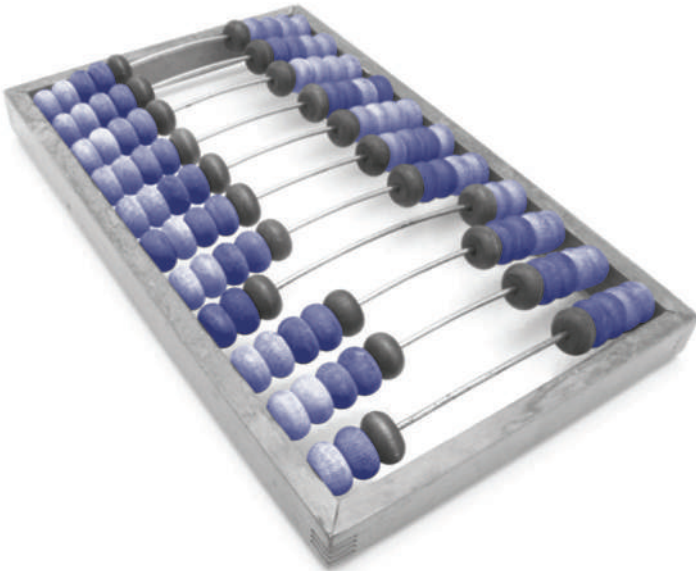


Faysal Funds

Income & Growth Fund

Condensed Interim Financial Statements
For The Quarter Ended September 30, 2021 (Un-audited)



CONTENTS

Fund Information	02
Mission Statement	03
Condensed Interim Statement of Assets and Liabilities	04
Condensed Interim Income Statement	05
Condensed Interim Statement of Comprehensive Income	06
Condensed Interim Statement of Movement in Unit Holders' Fund	07
Condensed Interim Cash Flow Statement	08
Notes to the Condensed Interim Financial Statements	09

FUND INFORMATION

Management Company

Faysal Asset Management Limited

Board of Directors of the Management Company

Mr. Salman Ahmed Usmani, Chairman

Mr. Osman Asghar Khan, Director

Mr. Mian Salman Ali, Director

Syed Muhammad Fraza Zaidi, Director

Mr. Tahir Yaqoob Bhatti, Director

Mr. Nadir Rehman, Director

Mr. Khaldoon Bin Latif, Director/CEO

Chief Executive Officer

Mr. Khaldoon Bin Latif

Chief Financial Officer

Mr. Faisal Ali Khan

Company Secretary of the Management Company

Muhammad Umer Ilyas

Audit Committee

Mr. Osman Asghar Khan, Chairman

Mr. Mian Salman Ali, Member

Syed Muhammad Fraza Zaidi, Member

HR Committee

Mr. Nadir Rehman, Chairman

Mr. Salman Ahmed Usmani, Member

Mr. Osman Asghar Khan, Member

Trustee to the Fund

Central Depository Company of Pakistan Limited,

CDC House, 99B, Block B, S.M.C.H.S.,

Main Shahrah-e-Faisal, Karachi.

Bankers to the Fund

Soneri Bank Limited

Bank Alfalah Limited

Faysal Bank Limited

United Bank Limited

Habib Metropolitan Bank Limited

Allied Bank Limited

Habib Bank Limited

JS Bank Limited

Zarai Taraqiati Bank Limited

Auditors

A.F. Ferguson & Co. Chartered Accountants

Legal Advisor

Mohsin Tayebaly & Co.

2nd Floor, Dime Centre,

BC-4 Block-9, KDA-5,

Clifton, Karachi.

Registrar

ITMinds Limited

Central Depository Company of Pakistan, Limited

CDC House, 99B, Block-B, S.M.C.H.S.,

Main Shahra-e-Faisal, Karachi.

MISSION AND VISION

To provide world class investment management and advisory services for the benefit of clientele looking to maximize their financial returns while minimizing risk.

To amplify our client-centricity by inspiring innovation, championing customer service, generating competitive returns, and honoring the utmost ethical and professional standards.

MISSION STATEMENT

Faysal Income & Growth FUnd seeks to provide its riks-averse investors an opportunity to earn a consistent market based income with a conservative risk profile while maintaining security of principal as its prime objective.

Condensed Interim Statement of Assets and Liabilities

As at September 30, 2021

	Note	(Un-audited) September 30, 2021	(Audited) June 30, 2021
		----- (Rupees) -----	-----
Assets			
Bank balances	5	765,711,932	678,505,956
Investments	6	238,074,474	345,829,322
Advances, deposits and other receivables	7	14,819,243	110,705,931
Total assets		<u>1,018,605,649</u>	<u>1,135,041,209</u>
Liabilities			
Payable to Faysal Asset Management Limited - the Management Company	8	2,395,150	3,195,592
Payable to Central Depository Company of Pakistan Limited - the Trustee	9	91,919	105,430
Payable to the Securities and Exchange Commission of Pakistan	10	42,624	175,422
Payable against redemption of units		779	3,561
Dividend payable		-	16,920,317
Accrued expenses and other liabilities	11	11,983,875	13,916,664
Total liabilities		<u>14,514,347</u>	<u>34,316,986</u>
Net assets		<u>1,004,091,302</u>	<u>1,100,724,223</u>
Unit holders' fund (as per statement attached)		<u>1,004,091,302</u>	<u>1,100,724,223</u>
Contingencies and commitments	12		
		----- (Number of units) -----	
Number of units in issue		<u>9,192,842</u>	<u>10,304,962</u>
		----- (Rupees) -----	
Net assets value per unit		<u>109.23</u>	<u>106.81</u>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements

For Faysal Asset Management Limited
(Management Company)_____
Chief Financial Officer_____
Chief Executive Officer_____
Director

Condensed Interim Income Statement

For The Quarter Ended September 30, 2021 (Un-audited)

	Note	Quarter Ended September 30	
		2021	2020
----- (Rupees) -----			
Income			
Profit earned on debt securities		10,111,782	10,898,726
Profit on balances with banks		11,057,977	7,871,708
Net gain on investments: at fair value through profit or loss			
- Capital loss on sale of investments - net		(1,387,875)	(812,422)
- Unrealized gain on revaluation of investments - net		1,290,255	5,854,602
		(97,620)	5,042,180
Total income		21,072,139	23,812,614
Expenses			
Remuneration of Faysal Asset Management Limited - the Management Company	8.1	3,781,797	2,016,028
Sindh sales tax on remuneration of the Management Company	8.2	491,633	259,836
Allocated expenses		-	153,916
Selling and marketing expenses		630,299	1,100,718
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	9.1	189,089	148,666
Sindh sales tax on remuneration of the Trustee	9.2	25,211	19,822
Transactional charges		108,672	100,462
Bank charges		1,080	1,695
Annual fees to the Securities and Exchange Commission of Pakistan	10	50,423	39,644
Auditors' remuneration		206,080	206,080
Fees and subscription		80,018	80,019
Legal and Professional Charges		138,736	
Printing charges		6,256	6,256
Total operating expenses		5,709,294	4,133,142
Net profit from operating activities		15,362,845	19,679,472
Reversal / (Provision) of Sindh Workers' Welfare Fund (SWWF)	11.1	6,757,093	(393,589)
Net profit for the period before taxation		22,119,938	19,285,883
Taxation	13	-	-
Net profit for the period after taxation		22,119,938	19,285,883
Allocation of net profit for the period			
Net profit for the period		22,119,938	19,285,883
Income already paid on units redeemed		(9,496,734)	(3,435,095)
		12,623,204	15,850,788
Accounting income available for distribution			
Relating to capital gains		-	5,042,180
Excluding capital gains		12,623,204	10,808,608
		12,623,204	15,850,788
Earnings per unit	14		

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Condensed Interim Statement of Comprehensive Income

For The Quarter Ended September 30, 2021 (Un-audited)

	Quarter Ended September 30	
	2021	2020
	----- (Rupees) -----	
Net income for the period after taxation	22,119,938	19,285,883
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>22,119,938</u>	<u>19,285,883</u>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements

For Faysal Asset Management Limited
(Management Company)_____
Chief Financial Officer_____
Chief Executive Officer_____
Director

Condensed Interim Statement of Movement in Unit Holders' Fund

For The Quarter Ended September 30, 2021 (Un-audited)

	Quarter Ended September 30, 2021			Quarter Ended September 30, 2020		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)			(Rupees)		
Net assets at beginning of the period	1,057,551,831	43,172,392	1,100,724,223	732,189,845	41,301,540	773,491,385
Issuance of 10,680,347 units (2020: 2,452,618 units)						
- Capital value (at net asset value at the beginning of the period)	1,140,767,866	-	1,140,767,866	261,375,534	-	261,375,534
- Element of income	17,646,215	-	17,646,215	221,330	-	221,330
Total proceeds on issuance of units	1,158,414,081	-	1,158,414,081	261,596,864	-	261,596,864
Redemption of 11,792,467 units (2020: 3,841,444 units)						
- Capital value (at net asset value at the beginning of the period)	(1,259,553,424)		(1,259,553,424)	(409,382,682)		(409,382,682)
- Element of income	(8,116,782)	(9,496,734)	(17,613,516)	(210,416)	(3,435,095)	(3,645,511)
Total payments on redemption of units	(1,267,670,206)	(9,496,734)	(1,277,166,940)	(409,593,098)	(3,435,095)	(413,028,193)
Total comprehensive income for the period	-	22,119,938	22,119,938	-	19,285,883	19,285,883
Net assets at the end of the period	948,295,706	55,795,596	1,004,091,302	584,193,611	57,152,328	641,345,939
Undistributed income brought forward						
- Realized		41,301,540			41,301,540	
- Unrealized		-			-	
		41,301,540			41,301,540	
Accounting income available for distribution						
- Relating to capital gains		-			5,042,180	
- Excluding capital gains		12,623,204			10,808,608	
		12,623,204			15,850,788	
Undistributed income carried forward		53,924,744			57,152,328	
Undistributed income carried forward						
- Realized		52,634,489			51,297,726	
- Unrealized		1,290,255			5,854,602	
		53,924,744			57,152,328	
				(Rupees)		(Rupees)
Net asset value per unit at the beginning of the period				106.81		106.57
Net asset value per unit at the end of the period				109.23		109.27

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Condensed Interim Cash Flows Statement

For The Quarter Ended September 30, 2021 (Un-audited)

Note	Quarter Ended September 30	
	2021	2020
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit from operating activities	22,119,938	19,285,883
Adjustments for non-cash and other items:		
Provision against Sindh Workers Welfare Fund	(6,757,093)	393,589
- Capital loss on sale of investments - net	1,387,875	812,422
- Net unrealized gain on revaluation of investments	(1,290,255)	(5,854,602)
	<u>15,460,465</u>	<u>14,637,292</u>
Decrease / (increase) in assets		
Investments - net	<u>107,657,228</u>	<u>(84,480,959)</u>
Advances, deposits and other receivables	<u>95,886,688</u>	<u>(3,690,010)</u>
	203,543,916	(88,170,969)
(Increase) / decrease in liabilities		
Payable to the Management Company	<u>(800,442)</u>	<u>1,158,252</u>
Remuneration payable to the Trustee	(13,511)	(28,476)
Payable to the Securities and Exchange Commission of pakistan	(132,798)	(90,951)
Payable against redemption of units	(2,782)	-
Dividend Payable	(16,920,317)	-
Accrued expenses and other liabilities	<u>4,824,303</u>	<u>(679,242)</u>
	(13,045,547)	359,583
Net cash generated from operating activities	<u>205,958,834</u>	<u>(73,174,094)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received against issuance of units	<u>1,158,414,082</u>	<u>261,596,864</u>
Payments made against redemption of units	<u>(1,277,166,940)</u>	<u>(413,028,193)</u>
Net cash used in financing activities	<u>(118,752,858)</u>	<u>(151,431,329)</u>
Net increase / (decrease) in cash and cash equivalents during the period	87,205,976	(224,605,423)
Cash and cash equivalents at beginning of the period	<u>678,505,956</u>	<u>521,263,300</u>
Cash and cash equivalents at end of the period	<u>5</u> <u>765,711,932</u>	<u>296,657,877</u>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Notes to and forming part of the Condensed Interim Financial Statements For The Quarter Ended September 30, 2021 (Un-audited)

1. LEGAL STATUS AND NATURE OF BUSINESS

Faysal Income & Growth Fund (the Fund) is an open-end income fund constituted under a trust deed entered into on April 27, 2005 between Faysal Asset Management Limited (FAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The investment activities and administration of the Fund are managed by the Management Company.

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 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th Floor, Faysal House, ST-02, Main Shahrah-e-Faisal, Karachi, Pakistan. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an open end aggressive fixed income scheme by the Board of Directors of the Management Company 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. 10 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from October 10, 2005 and are transferable and redeemable by surrendering them to the Fund.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned "A(f)" fund stability rating to Faysal Income & Growth Fund as of April 16, 2021 (2019: "A(f)" as of April 17, 2020). VIS Credit Rating Company Limited has awarded an "AM2+" asset manager rating to the Management Company as of August 10, 2021 (2020: "AM2" dated December 31, 2020).

2. STATEMENT OF COMPLIANCE

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

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at September 30, 2021.

3. BASIS OF PREPARATION

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2021.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at September 30, 2021 have been extracted from the

Notes to and forming part of the Condensed Interim Financial Statements

For The Quarter Ended September 30, 2021 (Un-audited)

annual published audited financial statements of the Fund for the year ended June 30, 2021, whereas, the comparatives to report for in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement extracted from the condensed interim financial statements of the fund for the quarter ended September 30, 2020.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2021.

The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2021.

	Note	(Un-audited) September 30, 2021	(Audited) June 30, 2021
5 BANK BALANCES		----- (Rupees) -----	
Cash at bank - PLS savings accounts	5.1	765,711,932	678,505,956

5.1 These carry mark-up ranging between 5.5% to 8.25% (June 30, 2021: 5.5% to 8.25%) per annum and include a balance of Rs. 7.207 million (June 30, 2021: Rs.1.078 million) held with Faysal Bank Limited, related party.

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
6. INVESTMENTS		----- (Rupees) -----	
Debt Securities - at fair value through profit or loss			
Term finance certificates	6.1	142,966,374	200,624,336
Government Securities	6.2	-	145,204,986
Commercial Paper	6.3	95,108,100	95,108,100
		<u>238,074,474</u>	<u>440,937,422</u>

6.1 Debt Securities - at fair value through profit or loss

Term Finance Certificates

Particulars	----- Number of certificates -----				-- Balance as at September 30, 2020 --			----- (%) -----	
	As at July 01, 2021	Purchased during the period	Disposed off during the period	As at September 30, 2021	Carrying value	Market value	Unrealized gain on revaluation	Market value as percentage of total investments	Market value as percentage of net assets
Khushali Microfinance Bank (19-03-18)	500	-	-	500	49,945,000	50,392,500	447,500	21.17	5.02
JS Bank Limited (14-12-2016)	12,000	-	12,000	-	-	-	-	-	-
The Bank of Punjab (23-12-16)	660	-	-	660	66,540,012	67,198,824	658,812	28.23	6.69
JS Bank Limited (29-12-2017)	250	-	-	250	25,191,108	25,375,050	183,942	10.66	2.53
					<u>141,676,120</u>	<u>142,966,374</u>	<u>1,290,254</u>	<u>60.05</u>	<u>14.24</u>

Notes to and forming part of the Condensed Interim Financial Statements

For The Quarter Ended September 30, 2021 (Un-audited)

8.1 The Management Company is currently charging remuneration at the rate 1.5% of average daily net assets, calculated on daily basis. The fee is payable to the Management Company monthly in arrears.

8.2 The Provincial Government of Sindh has levied Sindh sales tax at the rate of 13% on the remuneration of the Management Company through the Sindh sales tax on Services Act, 2011.

	Note	(Un-audited) September 30, 2021	(Audited) June 30, 2021
----- (Rupees) -----			
9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN			
Remuneration payable to the Trustee	9.1	80,803	93,301
Sales tax payable on Trustee fee	9.2	<u>11,116</u>	<u>12,129</u>
		<u>91,919</u>	<u>105,430</u>

9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed.

9.2 During the period, amount charged at 13% on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011.

	Note	(Un-audited) September 30, 2021	(Audited) June 30, 2021
----- (Rupees) -----			
10. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Annual fee	10.1	<u>42,624</u>	<u>175,422</u>

10.1 This represents annual fee payable to the SECP in accordance with the NBFC Regulations, whereby the Fund is required to pay the SECP an amount at the rate of 0.02% per annum of the average daily net assets of the Fund in accordance with SRO 685(1)/2019 of the SECP.

	Note	(Un-audited) September 30, 2021	(Audited) June 30, 2021
----- (Rupees) -----			
11. ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund (SWWF)	11.1	-	6,757,093
Provision for Federal Excise Duty	-	4,050,715	4,050,717
Auditors' remuneration payable		778,381	572,302
Transaction charges payable		86,114	-
Legal and professional charges payable		537,164	398,428
Fees and subscription payable		13,298	-
Printing charges payable		213,563	133,387
Zakat payable		35,211	35,211
Withholding tax, capital gain tax payable & other payable		<u>6,269,429</u>	<u>1,969,526</u>
		<u>11,983,875</u>	<u>13,916,664</u>

Notes to and forming part of the Condensed Interim Financial Statements

For The Quarter Ended September 30, 2021 (Un-audited)

11.1 SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institution / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP. All the Asset Management Companies in consultation with SECP have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from December 19, 2019 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF vide its letter dated August 30, 2021.

12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at September 30, 2021 and June 30, 2021, except for those disclosed in the annual financial statements of the fund.

13. 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 unitholders. Since the management intends to distribute the income earned by the Fund during the period ending June 30, 2021 to the unit holders in the manner as explained above, accordingly, no provision for taxation has been made in these condensed interim 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.

14. EARNINGS PER UNIT

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

15. EXPENSE RATIO

The total expense ratio (TER) of the Fund as at September 30, 2021 is 2.27% which includes 0.23% representing government levies on the Fund such as provision for 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 income scheme.

16. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons and related parties include Faysal Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, Faysal Asset Management Limited - Staff Provident Fund, Faysal Asset Management Limited - Staff Gratuity Fund, Faysal

Notes to and forming part of the Condensed Interim Financial Statements

For The Quarter Ended September 30, 2021 (Un-audited)

Bank Limited, Faysal Bank Limited - Staff Provident Fund, Faysal Bank Limited - Staff Gratuity Fund and other entities under common management and / or directorship and the directors and officers of the Management Company and the Trustee, key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund at year end.

The transactions with connected persons are in the normal course of business at contracted rates.

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

	(Un-audited)	
	Quarter Ended September 30	
	2021	2020
	----- (Rupees) -----	
16.1 Transactions during the period		
Faysal Asset Management Limited (Management Company)		
Remuneration of Faysal Asset Management Limited - the Management Company	3,781,797	2,016,028
Sindh sales tax on remuneration of the Management Company	491,633	259,836
Allocated expenses	-	153,916
Selling and marketing expenses	630,299	1,100,718
Issue of 10,595,0951 units (2020: 102,564 units)	1,149,104,252	11,000,000
Redemption 11,543,251 units (2020: 1,317,189 units)	1,250,000,000	142,519,837
Faysal Bank Limited (Group / Associated Company)		
Return on PLS savings accounts	75,089	75,089
Bank charges	1,695	1,695
Central Depository Company of Pakistan Limited - (Trustee of the Fund)		
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	189,089	148,666
Sindh sales tax on remuneration of the Trustee	25,211	19,822
Settlement charges	565	565

Notes to and forming part of the Condensed Interim Financial Statements

For The Quarter Ended September 30, 2021 (Un-audited)

	(Un-audited) September 30, 2021	(Audited) June 30, 2021
	----- (Rupees) -----	
16.2 Outstanding balances		
Faysal Asset Management Limited (Management Company)		
Management fee payable	1,219,247	1,361,189
Sales tax payable on Management fee	165,962	176,955
Selling and marketing charges	635,724	227,610
Allocated expenses	374,217	1,429,838
4,056,615 units in issue (June 30, 2021: 5,004,794 units)	443,085,113	534,562,047
Faysal Bank Limited (Group / Associated Company)		
Units in issue 2,413,740 units (June 30, 2021: 2,413,740 units)	263,641,571	257,811,569
Balance in PLS savings accounts	5,405,462	1,078,001
Return receivable on PLS savings accounts	133,583	9,969
Dividend payable	-	16,920,317
Central Depository Company of Pakistan Limited - (Trustee of the Fund)		
Remuneration payable to the Trustee	78,178	93,301
Sales tax payable on Trustee fee	10,163	12,129
Security deposit	100,000	100,000

17. 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 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.

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

Notes to and forming part of the Condensed Interim Financial Statements

For The Quarter Ended September 30, 2021 (Un-audited)

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

As at the reporting date, the Fund held the following financial instruments measured at fair values:

September 30, 2021 (Un-audited)			
Level 1	Level 2	Level 3	Total

ASSETS

Financial assets at fair value through profit or loss

- Term finance certificates	-	142,966,374	-	142,966,374
- Government Securities	-	-	-	-
- Commercial papers	-	95,108,100	-	95,108,100
	-	<u>238,074,474</u>	-	<u>238,074,474</u>

June 30, 2021 (Audited)			
Level 1	Level 2	Level 3	Total

ASSETS

Financial assets at fair value through profit or loss

- Term finance certificates	-	200,624,336	-	200,624,336
- Pakistan Investment Bonds	-	145,204,986	-	145,204,986
- Commercial papers	-	95,108,100	-	95,108,100
	-	<u>440,937,422</u>	-	<u>345,829,322</u>

18. GENERAL

18.1 Figures have been rounded off to the nearest rupee.

19. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on October 22, 2021 by the Board of Directors of the Management Company.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

Head Office

West wing, 7th Floor, Faysal House, ST-02,
Shahrah-e-Faisal, Karachi, Pakistan.

Karachi

U 92 21 111329725
F 92 21 38657800

Lahore

T 92 42 35785558
F 92 42 35755196

Islamabad

T 92 51 2605721 / 23
F 92 51 2275252

faysalfunds.com

facebook.com/faysalasset

twitter.com/faysalasset