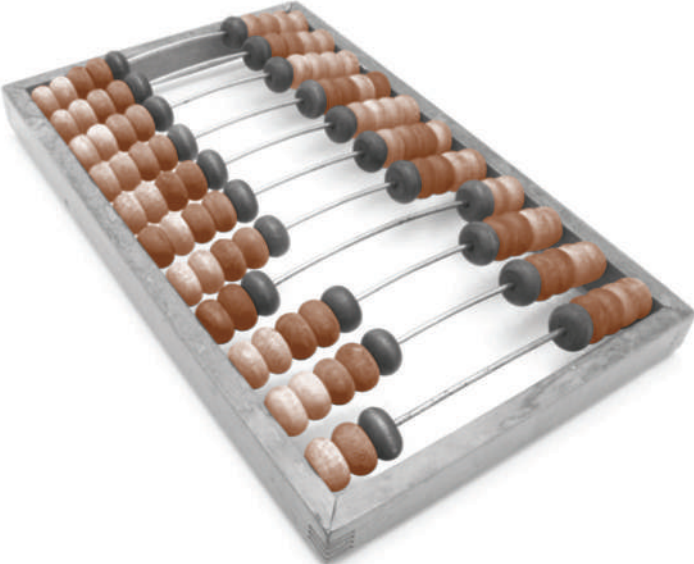


Faysal Funds

Savings 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 Fraz 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 Fraz Zaidi, Member

HR Committee

Mr. Osman Asghar Khan, Member
Mr. Salman Ahmed Usmani, Member
Mr. Nadir Rehman, Chairman

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 Savings Growth Fund seeks to provide investors a consistent income stream with maximum preservative of capital.

Condensed Interim Statement of Assets and Liabilities

As at September 30, 2021

	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
Note	----- (Rupees) -----	
Assets		
Balances with banks	5 1,891,301,625	1,071,562,772
Investments	6 869,590,523	1,252,067,492
Receivable against issuance of units	-	516,668
Advances, deposits, prepayments and other receivables	7 35,916,733	207,658,943
Total assets	<u>2,796,808,881</u>	<u>2,531,805,875</u>
Liabilities		
Payable to Faysal Asset Management Limited - Management Company	8 7,585,865	7,399,183
Payable to Central Depository Company of Pakistan Limited - Trustee	9 190,284	165,042
Payable to the Securities and Exchange Commission of Pakistan	10 134,013	483,364
Accrued expenses and other liabilities	11 23,880,172	48,304,232
Dividend payable	-	40,946,900
Total liabilities	31,790,334	97,298,721
Net assets	<u>2,765,018,547</u>	<u>2,434,507,154</u>
Unit holders' fund (as per statement attached)	<u>2,765,018,547</u>	<u>2,434,507,154</u>
Contingencies and commitments	12	:
	----- (Number of units) -----	
Number of units in issue	<u>26,347,645</u>	<u>23,676,614</u>
	----- (Rupees) -----	
Net asset value per unit	<u>104.94</u>	<u>102.82</u>

The annexed notes from 1 to 18 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		
Interest on Pakistan Investment Bonds	6,551,087	8,457,440
Interest on Market Treasury Bills	12,190,875	2,751,082
Interest on term finance certificates	7,851,020	12,814,089
Interest on commercial papers	1,900,008	-
Profit on sukuk certificates	8,076,620	8,632,959
Income from Margin Trading System	-	916,584
Profit on balances with banks	14,146,049	20,393,965
Net realised loss on sale of investments	(1,355,851)	(170,596)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	1,592,466	10,826,965
Total income	50,952,274	64,622,488
Expenses		
Remuneration of Faysal Asset Management Limited - Management Company	8.1 10,055,499	7,214,808
Sindh sales tax on remuneration of the Management Company	8.2 1,307,215	937,925
Selling and marketing expenses	1,675,917	2,488,855
Allocated expenses	-	705,389
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1 502,775	473,139
Sindh sales tax on remuneration of the Trustee	9.2 65,361	61,823
Annual fees to the Securities and Exchange Commission of Pakistan	10.1 134,073	126,170
Transaction charges	239,175	137,646
Bank charges	4,620	1,955
Auditors' remuneration	224,480	224,480
Fees and subscriptions	90,615	90,615
Settlement charges	610	199,628
Printing charges and other expenses	-	8,780
Total expenses	14,300,340	12,671,213
Net income from operating activities	36,651,934	51,951,275
Reversal / (Provision) for Sindh Workers Welfare Fund	17,946,961	(1,039,026)
Net income for the period before taxation	54,598,895	50,912,249
Taxation	13 -	-
Net income for the period after taxation	54,598,895	50,912,249
Earnings per unit	14 -	-
Allocation of net income for the period		
Net income for the period after taxation	54,598,895	50,912,249
Income already paid on units redeemed	(1,962,660)	(9,817,769)
Accounting income available for distribution	52,636,235	41,094,480
- Relating to capital gains	236,615	10,656,369
- Excluding capital gains	52,399,620	30,438,111
	52,636,235	41,094,480

The annexed notes from 1 to 18 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	54,598,895	50,912,249
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>54,598,895</u>	<u>50,912,249</u>

The annexed notes from 1 to 18 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	2,368,990,654	65,516,500	2,434,507,154	2,551,813,075	59,034,401	2,610,847,476
Issuance of 3,854,157 units (2020: 11,277,301 units)						
- Capital value (at net asset value per unit at beginning of the period)	396,284,454	-	396,284,454	1,156,141,153	-	1,156,141,153
- Element of income	3,247,863	-	3,247,863	5,464,122	-	5,464,122
Total proceeds on issuance of units	399,532,317	-	399,532,317	1,161,605,275	-	1,161,605,275
Redemption of 1,183,127 units (2020: 14,426,769 units)						
- Capital value (at net assets value per unit at beginning of the period)	(121,649,145)	-	(121,649,145)	(1,479,032,248)	-	(1,479,032,248)
- Element of income	(8,014)	(1,962,660)	(1,970,674)	(1,607,750)	(9,817,769)	(11,425,519)
Total payments on redemption of units	(121,657,159)	(1,962,660)	(123,619,819)	(1,480,639,998)	(9,817,769)	(1,490,457,767)
Total comprehensive income for the period	-	54,598,895	54,598,895	-	50,912,249	50,912,249
Net assets at end of the period	2,646,865,812	118,152,735	2,765,018,547	2,232,778,352	100,128,881	2,332,907,233
Undistributed income brought forward						
- Realised income		56,586,535			63,988,763	
- Unrealised income / (loss)		8,929,965			(4,954,362)	
		65,516,500			59,034,401	
Accounting income available for distribution						
- Relating to capital gains		236,615			10,656,369	
- Excluding capital gains		52,399,620			30,438,111	
		52,636,235			41,094,480	
Undistributed income carried forward		118,152,735			100,128,881	
Undistributed income carried forward						
- Realised income		116,560,269			89,301,916	
- Unrealised gain		1,592,466			10,826,965	
		118,152,735			100,128,881	
				(Rupees)		(Rupees)
Net asset value per unit at the beginning of the period				102.82		102.52
Net asset value per unit at the end of the period				104.94		104.53

The annexed notes from 1 to 18 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 income for the period before taxation		54,598,895	50,912,249
Adjustments for:			
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(1,592,466)	(10,826,965)
Net realised loss on sale of investments		1,355,851	170,596
(Reversal) / Provision for Sindh Workers' Welfare Fund (SWWF)		(17,946,961)	1,039,026
		<u>36,415,319</u>	<u>41,294,906</u>
Decrease / (Increase) in assets			
Investments		382,713,584	(772,463,885)
Receivable against Margin Trading System (MTS)		-	(28,561,857)
Receivable against issuance of units		516,668	
Advances, deposits, prepayments and other receivables		171,742,210	(90,276,159)
		<u>554,972,462</u>	<u>(891,301,901)</u>
(Decrease) / increase in liabilities			
Payable to Faysal Asset Management Limited - Management Company		186,682	4,706,525
Payable to Central Depository Company of Pakistan Limited - Trustee		25,242	7,657
Payable to the Securities and Exchange Commission of Pakistan		(349,351)	(204,315)
Payable against purchase of investments		-	600,904,817
Accrued expenses and other liabilities		(6,477,099)	176,179
Dividend payable		(40,946,900)	-
		<u>(47,561,426)</u>	<u>605,590,863</u>
Net cash generated / (used in) from operating activities		<u>543,826,355</u>	<u>(244,416,132)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received against issuance of units		399,532,317	1,161,605,275
Amount paid against redemption of units		(123,619,819)	(1,490,300,667)
Cash distribution		-	-
Net cash generated / (used in) financing activities		<u>275,912,498</u>	<u>(328,695,392)</u>
Net increase / (decrease) in cash and cash equivalents during the period		819,738,853	(573,111,524)
Cash and cash equivalents at beginning of the period		1,071,562,772	1,741,884,414
Cash and cash equivalents at end of the period	5	<u>1,891,301,625</u>	<u>1,168,772,890</u>

The annexed notes from 1 to 18 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 Savings Growth Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on December 28, 2006 between Faysal Asset Management Limited 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 Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 7th Floor, West Wing, Faysal House, Shahrah-e-Faisal, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an open ended income scheme by the Board of Directors of the Management Company 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 were initially offered for public subscription at a par value of Rs.100 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from May 7, 2007 and are transferable and redeemable by surrendering them to the Fund.

The investment objective of the Fund is to seek maximum possible preservation of capital and a reasonable rate of return via investing primarily in money market and debt securities having good credit rating and liquidity.

The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned a "AA-(f)" stability rating to Faysal Savings Growth Fund as of April 16, 2021.

The VIS Credit Rating Company Limited has awarded an "AM2+" asset manager rating to the Management Company as of August 10, 2021 (2020: "AM2" as of December 31, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

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.

Notes to and forming part of the Condensed Interim Financial Statements

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

3 BASIS OF PREPARATION

These condensed interim financial statements does 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 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.

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	----- (Rupees) -----	
5 BANK BALANCES			
Balances with banks in saving accounts	5.1	<u>1,891,301,625</u>	<u>1,071,562,772</u>

- 5.1 These balances in savings accounts carry markup rates ranging from 5.50% to 8.10% (June 30, 2021: 5.50% to 7.80%) per annum. Deposits in savings accounts also include Rs. 9.436 million (June 30, 2021: Rs. 10.357 million) maintained with Faysal Bank Limited, a related party, and carry mark-up at the rate of 5.50% (June 30, 2021: 5.50%) per annum.

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	----- (Rupees) -----	
6 INVESTMENTS			
At fair value through profit or loss			
Term Finance Certificates	6.1	243,982,801	415,421,928
Sukuk certificates	6.2	333,452,710	350,047,304
Government Securities - Pakistan Investment Bonds	6.3	49,755,004	385,135,744
Listed equity securities	6.4	-	99,440,261
Commercial paper		242,400,008	-
Future stock contracts		-	<u>2,022,255</u>
		<u>869,590,523</u>	<u>1,252,067,492</u>

Notes to and forming part of the Condensed Interim Financial Statements

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

6.1 Term Finance Certificates

2,765,018,547									
Name of the security	As at July 1, 2021	Purchases during the period	Sales / redemptions during the period	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealised appreciation/ (diminution) as at September 30, 2021	Percentage in relation to	
								Net assets of the Fund	Total market value of investment
(Number of certificates)					(Rupees)			----- % -----	
BANKS									
JS Bank Limited	32,000	-	32,000	-	-	-	-	-	-
The Bank of Punjab	1,300	-	-	1,300	131,063,660	132,361,320	1,297,660	4.79	15.22
INVESTMENT BANKS / INVESTMENT COMPANIES									
Jahangir Siddiqui & Co. Limited TFC (18-Jul-17)	20,000	-	-	20,000	45,172,990	45,247,500	74,510	1.64	5.20
Jahangir Siddiqui & Co. Limited TFC (6-Mar-18)	20,000	-	-	20,000	66,244,679	66,373,981	129,302	2.40	7.63
Total - September 30, 2021					242,481,329	243,982,801	1,501,472	8.82	28.06
Total - June 30, 2021					409,859,611	415,421,928	5,562,317		

6.1.1 The face value of these term finance certificates is Rs 5,000 each except for The Bank of Punjab TFC having value of Rs 100,000 each.

6.2 Sukuk certificates

Sukuk certificates at fair value through profit or loss

Name of the security	As at July 1, 2021	Purchased during the period	Matured / sold during the period	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealised appreciation/ (diminution) as at September 30, 2021	Percentage in relation to	
								Net assets of the Fund	Total market value of investment
Number of certificates					(Rupees)			----- % -----	
International Brands Limited Sukuk (18-Nov-17)	1,750	-	-	1,750	50,723,171	50,375,268	(347,903)	1.82	5.79
The Hub Power Company Limited - Sukuk 4	1,000	-	-	1,000	102,400,000	102,653,933	253,933	3.71	11.80
Hub Power Holding Limited (12-Nov-2020)	2,000	-	-	2,000	180,423,689	180,423,509	180	6.53	20.75
Total - September 30, 2021					333,546,860	333,452,710	(94,150)	12.06	38.35
Total - June 30, 2021					347,106,056	350,047,304	2,941,248		

Notes to and forming part of the Condensed Interim Financial Statements

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

6.3 Government Securities - Pakistan Investment Bonds

Name of security	Issue Date	As at July 01, 2021	Purchased during the period	Sold during the period	Matured during the period	As at September 30, 2021	Carrying value as at September 30, 2021	Market value as at September 30, 2021	Unrealised loss on revaluation	Market value	Market value
										as percentage of total investments	as percentage of net assets
Face value							Rupees			%	

Pakistan Investment Bonds

Pakistan Investment Bonds - 10 years	June 28, 2018	50,000,000	-	-	-	50,000,000	49,600,000	49,755,004	155,004	5.72	1.80
Pakistan Investment Bonds - 05 years	September 19, 2019	100,000,000	-	100,000,000	-	-	-	-	-	-	-
Pakistan Investment Bonds - 03 years	September 19, 2019	250,000,000	550,000,000	800,000,000	-	-	-	-	-	-	-
Total - September 30, 2021							49,600,000	49,755,004	155,004	5.72	1.80
Total - June 30, 2021							385,353,445	385,135,744	(217,701)		

6.4 Commercial paper

Name of investee company	Number of certificates			Balance as at September 30, 2021		
	As at July 01, 2021	Purchased during the period	Disposed / matured during the period	As at September 30, 2021	Carrying Value September 30, 2021	Market Value September 30, 2021
K-Electric Limited - Commercial Paper	-	250,000,000	-	250,000,000	242,400,008	242,400,008
	-	250,000,000	-	250,000,000	242,400,008	242,400,008

7.0 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	(Un-audited) September 30, 2021	(Audited) June 30, 2021
	(Rupees)	
Security deposits with		
- National Clearing Company of Pakistan Limited	3,852,597	2,750,000
- Central Depository Company of Pakistan Limited	100,000	100,000
	3,952,597	2,850,000
Exposure deposit with the National Clearing Company of Pakistan Limited against spread transactions	-	179,022,064
Prepaid expenses	254,599	250,000
Profit receivable on sukuk certificates	4,857,463	3,360,023
Profit receivable on term finance certificates	4,187,704	5,076,584
Profit receivable on Pakistan Investment Bonds	1,047,583	7,900,416
Dividend receivable	5,167,800	5,167,800
Profit receivable on balances with banks	7.1	12,438,462
Advance tax	1,408,417	1,757,411
Other receivable	2,602,108	-
	35,916,733	207,658,943

Notes to and forming part of the Condensed Interim Financial Statements

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

7.1 This includes profit receivable amounting to Rs. 43,791 (June 30, 2021: Rs. 41,522) on balances held with Faysal Bank Limited, a related party.

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	----- (Rupees) -----	
8	PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY		
	Management fee payable	8.1 3,367,295	2,850,720
	Sindh Sales tax payable on management fee	8.2 437,748	370,593
	Selling and marketing expenses payable	1,677,548	2,074,596
	Allocated expenses payable	<u>2,103,274</u>	<u>2,103,274</u>
		<u>7,585,865</u>	<u>7,399,183</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 remuneration at the rate of 1.5% of average annual net assets which is payable 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.

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	----- (Rupees) -----	
9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE		
	Trustee fee payable	9.1 168,365	146,027
	Sindh Sales Tax payable on trustee fee	9.2 <u>21,919</u>	<u>19,015</u>
		<u>190,284</u>	<u>165,042</u>

9.1 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% of average annual net assets of the Fund.

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.

		(Un-audited) September 30, 2021	(Audited) June 30, 2021
	Note	----- (Rupees) -----	
10	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		
	Annual fee to SECP	10.1 <u>134,013</u>	<u>483,364</u>

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
	Note	----- (Rupees) -----	
11 ACCRUED EXPENSES AND OTHER LIABILITIES			
Brokerage payable		2,657,665	2,671,952
Auditors' remuneration payable		855,169	630,689
Printing charges payable		151,144	151,122
Zakat payable		33,331	33,331
Withholding and capital gain tax payable		908,204	7,770,852
Reversal / (Provision) for Sindh Workers Welfare Fund	11.1	-	17,946,961
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee		18,281,365	18,281,365
Other liabilities		993,294	817,960
		<u>23,880,172</u>	<u>48,304,232</u>

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 May 21, 2015 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

12.1 There were no contingencies outstanding as at September 30, 2021 and June 30, 2021.

12.2 Commitments

	(Un-audited) September 30, 2021	(Audited) June 30, 2021
Future sale transactions of equity securities entered into by the Fund which have not been settled as at year end	-	<u>102,390,005</u>

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.

Notes to and forming part of the Condensed Interim Financial Statements

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

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. Moreover, super tax introduced in Finance Act, 2015 is also not applicable on Funds as per Section 4B of 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 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2021 is 2.13% which includes 0.23% (June 30, 2021: 2.30%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, 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 an Income Scheme.

15 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

Connected persons include Faysal Asset Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, 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 of 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.

Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

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

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

Notes to and forming part of the Condensed Interim Financial Statements

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

Transactions during the period	(Un-audited)	
	Quarter Ended September 30 2021	2020
	----- (Rupees) -----	
Faysal Asset Management Limited (Management Company)		
Remuneration of Faysal Asset Management Limited - Management Company	10,055,499	7,214,808
Sindh sales tax on remuneration of the Management Company	1,307,215	937,925
Allocated expenses	-	705,389
Selling and marketing expenses	1,675,917	2,488,855
Issuance of 3,650 units (2020: 1,953,125 units)	378,888	200,000,000
Redemption of 3,650 units (2020: 1,953,125 units)	381,931	201,054,688
Faysal Bank Limited (Group / Parent Company)		
Profit on balances with banks	387,864	107,179
Central Depository Company of Pakistan Limited - (Trustee of the Fund)		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	502,775	473,139
Sindh sales tax on remuneration of the Trustee	65,361	61,823
Key Management Personnel		
issuance of 6 units (2020: Nil units)	635	-
Redemption of Nil units (2020: 60,766 units)	-	6,237,595
Unitholders holding 10% or more units		
Issuance of Nil units (2020: 2,891,288 units)	-	300,000,000
Redemption of 955,840 units (2020: Nil units)	100,000,000	-
Outstanding balances	(Un-audited)	(Audited)
	September 30,	June 30,
	2021	2021
	----- (Rupees) -----	
Faysal Asset Management Limited (Management Company)		
Management fee payable	3,367,295	2,850,720
Sindh Sales tax payable on management fee	437,748	370,593
Selling and marketing expense payable	1,677,548	2,074,596
Allocated expenses payable	2,103,274	2,103,274
*Faysal Bank Limited (Group / Parent Company)		
Balance with banks	7,441,805	10,357,246
Profit receivable on balance with banks	42,378	41,522
Outstanding 6,478,940 units (June 30, 2021 6,478,940 units)	679,899,951	666,164,611

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) -----	
Central Depository Company of Pakistan Limited - (Trustee of the Fund)		
Trustee fee payable	168,365	146,027
Sindh Sales Tax payable on trustee fee	21,919	19,015
Security deposit	100,000	100,000
Key Management Personnel		
Outstanding 6 units (June 30, 2021: Nil units)	636	-
Unitholders holding 10% or more units		
Outstanding 16,036,972 units (June 30, 2021: Nil units)	1,682,919,856	-

* Faysal Bank Limited also holds more than 10% units in the Fund

16 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.

16.1 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).

Notes to and forming part of the Condensed Interim Financial Statements

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

As at September 30, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair values:

As at September 30, 2021 (Un-audited)		
Level 1	Level 2	Level 3
----- Rupees -----		
Term Finance Certificates	-	243,982,801
Sukuk certificates	-	333,452,710
Government Securities - Pakistan Investment Bonds	-	49,755,004
Commercial paper	-	242,400,008
	<u>-</u>	<u>869,590,523</u>

Financial assets

At fair value through profit or loss

As at June 30, 2021 (Audited)		
Level 1	Level 2	Level 3
----- Rupees -----		
Term Finance Certificates	-	415,421,928
Sukuk certificates	-	350,047,304
Government Securities - Pakistan Investment Bonds	-	385,135,744
Listed equity securities	99,440,261	-
Commercial paper	-	-
Future stock contracts	-	2,022,255
	<u>99,440,261</u>	<u>1,152,627,231</u>

Financial assets

At fair value through profit or loss

Term Finance Certificates	-	415,421,928	415,421,928
Sukuk certificates	-	350,047,304	350,047,304
Government Securities - Pakistan Investment Bonds	-	385,135,744	385,135,744
Listed equity securities	99,440,261	-	99,440,261
Commercial paper	-	-	-
Future stock contracts	-	2,022,255	2,022,255
	<u>99,440,261</u>	<u>1,152,627,231</u>	<u>1,252,067,492</u>

17 GENERAL

17.1 Figures are rounded off to the nearest Rupee.

18 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised 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

f facebook.com/faysalasset

➤ twitter.com/faysalasset