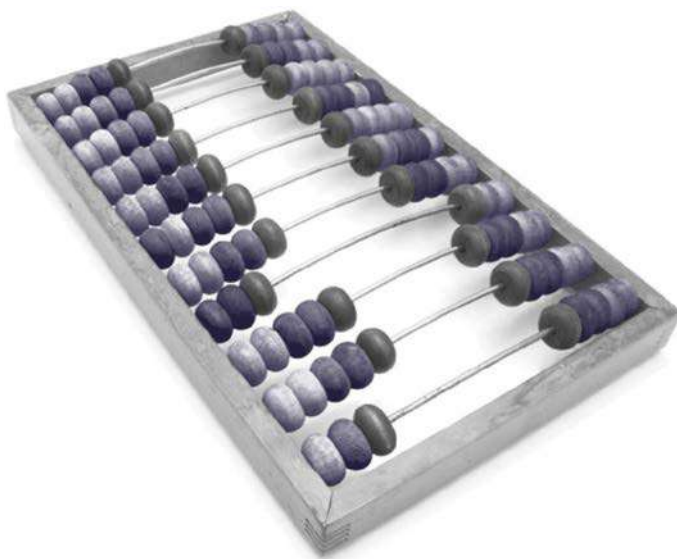


Faysal Funds

ISLAMIC SPECIAL INCOME FUND

Condensed Interim Financial Statements
For The Half Year Ended December 31, 2022 (Un-audited)



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Faysal Funds

Faysal Islamic Special Income Fund

FUND INFORMATION

Management Company

Faysal Asset Management Limited

Board of Directors of the Management Company

Mr. Salman Ahmed Usmani, Chairman

Mr. Mian Salman Ali, Director

Syed Muhammad Fraz Zaidi, Director

Mr. Nadir Rahman, Director

Mr. Ali Waqar, Director

Ms. Samia Zuberi, 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. Nadir Rahman, Chairman

Mr. Mian Salman Ali, Member

Syed Fraz Muhammad Zaidi, Member

HR Committee

Ms. Samia Zuberi, Chairman

Mr. Nadir Rahman, Member

Syed Fraz Muhammad Zaidi, Member

Risk Committee

Mr. Mian Salman Ali, Chairman

Mr. Nadir Rahman, Member

Syed Fraz Muhammad Zaidi, Member

Mr. Ali Waqar, Member

Trustee to the Fund

Central Depository Company of Pakistan Limited

CDC House, 99B, Block B, SMCHS,

Main Sharah-e-Faisal, Karachi.

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

IT Minds Limited

Central Depository Company of Pakistan Limited

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

Main Shahr-e-Faisal, Karachi.

Bankers to the Fund

Faysal Bank Limited

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 Islamic Special Income Funds seeks to provide maximum possible preservation of capital and a responsible Shariah compliant return to its units holder.

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shakra-e-Faisal
Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

FAYSAL ISLAMIC SPECIAL INCOME FUND

Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of Faysal Islamic Special Income Fund (the Fund) are of the opinion that Faysal Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2022 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 22, 2023



REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Faysal Islamic Special Income Fund** (the Fund) as at December 31, 2022 and the related 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 together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the half year ended December 31, 2022. The Management Company (Faysal Asset Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2022 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2022.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Shahbaz Akbar**
Dated: February 28, 2023
Karachi
UDIN: RR202210068vgSMiPnE6

**FAYSAL ISLAMIC SPECIAL INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022**

	(Un-audited)	(Audited)
	December 31, 2022	June 30, 2022
	Faysal Islamic Special Income Plan-I	Faysal Islamic Special Income Plan-I
Note	----- (Rupees) -----	
Assets		
Balances with banks	4 107,355,908	105,018,191
Profit and other receivables	1,361,882	445,867
Receivable from Faysal Asset Management Limited - Management Company	5 90,000	90,000
Preliminary expenses and floatation costs	6 78,173	94,917
Total assets	108,885,963	105,648,975
Liabilities		
Payable to Faysal Asset Management Limited - Management Company	7 97,381	115,338
Payable to Central Depository Company of Pakistan Limited - Trustee	8 5,019	1,790
Payable to the Securities and Exchange Commission of Pakistan	9 9,604	576
Accrued expenses and other liabilities	10 1,097,310	210,050
Total liabilities	1,209,314	327,754
Net assets	107,676,649	105,321,221
Unit holders' fund (as per the statement attached)	107,676,649	105,321,221
Contingencies and commitments	11	
	----- (Number of units) -----	
Number of units in issue	10,166,212	1,053,034
	----- (Rupees) -----	
Net asset value per unit	10.59	100.02

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

**For Faysal Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

FAYSAL ISLAMIC SPECIAL INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022

		For the half year ended December 31, 2022	For the quarter ended December 31, 2022
		Faysal Islamic Special Income Plan-I	Faysal Islamic Special Income Plan-I
	Note	----- Rupees -----	
Income			
Profit on balances with banks		6,886,077	3,345,770
Total income		6,886,077	3,345,770
Expenses			
Remuneration of Faysal Asset Management Limited - Management Company	7.1	36,329	36,329
Sindh sales tax on remuneration of the Management Company	7.2	4,723	4,723
Selling and marketing expenses		36,329	36,329
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	26,480	12,603
Sindh sales tax on remuneration of the Trustee	8.2	3,466	1,650
Annual fee to the Securities and Exchange Commission of Pakistan	9.1	9,629	4,583
Auditors' remuneration		280,232	140,116
Amortisation of preliminary expenses and floatation costs	6.1	16,744	8,372
Bank charges		598	541
Shariah advisory fee		54,068	27,232
Printing charges		17,112	8,556
Legal & professional charges		39,560	19,780
Total expenses		525,270	300,814
Net income from operating activities		6,360,807	3,044,956
Taxation	13	-	-
Net income for the period after taxation		6,360,807	3,044,956
Earnings per unit	14		
Allocation of net income for the period			
Net income for the period after taxation		6,360,807	
Income already paid on units redeemed		(3,503,818)	
		2,856,989	
Accounting income available for distribution			
- Relating to capital gains		-	
- Excluding capital gains		2,856,989	
		2,856,989	

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**FAYSAL ISLAMIC SPECIAL INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2022**

	For the half year ended December 31, 2022	For the quarter ended December 31, 2022
	Faysal Islamic Special Income Plan-I	Faysal Islamic Special Income Plan-I
	----- Rupees -----	
Net income for the period after taxation	6,360,807	3,044,956
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>6,360,807</u>	<u>3,044,956</u>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

**For Faysal Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

FAYSAL ISLAMIC SPECIAL INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

Half year ended December 31, 2022			
Faysal Islamic Special Income Plan-I			
Capital value	Undistributed income	Total	
----- (Rupees)			
Net assets at the beginning of the period (audited)	105,303,450	17,771	105,321,221
Issuance of 19,514,613 units			
- Capital value (at net asset value per unit at the beginning of the period)	161,576,778	-	161,576,778
- Element of income	6,600,108	-	6,600,108
Total proceeds on issuance of units	168,176,886	-	168,176,886
Redemption of 10,401,435 units			
- Capital value (at net asset value per unit at the beginning of the period)	(1,040,351,529)	-	(1,040,351,529)
- Element of loss	871,673,082	(3,503,818)	868,169,264
Total payments on redemption of units	(168,678,447)	(3,503,818)	(172,182,265)
Total comprehensive income for the period	-	6,360,807	6,360,807
Distribution during the period	-	-	-
Net income for the period less distribution	-	6,360,807	6,360,807
Net assets at the end of the period (un-audited)	<u>104,801,889</u>	<u>2,874,760</u>	<u>107,676,649</u>
Undistributed income brought forward			
- Realised income		17,771	
- Unrealised income		-	
		<u>17,771</u>	
Accounting income available for distribution			
- Relating to capital gains		-	
- Excluding capital gains		2,856,989	
		<u>2,856,989</u>	
Undistributed income carried forward		<u>2,874,760</u>	
Undistributed income carried forward			
- Realised income		2,874,760	
- Unrealised income		-	
		<u>2,874,760</u>	
			(Rupees)
Net asset value per unit at the beginning of the period			<u>100.02</u>
Net asset value per unit at the end of the period			<u>10.59</u>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**FAYSAL ISLAMIC SPECIAL INCOME FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022**

	Note	For the half year ended December 31, 2022 Faysal Islamic Special Income Plan-I (Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation		6,360,807
Adjustments for:		
Amortisation of preliminary expenses and floatation costs	6.1	16,744
		<u>6,377,551</u>
Increase decrease in assets		
Profit and other receivables		(916,015)
Receivable from Faysal Asset Management Limited - Management Company		-
		<u>(916,015)</u>
Increase / (decrease) in liabilities		
Payable to Faysal Asset Management Limited - Management Company		(17,957)
Payable to Central Depository Company of Pakistan Limited - Trustee		3,229
Payable to the Securities and Exchange Commission of Pakistan		9,028
Accrued expenses and other liabilities		887,260
		<u>881,560</u>
Net cash generated from operating activities		<u>6,343,096</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt against issuance of units		168,176,886
Payment against redemption of units		(172,182,265)
Net cash used in financing activities		<u>(4,005,379)</u>
Net increase in cash and cash equivalents during the period		<u>2,337,717</u>
Cash and cash equivalents at the beginning of the period		105,018,191
Cash and cash equivalents at the end of the period	4	<u><u>107,355,908</u></u>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

**For Faysal Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

FAYSAL ISLAMIC SPECIAL INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Faysal Islamic Special Income Fund (the Fund) is an open end mutual fund constituted under a Trust Deed entered into on May 19, 2020 between Faysal Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Trust Deed has been re-registered under the Sindh Trusts Act, 2020 on November 16, 2021. 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, West Wing, Faysal House, ST-02, main Sharah -e- Faisal, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

1.2 The Fund is categorised as a 'Shariah Compliant Income Scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs.100 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from June 20, 2022 and are transferable and redeemable by surrendering them to the Fund.

1.3 The Fund may offer multiple allocation plans, however one allocation plan i.e. Faysal Islamic Special Income Plan-I (FISIP-I) is being initially offered by the Fund. The objective of the Fund is to provide competitive regular return with capital preservation on investments as per respective allocation plans by investing in authorised investable avenues in line with the risk tolerance of the investor. The objective of the fund and the authorised avenues are more fully explained in the funds offering document.

1.4 The Management Company has been assigned a quality rating of 'AM2++' by VIS Credit Rating Company Limited dated December 30, 2022 (June 30, 2022: 'AM2+' dated December 31, 2021). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

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

1.6 As per the second supplemental to the offering document dated October 7, 2022, the Management Company has subdivided the units of the Plan as a result of which the par value of the units have decreased from Rs. 100 to Rs. 10 during the period and the unit holders have received additional units.

1.7 These are the first condensed interim financial statements of the Fund for the period from July 01, 2022 to December 31, 2022. Therefore, comparative figures, have not been included.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of IAS 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the first published audited financial statements of the Fund for the year ended June 30, 2022.

- 2.2 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 affairs of the Fund as at December 31, 2022.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

The accounting policies applied and the methods of computations of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of financial statements of the Fund for the year ended June 30, 2022.

The preparation of these condensed interim financial statements is in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the period from June 20, 2022 to June 30, 2022. The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Fund for the year ended June 30, 2022.

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

There are certain standards, amendments and interpretations that are mandatory for the Fund's accounting period beginning on or after July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

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

There are certain new amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2023. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

	Note	December 31, 2022 Faysal Islamic Special Income Plan-I (Un-audited) ----- (Rupees) -----	June 30, 2022 Faysal Islamic Special Income Plan-I (Audited)
4 BALANCES WITH BANKS			
Balances with bank in savings accounts	4.1	107,355,908	105,018,191
4.1 This represents balance maintained with Faysal Bank Limited, a related party that carry profit at the rate of 16.00% (June 30, 2022: 15.50%) per annum.			
	Note	December 31, 2022 Faysal Islamic Special Income Plan-I (Un-audited) ----- (Rupees) -----	June 30, 2022 Faysal Islamic Special Income Plan-I (Audited)
5 RECEIVABLE FROM FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Reimbursement from the Management Company	5.1	90,000	90,000

- 5.1 The Total Expense Ratio (TER) of the Fund is required to be within the maximum limit of 2.5% as prescribed under the NBFC Regulations for a collective investment scheme categorised as an Income Scheme. However, the TER of the Fund exceeded the above limit as at June 30, 2022. As a result, the Fund has recorded reimbursement from the Management Company to comply with the TER limit.

	Note	December 31, 2022	June 30, 2022
		Faysal Islamic Special Income Plan-I (Un-audited)	Faysal Islamic Special Income Plan-I (Audited)
6 PRELIMINARY EXPENSES AND FLOATATION COSTS		----- (Rupees) -----	
Preliminary expenses and floatation costs incurred		94,917	95,338
Less: amortisation during the period	6.1	(16,744)	(421)
At the end of the period		<u>78,173</u>	<u>94,917</u>

- 6.1 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.

	Note	December 31, 2022	June 30, 2022
		Faysal Islamic Special Income Plan-I (Un-audited)	Faysal Islamic Special Income Plan-I (Audited)
7 PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY		----- (Rupees) -----	
Management fee payable	7.1	36,329	-
Sales tax on management fee payable	7.2	4,723	-
Selling and marketing expenses payable		36,329	-
Preliminary expenses and floatation costs payable	6	-	94,917
Other payable		20,000	20,421
		<u>97,381</u>	<u>115,338</u>

- 7.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 0.4% from December 01, 2022 to December 31, 2022 whereas no remuneration was charged for the period from July 1, 2022 to November 30, 2022. The remuneration is payable to the Management Company monthly in arrears.
- 7.2 During the period, Sindh sales tax on remuneration of the Management Company levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (June 30, 2022: 13%).
- 7.3 The SECP has allowed the Asset Management Companies to charge selling and marketing expenses 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.

Accordingly, the Management Company has charged selling and marketing expenses based on its discretion (duly authorised by the Board of Directors) while keeping in view the annual plan, overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the rate of 0.4% of average annual net assets of the Fund from December 01, 2022 to December 31, 2022.

	Note	December 31, 2022	June 30, 2022
		Faysal Islamic Special Income Plan-I (Un-audited)	Faysal Islamic Special Income Plan-I (Audited)
8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE		----- (Rupees) -----	
Remuneration of the Trustee	8.1	4,419	1,584
Sindh Sales Tax payable on remuneration of the Trustee	8.2	600	206
		<u>5,019</u>	<u>1,790</u>

- 8.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed at the rate of 0.055% per annum of the average annual net assets of the Fund.
- 8.2** During the period, Sindh sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 at the rate of 13% (June 30, 2022: 13%)

	Note	December 31, 2022	June 30, 2022
		Faysal Islamic Special Income Plan-I (Un-audited)	Faysal Islamic Special Income Plan-I (Audited)
		----- (Rupees) -----	
9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Annual fee payable	9.1	9,604	576

- 9.1** 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% per annum of average annual net assets of the Fund.

	Note	December 31, 2022	June 30, 2022
		Faysal Islamic Special Income Plan-I (Un-audited)	Faysal Islamic Special Income Plan-I (Audited)
		----- (Rupees) -----	
10 ACCRUED EXPENSES AND OTHER LIABILITIES			
Legal and professional charges payable		39,562	-
Auditors' remuneration payable		252,028	149,996
Printing charges payable		8,914	5,008
Shariah advisory fee payable		55,564	1,496
Capital gain tax payable		736,469	-
Withholding tax payable		4,773	53,550
		<u>1,097,310</u>	<u>210,050</u>

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2022 and June 30, 2022.

12 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at December 31, 2022 based on current period results is 1.09% which includes 0.04% representing government levies on the Fund such as Sales Taxes, Federal Excise Duties, annual fee to the SECP etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a 'Money Market Scheme'.

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 unit holders. Since the Management Company intends to distribute at least 90% of the Fund's accounting income for the year ending June 30, 2023 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore 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 in these condensed interim financial statements as, in the opinion of the management, determination of weighted average outstanding number of units for calculating EPU is not practicable.

15 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

- 15.1** 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, their close family members and officers of the Management Company and the Trustee, key management personnel, other associated undertakings and unit holders holding more than 10% or more units / net assets of the Fund at period end.
- 15.2** Transactions with connected persons / related parties 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. Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.
- 15.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 15.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 15.5** Selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.
- 15.6** The details of transactions carried out by the Fund with connected persons and related parties during the period and balances with them as at period end are as follows:

Transactions during the period**Faysal Asset Management Limited - Management Company**

Remuneration of the Management Company	36,329
Sindh sales tax on remuneration of the Management Company	4,723
Selling and marketing expenses	36,329
Amortisation of preliminary expenses and floatation cost	16,744

Faysal Bank Limited - Group Company / Associated Company

Profit on balances with bank	6,886,077
Bank charges	598

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee	26,480
Sindh Sales Tax on remuneration of the Trustee	3,466

Unit holders with more than 10% unit holding

Issuance of 19,503,261 units	168,049,262
Redemption 10,395,715 units	172,114,168

For the half year ended December 31, 2022
Faysal Islamic Special Income Plan-I (Un-audited) ----(Rupees)----

	December 31, 2022	June 30, 2022
	Faysal Islamic Special (Un-audited)	Faysal Islamic Special (Audited)
Balances outstanding as at period / year end	----- (Rupees) -----	
Faysal Asset Management Limited - Management Company		
Management fee payable	36,329	-
Sindh Sales Tax on remuneration of the Management Company	4,723	-
Selling and marketing expenses payable	36,329	-
Preliminary expenses and floatation cost payable	78,173	94,917
Other payable	20,000	20,421
Receivable from the Management Company	90,000	90,000
Outstanding 10,160,580 (June 30, 2022: 1,053,034) units	107,600,542	105,321,221
Faysal Bank Limited (Group / Associated Company)		
Balance with bank	107,355,908	105,018,191
Profit receivable on savings account	1,123,266	445,867
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	4,419	1,584
Sindh sales tax payable on remuneration of the Trustee	600	206

16 GENERAL

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

17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on February 20, 2023.

**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.

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