500	57,500
Payable against allocated expenses	41,475	179,483
Bank Alfalah Limited - Islamic Banking Division		
Bank balance	1,114,637	2,023,973
Profit receivable	-	2,906
Alfalah Consumer Index Exchange Traded Fund		
Investment in 28,000 units (2023: 78,000 units)	177,240	604,573
Other related party		
Central Depository Company of Pakistan Limited (Trustee)		
Trustee remuneration payable	59,350	18,922
Sindh sales tax payable on trustee remuneration	7,713	2,459
Security deposit	100,000	100,000

17. FINANCIAL INSTRUMENTS BY CATEGORY

----- 2024 -----			
At amortised cost	At fair value through profit or loss	Total	
----- (Rupees) -----			
Financial assets			
Bank balances	1,210,625	-	1,210,625
Investments	-	74,899,896	74,899,896
Security deposits	2,600,000	-	2,600,000
Dividend, profit and other receivables	45,574	-	45,574
	<u>3,856,199</u>	<u>74,899,896</u>	<u>78,756,095</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	346,337	-	346,337
Payable to Central Depository Company of Pakistan Limited - Trustee	67,063	-	67,063
Accrued expenses and other liabilities	1,569,075	-	1,569,075
	<u>1,982,475</u>	<u>-</u>	<u>1,982,475</u>
----- 2023 -----			
At amortised cost	At fair value through profit or loss	Total	
----- (Rupees) -----			
Financial assets			
Bank balances	2,190,739	-	2,190,739
Investments	-	56,247,064	56,247,064
Security deposits	2,600,000	-	2,600,000
Dividend, profit and other receivables	14,213	-	14,213
	<u>4,804,952</u>	<u>56,247,064</u>	<u>61,052,016</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	452,699	-	452,699
Payable to Central Depository Company of Pakistan Limited - Trustee	21,381	-	21,381
Accrued expenses and other liabilities	1,057,692	-	1,057,692
	<u>1,531,772</u>	<u>-</u>	<u>1,531,772</u>

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

18.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Management Company manages the market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by Investment Committee and the regulations laid down by the Securities and Exchange Commission of Pakistan.

Market risk comprises of three types of risks: currency risk, profit rate risk and price risk.

18.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

18.1.2 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. The profit rate profile of the Fund's profit bearing financial instruments is as follows:

	2024	2023
	----- Rupees -----	
Variable rate instruments (financial assets)		
Bank balances	<u>100,695</u>	<u>170,821</u>

a) Sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in profit rates at the reporting date would have increased / decreased the "Income Statement" and "Statement of Comprehensive Income" by Rs 1,006.95 (2023: Rs 1,708.21) and consequently statement of movement in unit holders' fund would be affected by the same amount. The analysis assumes that all other variables remain constant.

b) Sensitivity analysis for fixed rate instruments

As at reporting date, the Fund does not hold any fixed rate instruments.

The composition of the Fund's investment may change over time. Accordingly, the sensitivity analysis prepared as at June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Yield / profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet financial instruments is based on settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

Effective profit rate	2024					
	Exposed to profit rate risk			Not exposed to profit rate risk	Total	
	Up to three months	More than three months and up to one year	More than one year			
	----- (Rupees) -----					
On-balance sheet financial instruments						
Financial assets						
Bank balances	11% to 20.5%	100,695	-	-	1,109,930	1,210,625
Investments		-	-	-	74,899,896	74,899,896
Security deposits		-	-	-	2,600,000	2,600,000
Advance, dividend, profit and other receivables		-	-	-	45,574	45,574
		<u>100,695</u>	<u>-</u>	<u>-</u>	<u>78,655,400</u>	<u>78,756,095</u>
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	346,337	346,337
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	67,063	67,063
Accrued expenses and other liabilities		-	-	-	1,569,075	1,569,075
		<u>-</u>	<u>-</u>	<u>-</u>	<u>1,982,475</u>	<u>1,982,475</u>
On-balance sheet gap		<u>100,695</u>	<u>-</u>	<u>-</u>	<u>76,672,925</u>	<u>76,773,620</u>
Total profit rate sensitivity gap		<u>100,695</u>	<u>-</u>	<u>-</u>	<u>76,672,925</u>	<u>76,773,620</u>
Cumulative profit rate sensitivity gap		<u>100,695</u>	<u>100,695</u>	<u>100,695</u>		

2023					
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		

(Rupees)

On-balance sheet financial instruments

Financial assets

Bank balances	10.22% to 19.5%	170,821	-	-	2,019,918	2,190,739
Investments		-	-	-	56,247,064	56,247,064
Security deposits		-	-	-	2,600,000	2,600,000
Advance, dividend, profit and other receivables		-	-	-	14,213	14,213
		<u>170,821</u>	<u>-</u>	<u>-</u>	<u>60,881,195</u>	<u>61,052,016</u>

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company		-	-	-	452,699	452,699
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	21,381	21,381
Accrued expenses and other liabilities		-	-	-	1,057,692	1,057,692
		<u>-</u>	<u>-</u>	<u>-</u>	<u>1,531,772</u>	<u>1,531,772</u>

On-balance sheet gap

170,821 - - 59,349,423 59,520,244

Total profit rate sensitivity gap

170,821 - - 59,349,423 59,520,244

Cumulative profit rate sensitivity gap

170,821 170,821 170,821

18.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund has exposure to equity price risk arising from the Fund's investments in equity securities. The Fund manages its price risk arising from investment in the equity securities by diversifying its portfolio within the eligible limits prescribed in the Fund's Constitutive Documents, the NBFC Regulations and circulars issued by SECP from time to time.

The table below summarizes the sensitivity of the Fund's net assets attributable to unit holders to the equity price movements as at June 30, 2024. The analysis is based on the assumption that the KMI-30 index increased / decreased by 1%, with all other variables held constant.

	2024	2023
	-----Rupees-----	
Effect due to increase / decrease in KMI-30 index		
Investments and net assets	<u>748,999</u>	<u>562,471</u>
Income statement	<u>748,999</u>	<u>562,471</u>

18.2 Credit risk

Credit risk represents the risk of a loss if counterparties fail to perform as contracted and arises principally from bank balances, security deposits and dividend and profit receivable.

There is a possibility of default by participants or failure of the financial market / stock exchanges, the depositories, the settlements or clearing systems, etc. Settlement risk on equity securities is considered minimal because of inherent control established in the settlement process. The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee.

18.2.1 Exposure to credit risk

The table below analyses the Fund's maximum exposure to credit risk:

	2024		2023	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
Bank balances	1,210,625	1,210,625	2,190,739	2,190,739
Investments	74,899,896	-	56,247,064	-
Security deposits	2,600,000	2,600,000	2,600,000	2,600,000
Advance, dividend, profit and other receivables	45,574	45,574	14,213	14,213
	78,756,095	3,856,199	61,052,016	4,804,952

The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets excluding investment in government securities which are not exposed to credit risk as they do not involve counterparty obligations.

No financial assets were considered to be either past due or impaired at June 30, 2024 and June 30, 2023.

18.2.2 Credit quality of financial assets

The Fund held bank balances at June 30, 2024 with banks having following credit ratings:

Banks	Rating Agency	Rating (Short Term / Long Term)	2024	2023
			% of financial assets exposed to credit risk	
Bank Alfalah Limited	PACRA	A1+ / AAA	93.86%	92.38%
Meezan Bank Limited	VIS	A-1+ / AAA	0.29%	0.46%
BankIslami Pakistan Limited	PACRA	A1 / AA-	4.40%	6.54%
Dubai Islamic Bank Pakistan Limited	VIS	A-1+ / AA	0.82%	0.62%
National Bank of Pakistan	PACRA	A1+ / AAA	0.63%	0.00%
			100.00%	100.00%

Above ratings are on the basis of available ratings assigned by PACRA and VIS as of June 30, 2024.

18.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect the groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Funds' portfolio of financial instruments is mainly held with various banks and securities issued by the entities having reasonably high credit rating. Further investments in listed equity securities are not exposed to credit risk.

18.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

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

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

----- 2024 -----						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total
----- Rupees -----						
Financial assets						
Bank balances	1,210,625	-	-	-	-	1,210,625
Investments	-	-	-	-	74,899,896	74,899,896
Security deposits	2,600,000	-	-	-	-	2,600,000
Advance, dividend, profit and other receivables	45,574	-	-	-	-	45,574
	3,856,199	-	-	-	74,899,896	78,756,095
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company	346,337	-	-	-	-	346,337
Payable to Central Depository Company of Pakistan Limited - Trustee	67,063	-	-	-	-	67,063
Accrued expenses and other liabilities	991,867	577,208	-	-	-	1,569,075
	1,405,267	577,208	-	-	-	1,982,475
Net financial assets	2,450,932	(577,208)	-	-	74,899,896	76,773,620
----- 2023 -----						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total
----- Rupees -----						
Financial assets						
Bank balances	2,190,739	-	-	-	-	2,190,739
Investments	-	-	-	-	56,247,064	56,247,064
Security deposits	2,600,000	-	-	-	-	2,600,000
Advance, dividend, profit and other receivables	14,213	-	-	-	-	14,213
	4,804,952	-	-	-	56,247,064	61,052,016
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company	452,699	-	-	-	-	452,699
Payable to Central Depository Company of Pakistan Limited - Trustee	21,381	-	-	-	-	21,381
Accrued expenses and other liabilities	479,844	577,848	-	-	-	1,057,692
	953,924	577,848	-	-	-	1,531,772
Net financial assets	3,851,028	(577,848)	-	-	56,247,064	59,520,244

18.4 Fair value measurement

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

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

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

Fair value hierarchy

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: 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); and
- Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

----- 2024 -----			
Level 1	Level 2	Level 3	Total
----- Rupees -----			
Financial assets 'at fair value through profit or loss'			
Listed equity securities	74,594,976	-	74,594,976
Exchange traded fund	-	304,920	304,920
	<u>74,594,976</u>	<u>304,920</u>	<u>74,899,896</u>
----- 2023 -----			
Level 1	Level 2	Level 3	Total
----- Rupees -----			
Financial assets 'at fair value through profit or loss'			
Listed equity securities	55,753,324	-	55,753,324
Exchange traded fund	-	493,740	493,740
	<u>55,753,324</u>	<u>493,740</u>	<u>56,247,064</u>

During the year ended June 30, 2024, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

18.5 Unit holders' fund risk management

The Fund is an open end collective investment scheme. The unit holders' fund of open end schemes is represented by net assets attributable to unit holders. The risk in case of an 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 unexpected losses in investment portfolio which may cause adverse effects on the Fund's continuation as a going concern.

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

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

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically monitor capital of the Fund on the basis of the value of net assets attributable to the unit holders and track the movement of "Assets under Management" as well as returns earned on the net assets to maintain investors' confidence and achieve future growth in business. Further, the Board of Directors is updated about the Funds' yield and movement of net asset value 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 gains as reduced by such expenses as are chargeable to the Fund.

Under the NBFC Regulations, the minimum size of an open end scheme shall be one hundred million rupees at all times during the life of the scheme. However, the Fund is exempt from any "Minimum Fund Size" requirement as specified under the NBFC Regulations.

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 as required under Regulation 38 of the NBFC Regulations has been disclosed in the Annexure to the financial statements.

20. GENERAL

20.1 Rounding off

Figures have been rounded off to the nearest rupee.

21. DATE OF AUTHORISATION FOR ISSUE

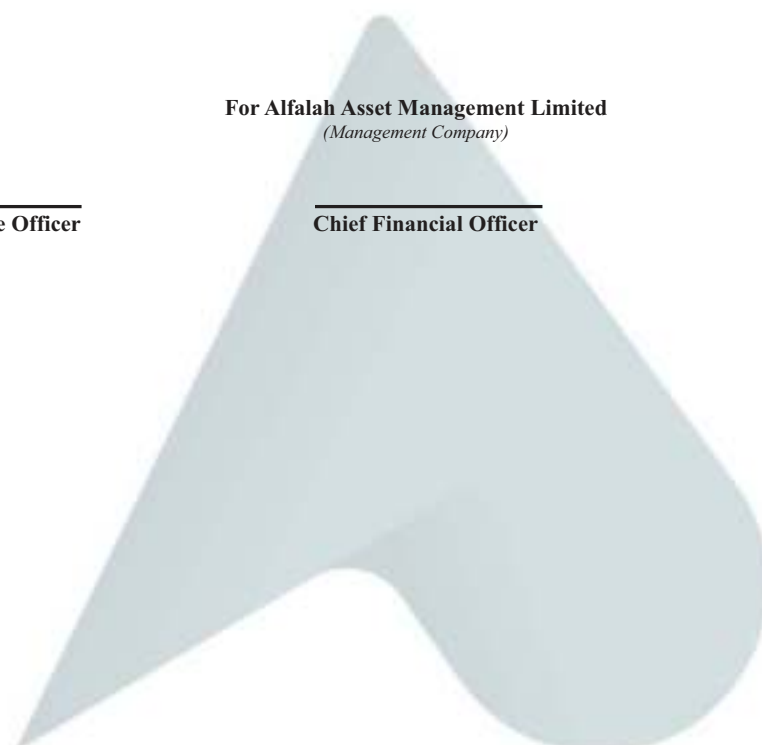
These financial statements were authorised for issue on **August 30, 2024** by the Board of Directors of the Management Company.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



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

(i) UNIT HOLDING PATTERN OF THE FUND

Category	As at 30 June 2024			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	0	-	-	0%
Associated Co./ Directors	0	-	-	0%
Retirement & Other Funds	0	-	-	0%
Others	14	1,212,804	76,530,407	100%
	14	1,212,804	76,530,407	100%

Category	As at 30 June 2023			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	-	-	-	0%
Associated Co./ Directors	-	-	-	0%
Retirement & Other Funds	-	-	-	0%
Others	10	939,151	59,262,348	100%
	10	939,151	59,262,348	100%

(ii) TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

	30 June 2024 %
Ismail Iqbal Securities	14%
AKIK Capital (Pvt) Ltd.	11%
Taurus Securities Limited	9%
Multiline Securities Limited	9%
Arif Habib Limited	7%
ALFALAH CLSA SECURITIES	6%
KTRADE SECURITIES LIMITED	6%
JS Global Capital Limited	5%
EFG HERMES PAKISTAN	5%
VECTOR Capital	5%
	30 June 2023 %
Foundation Securities Limited	15%
IGI Finex Securities Limited	9%
Topline Securities (Pvt) Limited	8%
Shajar Capital Pakistan Private Limited	7%
Alfa Adhi Securities (Pvt) Ltd	7%
Insight Securities (Private) Limited	7%
Ismail Iqbal Securities (Pvt.) Limited	7%
JS Global Capital Limited	6%
Alfalah Securities (Private) Limited	5%
Inter Market Securities Limited	5%

(iii) **PARTICULARS OF MEMBERS OF THE INVESTMENT COMMITTEE**

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

Khaldoon Bin Latif	Chief Executive Officer
Ayub Khuhro	Chief Investment Officer
Faisal Ali Khan	Chief Financial Officer
Shariq Mukhtar Hashmi	Chief Compliance Officer
Mustafa Kamal	Head of Fixed Income
Muddasir Ahmed Shaikh	Head of Equities
Shams-ud-din Shah, CFA, FCCA	Head of Research
Omar Mukhtar	Head of Risk
Salman Jawaid	Fund Manager Fixed Income Funds
Anil Kumar, CFA	Fund Manager Equity Funds

Khaldoon Bin Latif-Chief Executive Officer

Mr. Latif has been associated with the capital markets for over 18 years, with both domestic and international experience providing a comprehensive blend. Prior to joining Alfalah Investments, Mr. Khaldoon was associated with Faysal Asset Management Limited as its Chief Executive Officer (CEO) and under his leadership, Faysal Asset Management has achieved significant growth during his tenure and transformed into major industry player. Earlier he was associated with BMA Asset Management Company Limited as its CEO, JS Investments Limited as its Chief Investment Officer (CIO) and KASB Funds Limited as its CEO. Before KASB Funds he was the General Manager and Director of TSWLL Bahrain, a wholly owned subsidiary of TAIB Bank BSC, where he headed their brokerage, asset management, custody and advisory operations.

He has been a member of the Mutual Fund Association for over six years and has been the Vice Chairman from FY2021-22. He is also a non-executive director on a bank holding company out of Bahrain, IIBank LLC, that has operations in Africa and Europe. He is a former board member of TRG and Pace Pakistan. In addition to this, he brings both buy and sell side exposure of domestic capital markets in Pakistan. He began his career on the sell side with AKD Securities Ltd in various capacities including Head of Foreign Institutional Sales and Equity Research in the capacity of Head of Research and Chief Economist. On the buy side, he has worked with PICIC AMC as Head of Research and Product Development where his tenor also included active management of the PICIC Energy Fund.

Mr. Latif is a LUMS Alumni and has done a number of capital market courses with CFA association, Daiwa, J.P. Morgan and Bahrain Institute of Banking and Finance (BIBF). He has also completed his Director certification program from IBA.

Mr. Ayub Khoro – Chief Investment Officer

Muhammad Ayub Khuhro brings over 15 years of extensive experience in the banking and asset management industry to his role as Chief Investment Officer at Alfalah Investments. Prior to joining the company, he served as Chief Investment Officer at Faysal Asset Management Limited (FAML), where he played a pivotal role in revitalizing the investment process, fund management teams, and research department. His strategic initiatives significantly contributed to FAML's unprecedented growth and its ability to adapt to evolving market dynamics. Mr. Khuhro's career journey began at Pak Oman AMC in the research division, followed by a role as Research Head in the Equity Capital Markets Division at Faysal Bank Limited. His responsibilities included managing an equity portfolio valued at over USD 80 million and providing comprehensive research insights to support the Investment Committee's decision-making process. Additionally, he played a key role in IPOs and private equity valuations for the bank. With a Bachelor's degree in Economics from Lahore University of Management Sciences (LUMS), Mr. Khuhro possesses a deep understanding of equity, fixed income, and money market investments. His expertise extends to strategic and tactical asset allocations, driven by thorough research and evaluation of historical performance across multiple asset classes and instruments.

Faisal Ali Khan-Chief Financial Officer

Faisal Ali Khan is serving as Chief Financial Officer of Alfalah Investments and prior to joining he was associated with Faysal Funds where he served as CFO and Company Secretary. In past he has worked with reputed financial sector organizations including BMA Funds, Saudi Pak Industrial and Agricultural Company (Pvt.) Ltd, Attock Refinery Limited and KPMG. Mr. Khan is a fellow member of the Institute of Chartered Accountant of Pakistan having a professional experience of over nineteen years ranging from financial reporting, regulatory compliance, budgeting and taxation to corporate and secretarial practices including 15 years of experience in the asset management and investment advisory industry.

Mr. Shariq Mukhtar Hashmi – Chief Compliance Officer

Mr. Hashmi holds a diversified experience of over 11 years with various private sector enterprises of repute. He joined IGI Funds Limited (which subsequently merged into Alfalah GHP Investment Management Limited in Oct. 2013) in 2010 to lead the back office function as Head of Operations & Settlements. His association has continued, post-merger, as Head of Compliance & Risk Management. He has previously served National Asset Management Company as Head of Internal Audit and Feroze Sharif Tariq & Co Chartered Accountants in various capacities. He has also headed the Internal Audit Department of the Company. Mr. Hashmi is a qualified Accountant from the Association of Chartered Certified Accountants, UK and holds MBA degree in Finance from SZABIST University. He is also enrolled for Financial Risk Manager Certification of Global Association of Risk Professionals; USA.

Mr. Muddasir Ahmed Shaikh -- Head of Equities

Mr. Shaikh is heading the Equity Investments team at Alfalah Investments. He has been an integral part of the team since 2007 and holds about two decades of professional experience. He joined the Investment Management Industry in 2004, right after his graduation with an MBA degree. Over the years, he has served various public and private financial institutions of repute. He started his career as Research Analyst and has progressed over the year to higher levels in portfolio management.

Mr. Shaikh is an Alumni of the prestigious Institute of Business Administration, Karachi (IBA).

Mr. Shams-ud-din Shah - Head of Research

MrShams is a CFA charter holder and member of ACCA. He holds +8 years of experience in financial service industry and has been associated with Alfalah since June 2017. He leads the Research Department and aptly covers Economy, Ban. ks, Construction and Material sectors along with supervision and professional development of other research analysts in the team. His hard work, strong analytical skills and thorough understanding of the economy and sector dynamics have earned him recognition and rendered effective support to the Portfolio Management function.

Mr. Mustafa Kamal - Head of Fixed Income

"Mr. Mustafa Kamal has more than 18 years of work experience in the investment management profession out of which he has been associated with the Mutual Fund Industry for over 15 years. Prior to joining Alfalah Investments, he was working as a Chief Investment Officer with Pak Oman Asset Management Limited. Over the years, he has worked at companies like Askari Investments, National Fullerton Asset Management, Crescent Leasing & ORIX Investment Bank. He is an MBA with Majors in Finance.

Currently serving the company as a Head of Fixed Income Funds, Mr. Kamal is a key member of portfolio management team and a member of the investment committee for the mutual funds. During his career he has managed wide range of conventional and Islamic mutual funds schemes."

Mr. Omar Mukhtar – Head of Risk

Mr. Mukhtar is the Head of Risk Management and has remained part of the Board Risk & Investment Committees and has played an instrumental role in the establishment of the Risk Management, Enterprise Risk Management & Information Security framework for the organization. He brings with him an experience of over fifteen years in the field of Risk Management in the Mutual Funds Industry. Prior to becoming part of the Alfalah Investments team, he was associated with UBL Funds Ltd in managing their Risk Management Function. Mr. Mukhtar has done his MBA in Finance from Greenwich University and holds a BBA Honors degree. He is also a member of GARP (Global Association of Risk Professionals).

Mr. Salman Jawaid - Fund Manager Fixed Income Fund

Mr. Salman is managing the Fixed Income Funds at Alfalah Investments. He has almost more than 12 years of work experience in the Mutual Fund Industry precisely in the Fund Management Department. He is an MBA in Finance from the Institute of Business Management (IOBM) and also pursuing his education in the CFA program. Over the years, he has worked at National Investment Trust Limited (NIT) and Faysal Asset Management in the portfolio management department.

Mr. Anil Kumar - Jr. Fund Manager Equity Funds

Mr. Anil has over 3 years of well-rounded sectoral exposure in Investment Research and Fund Management. He was earlier associated as Research Analyst with Alfalah Investments, where he has actively covered Chemical Sector, Cement Sector, Pharmaceutical sector, Textile sector and has also identified many profitable investment ideas. Prior to joining Alfalah, he was associated with UBL Fund Managers and Darson Securities Limited. Anil has done Bachelors (BBA) from Iqra University with majors in Finance and is a CFA Level 3 candidate.

(iv) ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The dates of the meetings of the Board of Directors of the Management Company of the fund and the attendance of its members are given below.

Name of Director	Meeting held on				
	August 25, 2023	October 30, 2023	December 21, 2023	February 22, 2024	April 30, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓	✓
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Khaled Khanfer	Leave	Leave	✓	✓	✓
Ms. Ayesha Aziz	✓	✓	✓	✓	✓
Mr. Atif Bajwa	✓	✓	✓	✓	✓
Mr. Sohail Sultan	✓	✓	✓	✓	✓

(v) **MEETINGS OF BOARD AUDIT COMMITTEE**

The dates of the meetings of the Board Audit Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on				
	August 24, 2023	September 26, 2023	October 26, 2023	February 21, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	✓	Leave	✓	✓
Ms. Ayesha Aziz		✓	✓	✓	Resigned
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Farooq Ahmed Khan		✓			✓

(vi) **MEETINGS OF BOARD RISK MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Risk Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on			
	August 22, 2023	October 28, 2023	February 20, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	Leave	✓	Leave
Mr. Khalilullah Shaikh	✓	✓	✓	✓
Mr. Farooq Ahmed Khan	-	-	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓

(vii) **MEETINGS OF BOARD HUMAN RESOURCE MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Human Resource Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on		
	August 21, 2023	September 26, 2023	February 19, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓
Mr. Khalilullah Shaikh	-	✓	-
Ms. Ayesha Aziz	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓

(viii) **MEETINGS OF BOARD INVESTMENT COMMITTEE**

The dates of the meetings of the Board Investment Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on	
	December 14, 2023	April 24, 2024
Mr. Farooq Ahmed Khan	-	✓
Mr. Sohail Sultan	✓	✓
Ms. Ayesha Aziz	✓	✓

**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**

PERFORMANCE TABLE - AGIDEF

	30 June 2024	30 June 2023	30 June 2022	30 June 2021	30 June 2020	30 June 2019
Net Assets	76,530,407	59,262,348	172,974,558	490,912,730	329,600,400	27,761,833
NAV per unit	63.1021	63.1021	63.8012	79.7674	63.9614	59.8829
Selling price per unit	64.1717	64.1717	64.8826	81.1195	65.0455	60.8979
Redemption price per unit	63.1021	63.1021	63.8012	79.7674	63.9614	59.8829
Highest selling price per unit	120.0067	68.4578	84.9771	93.2466	82.5478	89.6781
Highest redemption price per unit	117.2326	67.3168	83.5607	91.6924	81.1719	88.1834
Lowest selling price per unit	64.1716	59.7073	63.8824	65.0455	49.4058	60.8979
Lowest redemption price per unit	63.1020	58.7121	62.8176	63.9614	48.5823	59.8829
Total interim distribution per unit	52.0908	0.2194	Nil	8.6173	0	0
Interim distribution date	June 28, 2024	June 28, 2023	Nil	June 29, 2021	0	0
Final distribution per unit	0	0	0	0	0	0
Final distribution date	0	0	0	0	0	0
Annualized returns	82.55%	-0.75%	-20.02%	38.03%	-0.80%	-23.98%
Income distribution	Nil	Nil	Nil	13.47%	0	0
Weighted avg. portfolio duration	0	0	0	0	0	0

Return since inception is 3.53%

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

**Summary of Actual Proxy voted by Alfalah
GHP Islamic Dedicated Equity Fund**

Nature of Meeting	Meeting Date	Resolutions	Holding	%age Holding	Favour	Against	Abstain
Faysal Bank Limited							
AGM	11-May-23	To confirm the Minutes of the 28th AGM held on 29th March 2023	27,000	0.00%	✓		
		To elect 11 Directors for the pperiod of 3 years					
Engro Polymer & Chemical Limited							
AGM	27-Apr-23	Approval of audited annual accounts for the year ended December 31, 2022	13,000	0.00%	✓		
		Approval of payment of final Cash Dividend					
		Appointment of auditors for the year 2023					
		Election of Directors					
Bank Islami of Pakistan Limited							
AGM	9-Mar-23	Approval of audited annual accounts for the year ended December 31, 2022	45,000	0.00%	✓		
		Approval of payment of final Cash Dividend					
		Appointment of auditors for the year 2023					
Bank Islami of Pakistan Limited							
EOGM	10-May-23	To confirm Minutes of the Annual General Meeting	45,000	0.00%	✓		
		To elect seven Directors of the Bank					
		To approve transmission of Annual Audited Accounts of the Bank					



Alfalah
GHP Islamic Value Fund

FUND INFORMATION

Management Company:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Board of Directors of the Management Company:	Mr. Atif Aslam Bajwa Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Mr. Sohail Sultan Mr. Khalilullah Shaikh Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Audit Committee (BAC):	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh
Business Risk Management Committee (BRMC)	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh Mr. Khaldoon Bin Latif (CEO)
Human Resource & Remuneration Committee (HRRC):	Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Board Investment Committee (BIC):	Mr. Farooq Ahmed Khan Mr. Sohail Sultan Ms. Ayesha Aziz
Head of Legal & Company Secretary:	Ms. Nahl Eman Chamdia
Chief Financial Officer:	Mr. Faisal Ali Khan
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, P.O.Box 4716 Karachi, Pakistan
Legal Advisor:	Haider Waheed House 188, Street 33, Khyaban-e-Qasim, DHA Pahse VIII, Karachi MSB Consultants F-66/2, Park Lane, Block 5 Clifton, Karachi.
Shariah Advisor:	Bank Islami Pakistan Limited 11th Floor, Dolmen Executive Towers, Marine Drive, Clifton, Block-4, Karachi
Registrar:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Distributor:	Bank Alfalah Limited
Rating:	Not Yet Rated

Alfalah GHP Islamic Value Fund

Annual Fund Manager's Report

Type of Fund: Open-end Scheme

Category of Fund: Conventional Asset Allocation Scheme

Investment Objective

The investment objective of Alfalah GHP Islamic Value Fund (AGIVF) is to earn a potentially high return through allocation of assets between Shari'ah

Accomplishment of Objective

The Fund has strived to achieve its objective as it provided the unit holders a competitive and attractive return as compared to peer funds.

Equity Market Review

During FY24, the benchmark index remained on a bullish trajectory and posted a positive return of 90.33% on account of improving economic indicators and fiscal consolidation. The index remained positive during the year as it peaked at 80,059 level in June'24, and closed at a lower level of 78,445 points.

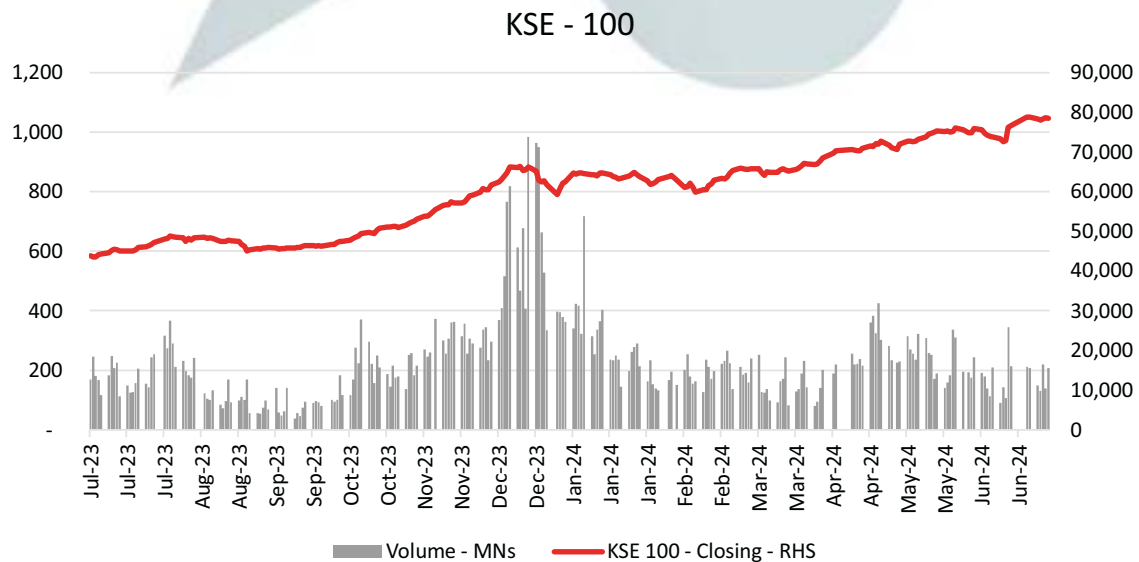
Improvement in macro-economic indicators including a) recovery in economic activity due to declining trend of inflation; b) improving forex reserves and stable PKR due to multilateral and bilateral support and fiscal consolidation and c) signing of a 9 months long standby agreement with IMF resulted in bullish investor sentiments and resulted in investors shifting allocation to equity as valuation was already attractive.

Due to the above mentioned factors, average trading volume of KSE-100 index also increased by 156%YoY to 232 million shares. Banking, Fertilizer and Power sectors contributed to the index the most, as investors jumped to sectors with attractive valuation, high dividend yield, stable demand and USD pegged revenues in case of the Power sector, while chemical sector contributed most negatively to the index due to depressed global chemical margins on the back of fear of global recession and overcapacity by many Chinese players.

Foreigners remained net buyers in FY24, as the net foreign inflow amounted to USD 139.23mn compared to net inflow of USD 22.09mn during FY23.

Going forward, we believe that the new staff level agreement on a 37month Extended Fund facility will keep fiscal and external account check and stable, the focus will likely be on preserving macroeconomic stability ensuring prudent monetary policy, avoiding fiscal slippages, maintaining market based exchange rate and implementing long-term economic reform. This will provide much-needed clarity and assurance for the economic plan.

A favorable macroeconomic outlook i.e. falling inflation, monetary easing, improving reserves, and a stable PKR, serves as a booster for the Equity market in future as the benchmark index is still trading at attractive multiples (forward PE of 4x) and offers a decent dividend yield of 12%



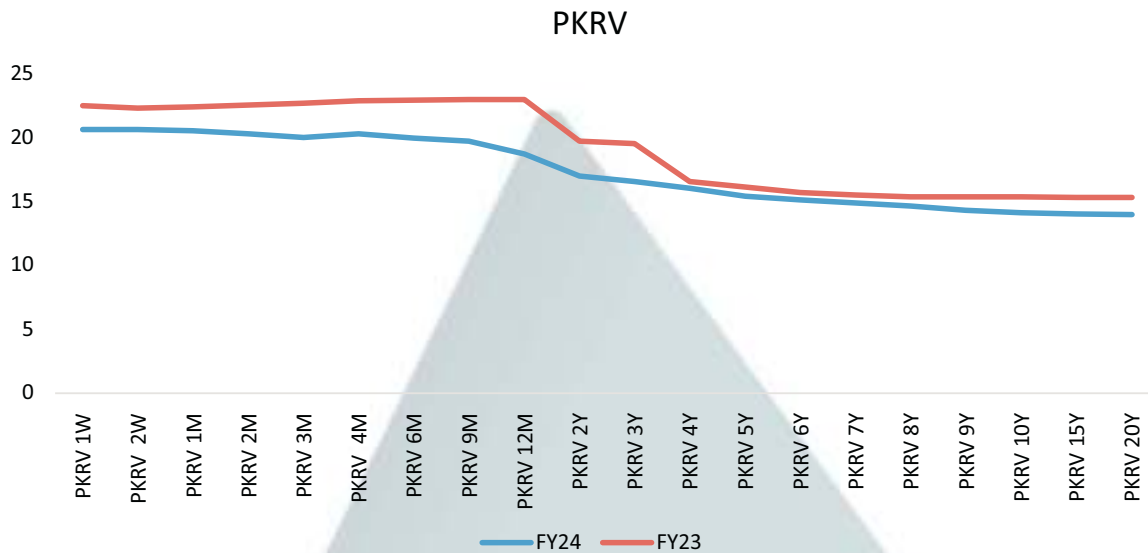
Money Market Review

Real GDP growth for FY24 posted a growth of 2.38% in FY24 as compared to -0.21% in FY23

Inflation for FY24 averaged at 23.9% compared to 29.04% in FY23, mainly due to stability in exchange rate coupled with lower political noise, rising agricultural yields, fiscal consolidation and softening oil prices and even fell to 12% by year end. As a result, the Central Bank has started monetary easing from June 2024 resulting in 250bps cut in interest rates in previous 2 meetings.

The next monetary policy is scheduled on September 12, 2024, where another cut in the policy rate cannot be ruled out as inflation is forecasted to maintain a lower trajectory, paving way for further anticipated monetary easing.

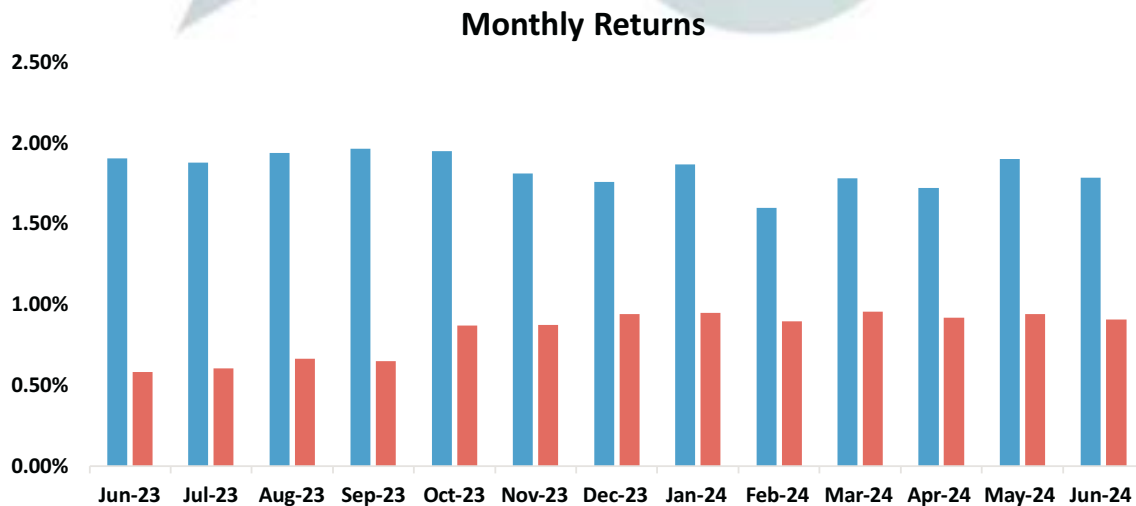
The current real interest rate stands impressively high at 8.4%, well above its historical median of 1%, providing a robust foundation for potential monetary easing actions. This could potentially lead to a reduction in the policy rate by 5%-6% over the next fiscal year. However, risks persists, particularly from potential inflationary impacts stemming from reforms outlined in the budget and IMF program, as well as volatility in exchange rates and oil prices.



Fund Performance

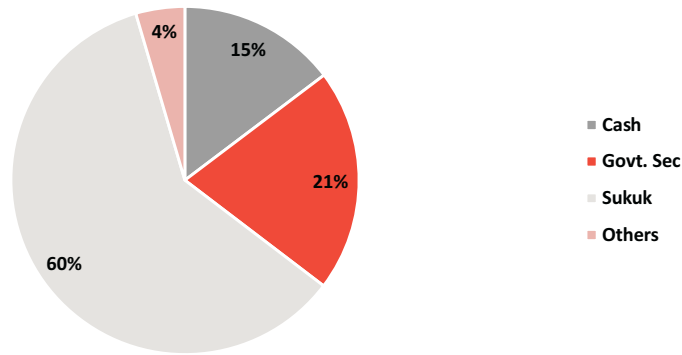
The fund generated a return of 24.31% against the benchmark which generated 10.65%.

Performance comparison with Benchmark



Assets Allocation

Asset Allocation (as at 30-June-2024)



- ⇒ **Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

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

- ⇒ **Disclosure on unit split (if any), comprising:-**

There were no unit splits during the period.

- ⇒ **Disclosures of circumstances that materially affect any interests of unit holders**

Investments are subject to market risk.

- ⇒ **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme.**

No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

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S.M.C.H.S. Main Shahr-e-Faisal
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TRUSTEE REPORT TO THE UNIT HOLDERS

ALFALAH GHP ISLAMIC VALUE FUND

**Report of the Trustee pursuant to Regulation 41(h) and clause 8 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 Islamic Value Fund (the Fund) are of the opinion that Alfalah Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2024 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;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) 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.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 26, 2024





**SHARIAH REVIEW REPORT
ALFALAH ISLAMIC VALUE FUND**

We, the Shariah Advisors of the Alfalah Islamic Value Fund ('AIVF') managed by Alfalah Asset Management Limited, are issuing this report in accordance with the Trust Deed and Offering Document of the said Fund. The scope of the report is to express an opinion on the Shariah Compliance of the Fund's activities.

It is the responsibility of the Management Company of the said Fund to establish and maintain a system of internal controls to ensure compliance with issued Shariah guidelines. As Shariah Advisors, our responsibility is to express an opinion, based on our review of the representations made by the management, to the extent where such compliance can be objectively verified.

In the capacity of Shariah Advisors of the Fund, we have checked following avenues presented to us by the Management in which AIVF made Investment during the period from July 1, 2023 to June 30, 2024.

Investment Head	Investment Avenue
Sukuk	Approved Shariah Compliant Sukuk GoP (Government of Pakistan) Ijarah Sukuk

We hereby certify that the Investments made by the Funds are in compliance with Shariah principles.

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

For and on behalf of Shariah Advisory Board.

Mufti Shaikh Noman
Shariah Advisor

Mufti Javed Ahmad
Shariah Board Member

Alfalsh Asset Management Limited

2nd Floor, Islamic Chamber of Commerce, Industry and Agriculture Building, Block-9, Clifton, Karachi - 75600 Pakistan.
U: +92 (21) 111-090-090 | W: www.alfalahamc.com

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

Alfalah GHP Islamic Value Fund has fully complied with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor for its operations, investments and placements made during the year ended June 30, 2024. This has been duly confirmed by the Shariah Advisor of the Fund.

Dated: September 26, 2024

Mr. Khaldoun Bin Latif
Chief Executive Officer



Independent Assurance Report on Compliance with the Shariah Governance Regulations, 2023

To the unit holders of Alfalah GHP Islamic Value Fund (the Fund)

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of **Alfalah GHP Islamic Value Fund (the Fund)** for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar(s).

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2024) is assessed, comprise the Shariah principles and rules as defined in the Regulations and reproduced as under:

- i. Legal and regulatory framework administered by the Commission;
- ii. Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission;
- iii. Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;
- iv. Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and
- v. Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2024, which are annexed.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions having Shariah implications, entered into by the Fund with its customers, other financial institutions, and stakeholders, and related policies and procedures, are, in substance and in their legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for the design, implementation, and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, And Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2024, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than audits or reviews of historical financial statements', issued by the International Auditing and Assurance Standards Board.


That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgment, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures was sufficient and appropriate to provide a basis for our opinion.

7. Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2024 are in compliance with the Shariah principles (criteria specified in para 2 above), in all material respects.

 UHY Hassan Naeem & Co,
Chartered Accountants
Engagement Partner: Arslan Ahmed
Dated: September 26, 2024



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Alfalah GHP Islamic Value Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alfalah GHP Islamic Value Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the year then ended, in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer notes 5 and 6 to the financial statements)	
	Balances with banks and Investments constitute the most significant component of the net asset value. Balances with banks of the Fund as at June 30, 2024 amounted to Rs. 441.02 million and investments aggregated to Rs. 2,424.14 million. The existence of balances with banks and existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none"> • Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; • Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and • Obtained bank reconciliation statements and tested reconciling items on a sample basis.

AFEL

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■ KARACHI ■ LAHORE ■ ISLAMABAD



Other Matter

The financial statements of the Fund for the year ended June 30, 2023, were audited by another firm of Chartered Accountants who had expressed an unmodified opinion thereon vide their report dated September 28, 2023.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.

Affel



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Junaid Mesia**.

A. F. Ferguson & Co.
Chartered Accountants
Dated: September 30, 2024
Karachi
UDIN: AR202410611pqD7Kg3BN

ALFALAH GHP ISLAMIC VALUE FUND
STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2024

	Note	2024 (Rupees)	2023
Assets			
Balances with banks	5	441,022,248	350,743,103
Investments	6	2,424,141,943	2,025,915,091
Advances, deposits, prepayments and other receivables	7	110,066,900	76,290,134
Receivable against sale of investments		27,827,783	-
Total assets		3,003,058,874	2,452,948,328
Liabilities			
Payable to Alfalah Asset Management Limited - Management Company	8	417,976	106,978
Payable to Central Depository Company of Pakistan Limited - Trustee	9	233,068	402,216
Payable to the Securities and Exchange Commission of Pakistan	10	229,627	426,741
Payable against purchase of investments		26,690,362	-
Accrued expenses and other liabilities	11	1,732,875	3,161,474
Total liabilities		29,303,908	4,097,409
Net assets		2,973,754,966	2,448,850,919
Unit holder's fund (as per the statement attached)		2,973,754,966	2,448,850,919
Contingencies and commitments	12		
		----- (Number of units) -----	
Number of units in issue		26,741,659	27,374,558
		----- (Rupees) -----	
Net asset value per unit		111.2031	89.4572

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

For Alfalah Asset Management Limited
 (Management Company)

 Chief Executive Officer

 Chief Financial Officer

 Director

ALFALAH GHP ISLAMIC VALUE FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ----- (Rupees) -----	2023 -----
Income			
Profit on savings account with banks	5.1	104,374,733	59,769,399
Profit on sukuk certificates		451,946,727	304,667,331
Profit on Government Securities		118,232,195	15,471,601
Unrealised appreciation / (diminution) on re-measurement of investments classified 'at fair value through profit or loss' - net	6.3	797,571	(8,275,388)
Realised loss on sale of investments - net		<u>(4,361,681)</u>	<u>(16,058,136)</u>
Total income		670,989,545	355,574,807
Expenses			
Remuneration of Alfalah Asset Management Limited - Management Company	8.1	4,538,750	3,200,781
Sindh Sales Tax on remuneration of the Management Company	8.2	590,038	416,102
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	2,269,332	1,600,355
Sindh Sales Tax on remuneration of the Trustee	9.2	295,013	208,046
Fee to the Securities and Exchange Commission of Pakistan	10.1	2,874,096	426,766
Bank and settlement charges		443,637	592,492
Auditors' remuneration	13	859,124	715,936
Printing and publication charges		32,101	57,100
Brokerage expense		495,898	516,561
Fees and subscriptions		196,861	55,750
Shariah advisor fee		295,001	359,948
Total expenses		12,889,851	8,149,837
Net income for the year before taxation		658,099,694	347,424,970
Taxation	15	-	-
Net income for the year after taxation		658,099,694	347,424,970
Earnings per unit	4.14		
Allocation of net income for the year			
Net income for the year after taxation		658,099,694	347,424,970
Income already paid on units redeemed		<u>(653,915,452)</u>	<u>(341,585,866)</u>
		4,184,242	5,839,104
Accounting income available for distribution			
- Relating to capital gains		-	-
- Excluding capital gains		4,184,242	5,839,104
		4,184,242	5,839,104

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC VALUE FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	----- (Rupees) -----	
Net income for the year after taxation	658,099,694	347,424,970
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>658,099,694</u>	<u>347,424,970</u>

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



For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC VALUE FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	2024			2023		
	Capital value	Accumulated loss	Total	Capital value	Accumulated loss	Total
	(Rupees)			(Rupees)		
Net assets at the beginning of the year	2,467,936,857	(19,085,938)	2,448,850,919	2,004,117,924	(24,139,886)	1,979,978,038
Issuance of 63,372,953 (2023: 36,924,623) units						
- Capital value (at net asset value per unit at the beginning of the year)	5,669,166,932	-	5,669,166,932	5,467,354,885	-	5,467,354,885
- Element of income	608,997,799	-	608,997,799	399,249,042	-	399,249,042
Total proceeds on issuance of units	6,278,164,731	-	6,278,164,731	5,866,603,927	-	5,866,603,927
Redemption of 64,005,852 (2023: 67,280,664) units						
- Capital value (at net asset value per unit at the beginning of the year)	5,725,784,304	-	5,725,784,304	5,009,310,979	-	5,009,310,979
- Element of income	31,660,622	653,915,452	685,576,074	40,842,563	341,585,866	382,428,429
Total payments on redemption of units	5,757,444,926	653,915,452	6,411,360,378	5,050,153,542	341,585,866	5,391,739,408
Total comprehensive income for the year	-	658,099,694	658,099,694	-	347,424,970	347,424,970
Distribution for the year ended June 30, 2023 @15.0982 per unit on June 23, 2023	-	-	-	(352,631,452)	(785,156)	(353,416,608)
Net assets at end of the year	2,988,656,662	(14,901,696)	2,973,754,966	2,467,936,857	(19,085,938)	2,448,850,919
		(Rupees)		(Rupees)		
Accumulated loss brought forward						
- Realised loss		(10,810,550)			(37,320,457)	
- Unrealised (loss) / gain		(8,275,388)			13,180,571	
		<u>(19,085,938)</u>			<u>(24,139,886)</u>	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		4,184,242			5,839,104	
		<u>4,184,242</u>			<u>5,839,104</u>	
Distribution for the year ended June 30, 2023 @15.0982 per unit on June 23, 2023		-			(785,156)	
Undistributed income carried forward		<u>(14,901,696)</u>			<u>(19,085,938)</u>	
Accumulated loss carried forward						
- Realised loss		(15,699,267)			(10,810,550)	
- Unrealised gain / (loss)		797,571			(8,275,388)	
		<u>(14,901,696)</u>			<u>(19,085,938)</u>	
		(Rupees)		(Rupees)		
Net asset value per unit at the beginning of the year		<u>89.4572</u>			<u>89.0616</u>	
Net asset value per unit at the end of the year		<u>111.2031</u>			<u>89.4572</u>	

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC VALUE FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
Note	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	658,099,694	347,424,970
Adjustments for:		
Unrealised (appreciation) / diminution on re-measurement of investments classified 'at fair value through profit or loss' - net	6.3 (797,571)	8,275,388
	657,302,123	355,700,358
Increase in assets		
Investments - net	(397,429,281)	(553,785,393)
Advances, deposits, prepayments and other receivables	(33,776,766)	(32,773,235)
Receivable against sale of investments	(27,827,783)	-
	(459,033,830)	(586,558,628)
Increase / (decrease) in liabilities		
Payable to Alfalah Asset Management Limited - Management Company	310,998	(168,524)
Payable to Central Depository Company of Pakistan Limited - Trustee	(169,148)	36,045
Payable to the Securities and Exchange Commission of Pakistan	(197,114)	(32,256)
Accrued expenses and other liabilities	(1,428,599)	362,614
Payable against purchase of investments	26,690,362	-
	25,206,499	197,879
Net cash generated from / (used in) financing activities	223,474,792	(230,660,391)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units - net of refund of capital	6,278,164,731	5,513,972,475
Payments against redemption and conversion of units	(6,411,360,378)	(5,391,739,408)
Dividend Paid	-	(785,157)
Net cash (used in) / generated from financing activities	(133,195,647)	121,447,910
Net increase / (decrease) in cash and cash equivalents during the year	90,279,145	(109,212,481)
Cash and cash equivalents at the beginning of the year	350,743,103	459,955,584
Cash and cash equivalents at the end of the year	5 441,022,248	350,743,103

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC VALUE FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alfalah GHP Islamic Value Fund (the Fund) is an open-end collective investment scheme established through a Trust Deed registered under the Sindh Trusts Act, 2020 executed between Alfalah Asset Management Limited [Management Company] and Central Depository Company of Pakistan Limited (the Trustee), on July 3, 2008 and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the NBFC (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.2 The Trust Act, 1882 had been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund was required to be registered under the Sindh Trust Act. Accordingly, on September 13, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.
- 1.3 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate issued by the SECP on February 23, 2023 which is valid for a period of three years w.e.f. March 9, 2023. The registered office of the Management Company is situated at Islamic Chamber of Commerce, Industry & Agricultural Building, 2nd floor, ST-2/A, Block-9, KDA Scheme 5, Clifton Karachi.
- 1.4 The Fund is categorised as a 'Shari'ah Compliant Islamic Asset Allocation Scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in circular 7 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs.100 per unit. Thereafter, the units were being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.
- 1.5 The objective of the Fund is to earn a potentially high return through allocation of assets between Shariah Compliant equity instruments, Shariah Compliant fixed income instruments and any other Shariah Compliant instrument as permitted by the SECP and Shariah advisor.
- 1.6 VIS Credit Rating Limited has assigned an asset manager rating of AM1 (stable outlook) to the Management Company on December 29, 2023 [2023: AM2+ dated March 3, 2023 by Pakistan Credit Rating Agency Limited (PACRA)].
- 1.7 The title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the requirements of IFRSs, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

3.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2023. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and have therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Fund which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

3.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

3.4 Critical accounting estimates and judgments

The preparation of these financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The estimates and judgments that have a significant effect on these financial statements of the Fund relate to classification and valuation of financial assets (notes 4.2 and 6).

3.5 Accounting convention

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

3.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

4 MATERIAL ACCOUNTING POLICIES INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short term highly liquid investments with original maturity of three months or less which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The short term investments are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

4.2 Financial assets

4.2.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the "Income Statement".

4.2.2 Classification and subsequent measurement

a) Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost ;
- at fair value through other comprehensive income (FVOCI);
- at fair value through profit or loss (FVTPL)

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognized at FVTPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVTPL.

b) Impairment (other than debt securities)

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and FVOCI. The Fund recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted around that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

c) Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the "Income Statement".

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has also been placed on the Management Company's website as required under the SECP's Circular.

4.2.3 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset.

4.2.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the "Income Statement".

4.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the "Income Statement".

4.4 Offsetting of financial assets and financial liabilities

Financial assets and financial 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 to realise the assets and settle the liabilities simultaneously.

4.5 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions, if any, are regularly reviewed and adjusted to reflect the current best estimate.

4.6 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on enacted tax rates.

4.7 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are being amortised over a period of 5 years in accordance with the requirements set out in the Trust Deed of the Fund.

4.8 Net asset value per unit

The Net Asset Value (NAV) per unit, as disclosed in the "Statement of Assets and Liabilities", is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

4.9 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on the day when the application is received. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load, provision of duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company receives redemption applications during business hours on that date. The redemption price represents NAV as on the close of business day, less any duties, taxes, charges on redemption and provision for transactions costs, if applicable.

4.10 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

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

Element of income represents the difference between net asset value per unit on the issuance or redemption date, as the case may be, of units and the net asset value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.12 Revenue recognition

- Gains or losses arising on sale of investments classified as financial assets at 'fair value through profit or loss' are recognised in the "Income Statement" at the date on which the transaction takes place;
- Unrealised appreciation or diminution arising on revaluation of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the year in which these arise.
- Profit on term deposit receipts and commercial papers is recognised on time proportion basis using the effective yield;
- Profit on sukuk certificates is recognised on a time proportionate basis using the effective yield method except for the securities which are classified as non-performing asset under Circular 33 of 2012 issued by SECP for which the profits are recorded on cash basis;
- Profit on balances with banks is recognised on an accrual basis.

4.13 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee to the SECP are recognised in the "Income Statement" on an accrual basis.

4.14 Earnings per unit

Earnings per unit is calculated by dividing the net income for the period after taxation of the Fund by the weighted average number of units outstanding during the period.

Earnings per unit (EPU) has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

4.15 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the "Income Statement".

		2024	2023
	Note	------(Rupees)-----	
5 BALANCES WITH BANKS			
Saving accounts	5.1	415,495,853	341,428,667
Current accounts	5.2	25,526,395	9,314,436
		<u>441,022,248</u>	<u>350,743,103</u>

5.1 These accounts carry profit rates ranging between 6.5% to 21.2% (2023: 8.50% to 20.50%) per annum. These include bank balance of Rs 26.28 million (2023: 0.12 million) maintained with Bank Alfalah Limited (a related party), carrying profit at the rate of 20.75% (2023: 20.50%) per annum.

5.2 This amount is held with Bank Alfalah Limited, a related party.

		2024	2023
	Note	------(Rupees)-----	
6 INVESTMENTS			
At fair value through profit or loss			
Sukuk certificates	6.1	1,803,929,843	1,700,373,591
GoP ijara sukuk certificates	6.2	620,212,100	325,541,500
		<u>2,424,141,943</u>	<u>2,025,915,091</u>

6.1 Sukuk certificates

Name of the investee company	Profit payments / principal redemptions	Profit rate	Maturity date	As at July 01, 2023	Purchased during the year	Sold / matured during the year	As at June 30, 2024	Balance as at June 30, 2024			Market value as a percentage of		Investment as a percentage of issue size
								Carrying value	Market value	Unrealised appreciation / (diminution)	net assets of the Fund	total investments of the Fund	
								(Rupees)			(Percentage)		
Commercial Banks													
Dubai Islamic Bank Limited (AA-, VIS) (Face value: Rs. 5,000)	Monthly / N/A	3 Months KIBOR + 1.75%	Perpetual	36,000	31,600	30,000	37,600	188,000,000	188,000,000	-	6.32	7.76	5.70
Dubai Islamic Bank Limited (AA-, VIS) (Face value: Rs. 1,000,000)	Semi-annually / At maturity	6 Months KIBOR + 2.8%	December 2, 2032	-	35	-	35	35,105,000	35,115,010	10,010	1.18	1.45	0.88
Meezan Bank Limited (AA+, VIS) (Face value: Rs. 1,000,000)	Monthly / N/A	3 months KIBOR + 1.75%	Perpetual	360	125	175	310	310,000,000	310,000,000	-	10.42	12.79	6.20
Bank Islami Pakistan Limited Sukuk - IV (AA-, VIS) (Face value: Rs. 5,000)	Monthly / N/A	3 months KIBOR + 2.75%	Perpetual	50,300	3,000	-	53,300	266,500,000	266,500,000	-	8.96	10.99	13.33
Bank Islami Pakistan Limited Sukuk - II (AA-, VIS) (Face value: Rs. 5,000)	Monthly / At maturity	6 months KIBOR + 2.8%	April 1, 2054	10,000	5,000	-	15,000	75,000,000	75,000,000	-	2.52	3.09	0.55
Power Generation and Distribution													
The Hub Power Company Limited (AA+, PACRA) (Face value Rs. 25,000)	Quarterly	3 Months Kibor + 1.9%	August 22, 2023	3,070	-	3,070	-	-	-	-	-	-	-
The Hub Power Company Limited (AA+, PACRA) (Face value Rs. 25,000)	Annual	12 months KIBOR + 1.9%	March 19, 2024	1,750	-	1,750	-	-	-	-	-	-	-
Hub Power Holdings Limited (AA+, PACRA) (Face value Rs. 75,000)	Semi-annually	6 months KIBOR + 2.5%	November 12, 2025	-	2,447	330	2,117	161,871,376	161,871,113	(263)	5.44	6.68	2.70
K-Electric Limited (AA+, VIS) (Face value Rs. 100,000)	Quarterly	3 months KIBOR + 1.7%	November 23, 2029	-	1,250	-	1,250	127,575,000	125,987,125	(1,587,875)	4.24	5.20	1.88
K-Electric Limited [(AA+, VIS) (Face value Rs. 3,250)]	Quarterly	3 months KIBOR + 1.7%	August 3, 2027	69,400	47,522	21,429	95,493	317,101,005	315,783,414	(1,317,591)	10.62	13.03	1.26
The Hub Power Company Limited STS (AA, VIS) (Face value: Rs. 1,000,000)	At maturity	6 months KIBOR + 0.50%	November 18, 2023	75	65	140	-	-	-	-	-	-	-
Pharmaceuticals													
OBS AGP (Private) Limited (AA+, VIS) (Face value Rs. 56,250)	Quarterly	3 months KIBOR + 1.55%	July 15, 2026	2,704	365	1,062	2,007	113,119,677	113,345,325	225,648	3.81	4.68	4.36
Technology and Communication													
TPL Trakker Limited (AA+, VIS) (Face value Rs. 388,889)	Quarterly	3 months KIBOR + 3.0%	March 30, 2026	-	81	-	81	32,130,036	32,110,586	(19,450)	1.08	1.32	2.29
Pakistan Telecommunication Company Limited (AAA, VIS) (Face value Rs. 1,000,000)	Quarterly	3 months KIBOR + 3.0%	June 20, 2024	-	80	80	-	-	-	-	-	-	-
Engineering													
Crescent Steel and Allied Products Limited. (A-, VIS) (Face value Rs. 50,000)	Quarterly	3 Months KIBOR + 1.30%	March 02, 2026	1,200	-	-	1,200	58,846,128	60,217,270	1,371,142	2.02	2.48	7.53

Name of the investee company	Profit payments / principal redemptions	Profit rate	Maturity date	As at July 01, 2023	Purchased during the year	Sold / matured during the year	As at June 30, 2024	Balance as at June 30, 2024			Market value as a percentage of		Investment as a percentage of issue size
								Carrying value	Market value	Unrealised appreciation / (diminution)	net assets of the Fund	total investments of the Fund	
Chemical													
Ghani Chemical Industries Limited (A, PACRA) (Face value Rs. 1,000,000)	Quarterly	3 Months KIBOR + 1.25%	December 18, 2031	-	1,200	-	1,200	120,000,000	120,000,000	-	4.04	4.95	15.00
The Hub Power Company Limited - STS	At Maturity	6 Months Kibor + 0.55%	November 17, 2023	115	-	115	-	-	-	-	-	-	-
Total as at June 30, 2024								<u>1,805,248,222</u>	<u>1,803,929,843</u>	<u>(1,318,379)</u>			
Total as at June 30, 2023								<u>1,708,677,279</u>	<u>1,700,373,591</u>	<u>(8,303,688)</u>			

6.2 GoP ijara sukuk certificates

Face value of Rs. 100,000 each.

Particulars	Profit rates	Issue Date	Maturity date	As at July 01, 2023	Purchased during the year	Sold / matured during the year	As at June 30, 2024	Balance as at June 30, 2024			Market value as a percentage of	
								Carrying value	Market value	Unrealised (diminution) / appreciation	net assets of the Fund	total investments of the Fund
Variable rate												
GoP ijara sukuk-1 year	23.60%	April 17, 2023	April 17, 2024	323,500,000	387,000,000	710,500,000	-	-	-	-	-	-
GoP ijara sukuk-1 year	22.21%	May 22, 2023	May 22, 2024	-	484,500,000	484,500,000	-	-	-	-	-	-
GoP ijara sukuk-5 year	22.31%	June 26, 2023	June 26, 2028	-	200,000,000	200,000,000	-	-	-	-	-	-
GoP ijara sukuk-5 year	21.63%	May 10, 2024	May 10, 2029	-	260,000,000	-	260,000,000	260,020,000	260,000,000	(20,000)	8.74	10.73
GoP ijara sukuk-5 year	21.24%	January 24, 2024	January 24, 2029	-	215,000,000	-	215,000,000	211,420,250	215,000,000	3,579,750	7.23	8.87
GoP ijara sukuk-1 year	22.01%	June 26, 2023	June 26, 2024	-	170,000,000	170,000,000	-	-	-	-	-	-
GoP ijara sukuk-1 year	23.71%	August 7, 2023	August 7, 2024	-	432,000,000	432,000,000	-	-	-	-	-	-
Fixed rate												
GoP ijara sukuk-1 year	22.49%	October 5, 2023	October 9, 2024	-	294,000,000	151,500,000	142,500,000	144,808,500	143,440,500	(1,368,000)	4.82	5.92
GoP ijara sukuk-5 year	12.49%	April 27, 2022	April 27, 2027	2,000,000	-	-	2,000,000	1,847,400	1,771,600	(75,800)	0.06	0.07
Total as at June 30, 2024								<u>618,096,150</u>	<u>620,212,100</u>	<u>2,115,950</u>		
Total as at June 30, 2023								<u>325,513,200</u>	<u>325,541,500</u>	<u>28,300</u>		

6.3 Unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net

	Note	2024 ------(Rupees)-----	2023
Market value of investments	6.1 & 6.2	2,424,141,943	2,025,915,091
Less: carrying value of investments	6.1 & 6.2	<u>(2,423,344,372)</u>	<u>(2,034,190,479)</u>
		<u>797,571</u>	<u>(8,275,388)</u>

7 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLE

Profit receivable on:

- Balances with banks		28,627,996	5,044,524
- Sukuk certificates		41,869,593	53,047,114
- GoP ijara sukuk certificates		35,093,272	14,607,896
Advance tax	7.1	817,939	817,939
Dividend receivable		-	44,413
Prepaid legal charges		6,895	128,248
Security deposit with the National Clearing Company of Pakistan Limited		2,500,000	2,500,000
Exposure margin with the National Clearing Company of Pakistan Limited		1,051,205	-
Security deposit with the Central Depository Company of Pakistan Limited		100,000	100,000
		<u>110,066,900</u>	<u>76,290,134</u>

7.1 As per clause 47(B) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to Collective Investment Schemes (CISs) are exempt from withholding tax under section 150 and 151. However, during the year ended June 30, 2024, withholding tax on dividend and profit on debt paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on profit on debt amounts to Rs. 0.82 million during the year.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Honourable Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other asset management companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund has been shown as advance tax as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

8 PAYABLE TO ALFALAH ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	2024 ----- (Rupees) -----	2023
Management remuneration payable	8.1	369,890	94,671
Sindh Sales Tax payable on management remuneration	8.2	48,086	12,307
		<u>417,976</u>	<u>106,978</u>

8.1 As per Regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 0.15% (2023: 0.15%) per annum of the average annual net assets of the Fund during the year ended June 30, 2024. The remuneration is payable to the Management Company monthly in arrears.

8.2 During the year, an amount of Rs. 0.59 million (2023: Rs. 0.42 million) was charged on account of sales tax at the rate of 13% (2023: 13%) on management fee levied through the Sindh Sales Tax on Services Act, 2011.

9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2024 ----- (Rupees) -----	2023
Remuneration payable to the Trustee	9.1	181,305	177,719
Sindh Sales Tax payable on Trustee remuneration	9.2	23,570	23,104
CDS charges payable		28,193	201,393
		<u>233,068</u>	<u>402,216</u>

9.1 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 assets of the Fund at the rate of 0.075% (2023: 0.075%) per annum of the net assets of the Fund.

9.2 During the year, an amount of Rs. 0.29 million (2023: 0.21 million) was charged at the rate of 13% (2023: 13%) on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011.

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2024 ----- (Rupees) -----	2023
Fee payable	10.1	229,627	426,741

10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.095% (2023: 0.02%) per annum of the daily net assets during the year ended June 30, 2024.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the Fund was required to pay SECP fee within three months of the close of accounting year.

11 ACCRUED EXPENSES AND OTHER LIABILITIES	2024	2023
	------(Rupees)-----	
Auditors' remuneration payable	859,124	552,586
Settlement charges payable	61,169	1,287,176
Brokerage expense payable	213,394	77,064
Withholding tax payable	13,171	147,998
Printing charges payable	-	67,897
Shariah advisory fee payable	295,001	725,420
Charity payable	-	4,776
Dividend payable	-	7,662
Sales load payable	291,016	290,895
	<u>1,732,875</u>	<u>3,161,474</u>

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 and June 30, 2023.

13 AUDITORS' REMUNERATION	2024	2023
	------(Rupees)-----	
Annual audit fee	578,534	465,140
Other certifications	144,634	137,500
Out of pocket expenses	72,317	60,264
Sindh Sales Tax	63,639	53,032
	<u>859,124</u>	<u>715,936</u>

14 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at June 30, 2024 based on the current year results is 0.43% (2023: 0.33%) which includes 0.13% (2023: 0.03%) representing Government levies on the fund such as provision for sales taxes and fee to the SECP etc. This ratio is within the maximum limit of 4.50% (excluding government levies) prescribed under the NBFC Regulations for a collective investment scheme categorised as an asset allocation scheme.

15 TAXATION

The income of the Fund is exempt from income tax as per Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non Banking Finance Companies Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expense as are chargeable thereon to the unit holders.

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

Since the Management Company has distributed the required minimum percentage of income earned by the Fund for the year to the unit holders in the manner as explained above, therefore, no provision for taxation has been made in these financial statements.

16 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include Alfalah Asset Management Limited being the Management Company, Funds under management of the Pension Fund Manager, Bank Alfalah Limited and MAB Investment Incorporated being associated companies of Pension Fund Manager, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund, Alfalah Securities (Private) Limited, Alfalah GHP Investment Management Limited - Staff Provident Fund, directors and key management personnel of Alfalah Asset Management Limited and Central Depository Company of Pakistan Limited being the Trustee of the Fund, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

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

Remuneration of the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

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

16.1 Unit holders' fund

2024											
As at July 01, 2023	Issued for cash / conversion in / transfer in	Bonus/ Dividend Reinvestment	Redeemed/ conversion out / transfer out	As at June 30, 2024	As at July 01, 2023	Issued for cash / conversion in / transfer in	Bonus/ Dividend Reinvestment	Redeemed / conversion out / transfer out	As at June 30, 2024		
Units					Rupees						
Note											
Unit holder holding 10% or more units	16.1.1	27,315,289	35,975,557	-	36,606,425	26,684,421	2,443,549,271	3,834,866,161	-	3,964,361,612	2,967,390,337

2024											
As at July 01, 2023	Issued for cash / conversion in / transfer in	Bonus/ Dividend Reinvestment	Redeemed/ conversion out / transfer out	As at June 30, 2024	As at July 01, 2023	Issued for cash / conversion in / transfer in	Bonus/ Dividend Reinvestment	Redeemed / conversion out / transfer out	As at June 30, 2024		
Units					Rupees						
Note											
Unit holder holding 10% or more units	16.1.1	21,957,811	57,421,088	3,959,413	56,023,023	27,315,289	1,942,160,573	5,513,261,208	352,631,688	5,371,261,208	2,443,549,271

16.1.1 This reflects the position of related party / connected persons status as at June 30, 2024.

16.2 Transactions during the year

	2024	2023
	(Rupees)	
Associated companies / undertakings		
Alfalah Asset Management Limited - Management Company		
Remuneration of the Management Company	4,538,750	3,200,781
Sindh Sales Tax on remuneration of the Management Company	590,038	416,102
Bank Alfalah Limited		
Profit on balances with banks	20,714	7,784
Other related party		
Central Depository Company of Pakistan Limited		
Remuneration of the Trustee	2,269,332	1,600,355
Sindh Sales Tax on remuneration of the Trustee	295,013	208,046
CDS charges	80,983	592,492
16.3 Other balances		
Associated companies / undertakings		
Alfalah Asset Management Limited - Management Company		
Management remuneration payable	369,890	94,671
Sindh Sales Tax payable on management remuneration	48,086	12,307
Bank Alfalah Limited		
Balances with banks	26,281,285	9,438,446
Profit receivable	6,452	-
Sales load payable	291,016	290,895
Other related party		
Central Depository Company of Pakistan Limited		
Remuneration payable to the Trustee	181,305	177,719
Sindh Sales Tax payable on Trustee remuneration	23,570	23,104
CDS charges payable	28,193	201,393
Security deposit	100,000	100,000

17 FINANCIAL INSTRUMENTS BY CATEGORY

----- 2024 -----			
At amortised cost	At fair value through profit or loss	Total	
----- (Rupees) -----			
Financial assets			
Balances with banks	441,022,248	-	441,022,248
Investments	-	2,424,141,943	2,424,141,943
Deposits and other receivables	109,242,066	-	109,242,066
Receivable against sale of investments	27,827,783	-	27,827,783
	<u>578,092,097</u>	<u>2,424,141,943</u>	<u>3,002,234,040</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	417,976	-	417,976
Payable to Central Depository Company of Pakistan Limited - Trustee	233,068	-	233,068
Payable against purchase of investments	26,690,362	-	26,690,362
Accrued expenses and other liabilities	1,719,704	-	1,719,704
	<u>29,061,110</u>	<u>-</u>	<u>29,061,110</u>

----- 2023 -----			
At amortised cost	At fair value through profit or loss	Total	
----- (Rupees) -----			
Financial assets			
Balances with banks	350,743,103	-	350,743,103
Investments	-	2,025,915,091	2,025,915,091
Deposits and other receivables	75,343,947	-	75,343,947
	<u>426,087,050</u>	<u>2,025,915,091</u>	<u>2,452,002,141</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	106,978	-	106,978
Payable to Central Depository Company of Pakistan Limited - Trustee	402,216	-	402,216
Accrued expenses and other liabilities	3,013,476	-	3,013,476
	<u>3,522,670</u>	<u>-</u>	<u>3,522,670</u>

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

18.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices.

The Management Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee and the regulations laid down by the Securities and Exchange Commission of Pakistan.

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

18.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

18.1.2 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instrument

Presently, the Fund holds KIBOR based sukuk certificates, variable GoP ijara sukuks and balances with banks, which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Fund would have been higher / lower by Rs 28.40 million (2023: Rs. 23.75 million). The analysis assumes that all other variables remain constant.

The composition of the Fund's investment portfolio, KIBOR and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Yield / profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet financial instruments is based on settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

2024						
Effective yield / profit rate	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	Total	
	Upto three months	More than three months and up to one year	More than one year			
----- (Rupees) -----						
On-balance sheet financial instruments						
Financial assets						
Balances with banks	14.05% - 21.00%	415,495,853	-	-	25,526,395	441,022,248
Investments	12.49% - 25.89%	1,791,943,720	486,986,123	145,212,100	-	2,424,141,943
Deposits and other receivables		71,053,009	34,537,852	-	3,651,205	109,242,066
Receivable against sale of investments		-	-	-	27,827,783	27,827,783
Sub total		2,278,492,582	521,523,975	145,212,100	57,005,383	3,002,234,040
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	417,976	417,976
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	233,068	233,068
Payable against purchase of investments		-	-	-	26,690,362	26,690,362
Accrued expenses and other liabilities		-	-	-	1,719,704	1,719,704
Sub total		-	-	-	29,061,110	29,061,110
On-balance sheet gap (a)		2,278,492,582	521,523,975	145,212,100	27,944,273	2,973,172,930
Off balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a+b)		2,278,492,582	521,523,975	145,212,100	27,944,273	2,973,172,930
Cumulative profit rate sensitivity gap		2,278,492,582	2,800,016,557	2,945,228,657		

----- 2023 -----					
Effective yield / profit rate	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		

----- (Rupees) -----

On-balance sheet financial instruments

Financial assets

Balances with banks	8.50% - 20.50%	341,428,667	-	-	9,314,436	350,743,103
Investments	15.48% - 22.97%	1,258,974,611	441,398,980	325,541,500	-	2,025,915,091
Deposits and other receivables		-	-	-	75,343,947	75,343,947
Sub total		1,600,403,278	441,398,980	325,541,500	84,658,383	2,452,002,141

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company		-	-	-	106,978	106,978
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	402,216	402,216
Accrued expenses and other liabilities		-	-	-	3,013,476	3,013,476
Sub total		-	-	-	3,522,670	3,522,670

On-balance sheet gap (a)

1,600,403,278	441,398,980	325,541,500	81,135,713	2,448,479,471
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Off balance sheet financial instruments

-	-	-	-	-
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Off-balance sheet gap (b)

-	-	-	-	-
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Total profit rate sensitivity gap (a+b)

1,600,403,278	441,398,980	325,541,500	81,135,713	2,448,479,471
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Cumulative profit rate sensitivity gap

1,600,403,278	2,041,802,258	2,367,343,758
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18.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

18.2 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligations as it falls due.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets.

18.2.1 Exposure to credit risk

The table below analyses the Fund's maximum exposure to credit risk:

	----- 2024 -----		----- 2023 -----	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	----- (Rupees) -----		----- (Rupees) -----	
Balances with banks	441,022,248	441,022,248	350,743,103	350,743,103
Investments	2,424,141,943	1,803,929,843	2,025,915,091	1,700,373,591
Deposits and other receivables	109,242,066	74,148,794	75,343,947	60,736,051
Receivable against sale of investments	27,827,783	27,827,783	-	-
	3,002,234,040	2,346,928,668	2,452,002,141	2,111,852,745

Difference in the balance as per statement of assets and liabilities and maximum exposure is due to the fact that investments in GoP ijara sukuks and profit receivable thereon are not exposed to credit risk.

No financial assets were considered to be past due or impaired as at June 30, 2024.

18.2.2 Credit quality of financial assets

The Fund held balances with banks as at June 30, 2024 with banks having following credit ratings:

Banks	Rating agency	Rating (Short Term / Long Term)	2024	2023
			% of financial assets exposed to credit risk	% of financial assets exposed to credit risk
Dubai Islamic Bank Limited*	VIS	A-1+ / AA	0.09%	-
Bank Al Habib Limited*	PACRA	A1+ / AAA	-	-
Bank Alfalah Limited	PACRA	A1+ / AA+	5.96%	2.69%
Allied Bank Limited*	PACRA	A1+ / AAA	0.03%	-
Habib Metropolitan Bank Limited*	PACRA	A1+ / AA+	-	-
MCB Islamic Bank Limited*	PACRA	A1 / A	93.82%	-
Al baraka Bank (Pakistan) Limited	VIS	A-1 / A+	0.08%	96.79%
Bank Islami Pakistan Limited	VIS	A-1+ / AAA	0.02%	0.52%
Zarai Taraqati Bank Limited*	VIS	A-1+ / AAA	-	-
Meezan Bank Limited*	VIS	A-1+ / AAA	-	-
			100.00%	100.00%

* Nil due to rounding off.

Above ratings are on the basis of available ratings assigned by PACRA and Vital Information Services (VIS) as of June 30, 2024.

Ratings of GoP ijara sukuk certificates and sukuk certificates have been disclosed in related notes to financial statements.

18.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect the groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. Despite the high concentration of credit risk as stated above, the Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit worthy counter parties thereby mitigating any significant concentrations of credit risk.

18.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets up to 90 days and would be secured by the assets of the Fund. The facility would bear profit at commercial rates. However, no borrowing was required to be obtained by the Fund during the current year.

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

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining year at the end of the reporting year to the contractual maturity date. However, the assets and liabilities that are receivable / payable on demand including balances with banks have been included in the maturity grouping of one month.

On-balance sheet financial instruments

2024						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

Financial assets

Balances with banks	441,022,248	-	-	-	-	441,022,248
Investments	-	-	403,440,500	975,099,308	281,102,135	2,424,141,943
Deposits and other receivables	28,627,996	41,869,593	35,093,272	-	3,651,205	109,242,066
Receivable against sale of investments	27,827,783	-	-	-	-	27,827,783
	497,478,027	41,869,593	438,533,772	975,099,308	281,102,135	3,002,234,040

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	417,976	-	-	-	-	417,976
Payable to Central Depository Company of Pakistan Limited - Trustee	233,068	-	-	-	-	233,068
Payable against purchase of investments	26,690,362	-	-	-	-	26,690,362
Accrued expenses and other liabilities	860,580	-	859,124	-	-	1,719,704
	28,201,986	-	859,124	-	-	29,061,110

Net financial assets

	469,276,041	41,869,593	437,674,648	975,099,308	281,102,135	768,151,205	2,973,172,930
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On-balance sheet financial instruments

2023						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

Financial assets

Balances with banks	350,743,103	-	-	-	-	350,743,103
Investments	-	-	76,978,472	807,079,880	350,356,739	2,025,915,091
Deposits and other receivables	5,088,937	67,655,010	-	-	2,600,000	75,343,947
	355,832,040	67,655,010	76,978,472	807,079,880	350,356,739	2,452,002,141

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	106,978	-	-	-	-	106,978
Payable to Central Depository Company of Pakistan Limited - Trustee	402,216	-	-	-	-	402,216
Accrued expenses and other liabilities	2,297,540	-	715,936	-	-	3,013,476
	2,806,734	-	715,936	-	-	3,522,670

Net financial assets

	353,025,306	67,655,010	76,262,536	807,079,880	350,356,739	794,100,000	2,448,479,471
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19 FAIR VALUE MEASUREMENT

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

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

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

19.1 Fair value hierarchy

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: 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); and

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

As at June 30, 2024 and June 30, 2023 the Fund held the following financial instruments measured at fair value:

----- 2024 -----			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			
Investments 'at fair value through profit or loss'			
Sukuk certificates	-	1,803,929,843	-
GoP ijara sukuks certificates	-	620,212,100	-
	-	<u>2,424,141,943</u>	-
			<u>2,424,141,943</u>

----- 2023 -----			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			
Investments 'at fair value through profit or loss'			
Sukuk certificates	-	1,700,373,591	-
GoP ijara sukuks certificates	-	325,541,500	-
	-	<u>2,025,915,091</u>	-
			<u>2,025,915,091</u>

During the year ended June 30, 2024, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

20 UNIT HOLDERS' FUND RISK MANAGEMENT

The Fund is an open end collective investment scheme. The unit holders' fund of open end schemes is represented by net assets attributable to unit holders. The risk in case of an open end scheme is 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 unexpected losses in investment portfolio which may cause adverse effects on the Fund's continuation as a going concern.

The Fund's objective when managing net assets attributable to unit holders is to safeguard the Fund's ability to continue as a 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 unit holder fund structure, the Fund performs the following:

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

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically monitor capital of the Fund on the basis of the value of net assets attributable to the unit holders and track the movement of "Assets under Management" as well as returns earned on the net assets to maintain investors' confidence and achieve future growth in business. Further, the Board of Directors is updated about the Fund's yield and movement of net asset value 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 gains as reduced by such expenses as are chargeable to the Fund.

Under the NBFC Regulations, the minimum size of an open end scheme shall be one hundred million rupees at all the times during the life of the scheme. The Fund has maintained minimum size of one hundred million rupees at all times during the year.

21 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 as required under Schedule V of the NBFC Regulations has been disclosed in the Annexure to the financial statements.

22 CORRESPONDING FIGURES

Corresponding figures have been re-classified, re-arranged or additionally incorporated in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications were made in these financial statements.

23 GENERAL

Figures have been rounded off to the nearest rupee, unless otherwise stated.

24 DATE OF AUTHORISATION FOR ISSUE

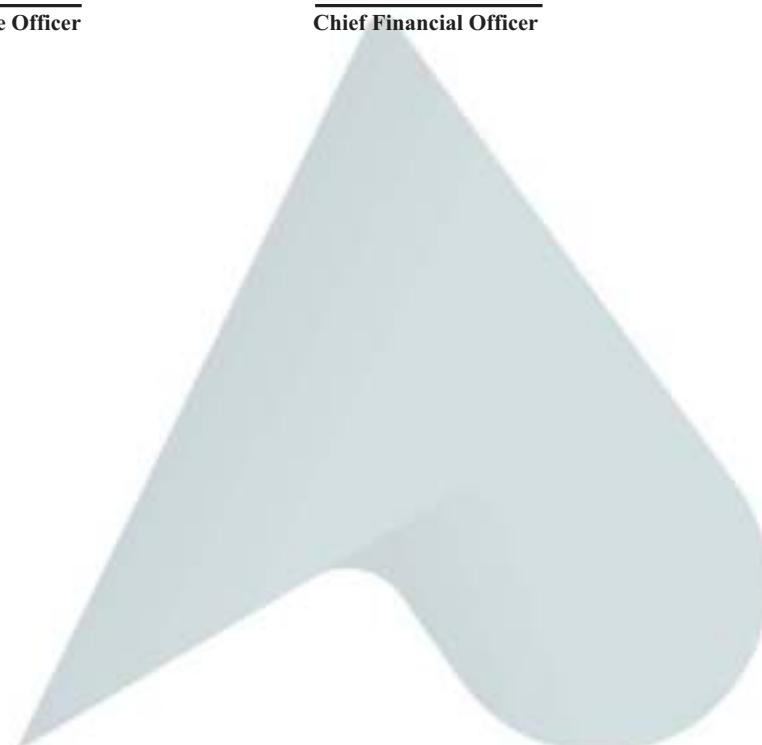
These financial statements were authorised for issue on **August 30, 2024** by the Board of Directors of the Management Company.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



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

(i) UNIT HOLDING PATTERN OF THE FUND

Category	As at 30 June 2024			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	265	57,239	6,364,672.73	0.2%
Associated Co./ Directors	-	-	-	0%
Banks/Dfis	-	-	-	0%
Insurance Co.	4	26,684,421	2,967,390,293	99.8%
Retirement & Other Funds	-	-	-	0%
Others	-	-	-	0%
	269	26,741,659	2,973,754,966	100%

Category	As at 30 June 2023			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	286	59,269	5,302,016	0.2%
Associated Co./ Directors	-	-	-	0%
Banks/Dfis	-	-	-	0%
Insurance Co.	-	-	-	0%
Retirement & Other Funds	0	-	-	0%
Others	11	27,315,289	2,443,548,903	99.8%
	297	27,374,558	2,448,850,919	100%

(ii) TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

	30 June 2024
	%
Next Capital Limited	100%

	30 June 2023
	%
Summit Capital (Private) Limited	5%
Next Capital Limited	95%

(iii) **PARTICULARS OF MEMBERS OF THE INVESTMENT COMMITTEE**

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

Khaldoon Bin Latif	Chief Executive Officer
Ayub Khuhro	Chief Investment Officer
Faisal Ali Khan	Chief Financial Officer
Shariq Mukhtar Hashmi	Chief Compliance Officer
Mustafa Kamal	Head of Fixed Income
Muddasir Ahmed Shaikh	Head of Equities
Shams-ud-din Shah, CFA, FCCA	Head of Research
Omar Mukhtar	Head of Risk
Salman Jawaid	Fund Manager Fixed Income Funds
Anil Kumar, CFA	Fund Manager Equity Funds

Khaldoon Bin Latif-Chief Executive Officer

Mr. Latif has been associated with the capital markets for over 18 years, with both domestic and international experience providing a comprehensive blend. Prior to joining Alfalah Investments, Mr. Khaldoon was associated with Faysal Asset Management Limited as its Chief Executive Officer (CEO) and under his leadership, Faysal Asset Management has achieved significant growth during his tenure and transformed into major industry player. Earlier he was associated with BMA Asset Management Company Limited as its CEO, JS Investments Limited as its Chief Investment Officer (CIO) and KASB Funds Limited as its CEO. Before KASB Funds he was the General Manager and Director of TSWLL Bahrain, a wholly owned subsidiary of TAIB Bank BSC, where he headed their brokerage, asset management, custody and advisory operations.

He has been a member of the Mutual Fund Association for over six years and has been the Vice Chairman from FY2021-22. He is also a non-executive director on a bank holding company out of Bahrain, IIBank LLC, that has operations in Africa and Europe. He is a former board member of TRG and Pace Pakistan. In addition to this, he brings both buy and sell side exposure of domestic capital markets in Pakistan. He began his career on the sell side with AKD Securities Ltd in various capacities including Head of Foreign Institutional Sales and Equity Research in the capacity of Head of Research and Chief Economist. On the buy side, he has worked with PICIC AMC as Head of Research and Product Development where his tenor also included active management of the PICIC Energy Fund.

Mr. Latif is a LUMS Alumni and has done a number of capital market courses with CFA association, Daiwa, J.P. Morgan and Bahrain Institute of Banking and Finance (BIBF). He has also completed his Director certification program from IBA.

Mr. Ayub Khoro – Chief Investment Officer

Muhammad Ayub Khuhro brings over 15 years of extensive experience in the banking and asset management industry to his role as Chief Investment Officer at Alfalah Investments. Prior to joining the company, he served as Chief Investment Officer at Faysal Asset Management Limited (FAML), where he played a pivotal role in revitalizing the investment process, fund management teams, and research department. His strategic initiatives significantly contributed to FAML's unprecedented growth and its ability to adapt to evolving market dynamics. Mr. Khuhro's career journey began at Pak Oman AMC in the research division, followed by a role as Research Head in the Equity Capital Markets Division at Faysal Bank Limited. His responsibilities included managing an equity portfolio valued at over USD 80 million and providing comprehensive research insights to support the Investment Committee's decision-making process. Additionally, he played a key role in IPOs and private equity valuations for the bank. With a Bachelor's degree in Economics from Lahore University of Management Sciences (LUMS), Mr. Khuhro possesses a deep understanding of equity, fixed income, and money market investments. His expertise extends to strategic and tactical asset allocations, driven by thorough research and evaluation of historical performance across multiple asset classes and instruments.

Faisal Ali Khan-Chief Financial Officer

Faisal Ali Khan is serving as Chief Financial Officer of Alfalah Investments and prior to joining he was associated with Faysal Funds where he served as CFO and Company Secretary. In past he has worked with reputed financial sector organizations including BMA Funds, Saudi Pak Industrial and Agricultural Company (Pvt.) Ltd, Attock Refinery Limited and KPMG. Mr. Khan is a fellow member of the Institute of Chartered Accountant of Pakistan having a professional experience of over nineteen years ranging from financial reporting, regulatory compliance, budgeting and taxation to corporate and secretarial practices including 15 years of experience in the asset management and investment advisory industry.

Mr. Shariq Mukhtar Hashmi – Chief Compliance Officer

Mr. Hashmi holds a diversified experience of over 11 years with various private sector enterprises of repute. He joined IGI Funds Limited (which subsequently merged into Alfalah GHP Investment Management Limited in Oct. 2013) in 2010 to lead the back office function as Head of Operations & Settlements. His association has continued, post-merger, as Head of Compliance & Risk Management. He has previously served National Asset Management Company as Head of Internal Audit and Feroze Sharif Tariq & Co Chartered Accountants in various capacities. He has also headed the Internal Audit Department of the Company. Mr. Hashmi is a qualified Accountant from the Association of Chartered Certified Accountants, UK and holds MBA degree in Finance from SZABIST University. He is also enrolled for Financial Risk Manager Certification of Global Association of Risk Professionals; USA.

Mr. Muddasir Ahmed Shaikh -- Head of Equities

Mr. Shaikh is heading the Equity Investments team at Alfalah Investments. He has been an integral part of the team since 2007 and holds about two decades of professional experience. He joined the Investment Management Industry in 2004, right after his graduation with an MBA degree. Over the years, he has served various public and private financial institutions of repute. He started his career as Research Analyst and has progressed over the year to higher levels in portfolio management.

Mr. Shaikh is an Alumni of the prestigious Institute of Business Administration, Karachi (IBA).

Mr. Shams-ud-din Shah - Head of Research

Mr. Shams is a CFA charter holder and member of ACCA. He holds +8 years of experience in financial service industry and has been associated with Alfalah since June 2017. He leads the Research Department and aptly covers Economy, Ban. ks, Construction and Material sectors along with supervision and professional development of other research analysts in the team. His hard work, strong analytical skills and thorough understanding of the economy and sector dynamics have earned him recognition and rendered effective support to the Portfolio Management function.

Mr. Mustafa Kamal - Head of Fixed Income

"Mr. Mustafa Kamal has more than 18 years of work experience in the investment management profession out of which he has been associated with the Mutual Fund Industry for over 15 years. Prior to joining Alfalah Investments, he was working as a Chief Investment Officer with Pak Oman Asset Management Limited. Over the years, he has worked at companies like Askari Investments, National Fullerton Asset Management, Crescent Leasing & ORIX Investment Bank. He is an MBA with Majors in Finance.

Currently serving the company as a Head of Fixed Income Funds, Mr. Kamal is a key member of portfolio management team and a member of the investment committee for the mutual funds. During his career he has managed wide range of conventional and Islamic mutual funds schemes."

Mr. Omar Mukhtar – Head of Risk

Mr. Mukhtar is the Head of Risk Management and has remained part of the Board Risk & Investment Committees and has played an instrumental role in the establishment of the Risk Management, Enterprise Risk Management & Information Security framework for the organization. He brings with him an experience of over fifteen years in the field of Risk Management in the Mutual Funds Industry. Prior to becoming part of the Alfalah Investments team, he was associated with UBL Funds Ltd in managing their Risk Management Function. Mr. Mukhtar has done his MBA in Finance from Greenwich University and holds a BBA Honors degree. He is also a member of GARP (Global Association of Risk Professionals).

Mr. Salman Jawaid - Fund Manager Fixed Income Fund

Mr. Salman is managing the Fixed Income Funds at Alfalah Investments. He has almost more than 12 years of work experience in the Mutual Fund Industry precisely in the Fund Management Department. He is an MBA in Finance from the Institute of Business Management (IOBM) and also pursuing his education in the CFA program. Over the years, he has worked at National Investment Trust Limited (NIT) and Faysal Asset Management in the portfolio management department.

Mr. Anil Kumar - Jr. Fund Manager Equity Funds

Mr. Anil has over 3 years of well-rounded sectoral exposure in Investment Research and Fund Management. He was earlier associated as Research Analyst with Alfalah Investments, where he has actively covered Chemical Sector, Cement Sector, Pharmaceutical sector, Textile sector and has also identified many profitable investment ideas. Prior to joining Alfalah, he was associated with UBL Fund Managers and Darson Securities Limited. Anil has done Bachelors (BBA) from Iqra University with majors in Finance and is a CFA Level 3 candidate.

(iv) ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The dates of the meetings of the Board of Directors of the Management Company of the fund and the attendance of its members are given below.

Name of Director	Meeting held on				
	August 25, 2023	October 30, 2023	December 21, 2023	February 22, 2024	April 30, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓	✓
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Khaled Khanfer	Leave	Leave	✓	✓	✓
Ms. Ayesha Aziz	✓	✓	✓	✓	✓
Mr. Atif Bajwa	✓	✓	✓	✓	✓
Mr. Sohail Sultan	✓	✓	✓	✓	✓

(v) **MEETINGS OF BOARD AUDIT COMMITTEE**

The dates of the meetings of the Board Audit Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on				
	August 24, 2023	September 26, 2023	October 26, 2023	February 21, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	✓	Leave	✓	✓
Ms. Ayesha Aziz		✓	✓	✓	Resigned
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Farooq Ahmed Khan		✓			✓

(vi) **MEETINGS OF BOARD RISK MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Risk Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on			
	August 22, 2023	October 28, 2023	February 20, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	Leave	✓	Leave
Mr. Khalilullah Shaikh	✓	✓	✓	✓
Mr. Farooq Ahmed Khan	-	-	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓

(vii) **MEETINGS OF BOARD HUMAN RESOURCE MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Human Resource Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on		
	August 21, 2023	September 26, 2023	February 19, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓
Mr. Khalilullah Shaikh	-	✓	-
Ms. Ayesha Aziz	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓

(viii) **MEETINGS OF BOARD INVESTMENT COMMITTEE**

The dates of the meetings of the Board Investment Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on	
	December 14, 2023	April 24, 2024
Mr. Farooq Ahmed Khan	-	✓
Mr. Sohail Sultan	✓	✓
Ms. Ayesha Aziz	✓	✓

**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**

PERFORMANCE TABLE - AGIVF

	30 June 2024 (Rupees in '000)	30 June 2023 (Rupees in '000)	30 June 2022 (Rupees in '000)	30 June 2021 (Rupees in '000)	30 June 2020 (Rupees in '000)
Net Assets	2,973,755	2,448,851	1,979,978	2,287,907	746,562
NAV per unit	111.2031	89.4572	89.0616	89.1575	88.8143
Selling price per unit	112.1455	90.2153	89.8164	89.9131	89.5670
Redemption price per unit	111.2031	89.4572	89.0616	89.1575	88.8143
Highest selling price per unit	114.5492	105.0426	100.5844	96.5921	106.4587
Highest redemption price per unit	111.9012	104.1598	89.9319	95.7804	102.9681
Lowest selling price per unit	90.4377	89.8408	89.0393	89.5810	79.3273
Lowest redemption price per unit	89.6777	89.0858	89.7939	88.8282	76.7263
Total interim distribution per unit	N/A	15.0982	N/A	6.6178	0.2547
Interim distribution date	N/A	23 Jun,2023	-	28 Jun,2021	26 Jun,2020
Final distribution per unit	N/A	N/A	8-Jan-00	0.0271	0.0743
Final distribution date	N/A	N/A	24 Jun,2022	30 Jun,2021	30 Jun,2020
Annualized returns	24.31%	17.47%	9.34%	7.87%	1.86%
Income distribution	N/A	16.95%	0-Jan-00	N/A	N/A
Weighted avg. portfolio duration	N/A	N/A	N/A	N/A	N/A

Return since inception is 6.62%

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



Alfalah
Islamic Rozana Amdani Fund

FUND INFORMATION

Management Company:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Board of Directors of the Management Company:	Mr. Atif Aslam Bajwa Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Mr. Sohail Sultan Mr. Khalilullah Shaikh Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Audit Committee (BAC):	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh
Business Risk Management Committee (BRMC)	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh Mr. Khaldoon Bin Latif (CEO)
Human Resource & Remuneration Committee (HRRC):	Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Board Investment Committee (BIC):	Mr. Farooq Ahmed Khan Mr. Sohail Sultan Ms. Ayesha Aziz
Head of Legal & Company Secretary:	Ms. Nahl Eman Chamdia
Chief Financial Officer:	Mr. Faisal Ali Khan
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, P.O.Box 4716 Karachi, Pakistan
Legal Advisor:	Haider Waheed House 188, Street 33, Khyaban-e-Qasim, DHA Pahse VIII, Karachi MSB Consultants F-66/2, Park Lane, Block 5 Clifton, Karachi.
Shariah Advisor:	Bank Islami Pakistan Limited 11th Floor, Dolmen Executive Towers, Marine Drive, Clifton, Block-4, Karachi
Registrar:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Distributor:	Bank Alfalah Limited
Rating:	AA(f)

Alfalah Islamic Rozana Amdani Fund

Annual Fund Manager's Report

Type of Fund: Open-end Scheme

Category of Fund: Islamic Money Market

Investment Objective

The objective of Alfalah Islamic Rozana Amdani Fund (AIRAF) is to provide competitive returns and to meet liquidity needs of investors by providing investors a daily dividend by investing in low risk and highly liquid Shari'ah Compliant money market instruments.

Accomplishment of Objective

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

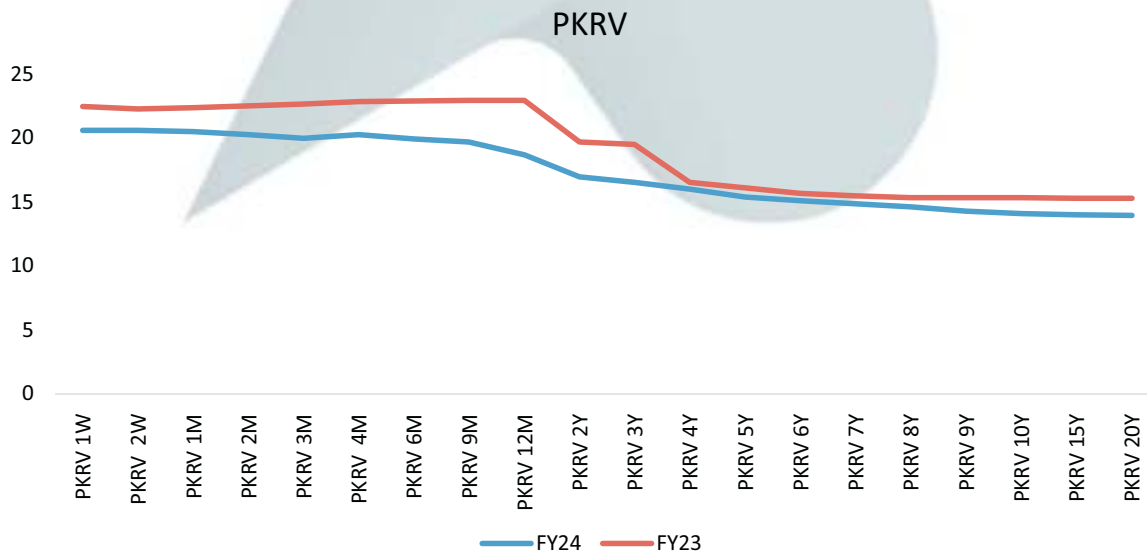
Money Market Review:-

Real GDP growth for FY24 posted a growth of 2.38% in FY24 as compared to -0.21% in FY23

Inflation for FY24 averaged at 23.9% compared to 29.04% in FY23, mainly due to stability in exchange rate coupled with lower political noise, rising agricultural yields, fiscal consolidation and softening oil prices and even fell to 12% by year end. As a result, the Central Bank has started monetary easing from June 2024 resulting in 250bps cut in interest rates in previous 2 meetings.

The next monetary policy is scheduled on September 12, 2024, where another cut in the policy rate cannot be ruled out as inflation is forecasted to maintain a lower trajectory, paving way for further anticipated monetary easing.

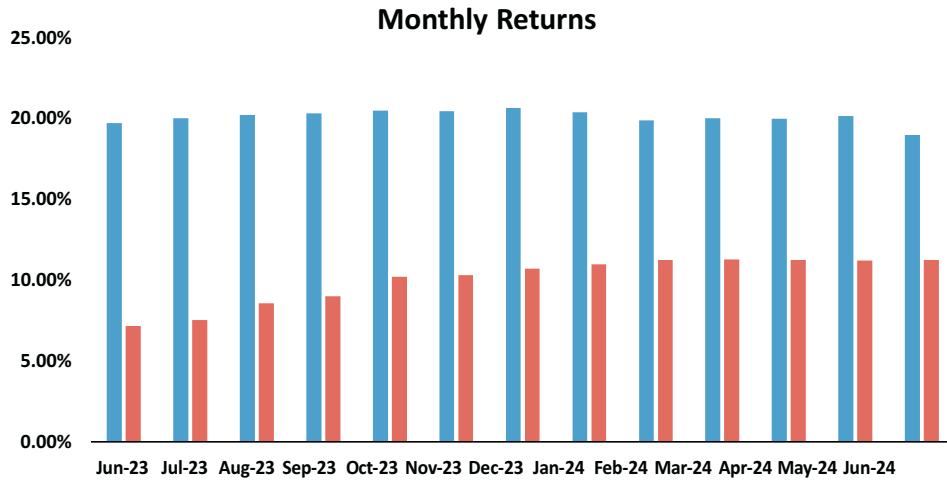
The current real interest rate stands impressively high at 8.4%, well above its historical median of 1%, providing a robust foundation for potential monetary easing actions. This could potentially lead to a reduction in the policy rate by 5%-6% over the next fiscal year. However, risks persists, particularly from potential inflationary impacts stemming from reforms outlined in the budget and IMF program, as well as volatility in exchange rates and oil prices.



Fund Performance

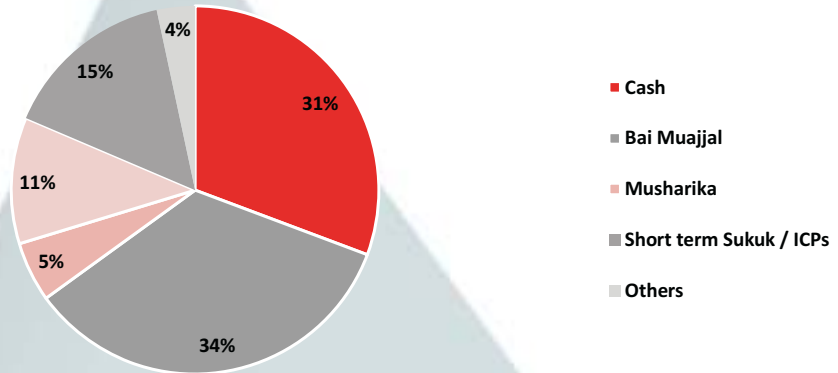
The fund's return stood at 22.08% against the benchmark return of 10.28%.

Performance comparison with Benchmark



Assets Allocation

Asset Allocation
(as at 30-June-2024)



Credit Quality (as % of Total Assets)			
Govt. Guaranteed (Rated AAA)	11.14%	A1+	7.32%
AAA	21.93%	A-	0.00%
AA+	31.43%	BBB+	0.00%
AA	16.90%	BBB	0.00%
AA	0.00%	Below IG	0.00%
A+	0.00%	NR/UR/MTS	3.38%
A1	7.89%		

⇒ **Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

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

⇒ **Disclosure on unit split (if any), comprising:-**

There were no unit splits during the period.

⇒ **Disclosures of circumstances that materially affect any interests of unit holders**

Investments are subject to market risk.

⇒ **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme.**

No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahr-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdc-pakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

ALFALAH ISLAMIC ROZANA AMDANI FUND

**Report of the Trustee pursuant to Regulation 41(h) and clause 8 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 Islamic Rozana Amdani Fund (the Fund) are of the opinion that Alfalah Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2024 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;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) 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.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 26, 2024





SHARIAH REVIEW REPORT
ALFALAH ISLAMIC ROZANA AMDANI FUND

We, the Shariah Advisors of the Alfalah Islamic Rozana Amdani Fund ('AIRAF') managed by Alfalah Asset Management Limited, are issuing this report in accordance with the Trust Deed dated June 25, 2020 and Offering Document dated July 17, 2020 of the said Fund. The scope of the report is to express an opinion on the Shariah Compliance of the Fund's activities.

It is the responsibility of the Management Company of the said Fund to establish and maintain a system of internal controls to ensure compliance with issued Shariah guidelines. As Shariah Advisors, our responsibility is to express an opinion, based on our review of the representations made by the management, to the extent where such compliance can be objectively verified.

In the capacity of Shariah Advisors of the Fund, we have reviewed and given approval for investment in following avenues during the period from July 01, 2023 to June 30, 2024.

Investment Avenue
<i>Approved Shariah Compliant Sukuk</i>
<i>Approved Islamic Commercial Papers</i>
<i>Approved Bai Muajjal Transactions</i>
<i>Approved Mudaraba & Musharka Transaction</i>
<i>Term Deposit Receipts with Approved Islamic Banks</i>

We hereby certify that all the above-mentioned investments and all the provisions of the scheme made by the Fund are in compliance with the Shariah principles.

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

For and on behalf of Shariah Advisory Board.


Mufti Shaikh Noman
Shariah Advisor


Mufti Javed Ahmad
Shariah Board Member

Alfalah Asset Management Limited

2nd Floor, Islamic Chamber of Commerce, Industry and Agriculture Building, Block-9, Clifton, Karachi - 75600 Pakistan.
U: +92 (21) 111-090-090 | W: www.alfalahamc.com

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

Alfalah Islamic Rozana Amdani Fund has fully complied with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor for its operations, investments and placements made during the year ended June 30, 2024. This has been duly confirmed by the Shariah Advisor of the Fund.

Dated: September 26, 2024

Mr. Khaldoon Bin Latif
Chief Executive Officer



Independent Assurance Report on Compliance with the Shariah Governance Regulations, 2023

To the unit holders of **Alfalah Islamic Rozana Amdani Fund (the Fund)**

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of **Alfalah Islamic Rozana Amdani Fund (the Fund)** for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar(s).

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2024) is assessed, comprise the Shariah principles and rules as defined in the Regulations and reproduced as under.

- i. Legal and regulatory framework administered by the Commission;
- ii. Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission;
- iii. Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;
- iv. Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and
- v. Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2024, which are annexed.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions having Shariah implications, entered into by the Fund with its customers, other financial institutions, and stakeholders, and related policies and procedures, are, in substance and in their legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for the design, implementation, and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, And Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2024, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than audits or reviews of historical financial statements', issued by the International Auditing and Assurance Standards Board.

That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgment, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures was sufficient and appropriate to provide a basis for our opinion.

7. Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2024 are in compliance with the Shariah principles (criteria specified in para 2 above), in all material respects.

 UHY Hassan Naeem & Co,
Chartered Accountants
Engagement Partner: Arslan Ahmed
Dated: September 26, 2024



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Alfalah Islamic Rozana Amdani Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alfalah Islamic Rozana Amdani Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer notes 4 and 5 to the financial statements)	
	Balances with banks and Investments constitute the most significant component of the net asset value. Balances with banks of the Fund as at June 30, 2024 amounted to Rs. 18,006.67 million and investments aggregated to Rs. 38,205.63 million. The existence of balances with banks and existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none"> • Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; • Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and • Obtained bank reconciliation statements and tested reconciling items on a sample basis.

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Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Junaid Mesia**.

A. F. Ferguson & Co.
Chartered Accountants
Dated: September 30, 2024
Karachi
UDIN: AR202410611rp5jaKQ9h

ALFALAH ISLAMIC ROZANA AMDANI FUND

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2024

	Note	2024 ----- (Rupees) -----	2023 ----- (Rupees) -----
Assets			
Bank balances	4	18,006,671,857	17,510,778,220
Investments	5	38,205,627,500	13,095,260,239
Advances, deposits and profit receivables	6	716,977,276	636,332,802
Preliminary expenses and floatation costs	7	786,978	1,436,019
Receivable against sale of investments		9,741	-
Total assets		<u>56,930,073,352</u>	<u>31,243,807,280</u>
Liabilities			
Payable to Alfalah Asset Management Limited - Management Company	8	106,696,877	45,780,910
Payable to Central Depository Company of Pakistan Limited - Trustee	9	4,333,335	1,551,838
Fee payable to the Securities and Exchange Commission of Pakistan	10	3,906,833	3,367,420
Accrued expenses and other liabilities	11	278,203,839	76,474,812
Total liabilities		<u>393,140,884</u>	<u>127,174,980</u>
Net assets attributable to the unit holders		<u>56,536,932,468</u>	<u>31,116,632,300</u>
Unit holders' fund (as per statement attached)		<u>56,536,932,468</u>	<u>31,116,632,300</u>
Contingencies and commitments	12		
		----- (Number of units) -----	
Number of units in issue		<u>565,369,331</u>	<u>311,166,323</u>
		(Rupees)	(Rupees)
Net asset value per unit		<u>100.000</u>	<u>100.000</u>

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH ISLAMIC ROZANA AMDANI FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024	2023
		----- (Rupees) -----	
Income			
Profit on savings accounts with banks	4.1	3,415,174,446	1,794,706,007
Income on term deposits receipts		373,472,682	179,505,161
Income on musharakah certificates		1,467,009,756	64,605,753
Income on mudaraba certificates		565,604,247	9,400,000
Income on bai muajjal		1,502,849,914	455,804,882
Income on short term sukuk certificates		1,517,004,774	440,471,168
Income on GoP ijarah sukuk certificates		573,333,754	-
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.7	32,585,090	-
Net realised loss on sale of investments		(26,503,668)	(758,450)
Total income		<u>9,420,530,995</u>	<u>2,943,734,521</u>
Expenses			
Remuneration of Alfalah Asset Management Limited - Management Company	8.1	265,707,414	76,877,697
Sindh Sales Tax on remuneration of the Management Company	8.2	34,541,964	9,994,101
Selling and marketing expenses	8.3	86,546,522	18,410,000
Allocated expenses	8.5	12,829,093	15,570,047
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	24,514,188	9,282,106
Sindh Sales Tax on remuneration of the Trustee	9.2	3,186,844	1,206,674
Fee to the Securities and Exchange Commission of Pakistan	10.1	33,427,775	3,367,445
CDS charges		4,259,060	2,855,114
Bank and settlement charges		96,117	210,368
Auditors' remuneration	13	533,394	444,495
Printing and publication charges		139,769	444,495
Brokerage expenses		2,875,412	1,182,379
Amortisation of preliminary expenses and floatation costs	7	649,041	647,385
Fees and subscriptions		421,823	421,139
Shariah advisor fee		259,568	258,792
Total expenses		<u>469,987,984</u>	<u>140,866,207</u>
Net income for the year before taxation		<u>8,950,543,011</u>	<u>2,802,868,314</u>
Taxation	16	-	-
Net income for the year after taxation		<u>8,950,543,011</u>	<u>2,802,868,314</u>
Allocation of net income for the year			
Net income for the year after taxation		8,950,543,011	2,802,868,314
Income already paid on units redeemed		-	-
		<u>8,950,543,011</u>	<u>2,802,868,314</u>
Accounting income available for distribution			
- Relating to capital gains		6,081,422	-
- Excluding capital gains		8,944,461,589	2,802,868,314
		<u>8,950,543,011</u>	<u>2,802,868,314</u>

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH ISLAMIC ROZANA AMDANI FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	----- (Rupees) -----	
Net income for the year after taxation	8,950,543,011	2,802,868,314
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>8,950,543,011</u>	<u>2,802,868,314</u>

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



For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH ISLAMIC ROZANA AMDANI FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	2024			2023		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)			(Rupees)		
Net assets at the beginning of the year	31,116,632,300	-	31,116,632,300	6,698,197,410	-	6,698,197,410
Issuance of 1,529,702,682 (2023: 771,093,943) units						
- Capital value (at ex-net asset value per unit at the beginning of the year)	152,970,268,200	-	152,970,268,200	77,109,394,300	-	77,109,394,300
- Element of income	-	-	-	-	-	-
Total proceeds on issuance of units	152,970,268,200	-	152,970,268,200	77,109,394,300	-	77,109,394,300
Redemption of 1,275,499,674 (2023: 526,909,622) units						
- Capital value (at par value per unit at the beginning of the year)	127,549,968,032	-	127,549,968,032	52,690,959,410	-	52,690,959,410
- Element of income	-	-	-	-	-	-
Total payments on redemption of units	127,549,968,032	-	127,549,968,032	52,690,959,410	-	52,690,959,410
Total comprehensive income for the year	-	8,950,543,011	8,950,543,011	-	2,802,868,314	2,802,868,314
Distributions during the year *	-	(8,950,543,011)	(8,950,543,011)	-	(2,802,868,314)	(2,802,868,314)
Net assets at the end of the year	56,536,932,468	-	56,536,932,468	31,116,632,300	-	31,116,632,300
Undistributed income brought forward						
- Realised income		-			-	
- Unrealised income		-			-	
Accounting income available for distribution						
- Relating to capital gains	6,081,422			-		
- Excluding capital gains	8,944,461,589			2,802,868,314		
	8,950,543,011			2,802,868,314		
Distributions during the year *	(8,950,543,011)			(2,802,868,314)		
Undistributed income carried forward		-			-	
Undistributed income carried forward						
- Realised loss	(32,585,090)			-		
- Unrealised income	32,585,090			-		
	-			-		
	(Rupees)			(Rupees)		
Net asset value per unit at the beginning of the year	100.00			100.00		
Net asset value per unit at the end of the year	100.00			100.00		

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH ISLAMIC ROZANA AMDANI FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ----- (Rupees) -----	2023 ----- (Rupees) -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		8,950,543,011	2,802,868,314
Adjustments for:			
Amortisation of preliminary expenses and floatation costs		649,041	647,385
		<u>8,951,192,052</u>	<u>2,803,515,699</u>
Increase in assets			
Investments - net		(19,196,316,661)	(3,983,000,000)
Advances, deposits and profit receivables		(80,644,474)	(541,612,772)
Receivable against sale of investment		(9,741)	-
		<u>(19,276,970,876)</u>	<u>(4,524,612,772)</u>
Increase in liabilities			
Payable to Alfalah Asset Management Limited - Management company		60,915,967	39,294,592
Payable to Central Depository Company of Pakistan Limited - Trustee		2,781,497	1,199,292
Fee payable to the Securities and Exchange Commission of Pakistan		539,413	2,332,472
Accrued expenses and other liabilities		201,729,027	65,583,129
		<u>265,965,904</u>	<u>108,409,485</u>
Net cash used in the operating activities		<u>(10,059,812,920)</u>	<u>(1,612,687,588)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance of units		152,970,268,200	77,109,394,300
Payment against redemption of units		(127,549,968,032)	(52,690,959,410)
Dividend paid		(8,950,543,011)	(2,802,868,314)
Net cash generated from financing activities		<u>16,469,757,157</u>	<u>21,615,566,576</u>
Net increase in cash and cash equivalents during the year		<u>6,409,944,237</u>	<u>20,002,878,988</u>
Cash and cash equivalents at the beginning of the year		25,273,038,459	5,270,159,471
Cash and cash equivalents at the end of the year	14	<u><u>31,682,982,696</u></u>	<u><u>25,273,038,459</u></u>

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH ISLAMIC ROZANA AMDANI FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alfalah Islamic Rozana Amdani Fund (the Fund) is an open-end collective investment scheme established through a Trust Deed under the Trust Act, 1882, executed between Alfalah Asset Management Limited (the Management Company) and Central Depository Company of Pakistan Limited (CDC), as the Trustee. The Trust Deed was executed on May 19, 2020, and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the NBFC (Establishment and Regulation) Rules, 2003 (the NBFC Rules) on June 25, 2020.
- 1.2 The Trust Act, 1882 had been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund was required to be registered under the Sindh Trust Act. Accordingly, on September 13, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.
- 1.3 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies Rules through a certificate issued by the SECP on February 23, 2023 which is valid for a period of three years w.e.f March 9, 2023. The registered office of the Management Company is situated at Islamic Chamber of Commerce, Industry & Agriculture Building, 2nd Floor, ST-2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
- 1.4 The Fund has been categorised as a 'Shari'ah Compliant Money Market Scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in circular 7 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs.100 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from September 21, 2020 and are transferable and redeemable by surrendering them to the Fund.
- 1.5 The objective of the Fund is to provide competitive returns and to meet liquidity needs of investors by providing investors a daily payout by investing in low risk and highly liquid Shariah Compliant money market instruments. The Management Company has appointed Mufti Shaikh Noman as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.6 **The Fund has the following specific features:**
- (a) **Dividend will be distributed to the entitled unit holders on a daily basis (i.e. each business day).**
 - (b) **Daily dividend received by the unit holder shall be reinvested.**
- By distributing dividend on a daily basis, the Management Company is required to ensure that total distribution in an accounting period accumulates to an amount that is required under the tax laws and other regulations in force.
- 1.7 VIS Credit Rating Limited has assigned an asset manager rating of AM1 (stable outlook) to the Management Company dated December 29, 2023 [June 30, 2023: AM2+ dated March 3, 2023 by Pakistan Credit Rating Agency Limited (PACRA)]. PACRA has assigned a stability rating of AA(f) to the Fund in its credit rating report dated April 09, 2024 (June 30, 2023: AA(f) dated April 14, 2023).
- 1.8 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 PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the requirements of IFRS Accounting Standards, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

2.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2023. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and hence, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Fund which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

2.4 Critical accounting estimates and judgments

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

By distributing dividend on a daily basis, the Management Company is required to ensure that total distribution in an accounting year accumulates to an amount that is required under the tax laws and other regulations in force.

2.5 Accounting convention

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

2.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupees, which is the Fund's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

3.1 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The short term investments are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

3.2 Bai Muajjal

Bai Muajjal transactions represent sales of sukuks and Islamic commercial papers on a deferred payment basis. The difference between the deferred payment amount receivable and the carrying value at the time of sale is accrued and recorded as income over the term of the transaction.

3.3 Financial assets

3.3.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

3.3.2 Classification and subsequent measurement

a) Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost ;
- at fair value through other comprehensive income (FVOCI);
- at fair value through profit or loss (FVTPL)

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognized at FVTPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVTPL.

b) Impairment (other than debt securities)

The fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and FVOCI. The fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

c) Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has been placed on the Management Company's website as required under the SECP's circular.

3.3.3 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

3.3.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss arising on derecognition of financial assets is taken to the Income Statement.

3.4 Financial liabilities

3.4.1 Classification and subsequent measurement

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair values and subsequently measured at amortised cost.

3.4.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

3.5 Offsetting of financial assets and financial liabilities

Financial assets and financial 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 to realise the assets and settle the liabilities simultaneously.

3.6 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions, if any, are regularly reviewed and adjusted to reflect the current best estimate.

3.7 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on enacted tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

3.8 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are being amortised over a period of 5 years in accordance with the requirements set out in the Trust Deed of the Fund.

3.9 Net asset value per unit

The Net Asset Value (NAV) per unit, as disclosed in the Statement of Assets and Liabilities, is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

3.10 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on the day when the application is received. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load, provision of duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company / distributors receives redemption applications during business hours on that date. The redemption price represents NAV as on the close of business day, less any duties, taxes, charges on redemption and any provision for transactions costs, if applicable.

3.11 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the period also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

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

Element of income represents the difference between net asset value per unit on the issuance or redemption date, as the case may be, of units and the net asset value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

3.13 Revenue recognition

- Unrealised gains / (losses) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the year in which they arise.
- Gains or losses arising on sale of investments classified as financial assets at 'fair value through profit or loss' are recognised in the Income Statement at the date on which the transaction takes place;
- Profit on term deposit receipts and commercial papers is recognised on time proportion basis using the effective yield;
- Income on sukuk certificates is recognised on a time proportionate basis using the effective yield method except for the securities which are classified as non-performing asset under Circular 33 of 2012 issued by SECP for which the profits are recorded on cash basis;
- Income on bai Muajjal is recognised on time proportion basis, the difference between the sale and the credit price is recognised over the credit period; and
- Profit on bank balances is recognised on an accrual basis.

3.14 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee to the SECP are recognised in the Income Statement on an accrual basis.

3.15 Earnings per unit

Earnings per unit is calculated by dividing the net income for the period after taxation of the Fund by the weighted average number of units outstanding during the year.

Earnings per unit (EPU) has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

3.16 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

4	BANK BALANCES	Note	2024 ----- (Rupees) -----	2023 -----
	In savings accounts	4.1	18,006,661,857	17,355,768,220
	In current account		10,000	155,010,000
			<u>18,006,671,857</u>	<u>17,510,778,220</u>

- 4.1 These accounts carry profit rates ranging from 18.50% to 21.50% (2023: 5.50% to 20.50%) per annum. These include bank balance of Rs. 223.004 million (2023: 2,686.34 million) which is maintained with Bank Alfalah Limited (a related party), having profit rate of 20.00% (2023: 20.25%) per annum.

5 INVESTMENTS

At fair value through profit or loss

Bai muajjal receivables	5.1	20,139,935,981	4,337,260,239
Term deposit receipts	5.2	3,000,000,000	3,425,000,000
Short term sukuk certificates	5.3	8,675,000,000	5,333,000,000
Musharakah certificates	5.4	-	-
Mudaraba certificates	5.5	-	-
GoP ijarah sukuks	5.6	6,390,691,519	-
		<u>38,205,627,500</u>	<u>13,095,260,239</u>

5.1 Bai Muajjal receivables - at fair value through profit or loss

Name of the investee company	Rating (Long Term / Short Term)	Maturity date	Profit rate	Total transaction price	Deferred income	Accrued profit	Carrying value as at June 30, 2024	Carrying value as a percentage of			
								net assets of the Fund	total investments of the Fund		
							----- Rupees -----	----- % -----			
Pak Brunei Investment Company Limited	AA+/A-1+	August 10, 2023	20.40%	834,509,491	18,070,645	18,070,645	-	-	-		
Pak Brunei Investment Company Limited	AA+/A-1+	August 15, 2023	20.40%	1,385,827,550	33,668,995	33,668,995	-	-	-		
Pak Kuwait Investment Company (Private) Limited	AAA/A-1+	August 10, 2023	20.40%	834,546,867	18,081,243	18,081,243	-	-	-		
Pak Kuwait Investment Company (Private) Limited	AAA/A-1+	August 15, 2023	20.40%	1,385,885,813	33,688,599	33,688,599	-	-	-		
Pak Kuwait Investment Company (Private) Limited	AAA/A-1+	August 10, 2023	21.40%	1,111,702,714	19,215,797	19,215,797	-	-	-		
Pak Oman Investment Company Limited	AA+/A-1+	September 15, 2023	21.35%	3,463,322,892	85,131,936	85,131,936	-	-	-		
Pak Brunei Investment Company Limited	AA+/A-1+	September 18, 2023	21.30%	2,039,121,334	48,881,993	48,881,993	-	-	-		
Pak Kuwait Investment Company (Private) Limited	AAA/A-1+	October 30, 2023	21.30%	2,996,385,946	74,496,713	74,496,713	-	-	-		
Pak Brunei Investment Company Limited	AA+/A-1+	October 30, 2023	21.30%	1,429,307,700	32,602,542	32,602,542	-	-	-		
Pak Brunei Investment Company Limited	AA+/A-1+	November 3, 2023	21.28%	1,451,237,732	24,946,421	24,946,421	-	-	-		
Pak Oman Investment Company Limited	AA+/A-1+	November 17, 2023	21.25%	1,420,166,839	35,470,976	35,470,976	-	-	-		
Pak Oman Investment Company Limited	AA+/A-1+	April 26, 2024	21.10%	2,097,637,413	196,702,496	196,702,496	-	-	-		
Pak Brunei Investment Company Limited	AA+/A-1+	May 3, 2024	21.15%	1,685,853,393	149,555,448	149,555,448	-	-	-		
Pak China Investment Company Limited	AAA/A-1+	June 27, 2024	21.10%	3,346,709,120	142,030,199	142,030,199	-	-	-		
Saudi Pak Industrial and Agricultural Investment Company Limited	AA+/A-1+	July 8, 2024	21.15%	3,056,878,870	135,427,290	123,577,402	3,045,028,982	5.39	7.97		
Pak Brunei Investment Company Limited	AA+/A-1+	July 8, 2024	21.20%	5,595,930,627	194,510,325	172,549,481	5,573,969,783	9.86	14.59		
Saudi Pak Industrial and Agricultural Investment Company Limited	AA+/A-1+	July 8, 2024	21.35%	2,065,487,124	68,903,998	60,728,948	2,057,312,074	3.64	5.38		
Pak Brunei Investment Company Limited	AA+/A-1+	October 3, 2024	20.85%	3,677,419,539	346,316,114	167,449,550	3,498,552,975	6.19	9.16		
Pak Oman Investment Company Limited	AA+/A-1+	October 7, 2024	20.00%	4,566,950,670	286,167,528	56,295,232	4,337,078,374	7.67	11.35		
Zarai Taraqiati Bank Limited	AAA/A-1+	September 10, 2024	19.90%	1,690,637,076	72,348,580	9,705,297	1,627,993,793	2.88	4.26		
Total as at June 30, 2024							2,016,217,838	1,502,849,914	20,139,935,981	35.62	52.71
Total as at June 30, 2023							558,622,302	455,112,820	4,337,260,239	13.92	33.10

5.1.1 These Bai Muajjal transactions are carried out against the Short-term Sukuks of the K-Electric, Lucky Electric Power Company Limited, Hub Power Company Limited, China Power Hub Generation Company, Nishat Mills Limited, JDW Sugar Mills Limited, Pakistan Telecommunication (Private) Limited, Ismail Industries Limited, Thar Energy Limited, Mughal Iron and Steel Industries Limited and Air Link Communication Limited.

5.2 Term deposit receipts - at fair value through profit or loss

Name of investee company	Profit rate	Issue date	Maturity date	Face value				Market value as at June 30, 2024	Market value as a percentage of	
				As at July 1, 2023	Purchased during the year	Matured / sold during the year	As at June 30, 2024		net assets of the Fund	total investments of the Fund
							----- Rupees -----	----- % -----		
Bank Alfalah Limited (AAA, PACRA)	20.45%	May 23, 2023	August 23, 2023	2,650,000,000	-	2,650,000,000	-	-	-	
Bank Alfalah Limited (AAA, PACRA)	20.45%	June 1, 2023	September 1, 2023	250,000,000	-	250,000,000	-	-	-	
Bank Alfalah Limited (AAA, PACRA)	20.45%	June 15, 2023	September 15, 2023	350,000,000	-	350,000,000	-	-	-	
Bank Alfalah Limited (AAA, PACRA)	20.45%	June 20, 2023	September 20, 2023	175,000,000	-	175,000,000	-	-	-	
Bank Alfalah Limited (AAA, PACRA)	21.05%	September 15, 2023	October 16, 2023	-	2,000,000,000	2,000,000,000	-	-	-	
Bank Alfalah Limited (AAA, PACRA)	21.25%	December 12, 2023	March 12, 2024	-	2,000,000,000	2,000,000,000	-	-	-	
Bank Alfalah Limited (AAA, PACRA)	21.25%	January 3, 2024	April 3, 2024	-	2,000,000,000	2,000,000,000	-	-	-	
Pakistan Kuwait Investment Company (Private) Limited (AAA, PACRA)	21.30%	September 20, 2023	October 30, 2023	-	765,265,890	765,265,890	-	-	-	
Bank Alfalah Limited (AAA, PACRA)	21.25%	March 15, 2024	April 15, 2024	-	5,000,000,000	5,000,000,000	-	-	-	
Bank AL Habib Limited (AAA, PACRA)	19.60%	June 24, 2024	July 5, 2024	-	3,000,000,000	-	3,000,000,000	3,000,000,000	5.31	7.85
Total as at June 30, 2024							3,000,000,000	3,000,000,000	5.31	7.85
Total as at June 30, 2023							3,425,000,000	3,425,000,000	11.00	26.16

5.2.1 The profit payments and principal redemptions of term deposit receipts are receivable at maturity.

5.3 Short term sukuks - at fair value through profit or loss

Name of the security	Profit payments	Profit rate	Maturity date	As at July 01, 2023	Purchased during the year	Sold / matured during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised appreciation / (diminution) as at June 30, 2024	Market value as a percentage of		
				Number of certificates			(Rupees)				net assets of the fund	total investments of the fund	
											%		
K-Electric Limited - Short term Sukuk XIII (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 1.00%	August 9, 2023	750	250	1,000	-	-	-	-	-	-	-
K-Electric Limited - Short term Sukuk XIV (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.75%	August 28, 2023	500	1,500	2,000	-	-	-	-	-	-	-
K-Electric Limited - Short term Sukuk XV (A1+, VIS) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.50%	September 21, 2023	333	2,483	2,816	-	-	-	-	-	-	-
K-Electric Limited - Short term Sukuk XVI (A1+, VIS) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.30%	October 11, 2023	300	2,079	2,379	-	-	-	-	-	-	-
K-Electric Limited - Short term Sukuk XVII (A1+, VIS) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.45%	November 18, 2023	500	406	906	-	-	-	-	-	-	-
K-Electric Limited - Short term Sukuk XVIII (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.30%	February 09, 2024	-	316	316	-	-	-	-	-	-	-
K-Electric Limited - Short term Sukuk XX (A1+, VIS) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.50%	March 22, 2024	-	500	500	-	-	-	-	-	-	-
K-Electric Limited - Short term Sukuk XXI (A1+, VIS) Face value of Rs. 1,000,000 each	Semi-annually	3M Kibor + 0.50%	April 24, 2024	-	750	750	-	-	-	-	-	-	-
K-Electric Limited - Short term Sukuk XXIII (A1+, VIS) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.50%	August 15, 2024	-	750	-	750	750,000,000	750,000,000	-	1.33%	1.96%	
Lucky Electric Power Company Limited - Short term Sukuk VII (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.65%	August 15, 2023	750	3,000	3,750	-	-	-	-	-	-	-
Lucky Electric Power Company Limited - Short term Sukuk VIII (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.55%	September 27, 2023	300	-	300	-	-	-	-	-	-	-
Lucky Electric Power Company Limited Short term Sukuk X (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.65%	October 23, 2023	700	6,365	7,065	-	-	-	-	-	-	-

Name of the security	Profit payments	Profit rate	Maturity date	As at July 01, 2023	Purchased during the year	Sold / matured during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised appreciation / (diminution) as at June 30, 2024	Market value as a percentage of	
				Number of certificates			(Rupees)		%			
Lucky Electric Power Company Limited Short term Sukuk XI (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.50%	December 13, 2023	150	-	150	-	-	-	-	-	-
Lucky Electric Power Company Limited Short term Sukuk XII (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.50%	Febraury 15, 2024	-	1,000,1,000	-	-	-	-	-	-	-
Lucky Electric Power Company Limited Short term Sukuk XIII (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	3M Kibor + 0.50%	March 27, 2024	-	750	750	-	-	-	-	-	-
Lucky Electric Power Company Limited Short term Sukuk XIV (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	3M Kibor + 0.45%	April 11, 2024	-	1,050	1,050	-	-	-	-	-	-
Lucky Electric Power Company Limited Short term Sukuk XV (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.30%	June 28, 2024	-	244	244	-	-	-	-	-	-
Lucky Electric Power Company Limited Short term Sukuk XVI (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 1.20%	September 26, 2024	-	750	-	750	750,000,000	750,000,000	-	1.33%	1.96%
Lucky Electric Power Company Limited Short term Sukuk XVII (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.55%	October 15, 2024	-	1,050	-	1,050	1,050,000,000	1,050,000,000	-	1.86%	2.75%
The Hub Power Company Limited Short term Sukuk I (A1+, PACRA) Face value of Rs. 1000,000 each	Semi-annually	6M Kibor + 1.30%	November 17, 2023	300	-	300	-	-	-	-	-	-
The Hub Power Company Limited Short term Sukuk XII (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.25%	May 08, 2024	-	800	800	-	-	-	-	-	-
The Hub Power Company Limited Short term Sukuk XIII (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.25%	November 01, 2024	-	900	-	900	900,000,000	900,000,000	-	1.59%	2.36%
China Power Hub Generation Company Limited- Short term Sukuk (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.76%	September 28, 2023	750	500	1,250	-	-	-	-	-	-
Nishat Mills Limited - Short term Sukuk III (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	3M Kibor + 0.15%	May 23, 2024	-	700	700	-	-	-	-	-	-
JDW Sughar Mills Limited Short term Sukuk (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.90%	June 18, 2024	-	1,200	1,200	-	-	-	-	-	-

Name of the security	Profit payments	Profit rate	Maturity date	As at July 01, 2023	Purchased during the year	Sold / matured during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised appreciation / (diminution) as at June 30, 2024	Market value as a percentage of	
				Number of certificates			(Rupees)		%			
JDW Sughar Mills Limited Short term Sukuk III (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.75%	August 15, 2024	-	750	-	750	750,000,000	750,000,000	-	1.33%	1.96%
Pakistan Telecommunication (Private) Limited Short term Sukuk I (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.20%	June 20, 2024	-	300	300	-	-	-	-	-	-
Pakistan Telecommunication (Private) Limited Short term Sukuk III (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.15%	September 19, 2024	-	350	-	350	350,000,000	350,000,000	-	0.62%	0.92%
Pakistan Telecommunication (Private) Limited Short term Sukuk IV (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.15%	December 12, 2024	-	750	-	750	750,000,000	750,000,000	-	1.33%	1.96%
Pakistan Telecommunication (Private) Limited Short term Sukuk V (A1+, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.15%	December 24, 2024	-	375	-	375	375,000,000	375,000,000	-	0.66%	0.98%
Ismail Industries Limited - Short term Sukuk II (A1, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.15%	November 25, 2024	-	900	-	900	900,000,000	900,000,000	-	1.59%	2.36%
Ismail Industries Limited Short term Sukuk I (A1, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.50%	December 10, 2024	-	600	-	600	600,000,000	600,000,000	-	1.06%	1.57%
Thar Energy Limited Short term Sukuk I (A1, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 0.60%	October 18, 2024	-	600	-	600	600,000,000	600,000,000	-	1.06%	1.57%
Mughal Iron and Steel Industries Limited Short term Sukuk I (A1, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 1.10%	October 18, 2024	-	450	-	450	450,000,000	450,000,000	-	0.80%	1.18%
Air Link Communication Limited Short term Sukuk I (A1, PACRA) Face value of Rs. 1,000,000 each	Semi-annually	6M Kibor + 1.71%	September 18, 2024	-	450	-	450	450,000,000	450,000,000	-	0.80%	1.18%
Total as at June 30, 2024								8,675,000,000	8,675,000,000	-	15.34%	22.71%
Total as at June 30, 2023								5,333,000,000	5,333,000,000	-	17.13%	40.47%

5.3.1 The profit payments and principal redemptions of these sukuk certificates are receivable at maturity.

5.4 Musharakah certificates

Name of investee company	Profit rate	Issue date	Maturity date	Face value				Market value as at June 30, 2024	Market value as a percentage of	
				As at July 1, 2023	Purchased during the year	Matured / sold during the year	As at June 30, 2024		net assets of the Fund	total investments of the Fund
----- Rupees ----- % -----										
Zarai Taraqiati Bank Limited (AAA, VIS)	21.10%	July 5, 2023	July 6, 2023	-	1,650,000,000	1,650,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	20.90%	July 6, 2023	July 7, 2023	-	2,750,000,000	2,750,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.10%	July 10, 2023	July 21, 2023	-	3,200,000,000	3,200,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.00%	August 7, 2023	August 18, 2023	-	3,400,000,000	3,400,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.20%	August 24, 2023	August 28, 2023	-	3,000,000,000	3,000,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.20%	August 28, 2023	August 31, 2023	-	3,000,000,000	3,000,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.15%	October 9, 2023	October 10, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.15%	October 9, 2023	October 13, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.25%	October 10, 2023	October 13, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.00%	October 16, 2023	October 20, 2023	-	1,550,000,000	1,550,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.25%	October 23, 2023	October 26, 2023	-	1,300,000,000	1,300,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.25%	November 17, 2023	November 24, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.25%	November 27, 2023	November 30, 2023	-	1,500,000,000	1,500,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.25%	December 4, 2023	December 11, 2023	-	2,500,000,000	2,500,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.50%	December 13, 2023	December 18, 2023	-	2,500,000,000	2,500,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.50%	December 18, 2023	December 22, 2023	-	3,500,000,000	3,500,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.75%	December 21, 2023	December 22, 2023	-	400,000,000	400,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.65%	December 26, 2023	December 29, 2023	-	3,900,000,000	3,900,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.50%	January 2, 2024	January 5, 2024	-	3,900,000,000	3,900,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.25%	January 8, 2024	January 12, 2024	-	4,250,000,000	4,250,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.25%	January 12, 2024	January 19, 2024	-	4,400,000,000	4,400,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.35%	January 23, 2024	January 29, 2024	-	1,000,000,000	1,000,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.30%	January 23, 2024	January 25, 2024	-	800,000,000	800,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.35%	January 23, 2024	January 26, 2024	-	2,000,000,000	2,000,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.50%	January 24, 2024	January 26, 2024	-	1,000,000,000	1,000,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.35%	January 25, 2024	February 2, 2024	-	800,000,000	800,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.35%	January 26, 2024	February 2, 2024	-	2,500,000,000	2,500,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.30%	January 26, 2024	January 31, 2024	-	800,000,000	800,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.35%	January 29, 2024	February 2, 2024	-	1,000,000,000	1,000,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.50%	January 31, 2024	February 2, 2024	-	900,000,000	900,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.25%	February 6, 2024	February 13, 2024	-	1,300,000,000	1,300,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.30%	February 6, 2024	February 13, 2024	-	4,000,000,000	4,000,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.00%	February 13, 2024	February 16, 2024	-	1,200,000,000	1,200,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.30%	February 19, 2024	February 26, 2024	-	5,600,000,000	5,600,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.60%	February 23, 2024	February 29, 2024	-	100,000,000	100,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.30%	February 26, 2024	March 1, 2024	-	5,000,000,000	5,000,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.30%	February 26, 2024	February 28, 2024	-	100,000,000	100,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.30%	February 27, 2024	February 28, 2024	-	500,000,000	500,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.25%	March 5, 2024	March 14, 2024	-	3,035,000,000	3,035,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.20%	March 5, 2024	March 6, 2024	-	2,000,000,000	2,000,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.25%	March 6, 2024	March 7, 2024	-	2,000,000,000	2,000,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.10%	March 14, 2024	March 15, 2024	-	1,035,000,000	1,035,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.20%	March 18, 2024	March 22, 2024	-	5,200,000,000	5,200,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.35%	March 22, 2024	March 28, 2024	-	5,300,000,000	5,300,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.10%	April 4, 2024	April 15, 2024	-	1,100,000,000	1,100,000,000	-	-	-	-
Zarai Taraqiati Bank Limited (AAA, VIS)	21.50%	April 5, 2024	April 19, 2024	-	1,500,000,000	1,500,000,000	-	-	-	-

Name of investee company	Profit rate	Issue date	Maturity date	Face value				Market value as at June 30, 2024	Market value as a percentage of	
				As at July 1, 2023	Purchased during the year	Matured / sold during the year	As at June 30, 2024		net assets of the Fund	total investments of the Fund
----- Rupees ----- % -----										
Zarai Taraqiat Bank Limited (AAA, VIS)	21.50%	April 5, 2024	April 15, 2024	-	500,000,000	500,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.50%	April 8, 2024	April 16, 2024	-	4,900,000,000	4,900,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.30%	April 15, 2024	April 19, 2024	-	1,300,000,000	1,300,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.20%	April 16, 2024	April 19, 2024	-	2,500,000,000	2,500,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.25%	April 16, 2024	April 22, 2024	-	2,210,000,000	2,210,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.25%	April 19, 2024	April 26, 2024	-	9,000,000,000	9,000,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.25%	April 22, 2024	April 25, 2024	-	2,200,000,000	2,200,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.35%	April 25, 2024	April 30, 2024	-	2,300,000,000	2,300,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.30%	April 26, 2024	May 3, 2024	-	5,200,000,000	5,200,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.25%	April 30, 2024	May 3, 2024	-	2,460,000,000	2,460,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.35%	May 3, 2024	May 10, 2024	-	6,000,000,000	6,000,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.35%	May 3, 2024	May 8, 2024	-	2,400,000,000	2,400,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.15%	May 8, 2024	May 22, 2024	-	3,000,000,000	3,000,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.25%	May 9, 2024	May 10, 2024	-	185,000,000	185,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.25%	May 10, 2024	May 17, 2024	-	2,150,000,000	2,150,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.35%	May 13, 2024	May 15, 2024	-	5,000,000,000	5,000,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.50%	May 15, 2024	May 17, 2024	-	4,300,000,000	4,300,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.30%	May 17, 2024	May 24, 2024	-	2,190,000,000	2,190,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.25%	May 17, 2024	May 24, 2024	-	3,500,000,000	3,500,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.20%	May 24, 2024	May 27, 2024	-	1,500,000,000	1,500,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.25%	May 24, 2024	May 31, 2024	-	6,800,000,000	6,800,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.20%	May 24, 2024	May 31, 2024	-	200,000,000	200,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.10%	May 29, 2024	June 3, 2024	-	2,500,000,000	2,500,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.10%	June 3, 2024	June 10, 2024	-	2,500,000,000	2,500,000,000	-	-	-	-
Zarai Taraqiat Bank Limited (AAA, VIS)	21.10%	June 4, 2024	June 11, 2024	-	1,500,000,000	1,500,000,000	-	-	-	-
Total as at June 30, 2024										
Total as at June 30, 2023										

5.6 GoP ijarah sukuks

Name of security	Issue date	Face value				Balance as at June 30, 2024			Market value as percentage of	
		As at July 1, 2023	Purchased during the year	Sold / matured during the year	As at June 30, 2024	Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments of the Fund
----- Rupees ----- % -----										
GoP Ijarah sukuk XXIX - VRR	March 8, 2023	-	3,140,000,000	3,140,000,000	-	-	-	-	-	-
GoP Ijarah sukuk XXX - VRR	April 17, 2023	-	22,609,500,000	22,609,500,000	-	-	-	-	-	-
GoP Ijarah sukuk XXXI - VRR	May 22, 2023	-	4,214,900,000	4,214,900,000	-	-	-	-	-	-
GoP Ijarah sukuk XXXII - VRR	June 26, 2023	-	14,730,000,000	14,730,000,000	-	-	-	-	-	-
GoP Ijarah sukuk XXXIII - VRR	July 12, 2023	-	3,000,000,000	3,000,000,000	-	-	-	-	-	-
GoP Ijarah sukuk XXXIV - VRR	August 7, 2023	-	13,054,000,000	13,054,000,000	-	-	-	-	-	-
GoP Ijarah sukuk XXXV - VRR	September 20, 2023	-	30,000,000	-	30,000,000	29,853,000	29,988,000	135,000	0.05%	0.08%
GoP Ijarah sukuk XXXVI - VRR	October 9, 2023	-	2,197,000,000	1,347,000,000	850,000,000	854,600,000	855,240,000	640,000	1.51%	2.24%
GoP Ijarah sukuk (PSX) - VRR	December 11, 2023	-	44,625,000	-	44,625,000	41,408,795	41,313,825	(94,970)	0.07%	0.11%
GoP Ijarah sukuk (PSX) - VRR	May 10, 2024	-	1,250,000,000	55,000	1,249,945,000	1,070,156,864	1,076,452,656	6,295,792	1.90%	2.82%
GoP Ijarah sukuk (PSX) - VRR	April 26, 2024	-	1,500,000,000	10,000	1,499,990,000	1,295,797,095	1,302,891,314	7,094,219	2.30%	3.41%
GoP Ijarah sukuk (PSX) - VRR	May 4, 2024	-	3,600,000,000	40,000	3,599,960,000	3,066,290,675	3,084,805,724	18,515,049	5.46%	8.07%
Total as at June 30, 2024						6,358,106,429	6,390,691,519	32,585,090	11.30%	16.73%
Total as at June 30, 2023										

5.6.1 The Nominal value of GoP ijarah sukuks is Rs. 100,000 except for sukuks which are listed on Pakistan Stock Exchange having nominal value of Rs. 5,000 each.

	Note	2024 ----- (Rupees) -----	2023 -----
5.7 Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'			
Market value of investments		38,205,627,500	13,095,260,239
Less: carrying value of investments		(38,173,042,410)	(13,095,260,239)
		<u>32,585,090</u>	<u>-</u>

6 ADVANCES, DEPOSITS AND PROFIT RECEIVABLES

Profit receivable on:

Bank balances		342,487,192	252,372,845
Term deposit receipts		11,276,706	66,322,432
Short term sukuk certificates		<u>359,350,362</u>	<u>313,774,509</u>
		713,114,260	632,469,786
Advance tax	6.1	3,763,016	3,763,016
Security Deposit with Central Depository Company of Pakistan Limited - Trustee		100,000	100,000
		<u>716,977,276</u>	<u>636,332,802</u>

6.1 As per clause 47(B) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to Collective Investment Schemes (CISs) are exempt from withholding tax under section 150 and 151. However, during the prior year, withholding tax on dividend and profit on debt paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholders. The tax withheld on profit on debt amounts to Rs. 3.763 million (2023: 3.763 million) during the year.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit on debt securities and profit on bank deposits has been shown as advance tax as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

7 PRELIMINARY EXPENSES AND FLOATATION COSTS

Balance at beginning	7.1	1,436,019	2,083,404
Less: amortised during the year		<u>649,041</u>	<u>647,385</u>
Balance as at year end		<u>786,978</u>	<u>1,436,019</u>

7.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are amortised over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the NBFC Regulations and Notified Entities Regulation.

8 PAYABLE TO ALFALAH ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

Management remuneration payable	8.1	47,519,331	14,897,183
Sindh Sales Tax payable on management remuneration	8.2	6,343,028	1,936,634
Selling and marketing expenses payable	8.3 & 8.4	52,720,515	15,000,000
Allocated expense payable	8.5	-	13,842,046
Payable against preliminary expenses and floatation costs		20,000	20,000
Sales load payable		14,003	5,047
Other payable		80,000	80,000
		<u>106,696,877</u>	<u>45,780,910</u>

8.1 As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the following rates during the year ended June 30, 2024:

Rate applicable from July 1, 2023 to November 30, 2023	Rate applicable from December 1, 2023 to December 31, 2023	Rate applicable from January 1, 2024 to January 31, 2024	Rate applicable from February 1, 2024 to February 29, 2024	Rate applicable from March 1, 2024 to March 31, 2024	Rate applicable from April 1, 2024 to April 30, 2024	Rate applicable from May 1, 2024 to May 31, 2024	Rate applicable from June 1, 2024 to June 30, 2024
0.550% per annum of the average annual net assets	0.723% per annum of the average annual net assets	0.550% per annum of the average annual net assets	0.4934% per annum of the average annual net assets	0.455% per annum of the average annual net assets	0.5752% per annum of the average annual net assets	0.6554% per annum of the average annual net assets	0.6% per annum of the average annual net assets

Rate applicable from July 01, 2022 to August 25, 2022	Rate applicable from August 26, 2022 to November 30, 2022	Rate applicable from December 1, 2022 to April 4, 2023	Rate applicable from April 5, 2023 to June 30, 2023
0.25% per annum of the average annual net assets	0.38% per annum of the average annual net assets	0.45% per annum of the average annual net assets	0.55% per annum of the average annual net assets

- 8.2 During the year, an amount of Rs.34.542 million (2023: Rs.9.994 million) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2023: 13%).

In accordance with Circular 11 dated July 5, 2019 issued by the SECP with respect to selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the rate of 0.215% per annum of the average annual net assets of the Fund (2023: 0.109% per annum of the average annual net assets of the Fund), subject to total expense charged being lower than actual expense incurred.

- 8.4 During the year, the Securities and Exchange Commission of Pakistan (SECP) carried out onsite inspection of the Management Company and inspected, among other matters, the mechanism of chargeability of selling & marketing expenses to the funds under its management. As a result of this inspection, SECP raised certain observations relating to the chargeability of such expenses by the Management Company to the funds under its management. The Management Company has responded to the observations highlighted by the SECP and there has been no further correspondence on this matter with the SECP. Accordingly, the impact of the SECP's observations on unit holder's fund, if any, is not determinable as at the reporting date.

- 8.5 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses for registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

Accordingly, Management Company has charged allocated expense at the rate of 0.031% (2023: 0.092%) to the Fund based on its direction subject to not being higher than actual expense.

9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

Note

2024

2023

----- (Rupees) -----

Trustee remuneration payable	9.1	3,789,618	1,373,308
Sindh Sales Tax payable on Trustee remuneration	9.2	543,717	178,530
		<u>4,333,335</u>	<u>1,551,838</u>

- 9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. During the year, the Trustee has charged remuneration at the rate of 0.055% per annum (2023: 0.055%) of average net assets of the Fund.

- 9.2 During the year, an amount of Rs. 3.187 million (2023: Rs. 1.207 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2023: 13%)

10 FEE PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Fee payable	10.1	<u>3,906,833</u>	<u>3,367,420</u>
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- 10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.075% (2023: 0.02%) per annum of the daily net assets during the year.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

11 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2024 ----- (Rupees) -----	2023
Auditors' remuneration payable		455,114	374,154
Settlement charges payable		2,719,208	1,474,568
Listing fee payable		37,265	35,559
Brokerage expense payable		3,676,276	1,281,245
Withholding tax payable		213,698,744	69,937,428
Capital gain tax payable		52,823,584	42,245
Printing charges payable		179,574	149,602
Rating fee payable		527,453	138,086
Shariah advisory fee payable		403,645	337,677
Sales load payable		3,682,976	2,704,248
		<u>278,203,839</u>	<u>76,474,812</u>

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 and June 30, 2023.

13 AUDITORS' REMUNERATION

Annual audit fee		314,289	121,000
Review and other certifications		134,695	253,154
Out of pocket expenses		44,898	37,415
Sindh Sales Tax		39,512	32,926
		<u>533,394</u>	<u>444,495</u>

14 CASH AND CASH EQUIVALENTS

Bank balances	4	18,006,671,857	17,510,778,220
Bai Muajjal receivable (with original maturity of 3 months or less)		10,676,310,839	4,337,260,239
Term deposit receipts (with original maturity of 3 months or less)		3,000,000,000	3,425,000,000
		<u>31,682,982,696</u>	<u>25,273,038,459</u>

15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2024 is 1.05% (2023: 0.83%) which includes 0.16% (2023: 0.09%) representing government levies on the Fund such as sales taxes and fee to the SECP etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

16 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2024 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

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

17 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Related parties / connected persons include Alfalah Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee of the Fund, Bank Alfalah Limited, MAB Investment Incorporation, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund and Alfalah GHP Investment Management Limited - Staff Provident Fund being the associates of the Management Company, Funds under management of the Management Company and directors and their close family members and key management personnel of the Management Company. Connected persons also includes any person beneficially owning directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

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

Remuneration of the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

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

17.1 Unit holders' fund

Note	June 30, 2024									
	As at July 1, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2024	As at July 1, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2024
	Units					Rupees				
Associated Companies / Undertakings										
Alfalsh Asset Management Limited	17.1.1	-	-	-	-	-	-	-	-	-
Alfalsh GHP Islamic Prosperity Planning Fund- Moderate Allocation Plan		211,588	-	481	212,068	-	21,158,768	-	48,063	21,206,831
Alfalsh GHP Islamic Prosperity Planning Fund- Balanced Allocation Plan		677,299	-	1,539	678,837	-	67,729,871	-	153,850	67,883,721
Alfalsh GHP Islamic Active Allocation Plan II		425,357	-	966	426,323	-	42,535,668	-	96,621	42,632,289
Alfalsh GHP Islamic Prosperity Planning Fund II - Capital Preservative Plan VI		-	-	-	-	-	-	-	-	-
Alfalsh GHP Islamic Capital Preservative Plan IV		82,890	-	188	83,078	-	8,289,002	-	18,829	8,307,831
Key management personnel										
Head of Research	17.1.1	39,271	18,651	2,836	60,751	7	3,927,133	1,865,058	283,572	6,075,065
Director - Structured Investment & Digital Transformation	17.1.1	-	50	1	-	51	-	4,972	106	-
June 30, 2023										
Note	As at July 1, 2022	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2023	As at July 1, 2022	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2023
	Units					Rupees				
Associated Companies / Undertakings										
Alfalsh Asset Management Limited	17.1.1	-	6,558,593	118,577	6,677,170	-	-	655,859,319	11,857,655	667,716,974
Alfalsh GHP Islamic Prosperity Planning Fund- Moderate Allocation Plan		-	194,000	17,588	-	211,588	-	19,400,000	1,758,768	-
Alfalsh GHP Islamic Prosperity Planning Fund- Balanced Allocation Plan		-	621,000	56,299	-	677,299	-	62,100,000	5,629,871	-
Alfalsh GHP Islamic Active Allocation Plan II		-	390,000	35,357	-	425,357	-	39,000,000	3,535,668	-
Alfalsh GHP Islamic Prosperity Planning Fund II - Capital Preservative Plan VI		-	1,470,000	59,315	1,529,315	-	-	147,000,000	5,931,503	-
Alfalsh GHP Islamic Capital Preservative Plan IV		-	76,000	6,890	-	82,890	-	7,600,000	689,002	-
Key management personnel										
Head of Fund Accounting	17.1.1	106	-	-	106	-	10,589	-	-	10,603
Head of Research	17.1.1	11,084	28,005	3,182	3,000	39,271	1,108,367	2,800,500	318,165	3,927,133
Director - Structured Investment & Digital Transformation	17.1.1	-	77,500	780	78,280	-	-	7,750,000	78,021	7,828,021
Unit holder holding 10% or more units	17.1.1	13,072,828	102,000,000	5,202,958	10,947,551	109,328,235	1,307,282,783	10,200,000,000	520,295,781	1,094,755,145

17.1.1 This reflects the position of related party / connected persons status as at June 30, 2024 and June 30, 2023

17.2 Other transactions	2024	2023
	----- (Rupees) -----	
Associated companies / undertakings		
Alfalah Asset Management Limited - Management Company		
Remuneration of the Management Company	265,707,414	76,877,697
Sindh Sales Tax on remuneration of the Management Company	34,541,964	9,994,101
Selling and marketing expenses	86,546,522	18,410,000
Allocated expenses	12,829,093	15,570,047
Sales load	244,828	29,572
Other transactions		
Bank Alfalah Limited		
Term deposit receipts	11,000,000,000	3,425,000,000
Profit on term deposit receipts	348,790,993	171,149,003
Profit on bank balances	521,026,905	83,317,234
Sales Load	20,266,666	12,644,982
Alfalah GHP Money Market Fund		
Sukuk certificates - purchased	457,000,000	750,000,000
Sukuk certificates - sold	-	-
Alfalah GHP Cash Fund		
Sukuk certificates - purchased	-	250,000,000
Alfalah CLSA Securities Private Limited		
Brokerage expense	219,835	-
Other related party		
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	24,514,188	9,282,106
Sindh Sales Tax on remuneration of the Trustee	3,186,844	1,206,674
CDS charges	4,259,060	2,855,114
17.3 Other balances		
Associated companies / undertakings		
Alfalah Asset Management Limited - Management Company		
Management remuneration payable	47,519,331	14,897,183
Sindh Sales Tax payable on management remuneration	6,343,028	1,936,634
Payable against preliminary expenses and floatation costs	20,000	20,000
Selling and marketing expenses payable	52,720,515	15,000,000
Allocated expense payable	-	13,842,046
Sales load payable	14,003	5,047
Other payable	80,000	80,000
Bank Alfalah Limited		
Bank balances	223,004,476	4,191,903,855
Sales load payable	3,682,976	2,704,248

	2024	2023
	----- (Rupees) -----	
Other related party		
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	3,789,618	1,373,308
Sindh Sales Tax payable on trustee remuneration	543,717	178,530

18 FINANCIAL INSTRUMENTS BY CATEGORY

	----- 2024 -----		
	At amortised cost	At fair value through profit or loss	Total
	----- (Rupees) -----		
Financial assets			
Bank balances	18,006,671,857	-	18,006,671,857
Investments	-	38,205,627,500	38,205,627,500
Deposits and profit receivables	713,214,260	-	713,214,260
Receivable against sale of investments	9,741	-	9,741
	<u>18,719,895,858</u>	<u>38,205,627,500</u>	<u>56,925,523,358</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	106,696,877	-	106,696,877
Payable to Central Depository Company of Pakistan Limited - Trustee	4,333,335	-	4,333,335
Accrued expenses and other liabilities	11,681,511	-	11,681,511
	<u>122,711,723</u>	<u>-</u>	<u>122,711,723</u>
	----- 2023 -----		
	At amortised cost	At fair value through profit or loss	Total
	----- (Rupees) -----		
Financial assets			
Bank balances	17,510,778,220	-	17,510,778,220
Investments	-	13,095,260,239	13,095,260,239
Deposits and other receivables	632,569,786	-	632,569,786
	<u>18,143,348,006</u>	<u>13,095,260,239</u>	<u>31,238,608,245</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	45,780,910	-	45,780,910
Payable to Central Depository Company of Pakistan Limited - Trustee	1,551,838	-	1,551,838
Accrued expenses and other liabilities	6,495,139	-	6,495,139
	<u>53,827,887</u>	<u>-</u>	<u>53,827,887</u>

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices.

The Management Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee and the regulations laid down by the Securities and Exchange Commission of Pakistan.

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

19.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

19.1.2 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2024, the Fund is exposed to such risk on its balances held with banks and investments in sukuk certificates. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instrument

Presently, the Fund holds KIBOR based bai muajjal, term deposit certificates, sukuk certificates and bank balances which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Fund would have been higher / lower by Rs. 562.12 million (2023: Rs. 304.51 million). The analysis assumes that all other variables remain constant.

The composition of the Fund's investment portfolio, KIBOR rates and the rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet financial instruments is based on settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

2024						
Effective profit rate	Exposed to yield / profit risk			Not exposed to profit rate risk	Total	
	Upto three months	More than three months and up to one year	More than one year			
(Rupees)						
Financial assets						
Bank balances	19.50% - 21.50%	18,006,671,857	-	-	-	18,006,671,857
Investments:						
- Bai Muajjal receivable	19.50%-21.35%	20,139,935,981	-	-	-	20,139,935,981
- Term deposit receipts	19.60%	3,000,000,000	-	-	-	3,000,000,000
- Short term sukuk certificates	20.26% - 23.06%	3,650,000,000	5,025,000,000	-	-	8,675,000,000
- GoP ijarah sukuks		-	6,390,691,519	-	-	6,390,691,519
Deposit and profit receivables		-	-	-	713,214,260	713,214,260
Receivable against sale of investments		-	-	-	9,741	9,741
Total		44,796,607,838	11,415,691,519	-	713,224,001	56,925,523,358
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	106,696,877	106,696,877
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	4,333,335	4,333,335
Accrued expenses and other liabilities		-	-	-	11,681,511	11,681,511
Total		-	-	-	122,711,723	122,711,723
On-balance sheet gap (a)		44,796,607,838	11,415,691,519	-	590,512,278	56,802,811,635
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a+b)		44,796,607,838	11,415,691,519	-	590,512,278	56,802,811,635
Cumulative interest rate sensitivity gap		44,796,607,838	56,212,299,357	56,212,299,357		

2023					
Effective profit rate	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		

(Rupees)

Financial assets

Bank balances	5.50% - 20.50%	17,510,778,220	-	-	-	17,510,778,220
Investments:						
- Bai Muajjal receivable	20.40%	4,337,260,239	-	-	-	4,337,260,239
- Term deposit receipts	20.45%	3,425,000,000	-	-	-	3,425,000,000
- Short term sukuk certificates	22.34%- 23.07%	1,950,000,000	3,383,000,000	-	-	5,333,000,000
Deposit and profit receivables		-	-	-	632,569,786	632,569,786
Total		27,223,038,459	3,383,000,000	-	632,569,786	31,238,608,245

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company		-	-	-	45,780,910	45,780,910
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	1,551,838	1,551,838
Accrued expenses and other liabilities		-	-	-	6,495,139	6,495,139
Total		-	-	-	53,827,887	53,827,887

On-balance sheet gap (a)

27,223,038,459	3,383,000,000	-	578,741,899	31,184,780,358
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Off-balance sheet financial instruments

-	-	-	-	-
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Off-balance sheet gap (b)

-	-	-	-	-
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Total interest rate sensitivity gap (a+b)

27,223,038,459	3,383,000,000	-	578,741,899	31,184,780,358
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Cumulative interest rate sensitivity gap

27,223,038,459	30,606,038,459	30,606,038,459		
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19.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

19.2 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. Credit risk arises from deposits with banks and financial institutions, profit receivable on bank deposits, credit exposure arising as a result of investment in debt securities, profit receivable on debt securities and receivable against sale of investments.

Credit risk arising on the debt instruments other than government securities is mitigated by investing in rated instruments or instruments issued by rated counterparties of credit ratings of at least investment grade by the recognised rating agencies. The Fund receives a monthly rating update, against which investments are reviewed. The Fund, however, also invests in unrated instruments based on internal ratings assigned by the Fund manager using an approach that is consistent with the approach used by the rating agencies. Credit risk arising on other financial assets is monitored through a regular analysis of financial position of brokers and other parties. In accordance with the risk management policy of the Fund, the investment manager monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

19.2.1 Exposure to credit risk

The table below analyses the Fund's maximum exposure to credit risk:

	2024		2023	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	(Rupees)		(Rupees)	
Bank balances	18,006,671,857	18,006,671,857	17,510,778,220	17,510,778,220
Investments	38,205,627,500	31,814,935,981	13,095,260,239	13,095,260,239
Deposits and profit receivables	713,214,260	713,214,260	632,569,786	632,569,786
Receivable against sale of investments	9,741	9,741	-	-
	<u>56,925,523,358</u>	<u>50,534,831,839</u>	<u>31,238,608,245</u>	<u>31,238,608,245</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets.

No financial assets were considered to be past due or impaired as at June 30, 2024.

19.2.2 Credit quality of financial assets

The Fund held bank balances as at June 30, 2024 with banks having following credit ratings:

Banks	Rating agency	Rating (Short Term / Long Term)	2024	2023
			% of financial assets exposed to credit risk	% of financial assets exposed to credit risk
Allied Bank Limited	PACRA	A-1+ / AAA	6.49%	0.06%
Bank Al Habib	PACRA	A-1+ / AAA	0.01%	0.06%
Bank Alfalah Limited	PACRA	A-1+ / AAA	1.24%	23.94%
Faysal Bank Limited	PACRA	A-1+ / AA	55.60%	42.71%
Habib Bank Limited	VIS	A-1+ / AAA	0.28%	-
National Bank of Pakistan	VIS	A-1+ / AAA	8.38%	26.38%
United Bank Limited	VIS	A-1+ / AAA	28.00%	6.85%
			<u>100.00%</u>	<u>100.00%</u>

Above ratings are on the basis of available ratings assigned by PACRA and VIS as of June 30, 2024.

Ratings of bai muajjal receivable, term deposit receipts, commercial papers and sukuk certificates have been disclosed in related notes to financial statements.

19.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2024 and June 30, 2023 are unsecured and are not impaired except as disclosed in note 5 to these financial statements.

19.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets up to 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, no borrowing was required to be obtained by the Fund during the current year.

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

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

----- 2024 -----						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total
----- (Rupees) -----						
Financial assets						
Bank balances	18,006,671,857	-	-	-	-	18,006,671,857
Investments	13,676,310,839	24,529,316,661	-	-	-	38,205,627,500
Deposits and profit receivables	353,763,898	359,350,362	-	-	100,000	713,214,260
Receivable against sale of investments	9,741	-	-	-	-	9,741
	32,036,756,335	24,888,667,023	-	-	100,000	56,925,523,358
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company	106,696,877	-	-	-	-	106,696,877
Payable to Central Depository Company of Pakistan Limited - Trustee	4,333,335	-	-	-	-	4,333,335
Accrued expenses and other liabilities	10,822,752	455,114	403,645	-	-	11,681,511
	121,852,964	455,114	403,645	-	-	122,711,723
Net financial assets / (liabilities)	31,914,903,371	24,888,211,909	(403,645)	-	-	56,802,811,635

----- 2023 -----						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total
----- (Rupees) -----						
Financial assets						
Bank balances	17,510,778,220	-	-	-	-	17,510,778,220
Investments	-	11,145,260,239	1,950,000,000	-	-	13,095,260,239
Deposits and profit receivables	632,469,786	-	-	-	100,000	632,569,786
	18,143,248,006	11,145,260,239	1,950,000,000	-	100,000	31,238,608,245
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company	45,780,910	-	-	-	-	45,780,910
Payable to Central Depository Company of Pakistan Limited - Trustee	1,551,838	-	-	-	-	1,551,838
Accrued expenses and other liabilities	5,783,307	374,154	337,677	-	-	6,495,139
	53,116,056	374,154	337,677	-	-	53,827,887
Net financial assets	18,090,131,950	11,144,886,085	1,949,662,323	-	100,000	31,184,780,358

20 FAIR VALUE MEASUREMENT

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

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

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

20.1 Fair value hierarchy

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: 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); and

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

As at June 30, 2024 and June 30, 2023, the Fund held the following financial instruments measured at fair values:

* The valuation of Bai Muajjal receivable have been carried out based on amortisation to their face values / sale price as per the guidelines given in Circular 33 of 2012 since the residual maturity of these investments is less than six months and they are placed with counterparties which have high credit ratings.

** The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counter parties which have high credit ratings.

During the year, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 19, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

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 as required under Schedule V of the NBFC Regulations has been disclosed in the Annexure to the financial statements.

23 GENERAL

Figures have been rounded off to the nearest rupee.

24 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 30, 2024** by the Board of Directors of the Management Company.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

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

(i) UNIT HOLDING PATTERN OF THE FUND

Category	As at 30 June 2024			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	3124	125,972,342	12,597,232,601	22%
Associated Co./ Directors	2	-	-	0%
Banks/DFIs	6	1,211,283	121,128,266	0%
Insurance Co.	8	672,353	67,235,334	0%
Retirement & Other Funds	43	5,060,140	506,013,948	1%
Others	91	432,453,212	43,245,322,319	76%
	3274	565,369,331	56,536,932,468	100%

(i) UNIT HOLDING PATTERN OF THE FUND

Category	As at 30 June 2024			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	1748	123,286,999	12,328,699,912	40%
Associated Co./ Directors	2	12	1,175	0%
Insurance Co.	108	169,246,711	16,924,671,126	54%
Retirement & Other Funds	21	18,632,601	1,863,260,088	6%
	1879	311,166,323	31,116,632,300	100%

(ii) TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

	30 June 2024 %
Bright Capital (Pvt.) Limited	39.15%
Alfalah CLSA Securities (Private) Limited	14.43%
Pearl Securities Limited	11.90%
Continental Exchange (Pvt.) Limited	11.26%
AKD Securities Limited	9.19%
Invest One Markets Limited	6.06%
Arif Habib Limited	3.46%
Optimus Markets Pvt Ltd	2.02%
JS Global Capital Limited	1.42%
C&M Management (Pvt) Limited	1.04%
Summit Capital (Private) Limited	0.06%
	30 June 2023 %
Summit Capital (Private) Limited	9.66%
Magenta Capital (Pvt) Limited	11.00%
Invest One Markets Limited	18.10%
Bright Capital (Pvt.) Limited	34.82%
Pearl Securities Limited	6.59%
Arif Habib Limited	8.87%
Alfalah CLSA Securities (Private) Limited	7.64%
Optimus Markets (Private) Limited	2.36%
JS Global	0.95%

(iii) **PARTICULARS OF MEMBERS OF THE INVESTMENT COMMITTEE**

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

Khaldoon Bin Latif	Chief Executive Officer
Ayub Khuhro	Chief Investment Officer
Faisal Ali Khan	Chief Financial Officer
Shariq Mukhtar Hashmi	Chief Compliance Officer
Mustafa Kamal	Head of Fixed Income
Muddasir Ahmed Shaikh	Head of Equities
Shams-ud-din Shah, CFA, FCCA	Head of Research
Omar Mukhtar	Head of Risk
Salman Jawaid	Fund Manager Fixed Income Funds
Anil Kumar, CFA	Fund Manager Equity Funds

Khaldoon Bin Latif-Chief Executive Officer

Mr. Latif has been associated with the capital markets for over 18 years, with both domestic and international experience providing a comprehensive blend. Prior to joining Alfalah Investments, Mr. Khaldoon was associated with Faysal Asset Management Limited as its Chief Executive Officer (CEO) and under his leadership, Faysal Asset Management has achieved significant growth during his tenure and transformed into major industry player. Earlier he was associated with BMA Asset Management Company Limited as its CEO, JS Investments Limited as its Chief Investment Officer (CIO) and KASB Funds Limited as its CEO. Before KASB Funds he was the General Manager and Director of TSWLL Bahrain, a wholly owned subsidiary of TAIB Bank BSC, where he headed their brokerage, asset management, custody and advisory operations.

He has been a member of the Mutual Fund Association for over six years and has been the Vice Chairman from FY2021-22. He is also a non-executive director on a bank holding company out of Bahrain, IIBank LLC, that has operations in Africa and Europe. He is a former board member of TRG and Pace Pakistan. In addition to this, he brings both buy and sell side exposure of domestic capital markets in Pakistan. He began his career on the sell side with AKD Securities Ltd in various capacities including Head of Foreign Institutional Sales and Equity Research in the capacity of Head of Research and Chief Economist. On the buy side, he has worked with PICIC AMC as Head of Research and Product Development where his tenor also included active management of the PICIC Energy Fund.

Mr. Latif is a LUMS Alumni and has done a number of capital market courses with CFA association, Daiwa, J.P. Morgan and Bahrain Institute of Banking and Finance (BIBF). He has also completed his Director certification program from IBA.

Mr. Ayub Khoro – Chief Investment Officer

Muhammad Ayub Khuhro brings over 15 years of extensive experience in the banking and asset management industry to his role as Chief Investment Officer at Alfalah Investments. Prior to joining the company, he served as Chief Investment Officer at Faysal Asset Management Limited (FAML), where he played a pivotal role in revitalizing the investment process, fund management teams, and research department. His strategic initiatives significantly contributed to FAML's unprecedented growth and its ability to adapt to evolving market dynamics. Mr. Khuhro's career journey began at Pak Oman AMC in the research division, followed by a role as Research Head in the Equity Capital Markets Division at Faysal Bank Limited. His responsibilities included managing an equity portfolio valued at over USD 80 million and providing comprehensive research insights to support the Investment Committee's decision-making process. Additionally, he played a key role in IPOs and private equity valuations for the bank. With a Bachelor's degree in Economics from Lahore University of Management Sciences (LUMS), Mr. Khuhro possesses a deep understanding of equity, fixed income, and money market investments. His expertise extends to strategic and tactical asset allocations, driven by thorough research and evaluation of historical performance across multiple asset classes and instruments.

Faisal Ali Khan-Chief Financial Officer

Faisal Ali Khan is serving as Chief Financial Officer of Alfalah Investments and prior to joining he was associated with Faysal Funds where he served as CFO and Company Secretary. In past he has worked with reputed financial sector organizations including BMA Funds, Saudi Pak Industrial and Agricultural Company (Pvt.) Ltd, Attock Refinery Limited and KPMG. Mr. Khan is a fellow member of the Institute of Chartered Accountant of Pakistan having a professional experience of over nineteen years ranging from financial reporting, regulatory compliance, budgeting and taxation to corporate and secretarial practices including 15 years of experience in the asset management and investment advisory industry.

Mr. Shariq Mukhtar Hashmi – Chief Compliance Officer

Mr. Hashmi holds a diversified experience of over 11 years with various private sector enterprises of repute. He joined IGI Funds Limited (which subsequently merged into Alfalah GHP Investment Management Limited in Oct. 2013) in 2010 to lead the back office function as Head of Operations & Settlements. His association has continued, post-merger, as Head of Compliance & Risk Management. He has previously served National Asset Management Company as Head of Internal Audit and Feroze Sharif Tariq & Co Chartered Accountants in various capacities. He has also headed the Internal Audit Department of the Company. Mr. Hashmi is a qualified Accountant from the Association of Chartered Certified Accountants, UK and holds MBA degree in Finance from SZABIST University. He is also enrolled for Financial Risk Manager Certification of Global Association of Risk Professionals; USA.

Mr. Muddasir Ahmed Shaikh -- Head of Equities

Mr. Shaikh is heading the Equity Investments team at Alfalah Investments. He has been an integral part of the team since 2007 and holds about two decades of professional experience. He joined the Investment Management Industry in 2004, right after his graduation with an MBA degree. Over the years, he has served various public and private financial institutions of repute. He started his career as Research Analyst and has progressed over the year to higher levels in portfolio management.

Mr. Shaikh is an Alumni of the prestigious Institute of Business Administration, Karachi (IBA).

Mr. Shams-ud-din Shah - Head of Research

Mr. Shams is a CFA charter holder and member of ACCA. He holds +8 years of experience in financial service industry and has been associated with Alfalah since June 2017. He leads the Research Department and aptly covers Economy, Ban. ks, Construction and Material sectors along with supervision and professional development of other research analysts in the team. His hard work, strong analytical skills and thorough understanding of the economy and sector dynamics have earned him recognition and rendered effective support to the Portfolio Management function.

Mr. Mustafa Kamal - Head of Fixed Income

"Mr. Mustafa Kamal has more than 18 years of work experience in the investment management profession out of which he has been associated with the Mutual Fund Industry for over 15 years. Prior to joining Alfalah Investments, he was working as a Chief Investment Officer with Pak Oman Asset Management Limited. Over the years, he has worked at companies like Askari Investments, National Fullerton Asset Management, Crescent Leasing & ORIX Investment Bank. He is an MBA with Majors in Finance.

Currently serving the company as a Head of Fixed Income Funds, Mr. Kamal is a key member of portfolio management team and a member of the investment committee for the mutual funds. During his career he has managed wide range of conventional and Islamic mutual funds schemes."

Mr. Omar Mukhtar – Head of Risk

Mr. Mukhtar is the Head of Risk Management and has remained part of the Board Risk & Investment Committees and has played an instrumental role in the establishment of the Risk Management, Enterprise Risk Management & Information Security framework for the organization. He brings with him an experience of over fifteen years in the field of Risk Management in the Mutual Funds Industry. Prior to becoming part of the Alfalah Investments team, he was associated with UBL Funds Ltd in managing their Risk Management Function. Mr. Mukhtar has done his MBA in Finance from Greenwich University and holds a BBA Honors degree. He is also a member of GARP (Global Association of Risk Professionals).

Mr. Salman Jawaid - Fund Manager Fixed Income Fund

Mr. Salman is managing the Fixed Income Funds at Alfalah Investments. He has almost more than 12 years of work experience in the Mutual Fund Industry precisely in the Fund Management Department. He is an MBA in Finance from the Institute of Business Management (IOBM) and also pursuing his education in the CFA program. Over the years, he has worked at National Investment Trust Limited (NIT) and Faysal Asset Management in the portfolio management department.

Mr. Anil Kumar - Jr. Fund Manager Equity Funds

Mr. Anil has over 3 years of well-rounded sectoral exposure in Investment Research and Fund Management. He was earlier associated as Research Analyst with Alfalah Investments, where he has actively covered Chemical Sector, Cement Sector, Pharmaceutical sector, Textile sector and has also identified many profitable investment ideas. Prior to joining Alfalah, he was associated with UBL Fund Managers and Darson Securities Limited. Anil has done Bachelors (BBA) from Iqra University with majors in Finance and is a CFA Level 3 candidate.

(iv) ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The dates of the meetings of the Board of Directors of the Management Company of the fund and the attendance of its members are given below.

Name of Director	Meeting held on				
	August 25, 2023	October 30, 2023	December 21, 2023	February 22, 2024	April 30, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓	✓
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Khaled Khanfer	Leave	Leave	✓	✓	✓
Ms. Ayesha Aziz	✓	✓	✓	✓	✓
Mr. Atif Bajwa	✓	✓	✓	✓	✓
Mr. Sohail Sultan	✓	✓	✓	✓	✓

(v) MEETINGS OF BOARD AUDIT COMMITTEE

The dates of the meetings of the Board Audit Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on				
	August 24, 2023	September 26, 2023	October 26, 2023	February 21, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	✓	Leave	✓	✓
Ms. Ayesha Aziz		✓	✓	✓	Resigned
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Farooq Ahmed Khan		✓			✓

(vi) MEETINGS OF BOARD RISK MANAGEMENT COMMITTEE

The dates of the meetings of the Board Risk Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on			
	August 22, 2023	October 28, 2023	February 20, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	Leave	✓	Leave
Mr. Khalilullah Shaikh	✓	✓	✓	✓
Mr. Farooq Ahmed Khan	-	-	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓

(vii) MEETINGS OF BOARD HUMAN RESOURCE MANAGEMENT COMMITTEE

The dates of the meetings of the Board Human Resource Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on		
	August 21, 2023	September 26, 2023	February 19, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓
Mr. Khalilullah Shaikh	-	✓	-
Ms. Ayesha Aziz	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓

(viii) MEETINGS OF BOARD INVESTMENT COMMITTEE

The dates of the meetings of the Board Investment Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on	
	December 14, 2023	April 24, 2024
Mr. Farooq Ahmed Khan	-	✓
Mr. Sohail Sultan	✓	✓
Ms. Ayesha Aziz	✓	✓

**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**

PERFORMANCE TABLE - AIRAF

	30 June 2024	30 June 2023	30 June 2022	30 June 2021
Net Assets (Rupees in '000)	56,536,932,468	31,116,632,300	6,698,197,410	5,107,335,200
NAV per unit	100.0000	100.0000	100.0000	100.0000
Selling price per unit	N/A	N/A	N/A	N/A
Redemption price per unit	100.0000	100.0000	100.0000	100.0000
Highest selling price per unit	N/A	N/A	N/A	N/A
Highest redemption price per unit	100.0000	100.0000	100.0000	100.0000
Lowest selling price per unit	N/A	N/A	N/A	N/A
Lowest redemption price per unit	100.0000	100.0000	100.0000	100.0000
Total interim distribution per unit	20.11	15.77	9.26	4.96
Interim distribution date	Daily	Daily	Daily	Daily
Final distribution per unit	N/A	N/A	N/A	N/A
Final distribution date	N/A	N/A	N/A	N/A
Annualized returns	22.08%	17.07%	9.70%	6.58%
Income distribution	100.00%	100.00%	100.00%	100.00%
Weighted avg. portfolio duration	37.32 Days	28.11 Days	16.2 Days	30.9 Days

Return since inception is 17.16%

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



Alfalah GHP
Islamic Stable Return Fund

FUND INFORMATION

Management Company:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Board of Directors of the Management Company:	Mr. Atif Aslam Bajwa Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Mr. Sohail Sultan Mr. Khalilullah Shaikh Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO))
Audit Committee (BAC):	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh
Business Risk Management Committee (BRMC)	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh Mr. Khaldoon Bin Latif (CEO)
Human Resource & Remuneration Committee (HRRC):	Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Board Investment Committee (BIC):	Mr. Farooq Ahmed Khan Mr. Sohail Sultan Ms. Ayesha Aziz
Head of Legal & Company Secretary:	Ms. Nahl Eman Chamdia
Chief Financial Officer:	Mr. Faisal Ali Khan
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, P.O.Box 4716 Karachi, Pakistan
Legal Advisor:	Haider Waheed House 188, Street 33, Khyaban-e-Qasim, DHA Pahse VIII, Karachi MSB Consultants F-66/2, Park Lane, Block 5 Clifton, Karachi.
Registrar:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Distributor:	Bank Alfalah Limited
Rating:	Not Yet Rated

Alfalah Islamic Stable Return Fund

Annual Fund Manager's Report

Type of Fund: Open-end Scheme

Category of Fund: Fixed Return

Investment Objective

The investment objective of the Fund is to provide promised return to unit holders at maturity by investing in authorized investable avenues.

Accomplishment of Objective

The Fund has achieved its objective of generating regular income by investing in low to mid duration fixed income instruments within the guidelines provided under NBFC rules.

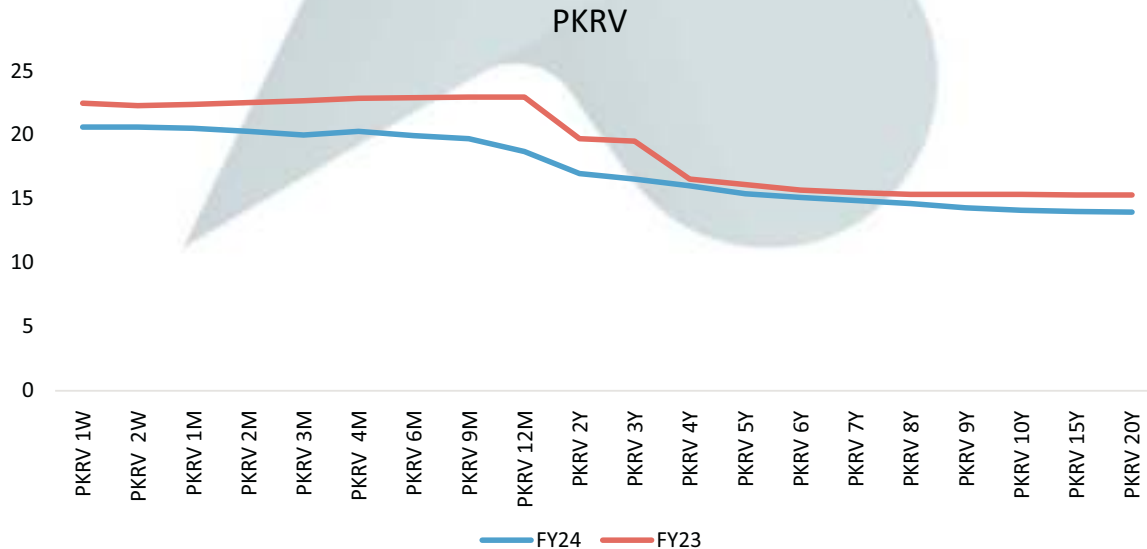
Money Market Review:-

Real GDP growth for FY24 posted a growth of 2.38% in FY24 as compared to -0.21% in FY23

Inflation for FY24 averaged at 23.9% compared to 29.04% in FY23, mainly due to stability in exchange rate coupled with lower political noise, rising agricultural yields, fiscal consolidation and softening oil prices and even fell to 12% by year end. As a result, the Central Bank has started monetary easing from June 2024 resulting in 250bps cut in interest rates in previous 2 meetings.

The next monetary policy is scheduled on September 12, 2024, where another cut in the policy rate cannot be ruled out as inflation is forecasted to maintain a lower trajectory, paving way for further anticipated monetary easing.

The current real interest rate stands impressively high at 8.4%, well above its historical median of 1%, providing a robust foundation for potential monetary easing actions. This could potentially lead to a reduction in the policy rate by 5%-6% over the next fiscal year. However, risks persists, particularly from potential inflationary impacts stemming from reforms outlined in the budget and IMF program, as well as volatility in exchange rates and oil prices.

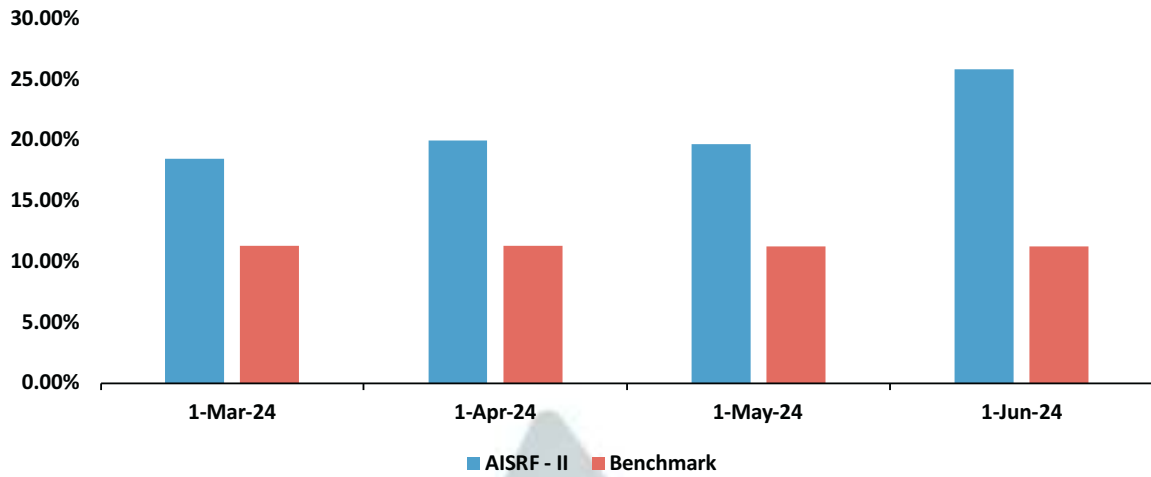


Fund Performance

During FY24, Alfalah Islamic Stable return Fund-Plan - II (AISRF - II) generated a return of 22.03% while the benchmark of the fund generated 11.23%.

Performance comparison with Benchmark

Monthly Returns



Assets Allocation

Asset Allocation
(as at 30-June-2024)

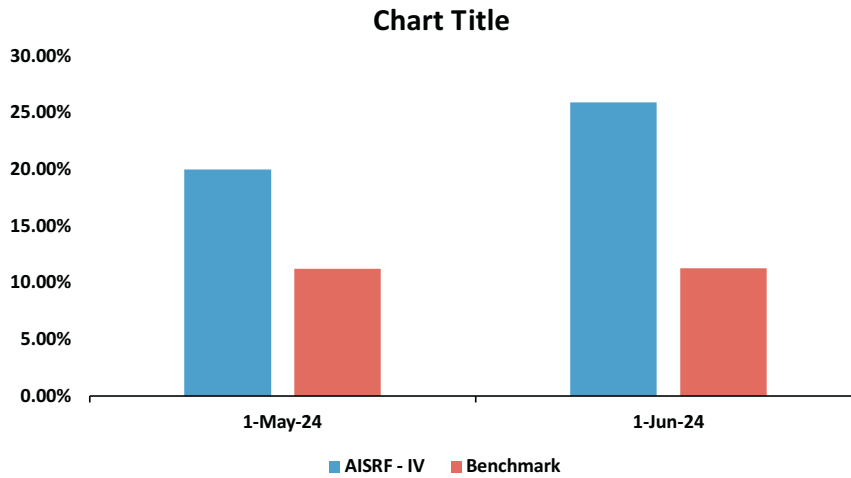


Credit Quality (as % of Total Assets)			
Govt. Guaranteed (Rated AAA)	99.59%	A	0.00%
AAA	0.40%	A-	0.00%
AA+	0.00%	BBB+	0.00%
AA	0.00%	Below IG	0.00%
AA-	0.00%	NR/UR	0.01%
A+	0.00%		

Fund Performance

During FY24, Alfalah Islamic Stable return Fund-Plan - IV (AISRF - IV) generated a return of 24.59% while the benchmark of the fund generated 11.21%.

Performance comparison with Benchmark



Assets Allocation

Asset Allocation
(as at 30-June-2024)



Credit Quality (as % of Total Assets)			
Govt. Guaranteed (Rated AAA)	99.49%	A	0.00%
AAA	0.47%	A-	0.00%
AA+	0.00%	BBB+	0.00%
AA	0.00%	Below IG	0.00%
AA	0.00%	NR/UR	0.05%
A+	0.00%		

⇒ **Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

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

⇒ **Disclosure on unit split (if any), comprising:-**

There were no unit splits during the period.

⇒ **Disclosures of circumstances that materially affect any interests of unit holders**

Investments are subject to market risk.

⇒ **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme.**

No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shakra-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



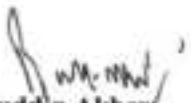
TRUSTEE REPORT TO THE UNIT HOLDERS

ALFALAH ISLAMIC STABLE RETURN FUND

**Report of the Trustee pursuant to Regulation 41(h) and clause 8 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 Islamic Stable Return Fund (the Fund) are of the opinion that Alfalah Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2024 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;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) 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.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 26, 2024





SHARIAH REVIEW REPORT
ALFALAH ISLAMIC STABLE RETURN FUND

We, the Shariah Advisors of the Alfalah Islamic Stable Return Fund ('AISRF') managed by Alfalah Asset Management Limited, are issuing this report in accordance with the Trust Deed and Offering Document of the said Fund. The scope of the report is to express an opinion on the Shariah Compliance of the Fund's activities.

It is the responsibility of the Management Company of the said Fund to establish and maintain a system of internal controls to ensure compliance with issued Shariah guidelines. As Shariah Advisors, our responsibility is to express an opinion, based on our review of the representations made by the management, to the extent where such compliance can be objectively verified.

In the capacity of Shariah Advisors of the Fund, we provide consent for investment in equities securities based on the Shariah Guidelines during the period from July 1, 2023 to June 30, 2024.

Investment Avenue
<i>Approved Shariah Compliant Sukuk</i>
<i>Approved Islamic Commercial Papers</i>
<i>Approved Bai Mu'ajjal Transactions</i>
<i>Approved Mudaraba & Musharka Transaction</i>
<i>Term Deposit Receipts with Approved Islamic Banks</i>

We hereby certify that the investments made by the Funds are in compliance with Shariah principles.

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

For and on behalf of Shariah Advisory Board.

Mufti Shaikh Noman
Shariah Advisor

Mufti Javed Ahmad
Shariah Board Member

Alfalah Asset Management Limited

2nd Floor, Islamic Chamber of Commerce, Industry and Agriculture Building, Block-9, Clifton, Karachi - 75600 Pakistan.
U: +92 (21) 111-090-090 | W: www.alfalahamc.com

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

Alfalah GHP Islamic Stable Return Fund has fully complied with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor for its operations, investments and placements made during the year ended June 30, 2024. This has been duly confirmed by the Shariah Advisor of the Fund.

Dated: September 26, 2024

Mr. Khaldoon Bin Latif
Chief Executive Officer



Independent Assurance Report on Compliance with the Shariah Governance Regulations, 2023

To the unit holders of Alfalah Islamic Stable Return Fund (the Fund)

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of Alfalah Islamic Stable Return Fund (the Fund) for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar(s).

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2024) is assessed, comprise the Shariah principles and rules as defined in the Regulations and reproduced as under.

- i. Legal and regulatory framework administered by the Commission;
- ii. Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission;
- iii. Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;
- iv. Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and
- v. Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2024, which are annexed.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions having Shariah implications, entered into by the Fund with its customers, other financial institutions, and stakeholders, and related policies and procedures, are, in substance and in their legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for the design, implementation, and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, And Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2024, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than audits or reviews of historical financial statements', issued by the International Auditing and Assurance Standards Board.


That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgment, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures was sufficient and appropriate to provide a basis for our opinion.

7. Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2024 are in compliance with the Shariah principles (criteria specified in para 2 above), in all material respects.

 UHY Hassan Naeem & Co,
Chartered Accountants
Engagement Partner: Arslan Ahmed
Dated: September 26, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Alfalah Islamic Stable Return Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alfalah Islamic Stable Return Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the year then ended, in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	<p>Net Asset Value (Refer notes 5 and 6 to the financial statements)</p> <p>Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks of the Fund as at June 30, 2024 amounted to Rs. 12.46 million and investments aggregated to Rs. 2,503.54 million.^a</p> <p>The existence of balances with banks and existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.</p>	<p>Our audit procedures amongst others included the following:</p> <ul style="list-style-type: none"> • Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; • Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and • Obtained bank reconciliation statements and tested reconciling items on a sample basis.

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Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

AFC



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Junaid Mesia**.

A. F. Ferguson & Co.
Chartered Accountants
Dated: September 30, 2024
Karachi
UDIN: AR202410611Ph250cYwv

ALFALAH GHP ISLAMIC STABLE RETURN FUND

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2024

		2024	2024	2024	2024	2023
		AISRP-I	AISRP-II	AISRP-IV	Total	AISRP-I
Assets	Note	----- (Rupees) -----				
Balances with banks	5	1,705,587	5,696,800	5,059,600	12,461,987	1,161,634
Investments	6	-	1,422,985,872	1,080,550,900	2,503,536,772	564,376,188
Advances and profit receivable	7	126,416	92,221	506,514	725,151	14,422,110
Preliminary expenses and floatation costs	8	-	-	-	-	962,952
Total assets		1,832,003	1,428,774,893	1,086,117,014	2,516,723,910	580,922,884
Liabilities						
Payable to Alfalah Asset Management Limited - Management Company	9	1,552,015	173,313	664,355	2,389,683	1,518,690
Payable to Central Depository Company of Pakistan Limited - Trustee	10	-	223,420	70,923	294,343	22,550
Payable to the Securities and Exchange Commission of Pakistan	11	-	86,454	68,175	154,629	7,257
Accrued expenses and other liabilities	12	279,988	11,296,287	4,148,272	15,724,547	854,387
Total liabilities		1,832,003	11,779,474	4,951,725	18,563,202	2,402,884
Net Assets		-	1,416,995,419	1,081,165,289	2,498,160,708	578,520,000
Unit holder's fund (as per statement attached)		-	1,416,995,419	1,081,165,289	2,498,160,708	578,520,000
Contingencies and Commitments	13					
		----- (Number of units) -----				
Number of units in issue		-	14,129,578	10,797,917		5,785,200
		----- (Rupees) -----				
Net asset value per unit		-	100.2858	100.1272		100.0000

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC STABLE RETURN FUND

INCOME STATEMENT

FOR THE PERIOD ENDED JUNE 30, 2024

	For the period from July 01, 2023 to November 23, 2023	For the period from March 27, 2024 to June 30, 2024	For the period from May 22, 2024 to June 30, 2024	Total	For the period from June 07, 2023 to June 30, 2023
	AISRP-I	AISRP-II	AISRP-IV		AISRP-I
INCOME					
Profit on balances with banks	201,984	779,938	506,515	1,488,437	412,906
Profit on Government of Pakistan Ijara Sukuks certificates	50,229,074	70,130,374	21,789,921	142,149,369	7,767,198
Unrealised appreciation on re-measurement of investments classified at 'fair value through Profits' - net	-	7,424,180	6,485,482	13,909,662	94,188
Gain on sale of investments - net	2,370,688	-	-	2,370,688	-
Total income	52,801,746	78,334,492	28,781,918	159,918,156	8,274,292
EXPENSES					
Remuneration of Alfalah Asset Management Limited - Management Company	2,402,723	107,858	557,978	3,068,559	369,248
Sindh Sales Tax on remuneration of the Management Company	312,354	14,022	72,537	398,913	48,002
Selling and marketing expenses	383,181	33,131	33,840	450,152	16,511
Remuneration of Central Depository Company of Pakistan Limited - Trustee	131,279	197,739	62,764	391,782	19,956
Sindh Sales Tax on remuneration of the Trustee	17,068	25,681	8,159	50,908	2,594
Fee to the Securities and Exchange Commission of Pakistan	179,012	269,643	85,587	534,242	7,257
Brokerage expenses	-	-	-	-	11,300
Auditors' remuneration	142,560	142,560	142,560	427,680	178,200
Printing charges	54,350	65,904	40,640	160,894	391
Amortisation of preliminary expenses and floatation costs	962,952	-	-	962,952	132,573
Bank charges	46,217	53,022	-	99,239	-
Total expenses	4,631,696	909,560	1,004,065	6,545,321	786,032
Net income for the period before taxation	48,170,050	77,424,932	27,777,853	153,372,835	7,488,260
Taxation	-	-	-	-	-
Net income for the period after taxation	48,170,050	77,424,932	27,777,853	153,372,835	7,488,260
Earnings per unit	4.14				
Allocation of net income for the period					
Net income for the period after taxation	48,170,050	77,424,932	27,777,853	153,372,835	7,488,260
Income already paid on units redeemed	(48,170,050)	-	-	(48,170,050)	(4,696,777)
	-	77,424,932	27,777,853	105,202,785	2,791,483
Accounting income available for distribution					
- Relating to capital gains	-	7,424,180	6,485,482	13,909,662	94,188
- Excluding capital gains	-	70,000,752	21,292,371	91,293,123	2,697,295
	-	77,424,932	27,777,853	105,202,785	2,791,483

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC STABLE RETURN FUND

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED JUNE 30, 2024

	For the period from July 01, 2023 to November 23, 2023	For the period from March 27, 2024 to June 30, 2024	For the period from May 22, 2024 to June 30, 2024	Total	For the period from June 07, 2023 to June 30, 2023
	AISRP-I	AISRP-II	AISRP-IV		AISRP-I
	----- (Rupees) -----				
Net income for the period after taxation	48,170,050	77,424,932	27,777,853	153,372,835	7,488,260
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	<u>48,170,050</u>	<u>77,424,932</u>	<u>27,777,853</u>	<u>153,372,835</u>	<u>7,488,260</u>

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC STABLE RETURN FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE PERIOD ENDED JUNE 30, 2024

	For the period form July 01, 2023 to November 23, 2023			For the period from March 27, 2024 to June 30, 2024		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	AISRP-I			AISRP-II		
	----- (Rupees) -----					
Net assets at the beginning of the period	578,516,061	3,939	578,520,000	-	-	-
Issuance of AISRP - I 1,018, ASRP - II 14,129,578 units						
- Capital value (at net asset value per unit at the beginning of the period)	101,800	-	101,800	1,412,957,800	-	1,412,957,800
- Element of income / (loss)	7,250	-	7,250	178,813	-	178,813
Total proceeds on issuance of units	109,050	-	109,050	1,413,136,613	-	1,413,136,613
Redemption of AISRP - I 5,786,218, AISRP - II Nil units						
- Capital value (at net asset value per unit at the beginning of the period)	578,621,800	-	578,621,800	-	-	-
- Element of loss / (income)	7,250	48,170,050	48,177,300	-	-	-
Total payments on redemption of units	578,629,050	48,170,050	626,799,100	-	-	-
Total comprehensive income for the period	-	48,170,050	48,170,050	-	77,424,932	77,424,932
Distribution for the period ended June 30, 2024 AISRP - II @ Rs. 5.4469 per unit declared on June 28, 2024	-	-	-	-	(73,566,126)	(73,566,126)
Distribution for the period ended June 30, 2023 @ Rs. 0.9559 per unit declared on June 23, 2023	-	-	-	-	-	-
Distribution for the period ended June 30, 2023 @ Rs. 0.3509 per unit declared on June 30, 2023	-	-	-	-	-	-
Net income for the period less distribution	-	48,170,050	48,170,050	-	3,858,806	3,858,806
Net assets at the end of the period	(3,939)	3,939	-	1,413,136,613	3,858,806	1,416,995,419
	(Rupees)			(Rupees)		
Undistributed income brought forward						
- Realised income		(90,249)			-	
- Unrealised income		94,188			-	
		3,939			-	
Accounting income available for distribution						
- Relating to capital gains		-			7,424,180	
- Excluding capital gains		-			70,000,752	
		-			77,424,932	
Distributions made during the period		-			(73,566,126)	
Undistributed income carried forward		<u>3,939</u>			<u>3,858,806</u>	
Undistributed income carried forward						
- Realised income		-			(3,565,374)	
- Unrealised income		3,939			7,424,180	
		3,939			3,858,806	
		(Rupees)			(Rupees)	
Net assets value per unit at the beginning of the period		<u>100.00</u>			-	
Net assets value per unit at the end of the period		<u>-</u>			<u>100.2858</u>	

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC STABLE RETURN FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE PERIOD ENDED JUNE 30, 2024

	For the period from May 22, 2024 to June 30, 2024			For the period from June 07, 2023 to June 30, 2023		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	AISRP-IV			AISRP-I		
	----- (Rupees) -----					
Net assets at the beginning of the period	-	-	-	-	-	-
Issuance of AISRP - IV 10,797,917 (2023: AISRP - I, 14,136,353) units						
- Capital value (at net asset value per unit at the beginning of the period)	1,079,791,700	-	1,079,791,700	1,413,635,322	-	1,413,635,322
- Element of income / (loss)	29,550	-	29,550	(2,791,476)	-	(2,791,476)
Total proceeds on issuance of units	1,079,821,250	-	1,079,821,250	1,410,843,846	-	1,410,843,846
Redemption of AISRP - IV Nil (2023: AISRP - I, 8,351,152) units						
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	835,115,328	-	835,115,328
- Element of loss / (income)	-	-	-	(7,484,320)	4,696,777	(2,787,543)
Total payments on redemption of units	-	-	-	827,631,008	4,696,777	832,327,785
Total comprehensive income for the period	-	27,777,853	27,777,853	-	7,488,260	7,488,260
Distribution for the period ended June 30, 2024 AISRP - IV @ Rs. 2.5 per unit declared on June 28, 2024	-	(26,433,814)	(26,433,814)	-	-	-
Distribution for the period ended June 30, 2023 @ Rs. 0.9559 per unit declared on June 23, 2023	-	-	-	(3,938,750)	(1,522,391)	(5,461,141)
Distribution for the period ended June 30, 2023 @ Rs. 0.3509 per unit declared on June 30, 2023	-	-	-	(758,027)	(1,265,153)	(2,023,180)
Net income for the period less distribution	-	1,344,039	1,344,039	(4,696,777)	4,700,716	3,939
Net assets at the end of the period	<u>1,079,821,250</u>	<u>1,344,039</u>	<u>1,081,165,289</u>	<u>578,516,061</u>	<u>3,939</u>	<u>578,520,000</u>
	(Rupees)					
Undistributed income brought forward						
- Realised income	-	-	-	-	-	-
- Unrealised income	-	-	-	-	-	-
Accounting income available for distribution						
- Relating to capital gains	6,485,482			94,188		
- Excluding capital gains	21,292,371			2,697,295		
	27,777,853			2,791,483		
Distributions made during the period	(26,433,814)			(2,787,544)		
Undistributed income carried forward	<u>1,344,039</u>			<u>3,939</u>		
Undistributed income carried forward						
- Realised income	(5,141,443)			(90,249)		
- Unrealised income	6,485,482			94,188		
	1,344,039			3,939		
	(Rupees)			(Rupees)		
Net assets value per unit at the beginning of the period	-			-		
Net assets value per unit at the end of the period	<u>100.1272</u>			<u>100.0000</u>		

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC STABLE RETURN FUND

CASH FLOW STATEMENT

FOR THE PERIOD ENDED JUNE 30, 2024

	For the period from July 01, 2023 to November 23, 2023	For the period from March 27, 2024 to June 30, 2024	For the period from May 22, 2024 to June 30, 2024	Total	For the period from June 07, 2023 to June 30, 2023
	AISRP-I	AISRP-II	AISRP-IV		AISRP-I
Note ----- (Rupees) -----					
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the period before taxation	48,170,050	77,424,932	27,777,853	153,372,835	7,488,260
Adjustments for:					
Unrealised appreciation on re-measurement of investments classified at 'fair value through profit or loss' - net	6.2 -	(7,424,180)	(6,485,482)	(13,909,662)	(94,188)
Amortisation of preliminary expenses and floatation costs	8 962,952	-	-	962,952	132,573
	49,133,002	70,000,752	21,292,371	140,426,125	7,526,645
Decrease / (increase) in assets					
Investments - net	564,376,188	(1,415,561,692)	(1,074,065,418)	(1,925,250,922)	(564,282,000)
Advances and profit receivable	14,295,694	(92,221)	(506,514)	13,696,959	(15,517,635)
	578,671,882	(1,415,653,913)	(1,074,571,932)	(1,911,553,963)	(579,799,635)
(Decrease) / increase in liabilities					
Payable to Alfalah Asset Management Limited - Management Company	33,325	173,313	664,355	870,993	423,165
Payable to Central Depository Company of Pakistan Limited - Trustee	(22,550)	223,420	70,923	271,793	22,550
Payable to the Securities and Exchange Commission of Pakistan	(7,257)	86,454	68,175	147,372	7,257
Accrued expenses and other liabilities	(574,399)	11,296,287	4,148,272	14,870,160	1,949,912
	(570,881)	11,779,474	4,951,725	16,160,318	2,402,884
Net cash generated from / (used in) operating activities	627,234,003	(1,333,873,687)	(1,048,327,836)	(1,754,967,520)	(569,870,106)
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts against issuance and conversion of units - net of refund of capital	109,050	1,413,136,613	1,079,821,250	2,493,066,913	1,406,147,069
Payments against redemption and conversion of units	(626,799,100)	-	-	(626,799,100)	(832,327,785)
Dividend paid	-	(73,566,126)	(26,433,814)	(99,999,940)	(2,787,544)
Net cash (used in) / generated from financing activities	(626,690,050)	1,339,570,487	1,053,387,436	1,766,267,873	571,031,740
Net increase in cash and cash equivalents during the period	543,953	5,696,800	5,059,600	11,300,353	1,161,634
Cash and cash equivalents at the beginning of the period	1,161,634	-	-	1,161,634	-
Cash and cash equivalents at the end of the period	5 1,705,587	5,696,800	5,059,600	12,461,987	1,161,634

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC STABLE RETURN FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT

FOR THE PERIOD ENDED JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alfalah Islamic Stable Return Fund (the Fund) was established under a Trust Deed executed between Alfalah Asset Management Limited Company as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The offering document was executed on March 3, 2023 under Sindh Trusts Act, 2020 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Management Company has been granted license by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company of the Fund is situated at A, Islamic Chamber of Commerce, Industry & Agriculture Building, 2nd floor, Street 2, KDA Scheme 5 Block 9 Clifton, Karachi.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies Rules through a certificate issued by the SECP on February 23, 2023 which is valid for a period of three years w.e.f March 9, 2023.
- 1.3 The Fund is categorized as a Fixed Return Scheme pursuant to the provisions contained in Circular 7 of 2009 issued by the SECP and is listed on the Pakistan Stock Exchange Limited. The units of the Fund are being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.
- 1.4 Alfalah Islamic Stable Return Fund (AISRF) is an Open-ended Shariah Compliant Fixed Return Fund that aims to generate returns on shariah compliant investments as per the respective Investment Plan by investing in avenues such as government securities, cash in bank account, Islamic money market placements, deposits, certificate of deposits, and certificate of musharaka.
- 1.5 VIS Credit Rating Limited has assigned an asset manager rating of AM1 (stable) to the Management Company on December 29, 2023 [June 30, 2023: AM2++ dated August 31, 2023 by Pakistan Credit Rating Agency Limited (PACRA)].
- 1.6 Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.7 During the current period, Alfalah Islamic Stable Return Fund Plan I (AISRF-I) matured on November 23, 2023 as per the provisions of the offering document.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the requirements of IFRS Accounting

Standards, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

3.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2023. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and have, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Fund which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

3.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 has not yet been adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

3.4 Critical accounting estimates and judgments

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

The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements relate to classification and valuation of financial assets (notes 4.2 and 6).

3.5 Accounting convention

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

3.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The short term investments are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

4.2 Financial assets

4.2.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the "Income Statement".

4.2.2 Classification and subsequent measurement

a) Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost ;
- at fair value through other comprehensive income (FVOCI); and
- at fair value through profit or loss (FVPL)

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVTPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

b) Impairment (other than debt securities)

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and FVOCI. The Fund recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

4.2.3 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset.

4.2.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

4.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

4.4 Offsetting of financial assets and financial liabilities

Financial assets and financial 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 to realise the assets and settle the liabilities simultaneously.

4.5 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions, if any, are regularly reviewed and adjusted to reflect the current best estimate.

4.6 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on enacted tax rates.

4.7 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are being amortised over a period of 5 years in accordance with the requirements set out in the Trust Deed of the Fund.

4.8 Net asset value per unit

The Net Asset Value (NAV) per unit, as disclosed in the Statement of Assets and Liabilities, is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

4.9 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on the day when the application is received. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load, provision of duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company receives redemption applications during business hours on that date. The redemption price represents NAV as on the close of business day, less any duties, taxes, charges on redemption and provision for transactions costs, if applicable.

4.10 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the period.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

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

Element of income represents the difference between net asset value per unit on the issuance or redemption date, as the case may be, of units and the net asset value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.12 Revenue recognition

- Gains or losses arising on sale of investments classified as financial assets at 'fair value through profit or loss' are recognised in the Income Statement at the date on which the transaction takes place;
- Unrealised appreciation / (diminution) arising on re-measurement of investments classified at 'fair value through profit or loss' are recorded in the period in which these arise;
- Income on Government of Pakistan Ijara Sukuks certificates is recognised on a time proportionate basis using the effective yield method; and
- Profit on bank balances is recognised on an accrual basis.

4.13 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee to the SECP are recognised in the Income Statement on an accrual basis.

4.14 Earnings per unit

Earnings per unit is calculated by dividing the net income for the year after taxation of the Fund by the weighted average number of units outstanding during the period.

Earnings per unit (EPU) has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

4.15 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

		2024 AISRP-I	2024 AISRP-II	2024 AISRP-IV	2024 Total	2023 AISRP-I
5 BALANCES WITH BANKS	Note	----- (Rupees) -----				
- Savings account	5.1	1,705,587	5,696,800	5,059,600	12,461,987	1,161,634
		<u>1,705,587</u>	<u>5,696,800</u>	<u>5,059,600</u>	<u>12,461,987</u>	<u>1,161,634</u>

5.1 These accounts carry a profit rate of 20.00% to 20.50% for AISRP -I, AISRP -II, AISRP IV (2023: 19.24% to 20.25%) per annum. These include a balance of Rs. 1.21 million in AISRP -I, Rs. 1.54 million in AISRP -II and Rs. 5.06 million in AISRP - IV (2023: Rs. 0.01 million) which is maintained with Bank Alfalah Limited (a related party), having a profit rate of 20.50% (2023: 20.25%) per annum.

		2024 AISRP-I	2024 AISRP-II	2024 AISRP-IV	2024 Total	2023 AISRP-I
6 INVESTMENTS	Note	----- (Rupees) -----				
At fair value through profit or loss						
Government of Pakistan Ijara Sukuks certificates	6.1	-	1,422,985,872	1,080,550,900	2,503,536,772	564,376,188
		<u>-</u>	<u>1,422,985,872</u>	<u>1,080,550,900</u>	<u>2,503,536,772</u>	<u>564,376,188</u>

6.1 Government of Pakistan Ijarah sukuk certificates

Alfalah Islamic Stable Return Plan - I

These certificates have a face value of Rs. 100,000 each except for GoP Ijarah sukuk certificates - FRR having face value of Rs. 5,000 each.

Name of security	Profit payments / principal redemption	Issue date	Maturity date	Profit rate	Face value				Balance as at June 30, 2024			Market value as percentage of		
					As at July 1, 2023	Purchased during the year	Sold / matured during the year	As at June 30, 2024	Carrying value	Market value	Unrealised appreciation	net assets of the fund	total investments of the fund	
Rupees														
GoP Ijarah Sukuk Certificates - XXXI-VRR	Semi-annually / at maturity	May 22, 2023	May 22, 2024	Weighted average 6 months T-Bills	99,000,000	-	99,000,000	-	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XXXI-VRR	Semi-annually / at maturity	May 22, 2023	May 22, 2024	Weighted average 6 months T-Bills	465,000,000	-	465,000,000	-	-	-	-	-	-	-
Total as at June 30, 2024									-	-	-	-	-	
Total as at June 30, 2023									564,282,000	564,376,188	94,188	-	-	

Alfalah Islamic Stable Return Plan - II

Name of security	Profit payments / principal redemption	Issue date	Maturity date	Profit rate	Face value				Balance as at June 30, 2024			Market value as percentage of	
					As at July 1, 2023	Purchased during the year	Sold / matured during the year	As at June 30, 2024	Carrying value	Market value	Unrealised appreciation	net assets of the fund	total investments of the fund
Rupees													
GoP Ijarah Sukuk Certificates - I - FRR	Semi-annually / at maturity	March 29, 2024	March 29, 2025	19.31%	-	1,617,000,000	-	1,617,000,000	1,415,561,692	1,422,985,872	7,424,180	100%	100%
Total as at June 30, 2024									1,415,561,692	1,422,985,872	7,424,180	-	-
Total as at June 30, 2023									-	-	-	-	-

Alfalah Islamic Stable Return Plan - IV

Name of security	Profit payments / principal redemption	Issue date	Maturity date	Profit rate	Face value				Balance as at June 30, 2024			Market value as percentage of	
					As at July 1, 2023	Purchased during the year	Sold / matured during the year	As at June 30, 2024	Carrying value	Market value	Unrealised appreciation	net assets of the fund	total investments of the fund
Rupees													
GoP Ijarah Sukuk Certificates - II - FRR	Semi-annually / at maturity	May 24, 2024	May 24, 2025	18.99%	-	1,261,000,000	-	1,261,000,000	1,074,065,418	1,080,550,900	6,485,482	100%	100%
Total as at June 30, 2024									1,074,065,418	1,080,550,900	6,485,482	-	-
Total as at June 30, 2023									-	-	-	-	-

2024	2024	2024	2024	2023
AISRP-I	AISRP-II	AISRP-IV	Total	AISRP-I

6.2 Unrealised appreciation on re-measurement of investments profit or loss' - net

	Note	(Rupees)				
Market value of investments	6.1	-	1,422,985,872	1,080,550,900	2,503,536,772	564,376,188
Less: carrying value of investments	6.1	-	1,415,561,692	1,074,065,418	2,489,627,110	564,282,000
		-	7,424,180	6,485,482	13,909,662	94,188

7 ADVANCES AND PROFIT RECEIVABLE

Profit receivable on:

- Government of Pakistan Ijarah sukuk certificates	-	-	-	-	14,009,270
- Balances with banks	-	90,130	506,514	596,644	412,840
Advance tax	7.1	126,416	2,091	-	-
		126,416	92,221	506,514	14,422,110

7.1 As per clause 47(B) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to Collective Investment Schemes (CISs) are exempt from withholding tax under section 150 and 151. However, during the year ended June 30, 2024, profit on bank balance paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at

applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on profit on balance amounts to Rs. 0.13 million for Alfalah Islamic Stable Return Plan - I, Rs. 0.002 million for Alfalah Islamic Stable Return Plan-II.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Honourable Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other asset management companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund has been shown as advance tax as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

	Note	2024	2024	2024	2024	2023
		AISRP-I	AISRP-II	AISRP-IV	Total	AISRP-I
8 PRELIMINARY EXPENSES AND FLOATATION COSTS		(Rupees)				
Preliminary expenses and floatation costs incurred	8.1	962,952	-	-	962,952	1,095,525
Less: amortisation for the period		(962,952)	-	-	(962,952)	(132,573)
Balance as at period end		-	-	-	-	962,952

8.1 Preliminary expenses and flotation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are amortised over a period of not less than five years or within the maturity of the fund whichever is lower in accordance with the requirements set out in the Trust Deed of the Fund and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

	Note	2024	2024	2024	2024	2023
		AISRP-I	AISRP-II	AISRP-IV	Total	AISRP-I
9 PAYABLE TO ALFALAH ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY		(Rupees)				
Management remuneration payable	9.1	23,714	107,858	557,977	689,549	369,248
Sindh Sales Tax payable on management remuneration	9.2	3,083	14,022	72,537	89,642	48,002
Selling and marketing expenses payable	9.3	389,096	33,131	33,841	456,068	5,915
Preliminary expenses and floatation costs payable	8	1,095,525	-	-	1,095,525	1,095,525
Other payable		40,597	18,302	-	58,899	-
		<u>1,552,015</u>	<u>173,313</u>	<u>664,355</u>	<u>2,389,683</u>	<u>1,518,690</u>

9.1 As per Regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1.00% in AISRP - I, 0.03% in AISRP - II, and 0.50% in AISRP - IV (2023: 1.00%) per annum of the average annual net assets of the Fund for the year ended June 30, 2024. The remuneration is payable to the Management Company monthly in arrears.

9.2 During the year, an amount of Rs. 0.312 million in AISRP - I, Rs. 0.014 million in AISRP - II and Rs. 0.007 million in AISRP - IV was charged on account of sales tax at the rate of 13.00% (2023: 13.00%) on management fee levied through the Sindh Sales Tax on Services Act, 2011.

9.3 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at rate of 0.16% in AISRP - I, 0.004% - 0.02% in AISRP -II and 0.025% in AISRP - IV (2023: 0.046%) per annum of the average annual net assets of the Fund for the year ended June 30, 2024 while keeping in view the overall return and total expense ratio limit of the Fund as defined under the NBFC Regulations, subject to total expense charged being lower than actual expense incurred.

9.4 During the year, the Securities and Exchange Commission of Pakistan (SECP) carried out onsite inspection of the Management Company and inspected, among other matters, the mechanism of chargeability of selling & marketing expenses and accounting & operational charges to the funds under its management. As a result of this inspection, SECP raised certain observations relating to the chargeability of such expenses by the Management Company to the funds under its management. The Management Company has responded to the observations highlighted by the SECP and there has been no further correspondence on this matter with the SECP. Accordingly, the impact of the SECP's observations on unit holder's fund, if any, is not determinable as at the reporting date.

		2024		2023		
		AISRP-I	AISRP-II	AISRP-IV	Total	AISRP-I
10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	----- (Rupees) -----				
Remuneration payable	10.1	-	197,717	62,764	260,481	19,956
Sindh Sales Tax payable on Trustee remuneration	10.2	-	25,703	8,159	33,863	2,594
		<u>-</u>	<u>223,420</u>	<u>70,923</u>	<u>294,344</u>	<u>22,550</u>

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 assets of the Fund at the rate of 0.055% (2023: 0.055%) per annum of the net assets of the Fund.

10.2 During the year, an amount of Rs. 0.17 million in AISRP - I, Rs. 0.25 million in AISRP -II, and 0.08 million in AISRP - IV (2023: Rs. 0.02 million) was charged at the rate of 13% (2023: 13%) on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011.

		2024		2023		
		AISRP-I	AISRP-II	AISRP-IV	Total	AISRP-I
11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	----- (Rupees) -----				
Fee payable	11.1	-	86,454	68,175	154,629	7,257

11.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.075% (2023: 0.02%) per annum of the daily net assets during the year ended June 30, 2024.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the Fund was required to pay SECP fee within three months of the close of accounting year.

	2024		2023		
	AISRP-I	AISRP-II	AISRP-IV	Total	AISRP-I
12 ACCRUED EXPENSES AND OTHER LIABILITIES	----- (Rupees) -----				
Withholding tax payable	145,528	11,034,919	-	11,180,447	576,930
Capital gain tax payable	-	-	3,965,072	3,965,072	77,036
Brokerage and settlement charges payable	-	-	-	-	11,300
Auditors' remuneration payable	134,460	248,368	178,200	561,028	178,200
Printing charges payable	-	13,000	5,000	18,000	391
Other payable	-	-	-	-	10,530
	<u>279,988</u>	<u>11,296,287</u>	<u>4,148,272</u>	<u>15,724,547</u>	<u>854,387</u>

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 and June 30, 2023.

	2024		2023		
	AISRP-I	AISRP-II	AISRP-IV	Total	AISRP-I
14 AUDITORS' REMUNERATION	----- (Rupees) -----				
Annual audit fee	60,000	60,000	60,000	180,000	150,000
Fee for half yearly review of condensed interim financial statements	36,000	36,000	36,000	108,000	-
Other certifications	24,000	24,000	24,000	72,000	-
Out of pocket expenses	12,000	12,000	12,000	36,000	15,000
	132,000	132,000	132,000	396,000	165,000
Sindh Sales Tax	10,560	10,560	10,560	31,680	13,200
	<u>142,560</u>	<u>142,560</u>	<u>142,560</u>	<u>427,680</u>	<u>178,200</u>

15 TAXATION

The income of the Fund is exempt from income tax as per Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non Banking Finance Companies Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expense as are chargeable thereon to the unit holders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ended June 30, 2024 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements.

16 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of AISRP - I, AISRP - II, and AISRP - IV for the year ended June 30, 2024 is 2.00%, 0.07% and 0.10% (2023: 2.17% in AISRP - I) which includes 0.23%, 0.03% and 0.02% respectively (2023: 0.2% in AISRP - I) representing government levies on the Fund such as sales taxes and fee to the SECP etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a fixed return scheme.

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

17 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include Alfalah Asset Management Limited being the Management Company, funds under management of the Management Company, Bank Alfalah Limited, Alfalah CLSA Securities (Private) Limited and MAB Investment incorporated being associated companies of the Management Company, Bank Alfalah Limited - Employees' Provident Fund, Alfalah Insurance Company Limited, Bank Alfalah Limited - Employees' Gratuity Fund, Alfalah GHP Investment Management Limited - Staff Provident Fund, directors and key management personnel of Alfalah Asset Management Limited and Central Depository Company of Pakistan Limited being the Trustee of the Fund. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

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

Remunerations to the Management Company and the Trustee of the Fund are determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

Selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

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:

		2024									
		As at July 1, 2023	Issued for cash	Dividend reinvested	Redeemed	As at June 30, 2024	As at July 1, 2023	Issued for cash	Dividend reinvested	Redeemed	As at June 30, 2024
Associated Companies / Undertakings	Note	(Units)					(Rupees)				
Alfalah Islamic Stable Return Plan I											
Unit holder holding 10% or more units	17.1.1	4,174,039	-	-	4,174,039	-	417,403,900	-	-	452,277,578	-
Alfalah Islamic Stable Return Plan II											
Unit holder holding 10% or more units	17.1.1	-	13,006,054	600,441	-	13,606,495	-	1,303,944,060	60,216,274	-	1,303,232,628
Alfalah Islamic Stable Return Plan IV											
Unit holder holding 10% or more units	17.1.1	-	10,000,000	212,221	-	10,212,221	-	1,000,000,000	21,250,000	-	1,022,521,095
		2023									
		As at July 1, 2023	Issued for cash	Dividend reinvested	Redeemed	As at June 30, 2023	As at July 1, 2023	Issued for cash	Dividend reinvested	Redeemed	As at June 30, 2023
Associated Companies / Undertakings	Note	(Units)					(Rupees)				
Alfalah Islamic Stable Return Plan I											
Unit holder holding 10% or more units	17.1.1	-	10,126,762	53,000	6,005,723	4,174,039	-	1,016,081,577	5,300,084	603,980,536	417,403,900

17.1.1 This reflects the position of related party / connected persons status as at June 30, 2024.

For the period from July 01, 2023 to November 23, 2023	For the period from March 27, 2024 to June 30, 2024	For the period from May 22, 2024 to June 30, 2024	Total	For the period from June 07, 2023 to June 30, 2023
AISRP-I	AISRP-II	AISRP-IV		AISRP-I

17.2 Other transactions

----- (Rupees) -----

Associated companies / undertakings

**Alfalah Asset Management Limited -
Management Company**

Remuneration of Alfalah Asset Management Limited - Management Company	2,402,723	107,858	557,978	3,068,559	369,248
Sindh Sales Tax on remuneration of the Management Company	312,354	14,022	72,537	398,913	48,002
Selling and marketing expenses	383,181	33,131	33,840	450,152	16,511

Alfalah Islamic Income Fund

Government of Pakistan Ijara Sukuks certificates - Sold	-	-	-	-	1,000,500
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Bank Alfalah Limited

Profit on balance with bank	-	558,261	506,515	1,064,776	-
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Other related party

**Central Depository Company of Pakistan
Limited - Trustee**

Remuneration of Central Depository Company of Pakistan Limited - Trustee	131,279	197,739	62,764	391,782	19,956
Sindh Sales Tax on remuneration of the Trustee	17,068	25,681	8,159	50,908	2,594

2024 AISRP-I	2024 AISRP-II	2024 AISRP-IV	2024 Total	2023 AISRP-I
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17.3 Other balances

----- (Rupees) -----

Associated companies / undertakings

**Alfalah Asset Management Limited -
Management Company**

Management remuneration payable	23,714	107,858	557,977	689,549	369,248
Sindh sales tax payable on management remuneration	3,083	14,022	72,537	89,642	48,002
Selling and marketing expenses payable	389,096	33,131	33,841	456,068	5,915
Other payable	40,597	18,302	-	58,899	-
Preliminary expenses and floatation costs payable	1,095,525	-	-	1,095,525	1,095,525

Other balances

Bank Alfalah Limited

Balance with banks	1,213,350	1,544,518	5,059,600	7,817,468	10,000
Profit receivable	-	20,893	506,514	527,407	11

Other related party

**Central Depository Company of Pakistan
Limited - Trustee**

Remuneration payable	-	197,717	62,764	260,481	19,956
Sindh Sales Tax payable on Trustee remuneration	-	25,703	8,159	33,862	2,594

18 FINANCIAL INSTRUMENTS BY CATEGORY

	2024									2023		
	AISRP-I			AISRP-II			AISRP-IV			AISRP-I		
	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total
	(Rupees)											
Financial assets												
Balances with banks	1,705,587	-	1,705,587	5,696,800	-	5,696,800	5,059,600	-	5,059,600	1,161,634	-	1,161,634
Investments	-	-	-	-	1,422,985,872	1,422,985,872	-	1,080,550,900	1,080,550,900	-	564,376,188	564,376,188
Profit receivable	-	-	-	90,130	-	90,130	506,514	-	506,514	14,422,110	-	14,422,110
	<u>1,705,587</u>	<u>-</u>	<u>1,705,587</u>	<u>5,786,930</u>	<u>1,422,985,872</u>	<u>1,428,772,802</u>	<u>5,566,114</u>	<u>1,080,550,900</u>	<u>1,086,117,014</u>	<u>15,583,744</u>	<u>564,376,188</u>	<u>579,959,932</u>
Financial liabilities												
Payable to Alfalah Asset Management Limited - Management Company	1,552,015	-	1,552,015	173,313	-	173,313	664,355	-	664,355	1,518,690	-	1,518,690
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	223,420	-	223,420	70,923	-	70,923	22,550	-	22,550
Accrued expenses and other liabilities	134,460	-	134,460	261,368	-	261,368	183,200	-	183,200	200,421	-	200,421
	<u>1,686,475</u>	<u>-</u>	<u>1,686,475</u>	<u>658,101</u>	<u>-</u>	<u>658,101</u>	<u>918,478</u>	<u>-</u>	<u>918,478</u>	<u>1,741,661</u>	<u>-</u>	<u>1,741,661</u>

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices.

The Management Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee and the regulations laid down by the Securities and Exchange Commission of Pakistan.

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

19.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

19.1.2 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits. The profit rate profile of the Fund's profit bearing financial instruments, as at June 30, 2024, is as follows:

	2024	2024	2024	2024	2023
	AISRP-I	AISRP-II	AISRP-IV	Total	AISRP-I
	(Rupees)				
Variable rate instruments (financial assets)					
Balances with banks	1,705,587	5,696,800	5,059,600	12,461,987	1,161,634
Government of Pakistan Ijara Sukuks certificates	-	-	-	-	564,376,188
	<u>1,705,587</u>	<u>5,696,800</u>	<u>5,059,600</u>	<u>12,461,987</u>	<u>565,537,822</u>
Fixed rate instruments (financial assets)					
Government of Pakistan Ijara Sukuks certificates	-	1,422,985,872	1,080,550,900	2,503,536,772	-
	<u>-</u>	<u>1,422,985,872</u>	<u>1,080,550,900</u>	<u>2,503,536,772</u>	<u>-</u>

a) **Sensitivity analysis for variable rate instrument**

Presently, the Fund holds KIBOR based bank balances which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the period and net assets of AISRP - I, AISRP - II and AISRP - IV would have been higher / lower by Rs. 0.02 million, Rs. 0.06 million, Rs. 0.05 million (2023: Rs. 5.66 million). The analysis assumes that all other variables remain constant.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet financial instruments is based on settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 and June 30, 2023 can be determined as follows:

Alfalah Islamic Stable Return Plan - I

----- 2024 -----					
Effective profit rate (%)	Exposed to profit risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		
----- (Rupees) -----					
On-balance sheet financial instruments					
Financial assets					
Balances with banks	20.00% to 20.50%	1,705,587	-	-	1,705,587
Investments		-	-	-	-
		1,705,587	-	-	1,705,587
Financial liabilities					
Payable to Alfalah Asset Management Limited - Management Company		-	-	1,552,015	1,552,015
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	-
Accrued expenses and other liabilities		-	-	134,460	134,460
Sub total		-	-	1,686,475	1,686,475
On-balance sheet gap (a)		1,705,587	-	(1,686,475)	19,112
Off balance sheet financial instruments					
		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total profit rate sensitivity gap (a+b)		1,705,587	-	(1,686,475)	19,112
Cumulative profit rate sensitivity gap		1,705,587	1,705,587	1,705,587	
----- 2023 -----					
Effective profit rate (%)	Exposed to profit risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		
----- (Rupees) -----					
On-balance sheet financial instruments					
Financial assets					
Balances with banks	19.24% - 20.50%	1,161,634	-	-	1,161,634
Investments	22.67%	-	564,376,188	-	564,376,188
Profit receivables		412,840	14,009,270	-	14,422,110
Sub total		1,574,474	578,385,458	-	579,959,932
Financial liabilities					
Payable to Alfalah Asset Management Limited - Management Company		-	-	1,518,690	1,518,690
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	22,550	22,550
Accrued expenses and other liabilities -		-	-	200,421	200,421
Sub total		-	-	1,741,661	1,741,661
On-balance sheet gap (a)		1,574,474	578,385,458	(1,741,661)	578,218,271
Off balance sheet financial instruments					
		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total profit rate sensitivity gap (a+b)		1,574,474	578,385,458	(1,741,661)	578,218,271
Cumulative profit rate sensitivity gap		1,574,474	579,959,932	579,959,932	

Alfalah Islamic Stable Return Plan - II

----- 2024 -----					
Effective profit rate (%)	Exposed to profit risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		
----- (Rupees) -----					
On-balance sheet financial instruments					
Financial assets					
Balances with banks	20.00% to 20.50%	5,696,800	-	-	5,696,800
Investments	19.31%	-	1,422,985,872	-	1,422,985,872
Profit receivable		-	90,130	-	90,130
		5,696,800	1,423,076,002	-	1,428,772,802
Financial liabilities					
Payable to Alfalah Asset Management Limited - Management Company		-	-	173,313	173,313
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	223,420	223,420
Accrued expenses and other liabilities		-	-	261,368	261,368
Sub total		-	-	658,101	658,101
On-balance sheet gap (a)		<u>5,696,800</u>	<u>1,423,076,002</u>	<u>(658,101)</u>	<u>1,428,114,701</u>
Off balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total profit rate sensitivity gap (a+b)		<u>5,696,800</u>	<u>1,423,076,002</u>	<u>(658,101)</u>	<u>1,428,114,701</u>
Cumulative profit rate sensitivity gap		<u>5,696,800</u>	<u>1,428,772,802</u>	<u>1,428,772,802</u>	

Alfalah Islamic Stable Return Plan - IV

----- 2024 -----					
Effective profit rate (%)	Exposed to profit risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		
----- (Rupees) -----					
On-balance sheet financial instruments					
Financial assets					
Balances with banks	20.00% to 20.50%	5,059,600	-	-	5,059,600
Investments	18.99%	-	1,080,550,900	-	1,080,550,900
Profit receivable		-	506,514	-	506,514
		5,059,600	1,081,057,414	-	1,086,117,014
Financial liabilities					
Payable to Alfalah Asset Management Limited - Management Company		-	-	664,355	664,355
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	70,923	70,923
Accrued expenses and other liabilities		-	-	183,200	183,200
Sub total		-	-	918,478	918,478
On-balance sheet gap (a)		<u>5,059,600</u>	<u>1,081,057,414</u>	<u>(918,478)</u>	<u>1,085,198,536</u>
Off balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total profit rate sensitivity gap (a+b)		<u>5,059,600</u>	<u>1,081,057,414</u>	<u>(918,478)</u>	<u>1,085,198,536</u>
Cumulative profit rate sensitivity gap		<u>5,059,600</u>	<u>1,086,117,014</u>	<u>1,086,117,014</u>	

19.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

19.2 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligations as it falls due.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets.

19.2.1 Exposure to credit risk

The table below analyses the Fund's maximum exposure to credit risk:

	2024		2023	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- (Rupees) -----				
Alfalah Islamic Stable Return Plan - I				
Balances with banks	1,705,587	1,705,587	1,161,634	1,161,634
Investments	-	-	564,376,188	-
Profit receivable	-	-	14,422,110	412,840
	<u>1,705,587</u>	<u>1,705,587</u>	<u>579,959,932</u>	<u>1,574,474</u>

	2024	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- (Rupees) -----		
Alfalah Islamic Stable Return Plan - II		
Balances with banks	5,696,800	5,696,800
Investments	1,422,985,872	-
Profit receivable	90,130	90,130
	<u>1,428,772,802</u>	<u>5,786,930</u>

	2024	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- (Rupees) -----		
Alfalah Islamic Stable Return Plan - IV		
Balances with banks	5,059,600	5,059,600
Investments	1,080,550,900	-
Profit receivable	506,514	506,514
	<u>1,086,117,014</u>	<u>5,566,114</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets. Investment in government securities and related profit receivable, however, are not exposed to credit risk and have been excluded from the above analysis as these are guaranteed by the Government of Pakistan.

No financial assets were considered to be past due or impaired as at June 30, 2024.

19.2.2 Credit quality of financial assets

The Fund held bank balances as at June 30, 2024 with banks having following credit ratings:

Alfalah Islamic Stable Return Plan - I

Banks	Rating agency	Rating (Short Term) / (Long Term)	2024	2023
			% of financial assets exposed to credit risk	% of financial assets exposed to credit risk
Bank AL Habib Limited	PACRA	A1+ / AAA	28.46%	100.00%
Bank Alfalah Limited	PACRA	A1+ / AA+	71.16%	-
Dubai Islamic Bank Pakistan Limited	VIS	A-1+/AA	0.38%	-
			<u>100.00%</u>	<u>100.00%</u>

Alfalah Islamic Stable Return Plan - II

Banks	Rating agency	Rating (Short Term) / (Long Term)	2024	2023
			% of financial assets exposed to credit risk	% of financial assets exposed to credit risk
Bank Al Habib		PACRA	A1+ / AAA	72.89%
Bank Alfalah Limited		PACRA	A1+ / AA+	27.11%
				<u>100.00%</u>

Alfalah Islamic Stable Return Plan - IV

Banks	Rating agency	Rating (Short Term) / (Long Term)	2024	2023
			% of financial assets exposed to credit risk	% of financial assets exposed to credit risk
Bank Alfalah Limited		PACRA	A1+ / AA+	100.00%
				<u>100.00%</u>

"Above ratings are on the basis of available ratings assigned by PACRA as of June 30, 2024.

19.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect the groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. Despite the high concentration of credit risk as stated above, the Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit worthy counter parties thereby mitigating any significant concentrations of credit risk.

19.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets up to 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, no borrowing was required to be obtained by the Fund during the current period.

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

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

Alfalsh Islamic Stable Return Plan - I

----- 2024 -----						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial Instruments with no fixed maturity	Total
----- (Rupees) -----						
Balances with banks	1,705,587	-	-	-	-	1,705,587
Investments	-	-	-	-	-	-
Profit receivable	-	-	-	-	-	-
	1,705,587	-	-	-	-	1,705,587
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company	1,552,015	-	-	-	-	1,552,015
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-	-
Accrued expenses and other liabilities	-	134,460	-	-	-	134,460
	1,552,015	134,460	-	-	-	1,686,475
Net financial assets / (liabilities)	153,572	(134,460)	-	-	-	19,112

----- 2023 -----						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial Instruments with no fixed maturity	Total
----- (Rupees) -----						
Balances with banks	1,161,634	-	-	-	-	1,161,634
Investments	-	564,376,188	-	-	-	564,376,188
Profit receivable	14,422,110	-	-	-	-	14,422,110
	15,583,744	564,376,188	-	-	-	579,959,932
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company	1,518,690	-	-	-	-	1,518,690
Payable to Central Depository Company of Pakistan Limited - Trustee	22,550	-	-	-	-	22,550
Accrued expenses and other liabilities	22,221	178,200	-	-	-	200,421
	1,563,461	178,200	-	-	-	1,741,661
Net financial assets	14,020,283	564,197,988	-	-	-	578,218,271

Alfalsh Islamic Stable Return Plan - II

----- 2024 -----						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial Instruments with no fixed maturity	Total
----- (Rupees) -----						
Balances with banks	5,696,800	-	-	-	-	5,696,800
Investments	-	1,422,985,872	-	-	-	1,422,985,872
Profit receivable	90,130	-	-	-	-	90,130
	5,786,930	1,422,985,872	-	-	-	1,428,772,802
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company	173,313	-	-	-	-	173,313
Payable to Central Depository Company of Pakistan Limited - Trustee	223,420	-	-	-	-	223,420
Accrued expenses and other liabilities	13,000	248,368	-	-	-	261,368
	409,733	248,368	-	-	-	658,101
Net financial assets / (liabilities)	5,377,197	(248,368)	1,422,985,872	-	-	1,428,114,701

Alfalah Islamic Stable Return Plan - IV

----- 2024 -----						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial Instruments with no fixed maturity	Total
----- (Rupees) -----						
Financial assets						
Balances with banks	5,059,600	-	-	-	-	5,059,600
Investments	-	-	1,080,550,900	-	-	1,080,550,900
Profit receivable	506,514	-	-	-	-	506,514
	5,566,114	-	1,080,550,900	-	-	1,086,117,014
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company	664,355	-	-	-	-	664,355
Payable to Central Depository Company of Pakistan Limited - Trustee	70,923	-	-	-	-	70,923
Accrued expenses and other liabilities	5,000	178,200	-	-	-	183,200
	740,278	178,200	-	-	-	918,478
Net financial assets / (liabilities)	4,825,836	(178,200)				1,085,198,536

20 FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: 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); and

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

As at June 30, 2024 and June 30, 2023 the Fund held the following financial instruments measured at fair values:

Alfalah Islamic Stable Return Plan - I
Investments 'at fair value through profit or loss'

Government of Pakistan Ijara sukuks certificates

----- 2024 -----			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			
-	-	-	-
-	-	-	-

----- 2023 -----			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			
-	564,376,188	-	564,376,188
-	564,376,188	-	564,376,188

Investments 'at fair value through profit or loss'

Government of Pakistan Ijara sukuks certificates

-	564,376,188	-	564,376,188
-	564,376,188	-	564,376,188

Alfalah Islamic Stable Return Plan - II**Investments 'at fair value through profit or loss'**

Government of Pakistan Ijara sukuks certificates

2024			
Level 1	Level 2	Level 3	Total
(Rupees)			
1,422,985,872	-	-	1,422,985,872
<u>1,422,985,872</u>	<u>-</u>	<u>-</u>	<u>1,422,985,872</u>

Alfalah Islamic Stable Return Plan - IV**Investments 'at fair value through profit or loss'**

Government of Pakistan Ijara sukuks certificates

2024			
Level 1	Level 2	Level 3	Total
(Rupees)			
1,080,550,900	-	-	1,080,550,900
<u>1,080,550,900</u>	<u>-</u>	<u>-</u>	<u>1,080,550,900</u>

During the year ended June 30, 2024, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The Fund is an open end collective investment scheme. The unit holders' fund of open end schemes is represented by net assets attributable to unit holders. The risk in case of an open end scheme is 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 unexpected losses in investment portfolio which may cause adverse effects on the Fund's continuation as a going concern.

The Fund's objective when managing net assets attributable to unit holders is to safeguard the Fund's ability to continue as a 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 unit holder fund structure, the Fund performs the following:

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

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically monitor capital of the Fund on the basis of the value of net assets attributable to the unit holders and track the movement of "Assets under Management" as well as returns earned on the net assets to maintain investors' confidence and achieve future growth in business. Further, the Board of Directors is updated about the Fund's yield and movement of net asset value 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 gains as reduced by such expenses as are chargeable to the Fund.

Under the NBFC Regulations, the minimum size of an open end scheme shall be one hundred million rupees at all the times during the life of the scheme. The Fund has maintained minimum size of one hundred million rupees at all times during the year.

22 SUPPLEMENTARY NON FINANCIAL INFORMATION

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

23 GENERAL

Figures have been rounded off to the nearest rupee.

24 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 30, 2024** by the Board of Directors of the Management Company.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



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

Alfalah Islamic Stable Return Fund Plan II

(i) UNIT HOLDING PATTERN OF THE FUND

Category	As at 30 June 2024			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	2	523,083	52,457,787.18	4%
Associated Co./ Directors	-	-	-	0%
Insurance Co.	-	-	-	0%
Retirement & Other Funds	-	-	-	0%
Others	1	13,606,495	1,364,537,631.82	96%
	3	14,129,578	1,416,995,419	100%

Alfalah Islamic Stable Return Fund Plan IV

(i) UNIT HOLDING PATTERN OF THE FUND

Category	As at 30 June 2024			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	3	347,216	34,765,719	3%
Associated Co./ Directors	-	-	-	0%
Insurance Co.	-	-	-	0%
Retirement & Other Funds	-	-	-	0%
Others	2	10,450,701	1,046,399,570	97%
	5	10,797,917	1,081,165,289	100%

Alfalah Islamic Stable Return Fund Plan I

(i) UNIT HOLDING PATTERN OF THE FUND

Category	As at 30 June 2024			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	24	2,227,995	434,065,066.98	39%
Associated Co./ Directors	-	-	-	0%
Insurance Co.	-	-	-	0%
Retirement & Other Funds	2	1,130,560	113,055,967.90	20%
Others	3	2,426,645	31,398,899.00	42%
	29	5,785,200	578,519,934	100%

(iii) PARTICULARS OF MEMBERS OF THE INVESTMENT COMMITTEE

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

Khaldoon Bin Latif	Chief Executive Officer
Ayub Khuhro	Chief Investment Officer
Faisal Ali Khan	Chief Financial Officer
Shariq Mukhtar Hashmi	Chief Compliance Officer
Mustafa Kamal	Head of Fixed Income
Muddasir Ahmed Shaikh	Head of Equities
Shams-ud-din Shah, CFA, FCCA	Head of Research
Omar Mukhtar	Head of Risk
Salman Jawaaid	Fund Manager Fixed Income Funds
Anil Kumar, CFA	Fund Manager Equity Funds

Khaldoon Bin Latif-Chief Executive Officer

Mr. Latif has been associated with the capital markets for over 18 years, with both domestic and international experience providing a comprehensive blend. Prior to joining Alfalah Investments, Mr. Khaldoon was associated with Faysal Asset Management Limited as its Chief Executive Officer (CEO) and under his leadership, Faysal Asset Management has achieved significant growth during his tenure and transformed into major industry player. Earlier he was associated with BMA Asset Management Company Limited as its CEO, JS Investments Limited as its Chief Investment Officer (CIO) and KASB Funds Limited as its CEO. Before KASB Funds he was the General Manager and Director of TSWLL Bahrain, a wholly owned subsidiary of TAIB Bank BSC, where he headed their brokerage, asset management, custody and advisory operations.

He has been a member of the Mutual Fund Association for over six years and has been the Vice Chairman from FY2021-22. He is also a non-executive director on a bank holding company out of Bahrain, IIBank LLC, that has operations in Africa and Europe. He is a former board member of TRG and Pace Pakistan. In addition to this, he brings both buy and sell side exposure of domestic capital markets in Pakistan. He began his career on the sell side with AKD Securities Ltd in various capacities including Head of Foreign Institutional Sales and Equity Research in the capacity of Head of Research and Chief Economist. On the buy side, he has worked with PICIC AMC as Head of Research and Product Development where his tenor also included active management of the PICIC Energy Fund.

Mr. Latif is a LUMS Alumni and has done a number of capital market courses with CFA association, Daiwa, J.P. Morgan and Bahrain Institute of Banking and Finance (BIBF). He has also completed his Director certification program from IBA.

Mr. Ayub Khoro – Chief Investment Officer

Muhammad Ayub Khuhro brings over 15 years of extensive experience in the banking and asset management industry to his role as Chief Investment Officer at Alfalah Investments. Prior to joining the company, he served as Chief Investment Officer at Faysal Asset Management Limited (FAML), where he played a pivotal role in revitalizing the investment process, fund management teams, and research department. His strategic initiatives significantly contributed to FAML's unprecedented growth and its ability to adapt to evolving market dynamics. Mr. Khuhro's career journey began at Pak Oman AMC in the research division, followed by a role as Research Head in the Equity Capital Markets Division at Faysal Bank Limited. His responsibilities included managing an equity portfolio valued at over USD 80 million and providing comprehensive research insights to support the Investment Committee's decision-making process. Additionally, he played a key role in IPOs and private equity valuations for the bank. With a Bachelor's degree in Economics from Lahore University of Management Sciences (LUMS), Mr. Khuhro possesses a deep understanding of equity, fixed income, and money market investments. His expertise extends to strategic and tactical asset allocations, driven by thorough research and evaluation of historical performance across multiple asset classes and instruments.

Faisal Ali Khan-Chief Financial Officer

Faisal Ali Khan is serving as Chief Financial Officer of Alfalah Investments and prior to joining he was associated with Faysal Funds where he served as CFO and Company Secretary. In past he has worked with reputed financial sector organizations including BMA Funds, Saudi Pak Industrial and Agricultural Company (Pvt.) Ltd, Attock Refinery Limited and KPMG. Mr. Khan is a fellow member of the Institute of Chartered Accountant of Pakistan having a professional experience of over nineteen years ranging from financial reporting, regulatory compliance, budgeting and taxation to corporate and secretarial practices including 15 years of experience in the asset management and investment advisory industry.

Mr. Shariq Mukhtar Hashmi – Chief Compliance Officer

Mr. Hashmi holds a diversified experience of over 11 years with various private sector enterprises of repute. He joined IGI Funds Limited (which subsequently merged into Alfalah GHP Investment Management Limited in Oct. 2013) in 2010 to lead the back office function as Head of Operations & Settlements. His association has continued, post-merger, as Head of Compliance & Risk Management. He has previously served National Asset Management Company as Head of Internal Audit and Feroze Sharif Tariq & Co Chartered Accountants in various capacities. He has also headed the Internal Audit Department of the Company. Mr. Hashmi is a qualified Accountant from the Association of Chartered Certified Accountants, UK and holds MBA degree in Finance from SZABIST University. He is also enrolled for Financial Risk Manager Certification of Global Association of Risk Professionals; USA.

Mr. Muddasir Ahmed Shaikh - – Head of Equities

Mr. Shaikh is heading the Equity Investments team at Alfalah Investments. He has been an integral part of the team since 2007 and holds about two decades of professional experience. He joined the Investment Management Industry in 2004, right after his graduation with an MBA degree. Over the years, he has served various public and private financial institutions of repute. He started his career as Research Analyst and has progressed over the year to higher levels in portfolio management.

Mr. Shaikh is an Alumni of the prestigious Institute of Business Administration, Karachi (IBA).

Mr. Shams-ud-din Shah - Head of Research

Mr. Shams is a CFA charter holder and member of ACCA. He holds +8 years of experience in financial service industry and has been associated with Alfalah since June 2017. He leads the Research Department and aptly covers Economy, Ban. ks, Construction and Material sectors along with supervision and professional development of other research analysts in the team. His hard work, strong analytical skills and thorough understanding of the economy and sector dynamics have earned him recognition and rendered effective support to the Portfolio Management function.

Mr. Mustafa Kamal - Head of Fixed Income

"Mr. Mustafa Kamal has more than 18 years of work experience in the investment management profession out of which he has been associated with the Mutual Fund Industry for over 15 years. Prior to joining Alfalah Investments, he was working as a Chief Investment Officer with Pak Oman Asset Management Limited. Over the years, he has worked at companies like Askari Investments, National Fullerton Asset Management, Crescent Leasing & ORIX Investment Bank. He is an MBA with Majors in Finance.

Currently serving the company as a Head of Fixed Income Funds, Mr. Kamal is a key member of portfolio management team and a member of the investment committee for the mutual funds. During his career he has managed wide range of conventional and Islamic mutual funds schemes."

Mr. Omar Mukhtar – Head of Risk

Mr. Mukhtar is the Head of Risk Management and has remained part of the Board Risk & Investment Committees and has played an instrumental role in the establishment of the Risk Management, Enterprise Risk Management & Information Security framework for the organization. He brings with him an experience of over fifteen years in the field of Risk Management in the Mutual Funds Industry. Prior to becoming part of the Alfalah Investments team, he was associated with UBL Funds Ltd in managing their Risk Management Function. Mr. Mukhtar has done his MBA in Finance from Greenwich University and holds a BBA Honors degree. He is also a member of GARP (Global Association of Risk Professionals).

Mr. Salman Jawaid - Fund Manager Fixed Income Fund

Mr. Salman is managing the Fixed Income Funds at Alfalah Investments. He has almost more than 12 years of work experience in the Mutual Fund Industry precisely in the Fund Management Department. He is an MBA in Finance from the Institute of Business Management (IOBM) and also pursuing his education in the CFA program. Over the years, he has worked at National Investment Trust Limited (NIT) and Faysal Asset Management in the portfolio management department.

Mr. Anil Kumar - Jr. Fund Manager Equity Funds

Mr. Anil has over 3 years of well-rounded sectoral exposure in Investment Research and Fund Management. He was earlier associated as Research Analyst with Alfalah Investments, where he has actively covered Chemical Sector, Cement Sector, Pharmaceutical sector, Textile sector and has also identified many profitable investment ideas. Prior to joining Alfalah, he was associated with UBL Fund Managers and Darson Securities Limited. Anil has done Bachelors (BBA) from Iqra University with majors in Finance and is a CFA Level 3 candidate.

(iv) ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The dates of the meetings of the Board of Directors of the Management Company of the fund and the attendance of its members are given below.

Name of Director	Meeting held on				
	August 25, 2023	October 30, 2023	December 21, 2023	February 22, 2024	April 30, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓	✓
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Khaled Khanfer	Leave	Leave	✓	✓	✓
Ms. Ayesha Aziz	✓	✓	✓	✓	✓
Mr. Atif Bajwa	✓	✓	✓	✓	✓
Mr. Sohail Sultan	✓	✓	✓	✓	✓

(v) **MEETINGS OF BOARD AUDIT COMMITTEE**

The dates of the meetings of the Board Audit Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on				
	August 24, 2023	September 26, 2023	October 26, 2023	February 21, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	✓	Leave	✓	✓
Ms. Ayesha Aziz		✓	✓	✓	Resigned
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Farooq Ahmed Khan		✓			✓

(vi) **MEETINGS OF BOARD RISK MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Risk Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on			
	August 22, 2023	October 28, 2023	February 20, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	Leave	✓	Leave
Mr. Khalilullah Shaikh	✓	✓	✓	✓
Mr. Farooq Ahmed Khan	-	-	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓

(vii) **MEETINGS OF BOARD HUMAN RESOURCE MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Human Resource Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on		
	August 21, 2023	September 26, 2023	February 19, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓
Mr. Khalilullah Shaikh	-	✓	-
Ms. Ayesha Aziz	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓

(viii) **MEETINGS OF BOARD INVESTMENT COMMITTEE**

The dates of the meetings of the Board Investment Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on	
	December 14, 2023	April 24, 2024
Mr. Farooq Ahmed Khan	-	✓
Mr. Sohail Sultan	✓	✓
Ms. Ayesha Aziz	✓	✓

**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**

PERFORMANCE TABLE - ASRF

	ASRF II	ASRF IV	ASRF I
	30 June 2024	30 June 2024	30 June 2023
	(Rupees in '000)	(Rupees in '000)	(Rupees in '000)
Net Assets	1,416,995	1,081,165	1,416,995
NAV per unit	100.2858	100.1272	100.0000
Selling price per unit	0.0000	0.0000	0.0000
Redemption price per unit	100.2858	100.1272	100.0000
Highest selling price per unit	0.0000	0.0000	100.9559
Highest redemption price per unit	105.0187	102.3953	100.9559
Lowest selling price per unit	100.0000	100.0000	100.0000
Lowest redemption price per unit	100.0000	100.0000	100.0000
1st interim distribution per unit	5.4469	2.5000	0.9559
1st interim distribution date	28-Jun-24	28-Jun-24	23-Jun-23
2nd interim distribution per unit			0-Jan-00
2nd interim distribution date			30-Jun-23
Final distribution per unit	NIL	NIL	NIL
Final distribution date	NIL	NIL	NIL
Annualized returns %	22.03%	24.59%	20.79%
Income distribution %	5.44%	2.50%	95.94%
Weighted avg. portfolio duration (Days)	-	-	-

AISRF II Return since inception is 22.03 %

AISRF IV Return since inception is 24.59 %

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



Alfalah
GHP Islamic Prosperity
Planning Fund - II

FUND INFORMATION

Management Company:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Board of Directors of the Management Company:	Mr. Atif Aslam Bajwa Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Mr. Sohail Sultan Mr. Khalilullah Shaikh Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO))
Audit Committee (BAC):	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh
Business Risk Management Committee (BRMC)	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh Mr. Khaldoon Bin Latif (CEO)
Human Resource & Remuneration Committee (HRRC):	Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Board Investment Committee (BIC):	Mr. Farooq Ahmed Khan Mr. Sohail Sultan Ms. Ayesha Aziz
Head of Legal & Company Secretary:	Ms. Nahl Eman Chamdia
Chief Financial Officer:	Mr. Faisal Ali Khan
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, P.O.Box 4716 Karachi, Pakistan
Legal Advisor:	Haider Waheed House 188, Street 33, Khyaban-e-Qasim, DHA Pahse VIII, Karachi MSB Consultants F-66/2, Park Lane, Block 5 Clifton, Karachi.
Shariah Advisor:	Bank Islami Pakistan Limited 11th Floor, Dolmen Executive Towers, Marine Drive, Clifton, Block-4, Karachi
Registrar:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Distributor:	Bank Alfalah Limited
Rating:	Not Yet Rated

Alfalah GHP Islamic Prosperity Planning Fund 2

Annual Fund Manager's Report

Type of Fund: Open-end Scheme

Category of Fund: Shariah Compliant Fund of Funds Scheme

Investment Objective

Alfalah GHP Islamic Prosperity Planning Fund is an Open-ended Shariah Complaint Fund of Funds Scheme that aims to generate returns on investment as per the respective Allocation Plan by investing in Shariah complaint Mutual funds in line with the risk tolerance of the investor.

Accomplishment of Objective

The Fund has achieved its objective of generating higher return by investing in a mix of underlying fixed income and equity based mutual funds within the guidelines provided under NBFC rules.

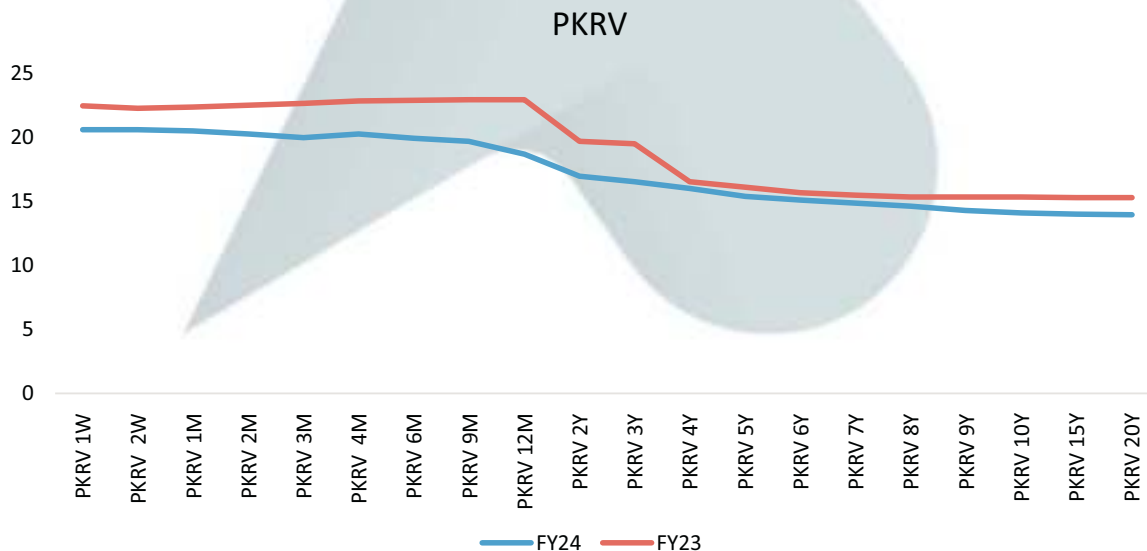
Money Market

Real GDP growth for FY24 posted a growth of 2.38% in FY24 as compared to -0.21% in FY23

Inflation for FY24 averaged at 23.9% compared to 29.04% in FY23, mainly due to stability in exchange rate coupled with lower political noise, rising agricultural yields, fiscal consolidation and softening oil prices and even fell to 12% by year end. As a result, the Central Bank has started monetary easing from June 2024 resulting in 250bps cut in interest rates in previous 2 meetings.

The next monetary policy is scheduled on September 12, 2024, where another cut in the policy rate cannot be ruled out as inflation is forecasted to maintain a lower trajectory, paving way for further anticipated monetary easing.

The current real interest rate stands impressively high at 8.4%, well above its historical median of 1%, providing a robust foundation for potential monetary easing actions. This could potentially lead to a reduction in the policy rate by 5%-6% over the next fiscal year. However, risks persists, particularly from potential inflationary impacts stemming from reforms outlined in the budget and IMF program, as well as volatility in exchange rates and oil prices.



Equity Market Review

During FY24, the benchmark index remained on a bullish trajectory and posted a positive return of 90.33% on account of improving economic indicators and fiscal consolidation. The index remained positive during the year as it peaked at 80,059 level in June'24, and closed at a lower level of 78,445 points.

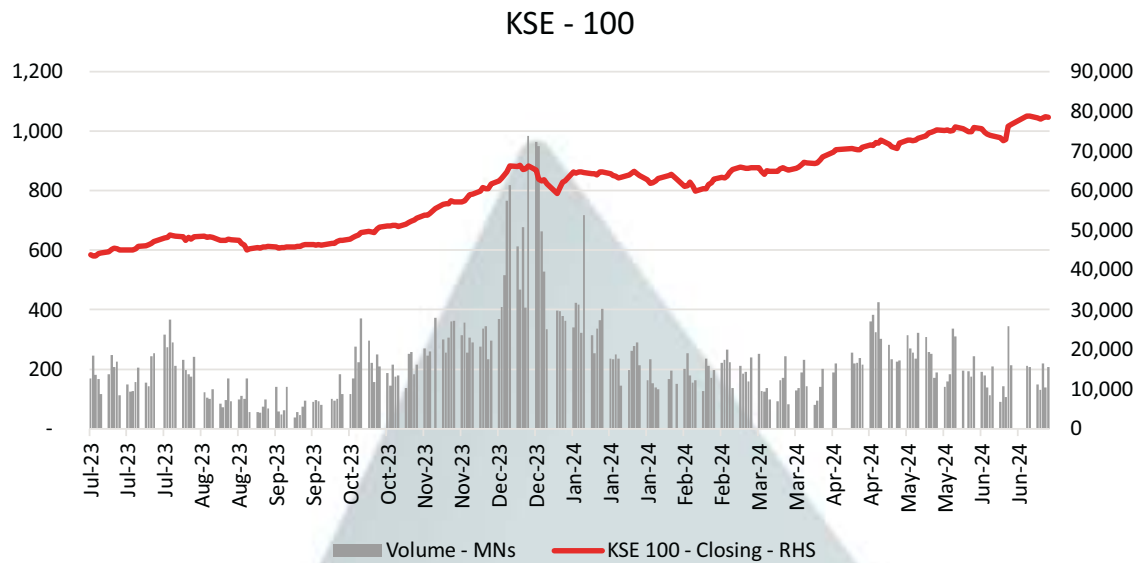
Improvement in macro-economic indicators including a) recovery in economic activity due to declining trend of inflation; b) improving forex reserves and stable PKR due to multilateral and bilateral support and fiscal consolidation and c) signing of a 9 months long standby agreement with IMF resulted in bullish investor sentiments and resulted in investors shifting allocation to equity as valuation was already attractive.

Due to the above mentioned factors, average trading volume of KSE-100 index also increased by 156%YoY to 232 million shares. Banking, Fertilizer and Power sectors contributed to the index the most, as investors jumped to sectors with attractive valuation, high dividend yield, stable demand and USD pegged revenues in case of the Power sector, while chemical sector contributed most negatively to the index due to depressed global chemical margins on the back of fear of global recession and overcapacity by many Chinese players.

Foreigners remained net buyers in FY24, as the net foreign inflow amounted to USD 139.23mn compared to net inflow of USD 22.09mn during FY23.

Going forward, we believe that the new staff level agreement on a 37month Extended Fund facility will keep fiscal and external account check and stable, the focus will likely be on preserving macroeconomic stability ensuring prudent monetary policy, avoiding fiscal slippages, maintaining market based exchange rate and implementing long-term economic reform. This will provide much-needed clarity and assurance for the economic plan.

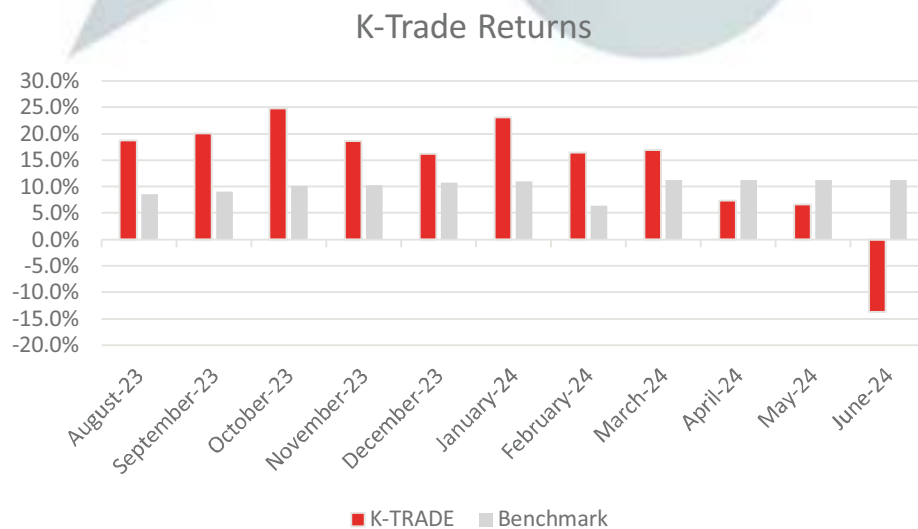
A favorable macroeconomic outlook i.e. falling inflation, monetary easing, improving reserves, and a stable PKR, serves as a booster for the Equity market in future as the benchmark index is still trading at attractive multiples (forward PE of 4x) and offers a decent dividend yield of 12%



Alfalah GHP Islamic Prosperity Planning Fund 2 - Ktrade Islamic Plan 7

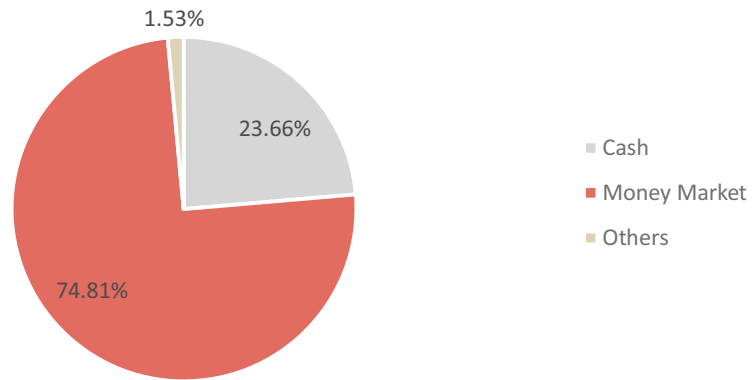
The fund generated a return of 14.59% against the benchmark which generated 9.53%.

Performance comparison with Benchmark



Assets Allocation

**Asset Allocation
(as at 30-June-2024)**



⇒ **Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

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

⇒ **Disclosure on unit split (if any), comprising:-**

There were no unit splits during the period.

⇒ **Disclosures of circumstances that materially affect any interests of unit holders**

Investments are subject to market risk.

⇒ **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme.**

No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shakra-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND - 2

Report of the Trustee pursuant to Regulation 41(h) and clause 8 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 Islamic Prosperity Planning Fund - 2 (the Fund) are of the opinion that Alfalah Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2024 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;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) 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.

For the purpose of information, we would like to draw the attention of the unit holders towards Regulation 54 of the Non-Banking Finance Companies and Notified Entities Regulations which requires that minimum net assets of the Fund shall be one hundred million rupees at all times and in case of any breach, the Management Company shall regularize the limit within three months of the breach. In this regard, the Fund was non-compliant with the said requirement from March 15, 2024 till June 30, 2024 wherein the net assets of the Fund were reduced to minimum of Rs. 5.7 million and regularized subsequent to the reporting period. The said non-compliance has also been reported to Securities and Exchange Commission of Pakistan.


Badiuddin Akber

Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 25, 2024





SHARIAH REVIEW REPORT
ALFALAH ISLAMIC PROSPERITY PLANNING FUND 2

We, the Shariah Advisors of the Alfalah Islamic Prosperity Planning Fund 2 (AIPPF-2) managed by Alfalah Asset Management Limited, are issuing this report in accordance with the Trust Deed and Offering Document of the said Fund. The scope of the report is to express an opinion on the Shariah Compliance of the Fund's activities.

It is the responsibility of the Management Company of the said Fund to establish and maintain a system of internal controls to ensure compliance with issued Shariah guidelines. As Shariah Advisors, our responsibility is to express an opinion, based on our review of the representations made by the management, to the extent where such compliance can be objectively verified.

In the capacity of Shariah Advisors of the Fund, we provide consent for investment in equities securities based on the Shariah Guidelines during the period from July 1, 2023 to June 30, 2024.

Investment Head	Investment Avenue
Shariah Compliant Funds	Shariah Compliant Money Market Fund Shariah Compliant Equity Funds Shariah Compliant Income Funds

We hereby certify that the investments made by the Funds are in compliance with Shariah principles.

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

For and on behalf of Shariah Advisory Board:


Mufti Shaikh Noman
Shariah Advisor


Mufti Javed Ahmad
Shariah Board Member

Alfalah Asset Management Limited

2nd Floor, Islamic Chamber of Commerce, Industry and Agriculture Building, Block-9, Clifton, Karachi - 75600 Pakistan.
U: +92 (21) 111-090-090 | W: www.alfalahamc.com

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND - II has fully complied with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor for its operations, investments and placements made during the year ended June 30, 2024. This has been duly confirmed by the Shariah Advisor of the Fund.

Dated: September 26, 2024

Mr. Khaldoun Bin Latif
Chief Executive Officer



4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, And Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2024, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than audits or reviews of historical financial statements', issued by the International Auditing and Assurance Standards Board.


That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgment, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures was sufficient and appropriate to provide a basis for our opinion.

7. Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2024 are in compliance with the Shariah principles (criteria specified in para 2 above), in all material respects.

 UHY Hassan Naeem & Co,
Chartered Accountants
Engagement Partner: Arslan Ahmed
Dated: September 26, 2024



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Alfalah GHP Islamic Prosperity Planning Fund II

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alfalah GHP Islamic Prosperity Planning Fund II (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer notes 5 and 6 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks of the Fund as at June 30, 2024 amounted to Rs. 2.28 million and investments aggregated to Rs. 4.46 million. The existence of balances with banks and existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none"> • Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; • Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and • Obtained bank reconciliation statements and tested reconciling items on a sample basis.

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A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

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Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Junaid Mesia**.

A. F. Ferguson & Co.
Chartered Accountants
Dated: September 30, 2024
Karachi
UDIN: AR202410611y7sZ5tdH0

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND - II

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2024

	June 30, 2024 KTIP-7	June 30, 2024 AICPP – 6	Total	June 30, 2023 AICPP – 6
Assets				
Balances with banks	5 1,410,003	867,663	2,277,666	133,702
Investments	6 4,458,789	-	4,458,789	174,497,749
Advances and profit receivable	7 91,261	-	91,261	189,375
Preliminary expenses and floatation costs	8 -	-	-	569,351
Total assets	5,960,053	867,663	6,827,716	175,390,177
Liabilities				
Payable to Alfalah Asset Management Limited - the Management company	9 6,966	31,527	38,493	101
Payable to Central Depository Company of Pakistan Limited - Trustee	10 705	5,849	6,554	11,259
Payable to the Securities and Exchange Commission of Pakistan (SECP)	11 10,516	-	10,516	32,912
Accrued expenses and other liabilities	12 299,128	830,287	1,129,415	2,111,968
Total liabilities	317,315	867,663	1,184,978	2,156,240
Net assets attributable to the unit holders	5,642,738	-	5,642,738	173,233,937
Unit holders' fund (as per statement attached)	5,642,738	-	5,642,738	173,233,937
Contingencies and commitments	13	----- (Number of units) -----		
Number of units in issue	50,142	-	1,721,726	
	----- (Rupees) -----			
Net asset value per unit	112.5354	-	100.6164	

The annexed notes from 1 to 25 and annexure form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND - II

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	For the period from August 21, 2023 to June 30, 2024	For the year ended June 30, 2024	Total	For the year ended June 30, 2023
	KTIP-7	AICPP – 6		AICPP – 6
Note ----- (Rupees)-----				
Income				
Profit on savings account with banks	364,056	107,589	471,645	11,562
Dividend income	2,038,906	6,363,065	8,401,971	12,540,240
Net unrealised loss on revaluation of investments classified as 'at fair value through profit or loss'	6.2 (66,462)	-	(66,462)	(263,161)
Gain / (loss) on sale of investments - net	3,911,247	25,752,298	29,663,545	10,424,270
Other income	-	30,678	30,678	55,390
Total income	6,247,747	32,253,630	38,501,377	22,768,301
Expenses				
Remuneration of Alfalah Asset Management Limited - Management Company	9.1 58,987	211,384	270,371	227
Sindh sales tax on remuneration of the Management Company	9.2 7,668	27,988	35,656	29
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1 22,301	91,647	113,948	115,293
Sindh sales tax on remuneration of the Trustee	10.2 2,899	11,913	14,812	14,986
Annual fee to the Securities and Exchange Commission of Pakistan	11.1 23,894	73,829	97,723	32,937
Auditors' remuneration	14 200,639	333,961	534,600	392,040
Amortisation of formation cost	8.1 -	569,351	569,351	821,556
Annual listing fee	13,794	16,956	30,750	30,886
Legal and professional charges	69,875	64,795	134,670	-
Printing and related costs	5,016	14,688	19,704	17,055
Bank charges	361	6,679	7,040	11,409
Shariah advisory fee	25,080	69,660	94,740	95,693
Total expenses	430,514	1,492,851	1,923,365	1,532,111
Net income for the period / year before taxation	5,817,233	30,760,779	36,578,012	21,236,190
Taxation	16 -	-	-	-
Net income for the period / year after taxation	5,817,233	30,760,779		21,236,190
Earnings per unit				
Allocation of net income for the period / year				
Net income for the period / year after taxation	5,817,233	30,760,779		21,236,190
Income already paid on units redeemed	(5,611,065)	(30,760,779)		(10,407,321)
	<u>206,168</u>	<u>-</u>		<u>10,828,869</u>
Accounting income available for distribution				
-Relating to capital gains	-	-		10,161,109
-Excluding capital gains	206,168	-		667,760
	<u>206,168</u>	<u>-</u>		<u>10,828,869</u>

The annexed notes from 1 to 25 and annexure form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND - II
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	For the period from August 21, 2023 to June 30, 2024 KTIP-7	For the year ended June 30, 2024 AICPP – 6	Total	For the year ended June 30, 2023 AICPP – 6
	----- (Rupees) -----			
Net income for the period / year after taxation	5,817,233	30,760,779	36,578,012	21,236,190
Other comprehensive income for the period / year	-	-	-	-
Total comprehensive income for the period / year	<u>5,817,233</u>	<u>30,760,779</u>	<u>36,578,012</u>	<u>21,236,190</u>

The annexed notes from 1 to 25 and annexure form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND - II

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	For the period from August 21, 2023 to June 30, 2024	For the year ended June 30, 2024	Total	For the year ended June 30, 2023
	KTIP-7	AICPP – 6		AICPP – 6
Note ----- (Rupees) -----				
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the year / period before taxation	5,817,233	30,760,779	36,578,012	21,236,190
Adjustments for:				
Unrealised loss on revaluation of investments classified as at fair value through profit or loss - net	6.2 66,462	-	66,462	263,161
Amortisation of formation cost	8.1 -	569,351	569,351	821,556
	5,883,695	31,330,130	37,213,825	22,320,907
(Increase) / decrease in assets				
Investments - net	(4,525,251)	174,497,749	169,972,498	(17,373,264)
Advances and profit receivable	(91,261)	189,375	98,114	(129,377)
Preliminary expenses and floatation costs	-	-	-	-
	(4,616,512)	174,687,124	170,070,612	(17,502,641)
Increase / (decrease) in liabilities				
Payable to Alfalah Asset Management Limited - Management Company	6,966	31,426	38,392	(1,436,775)
Payable to Central Depository Company of Pakistan	705	(5,410)	(4,705)	1,051
Payable to the Securities and Exchange Commission of Pakistan (SECP)	10,516	(32,912)	(22,396)	23,335
Accrued expenses and other liabilities	299,128	(1,281,681)	(982,553)	1,613,211
	317,315	(1,288,577)	(971,262)	200,822
Net cash flows generated from operating activities	1,584,498	204,728,677	206,313,175	5,019,088
CASH FLOWS FROM FINANCING ACTIVITIES				
Amounts received against issuance of units	416,930,009	3,202	416,933,211	95,934,926
Payments made against redemption of units	(417,104,504)	(203,997,918)	(621,102,422)	(90,924,367)
Dividend paid	-	-	-	(10,151,570)
Net cash flows used in financing activities	(174,495)	(203,994,716)	(204,169,211)	(5,141,011)
Net increase / (decrease) in cash and cash equivalents during the year / period	1,410,003	733,961	2,143,964	(121,923)
Cash and cash equivalents at the beginning of the year / period	-	133,702	-	255,625
Cash and cash equivalents at end of the year / period	5 1,410,003	867,663	2,277,666	133,702

The annexed notes from 1 to 25 and annexure form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND - II

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

FOR THE YEAR ENDED JUNE 30, 2024

	For the period from August 21, 2023 to June 30, 2024			For the year ended June 30, 2024			For the year ended June 30, 2023		
	KTIP-7			AICPP - 6			AICPP - 6		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees)								
Net assets at the beginning of the period / year	-	-	-	172,206,952	1,026,985	173,233,937	156,789,072	349,686	157,138,758
Issuance of 29 (2023: 1,160,423) units - AICPP-6									
Issuance of 3,958,313 units - KTIP-7									
- Capital value (at net asset value per unit at the beginning of the period / year)	395,831,300	-	395,831,300	2,918	-	2,918	116,301,088	-	116,301,088
- Element of income / (loss)	21,098,709	-	21,098,709	284	-	284	(10,151,541)	-	(10,151,541)
Total proceeds on issuance of units	416,930,009	-	416,930,009	3,202	-	3,202	106,149,547	-	106,149,547
Redemption of 1,721,755 (2023: 1,006,588) units - AICPP-6									
Redemption of 3,908,171 units - KTIP-7									
- Capital value (at net asset value per unit at the beginning of the period / year)	(390,817,100)	-	(390,817,100)	(173,239,823)	-	(173,239,823)	(100,883,281)	-	(100,883,281)
- Element of (loss) / income	(20,676,339)	(5,611,065)	(26,287,404)	2,684	(30,760,779)	(30,758,095)	20,366,235	(10,407,321)	9,958,914
Total payments on redemption of units	(411,493,439)	(5,611,065)	(417,104,504)	(173,237,139)	(30,760,779)	(203,997,918)	(80,517,046)	(10,407,321)	(90,924,367)
Total comprehensive income for the period / year	-	5,817,233	5,817,233	-	30,760,779	30,760,779	-	21,236,190	21,236,190
Distribution during the period / year	-	-	-	-	-	-	(10,214,621)	(10,151,570)	(20,366,191)
Net assets at end of the period / year	5,436,570	206,168	5,642,738	(1,026,985)	1,026,985	-	172,206,952	1,026,985	173,233,937
Undistributed income brought forward		(Rupees)		(Rupees)		(Rupees)			
- Realised income		-		1,290,146		1,529,609			
- Unrealised loss		-		(263,161)		(1,179,923)			
		-		1,026,985		349,686			
Accounting income available for distribution									
- Relating to capital gains		-		-		10,161,109			
- Excluding capital gains		206,168		-		667,760			
Distribution for the period / year		-		-		(10,151,570)			
Undistributed income carried forward		206,168		-		1,026,985			
Undistributed income carried forward									
- Realised income		272,630		-		1,290,146			
- Unrealised loss		(66,462)		-		(263,161)			
		206,168		-		1,026,985			
Net assets value per unit at beginning of the period / year		-		100.6164		100.2230			
Net assets value per unit at end of the period / year		112.5354		-		100.6164			

The annexed notes from 1 to 25 and annexure form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND - II
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Alfalah GHP Islamic Prosperity Planning Fund II was established under a Trust Deed under the Sindh Trust Act, 2020 between Alfalah Asset Management Limited (the Management Company) and Central Depository Company of Pakistan Limited (the Trustee). The Trust Deed was executed on August 24, 2021 and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the NBFC (Establishment and Regulation) Rules, 2003 (NBFC Rules).

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate issued by the SECP on March 9, 2023. The registered office of the Management Company is situated at Islamic Chamber of Commerce, Industry and Agricultural Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.

1.2 The objective of the Fund is to generate returns on investment as per the respective Allocation Plan by investing in collective investment schemes in line with the risk tolerance of the investor. The duration of the fund is perpetual, however, allocation plans may have a set time frame. During the year, the fund offered the following plans :

- a. Alfalah KTrade Islamic Plan 7 (KTIP-7) : Perpetual.
- b. Alfalah Islamic Capital Preservation Plan – 6 (AICPP-6) : The initial maturity of this plan was two (2) years from the close of the subscription period. This plan matured during the year on March 14, 2024.

1.3 The Fund is categorised as a 'Shariah Compliant Fund of Funds Scheme' pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund are being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.

1.4 VIS Credit Rating Limited has assigned an asset manager rating of AM1 (stable outlook) to the Management Company on December 29, 2023 (June, 30 2023: AM2+ by PACRA) to the Management Company.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the approved accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the requirements of IFRS Accounting Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

3.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2023. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and hence, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Fund which require entities to disclose

their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

3.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements.
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

3.4 Critical accounting estimates and judgments

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

The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements relate to classification, impairment and valuation of financial instruments (notes 4.2 and 6).

3.5 Accounting convention

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

3.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These have been applied consistently during the year ended June 30, 2024.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of Balances with banks and short term highly liquid investments with original maturity of three months or less which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The short term investments are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

4.2 Financial assets

4.2.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the "Income Statement".

4.2.2 Classification and subsequent measurement

4.2.2.1 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); or
- at fair value through profit or loss (FVTPL)

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognized at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

4.2.3 Impairment (other than debt securities)

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost. The Fund recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted around that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

4.2.4 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset.

4.2.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the "Income Statement".

4.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the "Income Statement".

4.4 Offsetting of financial assets and financial liabilities

Financial assets and financial 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 to realise the assets and settle the liabilities simultaneously.

4.5 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions, if any, are regularly reviewed and adjusted to reflect the current best estimate.

4.6 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

4.7 Issue and redemption of units

Units issued are recorded at the offer price of each allocation plan, determined by the Management Company for the applications received by the Management Company / distributors during business hours on the day when the application is received. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load, provision of duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price of each allocation plan prevalent on the date on which the Management Company receives redemption applications during business hours on that date. The redemption price represents NAV as on the close of business day, less any duties, taxes, charges on redemption and provision for transactions costs, if applicable.

4.8 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

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

Element of income represents the difference between net asset value per unit on the issuance or redemption date, as the case may be, of units and the net asset value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.10 Revenue recognition

- Gains or losses arising on sale of investments classified as financial assets at 'fair value through profit or loss' are recognised in the "Income Statement" at the date on which the transaction takes place.
- Unrealised gains / (losses) arising on revaluation of securities classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the period in which they arise.
- Dividend income is recognized when the Fund's right to receive the same is established. i.e. on the commencement of date of book closure of the investee Fund declaring the dividend.
- Profit on Balances with banks is recognised on an accrual basis.

4.11 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee to the SECP are recognised in the "Income Statement" on an accrual basis.

4.12 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

Deferred

Deferred tax is accounted for using the balance sheet method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on enacted tax rates.

4.13 Earnings per unit

Earnings per unit is calculated by dividing the net income for the year after taxation of the Fund by the weighted average number of units outstanding during the year.

Earnings per unit (EPU) has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

4.14 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the "Income Statement".

	Note	June 30, 2024 KTIP-7	June 30, 2024 AICPP – 6	June 30, 2023 AICPP – 6
----- (Rupees) -----				
5 Balances with banks				
In Savings accounts	5.1	1,410,003	867,663	133,702
		<u>1,410,003</u>	<u>867,663</u>	<u>133,702</u>

5.1 The accounts of AICPP-6 carry profit rate of 19.60% to 20.00% (June 30, 2023: 5.50% to 20.25%) per annum and accounts of KTIP-7 carry profit rate of 19.51% to 20.00%. These include bank balance of Rs. 0.624 million (June 30, 2023: 0.055 million) in AICPP-6 and 1.241 million which is maintained with Bank Alfalah Limited (a related party), carrying profit rates at the rate of 20.00% per annum.

	Note	June 30, 2024 KTIP-7	June 30, 2024 AICPP – 6	June 30, 2023 AICPP – 6
----- (Rupees) -----				
6 INVESTMENTS				
At fair value through profit or loss				
Units of open-ended mutual funds	6.1	4,458,789	-	174,497,749
		<u>4,458,789</u>	<u>-</u>	<u>174,497,749</u>

6.1 Investments at fair value through profit or loss' - Units of open-ended mutual funds

Alfalah KTrade Islamic Plan 7

Name of investee	As at August 21, 2023	Purchased / reinvested during the period	Redeemed during the period	As at June 30, 2024	As at June 30, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments
					Carrying value	Market value	Unrealised diminution		
----- Number of units -----					----- (Rupees) -----			----- % -----	
Alfalah Islamic Money Market Fund*	-	1,107,710	1,064,696	43,014	4,363,663	4,310,380	(53,283)	76.39	96.67
Alfalah Islamic Rozana Amdani Fund*	-	1,104,241	1,104,241	-	-	-	-	-	-
Pak Qatar Daily Dividend Plan	-	3,308,998	3,308,398	-	-	-	-	-	-
Pak Qatar Cash Plan	-	1,809,136	1,807,662	1,474	161,588	148,409	(13,179)	2.63	3.33
As at June 30, 2024					<u>4,525,251</u>	<u>4,458,789</u>	<u>(66,462)</u>		

* These represent investments held in related parties i.e. funds under common management.

Alfalsh Islamic Capital Preservation Plan – 6

Name of investee	As at July 1, 2023	Purchased / reinvested during the period	Redeemed during the period	As at June 30, 2024	As at June 30, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments
					Carrying value	Market value	Unrealised (diminution) / appreciation		
					Number of units				
Alfalsh GHP Islamic Income Fund*	-	257,274	257,274	-	-	-	-	0.00%	0.00%
Alfalsh GHP Islamic Dedicated Equity Fund*	55,346	683,350	738,696	-	-	-	-	0.00%	0.00%
Alfalsh Islamic Money Market Fund*	1,710,053	386,494	2,096,547	-	-	-	-	0.00%	0.00%
Pak Qatar Daily Dividend Plan	-	1,426,615	1,426,615	-	-	-	-	0.00%	0.00%
As at June 30, 2024					-	-	-		
As at June 30, 2023					174,760,910	174,497,749	(263,161)		

* These represent investments held in related parties i.e. funds under common management.

6.2 Unrealised loss on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net	Note	June 30, 2024	June 30, 2024	June 30, 2023
		KTIP-7	AICPP – 6	AICPP – 6
----- (Rupees) -----				
Market value of investments	6.1	4,458,789	-	174,497,749
Less: Carrying value of investments	6.1	(4,525,251)	-	(174,760,910)
		<u>(66,462)</u>	<u>-</u>	<u>(263,161)</u>
7 ADVANCES AND PROFIT RECEIVABLE				
Profit receivable		89,582	-	63,796
Other receivables		101	-	-
Advance tax	7.1	1,578	-	125,579
		<u>91,261</u>	<u>-</u>	<u>189,375</u>

7.1 As per clause 47(B) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to Collective Investment Schemes (CISs) are exempt from withholding tax under section 150 and 151. However, withholding tax on profit on bank deposits paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other asset management companies) whereby the Honourable Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund has been shown as other receivables as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

8 PRELIMINARY EXPENSES AND FLOATATION COSTS	Note	June 30, 2024	June 30, 2023
		AICPP – 6	AICPP – 6
----- (Rupees) -----			
Balance at beginning of the year/ period	8.1	569,351	1,390,907
Less: amortised during the year / period		(569,351)	(821,556)
Balance as at year / period end		<u>-</u>	<u>569,351</u>

8.1 Preliminary expenses and flotation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are amortised over a period of two years in accordance with the requirements set out in the Trust Deed of the Fund and the NBFC Regulations and Notified Entities Regulation.

9	PAYABLE TO ALFALAH ASSET MANAGEMENT LIMITED - THE MANAGEMENT COMPANY	Note	June 30, 2024	June 30, 2024	June 30, 2023
			KTIP-7	AICPP – 6	AICPP – 6
			(Rupees)		
	Management remuneration payable	9.1	6,165	27,900	89
	Sindh Sales Tax payable on management remuneration	9.2	801	3,627	12
	Payable against preliminary expenses and floatation costs		-	-	-
			6,966	31,527	101

9.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document, subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 0.5% (2023: 0.05%) and 0.07% of the average annual net assets of the Plan to AICPP-6 and KTIP-7, respectively. However, no remuneration has been charged on that part of the net assets which have been invested in the mutual funds managed by the Management Company. The remuneration is paid to the Management Company on a monthly basis in arrears.

9.2 Sales tax on management remuneration has been charged at the rate of 13% levied through the Sindh Sales Tax on Services Act, 2011.

10	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE	Note	June 30, 2024	June 30, 2024	June 30, 2023
			KTIP-7	AICPP – 6	AICPP – 6
			(Rupees)		
	Trustee remuneration payable	10.1	625	5,176	9,963
	Sindh Sales Tax payable on Trustee remuneration	10.2	80	673	1,296
			705	5,849	11,259

10.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. During the period, the Trustee has charged remuneration at the rate of 0.07% per annum (June 30, 2023: 0.07%) and 0.07% per annum to AICPP-6 and KTIP-7, respectively of average annual net assets of the Plan.

10.2 Sales tax on remuneration of Trustee has been charged at the rate of 13% levied through the Sindh Sales Tax on Services Act, 2011.

11	ANNUAL FEE PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	June 30, 2024	June 30, 2024	June 30, 2023
			KTIP-7	AICPP – 6	AICPP – 6
			(Rupees)		
	Annual fee payable	11.1	10,516	-	32,912

11.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.095% per annum of the daily net assets during the year ended June 30, 2024.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

12	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	June 30, 2024	June 30, 2024	June 30, 2023
			KTIP-7	AICPP – 6	AICPP – 6
			(Rupees)		
	Auditors' remuneration payable		200,639	222,131	237,531
	Capital gain tax payable		53,046	294,906	-
	Withholding tax payable		1,553	2,683	1,534,258
	Listing fee payable		13,794	135	40,598
	Shariah advisory fee payable		25,080	138,563	120,905
	Printing charges payable		5,016	5,756	12,563
	Other payable		-	166,113	166,113
			299,128	830,287	2,111,968

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 and June 30, 2023.

For the period from August 21, 2023 to June 30, 2024	For the year ended June 30, 2024	For the year ended June 30, 2023
KTIP-7	AICPP – 6	AICPP – 6

14 AUDITORS' REMUNERATION

Audit, Review and other certifications
Out of pocket expenses
Sindh Sales Tax

----- (Rupees)-----		
167,339	278,533	330,000
16,734	27,853	33,000
16,566	27,575	29,040
<u>200,639</u>	<u>333,961</u>	<u>392,040</u>

15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of AICPP-6 and KTIP-7 as at June 30, 2024 is 0.77% (June 30, 2023:0.9%) and 1.07% which includes 0.06% (June 30, 2023: 0.03%) and 0.09% representing government levies on the Fund such as provision against Sindh Workers' Welfare Fund, sales taxes, federal excise duties, annual fee to the SECP etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Shariah Compliant Fund of Funds scheme.

16 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders.

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

Since the Management Company has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2024 to the unit holders in the manner as explained above, therefore, no provision for taxation has been made in these financial statements.

17 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Related parties / connected persons include Alfalah Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee of the Fund, GHP Beteiligungen Holding Limited, Bank Alfalah Limited, MAB Investment Incorporation, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund and Alfalah GHP Investment Management Limited - Staff Provident Fund being the associates of the Management Company, Funds under management of the Management Company and directors and their close family members and key management personnel of the Management Company. Connected persons also includes any person beneficially owning directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

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

Remuneration of the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

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

17.1 Unit holders' fund

For the year ended June 30, 2024										
Note	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2024	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2024

Alfalsh Islamic Capital Preservation Plan – 6

Associated companies / undertakings

Bank Alfalah Limited - Employee Gratuity Fund Trust	290,393	-	-	290,393	-	29,218,301	-	-	34,495,963	-
Bank Alfalah Limited - Employee Provident Fund	17.1.1 580,786	-	-	580,786	-	58,436,601	-	-	68,991,925	-

Key management personnel

Mr. Nabeel Malik (SEVP - Portfolio Management)	17.1.1 3,403	-	-	3,403	-	342,398	-	-	390,686	-
Unit holder holding 10% or more units	17.1.1 570,598	-	-	570,598	-	57,411,522	-	-	67,719,880	-

For the year ended June 30, 2023										
Note	As at July 01, 2022	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2023	As at July 01, 2022	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2023

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Associated companies / undertakings

Bank Alfalah Limited - Employee Gratuity Fund Trust	256,420	256,420	33,973	256,420	290,393	25,699,185	29,104,061	3,404,874	29,104,061	29,218,301
Bank Alfalah Limited - Employee Provident Fund	17.1.1 512,840	512,840	67,946	512,840	580,786	51,398,369	58,208,122	6,809,747	58,208,122	58,436,601

For the year ended June 30, 2023										
Note	As at July 01, 2022	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2023	As at July 01, 2022	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2023

Key management personnel

Mr. Nabeel Malik (SEVP - Portfolio Management)	17.1.1 3,059	-	344	-	3,403	306,582	-	34,525	-	342,398
Unit holder holding 10% or more units	17.1.1 512,844	-	57,754	-	570,598	51,623,193	-	5,788,329	-	57,411,522

For the period from August 21, 2023 to June 30, 2024										
Note	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2024	As at July 01, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2024

Alfalsh KTrade Islamic Plan 7

Associated companies / undertakings

Alfalsh Asset Management Limited	17.1.1 -	3,958,312	-	3,908,171	50,142	-	416,930,011	-	417,051,458	5,642,737
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17.1.1 This reflects the position of related party / connected persons status as at June 30, 2024.

17.2 Other transactions

Associated companies / undertakings

Alfalsh Asset Management Limited - Management Company

Remuneration of the Management Company	58,987	211,384	227
Sindh sales tax on remuneration of the Management Company	7,668	27,988	29

Bank Alfalah Limited

Profit on savings account with banks	121,508	11,706	1,113
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For the period from August 21, 2023 to June 30, 2024	For the year ended June 30, 2024	For the year ended June 30, 2023
KTIP-7	AICPP – 6	AICPP – 6
(Rupees)		

	For the period from August 21, 2023 to June 30, 2024 KTIP-7	For the year ended June 30, 2024 AICPP – 6	For the year ended June 30, 2023 AICPP – 6
Other related party			
Central Depository Company of Pakistan Limited - the Trustee			
Remuneration of Central Depository Company	22,301	91,647	115,293
Sindh sales tax on remuneration of the Trustee	2,899	11,913	14,986
Alfalah GHP Islamic Income Fund			
Invested during the year (Rupees)	-	28,500,824	139,931,503
Invested during the year (Units)	-	257,274	1,289,786
Redeemed during the year (Rupees)	-	29,742,966	308,905,244
Redeemed during the year (Units)	-	257,274	2,826,790
Alfalah Islamic Dedicated Equity Fund			
Invested during the year (Rupees)	-	54,565,003	24,412,083
Invested during the year (Units)	-	683,350	368,029
Redeemed during the year (Rupees)	-	67,545,164	19,699,381
Redeemed during the year (Units)	-	738,696	312,683
Alfalah Islamic Rozana Amdani Fund			
Invested during the year (Rupees)	110,424,099	-	152,908,400
Invested during the year (Units)	1,104,241	-	1,529,084
Redeemed during the year (Rupees)	110,424,099	-	152,908,400
Redeemed during the year (Units)	1,104,241	-	1,529,084
Alfalah Islamic Money Market Fund			
Invested during the year (Rupees)	111,213,234	42,746,841	171,641,956
Invested during the year (Units)	1,107,710	386,494	1,715,571
Redeemed during the year (Rupees)	111,500,000	223,168,417	555,000
Redeemed during the year (Units)	1,064,696	2,096,547	5,517

17.3 Other balances

	June 30, 2024 KTIP-7	June 30, 2024 AICPP – 6	June 30, 2023 AICPP – 6
Associated companies / undertakings			
Alfalah Asset Management Limited - Management Company			
Management remuneration payable	6,165	27,900	89
Sindh sales tax payable on Management remuneration	801	3,627	12
Other balances			
Associated companies / undertakings			
Bank Alfalah Limited			
Balances with banks	1,241,490	591,330	54,651
Profit receivable	19,554	-	-
Other related party			
Central Depository Company of Pakistan Limited - the Trustee			
Trustee remuneration payable	625	5,176	9,963
Sindh sales tax on remuneration of the Trustee	80	673	1,296

18 FINANCIAL INSTRUMENTS BY CATEGORY

Alfalah KTrade Islamic Plan 7

Financial assets

Balances with banks
Investments
Profit receivable

2024		
At amortised cost	At fair value through profit or loss	Total
------(Rupees)-----		
1,410,003	-	1,410,003
-	4,458,789	4,458,789
89,683	-	89,683
<u>1,499,686</u>	<u>4,458,789</u>	<u>5,958,475</u>

Financial liabilities

Payable to Alfalah Asset Management Limited - the Management Company
Payable to Central Depository Company of Pakistan Limited - the Trustee
Accrued expenses and other liabilities

2024		
At amortised cost	At fair value through profit or loss	Total
------(Rupees)-----		
6,966	-	6,966
705	-	705
<u>244,529</u>	<u>-</u>	<u>244,529</u>
<u>252,200</u>	<u>-</u>	<u>252,200</u>

Alfalah Islamic Capital Preservation Plan – 6

Financial assets

Balances with banks
Investments
Profit receivable

2023		
At amortised cost	At fair value through profit or loss	Total
------(Rupees)-----		
867,663	-	867,663
-	-	-
-	-	-
<u>867,663</u>	<u>-</u>	<u>867,663</u>

Financial liabilities

Payable to Alfalah Asset Management Limited - the Management Company
Payable to Central Depository Company of Pakistan Limited - the Trustee
Accrued expenses and other liabilities

Financial assets

Balances with banks
Investments
Profit receivable

Financial liabilities

Payable to Alfalah Asset Management Limited - the Management Company
Payable to Central Depository Company of Pakistan Limited - the Trustee
Accrued expenses and other liabilities

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices.

The Management Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee and the regulations laid down by the Securities and Exchange Commission of Pakistan.

Market risk comprises of three types of risk: currency risk, yield / profit rate risk and price risk.

19.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

19.1.2 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits. The profit rate profile of the Fund's profit bearing financial instruments, as at June 30, 2024, is as follows:

	June 30, 2024 KTIP-7	June 30, 2024 AICPP – 6	June 30, 2023 AICPP – 6
----- (Rupees) -----			
Variable rate instruments (financial assets)			
Balances with banks	1,410,003	867,663	133,702
	1,410,003	867,663	133,702

a) Sensitivity analysis for variable rate instrument

Presently, the Fund has KIBOR based Balances with banks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year / period and net assets of AICPP-6 would have been higher / lower by Rs 0.010 million (June 30, 2023: Rs 0.001 million) and net assets of KTIP-7 would be higher / lower by 0.014 million. The analysis assumes that all other variables remain constant.

The composition of the Fund's investment portfolio, KIBOR rates and the rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet financial instruments is based on settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

Alfalah KTrade Islamic Plan 7

----- 2024 -----					
Effective yield / profit rate	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		
----- (Rupees) -----					
On-balance sheet financial instruments					
Financial assets					
Bank balances	19.6% to 20.00%	1,410,003	-	-	1,410,003
Investments		-	-	4,458,789	4,458,789
Profit receivable		-	-	89,683	89,683
Sub total		1,410,003	-	4,548,472	5,958,475

----- 2024 -----					
Effective yield / profit rate	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		

----- (Rupees) -----

Financial liabilities

Payable to Alfalah GHP Investment Management

Limited - the Management Company

Payable to Central Depository Company of

Pakistan Limited - the Trustee

Accrued expenses and other liabilities

Sub total

-	-	-	-	6,966	6,966
-	-	-	-	705	705
-	-	-	-	244,529	244,529
-	-	-	-	252,200	252,200

On-balance sheet gap (a)

1,410,003 - - 4,296,272 5,706,275

Off-balance sheet financial instruments

- - - - -

Off-balance sheet gap (b)

- - - - -

Total interest rate sensitivity gap (a) + (b)

1,410,003 -- 4,296,272 5,706,275

Cumulative interest rate sensitivity gap

1,410,003 1,410,003 1,410,003

Alfalah Islamic Capital Preservation Plan – 6

----- 2024 -----					
Effective yield / profit rate	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		

----- (Rupees) -----

On-balance sheet financial instruments

Financial assets

Balances with banks

19.51% to 20.00%

867,663 - - - 867,663

Investments

- - - - -

Profit receivable

- - - - -

Sub total

867,663 - - - 867,663

Financial liabilities

Payable to Alfalah GHP Investment Management

Limited - the Management Company

Payable to Central Depository Company of

Pakistan Limited - the Trustee

Accrued expenses and other liabilities

Sub total

-	-	-	-	31,527	31,527
-	-	-	-	5,849	5,849
-	-	-	-	532,698	532,698
-	-	-	-	570,074	570,074

On-balance sheet gap (a)

867,663 - - (570,074) 297,589

Off-balance sheet financial instruments

- - - - -

Off-balance sheet gap (b)

- - - - -

Total interest rate sensitivity gap (a) + (b)

867,663 - - (570,074) 297,589

Cumulative interest rate sensitivity gap

867,663 867,663 867,663

Alfalah Islamic Capital Preservation Plan – 6

----- 2023 -----					
Effective yield / profit rate	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		

On-balance sheet financial instruments

(Rupees)

Financial assets

Balances with banks	5.50% - 20.25%	133,702	-	-	-	133,702
Investments		-	-	-	174,497,749	174,497,749
Profit receivable		-	-	-	63,796	63,796
Sub total		<u>133,702</u>	<u>-</u>	<u>-</u>	<u>174,561,545</u>	<u>174,695,247</u>

Financial liabilities

Payable to Alfalah GHP Investment Management

Limited - the Management Company

Payable to Central Depository Company of

Pakistan Limited - the Trustee

Accrued expenses and other liabilities

Sub total

-	-	-	101	101
-	-	-	11,259	11,259
-	-	-	577,710	577,710
Sub total	-	-	589,070	589,070

On-balance sheet gap (a)

<u>133,702</u>	<u>-</u>	<u>-</u>	<u>173,972,475</u>	<u>174,106,177</u>
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Off-balance sheet financial instruments

-	-	-	-	-
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Off-balance sheet gap (b)

-	-	-	-	-
---	---	---	---	---

Total interest rate sensitivity gap (a) + (b)

<u>133,702</u>	<u>-</u>	<u>-</u>	<u>173,972,475</u>	<u>174,106,177</u>
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Cumulative interest rate sensitivity gap

<u>133,702</u>	<u>133,702</u>	<u>133,702</u>
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18.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund has exposure to equity price risk arising from the Fund investments in open end mutual funds which are categorized as equity schemes. The Fund manages its price risk arising from investments by diversifying its portfolio within the eligible limits prescribed in the Fund's Constitutive Documents, the NBFC Regulations and circulars issued by SECP from time to time.

The table below summarizes the sensitivity of the Fund's net assets attributable to unit holders to the equity price movements as at June 30, 2024. The analysis is based on the assumption that PSX index increased / decreased by 1%, with all other variables held constant.

As at June 30, 2024, the fair value of open end mutual funds categorized as equity securities exposed to price risk was disclosed in note 5.1.

Effect due to increase / decrease in KSE 100 Index	2024	2023
	-----Rupees-----	
Investments and net assets	-	34,924
Income Statement	-	34,924

19.2 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligations as it falls due.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets.

19.2.1 Exposure to credit risk

The table below analyses the Fund's maximum exposure to credit risk:

	2024		2024	
	KTIP-7		AICPP - 6	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	(Rupees)		(Rupees)	
Balances with banks	1,410,003	1,410,003	867,663	867,663
Investments	4,458,789	-	-	-
Profit receivable	89,683	89,683	-	-
	<u>5,958,475</u>	<u>1,499,686</u>	<u>867,663</u>	<u>867,663</u>

	2023	
	AICPP - 6	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	(Rupees)	
Balances with banks	133,702	133,702
Investments	174,497,749	-
Profit receivable	63,796	63,796
	<u>174,695,247</u>	<u>197,498</u>

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in units of mutual funds are not exposed to credit risk.

The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets.

No financial assets were considered to be past due or impaired as at June 30, 2024.

18.2.2 Credit quality of financial assets

The Fund held Balances with banks as at June 30, 2024 with banks having following credit ratings:

Banks	Rating agency	Rating (Short Term / Long Term)	2024	2024
			KTIP-7	AICPP - 6
			% of financial assets exposed to credit risk	% of financial assets exposed to credit risk
Bank Al Habib Limited	PACRA	AAA	11.95%	0.00%
Bank Alfalah Limited	PACRA	AAA	88.05%	68.15%
Allied Bank Limited	PACRA	AAA	0.00%	27.08%
Faysal Bank Limited	PACRA	AA	0.00%	4.77%
			<u>100.00%</u>	<u>100.00%</u>

Banks	Rating agency	Rating (Short Term / Long Term)	2023
			AICPP - 6
			% of financial assets exposed to credit risk
Allied Bank Limited	PACRA	A1+ / AAA	51.64%
Bank Alfalah Limited	PACRA	A1+ / AA+	40.88%
Faysal Bank Limited	PACRA	A1+ / AA	7.48%
			<u>100.00%</u>

Above ratings are on the basis of available ratings assigned by PACRA as of June 30, 2024.

Ratings of other instruments have been disclosed in related notes to financial statements.

18.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect the groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. Despite the high concentration of credit risk as stated above, the Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit worthy counter parties thereby mitigating any significant concentrations of credit risk.

19.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear profit at commercial rates. However, no borrowing was required to be obtained by the Fund during the current year.

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

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining year at the end of the reporting period to the contractual maturity date. However, the assets and liabilities that are receivable / payable on demand including balances with banks have been included in the maturity grouping of one month.

----- 2024 -----						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

Alfalah KTrade Islamic Plan 7 (KTIP-7)

Financial assets

Balances with banks	1,410,003	-	-	-	-	-	1,410,003
Investments	-	-	-	-	-	4,458,789	4,458,789
Advances, deposits, prepayments and profit receivable	89,683	-	-	-	-	-	89,683
	1,499,686	-	-	-	-	4,458,789	5,958,475

Financial liabilities

Payable to Alfalah Asset Management Limited - the Management Company	6,966	-	-	-	-	-	6,966
Payable to Central Depository Company of Pakistan Limited - the Trustee	705	-	-	-	-	-	705
Accrued expenses and other liabilities	43,890	200,639	-	-	-	-	244,529
	51,561	200,639	-	-	-	-	252,200

Total	51,561	(200,639)	-	-	-	-	252,200
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----- 2024 -----						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

Alfalsh Islamic Capital Preservation Plan – 6

Financial assets

Balances with banks	867,663	-	-	-	-	867,663
Investments	-	-	-	-	-	-
Profit receivable	-	-	-	-	-	-
	867,663	-	-	-	-	867,663

Financial liabilities

Payable to Alfalah Asset Management Limited - the Management Company	31,527	-	-	-	-	31,527
Payable to Central Depository Company of Pakistan Limited - the Trustee	5,849	-	-	-	-	5,849
Accrued expenses and other liabilities	310,567	222,131	-	-	-	532,698
	347,943	222,131	-	-	-	570,074

Total

	519,720	(222,131)	-	-	-	297,589
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----- 2023 -----						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total

(Rupees)

Alfalsh Islamic Capital Preservation Plan – 6

Financial assets

Balances with banks	133,702	-	-	-	-	133,702
Investments	-	-	-	-	174,497,749	174,497,749
Profit receivable	189,375	-	-	-	-	189,375
	323,077	-	-	-	174,497,749	174,820,826

Financial liabilities

Payable to Alfalah Asset Management Limited - the Management Company	101	-	-	-	-	101
Payable to Central Depository Company of Pakistan Limited - the Trustee	11,259	-	-	-	-	11,259
Accrued expenses and other liabilities	577,710	-	-	-	-	577,710
	589,070	-	-	-	-	589,070

Total

	(265,993)	-	-	-	174,497,749	174,231,756
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20 FAIR VALUE MEASUREMENT

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

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

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

20.1 Fair value hierarchy

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: 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); and

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

As at June 30, 2024, the Fund held the following financial instruments measured at fair values:

Alfalah KTrade Islamic Plan 7 (KTIP-7)

2024			
Level 1	Level 2	Level 3	Total

(Rupees)

At fair value through profit or loss

- Units of open end mutual funds

-	4,458,789	-	4,458,789
-	4,458,789	-	4,458,789

Alfalah Islamic Capital Preservation Plan – 6

2023			
Level 1	Level 2	Level 3	Total

(Rupees)

At fair value through profit or loss

- Units of open end mutual funds

-	174,497,749	-	174,497,749
-	174,497,749	-	174,497,749

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The Fund is an open end collective investment scheme. The unit holders' fund of open end schemes is represented by net assets attributable to unit holders. The risk in case of an open end scheme is 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 unexpected losses in investment portfolio which may cause adverse effects on the Fund's continuation as a going concern.

The Fund's objective when managing net assets attributable to unit holders is to safeguard the Fund's ability to continue as a 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 unit holder fund structure, the Fund performs the following:

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

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically monitor capital of the Fund on the basis of the value of net assets attributable to the unit holders and track the movement of "Assets under Management" as well as returns earned on the net assets to maintain investors' confidence and achieve future growth in business. Further, the Board of Directors is updated about the Fund's yield and movement of net asset value 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 gains as reduced by such expenses as are chargeable to the Fund.

Under the NBFC Regulations, the minimum size of an open end scheme shall be one hundred million rupees at all the times during the life of the scheme. The Fund has historically maintained minimum size of one hundred million rupees at all times except for the period from March 15, 2024 to June 30, 2024 during the year ended June 30, 2024.

22 SUPPLEMENTARY NON FINANCIAL INFORMATION

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

23 GENERAL

Figures have been rounded off to the nearest rupee.

24 CORRESPONDING FIGURES

Corresponding figures have been re-classified and re-arranged in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications have been made in these financial statements during the current year.

25 DATE OF AUTHORISATION FOR ISSUE

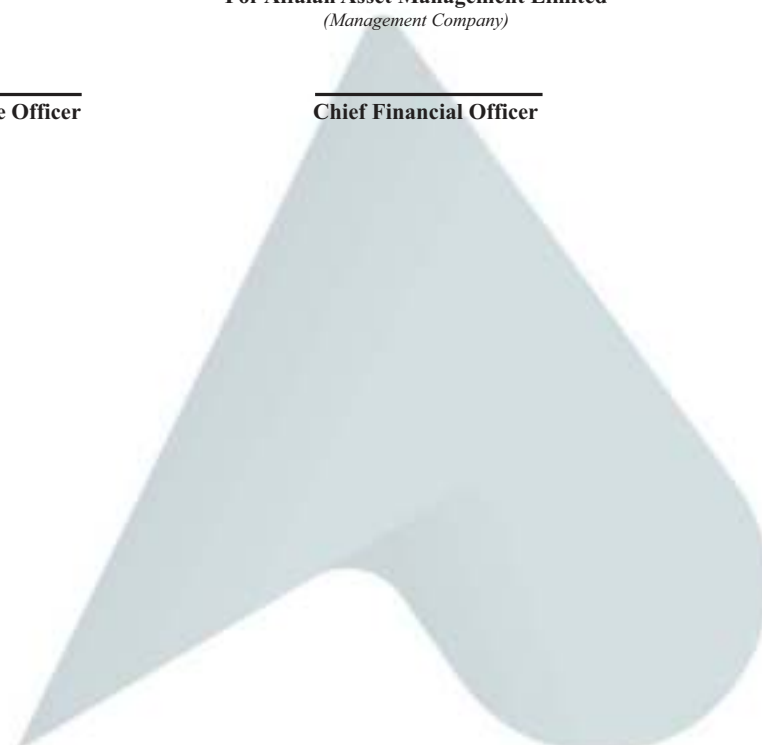
These financial statements were authorised for issue on **August 30, 2024** by the Board of Directors of the Management Company.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



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

(i) UNIT HOLDING PATTERN OF THE FUND

Alfalah Ktrade Islamic Plan 7

Category	As at 30 June 2024			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Other Corporate	1	50,142	5,642,738	100%
	1	50,142	5,642,738	100%

(iii) **PARTICULARS OF MEMBERS OF THE INVESTMENT COMMITTEE**

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

Khaldoon Bin Latif	Chief Executive Officer
Ayub Khuhro	Chief Investment Officer
Faisal Ali Khan	Chief Financial Officer
Shariq Mukhtar Hashmi	Chief Compliance Officer
Mustafa Kamal	Head of Fixed Income
Muddasir Ahmed Shaikh	Head of Equities
Shams-ud-din Shah, CFA, FCCA	Head of Research
Omar Mukhtar	Head of Risk
Salman Jawaid	Fund Manager Fixed Income Funds
Anil Kumar, CFA	Fund Manager Equity Funds

Khaldoon Bin Latif-Chief Executive Officer

Mr. Latif has been associated with the capital markets for over 18 years, with both domestic and international experience providing a comprehensive blend. Prior to joining Alfalah Investments, Mr. Khaldoon was associated with Faysal Asset Management Limited as its Chief Executive Officer (CEO) and under his leadership, Faysal Asset Management has achieved significant growth during his tenure and transformed into major industry player. Earlier he was associated with BMA Asset Management Company Limited as its CEO, JS Investments Limited as its Chief Investment Officer (CIO) and KASB Funds Limited as its CEO. Before KASB Funds he was the General Manager and Director of TSWLL Bahrain, a wholly owned subsidiary of TAIB Bank BSC, where he headed their brokerage, asset management, custody and advisory operations.

He has been a member of the Mutual Fund Association for over six years and has been the Vice Chairman from FY2021-22. He is also a non-executive director on a bank holding company out of Bahrain, IIBank LLC, that has operations in Africa and Europe. He is a former board member of TRG and Pace Pakistan. In addition to this, he brings both buy and sell side exposure of domestic capital markets in Pakistan. He began his career on the sell side with AKD Securities Ltd in various capacities including Head of Foreign Institutional Sales and Equity Research in the capacity of Head of Research and Chief Economist. On the buy side, he has worked with PICIC AMC as Head of Research and Product Development where his tenor also included active management of the PICIC Energy Fund.

Mr. Latif is a LUMS Alumni and has done a number of capital market courses with CFA association, Daiwa, J.P. Morgan and Bahrain Institute of Banking and Finance (BIBF). He has also completed his Director certification program from IBA.

Mr. Ayub Khoro – Chief Investment Officer

Muhammad Ayub Khuhro brings over 15 years of extensive experience in the banking and asset management industry to his role as Chief Investment Officer at Alfalah Investments. Prior to joining the company, he served as Chief Investment Officer at Faysal Asset Management Limited (FAML), where he played a pivotal role in revitalizing the investment process, fund management teams, and research department. His strategic initiatives significantly contributed to FAML's unprecedented growth and its ability to adapt to evolving market dynamics. Mr. Khuhro's career journey began at Pak Oman AMC in the research division, followed by a role as Research Head in the Equity Capital Markets Division at Faysal Bank Limited. His responsibilities included managing an equity portfolio valued at over USD 80 million and providing comprehensive research insights to support the Investment Committee's decision-making process. Additionally, he played a key role in IPOs and private equity valuations for the bank. With a Bachelor's degree in Economics from Lahore University of Management Sciences (LUMS), Mr. Khuhro possesses a deep understanding of equity, fixed income, and money market investments. His expertise extends to strategic and tactical asset allocations, driven by thorough research and evaluation of historical performance across multiple asset classes and instruments.

Faisal Ali Khan-Chief Financial Officer

Faisal Ali Khan is serving as Chief Financial Officer of Alfalah Investments and prior to joining he was associated with Faysal Funds where he served as CFO and Company Secretary. In past he has worked with reputed financial sector organizations including BMA Funds, Saudi Pak Industrial and Agricultural Company (Pvt.) Ltd, Attock Refinery Limited and KPMG. Mr. Khan is a fellow member of the Institute of Chartered Accountant of Pakistan having a professional experience of over nineteen years ranging from financial reporting, regulatory compliance, budgeting and taxation to corporate and secretarial practices including 15 years of experience in the asset management and investment advisory industry.

Mr. Shariq Mukhtar Hashmi – Chief Compliance Officer

Mr. Hashmi holds a diversified experience of over 11 years with various private sector enterprises of repute. He joined IGI Funds Limited (which subsequently merged into Alfalah GHP Investment Management Limited in Oct. 2013) in 2010 to lead the back office function as Head of Operations & Settlements. His association has continued, post-merger, as Head of Compliance & Risk Management. He has previously served National Asset Management Company as Head of Internal Audit and Feroze Sharif Tariq & Co Chartered Accountants in various capacities. He has also headed the Internal Audit Department of the Company. Mr. Hashmi is a qualified Accountant from the Association of Chartered Certified Accountants, UK and holds MBA degree in Finance from SZABIST University. He is also enrolled for Financial Risk Manager Certification of Global Association of Risk Professionals; USA.

Mr. Muddasir Ahmed Shaikh -- Head of Equities

Mr. Shaikh is heading the Equity Investments team at Alfalah Investments. He has been an integral part of the team since 2007 and holds about two decades of professional experience. He joined the Investment Management Industry in 2004, right after his graduation with an MBA degree. Over the years, he has served various public and private financial institutions of repute. He started his career as Research Analyst and has progressed over the year to higher levels in portfolio management.

Mr. Shaikh is an Alumni of the prestigious Institute of Business Administration, Karachi (IBA).

Mr. Shams-ud-din Shah - Head of Research

Mr. Shams is a CFA charter holder and member of ACCA. He holds +8 years of experience in financial service industry and has been associated with Alfalah since June 2017. He leads the Research Department and aptly covers Economy, Ban. ks, Construction and Material sectors along with supervision and professional development of other research analysts in the team. His hard work, strong analytical skills and thorough understanding of the economy and sector dynamics have earned him recognition and rendered effective support to the Portfolio Management function.

Mr. Mustafa Kamal - Head of Fixed Income

"Mr. Mustafa Kamal has more than 18 years of work experience in the investment management profession out of which he has been associated with the Mutual Fund Industry for over 15 years. Prior to joining Alfalah Investments, he was working as a Chief Investment Officer with Pak Oman Asset Management Limited. Over the years, he has worked at companies like Askari Investments, National Fullerton Asset Management, Crescent Leasing & ORIX Investment Bank. He is an MBA with Majors in Finance.

Currently serving the company as a Head of Fixed Income Funds, Mr. Kamal is a key member of portfolio management team and a member of the investment committee for the mutual funds. During his career he has managed wide range of conventional and Islamic mutual funds schemes."

Mr. Omar Mukhtar – Head of Risk

Mr. Mukhtar is the Head of Risk Management and has remained part of the Board Risk & Investment Committees and has played an instrumental role in the establishment of the Risk Management, Enterprise Risk Management & Information Security framework for the organization. He brings with him an experience of over fifteen years in the field of Risk Management in the Mutual Funds Industry. Prior to becoming part of the Alfalah Investments team, he was associated with UBL Funds Ltd in managing their Risk Management Function. Mr. Mukhtar has done his MBA in Finance from Greenwich University and holds a BBA Honors degree. He is also a member of GARP (Global Association of Risk Professionals).

Mr. Salman Jawaid - Fund Manager Fixed Income Fund

Mr. Salman is managing the Fixed Income Funds at Alfalah Investments. He has almost more than 12 years of work experience in the Mutual Fund Industry precisely in the Fund Management Department. He is an MBA in Finance from the Institute of Business Management (IOBM) and also pursuing his education in the CFA program. Over the years, he has worked at National Investment Trust Limited (NIT) and Faysal Asset Management in the portfolio management department.

Mr. Anil Kumar - Jr. Fund Manager Equity Funds

Mr. Anil has over 3 years of well-rounded sectoral exposure in Investment Research and Fund Management. He was earlier associated as Research Analyst with Alfalah Investments, where he has actively covered Chemical Sector, Cement Sector, Pharmaceutical sector, Textile sector and has also identified many profitable investment ideas. Prior to joining Alfalah, he was associated with UBL Fund Managers and Darson Securities Limited. Anil has done Bachelors (BBA) from Iqra University with majors in Finance and is a CFA Level 3 candidate.

(iv) ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The dates of the meetings of the Board of Directors of the Management Company of the fund and the attendance of its members are given below.

Name of Director	Meeting held on				
	August 25, 2023	October 30, 2023	December 21, 2023	February 22, 2024	April 30, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓	✓
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Khaled Khanfer	Leave	Leave	✓	✓	✓
Ms. Ayesha Aziz	✓	✓	✓	✓	✓
Mr. Atif Bajwa	✓	✓	✓	✓	✓
Mr. Sohail Sultan	✓	✓	✓	✓	✓

(v) MEETINGS OF BOARD AUDIT COMMITTEE

The dates of the meetings of the Board Audit Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on				
	August 24, 2023	September 26, 2023	October 26, 2023	February 21, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	✓	Leave	✓	✓
Ms. Ayesha Aziz		✓	✓	✓	Resigned
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Farooq Ahmed Khan		✓			✓

(vi) MEETINGS OF BOARD RISK MANAGEMENT COMMITTEE

The dates of the meetings of the Board Risk Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on				
	August 22, 2023	October 28, 2023	February 20, 2024	April 26, 2024	
Mr. Khaled Khanfer		✓	Leave	✓	Leave
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Farooq Ahmed Khan	-	-	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓	✓

(vii) MEETINGS OF BOARD HUMAN RESOURCE MANAGEMENT COMMITTEE

The dates of the meetings of the Board Human Resource Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on			
	August 21, 2023	September 26, 2023	February 19, 2024	
Mr. Kabir Ahmad Qureshi		✓	✓	✓
Mr. Khalilullah Shaikh	-	✓	✓	-
Ms. Ayesha Aziz	✓	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓

(viii) MEETINGS OF BOARD INVESTMENT COMMITTEE

The dates of the meetings of the Board Investment Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on	
	December 14, 2023	April 24, 2024
Mr. Farooq Ahmed Khan	-	✓
Mr. Sohail Sultan	✓	✓
Ms. Ayesha Aziz	✓	✓

**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**

PERFORMANCE TABLE - AGIPPF-2

	Alfalah Ktrade Islamic Plan 7
Net Assets	5,643
NAV per unit	112.5354
Selling price per unit	116.3504
Redemption price per unit	112.5354
Highest selling price per unit	117.9645
Highest redemption price per unit	114.2101
Lowest selling price per unit	100.0000
Lowest redemption price per unit	100.0000
Total interim distribution per unit	Nil
Interim distribution date	N/A
Final distribution per unit	Nil
Final distribution date	Nil
Annualized returns	14.59%
Income distribution	Nil
Weighted avg. portfolio duration	N/A

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



Alfalah GHP
Islamic Money Market Fund

FUND INFORMATION

Management Company:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Board of Directors of the Management Company:	Mr. Atif Aslam Bajwa Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Mr. Sohail Sultan Mr. Khalilullah Shaikh Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Audit Committee (BAC):	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh
Business Risk Management Committee (BRMC)	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh Mr. Khaldoon Bin Latif (CEO)
Human Resource & Remuneration Committee (HRRC):	Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Board Investment Committee (BIC):	Mr. Farooq Ahmed Khan Mr. Sohail Sultan Ms. Ayesha Aziz
Head of Legal & Company Secretary:	Ms. Nahl Eman Chamdia
Chief Financial Officer:	Mr. Faisal Ali Khan
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, P.O.Box 4716 Karachi, Pakistan
Legal Advisor:	Haider Waheed House 188, Street 33, Khyaban-e-Qasim, DHA Pahse VIII, Karachi MSB Consultants F-66/2, Park Lane, Block 5 Clifton, Karachi.
Registrar:	Alfalsh Asset Management Limited (formerly: Alfalah GHP Investment Management Limited) Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Distributor:	Bank Alfalah Limited
Rating:	Not Yet Rated

Alfalah GHP Islamic Money Market Fund

Annual Fund Manager's Report

Type of Fund: Open-end Scheme

Category of Fund: Islamic Money Market

Investment Objective

The objective of Alfalah Islamic Money Market Fund (AIMMF) is to provide competitive returns and to meet liquidity needs of investors by providing investors a daily dividend by investing in low risk and highly liquid Shari'ah Compliant money market instruments.

Accomplishment of Objective

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

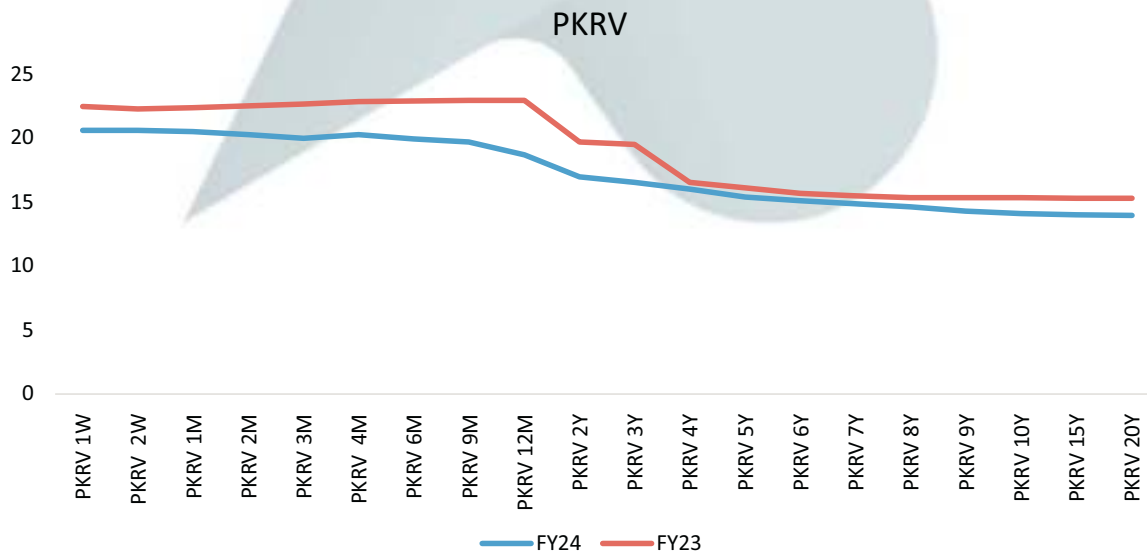
Money Market Review:-

Real GDP growth for FY24 posted a growth of 2.38% in FY24 as compared to -0.21% in FY23

Inflation for FY24 averaged at 23.9% compared to 29.04% in FY23, mainly due to stability in exchange rate coupled with lower political noise, rising agricultural yields, fiscal consolidation and softening oil prices and even fell to 12% by year end. As a result, the Central Bank has started monetary easing from June 2024 resulting in 250bps cut in interest rates in previous 2 meetings.

The next monetary policy is scheduled on September 12, 2024, where another cut in the policy rate cannot be ruled out as inflation is forecasted to maintain a lower trajectory, paving way for further anticipated monetary easing.

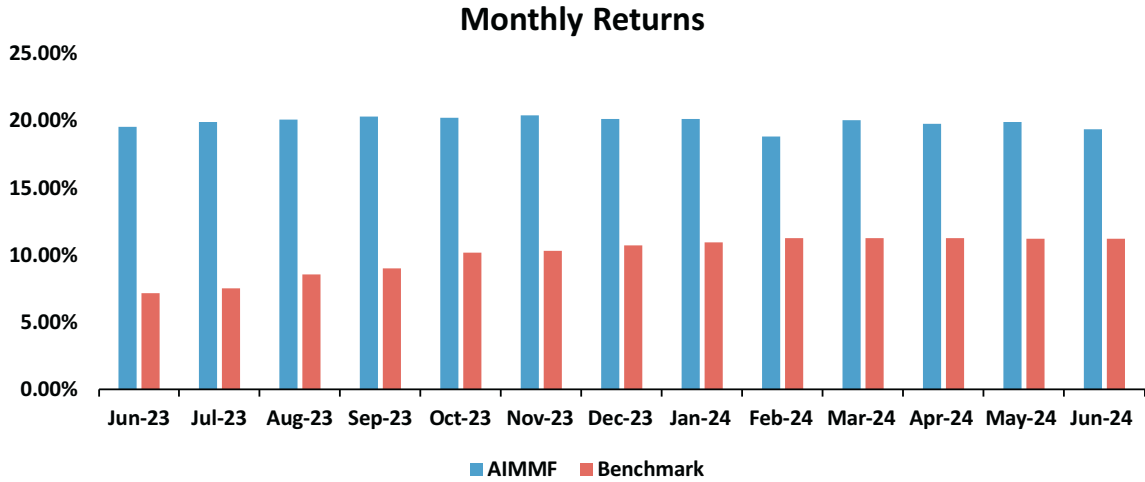
The current real interest rate stands impressively high at 8.4%, well above its historical median of 1%, providing a robust foundation for potential monetary easing actions. This could potentially lead to a reduction in the policy rate by 5%-6% over the next fiscal year. However, risks persists, particularly from potential inflationary impacts stemming from reforms outlined in the budget and IMF program, as well as volatility in exchange rates and oil prices.



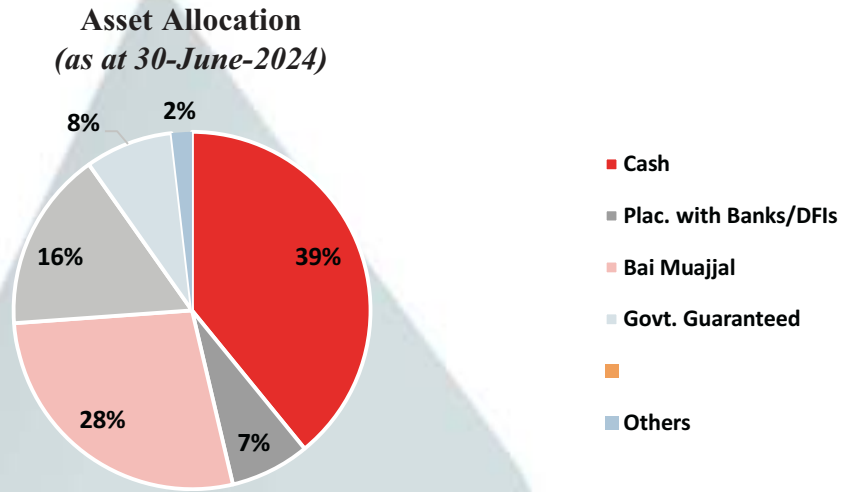
Fund Performance

During FY24, Alfalah Islamic Money Market Fund (AIMMF) generated a return of 21.86% while the benchmark of the fund generated 10.28%

Performance comparison with Benchmark



Assets Allocation



Credit Quality (as % of Total Assets)			
Govt. Securities (Rated AAA)	7.95%	A1	7.21%
AAA	45.87%	A1+	9.13%
AA+	17.90%	A-	0.00%
AA	10.10%	BBB+	0.00%
AA	0.00%	Below IG	0.00%
A+	0.00%	NR/UR	1.85%

- ⇒ **Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**
There were no significant changes in the state of affairs during the year under review.
- ⇒ **Disclosure on unit split (if any), comprising:-**
There were no unit splits during the period.
- ⇒ **Disclosures of circumstances that materially affect any interests of unit holders**
Investments are subject to market risk.
- ⇒ **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme.**
No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shakra-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdc-pakistan.com
Email: info@cdc-pak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

ALFALAH ISLAMIC MONEY MARKET FUND

**Report of the Trustee pursuant to Regulation 41(h) and clause 8 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 Islamic Money Market Fund (the Fund) are of the opinion that Alfalah Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2024 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;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) 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.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 26, 2024





SHARIAH REVIEW REPORT
ALFALAH ISLAMIC MONEY MARKET FUND

We, the Shariah Advisors of the Alfalah Islamic Money Market Fund (AIMMF) managed by Alfalah Asset Management Limited, are issuing this report in accordance with the Trust Deed dated and Offering Document of the said Fund. The scope of the report is to express an opinion on the Shariah Compliance of the Fund's activities.

It is the responsibility of the Management Company of the said Fund to establish and maintain a system of internal controls to ensure compliance with issued Shariah guidelines. As Shariah Advisors, our responsibility is to express an opinion, based on our review of the representations made by the management, to the extent where such compliance can be objectively verified.

In the capacity of Shariah Advisors of the Fund, we provide consent for investment in equities securities based on the Shariah Guidelines during the period from July 1, 2023 to June 30, 2024.

Investment Avenue
<i>Approved Shariah Compliant Sukuk</i>
<i>Approved Islamic Commercial Papers</i>
<i>Approved Bai Mu'ajjal Transactions</i>
<i>Approved Mudaraba & Musharka Transaction</i>
<i>Term Deposit Receipts with Approved Islamic Banks</i>

We hereby certify that the investments made by the Funds are in compliance with Shariah principles.

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

For and on behalf of Shariah Advisory Board.


Mufti Shaikh Noman
Shariah Advisor


Mufti Javed Ahmad
Shariah Board Member

Alfalsh Asset Management Limited

2nd Floor, Islamic Chamber of Commerce, Industry and Agriculture Building, Block-9, Clifton, Karachi - 75600 Pakistan.
U: +92 (21) 111-090-090 | W: www.alfalahamc.com

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

ALFALAH GHP ISLAMIC MONEY MARKET has fully complied with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor for its operations, investments and placements made during the year ended June 30, 2024. This has been duly confirmed by the Shariah Advisor of the Fund.

Dated: September 26, 2024

Mr. Khaldoon Bin Latif
Chief Executive Officer



Independent Assurance Report on Compliance with the Shariah Governance Regulations, 2023

To the unit holders of Alfalah Islamic Money Market Fund (the Fund)

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of Alfalah Islamic Money Market Fund (the Fund) for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar(s).

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2024) is assessed, comprise the Shariah principles and rules as defined in the Regulations and reproduced as under.

- i. Legal and regulatory framework administered by the Commission;
- ii. Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission;
- iii. Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;
- iv. Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and
- v. Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2024, which are annexed.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions having Shariah implications, entered into by the Fund with its customers, other financial institutions, and stakeholders, and related policies and procedures, are, in substance and in their legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for the design, implementation, and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, And Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2024, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than audits or reviews of historical financial statements', issued by the International Auditing and Assurance Standards Board.

That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgment, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures was sufficient and appropriate to provide a basis for our opinion.

7. Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2024 are in compliance with the Shariah principles (criteria specified in para 2 above), in all material respects.

 UHY Hassan Naeem & Co,
Chartered Accountants
Engagement Partner: Arslan Ahmed
Dated: September 26, 2024



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Alfalah Islamic Money Market Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alfalah Islamic Money Market Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer notes 5 and 6 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks of the Fund as at June 30, 2024 amounted to Rs. 10,845.76 million and investments aggregated to Rs. 16,615.25 million. The existence of balances with banks and existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none"> • Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; • Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and • Obtained bank reconciliation statements and tested reconciling items on a sample basis.

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A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Junaid Mesia**.

A. F. Ferguson & Co.
Chartered Accountants
Dated: September 30, 2024
Karachi
UDIN: AR202410611fKVjv2WgY

ALFALAH GHP ISLAMIC MONEY MARKET FUND

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2024

	Note	2024 ----- (Rupees) -----	2023 -----
Assets			
Balances with banks	5	10,845,763,633	5,465,038,008
Investments	6	16,615,252,178	2,070,000,000
Deposit, advances, prepayments, profit and other receivables	7	290,165,599	150,417,964
Preliminary expenses and floatation costs	8	755,468	955,683
Total assets		27,751,936,878	7,686,411,655
Liabilities			
Payable to Alfalah Asset Management Limited - Management Company	9	46,750,933	6,539,220
Payable to Central Depository Company of Pakistan Limited - Trustee	10	1,853,806	347,713
Payable to the Securities and Exchange Commission of Pakistan	11	1,435,302	163,579
Payable against redemption of units		10,164,770	-
Dividend payable		11,915,068	-
Accrued expenses and other liabilities	12	130,591,259	10,105,759
Total liabilities		202,711,138	17,156,271
Net assets		27,549,225,740	7,669,255,384
Unit holders' fund (as per the statement attached)		27,549,225,740	7,669,255,384
Contingencies and commitments	13		
		(Number of units)	
Number of units in issue		274,917,756	76,692,554
		(Rupees)	
Net asset value per unit		100.2090	100.0000

The annexed notes from 1 to 26 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC MONEY MARKET FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	For the year ended June 30, 2024	For the period from April 13, 2023 to June 30, 2023
Income	(Rupees)	
Profit on savings account with banks	1,065,883,741	109,421,793
Income on certificates of musharakah	587,047,479	2,727,291
Income on term deposit mudarabah	166,625,582	1,549,590
Income on term deposit receipts	70,098,772	15,906,183
Income on short term sukuk certificates	562,724,723	37,715,324
Income on bai muajjal	543,052,983	-
Income on Government of Pakistan ijarah sukuks	163,826,725	-
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	9,716,585	-
Net realised loss on sale of investments	(9,933,729)	-
Total income	3,159,042,861	167,320,181
Expenses		
Remuneration of Alfalah Asset Management Limited - Management Company	9.1 89,494,622	5,921,272
Sindh Sales Tax on remuneration of the Management Company	9.2 11,637,165	769,765
Allocated expenses	9.3 21,881,861	741,750
Selling and marketing expenses	9.4 12,478,374	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1 8,320,488	449,843
Sindh Sales Tax on remuneration of the trustee	10.2 1,081,672	58,480
Annual fee to the Securities and Exchange Commission of Pakistan	11.1 11,299,705	163,579
Auditors' remuneration	14 831,817	177,280
Brokerage expense	1,078,831	10,056
Amortisation of formation cost	8 200,215	42,667
Bank and settlement charges	1,737,166	41,683
Printing and publication charges	71,300	12,147
Other expenses	-	9,500
Shariah advisory fee	712,984	151,944
Fees and subscription	1,192,262	126,644
Legal and professional charges	111,870	-
Total expenses	162,130,332	8,676,610
Net income for the year / period before taxation	2,996,912,529	158,643,571
Taxation	17 -	-
Net income for the year / period after taxation	2,996,912,529	158,643,571
Earnings per unit	4.15	
Allocation of net income for the year / period		
Net income for the year / period after taxation	2,996,912,529	158,643,571
Income already paid on units redeemed	(2,364,607,597)	(129,417,524)
	632,304,932	29,226,047
Accounting income available for distribution		
- Relating to capital gain	-	-
- Excluding capital gain	632,304,932	29,226,047
	632,304,932	29,226,047

The annexed notes from 1 to 26 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

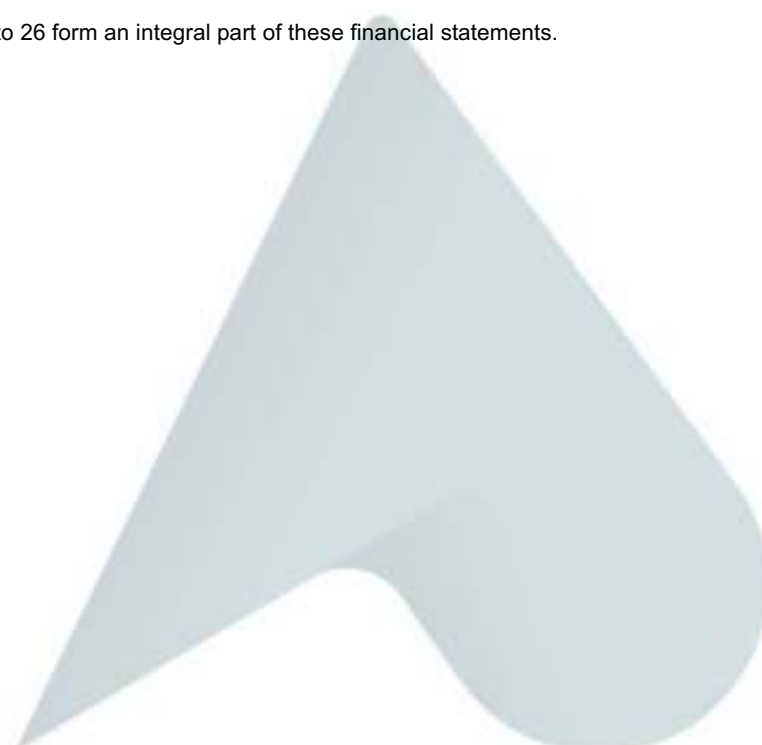
Chief Financial Officer

Director

ALFALAH GHP ISLAMIC MONEY MARKET FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	For the year ended June 30, 2024	For the period from April 13, 2023 to June 30, 2023
	----- (Rupees) -----	
Net income for the year / period after taxation	2,996,912,529	158,643,571
Other comprehensive income for the year / period	-	-
Total comprehensive income for the year / period	<u>2,996,912,529</u>	<u>158,643,571</u>

The annexed notes from 1 to 26 form an integral part of these financial statements.



For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC MONEY MARKET FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	2024			For the period from April 13, 2023 to June 30, 2023		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)			(Rupees)		
Net assets beginning of the year / period	7,669,255,384	-	7,669,255,384	-	-	-
Issuance of 757,354,554 units (2023: 218,885,461 units)						
- Capital value (at net asset value per unit at the beginning of the period)	75,735,455,438	-	75,735,455,438	21,888,546,100	-	21,888,546,100
- Element of income	5,380,634,726	-	5,380,634,726	315,754,235	-	315,754,235
Total proceeds on issuance of units	81,116,090,164	-	81,116,090,164	22,204,300,335	-	22,204,300,335
Redemption of 559,129,352 units (142,192,907 units)						
- Capital value (at par value per unit) the beginning of the period	(55,912,935,234)	-	(55,912,935,234)	(14,219,290,700)	-	(14,219,290,700)
- Element of loss	(2,181,253,631)	(2,364,607,597)	(4,545,861,228)	(100,239,220)	(129,417,524)	(229,656,744)
Total payments on redemption of units	(58,094,188,865)	(2,364,607,597)	(60,458,796,462)	(14,319,529,920)	(129,417,524)	(14,448,947,444)
Total comprehensive income for the year	-	2,996,912,529	2,996,912,529	-	158,643,571	158,643,571
Distributions during the year / period						
1st distribution for the year ended June 30, 2024 at the rate of Rs. 2.1895 per unit on August 10, 2023	(194,419,687)	(71,392,947)	(265,812,634)	-	-	-
2nd distribution for the year ended June 30, 2024 at the rate of Rs. 19.0634 per unit on June 27, 2024	(3,003,533,638)	(504,889,603)	(3,508,423,241)	-	-	-
1st distribution for the period ended June 30, 2023 at the rate of Rs. 0.2571 per unit on April 18, 2023	-	-	-	(32,376)	(8,513,267)	(8,545,643)
2nd distribution for the period ended June 30, 2023 at the rate of Rs. 3.5444 per unit on June 23, 2023	-	-	-	(201,790,370)	(5,837,007)	(207,627,377)
3rd distribution for the period ended June 30, 2023 at the rate of Rs. 3.3738 per unit on June 30, 2023	-	-	-	(13,692,285)	(14,875,773)	(28,568,058)
Net assets at the end of the year / period	<u>27,493,203,358</u>	<u>56,022,382</u>	<u>27,549,225,740</u>	<u>7,669,255,384</u>	<u>-</u>	<u>7,669,255,384</u>
	(Rupees)			(Rupees)		
Undistributed income brought forward						
- Realised income	-	-	-	-	-	-
- Unrealised income	-	-	-	-	-	-
Accounting income available for distribution						
- Relating to capital gain	-	-	-	-	-	-
- Excluding capital gain	632,304,932		632,304,932	29,226,047		29,226,047
Distributions during the year	(576,282,550)		(576,282,550)	(29,226,047)		(29,226,047)
Undistributed income carried forward	<u>56,022,382</u>		<u>56,022,382</u>	<u>-</u>		<u>-</u>
Undistributed income carried forward						
- Realised income	46,305,797		46,305,797	-		-
- Unrealised income	9,716,585		9,716,585	-		-
	<u>56,022,382</u>		<u>56,022,382</u>	<u>-</u>		<u>-</u>
Net asset value per unit at the beginning of the year / period	<u>100.0000</u>		<u>100.0000</u>	<u>-</u>		<u>-</u>
Net asset value per unit at the end of the year / period	<u>100.2090</u>		<u>100.2090</u>	<u>100.0000</u>		<u>100.0000</u>

The annexed notes from 1 to 26 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC MONEY MARKET FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	For the year ended June 30, 2024	For the period from April 13, 2023 to June 30, 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year / period after taxation	2,996,912,529	158,643,571
Adjustments for:		
Unrealised loss on revaluation of investments classified as 'financial assets at fair value through profit or loss' - net	6.7 (9,716,585)	-
Amortisation of formation cost	8.1 200,215	42,667
	2,987,396,159	158,686,238
Increase in assets		
Investments - net	(8,219,343,242)	(1,180,000,000)
Advances, deposits and profit receivables	(139,747,635)	(150,417,964)
Preliminary expenses and floatation costs	-	(998,350)
	(8,359,090,877)	(1,331,416,314)
Increase in liabilities		
Payable to Alfalah Asset Management Limited - Management Company	40,211,713	6,539,220
Payable to Central Depository Company of Pakistan Limited - Trustee	1,506,093	347,713
Annual fee payable to the Securities and Exchange Commission of Pakistan	1,271,723	163,579
Accrued and other liabilities	120,485,500	10,105,759
	163,475,029	17,156,271
Net cash flows used in operating activities	(5,208,219,689)	(1,155,573,805)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received against issuance of units - net of refund of capital	77,918,136,839	21,988,785,304
Payments made against redemption of units	(60,448,631,692)	(14,448,947,444)
Dividend paid	(564,367,482)	(29,226,047)
Net cash flows generated from financing activities	16,905,137,665	7,510,611,813
Net increase in cash and cash equivalents during the year / period	11,696,917,976	6,355,038,008
Cash and cash equivalents at the beginning of the year / period	5,465,038,008	-
Cash and cash equivalents at end of the year / period	17,161,955,984	6,355,038,008

The annexed notes from 1 to 26 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC MONEY MARKET FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alfalah Islamic Money Market Fund (the Fund) was established under a Trust Deed executed between Alfalah Asset Management Limited Company (formerly Alfalah GHP Investment Management Limited) the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The offering document was executed on April 5, 2023 under Sindh Trusts Act, 2020 and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the NBFC (Establishment and Regulation) Rules, 2003 (the NBFC Rules) on April 5, 2023.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies Rules through a certificate issued by the SECP on February 23, 2023 which is valid for a period of three years w.e.f March 9, 2023. The registered office of the Management Company is situated at Islamic Chamber of Commerce, Industry & Agriculture Building, 2nd Floor, ST-2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
- 1.3 The Fund has been categorised as a 'Shari'ah Compliant Money Market Scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in circular 7 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs.100 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from April 13, 2023 and are transferable and redeemable by surrendering them to the Fund.
- 1.4 The investment objective of the Fund is to generate regular and stable returns by investing primarily in Shariah Compliant Banks and windows of conventional Banks and any other Shariah compliant money market instruments.
- 1.5 VIS Credit Rating Limited has assigned an asset manager rating of AM1 (stable outlook) on December 29, 2023 [(2023: AM2+ by PACRA) (stable outlook)] to the Management Company. PACRA has assigned the stability rating to the Fund as AA(f) on December 28, 2023.
- 1.6 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 transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the requirements of IFRS Accounting Standards, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

3.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2023. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and have, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Fund which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

3.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements.
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

3.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires the management to exercise judgment in the application of the Company's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors, including expectation of future events, that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying value of assets and liabilities. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both the current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 4.3 and 6).

3.5 Accounting convention

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

3.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short term highly liquid investments with original maturity of three months or less which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The short term investments are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

4.2 Bai Muajjal

Bai Muajjal transactions represent sales of Sukuks and Islamic Commercial Papers on a deferred payment basis. The difference between the deferred payment amount receivable and the carrying value at the time of sale is accrued and recorded as income over the term of the transaction.

4.3 Financial assets

4.3.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

4.3.2 Classification and subsequent measurement

a) Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost ;
- at fair value through other comprehensive income (FVOCI); and
- at fair value through profit or loss (FVTPL)

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognized at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

b) Impairment (other than debt securities)

The fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost. The fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

c) Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has been placed on the Management Company's website as required under the SECP's circular.

4.3.3 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset.

4.3.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss arising on derecognition of financial assets is taken to the Income Statement.

4.4 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss arising on derecognition of financial liabilities is taken to the Income Statement.

4.5 Offsetting of financial assets and financial liabilities

Financial assets and financial 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 to realise the assets and settle the liabilities simultaneously.

4.6 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.7 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

4.8 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are being amortised over a period of 5 years in accordance with the requirements set out in the Trust Deed of the Fund.

4.9 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

4.10 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on the day when the application is received. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load, provision of any duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company / distributors receive redemption applications during business hours on that date. The redemption price represents the NAV as on the close of the business day, less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.11 Distributions to unit holders

Distribution to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

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

Element of income represents the difference between Net Asset Value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.13 Revenue recognition

- Gains / (losses) arising on sale of investments are included in Income Statement and are recognised on the date when the transaction takes place;
- Profit on term deposit receipts and commercial papers is recognised on time proportion basis using the effective yield;
- Income on sukuk certificates is recognised on a time proportionate basis using the effective yield method except for the securities which are classified as non-performing asset under Circular 33 of 2012 issued by SECP for which the profits are recorded on cash basis;
- Income on bai muajjal is recognised on time proportion basis, the difference between the sale and the credit price is recognised over the credit period; and
- Profit on balances with banks is recognised on an accrual basis.

4.14 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee of the SECP are recognised in the Income Statement on an accrual basis.

4.15 Earnings per unit

Earnings per unit is calculated by dividing the net profit of the year after taxation of the Fund by the weighted average number of units outstanding during the year.

Earnings per unit has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

4.16 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

5 Balances with banks	Note	2024	2023
		----- (Rupees) -----	
Savings accounts	5.1	10,845,763,633	5,465,038,008
		<u>10,845,763,633</u>	<u>5,465,038,008</u>

5.1 These accounts carry profit rates ranging from 19.20% to 20.10% (2023: 6.15% to 20.5%) per annum. These include bank balance of Rs 3.316 billion (2023: Rs 2.922 billion) which is maintained with Bank Alfalah Limited (a related party) which carries a profit rate of 20.00% (2023: 20.25%) per annum.

6 INVESTMENTS

At fair value through profit or loss

Certificate of musharaka	6.1	2,000,000,000	-
Certificate of mudarabah	6.2	-	-
Term deposit receipts	6.3	-	890,000,000
Short term sukuk certificates	6.4	4,534,000,000	1,180,000,000
Bai muajjal receivable	6.5	7,861,776,941	-
Government of Pakistan ijarah sukuks	6.6	2,219,475,237	-
		<u>16,615,252,178</u>	<u>2,070,000,000</u>

6.1 Certificate of musharakah

Name of the Issuer	Profit rate	Issue date	Maturity date	Face value				Market Value as at June 30, 2024	Market value as a percentage of	
				As at July 1, 2023	Purchased during the year	Matured during the year	As at June 30, 2024		net assets of the Fund	total investments of the Fund
				----- (Rupees) -----				----- (%) -----		
UBL Ameen (Islamic Banking)	21.3%	January 2, 2024	February 1, 2024	-	1,250,000,000	1,250,000,000	-	-	-	
Habib Metropolitan Bank Limited	21.3%	January 5, 2024	January 19, 2024	-	500,000,000	500,000,000	-	-	-	
United Bank Limited	21.2%	February 1, 2024	February 15, 2024	-	1,300,000,000	1,300,000,000	-	-	-	
Habib Metropolitan Bank Limited - Islamic Banking	21.3%	February 6, 2024	February 16, 2024	-	1,000,000,000	1,000,000,000	-	-	-	
Habib Metropolitan Bank Limited - Islamic Banking	21.3%	February 6, 2024	February 16, 2024	-	800,000,000	800,000,000	-	-	-	
UBL Ameen (Islamic Banking)	21.2%	February 19, 2024	March 1, 2024	-	2,300,000,000	2,300,000,000	-	-	-	
Habib Metropolitan Bank Limited - Islamic Banking	21.1%	February 23, 2024	March 1, 2024	-	1,000,000,000	1,000,000,000	-	-	-	
Habib Metropolitan Bank Limited - Islamic Banking	21.1%	February 23, 2024	March 1, 2024	-	1,000,000,000	1,000,000,000	-	-	-	
Habib Metropolitan Bank Limited - Islamic Banking	21.1%	February 23, 2024	March 1, 2024	-	700,000,000	700,000,000	-	-	-	
Meezan Bank Limited	20.8%	March 1, 2024	March 4, 2024	-	2,750,000,000	2,750,000,000	-	-	-	
Habib Bank Limited - Islamic Banking	21.0%	March 4, 2024	March 15, 2024	-	2,700,000,000	2,700,000,000	-	-	-	
Meezan Bank Limited	20.8%	March 8, 2024	March 18, 2024	-	2,800,000,000	2,800,000,000	-	-	-	
Habib Bank Limited - Islamic Banking	21.0%	March 8, 2024	March 14, 2024	-	125,000,000	125,000,000	-	-	-	
Bank Alfalah Limited - Islamic Banking	21.0%	March 11, 2024	March 15, 2024	-	2,000,000,000	2,000,000,000	-	-	-	
Bank Alfalah Limited - Islamic Banking	21.0%	March 11, 2024	March 15, 2024	-	825,000,000	825,000,000	-	-	-	
Faysal Bank Limited	21.1%	March 14, 2024	March 18, 2024	-	1,000,000,000	1,000,000,000	-	-	-	
Faysal Bank Limited	21.0%	March 15, 2024	March 22, 2024	-	1,300,000,000	1,300,000,000	-	-	-	
Faysal Bank Limited	21.2%	March 22, 2024	April 5, 2024	-	1,500,000,000	1,500,000,000	-	-	-	
Meezan Bank Limited	20.8%	April 2, 2024	April 4, 2024	-	2,800,000,000	2,800,000,000	-	-	-	
Meezan Bank Limited	20.8%	20.8April 4, 2024%	April 19, 2024	-	3,000,000,000	3,000,000,000	-	-	-	
Faysal Bank Limited	21.1%	April 5, 2024	April 19, 2024	-	3,000,000,000	3,000,000,000	-	-	-	
Faysal Bank Limited	21.1%	April 19, 2024	May 3, 2024	-	3,200,000,000	3,200,000,000	-	-	-	
Meezan Bank Limited	20.9%	April 19, 2024	April 30, 2024	-	3,200,000,000	3,200,000,000	-	-	-	
Meezan Bank Limited	20.8%	April 30, 2024	May 7, 2024	-	3,000,000,000	3,000,000,000	-	-	-	
Faysal Bank Limited	21.1%	May 3, 2024	May 10, 2024	-	3,200,000,000	3,200,000,000	-	-	-	

Name of the Issuer	Profit rate	Issue date	Maturity date	Face value				Market Value as at June 30, 2024	Market value as a percentage of	
				As at July 1, 2023	Purchased during the year	Matured during the year	As at June 30, 2024		net assets of the Fund	total investments of the Fund
				(Rupees)					(%)	
Meezan Bank Limited	20.8%	May 9, 2024	May 20, 2024	-	3,200,000,000	3,200,000,000	-	-	-	-
Faysal Bank Limited	21.1%	May 10, 2024	May 24, 2024	-	3,290,000,000	3,290,000,000	-	-	-	-
Faysal Bank Limited	21.1%	May 17, 2024	May 31, 2024	-	200,000,000	200,000,000	-	-	-	-
Bank Al Habib Limited - Islamic Division	21.1%	May 20, 2024	May 24, 2024	-	3,400,000,000	3,400,000,000	-	-	-	-
Allied Bank Limited Islamic Banking	21.0%	May 21, 2024	May 22, 2024	-	1,500,000,000	1,500,000,000	-	-	-	-
Faysal Bank Limited	21.1%	May 24, 2024	June 7, 2024	-	3,300,000,000	3,300,000,000	-	-	-	-
Bank Al Habib Limited - Islamic Division	21.1%	May 29, 2024	June 7, 2024	-	3,000,000,000	3,000,000,000	-	-	-	-
Pak Kuwait Takaful Company Limited	21.1%	May 29, 2024	June 5, 2024	-	700,000,000	700,000,000	-	-	-	-
Allied Bank Limited Islamic Banking	21.0%	May 31, 2024	June 4, 2024	-	3,200,000,000	3,200,000,000	-	-	-	-
Pak Kuwait Islamic Finance Division	21.1%	June 5, 2024	June 21, 2024	-	703,000,000	703,000,000	-	-	-	-
Meezan Bank Limited	20.4%	June 10, 2024	June 11, 2024	-	3,000,000,000	3,000,000,000	-	-	-	-
Bank Al Habib Limited - Islamic Division	19.6%	June 11, 2024	June 21, 2024	-	3,300,000,000	3,300,000,000	-	-	-	-
Faysal Bank Limited	21.1%	July 12, 2023	July 21, 2023	-	1,200,000,000	1,200,000,000	-	-	-	-
United Bank Limited	21.5%	July 14, 2023	August 3, 2023	-	800,000,000	800,000,000	-	-	-	-
Faysal Bank Limited	20.8%	July 31, 2023	August 1, 2023	-	500,000,000	500,000,000	-	-	-	-
United Bank Limited	21.5%	August 3, 2023	September 4, 2023	-	600,000,000	600,000,000	-	-	-	-
United Bank Limited	21.5%	August 4, 2023	September 4, 2023	-	200,000,000	200,000,000	-	-	-	-
United Bank Limited	21.0%	August 7, 2023	September 5, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-
Habib Bank Limited	21.2%	August 10, 2023	August 17, 2023	-	500,000,000	500,000,000	-	-	-	-
Faysal Bank Limited	21.2%	August 16, 2023	August 23, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-
Faysal Bank Limited	21.2%	August 17, 2023	August 25, 2023	-	500,000,000	500,000,000	-	-	-	-
Habib Metropolitan Bank Limited	21.2%	August 18, 2023	August 28, 2023	-	300,000,000	300,000,000	-	-	-	-
Faysal Bank Limited	21.1%	August 23, 2023	August 31, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-
United Bank Limited	21.5%	September 4, 2023	September 15, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-
United Bank Limited	21.5%	September 15, 2023	October 31, 2023	-	1,300,000,000	1,300,000,000	-	-	-	-
United Bank Limited	21.5%	October 31, 2023	December 13, 2023	-	1,300,000,000	1,300,000,000	-	-	-	-
Faysal Bank Limited	21.0%	November 7, 2023	November 10, 2023	-	700,000,000	700,000,000	-	-	-	-
Faysal Bank Limited	21.1%	November 10, 2023	November 17, 2023	-	2,000,000,000	2,000,000,000	-	-	-	-
Faysal Bank Limited	21.1%	November 17, 2023	November 24, 2023	-	2,100,000,000	2,100,000,000	-	-	-	-
Faysal Bank Limited	21.1%	December 4, 2023	December 14, 2023	-	1,500,000,000	1,500,000,000	-	-	-	-
United Bank Limited	21.5%	December 13, 2023	December 29, 2023	-	1,300,000,000	1,300,000,000	-	-	-	-
Pak Kuwait Islamic Finance Division	21.1%	June 12, 2024	June 14, 2024	-	1,803,000,000	1,803,000,000	-	-	-	-
Meezan Bank Limited	19.3%	June 21, 2024	June 25, 2024	-	3,000,000,000	3,000,000,000	-	-	-	-
Bank Al Habib Limited - Islamic Division	19.6%	June 24, 2024	July 5, 2024	-	2,000,000,000	-	2,000,000,000	2,000,000,000	7.26%	12.04%
Total as at June 30, 2024							2,000,000,000	2,000,000,000		
Total as at June 30, 2023							-	-		

6.2 Term deposit mudarabah

Name of the investee company	Profit rate	Issue date	Maturity date	Face value				Market value as at June 30, 2024	Market value as a percentage of	
				As at July 1, 2024	Purchased during the year	Matured during the year	As at June 30, 2024		net assets of the Fund	total investments of the Fund
				(Rupees)					(%)	
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.50%	January 2, 2024	June 5, 2023	-	100,000,000	100,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.50%	January 24, 2024	June 5, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.30%	January 26, 2024	June 5, 2023	-	1,200,000,000	1,200,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.50%	January 31, 2024	June 5, 2023	-	1,330,000,000	1,330,000,000	-	-	-	-

Name of the investee company	Profit rate	Issue date	Maturity date	Face value				Market value as at June 30, 2024	Market value as a percentage of	
				As at July 1, 2024	Purchased during the year	Matured during the year	As at June 30, 2024		net assets of the Fund	total investments of the Fund
				(Rupees)				(%)		
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.30%	February 9, 2024	June 5, 2023	-	1,900,000,000	1,900,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.30%	February 19, 2024	June 5, 2023	-	2,300,000,000	2,300,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.60%	February 23, 2024	June 5, 2023	-	400,000,000	400,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.30%	February 26, 2024	June 5, 2023	-	2,300,000,000	2,300,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.25%	February 29, 2024	June 5, 2023	-	2,200,000,000	2,200,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.10%	March 13, 2024	June 5, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.20%	March 18, 2024	June 5, 2023	-	2,800,000,000	2,800,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.35%	March 22, 2024	June 5, 2023	-	700,000,000	700,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.35%	March 22, 2024	June 5, 2023	-	2,000,000,000	2,000,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.50%	April 8, 2024	June 5, 2023	-	1,100,000,000	1,100,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.30%	April 15, 2024	June 5, 2023	-	500,000,000	500,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.35%	April 16, 2024	June 5, 2023	-	1,800,000,000	1,800,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.35%	April 16, 2024	June 5, 2023	-	1,100,000,000	1,100,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.25%	April 17, 2024	June 5, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.00%	April 17, 2024	June 5, 2023	-	2,000,000,000	2,000,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.25%	April 19, 2024	June 5, 2023	-	800,000,000	800,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.35%	April 19, 2024	June 5, 2023	-	900,000,000	900,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.35%	April 19, 2024	June 5, 2023	-	1,500,000,000	1,500,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.30%	April 26, 2024	June 5, 2023	-	3,200,000,000	3,200,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.35%	May 3, 2024	June 5, 2023	-	3,200,000,000	3,200,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.15%	May 8, 2024	June 5, 2023	-	2,000,000,000	2,000,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.15%	May 8, 2024	June 5, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.50%	May 15, 2024	June 5, 2023	-	450,000,000	450,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.25%	May 17, 2024	June 5, 2023	-	500,000,000	500,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.20%	May 24, 2024	June 5, 2023	-	500,000,000	500,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.20%	May 24, 2024	June 5, 2023	-	3,000,000,000	3,000,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.10%	May 29, 2024	June 5, 2023	-	400,000,000	400,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	19.75%	June 11, 2024	June 5, 2023	-	140,000,000	140,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.10%	July 5, 2023	June 5, 2023	-	350,000,000	350,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	20.90%	July 6, 2023	June 5, 2023	-	750,000,000	750,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.10%	July 10, 2023	June 5, 2023	-	800,000,000	800,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.00%	August 7, 2023	June 5, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.20%	August 24, 2023	June 5, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.20%	August 28, 2023	June 5, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.20%	October 9, 2023	June 5, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.25%	October 10, 2023	June 5, 2023	-	500,000,000	500,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.25%	October 23, 2023	June 5, 2023	-	700,000,000	700,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.20%	October 26, 2023	June 5, 2023	-	100,000,000	100,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.20%	November 8, 2023	June 5, 2023	-	2,100,000,000	2,100,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.25%	November 27, 2023	June 5, 2023	-	850,000,000	850,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.25%	December 4, 2023	June 5, 2023	-	1,500,000,000	1,500,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.50%	December 13, 2023	June 5, 2023	-	500,000,000	500,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.50%	December 18, 2023	June 5, 2023	-	500,000,000	500,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.75%	December 21, 2023	June 5, 2023	-	175,000,000	175,000,000	-	-	-	-
Zarai Taraqati Bank Limited (VIS AAA/A-1+)	21.65%	December 26, 2023	June 5, 2023	-	300,000,000	300,000,000	-	-	-	-
Total as at June 30, 2024										
Total as at June 30, 2023										

6.3 Term deposit receipts - at fair value through profit or loss

Name of investee company	Profit rate	Issue Date	Maturity date	Face value				Market Value as at June 30, 2024	Market value as a percentage of	
				As at July 1, 2023	Purchased during the year	Matured during the year	As at June 30, 2024		net assets of the Fund	total investments of the Fund
----- Rupees -----										
Bank Alfalah Limited (A1+, PACRA)	20.45%	May 25, 2023	August 25, 2023	350,000,000	-	350,000,000	-	-	-	-
Bank Alfalah Limited (A1+, PACRA)	20.45%	June 1, 2023	September 1, 2023	500,000,000	-	500,000,000	-	-	-	-
Bank Alfalah Limited (A1+, PACRA)	20.45%	June 20, 2023	September 20, 2023	40,000,000	-	40,000,000	-	-	-	-
Bank Alfalah Limited (A1+, PACRA)	21.25%	December 21, 2023	March 21, 2024	-	1,000,000,000	1,000,000,000	-	-	-	-
Bank Alfalah Limited (A1+, PACRA)	21.25%	March 15, 2024	April 15, 2024	-	1,000,000,000	1,000,000,000	-	-	-	-
Total as at June 30, 2024				890,000,000	2,000,000,000	2,890,000,000	-	-		
Total as at June 30, 2023				-	890,000,000	-	890,000,000	890,000,000		

6.3.1 The profit payments and principal redemptions of Term deposit receipts are receivable at maturity.

6.4 Short term sukuks - at fair value through profit or loss

Name of the investee company	Issue Date	Profit rate	Maturity date	As at July 1, 2023	Purchased during the year	Sold / matured during the year	As at June 30, 2024	Balance as at June 30, 2024		Market value as a percentage of	
								Carrying value	Market value	net assets of the Fund	total investments of the Fund
---- (Number of certificates) ---- ----- (Rupees) ----- (%) -----											
AirLink Communication Limited - sukuk	March 18, 2024	6M Kibor + 1.75%	September 18, 2024	-	150	-	150	150,000,000	150,000,000	0.54%	0.90%
The Hub Power Company Limited	May 3, 2024	6M Kibor + 0.25%	November 3, 2024	-	600	-	600	600,000,000	600,000,000	2.18%	3.61%
Ismail Industries Limited - sukuk	June 10, 2024	6M Kibor + 1.08%	December 10, 2024	-	900	-	900	900,000,000	900,000,000	3.27%	5.42%
JDW Sugar Mills Limited - sukuk	February 15, 2024	6M Kibor + 0.8%	August 15, 2024	-	400	-	400	400,000,000	400,000,000	1.45%	2.41%
Lucky Electric Power Company Limited - sukuk-17	April 15, 2024	6M Kibor + 0.25%	October 15, 2024	-	1,050	-	1,050	1,050,000,000	1,050,000,000	3.81%	6.32%
Lucky Electric Power Company Limited - sukuk-16	March 26, 2024	6M Kibor + 0.25%	September 26, 2024	-	134	-	134	134,000,000	134,000,000	0.49%	0.81%
Mughal Iron & Steel Industries Limited	April 18, 2024	6M Kibor + 1.1%	October 18, 2024	-	450	-	450	450,000,000	450,000,000	1.63%	2.71%
Pakistan Telecommunication Company Limited - sukuk-3	March 19, 2024	6M Kibor + 0.15%	September 19, 2024	-	100	-	100	100,000,000	100,000,000	0.36%	0.60%
Pakistan Telecommunication Company Limited - sukuk	June 12, 2024	6M Kibor + 0.15%	December 12, 2024	-	650	-	650	650,000,000	650,000,000	2.36%	3.91%
Thar Energy Limited	April 18, 2024	6M Kibor + 0.6%	October 18, 2024	-	100	-	100	100,000,000	100,000,000	0.36%	0.60%
Total as at June 30, 2024								4,534,000,000	4,534,000,000		
Total as at June 30, 2023								1,180,000,000	1,180,000,000		

6.4.1 The profit payments and principal redemptions of these sukuk certificates are receivable at maturity.

6.5 Bai muajjal receivable

Name of investee company	Rating (long term / short term)	Issue Date	Maturity date	Profit rate	Total transaction price	Total deferred income	Accrued profit for the year	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Market value as a percentage of	
										net assets of the Fund	total investments of the Fund
										%	%
Pak Oman Investment Company Limited	AA+ / A-1+	October 27, 2023	April 26, 2024	21.10%	464,379,707	44,206,795	44,206,795	-	-	-	-
Pak Oman Investment Company Limited	AA+ / A-1+	October 30, 2023	April 26, 2024	21.10%	325,219,674	30,496,940	30,496,940	-	-	-	-
Pak Brunei Investment Company Limited	AA+ / A-1+	November 1, 2023	May 3, 2024	21.15%	566,698,923	54,599,608	54,599,608	-	-	-	-
Pak Brunei Investment Company Limited	AA+ / A-1+	April 4, 2024	October 3, 2024	20.85%	2,451,613,025	230,877,409	111,633,033	2,332,368,649	2,332,368,649	8.47	14.04
Saudi Pak Industrial & Agricultural Investment Company Limited	AA+ / A-1+	April 19, 2024	July 8, 2024	21.15%	223,801,370	9,914,954	9,047,395	222,933,811	222,933,811	0.81	1.34
Saudi Pak Industrial & Agricultural Investment Company Limited	AA+ / A-1+	April 19, 2024	July 8, 2024	21.15%	298,410,603	13,220,327	12,063,549	297,253,825	297,253,825	1.08	1.79
Saudi Pak Industrial & Agricultural Investment Company Limited	AA+ / A-1+	May 10, 2024	July 8, 2024	21.35%	1,089,966,820	36,360,949	32,046,938	1,085,652,809	1,085,652,809	3.94	6.53
Pak Brunei Investment Company Limited	AA+ / A-1+	June 7, 2024	October 11, 2024	20.10%	1,280,473,212	83,082,512	15,825,240	1,213,215,940	1,213,215,940	4.40	7.30
Pakistan Kuwait Investment Company (Private) Limited	AAA / A1+	July 12, 2023	August 15, 2023	21.40%	442,407,797	8,646,701	8,646,701	-	-	-	-
Pakistan Kuwait Investment Company (Private) Limited	AAA / A1+	July 12, 2023	August 15, 2023	21.40%	167,688,255	3,277,406	3,277,406	-	-	-	-
Pak Oman Investment Company Limited	AA+ / A-1+	August 2, 2023	September 15, 2023	21.35%	283,410,286	7,111,108	7,111,108	-	-	-	-
Pak Oman Investment Company Limited	AA+ / A-1+	August 3, 2023	September 15, 2023	21.35%	267,217,133	6,556,159	6,556,159	-	-	-	-
Pak Oman Investment Company Limited	AA+ / A-1+	August 3, 2023	September 15, 2023	21.35%	283,408,201	6,953,406	6,953,406	-	-	-	-
Pak Oman Investment Company Limited	AA+ / A-1+	August 4, 2023	September 15, 2023	21.35%	337,732,917	8,098,177	8,098,177	-	-	-	-
Pak Oman Investment Company Limited	AA+ / A-1+	August 4, 2023	September 15, 2023	21.35%	450,310,556	12,221,896	12,221,896	-	-	-	-
Pak Brunei Investment Company Limited	AA+ / A-1+	August 4, 2023	September 18, 2023	21.30%	283,874,276	7,263,865	7,263,865	-	-	-	-
Pak Brunei Investment Company Limited	AA+ / A-1+	August 4, 2023	September 18, 2023	21.30%	267,664,992	6,849,097	6,849,097	-	-	-	-
Pak Brunei Investment Company Limited	AA+ / A-1+	August 7, 2023	September 18, 2023	21.30%	428,501,208	10,251,137	10,251,137	-	-	-	-
Pak Brunei Investment Company Limited	AA+ / A-1+	August 7, 2023	September 18, 2023	21.30%	656,414,962	15,703,573	15,703,573	-	-	-	-
Pakistan Kuwait Investment Company (Private) Limited	AAA / A1+	September 15, 2023	October 30, 2023	21.30%	397,119,398	10,161,617	10,161,617	-	-	-	-
Pakistan Kuwait Investment Company (Private) Limited	AAA / A1+	September 15, 2023	October 30, 2023	21.30%	471,914,315	12,075,493	12,075,493	-	-	-	-
Pak Brunei Investment Company Limited	AA+ / A-1+	September 21, 2023	October 30, 2023	21.30%	397,165,306	8,837,906	8,837,906	-	-	-	-
Pak Brunei Investment Company Limited	AA+ / A-1+	September 21, 2023	October 30, 2023	21.30%	471,939,576	10,501,818	10,501,818	-	-	-	-
Pak Brunei Investment Company Limited	AA+ / A-1+	October 4, 2023	November 3, 2023	21.28%	398,138,817	6,843,909	6,843,909	-	-	-	-
Pak Brunei Investment Company Limited	AA+ / A-1+	October 4, 2023	November 3, 2023	21.28%	526,037,759	9,042,460	9,042,460	-	-	-	-
Pak Brunei Investment Company Limited	AA+ / A-1+	October 4, 2023	November 3, 2023	21.28%	420,830,207	7,233,968	7,233,968	-	-	-	-
Pak Oman Investment Company Limited	AA+ / A-1+	October 5, 2023	November 17, 2023	21.25%	401,324,666	9,801,488	9,801,488	-	-	-	-
Pak Oman Investment Company Limited	AA+ / A-1+	October 6, 2023	November 17, 2023	21.25%	401,330,576	9,579,128	9,579,128	-	-	-	-
Pakistan Kuwait Investment Company (Private) Limited	AAA / A1+	October 9, 2023	November 13, 2023	21.25%	394,792,919	7,883,933	7,883,933	-	-	-	-
Pakistan Kuwait Investment Company (Private) Limited	AAA / A1+	October 9, 2023	November 13, 2023	21.25%	563,989,885	11,262,762	11,262,762	-	-	-	-
Pak Oman Investment Company Limited	AA+ / A-1+	October 6, 2023	November 17, 2023	21.25%	445,626,140	10,636,393	10,636,393	-	-	-	-
Zarai Taraqati Bank Limited	AA+ / A-1+	June 12, 2024	September 10, 2024	19.90%	2,815,712,238	131,700,416	26,340,083	2,710,351,906	2,710,351,906	9.84	16.31
Total as at June 30, 2024								841,253,311	543,052,983	7,861,776,941	7,861,776,941
Total as at June 30, 2023								-	-	-	-

6.6 Government of Pakistan ijarah sukus

Particulars	Profit per annum	Issue date	Maturity date	As at July 1, 2023	Purchased during the year	Sold during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised (diminution) / appreciation	Market value as a percentage of	
											net assets of the Fund	total investment of the Fund
											%	%
GoP ijarah sukuk certificates - VRR 37	22.31%	August 7, 2023	August 7, 2024	-	155,000,000	-	155,000,000	156,844,500	155,093,000	(1,751,500)	0.56%	0.93%
GoP ijarah sukuk certificates - VRR 39	21.81%	October 9, 2023	October 9, 2024	-	20,000,000	-	20,000,000	20,020,000	20,058,000	38,000	0.07%	0.12%
GoP ijarah sukuk certificates - VRR 35	21.80%	July 12, 2023	July 12, 2024	-	7,000,000	-	7,000,000	7,037,100	7,006,300	(30,800)	0.03%	0.04%
GoP ijarah sukuk certificates - VRR 38	21.80%	September 20, 2023	September 20, 2024	-	30,000,000	-	30,000,000	29,864,000	29,988,000	124,000	0.11%	0.18%
GoP ijarah sukuk certificates - FRR (11-12-23)	19.52%	January 1, 2024	December 9, 2024	-	44,625,000	-	44,625,000	37,153,352	41,313,437	4,160,085	0.15%	0.25%
GoP ijarah sukuk certificates - FRR (26-04-24)	20.00%	April 26, 2024	April 25, 2025	-	500,000,000	-	500,000,000	416,860,500	434,300,000	17,439,500	1.58%	2.61%
GoP ijarah sukuk certificates - FRR (10-05-24)	20.20%	May 10, 2024	May 9, 2025	-	500,000,000	-	500,000,000	416,165,000	430,600,000	14,435,000	1.56%	2.59%
GoP ijarah sukuk certificates - FRR (24-05-24)	19.89%	May 24, 2024	May 23, 2025	-	1,285,000,000	-	1,285,000,000	1,125,814,200	1,101,116,500	(24,697,700)	4.00%	6.63%
Total as at June 30, 2024								2,541,625,000	2,209,758,652	2,219,475,237	9,716,585	
Total as at June 30, 2023								-	-	-	-	

6.61 The nominal value of these sukuk certificates is Rs 100,000 each except for GoP Ijara sukuk certificates I -FRR having nominal value of Rs. 5,000 each.

	Note	2024 ----- (Rupees) -----	2023 ----- (Rupees) -----
6.7 Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'			
Market value of investments		2,219,475,237	-
Less: Carrying value of investments	6.6	<u>(2,209,758,652)</u>	<u>-</u>
		<u>9,716,585</u>	<u>-</u>

7 DEPOSIT, ADVANCES, PREPAYMENTS, PROFIT AND OTHER RECEIVABLES

Profit receivable on:

Balances with banks		86,945,638	67,769,049
Certificates of musharakah		7,517,808	15,906,185
Short term sukuk certificates		179,347,044	60,705,680
Government of Pakistan ijarah sukuks		15,597,670	-
Advance tax	7.1	-	5,897,050
Other receivable		-	40,000
Security Deposit with Central Depository Company of Pakistan Limited - Trustee		100,000	100,000
Prepaid credit rating fee		657,439	-
		<u>290,165,599</u>	<u>150,417,964</u>

7.1 As per clause 47(B) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to Collective Investment Schemes (CISs) are exempt from withholding tax under section 150 and 151. However, during the year ended June 30, 2023, withholding tax on dividend and profit on debt paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on profit on debt amounts to Rs. 5.897 million during the period ended June 30, 2023.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Honourable Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other asset management companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund has been shown as advance tax as at June 30, 2023 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

	Note	2024 ----- (Rupees) -----	2023 ----- (Rupees) -----
8 PRELIMINARY EXPENSES AND FLOATATION COSTS			
Balance as at start of the year / period		955,683	-
Incurred during the year / period		-	998,350
Less: amortised during the year / period	8.1	<u>200,215</u>	<u>42,667</u>
Balance as at end of the year / period		<u>755,468</u>	<u>955,683</u>

9 PAYABLE TO ALFALAH ASSET MANAGEMENT MANAGEMENT COMPANY	Note	2024	2023
		----- (Rupees) -----	-----
Remuneration payable to Management Company	9.1	14,424,396	3,553,647
Sindh Sales Tax payable on remuneration payable to Management Company	9.2	1,875,184	461,973
Allocated expenses payable	9.3	21,881,861	741,750
Selling and marketing expenses	9.4	6,812,607	-
Sales load payable		615,710	613,500
Formation cost payable		998,350	998,350
Other payable		<u>142,825</u>	<u>170,000</u>
		<u>46,750,933</u>	<u>6,539,220</u>

9.1 As per Regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Accordingly, the Management Company has charged its remuneration variably keeping in view the overall return and the total expense ratio limit of the Fund subject to the maximum limit of 1% of average annual net assets as disclosed in the offering document. However, the management has charged the management fee between the range of 0.25% to 0.75% of average annual net assets during the year. The remuneration is paid to the Management Company on a monthly basis in arrears.

9.2 During the year, an amount of Rs. 11.637 million (2023: Rs 0.769 million) was charged on account of sales tax on management remuneration levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2023: 13%).

9.3 The SECP has allowed the Asset Management companies to charge allocated expense in all categories of open-end mutual funds up to a maximum limit approved by the Board of Directors of Management Company as part of annual plan.

Accordingly, Management Company has charged allocated expense at the rate of 0.372% (2023: 0.092%) to the Fund based on its direction subject to not being higher than actual expense. The Board of Directors of the Management Company has also approved the annual plan for charging of selling and marketing expenses to the funds under the management of the Management Company.

9.4 The SECP has allowed the asset management companies to charge selling and marketing expenses to all categories of open-end mutual funds upto a maximum limit approved by the Board of Directors of Management Company as part of annual plan.

Accordingly, Management Company has charged selling and marketing expenses to the Fund based on its discretion between the range of 0.73% to 0.95% of the average net assets of the Fund during the year. The Board of Directors of the Management Company has also approved the annual plan for charging of selling and marketing expenses to the funds under the management of the Management Company.

9.5 During the year, the Securities and Exchange Commission of Pakistan (SECP) carried out onsite inspection of the Management Company and inspected, among other matters, the mechanism of chargeability of selling & marketing expenses to the funds under its management. As a result of this inspection, SECP raised certain observations relating to the chargeability of such expenses by the Management Company to the funds under its management. The Management Company has responded to the observations highlighted by the SECP and there has been no further correspondence on this matter with the SECP. Accordingly, the impact of the SECP's observations on unit holder's fund, if any, is not determinable as at the reporting date.

10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2024	2023
		----- (Rupees) -----	-----
Trustee remuneration payable	10.1	1,052,980	271,198
Sindh Sales Tax payable on Trustee remuneration	10.2	136,888	35,256
CDS charges payable		<u>663,938</u>	<u>41,259</u>
		<u>1,853,806</u>	<u>347,713</u>

10.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. During the year, the Trustee has charged remuneration at the rate of 0.055% (2023: 0.055%) per annum of average annual net assets of the Fund.

10.2 During the year, an amount of Rs. 1.081 million (2023: Rs. 0.058 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2023: 13%).

11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2024	2023
		----- (Rupees) -----	
Fee payable	11.1	<u>1,435,302</u>	<u>163,579</u>

11.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.075% (2023: 0.02%) per annum of the daily net assets during the year ended June 30, 2024.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the Fund was required to pay SECP fee within three months of the close of accounting year.

12 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration payable	684,827	177,280
Listing fee payable	68,274	25,336
Brokerage expense payable	850,882	10,056
Withholding tax payable	125,330,641	4,727,827
Printing charges payable	54,405	12,147
Rating fee payable	162,338	101,308
Shariah advisory fee payable	864,928	151,944
Sales load payable	2,480,983	4,899,861
Other payable	93,981	-
	<u>130,591,259</u>	<u>10,105,759</u>

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 and June 30, 2023.

14 AUDITORS' REMUNERATION

Annual audit fee	360,000	90,000
Review and other certifications	360,000	60,000
Out of pocket expenses	72,000	14,148
Sindh sales tax	63,360	13,132
	<u>855,360</u>	<u>177,280</u>

15 CASH AND CASH EQUIVALENTS

Balances with banks	5	10,845,763,633	5,465,038,008
Certificates of musharakah (with original maturity of 3 months or less)	6.1	2,000,000,000	-
Term deposit receipts (with original maturity of 3 months or less)	6.3	-	890,000,000
Bai Muajjal receivable (with original maturity of 3 months or less)	6.5	4,316,192,351	-
		<u>17,161,955,984</u>	<u>6,355,038,008</u>

16 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2024 is 1.07% which includes 0.16% representing government levies on the Fund such as sales taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

17 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders.

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

Since the Management Company has distributed the required minimum percentage of income earned by the Fund for the year to the unit holders in the manner as explained above, therefore, no provision for taxation has been made in these financial statements.

18 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Related parties / connected persons include Alfalah GHP Investment Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee of the Fund, Limited, Bank Alfalah Limited, Alfalah CLSA Securities (Private) Limited, MAB Investment Incorporation, Alfalah Insurance Company Limited, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund and Alfalah GHP Investment Management Limited - Staff Provident Fund being the associates of the Management Company, Funds under management of the Management Company and directors and their close family members and key management personnel of the Management Company. Connected persons also includes any person beneficially owning directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

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

Remuneration of the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

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

18.1 Unit holders' fund

Note	2023					2024					Net asset value as at June 30, 2024
	As at July 1, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2024	As at July 1, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out		
	(Units)					(Rupees)					
Associated Companies / Undertakings											
Alfalah Asset Management Limited	18.1.1	8,204	1,928,917	153	1,537,471	399,803	820,392	215,559,449	51,193	177,608,902	40,063,840
Alfalah GHP Investment Management Limited - Staff Provident Fund	18.1.1	60,541	261,841	31,745	161,655	192,472	6,054,075	30,447,194	3,439,590	19,247,194	19,287,415
Alfalah GHP Islamic Prosperity Planning Fund - Islamic Balanced Allocation Plan	18.1.1	-	677,046	98,354	237,615	537,785	-	67,883,721	12,137,101	24,700,000	53,890,908
Alfalah GHP Islamic Prosperity Planning Fund - Islamic Moderate Allocation Plan	18.1.1	-	245,157	35,243	88,531	191,868	-	25,206,831	4,374,164	9,600,000	19,226,919
Alfalah Islamic Capital Preservation Plan - 4	18.1.1	-	82,859	1,663	84,522	-	-	8,307,831	478,865	8,687,495	-
Alfalah GHP Islamic Prosperity Planning Fund - 2 Capital Preservation Plan - 6	18.1.1	1,710,054	348,879	37,017	2,095,950	-	171,005,358	38,957,333	11,105,037	223,018,253	-
Alfalah Islamic Active Allocation Plan - 2	18.1.1	-	425,198	8,353	433,551	-	-	42,632,289	2,404,883	45,506,615	-
Associated Companies / Undertakings											
Key management personnel											
Director Structured Investments & Digital Transformation	18.1.1	27,297	63,248	1,209	91,754	-	2,729,745	6,519,397	348,500	9,669,762	-
Head Of Human Resource	18.1.1	-	257,344	2,816	260,160	-	-	26,141,100	563,120	26,427,643	-
Head Of Equities	18.1.1	3,005	50,811	-	53,817	-	300,544	5,213,637	-	5,649,209	-
Head Of Investor Relations	18.1.1	11,057	65,819	4,639	53,792	27,723	1,105,675	7,537,806	511,015	6,108,523	2,778,067
SVP Corporate Sales	18.1.1	-	31,606	0	31,603	3	-	3,400,526	43	3,408,645	270
Head - Compliance & Governance	18.1.1	-	26,158	1,487	17,995	9,651	-	2,913,570	148,740	2,039,208	967,068
VP IT	18.1.1	1,103	4,755	62	5,645	274	110,273	495,001	11,976	594,147	27,461
Head Of Human Resource	18.1.1	-	118	20	-	138	-	12,513	2,019	-	13,865
Section Head AMC Finance	18.1.1	-	15,911	1,514	7,971	9,454	-	1,876,422	151,373	945,422	947,397
SVP IT	18.1.1	-	8,929	-	8,929	-	-	1,005,000	-	1,056,299	-

2024											
Note	As at July 1, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2024	As at July 1, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2024	
	(Units)					(Rupees)					
Head Of Legal & Company Secretary	18.1.1	-	537	90	-	627	-	59,779	8,997	-	62,784
Head Of Fixed Income	18.1.1	343	85,319	8,605	38,040	56,227	34,329	9,253,550	861,969	4,131,419	5,634,460
Avp Retail Sale	18.1.1	7,452	21,935	179	29,465	102	745,230	2,337,972	34,179	3,129,144	10,177
Head Of Research	18.1.1	-	106,739	-	106,739	-	-	12,216,239	-	12,453,390	-
Chief Strategy Officer	18.1.1	-	4,339	318	2,562	2,095	-	500,000	31,832	301,188	209,949
Head Of Marketing	18.1.1	-	9	2	-	10	-	1,000	155	-	1,029
Section Head Rta And Operation	18.1.1	-	174	-	174	-	-	20,000	-	20,323	-
Head Of Structured Investments & Digital Transformation	18.1.1	-	15,281	1,456	7,644	9,093	-	1,811,856	145,593	909,326	911,226
Chief Investment Officer	18.1.1	-	5,073	-	5,073	-	-	600,000	-	602,752	-
VP AMC Finance	18.1.1	-	8,439	804	4,223	5,020	-	997,009	80,377	502,009	503,058
Head Of Information Securities	18.1.1	-	5,011	477	2,507	2,981	-	592,900	47,737	298,150	298,773
Director Structured Investments & Digital Transformation	18.1.1	-	6,997	-	-	6,997	-	700,000	-	-	701,115
VP Corporate Sales	18.1.1	-	3,694	582	526	3,749	-	421,000	58,151	60,139	375,723
Chief Financial Officer	18.1.1	-	126,916	11,562	66,268	72,210	-	14,506,875	1,156,158	7,828,261	7,236,051
Head Of Brand	18.1.1	-	516	-	516	-	-	60,000	-	60,786	-
Business Head – Retail Sales	18.1.1	-	36,008	493	32,070	4,431	-	3,990,983	49,346	3,571,525	444,055
Head Of Settlement	18.1.1	-	46	-	46	-	-	5,000	-	5,351	-
Unit holder holding 10% or more units	-	-	21,021,826	-	6,205,058	14,816,768	-	2,250,262,962	-	665,235,443	1,484,773,122

2023										
Note	As at July 1, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2024	As at July 1, 2023	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2024
	(Units)					(Rupees)				
Associated Companies / Undertakings										
Alfalsh GHP Investment Mnaagement Limited										
Staff Providednd Fund	58,474	2,067	-	60,541	6,000,000	206,652	-	-	-	6,054,100
CDC Trustee- Alfalah GHP IPPF-2 Capital										
Preservation Plan 6	3,298,090	63,767	1,651,803	1,710,054	335,728,988	6,376,712	171,018,744	-	-	171,005,400
Alfalsh Asset Management Limited	13,434,553	18,955	13,445,304	8,204	1,354,096,391	1,895,521	1,356,402,856	-	-	820,400
Key management personal										
Muddasir Ahmed Shaikh	2,995	10	-	3,005	300,000	1,024	-	-	-	300,500
Nabeel Malik (N)	32,879	706	6,288	27,297	3,300,000	70,628	650,000	-	-	2,729,700
Zubdah Tun Nisa Yousuf	67,433	416	56,792	11,057	6,922,885	41,579	5,836,000	-	-	1,105,700
Mustafa Kamal	13,250	22	12,928	344	1,350,000	2,187	1,330,000	-	-	34,400
Unit holder holding 10% or more units										
Unit holder holding 10% or more units	31,860,461	103,789	13,149,293	18,814,957	3,189,052,476	10,378,853	1,315,605,146	-	-	1,881,495,700

18.1.1 This reflects the position of related party / connected persons status as at June 30, 2024.

18.2 Other transactions**Associated companies / undertakings****Alfalah Asset Management Limited - Management Company**

	For the year ended June 30, 2024	For the period from April 13, 2023 to June 30, 2023
	----- (Rupees) -----	
Management remuneration payable	89,494,622	5,921,272
Sindh Sales Tax payable on management remuneration	11,637,165	769,765
Selling and marketing expenses	12,478,374	-
Allocated expense	21,881,861	741,750
Payable against preliminary expenses and floatation costs	200,215	42,667
Sales load	10,943,311	613,500
Sukuk Certificates - purchased	-	100,000,000

Bank Alfalah Limited

Profit on bank deposits	96,162,786	45,530,536
Profit on term deposits receipts	88,870,003	15,906,185
Term deposit receipts - purchased	4,825,000,000	890,000,000
Sales load	970,235	4,899,861

Alfalah GHP Money Market Fund

Sukuk Certificate - purchased	560,000,000	656,000,000
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Other related party**Central Depository Company of Pakistan Limited - Trustee**

Remuneration of the Trustee	8,320,488	449,843
Sindh sales tax on remuneration of the Trustee	1,081,672	58,480
Security Deposit	100,000	100,000
CDS charges	1,469,190	41,259

18.3 Other balances**Associated companies / undertakings****Alfalah Asset Management Limited - Management Company**

Management remuneration payable	14,424,396	3,553,647
Sindh sales tax payable on management remuneration	1,875,184	461,973
Allocated expense	21,881,861	741,750
Selling and marketing expense	6,812,607	-
Sales load payable	615,710	613,500
Formation cost payable	998,350	998,350
Other payable	142,825	170,000

Bank Alfalah Limited

Balances with banks	3,316,400,663	2,922,179,923
Sales load payable	2,480,983	4,899,861
Profit receivable on bank deposits	8,667,885	45,530,536
Profit receivable on term deposit receipts	-	15,906,183
Term deposit receipts	-	890,000,000

Other related party**Central Depository Company of Pakistan Limited - Trustee**

Trustee remuneration payable	1,052,980	271,198
Sindh sales tax payable on trustee remuneration	136,888	35,256
CDS charges payable	663,938	41,259
Security deposit	100,000	100,000

19 FINANCIAL INSTRUMENTS BY CATEGORY

	----- 2024 -----		
	At amortised cost	At fair value through profit or loss	Total
	----- (Rupees) -----		
Financial assets			
Balances with banks	10,845,763,633	-	10,845,763,633
Investments	-	16,615,252,178	16,615,252,178
Deposits and profit receivables	289,508,160	-	289,508,160
	<u>11,135,271,793</u>	<u>-</u>	<u>27,750,523,971</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	46,750,933	-	46,750,933
Payable to Central Depository Company of Pakistan Limited - Trustee	1,853,806	-	1,853,806
Accrued expenses and other liabilities	5,260,618	-	5,260,618
	<u>53,865,357</u>	<u>-</u>	<u>53,865,357</u>

	----- 2023 -----		
	At amortised cost	At fair value through profit or loss	Total
	----- (Rupees) -----		
Financial assets			
Balances with banks	5,465,038,008	-	5,465,038,008
Investments	-	2,070,000,000	2,070,000,000
Deposits, advances, profit receivables	144,520,914	-	144,520,914
	<u>5,609,558,922</u>	<u>2,070,000,000</u>	<u>7,679,558,922</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	6,539,220	-	6,539,220
Payable to Central Depository Company of Pakistan Limited - Trustee	347,713	-	347,713
Accrued expenses and other liabilities	5,377,932	-	5,377,932
	<u>12,264,865</u>	<u>-</u>	<u>12,264,865</u>

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

20.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in market prices.

The Management Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee and the regulations laid down by the Securities and Exchange Commission of Pakistan.

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

20.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

20.1.2 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits. The profit rate profile of the Fund's profit bearing financial instruments, as at June 30, 2024, is as follows:

	2024	2023
	----- (Rupees) -----	
Variable rate instruments (financial assets)		
Balances with banks	10,845,763,633	5,465,038,008
Sukuk certificates	4,534,000,000	1,180,000,000
	<u>15,379,763,633</u>	<u>6,645,038,008</u>
Fixed rate instruments (financial assets)		
Certificates of musharaka	2,000,000,000	-
Term deposit receipts	-	890,000,000
Bai muajjal receivable	7,861,776,941	-
Government of Pakistan ijarah sukuks	2,219,475,237	-
	<u>10,081,252,178</u>	<u>890,000,000</u>

a) Sensitivity analysis for variable rate instrument

Presently, the Fund holds KIBOR based sukuk certificates and balances with banks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Fund would have been higher / lower by Rs 153.80 million (2023: Rs 66.45 million). The analysis assumes that all other variables remain constant.

The composition of the Fund's investment portfolio, KIBOR rates and the rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet financial instruments is based on settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

----- 2024 -----					
Effective yield / profit rate	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		
----- (Rupees) -----					
On-balance sheet financial instruments					
Financial assets					
Balances with banks	19.60% to 20.00%	10,845,763,633	-	-	10,845,763,633
Investments:					
- Certificates of musharakah	19.60%	2,000,000,000	-	-	2,000,000,000
- Short term sukuks	21.39% to 24.24%	784,000,000	3,750,000,000	-	4,534,000,000
- Bai muajjal receivable	19.90% to 21.35%	192,087,300	3,545,584,589	-	3,737,671,889
- Government of Pakistan ijarah sukuks	19.52% to 22.31%	4,316,192,351	2,027,387,937	-	6,343,580,288
Deposits and profits receivable		-	-	289,508,160	289,508,160
Sub total		<u>18,138,043,284</u>	<u>9,322,972,526</u>	<u>-</u>	<u>27,750,523,971</u>
Financial liabilities					
Payable to Alfalah Asset Management Limited - Management Company		-	-	46,750,933	46,750,933
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	1,853,806	1,853,806
Accrued expenses and other liabilities		-	-	5,260,618	5,260,618
Sub total		<u>-</u>	<u>-</u>	<u>53,865,357</u>	<u>53,865,357</u>
On-balance sheet gap		<u>18,138,043,284</u>	<u>9,322,972,526</u>	<u>-</u>	<u>27,696,658,614</u>
Total interest rate sensitivity gap		<u>18,138,043,284</u>	<u>9,322,972,526</u>	<u>-</u>	<u>27,696,658,614</u>
Cumulative interest rate sensitivity gap		<u>18,138,043,284</u>	<u>27,461,015,811</u>	<u>27,461,015,811</u>	

----- 2023 -----					
Effective yield / profit rate	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		

----- (Rupees) -----

On-balance sheet financial instruments

Financial assets

Balances with banks	6.15% to 20.50%	5,465,038,008	-	-	-	5,465,038,008
Investments:						
- Term deposit receipts	20.45%	890,000,000	-	-	-	890,000,000
- Short term sukuk certificates	22.38% to 23.07%	-	1,180,000,000	-	-	1,180,000,000
Deposit, profits and other receivables		-	-	-	144,520,914	144,520,914
Sub total		6,355,038,008	1,180,000,000	-	144,520,914	7,679,558,922

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	-	-	-	6,539,220	6,539,220
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	347,713	347,713
Accrued expenses and other liabilities	-	-	-	5,377,932	5,377,932
Sub total	-	-	-	12,264,865	12,264,865

On-balance sheet gap

6,355,038,008	1,180,000,000	-	132,256,049	7,667,294,057
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Total interest rate sensitivity gap

6,355,038,008	1,180,000,000	-	132,256,049	7,667,294,057
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Cumulative interest rate sensitivity gap

6,355,038,008	7,535,038,008	7,535,038,008
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20.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

20.2 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligations as it falls due.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets.

20.2.1 Exposure to credit risk

The table below analyses the Fund's maximum exposure to credit risk:

----- 2024 -----	
Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- (Rupees) -----	
Balances with banks	10,845,763,633
Investments	16,615,252,178
Deposit, profits and other receivables	289,508,160
	273,810,490
	<u>27,750,523,971</u>
	<u>25,515,351,064</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets.

No financial assets were considered to be past due or impaired as at June 30, 2024.

	----- 2023 -----	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	----- (Rupees) -----	
Balances with banks	5,465,038,008	5,465,038,008
Investments	2,070,000,000	2,070,000,000
Deposit, profits and other receivables	144,520,914	144,520,914
	<u>7,679,558,922</u>	<u>7,679,558,922</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2023 is the carrying amount of the financial assets.

No financial assets were considered to be past due or impaired as at June 30, 2023.

20.2.2 Credit quality of financial assets

The Fund held balances with banks as at June 30, 2024 with banks having following credit ratings:

Banks	Rating agency	Rating (Short Term / Long Term)	2024	2023
			% of financial assets exposed to credit risk	% of financial assets exposed to credit risk
Dubai Islamic Bank Limited	VIS	A-1+/AA	1.40%	0.02%
Bank Al Habib Limited	PACRA	A1+/AAA	0.30%	2.34%
Bank Alfalah Limited	PACRA	A1+/AAA	30.61%	53.47%
Faysal Bank Limited	PACRA	A1+ / AA	24.43%	31.36%
United Bank Limited	VIS	A-1+/AAA	33.56%	12.81%
Allied Bank Limited	PACRA	A1+/AAA	9.70%	-
The Bank of Punjab*	PACRA	A1+/AA+	0.00%	-
			<u>100.00%</u>	<u>100.00%</u>

Above ratings are on the basis of available ratings assigned by PACRA and VIS as of June 30, 2024.

Ratings of term deposit receipts, certificate of musharaka, certificate of mudarabah and sukuk certificates have been disclosed in related notes to financial statements.

20.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect the groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. Despite the high concentration of credit risk as stated above, the Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit worthy counter parties thereby mitigating any significant concentrations of credit risk.

20.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets up to 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, no borrowing was required to be obtained by the Fund during the current year.

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

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, the assets and liabilities that are receivable / payable on demand including balances with banks have been included in the maturity grouping of one month.

2024						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total
(Rupees)						
Financial assets						
Balances with banks	10,845,763,633	-	-	-	-	10,845,763,633
Investments	3,612,846,745	3,679,432,906	9,322,972,526	-	-	16,615,252,178
Deposits, profit and other receivables	95,032,038	107,152,396	87,223,726	-	100,000	289,508,160
	14,553,642,416	3,786,585,302	9,410,196,253	-	100,000	27,750,523,971
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company	46,750,933	-	-	-	-	46,750,933
Payable to Central Depository Company of Pakistan Limited - Trustee	1,853,806	-	-	-	-	1,853,806
Accrued expenses and other liabilities	4,575,791	684,827	-	-	-	5,260,618
	53,180,529	684,827	-	-	-	53,865,357
Total	14,500,461,887	3,785,900,475	9,410,196,253	-	100,000	27,696,658,614

2023						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial Instruments with no fixed maturity	Total
(Rupees)						
Financial assets						
Balances with banks	5,465,038,008	-	-	-	-	5,465,038,008
Investments	-	1,160,000,000	910,000,000	-	-	2,070,000,000
Deposits, profit and other receivables	128,514,729	-	-	-	100,000	128,614,729
	5,593,552,737	1,160,000,000	910,000,000	-	100,000	7,663,652,737
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company	6,539,220	-	-	-	-	6,539,220
Payable to Central Depository Company of Pakistan Limited - Trustee	347,713	-	-	-	-	347,713
Accrued expenses and other liabilities	5,377,932	177,280	-	-	-	5,555,212
	12,264,865	177,280	-	-	-	12,442,145
Total	5,581,287,872	1,159,822,720	910,000,000	-	100,000	7,651,210,592

21 FAIR VALUE MEASUREMENT

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

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

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

21.1 Fair value hierarchy

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: 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); and

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

As at June 30, 2024, the Fund held the following financial instruments measured at fair values:

	----- 2024 -----		
	Level 1	Level 2	Level 3
	----- (Rupees) -----		
At fair value through profit or loss			
Certificate of musharakah*	-	2,000,000,000	-
Short term sukuk certificates*	-	4,534,000,000	-
Bai muajjal receivable**	-	7,861,776,941	-
Government of Pakistan ijarah sukuks	<u>2,007,329,937</u>	<u>212,145,300</u>	-
	<u>2,007,329,937</u>	<u>14,607,922,241</u>	<u>-</u>

	----- 2023 -----		
	Level 1	Level 2	Level 3
	----- (Rupees) -----		
At fair value through profit or loss			
Term deposit receipts*	-	890,000,000	-
Short term sukuk certificates*	-	1,180,000,000	-
	<u>-</u>	<u>2,070,000,000</u>	<u>-</u>

* The carrying value of these securities approximate their face value since these are short term in nature and are placed with counter parties which have high credit ratings.

** The valuation of Bai muajjal receivable have been carried out based on amortisation to their face values / sale price as per the guidelines given in Circular 33 of 2012 since the residual maturity of these investments is less than six months.

During the year, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

22 UNIT HOLDERS' FUND RISK MANAGEMENT

The Fund is an open end collective investment scheme. The unit holders' fund of open end schemes is represented by net assets attributable to unit holders. The risk in case of an open end scheme is 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 unexpected losses in investment portfolio which may cause adverse effects on the Fund's continuation as a going concern.

The Fund's objective when managing net assets attributable to unit holders is to safeguard the Fund's ability to continue as a 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 unit holder fund structure, the Fund performs the following:

- Monitors the level of daily issuance and redemptions relative to liquid assets;

- Redeems and issues units in accordance with the constitutive documents of the Fund, which include the ability to restrict redemptions as allowed under the rules and regulations; and
- Monitors portfolio allocations and return on net assets and where required makes necessary adjustments in portfolio allocations in light of changes in market conditions.

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically monitor capital of the Fund on the basis of the value of net assets attributable to the unit holders and track the movement of "Assets under Management" as well as returns earned on the net assets to maintain investors' confidence and achieve future growth in business. Further, the Board of Directors is updated about the Fund's yield and movement of net asset value 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 gains as reduced by such expenses as are chargeable to the Fund.

Under the NBFC Regulations, the minimum size of an open end scheme shall be one hundred million rupees at all the times during the life of the scheme. The Fund has maintained minimum size of one hundred million rupees at all times during the year.

23 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 as required under Schedule V of the NBFC Regulations has been disclosed in the Annexure to the financial statements.

24 CORRESPONDING FIGURES

Corresponding figures have been re-classified and re-arranged in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications have been made in these financial statements during the current year.

25 GENERAL

Figures have been rounded off to the nearest rupee.

26 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 30, 2024** by the Board of Directors of the Management Company.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

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

(i) UNIT HOLDING PATTERN OF THE FUND

Category	As at 30 June 2024			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	2288	181,588,790	18,196,825,978	66%
Insurance Co.	10	15,447,231	1,547,951,148	6%
Retirement & Other Funds	40	76,679,936	7,684,017,532	28%
Others	10	1,201,800	120,431,081	0%
	-	-	-	-
	2348	274,917,756	27,549,225,740	100%

(ii) TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

	30 June 2024 %
Continental Exchange (Pvt) Limited	29.08%
Pearl Securities Limited	16.99%
Alfalah Securities Limited	16.26%
AKD Securities Limited	10.92%
Invest One Markets Limited	10.73%
Arif Habib Limited	5.05%
JS Global Capital Limited	4.49%
Optimus Markets (Pvt) Limited	4.28%
C&M Management (Pvt) Limited	1.75%
Bright Capital Private Limited	0.30%
IOML	0.15%

(iii) PARTICULARS OF MEMBERS OF THE INVESTMENT COMMITTEE

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

Khaldoon Bin Latif	Chief Executive Officer
Ayub Khuhro	Chief Investment Officer
Faisal Ali Khan	Chief Financial Officer
Shariq Mukhtar Hashmi	Chief Compliance Officer
Mustafa Kamal	Head of Fixed Income
Muddasir Ahmed Shaikh	Head of Equities
Shams-ud-din Shah, CFA, FCCA	Head of Research
Omar Mukhtar	Head of Risk
Salman Jawaaid	Fund Manager Fixed Income Funds
Anil Kumar, CFA	Fund Manager Equity Funds

Khaldoon Bin Latif-Chief Executive Officer

Mr. Latif has been associated with the capital markets for over 18 years, with both domestic and international experience providing a comprehensive blend. Prior to joining Alfalah Investments, Mr. Khaldoon was associated with Faysal Asset Management Limited as its Chief Executive Officer (CEO) and under his leadership, Faysal Asset Management has achieved significant growth during his tenure and transformed into major industry player. Earlier he was associated with BMA Asset Management Company Limited as its CEO, JS Investments Limited as its Chief Investment Officer (CIO) and KASB Funds Limited as its CEO. Before KASB Funds he was the General Manager and Director of TSWLL Bahrain, a wholly owned subsidiary of TAIB Bank BSC, where he headed their brokerage, asset management, custody and advisory operations.

He has been a member of the Mutual Fund Association for over six years and has been the Vice Chairman from FY2021-22. He is also a non-executive director on a bank holding company out of Bahrain, IIBank LLC, that has operations in Africa and Europe. He is a former board member of TRG and Pace Pakistan. In addition to this, he brings both buy and sell side exposure of domestic capital markets in Pakistan. He began his career on the sell side with AKD Securities Ltd in various capacities including Head of Foreign Institutional Sales and Equity Research in the capacity of Head of Research and Chief Economist. On the buy side, he has worked with PICIC AMC as Head of Research and Product Development where his tenor also included active management of the PICIC Energy Fund.

Mr. Latif is a LUMS Alumni and has done a number of capital market courses with CFA association, Daiwa, J.P. Morgan and Bahrain Institute of Banking and Finance (BIBF). He has also completed his Director certification program from IBA.

Mr. Ayub Khoro – Chief Investment Officer

Muhammad Ayub Khuhro brings over 15 years of extensive experience in the banking and asset management industry to his role as Chief Investment Officer at Alfalah Investments. Prior to joining the company, he served as Chief Investment Officer at Faysal Asset Management Limited (FAML), where he played a pivotal role in revitalizing the investment process, fund management teams, and research department. His strategic initiatives significantly contributed to FAML's unprecedented growth and its ability to adapt to evolving market dynamics. Mr. Khuhro's career journey began at Pak Oman AMC in the research division, followed by a role as Research Head in the Equity Capital Markets Division at Faysal Bank Limited. His responsibilities included managing an equity portfolio valued at over USD 80 million and providing comprehensive research insights to support the Investment Committee's decision-making process. Additionally, he played a key role in IPOs and private equity valuations for the bank. With a Bachelor's degree in Economics from Lahore University of Management Sciences (LUMS), Mr. Khuhro possesses a deep understanding of equity, fixed income, and money market investments. His expertise extends to strategic and tactical asset allocations, driven by thorough research and evaluation of historical performance across multiple asset classes and instruments.

Faisal Ali Khan-Chief Financial Officer

Faisal Ali Khan is serving as Chief Financial Officer of Alfalah Investments and prior to joining he was associated with Faysal Funds where he served as CFO and Company Secretary. In past he has worked with reputed financial sector organizations including BMA Funds, Saudi Pak Industrial and Agricultural Company (Pvt.) Ltd, Attock Refinery Limited and KPMG. Mr. Khan is a fellow member of the Institute of Chartered Accountant of Pakistan having a professional experience of over nineteen years ranging from financial reporting, regulatory compliance, budgeting and taxation to corporate and secretarial practices including 15 years of experience in the asset management and investment advisory industry.

Mr. Shariq Mukhtar Hashmi – Chief Compliance Officer

Mr. Hashmi holds a diversified experience of over 11 years with various private sector enterprises of repute. He joined IGI Funds Limited (which subsequently merged into Alfalah GHP Investment Management Limited in Oct. 2013) in 2010 to lead the back office function as Head of Operations & Settlements. His association has continued, post-merger, as Head of Compliance & Risk Management. He has previously served National Asset Management Company as Head of Internal Audit and Feroze Sharif Tariq & Co Chartered Accountants in various capacities. He has also headed the Internal Audit Department of the Company. Mr. Hashmi is a qualified Accountant from the Association of Chartered Certified Accountants, UK and holds MBA degree in Finance from SZABIST University. He is also enrolled for Financial Risk Manager Certification of Global Association of Risk Professionals; USA.

Mr. Muddasir Ahmed Shaikh -- Head of Equities

Mr. Shaikh is heading the Equity Investments team at Alfalah Investments. He has been an integral part of the team since 2007 and holds about two decades of professional experience. He joined the Investment Management Industry in 2004, right after his graduation with an MBA degree. Over the years, he has served various public and private financial institutions of repute. He started his career as Research Analyst and has progressed over the year to higher levels in portfolio management.

Mr. Shaikh is an Alumni of the prestigious Institute of Business Administration, Karachi (IBA).

Mr. Shams-ud-din Shah - Head of Research

Mr. Shams is a CFA charter holder and member of ACCA. He holds +8 years of experience in financial service industry and has been associated with Alfalah since June 2017. He leads the Research Department and aptly covers Economy, Ban. ks, Construction and Material sectors along with supervision and professional development of other research analysts in the team. His hard work, strong analytical skills and thorough understanding of the economy and sector dynamics have earned him recognition and rendered effective support to the Portfolio Management function.

Mr. Mustafa Kamal - Head of Fixed Income

"Mr. Mustafa Kamal has more than 18 years of work experience in the investment management profession out of which he has been associated with the Mutual Fund Industry for over 15 years. Prior to joining Alfalah Investments, he was working as a Chief Investment Officer with Pak Oman Asset Management Limited. Over the years, he has worked at companies like Askari Investments, National Fullerton Asset Management, Crescent Leasing & ORIX Investment Bank. He is an MBA with Majors in Finance.

Currently serving the company as a Head of Fixed Income Funds, Mr. Kamal is a key member of portfolio management team and a member of the investment committee for the mutual funds. During his career he has managed wide range of conventional and Islamic mutual funds schemes."

Mr. Omar Mukhtar – Head of Risk

Mr. Mukhtar is the Head of Risk Management and has remained part of the Board Risk & Investment Committees and has played an instrumental role in the establishment of the Risk Management, Enterprise Risk Management & Information Security framework for the organization. He brings with him an experience of over fifteen years in the field of Risk Management in the Mutual Funds Industry. Prior to becoming part of the Alfalah Investments team, he was associated with UBL Funds Ltd in managing their Risk Management Function. Mr. Mukhtar has done his MBA in Finance from Greenwich University and holds a BBA Honors degree. He is also a member of GARP (Global Association of Risk Professionals).

Mr. Salman Jawaid - Fund Manager Fixed Income Fund

Mr. Salman is managing the Fixed Income Funds at Alfalah Investments. He has almost more than 12 years of work experience in the Mutual Fund Industry precisely in the Fund Management Department. He is an MBA in Finance from the Institute of Business Management (IOBM) and also pursuing his education in the CFA program. Over the years, he has worked at National Investment Trust Limited (NIT) and Faysal Asset Management in the portfolio management department.

Mr. Anil Kumar - Jr. Fund Manager Equity Funds

Mr. Anil has over 3 years of well-rounded sectoral exposure in Investment Research and Fund Management. He was earlier associated as Research Analyst with Alfalah Investments, where he has actively covered Chemical Sector, Cement Sector, Pharmaceutical sector, Textile sector and has also identified many profitable investment ideas. Prior to joining Alfalah, he was associated with UBL Fund Managers and Darson Securities Limited. Anil has done Bachelors (BBA) from Iqra University with majors in Finance and is a CFA Level 3 candidate.

(iv) ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The dates of the meetings of the Board of Directors of the Management Company of the fund and the attendance of its members are given below.

Name of Director	Meeting held on				
	August 25, 2023	October 30, 2023	December 21, 2023	February 22, 2024	April 30, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓	✓
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Khaled Khanfer	Leave	Leave	✓	✓	✓
Ms. Ayesha Aziz	✓	✓	✓	✓	✓
Mr. Atif Bajwa	✓	✓	✓	✓	✓
Mr. Sohail Sultan	✓	✓	✓	✓	✓

(v) **MEETINGS OF BOARD AUDIT COMMITTEE**

The dates of the meetings of the Board Audit Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on				
	August 24, 2023	September 26, 2023	October 26, 2023	February 21, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	✓	Leave	✓	✓
Ms. Ayesha Aziz		✓	✓	✓	Resigned
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Farooq Ahmed Khan		✓			✓

(vi) **MEETINGS OF BOARD RISK MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Risk Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on			
	August 22, 2023	October 28, 2023	February 20, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	Leave	✓	Leave
Mr. Khalilullah Shaikh	✓	✓	✓	✓
Mr. Farooq Ahmed Khan	-	-	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓

(vii) **MEETINGS OF BOARD HUMAN RESOURCE MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Human Resource Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on		
	August 21, 2023	September 26, 2023	February 19, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓
Mr. Khalilullah Shaikh	-	✓	-
Ms. Ayesha Aziz	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓

(viii) **MEETINGS OF BOARD INVESTMENT COMMITTEE**

The dates of the meetings of the Board Investment Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on	
	December 14, 2023	April 24, 2024
Mr. Farooq Ahmed Khan	-	✓
Mr. Sohail Sultan	✓	✓
Ms. Ayesha Aziz	✓	✓

**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
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PERFORMANCE TABLE - AIMMF

	30 June 2024	30 June 2023
Net Assets	<u>27,549,225,740</u>	<u>7,669,255,384</u>
NAV per unit	<u>100.2090</u>	<u>100.0000</u>
Selling price per unit	<u>102.4737</u>	<u>103.5444</u>
Redemption price per unit	<u>100.2090</u>	<u>100.0000</u>
Highest selling price per unit	<u>122.9723</u>	<u>105.7499</u>
Highest redemption price per unit	<u>120.1296</u>	<u>103.5444</u>
Lowest selling price per unit	<u>101.7060</u>	<u>102.5118</u>
Lowest redemption price per unit	<u>100.0496</u>	<u>100.0000</u>
1st interim distribution per unit	<u>2.1895</u>	<u>0.2571</u>
Interim distribution date	<u>10-Aug-23</u>	<u>18-Apr-23</u>
2nd interim distribution per unit	<u>19.0634</u>	<u>3.5444</u>
Interim distribution date	<u>27-Jun-24</u>	<u>23-Jun-23</u>
3rd interim distribution per unit	<u>-</u>	<u>3.3738</u>
Interim distribution date	<u>-</u>	<u>30-Jun-23</u>
Annualized returns	<u>21.86%</u>	<u>19.88%</u>
Income distribution	<u>98.13%</u>	<u>100.00%</u>
Weighted avg. portfolio duration	<u>46.59 days</u>	<u>26.16 days</u>

Return since inception is 22.27%

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



**Alfalah
Islamic Sovereign Fund**

FUND INFORMATION

Management Company:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Board of Directors of the Management Company:	Mr. Atif Aslam Bajwa Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Mr. Sohail Sultan Mr. Khalilullah Shaikh Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Audit Committee (BAC):	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh
Business Risk Management Committee (BRMC)	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh Mr. Khaldoon Bin Latif (CEO)
Human Resource & Remuneration Committee (HRRC):	Mr. Farooq Ahmed Khan Mr. Kabir Qureshi Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Board Investment Committee (BIC):	Mr. Farooq Ahmed Khan Mr. Sohail Sultan Ms. Ayesha Aziz
Head of Legal & Company Secretary:	Ms. Nahl Eman Chamdia
Chief Financial Officer:	Mr. Faisal Ali Khan
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	A.F. Ferguson & Co. Chartered Accountants State Life Building No. 1-C I.I. Chundrigar Road, P.O.Box 4716 Karachi, Pakistan
Legal Advisor:	Haider Waheed House 188, Street 33, Khyaban-e-Qasim, DHA Pahse VIII, Karachi MSB Consultants F-66/2, Park Lane, Block 5 Clifton, Karachi.
Registrar:	Alfalsh Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Distributor:	Bank Alfalah Limited
Rating:	Not Yet Rated

Alfalah GHP Islamic Sovereign Fund

Annual Fund Manager's Report

Type of Fund: Open-end Scheme
Category of Fund: Shariah Complaint Income Scheme

Investment Objective

The Investment Objective of the plan is to generate a competitive return with low risk, by investing primarily in Shariah Compliant Government Securities, Shariah Compliant Short term Sukuks / commercial papers and Islamic Banks and licensed Islamic Banking Windows of Conventional Banks.

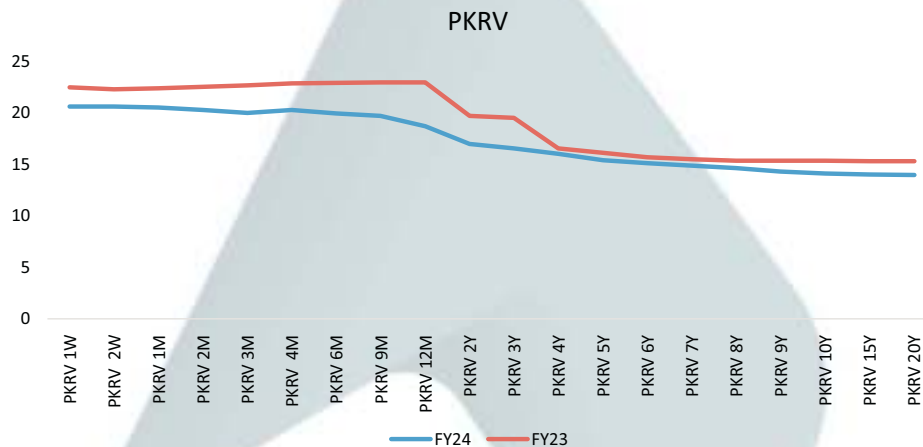
Money Market Review:-

Real GDP growth for FY24 posted a growth of 2.38% in FY24 as compared to -0.21% in FY23

Inflation for FY24 averaged at 23.9% compared to 29.04% in FY23, mainly due to stability in exchange rate coupled with lower political noise, rising agricultural yields, fiscal consolidation and softening oil prices and even fell to 12% by year end. As a result, the Central Bank has started monetary easing from June 2024 resulting in 250bps cut in interest rates in previous 2 meetings.

The next monetary policy is scheduled on September 12, 2024, where another cut in the policy rate cannot be ruled out as inflation is forecasted to maintain a lower trajectory, paving way for further anticipated monetary easing.

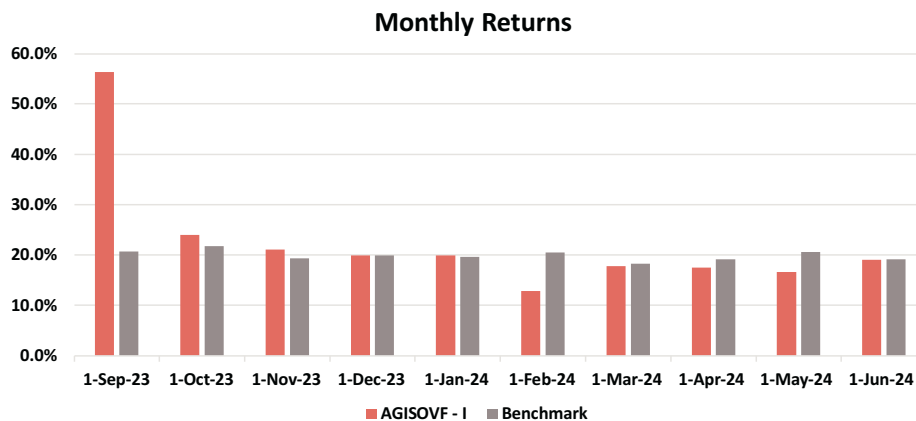
The current real interest rate stands impressively high at 8.4%, well above its historical median of 1%, providing a robust foundation for potential monetary easing actions. This could potentially lead to a reduction in the policy rate by 5%-6% over the next fiscal year. However, risks persists, particularly from potential inflationary impacts stemming from reforms outlined in the budget and IMF program, as well as volatility in exchange rates and oil prices.



Fund Performance

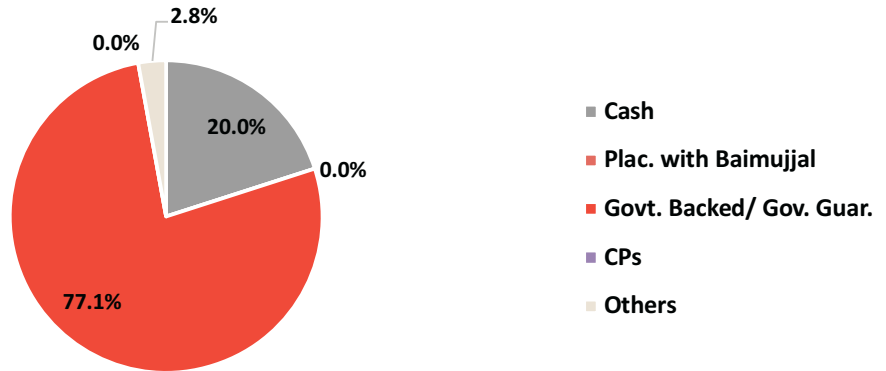
During FY24, Alfalah GHP Islamic Sovereign Fund - I generated a return of 20.65% against the fund's benchmark returned 19.89%.

Performance comparison with Benchmark



Assets Allocation

Asset Allocation
(as at 30-June-2024)

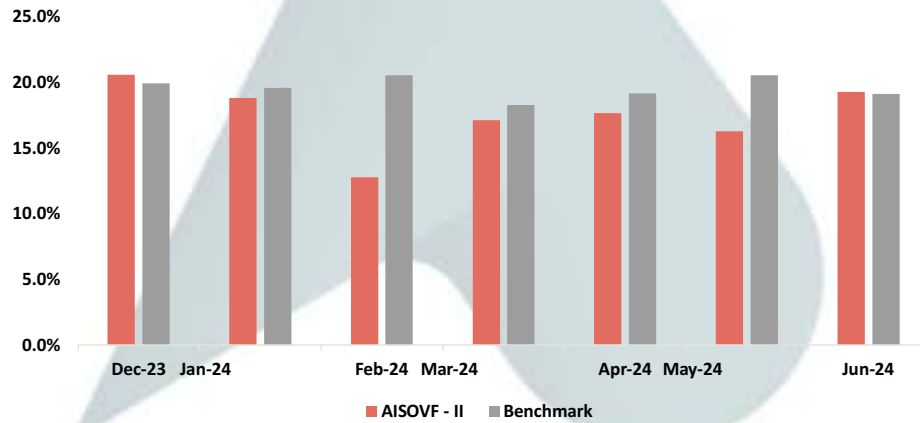


Credit Quality (as % of Total Assets)			
Govt. Guaranteed (Rated AAA)	77.12%	A	0.00%
AAA	0.22%	A-	0.00%
AA+	0.00%	BBB-	0.00%
AA	19.82%	NR/UR	2.85%
AA	0.00%		

Fund Performance

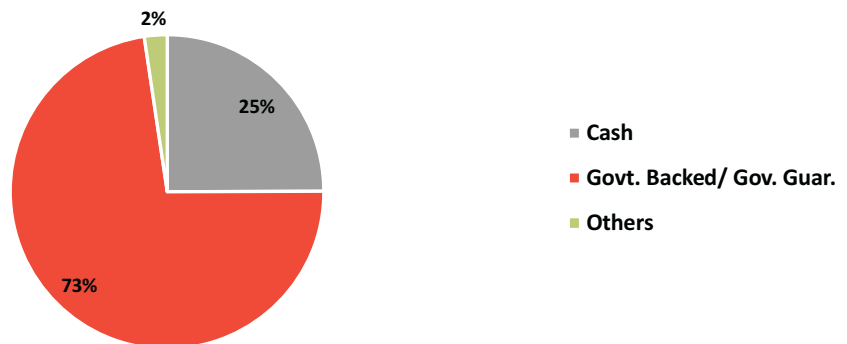
During FY24, Alfalah GHP Islamic Sovereign Fund - II generated a return of 18.05% against the fund's benchmark returned 19.63%.

Performance comparison with Benchmark



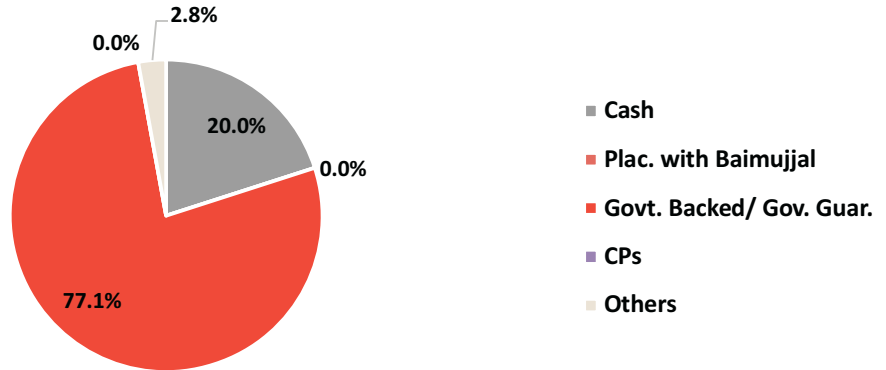
Assets Allocation

Asset Allocation
(as at 30-June-2024)



Assets Allocation

Asset Allocation
(as at 30-June-2024)



Credit Quality (as % of Total Assets)			
Govt. Guaranteed (Rated AAA)	72.74%	A	19.50%
AAA	0.18%	A-	0.00%
AA+	0.00%	BBB-	0.00%
AA	5.25%	NR/UR	2.33%
AA-	0.00%		

⇒ **Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

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

⇒ **Disclosure on unit split (if any), comprising:-**

There were no unit splits during the period.

⇒ **Disclosures of circumstances that materially affect any interests of unit holders**

Investments are subject to market risk.

⇒ **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme.**

No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahr-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS


ALFALAH ISLAMIC SOVEREIGN FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 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 Islamic Sovereign Fund (the Fund) are of the opinion that Alfalah Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund from September 26, 2023 to June 30, 2024 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;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) 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.

For the purpose of information, we would like to draw the attention of unit holders towards clause 2.2.9 of the Offering Document wherein the Fund is required to invest at least 10% of net assets in Cash and Near Cash Instruments on a calendar month average basis. In this regard, Alfalah Islamic Sovereign Plan-I was non-compliant with the said requirement from the month of February till April with maximum variance in exposure up to 6.28% whereas Alfalah Islamic Sovereign Plan-II was non-compliant with the said requirement from the month of January till May with maximum variance in exposure up to 7.05%. The said non-compliance has also been reported to the Securities and Exchange Commission of Pakistan.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 25, 2024





Alfalah Investments

Shariah Advisory Board
Mufti Shaikh Noman
Mufti Javed Ahmad



SHARIAH REVIEW REPORT ALFALAH ISLAMIC SOVEREIGN FUND

We, the Shariah Advisors of the Alfalah Islamic Sovereign Fund (AISF) managed by Alfalah Asset Management Limited, are issuing this report in accordance with the Trust Deed and Offering Document of the said Fund. The scope of the report is to express an opinion on the Shariah Compliance of the Fund's activities.

It is the responsibility of the Management Company of the said Fund to establish and maintain a system of internal controls to ensure compliance with issued Shariah guidelines. As Shariah Advisors, our responsibility is to express an opinion, based on our review of the representations made by the management, to the extent where such compliance can be objectively verified.

In the capacity of Shariah Advisors of the Fund, we provide consent for investment in equities securities based on the Shariah Guidelines during the period from July 1, 2023 to June 30, 2024.

Investment Avenue
<i>GoP (Government of Pakistan) Ijarah Sukuk</i>
<i>Approved Shariah Compliant Sukuk</i>
<i>Approved Islamic Commercial Papers</i>
<i>Approved Bai Mu'ajjal Transactions</i>
<i>Term Deposit Receipts with Approved Islamic Banks</i>

We hereby certify that the investments made by the Funds are in compliance with Shariah principles.

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the Hereafter, and forgive our mistakes.

For and on behalf of Shariah Advisory Board,

Mufti Shaikh Noman
Shariah Advisor

Mufti Javed Ahmad
Shariah Board Member

Alfalah Asset Management Limited

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STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

Alfalah Islamic Sovereign Fund has fully complied with the Shariah principles specified in the Trust Deed and the guidelines issued by the Shariah Advisor for its operations, investments and placements made during the year ended June 30, 2024. This has been duly confirmed by the Shariah Advisor of the Fund.

Dated: September 26, 2024

Mr. Khaldoun Bin Latif
Chief Executive Officer



Independent Assurance Report on Compliance with the Shariah Governance Regulations, 2023

To the unit holders of Alfalah Islamic Sovereign Fund (the Fund)

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of **Alfalah Islamic Sovereign Fund (the Fund)** for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar(s).

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2024) is assessed, comprise the Shariah principles and rules as defined in the Regulations and reproduced as under.

- i. Legal and regulatory framework administered by the Commission;
- ii. Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission;
- iii. Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;
- iv. Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and
- v. Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2024, which are annexed.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions having Shariah implications, entered into by the Fund with its customers, other financial institutions, and stakeholders, and related policies and procedures, are, in substance and in their legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for the design, implementation, and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, And Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2024, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than audits or reviews of historical financial statements', issued by the International Auditing and Assurance Standards Board.


That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgment, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures was sufficient and appropriate to provide a basis for our opinion.

7. Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2024 are in compliance with the Shariah principles (criteria specified in para 2 above), in all material respects.

 UHY Hassan Naeem & Co,
Chartered Accountants
Engagement Partner: Arslan Ahmed
Dated: September 26, 2024



INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Alfalah Islamic Sovereign Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alfalah Islamic Sovereign Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the period from September 26, 2023 to June 30, 2024, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the period from September 26, 2023 to June 30, 2024, in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (Refer notes 4 and 5 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks of the Fund as at June 30, 2024 amounted to Rs. 2,237.54 million and investments aggregated to Rs. 7,327.28 million. The existence of balances with banks and existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none"> • Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; • Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and • Obtained bank reconciliation statements and tested reconciling items on a sample basis.

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A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Junaid Mesia**.

A. F. Ferguson & Co.
Chartered Accountants
Dated: September 30, 2024
Karachi
UDIN: AR202410611tkqKFMHmy

ALFALAH ISLAMIC SOVEREIGN FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2024

				June 30, 2024		
				Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Total
				Note ----- (Rupees) -----		
Assets						
Balances with banks	4	858,172,046	1,379,369,005	2,237,541,051		
Investments	5	3,303,148,171	4,024,127,417	7,327,275,588		
Advances, deposits, prepayments and other receivables	6	121,179,135	128,740,934	249,920,069		
Preliminary expenses and floatation costs	7	945,600	-	945,600		
Total assets		4,283,444,952	5,532,237,356	9,815,682,308		
Liabilities						
Payable to Alfalah Asset Management Limited - Management Company	8	13,698,911	23,353,154	37,052,065		
Payable to Central Depository Company of Pakistan Limited - Trustee	9	192,787	252,636	445,423		
Payable to the Securities and Exchange Commission of Pakistan	10	232,360	304,652	537,012		
Accrued expenses and other liabilities	11	5,050,853	36,072,381	41,123,234		
Total liabilities		19,174,911	59,982,823	79,157,734		
Net assets		4,264,270,041	5,472,254,533	9,736,524,574		
Unit holders' fund (as per the statement attached)		4,264,270,041	5,472,254,533	9,736,524,574		
Contingencies and commitments	12					
				-----Number of units-----		
Number of units in issue		42,565,360	49,796,630			
				----- (Rupees) -----		
Net asset value per unit		100.1817	109.8921			

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH ISLAMIC SOVEREIGN FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

		For the period from September 26, 2023 to June 30, 2024	For the period from December 13, 2023 to June 30, 2024	Total
		Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	
	Note	(Rupees)		
Income				
Profit on balances with bank		187,320,863	76,164,832	263,485,695
Profit on GoP ijarah sukuks certificates		750,239,662	623,487,068	1,373,726,730
Profit on Islamic term deposit receipts		-	24,402,744	24,402,744
Profit on term deposit mudarabah		10,301,096	-	10,301,096
Profit on short term sukuk certificates		62,824,449	-	62,824,449
Profit on bai muajjal		26,208,824	-	26,208,824
Gain / (loss) on sale of investments - net		20,983,073	(41,504,875)	(20,521,802)
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.6	11,686,431	2,364,738	14,051,169
Total income		<u>1,069,564,398</u>	<u>684,914,507</u>	<u>1,754,478,905</u>
Expenses				
Remuneration of Alfalah Asset Management Limited - Management Company	8.1	26,957,811	20,076,803	47,034,614
Sindh Sales Tax on remuneration of the Management Company	8.2	3,504,515	2,609,984	6,114,499
Allocated expenses	8.3	50,247,395	24,059,187	74,306,582
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	2,787,554	1,990,021	4,777,575
Sindh Sales Tax on remuneration of the Trustee	9.2	362,382	258,703	621,085
Fee to the Securities and Exchange Commission of Pakistan	10.1	3,800,376	2,709,749	6,510,125
Auditors' remuneration	13	338,198	434,002	772,200
Amortisation of preliminary expenses and floatation costs	7.1	214,900	-	214,900
Printing charges		17,122	13,086	30,208
Fees and subscriptions		547,010	44,286	591,296
Transaction charges		797,692	296,586	1,094,278
Bank charges		31,815	2,374	34,189
Total expenses		<u>89,606,770</u>	<u>52,494,781</u>	<u>142,101,551</u>
Net income for the period before taxation		<u>979,957,628</u>	<u>632,419,726</u>	<u>1,612,377,354</u>
Taxation	14	-	-	-
Net income for the period after taxation		<u>979,957,628</u>	<u>632,419,726</u>	<u>1,612,377,354</u>
Earnings per unit	3.14			
Allocation of net income for the period				
Net income for the period after taxation		979,957,628	632,419,726	1,612,377,354
Income already paid on units redeemed		(311,522,790)	(621,242,830)	(932,765,620)
		<u>668,434,838</u>	<u>11,176,896</u>	<u>679,611,734</u>
Accounting income available for distribution				
- Relating to capital gains		32,669,504	-	32,669,504
- Excluding capital gains		635,765,334	11,176,896	646,942,230
		<u>668,434,838</u>	<u>11,176,896</u>	<u>679,611,734</u>

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH ISLAMIC SOVEREIGN FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024

	For the period from September 26, 2023 to June 30, 2024	For the period from December 13, 2023 to June 30, 2024	Total
	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	
	----- (Rupees) -----		
Net income for the period after taxation	979,957,628	632,419,726	1,612,377,354
Other comprehensive income	-	-	-
Total comprehensive income for the period	<u>979,957,628</u>	<u>632,419,726</u>	<u>1,612,377,354</u>

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH ISLAMIC SOVEREIGN FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

	For the period from September 26, 2023 to June 30, 2024	For the period from December 13, 2023 to June 30, 2024	Total
	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	
Note	----- (Rupees) -----		
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation	979,957,628	632,419,726	1,612,377,354
Adjustments for:			
Net unrealised appreciation on re-measurement of classified as 'financial assets at fair value through profit or loss' - net	5.6 (11,686,431)	(2,364,738)	(14,051,169)
Amortisation of preliminary expenses and floatation costs	214,900	-	214,900
	<u>968,486,097</u>	<u>630,054,988</u>	<u>1,598,541,085</u>
Increase in assets			
Investments - net	(3,291,461,740)	(4,021,762,679)	(7,313,224,419)
Advances, deposits, prepayments and other receivables	(121,179,135)	(128,740,934)	(249,920,069)
Preliminary expenses and floatation costs	(1,160,500)	-	(1,160,500)
	<u>(3,413,801,375)</u>	<u>(4,150,503,613)</u>	<u>(7,564,304,988)</u>
Increase in liabilities			
Payable to Alfalah Asset Management Limited - Management Company	13,698,911	23,353,154	37,052,065
Payable to Central Depository Company of Pakistan Limited - Trustee	192,787	252,636	445,423
Payable to the Securities and Exchange Commission of Pakistan	232,360	304,652	537,012
Accrued expenses and other liabilities	5,050,853	36,072,381	41,123,234
	<u>19,174,911</u>	<u>59,982,823</u>	<u>79,157,734</u>
Net cash used in operating activities	<u>(2,426,140,367)</u>	<u>(3,460,465,802)</u>	<u>(5,886,606,169)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance and conversion of units - net of refund of capital	66,134,488,948	20,537,695,495	86,672,184,443
Payments against redemption and conversion of units	(61,877,932,838)	(15,697,860,688)	(77,575,793,526)
Dividend paid	(972,243,697)	-	(972,243,697)
Net cash generated from financing activities	<u>3,284,312,413</u>	<u>4,839,834,807</u>	<u>8,124,147,220</u>
Net Increase in cash and cash equivalents during the period	<u>858,172,046</u>	<u>1,379,369,005</u>	<u>2,237,541,051</u>
Cash and cash equivalents at end of the period	<u>4 858,172,046</u>	<u>1,379,369,005</u>	<u>2,237,541,051</u>

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH ISLAMIC SOVEREIGN FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Alfalah Islamic Sovereign Fund (the Fund) is an open-end collective investment scheme established through a Trust Deed under the Sindh Trust Act, 2020, executed between Alfalah Asset Management Limited (the Management Company) and Central Depository Company of Pakistan Limited, (the Trustee). The Trust Deed was executed on August 02, 2023, and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), on August 22, 2023.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Financing Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) through a certificate issued by the SECP on February 23, 2023 which is valid for a period of three years w.e.f March 09, 2023. The registered office of the Management Company is situated at Islamic Chamber of Commerce, Industry & Agricultural Building, 2nd floor, ST-2/A, Block-9, KDA Scheme 5, Clifton Karachi.

1.2 The Fund commenced its operations from September 26, 2023. The Fund is categorised as a 'Shariah Compliant Sovereign Income Scheme' pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund are being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.

1.3 According to the trust deed, the objective of the Fund is to seek maximum possible preservation of capital and a reasonable rate of return from a portfolio of medium risk by investing in shariah compliant government securities, shariah compliant deposits and shariah compliant sukuks / commercial papers. The investment objectives and policy are explained in the Fund's offering document. Presently, the following plans are offered:

- a. Alfalah Islamic Sovereign Plan - I
- b. Alfalah Islamic Sovereign Plan - II

1.4 The Pakistan Credit Rating Agency Limited (PACRA) has assigned a "AA+(f)" stability rating to Alfalah Islamic Sovereign Fund as of December 28, 2023.

1.5 The Management Company has been assigned a quality rating of 'AM1' by VIS Credit Rating Company Limited dated December 29, 2023.

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

1.7 As per the offering document approved by the SECP, the accounting period, in case of the first such period, shall commence from the date on which the trust property is paid or transferred to the Trustee. Accordingly, these financial statements have been prepared from September 26, 2023 for AISOP - I and December 13, 2023 for AISOP - II.

1.8 These are the first financial statements of the Fund for the period from September 26, 2023 to June 30, 2024 for AISOP - I and December 13, 2023 to June 30, 2024 for AISOP - II therefore, comparative figures have not been included.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Accounting Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

2.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on September 26, 2023. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and hence, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Fund which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements.
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

2.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires the management to exercise judgment in the application of the Company's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors, including expectation of future events, that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying value of assets and liabilities. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both the current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 3.2 and 5).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention, except for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values.

2.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented unless otherwise stated.

3.1 Cash and cash equivalents

These comprise balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

3.2 Financial assets

3.2.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

3.2.2 Classification and subsequent measurement

3.2.2.1 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); and
- at fair value through profit or loss (FVPL)

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognized at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

3.2.3 Impairment (other than debt securities)

The fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost. The fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

3.2.4 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has been placed on the Management Company's website as required under the SECP's circular.

3.2.5 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset.

3.2.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss arising on derecognition of financial assets is taken to the Income Statement.

3.3 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss arising on derecognition of financial liabilities is taken to the Income Statement.

3.4 Offsetting of financial assets and financial liabilities

Financial assets and financial 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 to realise the assets and settle the liabilities simultaneously.

3.5 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.6 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in circulation at the period end.

3.7 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company / distributors receive redemption applications during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

3.8 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the period also includes portion of income already paid on units redeemed during the period.

Distributions declared subsequent to the period end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

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

Element of income represents the difference between Net Asset Value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

3.10 Revenue recognition

- Gains or losses arising on sale of investments classified as financial assets at 'fair value through profit or loss' are recognised in the income statement at the date on which the transaction takes place;
- Unrealised appreciation / (diminution) arising on revaluation of investments classified as financial assets 'at fair value through profit or loss' are recorded in the period in which these arise;
- Income on sukuk certificates, term deposit receipts, and government securities is recognised on a time proportionate basis using the effective yield method, except for the securities which are classified as Non-Performing Asset under Circular No. 33 of 2012 issued by the SECP for which the profits are recorded on cash basis; and
- Profit on savings account with banks is recognised on time proportion basis using the effective yield method.

3.11 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee of the SECP are recognised in the Income Statement on an accrual basis.

3.12 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are being amortised over a period of 5 years in accordance with the requirements set out in the Trust Deed of the Fund.

3.13 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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

3.14 Earnings / (loss) per unit

Earnings / (loss) per unit is calculated by dividing the net profit / loss of the year after taxation of the Fund by the weighted average number of units outstanding during the year.

Earnings / (loss) per unit has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

3.15 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

	Note	June 30, 2024		
		Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Total
4 BALANCES WITH BANKS		(Rupees)		
Balances with banks in savings accounts	4.1	858,172,046	1,379,369,005	2,237,541,051
		<u>858,172,046</u>	<u>1,379,369,005</u>	<u>2,237,541,051</u>

4.1 These accounts carry profit ranging from 14.75% to 19.25% for AISOP - I and 14.75% to 21.20% for AISOP - II per annum. These include amounts held with a related party (Bank Alfalah Limited) amounting to Rs. 8.28 million for AISOP - I and Rs. 9.91 million for AISOP - II on which return is earned at 14.75% for both AISOP - I and AISOP - II respectively per annum.

	Note	June 30, 2024		
		Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Total
5 INVESTMENTS		(Rupees)		
Investments - 'at fair value through profit or loss'				
Government Securities - GoP ijarah				
sukuk certificates	5.1	3,303,148,171	4,024,127,417	7,327,275,588
Islamic term deposit receipts	5.2	-	-	-
Short term sukuk certificates	5.3	-	-	-
Term deposit mudarabah	5.4	-	-	-
Bai muajjal	5.5	-	-	-
		<u>3,303,148,171</u>	<u>4,024,127,417</u>	<u>7,327,275,588</u>

5.1 Government Securities - GoP Ijarah

Alfalah Islamic Sovereign Plan - I

Name of the security	Profit payments / principal redemptions	Issue Date	Maturity Date	Coupon rate	As at September 26, 2023	Purchased during the period	Sold during the period	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised appreciation / (diminution) as at June 30, 2024	Percentage in relation to		
					----- (Face Value) -----			----- (Rupees) -----			----- % -----			
GoP Ijarah Sukuk Certificates GIS (VRR) - XXVII	Semi-annually / At maturity	January 5, 2023	January 5, 2026	Weighted average 6 months T-Bills	-	4,000,000	-	4,000,000	3,952,000	3,968,400	16,400	0.09%	0.12%	
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXIX	Semi-annually / At maturity	October 9, 2023	October 9, 2024	Weighted average 6 months T-Bills	-	1,545,400,000	1,545,400,000	-	-	-	-	-	-	
GoP Ijarah Sukuk Certificates GIS (VRR) - XLII	Semi-annually / At maturity	December 4, 2023	December 4, 2028	Weighted average 6 months T-Bills	-	1,863,000,000	767,000,000	1,096,000,000	1,090,299,254	1,097,753,600	7,454,346	25.74%	33.23%	
GoP Ijarah Sukuk Certificates GIS (VRR) - XXI	Semi-annually / At maturity	July 29, 2020	July 29, 2025	Weighted average 6 months T-Bills	-	300,000,000	300,000,000	-	-	-	-	-	-	
GoP Ijarah Sukuk Certificates GIS (VRR) - XL	Semi-annually / At maturity	December 4, 2023	December 4, 2024	Weighted average 6 months T-Bills	-	4,315,000,000	2,900,000,000	1,415,000,000	1,415,690,506	1,419,811,000	4,120,494	33.30%	42.98%	
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXV	Semi-annually / At maturity	July 12, 2023	July 12, 2024	Weighted average 6 months T-Bills	-	7,000,000	7,000,000	-	-	-	-	-	-	
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXVII	Semi-annually / At maturity	August 7, 2023	August 7, 2024	Weighted average 6 months T-Bills	-	155,000,000	155,000,000	-	-	-	-	-	-	
GoP Ijarah Sukuk Certificates GIS (VRR) - XLI	Semi-annually / At maturity	December 4, 2023	December 4, 2026	Weighted average 6 months T-Bills	-	3,990,000,000	3,990,000,000	-	-	-	-	-	-	
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXII	Semi-annually / At maturity	June 26, 2023	June 26, 2024	Weighted average 6 months T-Bills	-	500,000,000	500,000,000	-	-	-	-	-	-	
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXVIII	Semi-annually / At maturity	September 20, 2023	September 20, 2024	Weighted average 6 months T-Bills	-	508,900,000	506,000,000	2,900,000	2,886,717	2,898,840	12,123	0.07%	0.09%	
GoP Ijarah Sukuk Certificates GIS (VRR) - XXVI	Semi-annually / At maturity	July 12, 2023	July 12, 2024	Weighted average 6 months T-Bills	-	86,700,000	-	86,700,000	86,708,670	86,744,164	35,494	2.03%	2.63%	
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXII	Semi-annually / At maturity	October 9, 2023	October 9, 2024	Weighted average 6 months T-Bills	-	3,550,000,000	2,899,000,000	651,000,000	655,164,718	655,296,600	131,882	15.37%	19.84%	
GoP Ijarah Sukuk Certificates GIS (FRR) - XX	Semi-annually / At maturity	April 17, 2023	April 17, 2024	21.25%	-	113,000,000	113,000,000	-	-	-	-	-	-	
GoP Ijarah Sukuk Certificates GIS (FRR) - XXXIII	Semi-annually / At maturity	December 4, 2023	December 4, 2026	16.19%	-	75,000,000	75,000,000	-	-	-	-	-	-	
GoP Ijarah Sukuk Certificates GIS (FRR) - XXIII	Semi-annually / At maturity	June 26, 2023	June 26, 2024	21.29%	-	100,000,000	100,000,000	-	-	-	-	-	-	
GoP Ijarah Sukuk (1 year)	Semi-annually / At maturity	December 11, 2023	December 9, 2024	19.52%	-	44,625,000	5,010,000	39,615,000	36,759,875	36,675,567	(84,308)	0.86%	1.11%	
Total as at June 30, 2024										3,291,461,740	3,303,148,171	11,686,431	77.46%	100.00%

Alfalah Islamic Sovereign Plan - II

Name of the security	Profit payments / principal redemptions	Issue Date	Maturity Date	Coupon rate	As at December 13, 2023	Purchased during the period	Sold during the period	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised appreciation / (diminution) as at June 30, 2024	Percentage in relation to	
					----- (Face Value) -----			----- (Rupees) -----			----- % -----		
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXVIII	Semi-annually / At maturity	September 20, 2023	September 20, 2024	Weighted average 6 months T-Bills	-	246,000,000	65,000,000	181,000,000	181,016,555	180,927,600	(88,955)	3.31%	4.50%
GoP Ijarah Sukuk Certificates GIS (VRR) - XX	Semi-annually / At maturity	June 24, 2020	June 24, 2025	Weighted average 6 months T-Bills	-	10,000,000	-	10,000,000	10,040,000	9,976,000	(64,000)	0.18%	0.25%
GoP Ijarah Sukuk Certificates GIS (VRR) - XLI	Semi-annually / At maturity	December 4, 2023	December 4, 2026	Weighted average 6 months T-Bills	-	3,534,000,000	3,534,000,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates GIS (VRR) - XXX	Semi-annually / At maturity	April 17, 2023	April 17, 2024	Weighted average 6 months T-Bills	-	625,000,000	625,000,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXI	Semi-annually / At maturity	May 22, 2023	May 22, 2024	Weighted average 6 months T-Bills	-	400,000,000	400,000,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXVII	Semi-annually / At maturity	August 7, 2023	August 7, 2024	Weighted average 6 months T-Bills	-	75,000,000	75,000,000	-	-	-	-	-	-

Name of the security	Profit payments / principal redemptions	Issue Date	Maturity Date	Coupon rate	As at	Purchased	Sold	As at	Carrying value	Market value	Unrealised appreciation / (diminution) as at June 30, 2024	Percentage in relation to	
					December 13, 2023	during the period	during the period	June 30, 2024	as at June 30, 2024	as at June 30, 2024		net assets of the Fund	total market value of investments
					----- (Face Value) -----			----- (Rupees) -----			----- % -----		
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXII	Semi-annually / At maturity	June 26, 2023	June 26, 2024	Weighted average 6 months T-Bills	-	500,000,000	500,000,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates GIS (VRR) - XIX	Semi-annually / At maturity	May 29, 2020	May 28, 2025	Weighted average 6 months T-Bills	-	11,000,000	-	11,000,000	11,004,400	10,972,500	(31,900)	0.20%	0.27%
GoP Ijarah Sukuk Certificates GIS (VRR) - XXI	Semi-annually / At maturity	July 29, 2020	July 29, 2025	Weighted average 6 months T-Bills	-	148,000,000	-	148,000,000	149,494,800	147,940,800	(1,554,000)	2.70%	3.68%
GoP Ijarah Sukuk Certificates GIS (VRR) - XLII	Semi-annually / At maturity	December 4, 2023	December 4, 2028	Weighted average 6 months T-Bills	-	2,917,000,000	1,573,000,000	1,344,000,000	1,338,981,936	1,346,150,400	7,168,464	24.60%	33.45%
GoP Ijarah Sukuk Certificates GIS (VRR) - XXXIX	Semi-annually / At maturity	October 9, 2023	October 9, 2024	Weighted average 6 months T-Bills	-	809,000,000	800,000,000	9,000,000	9,083,988	9,026,100	(57,888)	0.16%	0.22%
GoP Ijarah Sukuk Certificates GIS (VRR) - XL	Semi-annually / At maturity	December 4, 2023	December 4, 2024	Weighted average 6 months T-Bills	-	2,400,000,000	490,000,000	1,910,000,000	1,919,741,000	1,916,494,000	(3,247,000)	35.02%	47.63%
GoP Ijarah Sukuk Certificates GIS (FRR) - XX	Semi-annually / At maturity	April 17, 2023	April 17, 2024	21.25%	-	50,000,000	50,000,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates GIS (FRR) - XXXIII	Semi-annually / At maturity	December 4, 2023	December 4, 2026	16.19%	-	30,000,000	30,000,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates GIS (FRR) - XXIII	Semi-annually / At maturity	June 26, 2023	June 26, 2024	21.29%	-	50,000,000	50,000,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates GIS (FRR) - XXXII	Semi-annually / At maturity	October 9, 2023	October 9, 2024	22.49%	-	1,866,000,000	1,466,000,000	400,000,000	402,400,000	402,640,017	240,017	7.36%	10.00%
Total as at June 30, 2024									4,021,762,679	4,024,127,417	2,364,738	73.53%	100.00%

5.1.1 The nominal value of these sukuk certificates is Rs 100,000 each except for GoP Ijarah Sukuk (1 year) which are listed on PSX and have nominal value of Rs. 5,000 each. These sukuks will mature latest by July 12, 2024 and carry profit rates ranging from 16.19% to 23.71%.

5.2 Islamic term deposit receipts

Alfalah Islamic Sovereign Plan - II

Name of investee company	Profit rate	Issue Date	Maturity date	Face value				Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised appreciation / (diminution) as at June 30, 2024	Market value as a percentage of		
				As at December 13, 2023	Purchased during the period	Matured during the period	As at June 30, 2024				net assets of the Fund	total investments of the Fund	
										----- Rupees -----		----- % -----	
Bank Alfalah Limited (A1+, PACRA) (a related party)	21.25%	December 21, 2023	March 21, 2024	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-	
Total as at June 30, 2024													

5.3 Short term sukuk certificates

Alfalah Islamic Sovereign Plan - I

Name of the security	Profit payments / principal redemptions	Face value per certificate (Rupees)	Maturity date	Profit rate	As at	Purchased	Matured	As at	Carrying value	Market value	Unrealised appreciation / (diminution) as at June 30, 2024	Market value as a percentage of		
					September 26, 2023	during the period	during the period	June 30, 2024	as at June 30, 2024	as at June 30, 2024		net assets of the Fund	total investments of the Fund	
					(Number of certificates)			(Rupees)			(%)			
Power Generation & Distribution														
Nisbat Mills Limited - Short Term Sukuk Certificate - III (A1+, PACRA)	Quarterly	1,000,000	May 23, 2024	3 months KIBOR + 0.15%	-	300	300	-	-	-	-	-	-	
Lucky Electric Power Company Limited - Short Term Sukuk Certificate - XIV (A1+, PACRA)	Quarterly	1,000,000	April 11, 2024	3 months KIBOR + 0.45%	-	300	300	-	-	-	-	-	-	
K-Electric Limited - Short Term Sukuk Certificate - XXI (A1+, PACRA)	Quarterly	1,000,000	April 24, 2024	3 months KIBOR + 0.5%	-	275	275	-	-	-	-	-	-	
The Hub Power Company Limited - Short Term Sukuk Certificate - (XII Issue) (A1+, PACRA)	Semi-annually	1,000,000	May 8, 2024	6 months KIBOR + 0.25%	-	100	100	-	-	-	-	-	-	
Total as at June 30, 2024														

5.4 Term deposit mudarabah

Alfalsh Islamic Sovereign Plan - I

Name of the investee company	Profit rate	Issue date	Maturity date	Face value				Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised appreciation / (diminution) as at June 30, 2024	Market value as a percentage of	
				As at September 26, 2023	Purchased during the period	Matured during the period	As at June 30, 2024				net assets of the Fund	total investments of the Fund
								----- (Rupees) -----			----- (%) -----	
Zarai Taraqati Bank Limited (A-1+, VIS)	21.25%	October 23, 2023	October 26, 2023	-	500,000,000	500,000,000	-	-	-	-	-	-
Zarai Taraqati Bank Limited (A-1+, VIS)	21.20%	October 26, 2023	October 27, 2023	-	900,000,000	900,000,000	-	-	-	-	-	-
Zarai Taraqati Bank Limited (A-1+, VIS)	21.20%	November 8, 2023	November 10, 2023	-	900,000,000	900,000,000	-	-	-	-	-	-
Zarai Taraqati Bank Limited (A-1+, VIS)	21.25%	November 17, 2023	November 24, 2023	-	1,500,000,000	1,500,000,000	-	-	-	-	-	-
Zarai Taraqati Bank Limited (A-1+, VIS)	21.25%	November 27, 2023	November 30, 2023	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
Total as at June 30, 2024								-	-	-	-	-

5.5 Bai muajjal

Alfalsh Islamic Sovereign Plan - I

Name of investee company	Maturity Date	Yield	Number of certificates			
			As at September 26, 2023	Purchased during the period	Sold during the period	As at June 30, 2024
						----- Rupees -----
Pak Oman Investment Company Limited	April 26, 2024	21.10%	-	451,419,328	451,419,328	-
Total as at June 30, 2024			-	451,419,328	451,419,328	-

Note

June 30, 2024		
Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Total
----- (Rupees) -----		

5.6 Net unrealised appreciation on remeasurement of investments classified as financial assets at fair value through profit or loss' - net

Market value of investment	5.1, 5.2, 5.3, 5.4 & 5.5	3,303,148,171	4,024,127,417	7,327,275,588
Less: carrying value of investments	5.1, 5.2, 5.3, 5.4 & 5.5	(3,291,461,740)	(4,021,762,679)	(7,313,224,419)
		<u>11,686,431</u>	<u>2,364,738</u>	<u>14,051,169</u>

6 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Security deposit with Central Depository Company of Pakistan Limited - Trustee		-	100,000	100,000
Profit receivable on:				
Balances with banks	6.1	22,887,551	35,876,284	58,763,835
Government Securities - GoP ijarah sukuk certificates		80,144,656	91,959,712	172,104,368
		103,032,207	127,835,996	230,868,203
Prepaid rating fee		183,849	-	183,849
Advance tax	6.2	17,963,079	804,938	18,768,017
		<u>121,179,135</u>	<u>128,740,934</u>	<u>249,920,069</u>

- 6.1 These include an amount due from a related party (Bank Alfalah Limited) amounting to Rs. 0.0469 million by AISOP - I and Rs. 0.1026 million by AISOP - II.
- 6.2 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 150 and 151. However, withholding tax on profit on balances with banks and debt instruments paid to the Fund has been deducted by various withholding agents based on the interpretation issued by FBR vide its letter C. no.1(43) DG (WHT)/2008-Vol.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on profit on balances with banks and debt instruments amounts to Rs. 17.963 million for AISOP - I and Rs. 0.805 million for AISOP - II.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan (SCP) by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the SCP granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit on balances with banks and debt instruments has been shown as advance tax under assets as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source is likely to be refunded.

		June 30, 2024		
		Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Total
7	PRELIMINARY EXPENSES AND FLOATATION COSTS	(Rupees)		
	Preliminary expenses and floatation costs capitalised after commencement of operations	1,160,500	-	1,160,500
	Less: amortised during the period	(214,900)	-	(214,900)
	Balance as at period end	945,600	-	945,600

- 7.1 Preliminary expenses and floatation costs represents expenditure incurred prior to the commencement of operations of the Fund. These costs are being amortised over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the NBFC Regulations.

		June 30, 2024		
		Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Total
8	PAYABLE TO ALFALAH ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY	(Rupees)		
	Remuneration payable	2,953,292	3,821,804	6,775,096
	Sindh Sales Tax payable on remuneration of the Management Company	383,928	496,835	880,763
	Allocated expenses payable	10,361,691	19,034,187	29,395,878
	Sales load payable	-	328	328
		13,698,911	23,353,154	37,052,065

- 8.1 As per Regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the following rates during the period ended June 30, 2024:

AISOP - I

Rate applicable from September 26, 2023 to March 20, 2024	Rate applicable from March 21, 2024 to May 31, 2024	Rate applicable from June 01, 2024 to June 11, 2024	Rate applicable from June 12, 2024 to June 30, 2024
0.61% per annum of the average annual net assets of the Fund	0.48% per annum of the average annual net assets of the Fund	0.62% per annum of the average annual net assets of the Fund	1.08% per annum of the average annual net assets of the Fund

AISOP - II

Rate applicable from December 14, 2023 to March 20, 2024	Rate applicable from March 21, 2024 to May 31, 2024	Rate applicable from June 01, 2024 to June 11, 2024	Rate applicable from June 12, 2024 to June 30, 2024
0.61% per annum of the average annual net assets of the Fund	0.5% per annum of the average annual net assets of the Fund	0.64% per annum of the average annual net assets of the Fund	1.08% per annum of the average annual net assets of the Fund

The remuneration is payable to the Management Company monthly in arrears.

8.2 During the period, an amount of Rs. 3.50 million in AISOP - I and Rs. 2.61 million in AISOP - II was charged on remuneration of the Management Company levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% for both AISOP - I and AISOP - II.

8.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses for registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company, based on its own discretion, has charged such expenses at the rate of 1.02% for AISOP I and 0.67% for AISOP II respectively, subject to total expense charged being lower than actual expense incurred.

8.4 During the year, the Securities and Exchange Commission of Pakistan (SECP) carried out onsite inspection of the Management Company and inspected, among other matters, the mechanism of chargeability of allocated expenses to the funds under its management. As a result of this inspection, SECP raised certain observations relating to the chargeability of such expenses by the Management Company to the funds under its management. The Management Company has responded to the observations highlighted by the SECP and the management is engaged with SECP in this regard. Accordingly, the impact of the SECP's observations on the financial statements, if any, is not determinable as at the reporting date.

		June 30, 2024		
		Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Total
9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	(Rupees)		
	Remuneration payable to the Trustee	170,608	223,572	394,180
	Sindh Sales Tax payable on remuneration of the Trustee	22,179	29,064	51,243
		<u>192,787</u>	<u>252,636</u>	<u>445,423</u>

9.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. During the period, the Trustee has charged remuneration at the rate of 0.055% per annum of average daily net assets for both AISOP - I and AISOP - II.

9.2 During the period, an amount of Rs. 0.362 million in AISOP - I and Rs. 0.258 million in AISOP - II was charged on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% for both AISOP - I and AISOP - II.

		June 30, 2024		
		Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Total
10	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	(Rupees)		
	Fee payable	232,360	304,652	537,012

10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.075% per annum of the daily net assets during the period ended June 30, 2024 for both AISOP - I and AISOP - II.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the Fund was required to pay SECP fee within three months of the close of accounting year.

		June 30, 2024		
		Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Total
11	ACCRUED EXPENSES AND OTHER LIABILITIES	(Rupees)		
	Withholding tax payable	2,695,613	35,687,459	38,383,072
	Transaction charges payable	671,404	262,875	934,279
	Dividend payable	16,762	-	16,762
	Auditors' remuneration payable	501,799	71,996	573,795
	Printing charges payable	4,724	5,765	10,489
	Rating fee payable	-	44,286	44,286
	Settlement charges payable	51	-	51
	Other payables	1,160,500	-	1,160,500
		<u>5,050,853</u>	<u>36,072,381</u>	<u>41,123,234</u>

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024.

June 30, 2024		
Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Total
----- (Rupees) -----		
Annual audit fee	218,983	281,017
Fee for other certifications	65,695	84,305
Out of pocket expenses	28,468	36,532
	313,146	401,854
Sindh Sales Tax	25,052	32,148
	338,198	715,000
		772,200

13 AUDITORS' REMUNERATION

Annual audit fee
Fee for other certifications
Out of pocket expenses

Sindh Sales Tax

14 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the period as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company has distributed at least 90% of the Fund's accounting income for the period ended June 30, 2024 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore no provision for taxation has been made in these financial statements.

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

15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of AISOP - I for the period ended June 30, 2023 is 1.77% and of AISOP - II is 1.44% which includes 0.21% for AISOP - I and 0.29% for AISOP - II representing government levies on the Fund such as Sales Taxes, fee to the SECP etc. This ratio is within the maximum limit of 2.5% (excluding government levies) prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Income Scheme'.

16 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Alfalah Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee of the Fund, Bank Alfalah Limited, Alfalah CLSA Securities (Private) Limited, MAB Investment Incorporated, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund, Alfalah GHP Investment Management Limited - Staff Provident Fund being the associates of the Management Company, Funds under management of the Management Company and directors and their close family members and key management personnel of the Management Company. Connected persons also includes any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

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

Remunerations to the Management Company and the Trustee of the Fund are determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.

Remuneration to the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

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

16.1 Unit Holders' Fund

For the period from September 26, 2023 to June 30, 2024									
	Issued for cash / conversion in / transfer in	Bonus / Dividend Reinvestment	Redeemed / conversion out / transfer out	As at June 30, 2024	Issued for cash / conversion in / transfer in	Bonus / Dividend Reinvestment	Redeemed / conversion out / transfer out	As at June 30, 2024	
Note	(Units)				(Rupees)				
Alfalsh Islamic Sovereign Plan - I :									
Associated companies / undertakings									
Alfalsh GHP Islamic Active Allocation Plan - II	16.1.1	124,206	4,290	99,605	28,891	12,500,000	429,003	10,000,000	2,894,349
Alfalsh Asset Management Limited	16.1.1	8,055,589	210,164	8,265,753	-	807,445,183	21,016,435	829,198,715	-
Alfalsh Insurance Company Limited	16.1.1	1,778,670	-	1,778,670	-	178,942,335	-	179,708,408	-
Key management personnel									
Fund Manager - Equities	16.1.1	46,279	278	46,557	-	4,662,671	27,809	4,686,114	-
Business Head Retail Sales	16.1.1	3,277	69	3,346	-	330,000	6,893	335,499	-
Senior Executive Vice President	16.1.1	31,011	1,184	32,195	-	3,130,020	118,379	3,230,061	-
Head of Fixed Income	16.1.1	16,974	-	16,962	12	1,701,207	50	1,710,863	1,202
Head of Research	16.1.1	57,678	1,967	59,643	2	5,778,261	196,686	5,972,913	200
Regional Sales Manager - Peshawar	16.1.1	982	28	1,010	-	100,000	2,841	101,579	-
Chief Strategy Officer	16.1.1	8,950	380	9,330	-	900,019	37,956	935,142	-
Senior Executive Vice President	16.1.1	174	15	-	189	17,432	1,537	-	18,934
Chief Financial Officer	16.1.1	67,126	504	67,630	-	6,758,454	50,417	6,797,129	-
Vice President Compliance	16.1.1	736	68	804	-	75,000	6,835	80,468	-
Unit holder holding 10% or more units	16.1.1	38,441,994	875,993	2,893,058	36,424,929	3,849,839,866	87,604,282	289,283,505	3,649,111,310

For the period from December 13, 2023 to June 30, 2024									
	Issued for cash / conversion in / transfer in	Bonus / Dividend Reinvestment	Redeemed / conversion out / transfer out	As at June 30, 2024	Issued for cash / conversion in / transfer in	Bonus / Dividend Reinvestment	Redeemed / conversion out / transfer out	As at June 30, 2024	
Note	(Units)				(Rupees)				
Alfalsh Islamic Sovereign Plan - II :									
Associated companies / undertakings									
Alfalsh Asset Management Limited	16.1.1	8,375,902	-	8,350,062	25,840	861,798,293	-	876,285,093	2,839,612
Key management personnel									
Head of Fixed Income	16.1.1	17,151	-	17,101	50	1,716,298	-	1,759,783	5,495
Head of Research	16.1.1	169,224	-	84,664	84,560	18,462,639	-	9,283,171	9,292,476
Senior Executive Vice President	16.1.1	29,039	-	24,132	4,907	2,944,625	-	2,447,575	539,241
Head of Investor Relations	16.1.1	14,521	-	14,521	-	1,458,222	-	1,496,631	-
Unit holder holding 10% or more units		54,288,103		27,261,805	27,026,298	5,835,875,057		2,967,028,033	2,969,976,642

16.1.1 This reflects the position of related party / connected persons status as at June 30, 2024.

16.2 Transaction during the period

Associated Companies / Undertakings	For the period from September 26, 2023 to June 30, 2024	For the period from December 13, 2023 to June 30, 2024	Total
	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	
(Rupees)			
Alfalsh Asset Management Limited - Management Company			
Remuneration of Alfalsh Asset Management Limited - Management Company	26,957,811	20,076,803	47,034,614
Sindh Sales Tax on remuneration of the Management Company	3,504,515	2,609,984	6,114,499
Allocated expenses	50,247,395	24,059,187	74,306,582

	For the period from September 26, 2023 to June 30, 2024	For the period from December 13, 2023 to June 30, 2024	Total
	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	
----- (Rupees) -----			
Bank Alfalah Limited			
Profit on balances with bank	34,924,332	13,853,605	48,777,937
Bank charges	31,815	2,374	34,189
GoP Ijara sukuks - purchased	8,825,000,000	1,275,000,000	10,100,000,000
GoP Ijara sukuks - sold	1,234,000,000	1,275,000,000	2,509,000,000
Term deposit receipts - matured		1,000,000,000	1,000,000,000
Profit on Islamic term deposit receipts	-	24,402,744	24,402,744
Other related party			
Central Depository Company of Pakistan Limited - Trustee			
Remuneration of Central Depository Company of Pakistan Limited - Trustee	2,787,554	1,990,021	4,777,575
Sindh Sales Tax on remuneration of the Trustee	362,382	258,703	621,085

16.3 Balances outstanding during the period

	June 30, 2024		Total
	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	
----- (Rupees) -----			
Associated Companies / Undertakings			
Alfalah Asset Management Limited - Management Company			
Remuneration payable	2,953,292	3,821,804	6,775,096
Sindh Sales Tax payable on remuneration of the Management Company	383,928	496,835	880,763
Allocated expenses payable	10,361,691	19,034,187	29,395,878
Sales load payable	-	328	328
Bank Alfalah Limited			
Balances with banks	8,282,174	9,909,006	18,191,180
Profit receivable on bank balances	46,867	102,561	149,428
GoP Ijara sukuks	7,591,000,000	-	7,591,000,000
Other related party			
Central Depository Company of Pakistan Limited - Trustee			
Remuneration payable to the Trustee	2,787,554	1,990,021	4,777,575
Sindh Sales Tax payable on remuneration of the Trustee	362,382	258,703	621,085

17 FINANCIAL INSTRUMENTS BY CATEGORY

The financial assets and liabilities carried on the statement of assets and liabilities are categorised as follows:

17.1 Alfalah Islamic Sovereign Plan - I

Particulars	As at June 30, 2024		Total
	At amortised cost	At fair value through profit or loss	
----- Rupees -----			
Financial assets			
Balances with banks	858,172,046	-	858,172,046
Investments	-	3,303,148,171	3,303,148,171
Profit receivable	103,032,207	-	103,032,207
	<u>961,204,253</u>	<u>3,303,148,171</u>	<u>4,264,352,424</u>

Particulars	As at June 30, 2024		
	At amortised cost	At fair value through profit or loss	Total
----- Rupees -----			
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	13,698,911	-	13,698,911
Payable to Central Depository Company of Pakistan Limited - Trustee	192,787	-	192,787
Accrued expenses and other liabilities	1,194,740	-	1,194,740
	<u>15,086,438</u>	<u>-</u>	<u>15,086,438</u>

17.2 Alfalah Islamic Sovereign Plan - II

Particulars	As at June 30, 2024		
	At amortised cost	At fair value through profit or loss	Total
----- Rupees -----			
Financial assets			
Balances with banks	1,379,369,005	-	1,379,369,005
Investments	-	4,024,127,417	4,024,127,417
Deposits and other receivable	127,935,996	-	127,935,996
	<u>1,507,305,001</u>	<u>4,024,127,417</u>	<u>5,531,432,418</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	23,353,154	-	23,353,154
Payable to Central Depository Company of Pakistan Limited - Trustee	252,636	-	252,636
Accrued expenses and other liabilities	384,922	-	384,922
	<u>23,990,712</u>	<u>-</u>	<u>23,990,712</u>

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

18.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal risk management policies and investment guidelines approved by the Investment Committee and the regulations laid down by the SECP.

Market risk comprises of three types of risks: profit rate risk, currency risk, and price risk.

(i) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2024, the Fund is exposed to such risk on its balances held with banks and investments in debt instruments. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits. The profit rate profile of the Fund's profit bearing financial instruments, as at June 30, 2024, is as follows:

Variable rate instruments (financial assets)

	June 30, 2024		Total
	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	
Bank balances	858,172,046	1,379,369,005	2,237,541,051
Government Securities - GoP ijarah sukuk certificates	3,266,472,604	3,621,487,400	6,887,960,004
	<u>4,124,644,650</u>	<u>5,000,856,405</u>	<u>9,125,501,055</u>

Fixed rate instruments (financial assets)

	June 30, 2024		Total
	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	
Government Securities - GoP ijarah sukuk certificates	36,675,567	402,640,017	439,315,584
	<u>36,675,567</u>	<u>402,640,017</u>	<u>439,315,584</u>

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds PKISRV based Government of Pakistan Ijara sukuku and KIBOR based bank balances which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the period and net assets of the Fund would have been higher / lower by Rs. 41.246 million for AISOP - I and by Rs. 50.008 million for AISOP - II, respectively. The analysis assumes that all other variables remain constant.

The composition of the Fund's investment portfolio, profit rates and the rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

Alfalah Islamic Sovereign Plan - I

Particulars	Effective profit rate (%)	June 30, 2024				Total
		Exposed to profit rate risk			Not exposed to profit rate risk	
		Up to three months	More than three months and up to one year	More than one year		
(Rupees)						
Financial assets						
Bank balances	12.75% - 20.13%	858,172,046	-	-	-	858,172,046
Investments	16.19% - 23.71%	89,643,004	2,075,107,600	1,101,722,000	36,675,567	3,303,148,171
Deposits and other receivable		-	-	-	103,032,207	103,032,207
Sub total		947,815,050	2,075,107,600	1,101,722,000	139,707,774	4,264,352,424
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	13,698,911	13,698,911
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	192,787	192,787
Accrued expenses and other liabilities		-	-	-	1,194,740	1,194,740
Sub total		-	-	-	15,086,438	15,086,438
On-balance sheet gap (a)		947,815,050	2,075,107,600	1,101,722,000	124,621,336	4,249,265,986
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		947,815,050	2,075,107,600	1,101,722,000		
Cumulative profit rate sensitivity gap		947,815,050	3,022,922,650	4,124,644,650		

Alfalah Islamic Sovereign Plan - II

Particulars	June 30, 2024					
	Effective profit rate (%)	Exposed to profit rate risk			Not exposed to profit rate risk	Total
		Up to three months	More than three months and up to one year	More than one year		
(Rupees)						
Financial assets						
Bank balances	13.00% - 20.13%	1,379,369,005	-	-	-	1,379,369,005
Investments	16.19% - 23.71%	180,927,600	1,946,468,600	1,494,091,200	402,640,017	4,024,127,417
Profit receivable		-	-	-	127,935,996	127,935,996
Sub total		<u>1,560,296,605</u>	<u>1,946,468,600</u>	<u>1,494,091,200</u>	<u>530,576,013</u>	<u>5,531,432,418</u>
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	23,353,154	23,353,154
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	252,636	252,636
Accrued expenses and other liabilities		-	-	-	384,922	384,922
Sub total		<u>-</u>	<u>-</u>	<u>-</u>	<u>23,990,712</u>	<u>23,990,712</u>
On-balance sheet gap (a)		<u>1,560,296,605</u>	<u>1,946,468,600</u>	<u>1,494,091,200</u>	<u>506,585,301</u>	<u>5,507,441,706</u>
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total profit rate sensitivity gap (a) + (b)		<u>1,560,296,605</u>	<u>1,946,468,600</u>	<u>1,494,091,200</u>		
Cumulative profit rate sensitivity gap		<u>1,560,296,605</u>	<u>3,506,765,205</u>	<u>5,000,856,405</u>		

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Equity price risk is the risk that the fair value of equity instruments decreases as a result of changes in the level of equity indices and the value of individual stocks. The Fund does not hold any instruments that expose it to price risk (other than those arising from profit rate risk or currency risk) as of June 30, 2024.

18.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, 2008, the Fund can borrow in the short-term to ensure settlement subject to the maximum limit which is fifteen percent of the net assets up to 90 days and would be secured by the assets of the Fund. However, no borrowing was required to be obtained by the Fund during the year.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day.

Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemption requests during the year.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including balances with banks have been included in the maturity grouping of one month:

18.2.1 Alfalah Islamic Sovereign Plan - I

June 30, 2024						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees)						
Financial assets						
Balances with banks	858,172,046	-	-	-	-	858,172,046
Investments	-	89,643,004	2,075,107,600	1,101,722,000	36,675,567	3,303,148,171
Profit receivable	103,032,207	-	-	-	-	103,032,207
	961,204,253	89,643,004	2,075,107,600	1,101,722,000	36,675,567	4,264,352,424
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company	13,698,911	-	-	-	-	13,698,911
Payable to Central Depository Company of Pakistan Limited - Trustee	192,787	-	-	-	-	192,787
Accrued expenses and other liabilities	692,941	501,799	-	-	-	1,194,740
	14,584,639	501,799	-	-	-	15,086,438
Net financial assets	946,619,614	89,141,205	2,075,107,600	1,101,722,000	36,675,567	4,249,265,986

18.2.2 Alfalah Islamic Sovereign Plan - II

June 30, 2024						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees)						
Financial assets						
Balances with banks	1,379,369,005	-	-	-	-	1,379,369,005
Investments	-	180,927,600	1,946,468,600	1,494,091,200	402,640,017	4,024,127,417
Profit receivable	127,935,996	-	-	-	-	127,935,996
	1,507,305,001	180,927,600	1,946,468,600	1,494,091,200	402,640,017	5,531,432,418
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company	23,353,154	-	-	-	-	23,353,154
Payable to Central Depository Company of Pakistan Limited - Trustee	252,636	-	-	-	-	252,636
Accrued expenses and other liabilities	384,922	-	-	-	-	384,922
	23,990,712	-	-	-	-	23,990,712
Net financial assets	1,483,314,289	180,927,600	1,946,468,600	1,494,091,200	402,640,017	5,507,441,706

18.3 Credit risk

18.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. Credit risk arises from deposits with banks and financial institutions, profit receivable on bank deposits, credit exposure arising as a result of investment in debt securities, profit receivable on debt securities and receivable against conversion of units.

Credit risk arising on the debt instruments other than government securities is mitigated by investing in rated instruments or instruments issued by rated counterparties of credit ratings of at least investment grade by the recognised rating agencies. The Fund receives a monthly rating update, against which investments are reviewed. The Fund, however, also invests in unrated instruments based on internal ratings assigned by the Fund manager using an approach that is consistent with the approach used by the rating agencies. Credit risk arising on other financial assets is monitored through a regular analysis of financial position of brokers and other parties. In accordance with the risk management policy of the Fund, the investment manager monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

The table below analyses the Fund's maximum exposure to credit risk:

	June 30, 2024	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- (Rupees) -----		
18.3.1.1 Alfalah Islamic Sovereign Plan - I		
Balances with banks	858,172,046	858,172,046
Investments	3,303,148,171	-
Advances, deposits, prepayments and other receivables	121,179,135	41,034,479
	<u>4,282,499,352</u>	<u>899,206,525</u>
18.3.1.2 Alfalah Islamic Sovereign Plan - II		
Balances with banks	1,379,369,005	1,379,369,005
Investments	4,024,127,417	-
Advances, deposits, prepayments and other receivables	128,740,934	36,781,222
	<u>5,532,237,356</u>	<u>1,416,150,227</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets. Investment in government securities and related profit receivable, however, are not exposed to credit risk and have been excluded from the above analysis as these are guaranteed by the Government of Pakistan.

18.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks and related profit receivable thereon. The credit rating profile of balances with banks is as follows:

Alfalah Islamic Sovereign Plan - I

Banks	Rating agency	Rating (Short term / long term)	% of bank balances exposed to credit risk
Bank Al Habib Limited	PACRA	A1+ / AAA	0.12%
Bank Alfalah Limited	PACRA	A1+ / AA+	0.97%
Faysal Bank Limited	PACRA	A1+ / AA	98.91%
			<u>100.00%</u>

Alfalah Islamic Sovereign Plan - II

Banks	Rating agency	Rating (Short term / long term)	% of bank balances exposed to credit risk
Bank Alfalah Limited	PACRA	A1+ / AA+	0.72%
Bank Al Habib Limited	PACRA	A1+ / AAA	0.01%
Faysal Bank Limited	PACRA	A1+ / AA	21.05%
MCB Islamic Bank Limited	PACRA	A1+ / AAA	78.22%
			<u>100.00%</u>

Above ratings are on the basis of available ratings assigned by PACRA as at June 30, 2024.

Ratings of investments have been disclosed in related notes to these financial statements. Since, the assets of the Fund are held with credit worthy counterparties, therefore any significant credit risk is mitigated.

18.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2024 are unsecured and are not impaired.

19 FAIR VALUE MEASUREMENT

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

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

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

Fair value hierarchy

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

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: 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); and

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

As at June 30, 2024 the Fund held the following financial instruments measured at fair values:

Alfalah Islamic Sovereign Plan - I

	----- June 30, 2024 -----			
	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
Investments 'at fair value through profit or loss'				
Government Securities - GoP ijarah	-	3,303,148,171	-	3,303,148,171
	<u>-</u>	<u>3,303,148,171</u>	<u>-</u>	<u>3,303,148,171</u>

Alfalah Islamic Sovereign Plan - II

	----- June 30, 2024 -----			
	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
Investments 'at fair value through profit or loss'				
Government Securities - GoP ijarah	-	4,024,127,417	-	4,024,127,417
	<u>-</u>	<u>4,024,127,417</u>	<u>-</u>	<u>4,024,127,417</u>

During the period ended June 30, 2024, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

20 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 18, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

21 DISTRIBUTIONS MADE

Particulars	Date of declaration	Per unit distribution	Capital value	Undistributed income
----- (Rupees) -----				
1st interim distribution for the period ended June 30, 2024	October 3, 2023	0.7353	-	808,830
2nd interim distribution for the period ended June 30, 2024	November 2, 2023	1.9714	95,721,043	34,203,618
3rd interim distribution for the period ended June 30, 2024	November 9, 2023	0.4258	24,214,588	13,662,322
4th interim distribution for the period ended June 30, 2024	November 16, 2023	0.4075	21,998,442	22,764,450
5th interim distribution for the period ended June 30, 2024	November 30, 2023	0.7997	70,994,162	61,184,297
6th interim distribution for the period ended June 30, 2024	December 15, 2023	0.9356	35,095,992	73,127,717
7th interim distribution for the period ended June 30, 2024	December 21, 2023	0.3105	7,305,888	26,780,458
8th interim distribution for the period ended June 30, 2024	December 28, 2023	0.2885	3,819,498	28,625,969
9th interim distribution for the period ended June 30, 2024	January 11, 2024	0.7564	8,760,397	80,448,708
10th interim distribution for the period ended June 30, 2024	January 18, 2024	0.4046	4,414,804	33,011,444
11th interim distribution for the period ended June 30, 2024	January 30, 2024	0.6172	5,158,187	51,789,962
12th interim distribution for the period ended June 30, 2024	February 15, 2024	0.8170	14,155,366	43,967,566
13th interim distribution for the period ended June 30, 2024	February 29, 2024	0.2528	1,463,941	8,845,842
14th interim distribution for the period ended June 30, 2024	March 7, 2024	0.3342	1,793,628	10,785,415
15th interim distribution for the period ended June 30, 2024	March 14, 2024	0.3532	1,003,895	11,908,267
16th interim distribution for the period ended June 30, 2024	March 21, 2024	0.3162	1,086,421	9,991,522
17th interim distribution for the period ended June 30, 2024	March 28, 2024	0.3429	842,643	10,902,562
18th interim distribution for the period ended June 30, 2024	April 4, 2024	0.3446	1,192,202	10,787,693
19th interim distribution for the period ended June 30, 2024	April 18, 2024	0.6766	3,150,874	21,879,570
20th interim distribution for the period ended June 30, 2024	April 25, 2024	0.3307	710,211	10,567,836
21th interim distribution for the period ended June 30, 2024	May 9, 2024	0.6304	1,920,760	20,445,306
22th interim distribution for the period ended June 30, 2024	May 16, 2024	0.2408	402,435	7,302,560
23th interim distribution for the period ended June 30, 2024	May 23, 2024	0.3812	765,785	11,383,108
24th interim distribution for the period ended June 30, 2024	May 30, 2024	0.3322	535,667	9,319,167
25th interim distribution for the period ended June 30, 2024	June 6, 2024	0.4055	617,044	11,336,361
26th interim distribution for the period ended June 30, 2024	June 13, 2024	0.4376	772,358	11,821,983
27th interim distribution for the period ended June 30, 2024	June 22, 2024	0.4180	1,669,489	16,049,213
28th interim distribution for the period ended June 30, 2024	June 27, 2024	0.2110	393,138	8,583,096
For the period ended June 30, 2024			309,958,858	662,284,839

22 SUPPLEMENTARY NON FINANCIAL INFORMATION

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

23 GENERAL

Figures have been rounded off to the nearest Pakistani rupee, unless otherwise stated.

24 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 30, 2024** by the Board of Directors of the Management Company.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



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

(i) UNIT HOLDING PATTERN OF THE FUND

Islamic Sovereign Fund Plan-1

Category	As at 30 June 2024			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	297	761,794	76,317,825	2%
Associated Co./ Directors	-	-	-	0%
Insurance Co.	4	38,816	3,888,636	0%
Retirement & Other Funds	15	4,066,678	407,406,667	10%
Others	26	37,698,072	3,776,656,912	89%
	342	42,565,360	4,264,270,041	100%

Islamic Sovereign Fund Plan-2

Category	As at 30 June 2024			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	131	47,788,866	5,251,618,820	112%
Associated Co./ Directors	1	25,840	2,839,611	0%
Banks/Dfis	-	-	-	0%
Insurance Co.	-	-	-	0%
Retirement & Other Funds	4	198,249	21,786,006	0%
Others	6	1,783,675	196,010,095	4%
	142	49,796,630	5,472,254,532	117%

(ii) TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

	30 June 2024	
	AISOVF-I	AISOVF-II
Alfalah CLSA Securities Pvt Limited	56.03%	30.99%
Continental Exchange Pvt Limited	17.61%	29.89%
JS Global Capital Pvt Limited	8.28%	-
C&M Management Pvt Limited	7.99%	5.70%
ICON Management Limited	7.24%	19.21%
Bright Capital (Pvt) Limited	2.85%	8.21%
Summit Capital (Pvt) Limited	-	6.00%

(iii) **PARTICULARS OF MEMBERS OF THE INVESTMENT COMMITTEE**

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

Khaldoon Bin Latif	Chief Executive Officer
Ayub Khuhro	Chief Investment Officer
Faisal Ali Khan	Chief Financial Officer
Shariq Mukhtar Hashmi	Chief Compliance Officer
Mustafa Kamal	Head of Fixed Income
Muddasir Ahmed Shaikh	Head of Equities
Shams-ud-din Shah, CFA, FCCA	Head of Research
Omar Mukhtar	Head of Risk
Salman Jawaid	Fund Manager Fixed Income Funds
Anil Kumar, CFA	Fund Manager Equity Funds

Khaldoon Bin Latif-Chief Executive Officer

Mr. Latif has been associated with the capital markets for over 18 years, with both domestic and international experience providing a comprehensive blend. Prior to joining Alfalah Investments, Mr. Khaldoon was associated with Faysal Asset Management Limited as its Chief Executive Officer (CEO) and under his leadership, Faysal Asset Management has achieved significant growth during his tenure and transformed into major industry player. Earlier he was associated with BMA Asset Management Company Limited as its CEO, JS Investments Limited as its Chief Investment Officer (CIO) and KASB Funds Limited as its CEO. Before KASB Funds he was the General Manager and Director of TSWLL Bahrain, a wholly owned subsidiary of TAIB Bank BSC, where he headed their brokerage, asset management, custody and advisory operations.

He has been a member of the Mutual Fund Association for over six years and has been the Vice Chairman from FY2021-22. He is also a non-executive director on a bank holding company out of Bahrain, IIBank LLC, that has operations in Africa and Europe. He is a former board member of TRG and Pace Pakistan. In addition to this, he brings both buy and sell side exposure of domestic capital markets in Pakistan. He began his career on the sell side with AKD Securities Ltd in various capacities including Head of Foreign Institutional Sales and Equity Research in the capacity of Head of Research and Chief Economist. On the buy side, he has worked with PICIC AMC as Head of Research and Product Development where his tenor also included active management of the PICIC Energy Fund.

Mr. Latif is a LUMS Alumni and has done a number of capital market courses with CFA association, Daiwa, J.P. Morgan and Bahrain Institute of Banking and Finance (BIBF). He has also completed his Director certification program from IBA.

Mr. Ayub Khoro – Chief Investment Officer

Muhammad Ayub Khuhro brings over 15 years of extensive experience in the banking and asset management industry to his role as Chief Investment Officer at Alfalah Investments. Prior to joining the company, he served as Chief Investment Officer at Faysal Asset Management Limited (FAML), where he played a pivotal role in revitalizing the investment process, fund management teams, and research department. His strategic initiatives significantly contributed to FAML's unprecedented growth and its ability to adapt to evolving market dynamics. Mr. Khuhro's career journey began at Pak Oman AMC in the research division, followed by a role as Research Head in the Equity Capital Markets Division at Faysal Bank Limited. His responsibilities included managing an equity portfolio valued at over USD 80 million and providing comprehensive research insights to support the Investment Committee's decision-making process. Additionally, he played a key role in IPOs and private equity valuations for the bank. With a Bachelor's degree in Economics from Lahore University of Management Sciences (LUMS), Mr. Khuhro possesses a deep understanding of equity, fixed income, and money market investments. His expertise extends to strategic and tactical asset allocations, driven by thorough research and evaluation of historical performance across multiple asset classes and instruments.

Faisal Ali Khan-Chief Financial Officer

Faisal Ali Khan is serving as Chief Financial Officer of Alfalah Investments and prior to joining he was associated with Faysal Funds where he served as CFO and Company Secretary. In past he has worked with reputed financial sector organizations including BMA Funds, Saudi Pak Industrial and Agricultural Company (Pvt.) Ltd, Attock Refinery Limited and KPMG. Mr. Khan is a fellow member of the Institute of Chartered Accountant of Pakistan having a professional experience of over nineteen years ranging from financial reporting, regulatory compliance, budgeting and taxation to corporate and secretarial practices including 15 years of experience in the asset management and investment advisory industry.

Mr. Shariq Mukhtar Hashmi – Chief Compliance Officer

Mr. Hashmi holds a diversified experience of over 11 years with various private sector enterprises of repute. He joined IGI Funds Limited (which subsequently merged into Alfalah GHP Investment Management Limited in Oct. 2013) in 2010 to lead the back office function as Head of Operations & Settlements. His association has continued, post-merger, as Head of Compliance & Risk Management. He has previously served National Asset Management Company as Head of Internal Audit and Feroze Sharif Tariq & Co Chartered Accountants in various capacities. He has also headed the Internal Audit Department of the Company. Mr. Hashmi is a qualified Accountant from the Association of Chartered Certified Accountants, UK and holds MBA degree in Finance from SZABIST University. He is also enrolled for Financial Risk Manager Certification of Global Association of Risk Professionals; USA.

Mr. Muddasir Ahmed Shaikh -- Head of Equities

Mr. Shaikh is heading the Equity Investments team at Alfalah Investments. He has been an integral part of the team since 2007 and holds about two decades of professional experience. He joined the Investment Management Industry in 2004, right after his graduation with an MBA degree. Over the years, he has served various public and private financial institutions of repute. He started his career as Research Analyst and has progressed over the year to higher levels in portfolio management.

Mr. Shaikh is an Alumni of the prestigious Institute of Business Administration, Karachi (IBA).

Mr. Shams-ud-din Shah - Head of Research

Mr. Shams is a CFA charter holder and member of ACCA. He holds +8 years of experience in financial service industry and has been associated with Alfalah since June 2017. He leads the Research Department and aptly covers Economy, Ban. ks, Construction and Material sectors along with supervision and professional development of other research analysts in the team. His hard work, strong analytical skills and thorough understanding of the economy and sector dynamics have earned him recognition and rendered effective support to the Portfolio Management function.

Mr. Mustafa Kamal - Head of Fixed Income

"Mr. Mustafa Kamal has more than 18 years of work experience in the investment management profession out of which he has been associated with the Mutual Fund Industry for over 15 years. Prior to joining Alfalah Investments, he was working as a Chief Investment Officer with Pak Oman Asset Management Limited. Over the years, he has worked at companies like Askari Investments, National Fullerton Asset Management, Crescent Leasing & ORIX Investment Bank. He is an MBA with Majors in Finance.

Currently serving the company as a Head of Fixed Income Funds, Mr. Kamal is a key member of portfolio management team and a member of the investment committee for the mutual funds. During his career he has managed wide range of conventional and Islamic mutual funds schemes."

Mr. Omar Mukhtar – Head of Risk

Mr. Mukhtar is the Head of Risk Management and has remained part of the Board Risk & Investment Committees and has played an instrumental role in the establishment of the Risk Management, Enterprise Risk Management & Information Security framework for the organization. He brings with him an experience of over fifteen years in the field of Risk Management in the Mutual Funds Industry. Prior to becoming part of the Alfalah Investments team, he was associated with UBL Funds Ltd in managing their Risk Management Function. Mr. Mukhtar has done his MBA in Finance from Greenwich University and holds a BBA Honors degree. He is also a member of GARP (Global Association of Risk Professionals).

Mr. Salman Jawaid - Fund Manager Fixed Income Fund

Mr. Salman is managing the Fixed Income Funds at Alfalah Investments. He has almost more than 12 years of work experience in the Mutual Fund Industry precisely in the Fund Management Department. He is an MBA in Finance from the Institute of Business Management (IOBM) and also pursuing his education in the CFA program. Over the years, he has worked at National Investment Trust Limited (NIT) and Faysal Asset Management in the portfolio management department.

Mr. Anil Kumar - Jr. Fund Manager Equity Funds

Mr. Anil has over 3 years of well-rounded sectoral exposure in Investment Research and Fund Management. He was earlier associated as Research Analyst with Alfalah Investments, where he has actively covered Chemical Sector, Cement Sector, Pharmaceutical sector, Textile sector and has also identified many profitable investment ideas. Prior to joining Alfalah, he was associated with UBL Fund Managers and Darson Securities Limited. Anil has done Bachelors (BBA) from Iqra University with majors in Finance and is a CFA Level 3 candidate.

(iv) ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The dates of the meetings of the Board of Directors of the Management Company of the fund and the attendance of its members are given below.

Name of Director	Meeting held on				
	August 25, 2023	October 30, 2023	December 21, 2023	February 22, 2024	April 30, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓	✓
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Khaled Khanfer	Leave	Leave	✓	✓	✓
Ms. Ayesha Aziz	✓	✓	✓	✓	✓
Mr. Atif Bajwa	✓	✓	✓	✓	✓
Mr. Sohail Sultan	✓	✓	✓	✓	✓

(v) **MEETINGS OF BOARD AUDIT COMMITTEE**

The dates of the meetings of the Board Audit Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on				
	August 24, 2023	September 26, 2023	October 26, 2023	February 21, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	✓	Leave	✓	✓
Ms. Ayesha Aziz		✓	✓	✓	Resigned
Mr. Khalilullah Shaikh	✓	✓	✓	✓	✓
Mr. Farooq Ahmed Khan		✓			✓

(vi) **MEETINGS OF BOARD RISK MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Risk Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on			
	August 22, 2023	October 28, 2023	February 20, 2024	April 26, 2024
Mr. Khaled Khanfer	✓	Leave	✓	Leave
Mr. Khalilullah Shaikh	✓	✓	✓	✓
Mr. Farooq Ahmed Khan	-	-	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓

(vii) **MEETINGS OF BOARD HUMAN RESOURCE MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Human Resource Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on		
	August 21, 2023	September 26, 2023	February 19, 2024
Mr. Kabir Ahmad Qureshi	✓	✓	✓
Mr. Khalilullah Shaikh	-	✓	-
Ms. Ayesha Aziz	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓

(viii) **MEETINGS OF BOARD INVESTMENT COMMITTEE**

The dates of the meetings of the Board Investment Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on	
	December 14, 2023	April 24, 2024
Mr. Farooq Ahmed Khan	-	✓
Mr. Sohail Sultan	✓	✓
Ms. Ayesha Aziz	✓	✓

**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**

PERFORMANCE TABLE

	AISOVF-I 30 June 2024 (Rupees in '000)	AISOVF-II 30 June 2024 (Rupees in '000)		AISOVF-I 30 June 2024 (Rupees in '000)	AISOVF-II 30 June 2024 (Rupees in '000)
Net Assets	4,264,270,041	5,472,254,532	14th interim distribution per unit	0.3342	
NAV per unit	100.1817	109.8921	14th interim distribution date	6-Mar-24	
Selling price per unit	103.5779	113.6174	15th interim distribution per unit	0.3532	
Redemption price per unit	100.1817	109.8921	15th interim distribution date	13-Mar-24	
Highest selling price per unit	105.4282	113.3062	16th interim distribution per unit	0.3162	
Highest redemption price per unit	101.9714	109.5911	16th interim distribution date	20-Mar-24	
Lowest selling price per unit	103.3219	100.0000	17th interim distribution per unit	0.3429	
Lowest redemption price per unit	99.9341	100.0000	17th interim distribution date	27-Mar-24	
1st interim distribution per unit	0.7353		18th interim distribution per unit	0.3446	
1st interim distribution date	2-Oct-23		18th interim distribution date	3-Apr-24	
2nd interim distribution per unit	1.9714		19th interim distribution per unit	0.6766	
2nd interim distribution date	1-Nov-23		19th interim distribution date	17-Apr-24	
3rd interim distribution per unit	0.4258		20th interim distribution per unit	0.3307	
3rd interim distribution date	8-Nov-23		20th interim distribution date	24-Apr-24	
4th interim distribution per unit	0.4075		21st interim distribution per unit	0.6304	
4th interim distribution date	15-Nov-23		21st interim distribution date	8-May-24	
5th interim distribution per unit	0.7997		22nd interim distribution per unit	0.2408	
5th interim distribution date	29-Nov-23		22nd interim distribution date	15-May-24	
6th interim distribution per unit	0.9356		23rd interim distribution per unit	0.3812	
6th interim distribution date	14-Dec-23		23rd interim distribution date	22-May-24	
7th interim distribution per unit	0.3105		24th interim distribution per unit	0.3322	
7th interim distribution date	20-Dec-23		24th interim distribution date	29-May-24	
8th interim distribution per unit	0.2885		25th interim distribution per unit	0.4055	
8th interim distribution date	27-Dec-23		25th interim distribution date	5-Jun-24	
9th interim distribution per unit	0.7564		26th interim distribution per unit	0.4376	
9th interim distribution date	10-Jan-24		26th interim distribution date	12-Jun-24	
10th interim distribution per unit	0.4046		27th interim distribution per unit	0.4180	
10th interim distribution date	17-Jan-24		27th interim distribution date	21-Jun-24	
11th interim distribution per unit	0.6172		28th interim distribution per unit	0.2110	
11th interim distribution date	29-Jan-24		28th interim distribution date	26-Jun-24	
12th interim distribution per unit	0.8166		Annualized returns	20.65%	18.05%
12th interim distribution date	14-Feb-24		Income distribution	100.00%	
13th interim distribution per unit	0.2528		Weighted avg. portfolio duration	2.16 Years	1.84 Years
13th interim distribution date	28-Feb-24				

Return since inception of AISOVF-I is 20.65% and AISOVF-II is 18.05%.

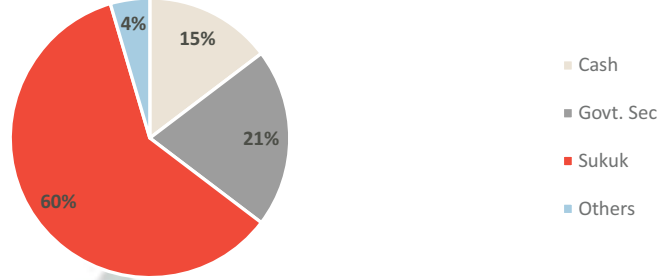
The past performance is not necessarily indicative of future performance and that units prices and investment returns may go down, as well as up.

الفلاح GHP اسلامک ویلیو فنڈ
فنڈ نے بیچ مارک جو 10.65 فیصد کمایا جبکہ 24.31 فیصد ریٹرن کمایا۔

ادائیگی

سال کے دوران، فنڈ نے پونٹ ہولڈرز کو 0.00 روپے فی پونٹ کا نقد منافع منقسمہ ادا کیا۔

Asset Allocation
(as at 30-June-2024)



کلیدی مالیاتی اعداد و شمار

(روپے بلین میں)

Description	For the year ended June 30, 2024	For the year ended June 30, 2023
Average Net Assets	3025.29	2,147.270
Gross (loss)	670.99	355.09
Total Comprehensive Loss	658.100	347.42
Net Assets Value per Unit (PKR)	111.2031	89.4572
Issuance of units during the year	6278.16	5,866.60
Redemption of units during the year	-6411.36	-5,391.74

* یہ فنڈ سال کے دوران شروع کیے گئے ہیں اور ریٹرنز آغاز سے ریٹرن پڑتی ہیں۔

اعتراف

ڈائریکٹرز قابل قدر معاونت، مدد اور ہتھمائی پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے شکر گزار ہیں۔ بورڈ ممبران اور محنت پر بیٹھتے کمپنی کے ملازمین اور ٹرسٹی کا اور بیٹھتے میں اعتماد پر پونٹ ہولڈرز کا بھی شکر یہ ادا کرتے ہیں۔

30 اگست 2024ء

منجانب بورڈ

چیف ایگزیکٹو آفیسر

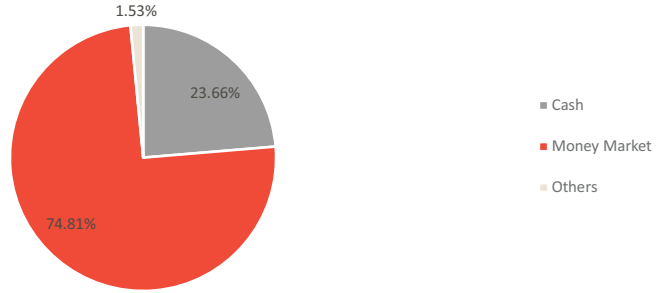
الفلاح GHP اسلامک پرائیویٹ پلاننگ فنڈ K-2 ٹریڈ اسلامک پلان 7

فنڈ نے بیچ مارک جو 9.53 فیصد کمایا جبکہ 14.59 فیصد ریٹرن کمایا۔

ادائیگی

سال کے دوران، فنڈ نے یونٹ ہولڈرز کو 0.00 روپے فی یونٹ کا نقد منافع منقسمہ ادا کیا۔

Asset Allocation
(as at 30-June-2024)



کلیدی مالیاتی اعداد و شمار

(روپے پلین میں)

Description	For the year ended June 30, 2024	For the year ended June 30, 2023
Average Net Assets	37.14	164.7056
Gross income	6.25	22.768
Net Comprehensive income	5.82	21.236
Net Assets Value per Unit (Rs.)	112.5354	100.6164
Issuance of units during the period	416.93	95.93
Redemption of units during the period	-417.10	-90.92

الفلاح GHP اسلامک ڈیٹریٹیکٹڈ ایکویٹی فنڈ

فنڈ نے بیچ مارک جو 78.70 فیصد کمایا جبکہ 82.55 فیصد ریٹرن کمایا۔

Asset Allocation
(as at 30-June-2024)



کلیدی مالیاتی اعداد و شمار

(روپے پلین میں)

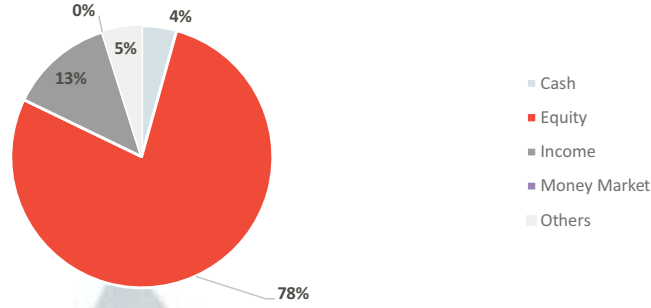
Description	For the year ended June 30, 2024	For the year ended June 30, 2023
Average Net Assets	89.1309	84.9414
Gross (Loss)	56.12	4.306
Total Comprehensive Loss	51.87	0.21
Net Assets Value per Unit (PKR)	63.1021	63.1021
Issuance of units during the year	189.33	63.10
Redemption of units during the year	-189.34	-176.81

الفلاح GHP اسلامک پراسپیریٹی پلاننگ فنڈ۔ ایکٹو ایلوکیشن پلان II
 فنڈ نے بیچ مارک 36.42 فیصد کمانے کے برعکس 54.70 فیصد ریٹرن کمایا۔

ادائیگی

سال کے دوران، فنڈ نے یونٹ ہولڈرز کو 49.6636 روپے فی یونٹ کا نقد منافع منقسمہ ادا کیا۔

Asset Allocation
(as at 30-June-2024)

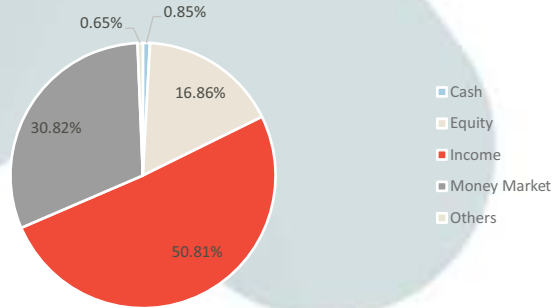


الفلاح GHP اسلامک پراسپیریٹی پلاننگ فنڈ۔ بیلس ایلوکیشن پلان
 فنڈ نے بیچ مارک 19.08 فیصد کمانے کے برعکس 28.22 فیصد ریٹرن کمایا۔

ادائیگی

سال کے دوران، فنڈ نے یونٹ ہولڈرز کو 12.2024 روپے فی یونٹ کا نقد منافع منقسمہ ادا کیا۔

Asset Allocation
(as at 30-June-2024)



کلیدی مالیاتی اعداد و شمار

الفلاح GHP اسلامک پراسپیریٹی پلاننگ فنڈ

(روپے میں)

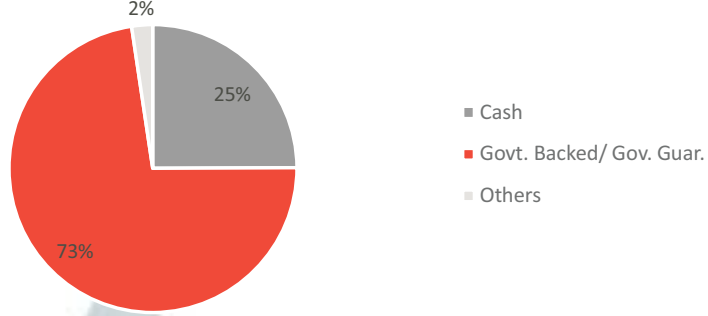
Description	Islamic Moderate Plan	Islamic Balance Allocation Plan	Islamic Active Allocation Plan - II	Islamic Moderate Plan	Islamic Balance Allocation Plan	Islamic Active Allocation Plan - II	Islamic Capital Preservation Plan - IV
	For the year ended June 30, 2024			For the year ended June 30, 2023			
Average Net Assets	79.52	167.31	50.25	68.99	181.32	175.59	29.97
Gross (loss) / income	24.02	42.99	19.80	8.69	22.53	18.26	3.39
Total Comprehensive (loss) / Income	23.51	42.04	19.08	8.38	21.70	17.15	3.25
Net Assets Value per Unit (PKR)	104.3577	101.2350	90.8004	104.2928	101.1543	90.8003	100.5237
Issuance of units during the year	71.32	111.53	15.91	6.66	16.48	5.52	7.64
Redemption of units during the year	-54.48	-113.49	-75.87	-3.54	-5.95	-272.61	-28.83

الفلاح اسلامک سو ریجن پلان *2

فنڈ کار بیٹرن 19.63 فیصد کے نیچ مارک ریٹرن کے برعکس 18.05 فیصد پر قائم رہا۔
ادائیگی

سال کے دوران، فنڈ نے یونٹ ہولڈرز کو 0.00 روپے فی یونٹ کا نقد منافع ادا کیا۔

Asset Allocation
(as at 30-June-2024)



کلیدی مالیاتی اعداد و شمار

(روپے بلین میں)

Description	For the year ended June 30, 2024
Average Net Assets	6611.81
Gross income	684.91
Total Comprehensive Income	632.41
Net Assets Value per Unit (PKR)	109.8921
Issuance of units during the year	20,537.69
Redemption of units during the year	-15,076.61

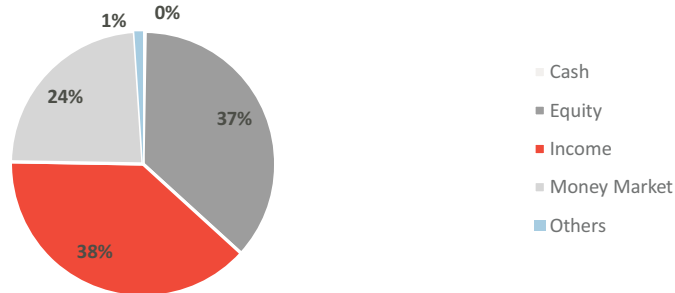
الفلاح GHP اسلامک پراسپیئرٹی پلاننگ فنڈ - ماڈریٹ ایلوکیشن پلان

فنڈ نے نیچ مارک 21.81 فیصد کمانے کے برعکس 34.62 فیصد ریٹرن کمایا۔

ادائیگی

سال کے دوران، فنڈ نے یونٹ ہولڈرز کو 36.019 روپے فی یونٹ نقد منافع منقسمہ ادا کیا۔

Asset Allocation
(as at 30-June-2024)



کلیدی مالیاتی اعداد و شمار

(روپے بلین میں)

Description	For the year ended June 30, 2024	For the year ended June 30, 2023
Average Net Assets	15,041.58	2,548.833
Gross income	3,159.04	167.320
ssNet Comprehensive income	2,996.91	158.643
Net Assets Value per Unit (Rs.)	100.2090	100.0000
sIssuance of units during the period	81,116.09	22,204.3
Redemption of units during the period	-60,458	-14,448.947

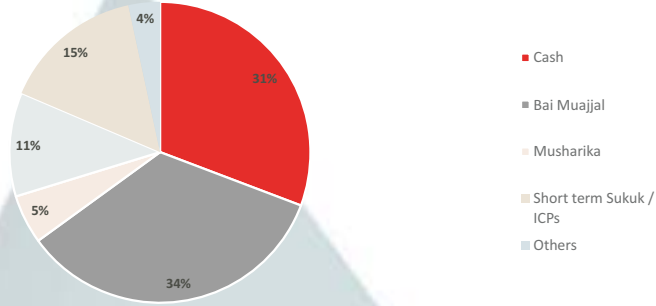
الفلاح اسلامک روزانہ آمدنی فنڈ

فنڈ کار ریٹرن 10.28 فیصد بیج مارک ریٹرن کے برعکس 22.08 فیصد پر قائم رہا۔

ادائیگی

سال کے دوران، فنڈ نے یونٹ ہولڈرز کو 20.05708 روپے فی یونٹ کا نقد منافع منقسمہ ادا کیا۔

Asset Allocation
(as at 30-June-2024)



کلیدی مالیاتی اعداد و شمار

(روپے بلین میں)

Description	For the year ended June 30, 2024	For the year ended June 30, 2023
Average Net Assets	44,571.9215	16,876.2295
Gross income	9,420.531	2,943.734
Net Comprehensive income	8,950.5430	2,802.868
Net Assets Value per Unit (Rs.)	100.0000	100.0000
Issuance of units during the period	152,970.268	77,109.394
Redemption of units during the period	-127,549.968	-52,690.959

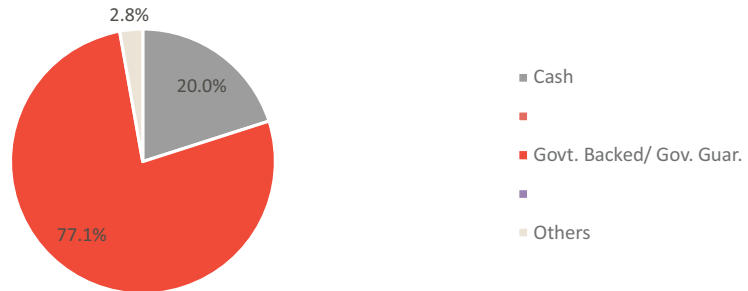
الفلاح اسلامک سوریجین پلان 1*

فنڈ کار ریٹرن 19.89 فیصد کے بیج مارک ریٹرن کے برعکس 20.65 فیصد پر قائم رہا۔

ادائیگی

سال کے دوران، فنڈ نے یونٹ ہولڈرز کو 16.3356 روپے فی یونٹ کا نقد منافع ادا کیا۔

Asset Allocation
(as at 30-June-2024)



کلیدی مالیاتی اعداد و شمار

(روپے بلین میں)

Description	For the year ended June 30, 2024	For the year ended June 30, 2023
Average Net Assets	1623.94	1,319.0385
Gross income	1111.80	77.55
Total Comprehensive Income	1037.13	14.55
Net Assets Value per Unit (PKR)	38.6436	36.9196
Issuance of units during the year	3223.53	502.45
Redemption of units during the year	-2161.27	-665.04

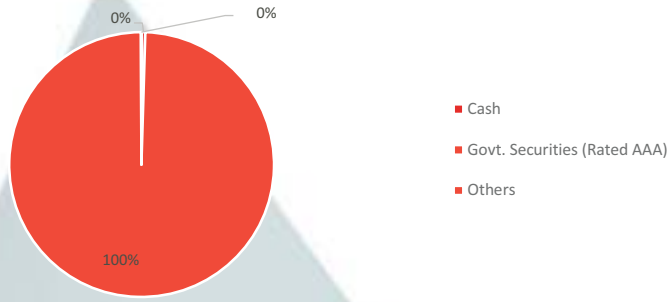
الفلاح اسلامک اسٹیبل ریٹرن فنڈ - پلان 4*

مالی سال 24 کے دوران، الفلاح اسلامک اسٹیبل ریٹرن فنڈ - پلان 4 (AISRF-4) نے 24.59 فیصد ریٹرن کمایا جبکہ فنڈ کا بیچ مارک 11.21 فیصد کمایا۔

ادائیگی

سال کے دوران، فنڈ نے یونٹ ہولڈرز کو 2.5 روپے فی یونٹ کا نقد منافع ادا کیا۔

Asset Allocation
(as at 30-June-2024)



کلیدی مالیاتی اعداد و شمار

(روپے بلین میں)

Description	For the year ended June 30, 2024
Average Net Assets	1,072.035
Gross income	28.7819
Total Comprehensive Income	27.7778
Net Assets Value per Unit (PKR)	100.1272
Issuance of units during the year	1079.821
Redemption of units during the year	0

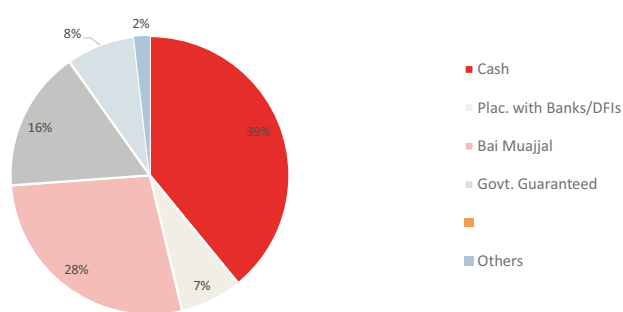
الفلاح اسلامک منی مارکیٹ فنڈ

مالی سال 24 کے دوران، الفلاح اسلامک منی مارکیٹ فنڈ (AIMMF) نے 21.86 فیصد ریٹرن کمایا جبکہ فنڈ کا بیچ مارک 10.28 فیصد کمایا۔

ادائیگی

سال کے دوران، فنڈ نے یونٹ ہولڈرز کو 21.2529 روپے فی یونٹ کا نقد منافع منقسمہ ادا کیا۔

Asset Allocation
(as at 30-June-2024)



Description	For the year ended June 30, 2024	For the year ended June 30, 2023
Average Net Assets	2,538.3470	3,824.7289
Gross income	505.94	567.47
Total Comprehensive Income	468.05	509.08
Net Assets Value per Unit (PKR)	102.2833	102.8265
Issuance of units during the year	5,077.29	4,011.29
Redemption of units during the year	-4,934.86	-7,308.45

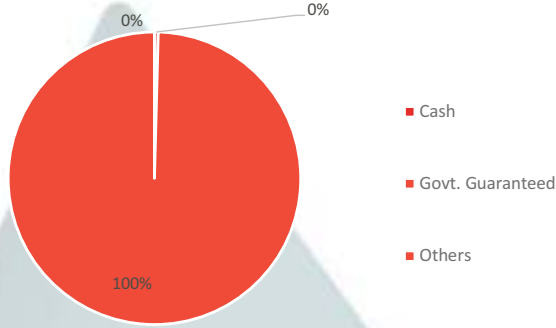
الفلاح اسلامک اسٹیبل ریٹرن فنڈ - پلان 2*

مالی سال 24 کے دوران، الفلاح اسلامک اسٹیبل ریٹرن فنڈ - پلان 4 (ASRF-4) نے 22.03 فیصد ریٹرن کمایا جبکہ فنڈ کا بیچ مارک 11.21 فیصد کمایا۔

ادائیگی

سال کے دوران، فنڈ نے یونٹ ہولڈرز کو 4.7309 روپے فی یونٹ کا نقد منافع ادا کیا۔

Asset Allocation
(as at 30-June-2024)



Description	For the year ended June 30, 2024
Average Net Assets	1,385.886
Gross income	78.334
Total Comprehensive Income	77.424
Net Assets Value per Unit (PKR)	100.2858
Issuance of units during the year	1413.137
Redemption of units during the year	0

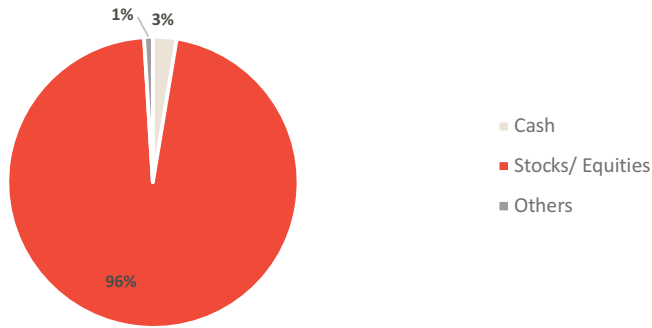
الفلاح اسلامک اسٹاک فنڈ

مالی سال 24 کے دوران، الفلاح اسلامک اسٹاک فنڈ نے 93.40 فیصد ریٹرن کمایا جبکہ فنڈ کا بیچ مارک 78.70 فیصد کمایا۔

ادائیگی

سال کے دوران، فنڈ نے یونٹ ہولڈرز کو 32.7589 روپے فی یونٹ کا نقد منافع ادا کیا۔

Asset Allocation
(as at 30-June-2024)



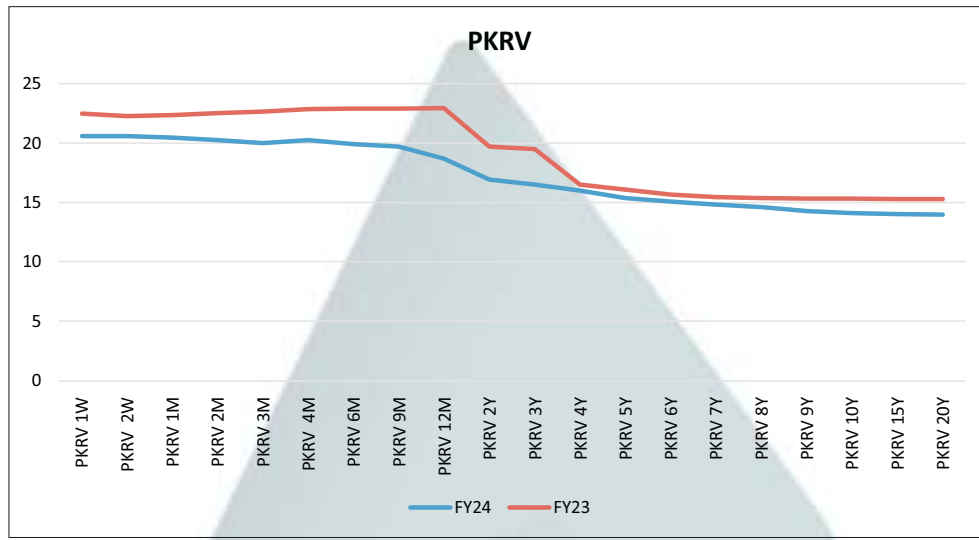
منی مارکیٹ

مالی سال 23 میں حقیقی جی ڈی پی کی شرح نمو 0.21- فیصد کے مقابلے میں مالی سال 24 کے لئے 2.38 فیصد درج کی گئی ہے۔

مالی سال 24 کے لیے افراط زر کی اوسطہ 23.9% رہی جو کہ مالی سال 23 میں 29.04 فیصد تھی، جس کی بنیادی وجہ کم سیاسی شوریٰ بدولت زرمبادلہ کی شرح میں استحکام، زرعی شرح منافع میں اضافہ، مالی استحکام اور سال کے اختتام تک تیل کی قیمتوں میں 12 فیصد کمی ہے۔ نتیجتاً، سنٹرل بینک نے جون 2024 سے مانیٹری نرمی شروع کر دی جس کے نتیجے میں 2 اجلاسوں میں شرح سود میں 250bps کی کمی کی گئی۔

اگلی مانیٹری پالیسی 12 ستمبر 2024 کو شیڈول ہے، جہاں پالیسی ریٹ میں مزید اضافہ کو مسترد کیا جاسکتا ہے کیونکہ افراط زر کی شرح کم رہنے کی پیش گوئی کی گئی ہے، جس سے توقع ہے کہ مزید مالیاتی نرمی کی راہ ہموار ہوگی۔

موجودہ حقیقی شرح سود متاثر کن طور پر 8.4 فیصد ہے، جو اپنی تاریخی اوسط 1 فیصد سے کہیں زیادہ ہے، جو ممکنہ مالیاتی آسانی کے اقدامات کے لئے ایک مضبوط بنیاد فراہم کرتی ہے۔ اس سے ممکنہ طور پر اگلے مالی سال کے دوران پالیسی ریٹ میں 5 سے 6 فیصد کمی ہو سکتی ہے۔ تاہم، خاص طور پر بجٹ اور آئی ایم ایف پروگرام میں بیان کردہ اصلاحات سے پیدا ہونے والے ممکنہ افراط زر کے اثرات کے ساتھ ساتھ شرح تبادلہ اور تیل کی قیمتوں میں اتار چڑھاؤ سے خطرات برقرار ہیں۔



فنڈ کے آپریشنز اور کارکردگی

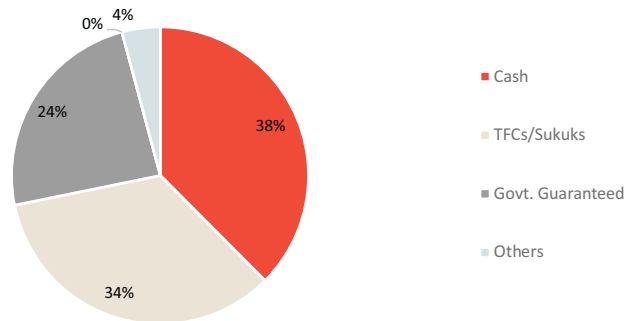
الفلاح GHP اسلامک انکم فنڈ

زیر جائزہ مدت کے دوران، الفلاح GHP اسلامک انکم فنڈ نے 21.13 فیصد ریٹرن کمایا جبکہ بیچ مارک ریٹرن 10.10 فیصد تھا۔

ادائیگی

سال کے دوران، فنڈ نے یونٹ ہولڈرز کو 21.2402 روپے فی یونٹ کا نقد منافع ادا کیا۔

Asset Allocation
(as at 30-June-2024)



مانیٹری پالیسی کمیٹی کے حالیہ اجلاس میں 100bps کمی کی بعد بھی حقیقی شرح سود نمایاں طور پر مثبت ہے۔ مالیاتی نرمی پورا سال جاری رہنے کی توقع ہے کیونکہ مالی سال 25 میں افراط زر اوسطاً 11 سے 12 فیصد رہنے کی توقع ہے۔ تاہم شرح سود میں کٹوتی کی مقدار اور رفتار کا تعین کرنے کے لیے کئی عوامل پر غور ضروری ہے جن میں بجٹ کا دباؤ، پاکستانی روپیہ کی قدر میں کمی اور مشرق وسطیٰ کے تنازعات میں خرابی کی وجہ سے تیل کی قیمتوں میں اضافہ اور اکتوبر 2024 میں گردش قرضوں میں کمی کی وجہ سے بجلی کے نرخوں میں اضافہ کا ایک اور دور شامل ہے۔ یہ تمام عوامل افراط زر کے تخمینہ کے لئے زیادہ خطرہ پیدا کرتے ہیں۔

ایکویٹی مارکیٹ کا جائزہ

مالی سال 24 کے دوران، بیئج مارک انڈیکس تیزی کی راہ پر ہوا اور بہتر معاشی اشاروں کے باعث 90.33 فیصد کا مثبت ریٹرن درج کرایا۔ سال کے دوران انڈیکس مثبت رہا کیونکہ یہ جون 24 میں 80,059 کی انتہائی سطح پر پہنچ گیا تھا، اور 78,445 پوائنٹس کی چٹائی پر بند ہوا۔

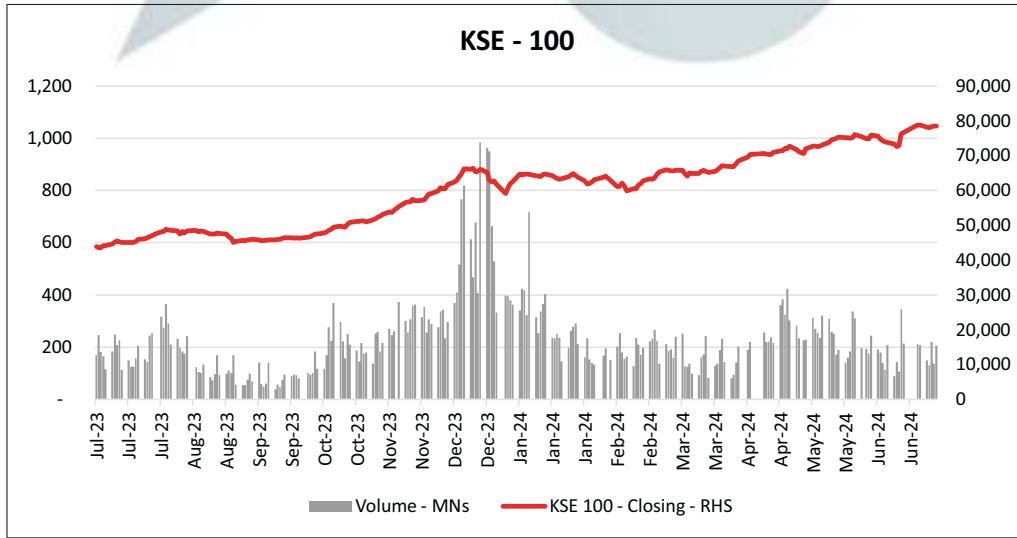
میکرو اکنامک اشاروں میں بہتری جیسے کہ الف (افراط زر کی کمی کے رجحان کی وجہ سے معاشی سرگرمیوں میں بحالی، ب) کثیرالجہتی اور دو طرفہ تعاون اور مالی استحکام کی وجہ سے غیر ملکی زرمبادلہ کے ذخائر کا بہتر اور پاکستانی روپیہ کا مستحکم ہونا اور ج) آئی ایم ایف کے ساتھ 9 ماہ کا طویل اسٹینڈ بائی معاہدہ ہونے کے نتیجے میں سرمایہ کار کے جذبات میں تیزی آنا اور اس کے نتیجے میں سرمایہ کاروں کی ایلویشن کی ایکویٹی پر مثبت کیونکہ ویلیویشن پہلے ہی متاثر کن تھی۔

مالی سال 24 میں غیر ملکی خالص خریدار رہے، کیونکہ خالص غیر ملکی آمد مالی سال 23 کے دوران 22.09 ملین امریکی ڈالر خالص آمد کے مقابلے میں 139.23 ملین امریکی ڈالر رہی۔

مندرجہ بالا عوامل کی وجہ سے KSE-100 انڈیکس کا اوسط تجارتی حجم بھی سالانہ 156 فیصد اضافہ سے 232 ملین حصص تک پہنچ گیا۔ بینکنگ، فریٹ لائزر اور پاور سیکٹرز نے انڈیکس میں سب سے زیادہ حصہ ڈالا، کیونکہ سرمایہ کاروں نے پرکشش ویلیویشن، زیادہ ڈیویڈنڈ شرح منافع، مستحکم طلب اور پاور سیکٹر کے معاملے میں امریکی تخمینہ آمدنی والے شعبوں کو اہمیت دی جبکہ کیمیائی شعبے نے عالمی کساد بازاری کے خوف اور مٹی چینی حربوں کی بہت زیادہ صلاحیت کی وجہ سے عالمی کیمیائی مارجن میں کمی کی وجہ سے انڈیکس میں سب سے زیادہ منفی کردار ادا کیا۔

آگے بڑھتے ہوئے، ہمیں یقین ہے کہ 37 ماہ کی توسیعی فنڈ سہولت پر عملے کی سطح کے نئے معاہدے سے مالی اور بیرونی کھاتوں کی جانچ پڑتال اور استحکام برقرار رہے گا، ممکنہ طور پر توجہ میکرو اکنامک استحکام کو برقرار رکھنے پر ہوگی جس میں دانشمندانہ مانیٹری پالیسی کو یقینی بنانا، مالی خسارے سے بچنا، مارکیٹ پر مبنی شرح تبادلہ کو برقرار رکھنا اور طویل مدتی معاشی اصلاحات کو نافذ کرنا ہوگا۔ یہ اقتصادی منصوبہ کے لئے انتہائی ضروری وضاحت اور یقین دہانی فراہم کرے گا۔

سازگار میکرو اکنامک نقطہ نظر یعنی گرتی ہوئی افراط زر، مانیٹری نرمی، ذخائر میں بہتری اور پاکستانی روپیہ کا استحکام، مستقبل میں ایکویٹی مارکیٹ کے لیے بڑے بوسٹر کا کام کرے گا کیونکہ بیئج مارک انڈیکس پر کشش ملٹی پلز (4x کی فارورڈ PE) پر تجارت کر رہا ہے اور 12 فیصد کی شاندار شرح منافع کی پیشکش کرتا ہے۔



ڈائریکٹرز کی یونٹ ہولڈرز کو رپورٹ برائے مختتمہ سال 30 جون 2024

بورڈ آف ڈائریکٹرز کی جانب سے، 30 جون 2024 کو ختم ہونے والے سال کے لئے میں الفلاح GHP اسلامک اسٹاک فنڈ (AGISTF)، الفلاح GHP اسلامک سوریجن فنڈ پلان-1 (AGSOF)، الفلاح GHP اسلامک سوریجن فنڈ پلان-2 (AGSOF)، الفلاح اسلامک اسٹیل ریٹرن فنڈ پلان 2، الفلاح اسلامک اسٹیل ریٹرن فنڈ پلان 4، الفلاح GHP اسلامک آکم فنڈ (AGIIF)، الفلاح GHP اسلامک پراسپیئرٹی پلاننگ فنڈ (AGIPPF)، الفلاح GHP اسلامک ڈیڈ ویگٹ ایگزیٹو فنڈ (AGIDEF)، الفلاح GHP اسلامک ویلیو فنڈ (AGIVF)، الفلاح اسلامک روزانہ آمدنی فنڈ (AIRAF) اور الفلاح اسلامک منی مارکیٹ فنڈ (AIMMF) کے مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتا ہوں۔

معاشی جائزہ

مالی سال 23 میں 0.21 فیصد کے مقابلے میں مالی سال 24 کے لیے حقیقی جی ڈی پی کی شرح نمو 2.38 فیصد رہنے کا تخمینہ لگایا گیا ہے۔ مالی سال 23 میں سیلاب کی وجہ سے اہم زرعی فصلوں اور مویشیوں کی بڑے پیمانے پر تباہی کی وجہ سے بڑی طرح متاثر ہونے کے بعد زراعت کے شعبے میں 6.25 فیصد کی مضبوط نمو کی وجہ سے نمو مثبت رہی ہے۔

برآمدات میں 12 فیصد کا نئی اضافہ سے بیرونی کھاتوں میں لیکج کم کرنے میں مدد ملی کیونکہ مالی سال 24 کے لئے کرنٹ اکاؤنٹ خسارہ 681 بلین امریکی ڈالر رہا جو کہ گزشتہ سال کے اسی عرصہ میں (79 فیصد کی نمایاں کمی) 3.275 بلین امریکی ڈالر تھا۔ مزید برآں تریلیات زررواں سال بیرونی توازن کے استحکام کے لیے کلیدی معاون ثابت ہوئیں اور مالی سال 24 میں بھی اس میں اضافہ کارہجان برقرار رہا کیونکہ ماہانہ تریلیات زراوسطاً 2.5 بلین امریکی ڈالر ہیں جو مالی سال 23 میں 2.3 بلین امریکی ڈالر تھیں۔

کثیرالجہتی اور دو طرفہ شراکت داروں کی جانب سے تریلیات زر کی بحالی اور آئی ایم ایف پروگرام کے تسلسل کی وجہ سے جون کے اختتام پر غیر ملکی زرمبادلہ کے ذخائر بڑے پیمانے پر بحال ہو کر 13.97 بلین امریکی ڈالر ہو گئے جو گزشتہ سال کے اختتام پر 9.16 بلین امریکی ڈالر تھے۔ بہتر میکروز کے نتیجے میں اس سال ایکسیچ ریٹ میں استحکام آیا جسے گزشتہ سال شدید باؤ کا سامنا کرنا پڑا۔ مستقبل میں پاکستانی روپیہ کی قدر میں سالانہ بنیادوں پر 5 سے 6 فیصد کی معمولی سطح پر کمی ہو سکتی ہے کیونکہ دوست ممالک کی جانب سے ممکنہ بہاؤ اور مالی استحکام سے ممکنہ طور پر روپیہ کی قدر میں کمی کا امکان ہے۔

مالی سال 24 کے لئے افراط زر کی اوسط شرح 23.9 فیصد رہی جو مالی سال 23 میں 29.04 فیصد تھی، جس کی بنیادی وجہ شرح تبادلہ میں استحکام کے ساتھ ساتھ سیاسی شوری کی کمی، زرعی پیداوار میں اضافہ، مالی استحکام اور تیل کی قیمتوں میں کمی اور یہاں تک کہ سال کے اختتام تک 12 فیصد تک کم ہونا ہے۔ افراط زر میں کمی کے جواب میں مرکزی بینک نے 10 جون 2024 کو پالیسی شرح میں 150bps کی کمی کا اعلان کیا جو جون 2023 کے بعد شرح میں پہلی بار کمی ہے۔

مالیاتی محاذ پر، گزشتہ سال 16% کے مقابلے میں مالی سال 24 میں ٹیکس ریویو میں 28 فیصد کا شاندار اضافہ ہوا ہے۔ مالی سال 24 کے ٹیکس ریویو بریک اپ کے مطابق، براہ راست ٹیکس ریویو میں 29 فیصد کا اضافہ ہوا ہے، جبکہ ڈیویڈنڈ اور سبڈیوٹس سمیت بالواسطہ ٹیکسوں میں 22 فیصد کا اضافہ ہوا ہے۔ مزید برآں، زیادہ مارک اپ اخراجات اور دفاعی اخراجات کے نتیجے میں مالیاتی خسارہ مالی سال 24 کے لیے جی ڈی پی کے 6.81 فیصد تک پہنچ گیا ہے جو کہ گزشتہ سال کی اسی مدت کے لیے 7.7 فیصد تھا۔

آئی ایم ایف اور پاکستان کے درمیان 37 ماہ کی توسیعی فنڈ سہولت (ای ایف ایف) پر عملے کی سطح کا معاہدہ طے پا گیا ہے جس سے تقریباً 5320 بلین سعودی ریال (7 بلین امریکی ڈالر) ملنے کی توقع ہے۔ یہ معاہدہ 2023 کے اسٹینڈ بائی انتظامات (SBA) کے ذریعے حاصل کردہ معاشی استحکام پر مبنی ہے جو مئی 24 میں کامیابی سے اختتام پذیر ہوا۔ یہ معاہدہ آئی ایم ایف کے ایگزیکٹو بورڈ کی منظوری سے مشروط ہے جو آئندہ چند ہفتوں میں سامنے آئے گی اور پاکستان کے ترقیاتی اور دو طرفہ شراکت داروں (خاص طور پر چین اور جی سی سی ممالک) کی جانب سے ضروری مالی امداد کی بروقت یقین دہانیوں کی تصدیق ہوگی۔ آئی ایم ایف پروگرام نے ہمارے اقتصادی منصوبے کے لئے انتہائی ضروری یقین دہانی فراہم کی ہے۔ اس کی رہنمائی اور حمایت نے پائیدار نمو اور خوشحالی کی راہ کو مضبوط کیا ہے۔

لارج اسکیل مینوفیکچرنگ انڈیکس (LSMI) بڑھ رہا ہے اور مئی 2024 انڈیکس میں سالانہ 7.5 فیصد کا اضافہ ہوا ہے۔ معاشی سرگرمیوں میں مزید اضافہ کی توقع ہے کیونکہ مالیاتی نرمی پہلے ہی شروع ہو چکی ہے اور توقع ہے کہ یہ مزید بڑھ جائے گی۔ مالی سال 25 میں جی ڈی پی میں بالترتیب 3.60 فیصد اضافہ متوقع ہے اور توقع ہے کہ اس سال بھی زراعت اہم کردار ادا کرے گی۔