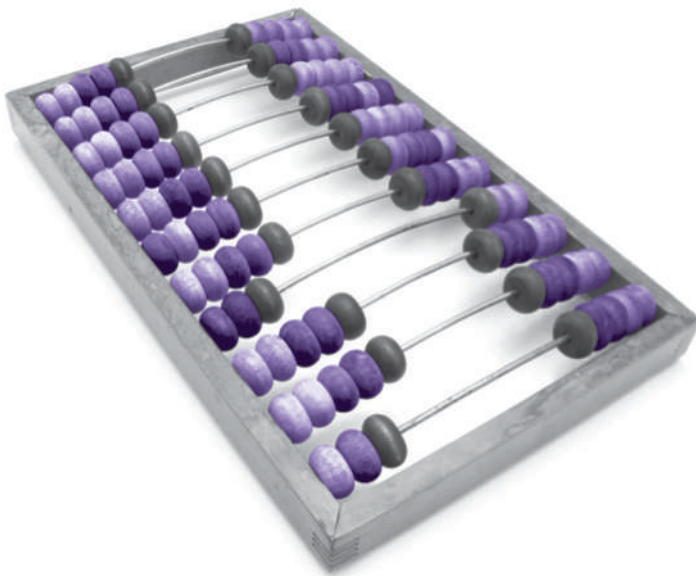


Faysal Funds

Cash Fund

Condensed Interim Financial Statements
For The Quarter Ended September 30, 2022 (Un-Audited)



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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

Faysal Bank Limited

Allied Bank Limited

Bank Al-Falah 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 Cash Fund endeavors to provide investors with an opportunity to earn long-term capital appreciation optimizing through broad mix of asset classes encompassing equity, fixed income & money market instruments.

Condensed Interim Statement of Assets and Liabilities

As at September 30, 2022

	Note	(Un-audited) September 30, 2022 (Rupees)	(Audited) June 30, 2022 (Rupees)
Assets			
Balances with banks	4	5,792,578	275,906,237
Investments - net	5	798,992,034	1,087,400,388
Advances, deposit, prepayments and other receivables	6	30,180,381	25,019,092
Preliminary expenses and floatation costs	7	327,725	353,025
Total assets		835,292,718	1,388,678,742
Liabilities			
Payable to Faysal Asset Management Limited - the Management Company	8	1,895,180	1,061,012
Payable to Central Depository Company of Pakistan - the Trustee	9	45,664	90,318
Payable to the Securities and Exchange Commission of Pakistan	10	54,999	172,892
Payable against Redemption of Units		34,308	18,188
Accrued expenses and other liabilities	11	1,387,750	4,774,985
Total liabilities		3,417,902	6,117,395
Net assets		831,874,816	1,382,561,347
Unit holders' fund (as per the statement attached)		831,874,816	1,382,561,347
Contingencies and commitments	12	(Number of units)	(Number of units)
Number of unit in issue		8,043,500	13,795,767
		(Rupees)	(Rupees)
Net assets value per unit		103.4220	100.2163

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, 2022 (Un-Audited)

	Note	Quarter Ended September 30	
		2022	2021
		----- (Rupees) -----	
Income			
Profit on balances with banks		2,246,562	1,079,784
Discount Income on Market Treasury Bills		289,959	2,137,764
Discount income on commercial papers		11,591,642	190,001
Profit from Sukuks		22,154,797	-
Realised (loss) / gain on sale of investments - net		(6,460)	20,578
Total Income		36,276,501	3,428,127
Operating expenses			
Remuneration of Faysal Asset Management Limited - the Management Company	8.1	687,797	-
Sindh sales tax on remuneration of the Management Company	8.2	89,411	-
Allocated expenses	8.3	-	-
Selling and marketing expenses	8.4	962,917	-
Remuneration to Central Depository Company of Pakistan Limited - the Trustee		151,315	29,018
Sindh sales tax on remuneration of the Trustee		19,671	3,772
Annual fee to the Securities and Exchange Commission of Pakistan		55,025	8,928
Auditors' remuneration		140,024	205,804
Fees and subscriptions		54,556	158,240
Transaction charges		669	3,298
Legal and Professional Charges		19,780	71,852
Amortisation of preliminary expenses and floatation cost	7.1	25,300	25,300
Bank charges		1,181	332
Printing charges		8,556	14,812
Total operating expenses		2,216,201	521,356
Net income from operating activities		34,060,300	2,906,771
Reversal of Sindh Workers' Welfare Fund (SWWF)		-	140,947
Net income for the period before taxation		34,060,300	3,047,718
Taxation	13	-	-
Net income for the period after taxation		34,060,300	3,047,718
Earning Per Unit	14		
Allocation of net income for the period			
- Net income for the period after taxation		34,060,300	3,047,718
- Income already paid on units redeemed		(12,413,338)	(313,583)
		21,646,962	2,734,135
Accounting income available for distribution			
- Relating to capital gains		-	20,578
- Excluding capital gains		21,646,962	2,713,557
		21,646,962	2,734,135

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, 2022 (Un-Audited)

	Quarter Ended September 30	
	2022	2021
	----- (Rupees) -----	
Net income for the period after taxation	34,060,300	3,047,718
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>34,060,300</u>	<u>3,047,718</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, 2022 (Un-Audited)

	(Un-audited)			(Un-audited)		
	Quarter Ended September 30, 2022			Quarter Ended September 30, 2021		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)			(Rupees)		
Net assets at the beginning of the period	1,379,180,749	3,380,598	1,382,561,347	113,592,400	-	113,592,400
Issuance of 13,864,212 (2021:2,488,446) units						
- Capital value (at net asset value per unit at the beginning of the period)	1,389,420,060	-	1,389,420,060	248,844,627	-	248,844,627
- Element of income	18,260,304	-	18,260,304	446,992	-	446,992
Total proceeds on issuance of units	1,407,680,364	-	1,407,680,364	249,291,619	-	249,291,619
Redemption of 19,616,480 (2021:1,096,399) units						
- Capital value (at net asset value per unit at the beginning of the period)	(1,965,891,023)	-	(1,965,891,023)	(109,639,911)	-	(109,639,911)
- Element of income	(14,122,833)	(12,413,338)	(26,536,171)	(14,986)	(313,583)	(328,569)
Total proceeds on issuance of units	(1,980,013,856)	(12,413,338)	(1,992,427,194)	(109,654,897)	(313,583)	(109,968,480)
Cash distributions during the period	-	-	-	-	(982,803)	(982,803)
Total comprehensive income for the period	-	34,060,300	34,060,300	-	3,047,718	3,047,718
Net assets at the end of the period	806,847,257	25,027,559	831,874,816	253,229,122	1,751,332	254,980,454
Undistributed income carried forward						
- Realised income		3,380,598			-	
- Unrealised Income		-			-	
		<u>3,380,598</u>			<u>-</u>	
Accounting income available for distribution						
- Relating to capital gains		-			20,578	
- Excluding capital gains		21,646,962			2,713,557	
		<u>21,646,962</u>			<u>2,734,135</u>	
Cash distributions during the period		-			(982,803)	
Undistributed income carried forward		<u>25,027,559</u>			<u>1,751,332</u>	
Undistributed income carried forward						
- Realised income		25,027,559			1,751,332	
- Unrealised Income		-			-	
		<u>25,027,559</u>			<u>1,751,332</u>	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		<u>100.2163</u>			<u>100.0000</u>	
Net assets value per unit at end of the period		<u>103.4220</u>			<u>100.8637</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 Cash Flows Statement

For The Quarter Ended September 30, 2022 (Un-Audited)

	Note	Quarter Ended September 30 2022	2021
		----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		34,060,300	3,047,718
Adjustments for:			
Reversal of Sindh Workers' Welfare Fund (SWWF)		-	(140,947)
Realised loss / (gain) on sale of investments - net		6,460	(20,578)
Amortisation of preliminary expenses and floatation cost		25,300	25,300
Cash generated from operations		<u>34,092,060</u>	<u>2,911,493</u>
(Increase) / decrease in assets			
Investments - net		288,401,894	74,406,884
Advances, deposit, prepayments and other receivables		(5,161,289)	(749,321)
		<u>283,240,605</u>	<u>73,657,563</u>
Increase / (decrease) in liabilities			
Payable to Faysal Asset Management Limited - the Management Company		834,168	-
Payable to Central Depository Company of Pakistan - the Trustee		(44,654)	7,350
Payable to the Securities and Exchange Commission of Pakistan		(117,893)	(14,852)
Accrued expenses and other liabilities		(3,387,235)	666,948
		<u>(2,715,613)</u>	<u>659,446</u>
Net cash generated in operating activities		<u>314,617,051</u>	<u>77,228,502</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received against issue of units		1,407,680,364	249,291,619
Amount paid against redemption of units		(1,992,411,074)	(109,968,480)
Cash distributions		-	(982,803)
Net (used in) / cash generated from financing activities		<u>(584,730,710)</u>	<u>138,340,336</u>
Net (decrease) / increase in cash and cash equivalents		<u>(270,113,659)</u>	<u>215,568,838</u>
Cash and cash equivalents at the beginning of the period		<u>275,906,237</u>	<u>16,040,745</u>
Cash and cash equivalents at the end of the period	4	<u><u>5,792,578</u></u>	<u><u>231,609,583</u></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, 2022 (Un-Audited)

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Faysal Cash Fund (the Fund) is an open end mutual fund constituted under a trust deed entered into between Faysal Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The trust deed was registered on June 9, 2020. 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).
- 1.2 The Fund has been categorised as an open end money market scheme by the Board of Directors of the Management Company pursuant to the provisions contained in circular 7 of 2009 issued by SECP. 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 January 8, 2021 and are transferable and redeemable by surrendering them to the Fund.
- 1.3 The objective of the Fund is to seek maximum possible preservation of capital and a competitive rate of return via investing primarily in money market securities.
- 1.4 The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.
- 1.5 The Management Company has been assigned a quality rating of AM2+ by VIS dated December 31, 2021 (2021: "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. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.6 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) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on November 29, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.
- 1.7 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, 2022.

The comparatives in the condensed interim statements of assets and liabilities presented in the condensed interim financial statements as at September 30, 2022 have been extracted from the annual published audited financial statements of the Fund for the year ended June 30, 2022, whereas the comparatives to report for 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 have been extracted from the condensed interim financial statement of the fund for the quarter ended September 30, 2021.

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 VIII A of the repealed Companies Ordinance, 1984; and

Notes to and forming part of the Condensed Interim Financial Statements

For The Quarter Ended September 30, 2022 (Un-Audited)

- 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 IFRS 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

3 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, 2022.

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, 2022.

		(Un-audited) September 30, 2022 (Rupees)	(Audited) June 30, 2022 (Rupees)
4	BALANCES WITH BANKS	Note	
	Saving accounts	4.1	<u>5,792,578</u> <u>275,906,237</u>
4.1	These balances in savings accounts carry interest rates ranges between 7.00% to 16.45% (June 30, 2022: 7.00% to 8.10%) per annum. Deposits in savings accounts also include Rs. 5.050 (June 30, 2022: 9.731) million maintained with Faysal Bank Limited, a related party, and carry interest at the rate of 7.00% (June 30, 2022: 5.50%		

		(Un-audited) September 30, 2022 (Rupees)	(Audited) June 30, 2022 (Rupees)
5	INVESTMENTS	Note	
	At fair value through profit or loss		
	Government securities - Market Treasury Bills	5.1	-
	Sukuk Certificates	5.2	450,000,000
	Commercial papers	5.3	348,992,034
			798,992,034
			1,087,400,388

5.1 Government securities - Market Treasury Bills

Market Treasury Bills

Particulars	----- Face value -----				Balance as at September 30, 2022			Market value as percentage of	
	As at July 01, 2022	Purchased during the period	Sold / matured during the period	As at September 30, 2022	Carrying value	Market value	Unrealised loss on revaluation	Total investments of the fund	Net assets of the fund
----- (Rupees) ----- % -----									
Market Treasury Bills - 3 Months	-	100,000,000	100,000,000	-	-	-	-	-	-
Total as at September 30, 2022					-	-	-	-	-
Total as at June 30, 2022					-	-	-	-	-

Notes to and forming part of the Condensed Interim Financial Statements

For The Quarter Ended September 30, 2022 (Un-Audited)

5.2 Sukuk Certificates

Name of the security	Profit rate	Maturity date	As at July 01, 2022	Purchases during the year	Disposed off / matured during the year	As at September 30, 2022	Carrying value as at September 30, 2022	Market value as at September 30, 2022	Unrealised appreciation/ (diminution) as at September 30, 2022	Market value as a percentage of total investments	Market value as a percentage of net assets
Face value (Rupees)							(Rupees)		%		
Lucky Electric Power Company Limited - Short Term Sukuk (A1+, PACRA)	6 months KIBOR + 1.20%	October 14, 2022	450,000,000	-	-	450,000,000	450,000,000	450,000,000	-	56.32	54.09
K-ELECTRIC LIMITED - Short Term Sukuk - V (A1+, PACRA)	6 months KIBOR + 0.95%	October 12, 2022	150,000,000	-	150,000,000	-	-	-	-	-	-
K-Electric Short Term Sukuk Certificate-III (A1+, PACRA)	6 months KIBOR + 0.85%	September 1, 2022	150,000,000	-	150,000,000	-	-	-	-	-	-
Total as at September 30, 2022							450,000,000	450,000,000	-	56.32	54.09
Total as at June 30, 2022							750,000,000	750,000,000	-	68.97	54.25

5.3 Commercial papers

Name of the security	Maturity date	Yield per annum	Opening balance	Face value			Carrying value as at September 30, 2022	Market Value as at September 30, 2022	Unrealised loss on revaluation	Market value as percentage of	
				Purchased during the period	Matured / sold during the period	As at September 30, 2022				net assets	total investment
China Power Hub Generation Company (Pvt.) Limited - CP (AA+, PACRA)	October 9, 2022	14.05%	350,000,000	-	-	350,000,000	348,992,034	348,992,034	-	42	44
Total as at September 30, 2022							348,992,034	348,992,034	-	42	44
Total as at June 30, 2022							24,725,555	24,725,555	-	45.60	100.00

(Un-audited)
September 30,
2022
(Rupees)

(Audited)
June 30,
2022
(Rupees)

6 ADVANCES, DEPOSITS, PREPAYMENTS & OTHER RECEIVABLES

Security deposits with Central Depository Company of Pakistan Limited	100,000	100,000
Accrued Income	29,682,064	24,515,975
Advance tax	351,367	351,367
Prepaid Annual Listing	46,950	51,750
	<u>30,180,381</u>	<u>25,019,092</u>

Note

7 PRELIMINARY EXPENSES AND FLOATATION COSTS

Opening balance	353,025	453,400
Less: amortisation for the period	(25,300)	(100,375)
Closing balance	<u>327,725</u>	<u>353,025</u>

7.1 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 Trust Deed of the Fund and the NBFC Regulations.

Notes to and forming part of the Condensed Interim Financial Statements

For The Quarter Ended September 30, 2022 (Un-Audited)

	Note	(Un-audited) September 30, 2022 (Rupees)	(Audited) June 30, 2022 (Rupees)
8 PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - THE MANAGEMENT COMPANY			
Management fee payable	8.1	183,274	290,286
Sindh sales tax payable on management fee	8.2	23,821	37,735
Allocated expenses payable	8.3	-	-
Selling and marketing expenses payable	8.4	1,688,030	725,113
Sales Load Payable		56	7,878
		<u>1,895,180</u>	<u>1,061,012</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, during the period the Management Company has charged remuneration at the rate of 0.25% per annum of average annual net assets.

- 8.2** The Provincial Government of Sindh has levied Sindh sales tax at the rate of 13% (2022: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

- 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).

The Board of Directors of the Management Company, in its 106th meeting held on April 17, 2020, had given Management Company, the discretion for charging allocated expenses (existing and to be launched funds) as it may decide. The Management Company while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations, has not charged any allocated expenses during the period

- 8.4** The SECP has allowed the asset management companies to charge selling and marketing to all categories of open-end mutual funds (except fund of funds) upto a maximum limit approved by the Board of Directors of the Management Company as part of annual plan.

The Board of Directors of the Management Company approved the annual plan for charging of selling and marketing expenses to the funds (existing and to be launched) in its Board meeting held on January 18, 2021. Furthermore, the Board has given discretion to the Management Company for charging selling and marketing expenses on the Fund as it may decide. The Management Company has, therefore, charged selling and marketing expenses while keeping in view the annual plan, the overall return the total expense ratio limit of the Fund as defined under the NBFC Regulations, 2008 at the rate of 0.35% of average annual net assets from July 01, 2022 to

	Note	(Un-audited) September 30, 2022 (Rupees)	(Audited) June 30, 2022 (Rupees)
9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE			
Remuneration payable to the Trustee	9.1	40,409	79,926
Sindh sales tax on remuneration of the Trustee	9.2	5,255	10,392
		<u>45,664</u>	<u>90,318</u>

Notes to and forming part of the Condensed Interim Financial Statements

For The Quarter Ended September 30, 2022 (Un-Audited)

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 0.055% per annum of average annual net assets.

9.2 Sindh sales tax at the rate of 13 % (2022: 13%) is charged on the Trustee Fee.

		(Un-audited) September 30, 2022 (Rupees)	(Audited) June 30, 2022 (Rupees)
10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Annual fee	10.1	54,999	172,892

10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.02% of average annual net assets of

	Note	(Un-audited) September 30, 2022 (Rupees)	(Audited) June 30, 2022 (Rupees)
11 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration		557,758	417,734
Legal & Professional Charges payable		107,613	87,833
Rating fee payable		356,237	308,581
Annual listing fee payable		2,100	-
Withholding tax payable		2,951	-
Capital Gain Tax		320,477	3,928,268
Printing charges payable		40,614	32,058
Transaction Charges Payable		-	511
		<u>1,387,750</u>	<u>4,774,985</u>

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2022 & June 30, 2022.

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 period derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2022 to the unit holders in the manner as explained above, accordingly, no provision for taxation has been made in these financial statements during the period.

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.

Notes to and forming part of the Condensed Interim Financial Statements

For The Quarter Ended September 30, 2022 (Un-Audited)

15 EXPENSE RATIO

The total expense ratio (TER) of the Fund for the period ended September 30, 2022: 0.81% (September 30, 2021: 1.14%) which includes 0.06% (September 30, 2021: 0.03%) representing government levies on the Fund such as sales taxes, Sindh Workers' Welfare Fund and annual fee payable 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

16 TRANSACTIONS WITH CONNECTED PERSONS AND 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 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 period end.

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.

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 is determined in accordance with the provisions of the NBFC Regulations and the

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 and related parties and balances with them at period end are as follows:

Notes to and forming part of the Condensed Interim Financial Statements

For The Quarter Ended September 30, 2022 (Un-Audited)

	(Un-audited)	
	Quarter Ended September 30 2022	2021
	----- (Rupees) -----	
16.1 Transactions during the period:		
Faysal Asset Management Limited (the Management Company)*		
Remuneration of the Management Company	687,797	-
Sales tax on remuneration of the Management Company	89,411	-
Selling and marketing expenses	962,917	-
Units issued: 5,642,203 units (2022: 776,603 units)	569,407,641	77,660,253
Units Redeemed: 558,713 units (2022: 1,046,892) units	57,000,000	105,000,000
Dividend	-	660,253
Faysal Bank Limited (Group company / Associated Company)		
Return on PLS savings accounts	423,844	211,431
Central Depository Company of Pakistan Limited (the Trustee)		
Remuneration of the Trustee	151,315	29,018
Sindh sales tax on remuneration of the Trustee	19,671	3,772
CDC-Trustee Faysal Financial Planning Fund-		
Faysal Active Principal Preservation Plan		
Issuance of Nil units (2022: 496,624 units)	-	50,080,499
Dividend	-	80,499
Key Management Personnel of the Management Company		
Issuance of 305 units (2022: Nil units)	31,387	-
Unitholders having holding of 10% or more		
Units issued: Nil units (2022: 2,439,256 units)	-	244,343,682
Units Redeemed: Nil units (2022: 1,046,892 units)	-	105,000,000
Dividend	-	847,399

Notes to and forming part of the Condensed Interim Financial Statements

For The Quarter Ended September 30, 2022 (Un-Audited)

	(Un-audited) September 30, 2022 (Rupees)	(Audited) June 30, 2022 (Rupees)
16.2 Amounts / balances outstanding as at period end:		
Faysal Asset Management Limited (Management Company)*		
Remuneration payable to the Management Company	183,274	290,286
Sales tax on remuneration payable to the Management Company	23,821	37,735
Selling and marketing expenses payable	1,688,030	725,113
Sales Load Payable	56	
Outstanding Units : 5,083,489 (June 30, 2022 : Nil) units	525,744,644	-
Central Depository Company of Pakistan Limited (the Trustee)		
Remuneration to the Trustee	40,409	79,926
Sindh sales tax on remuneration of the Trustee	5,255	10,392
Security deposits	100,000	100,000
Faysal Bank Limited (Group company / Associated Company)		
Balance in PLS savings accounts	5,050,574	9,730,557
FAML-Staff Gratuity Fund		
Outstanding 55,437 (June 30, 2022: 55,437) Units	5,733,359	5,553,734
FAML-Employees Provident Funds		
Outstanding 63,740 (June 30, 2022: 63,740) Units	6,592,164	6,385,632
Key Management Personnel of the Management Company		
Outstanding: 305 units (June 30, 2022: Nil units)	31,568	-
* This unit holder also holds more than 10% units at period end.		
Outstanding Nil (June 30, 2022: 5,124,572) units	-	513,388,813

17 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.

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 traded in an open market are revalued at the market prices prevailing on the reporting date.

The fair value of all financial assets and financial liabilities of the Fund approximate their carrying amounts due to short term maturities of these instruments.

17.1 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:

Notes to and forming part of the Condensed Interim Financial Statements

For The Quarter Ended September 30, 2022 (Un-Audited)

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities;

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

Level 3: Fair value measurement using 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, 2022 -----				
Level 1	Level 2	Level 3	Total	
----- Rupees -----				
ASSETS				
Financial assets at fair value through profit or loss				
Sukuk Certificates	-	450,000,000	-	450,000,000
Commercial papers		348,992,034		348,992,034
	-	798,992,034	-	798,992,034

	----- June 30, 2022 -----			
	Level 1	Level 2	Level 3	Total
ASSETS	----- Rupees -----			
Financial assets at fair value through profit or loss				
Sukuk Certificates	-	750,000,000	-	750,000,000
Commercial papers	-	337,400,388	-	337,400,388
	-	1,087,400,388	-	1,087,400,388

18 GENERAL

18.1 Figures are rounded off to the nearest Rupee.

19 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 24-10-2022 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

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