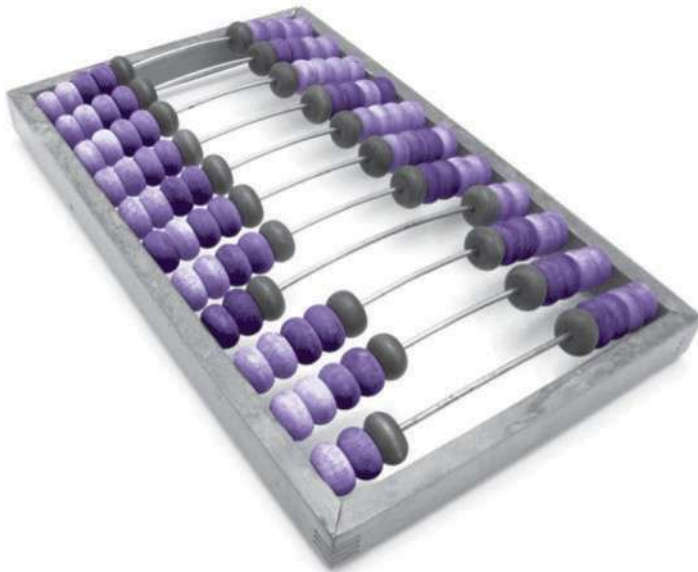


Faysal Funds

Cash Fund

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



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Faysal Funds

Faysal Cash 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 Shakra-e-Faisal, Karachi.

Bankers to the Fund

Bank Alfalah Limited

Faysal Bank Limited

Allied Bank Limited

Habib 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 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.

**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 CASH 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 Cash 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.

We would like to draw the attention of the Unit Holders toward the clause 2.2(1) of the Offering Document wherein the Fund is required to maintain the minimum exposure of 10% of net assets in cash & near cash instruments at all time. In this regard, the Fund was non-complied on certain days during the period.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 27, 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 Cash 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 quarters ended December 31, 2022 and December 31, 2021 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: RR202210068Ws9d6Ciyj

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

FAYSAL CASH FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2022

	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
Note	----- (Rupees) -----	
Assets		
Balances with banks	4 55,078,091	275,906,237
Investments	5 293,892,003	1,087,400,388
Deposit and other receivable	859,609	25,019,092
Preliminary expenses and floatation cost	6 302,425	353,025
Total assets	350,132,128	1,388,678,742
Liabilities		
Payable to Faysal Asset Management Limited - Management Company	7 417,494	1,061,012
Payable to Central Depository Company of Pakistan Limited - Trustee	8 15,946	90,318
Payable to the Securities and Exchange Commission of Pakistan	9 72,846	172,892
Payable Against Redemption of Units	-	18,188
Accrued expenses and other liabilities	10 1,294,641	4,774,985
Total liabilities	1,800,927	6,117,395
Net assets	<u>348,331,201</u>	<u>1,382,561,347</u>
Unit holders' fund (as per the statement attached)	<u>348,331,201</u>	<u>1,382,561,347</u>
Contingencies and commitments	11	
	----- (Number of units) -----	
Number of units in issue	<u>3,238,582</u>	<u>13,795,767</u>
	----- (Rupees) -----	
Net asset value per unit	<u>107.5567</u>	<u>100.2163</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

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

	For the half year ended		Quarter ended	
	December 31,		December 31,	
	2022	2021	2022	2021
Note	(Rupees)		(Rupees)	
Income				
Profit on balances with banks	7,152,217	5,188,173	4,905,655	4,030,589
Income on government securities	5,490,508	3,441,707	5,200,549	1,303,943
Income on commercial papers	12,599,611	675,561	1,007,969	485,560
Profit from Sukuk Certificates	24,849,835	-	2,695,038	-
Realised (loss) / gain on sale of investments - net	(6,460)	(14,621)	-	5,957
Unrealised gain on remeasurement of investments classified as financial asset at fair value through profit or loss'	285,551	-	285,551	-
Total income	50,371,262	9,290,820	14,094,762	5,826,049
Expenses				
Remuneration of Faysal Asset Management Limited - Management Company	7.1	910,877	-	223,080
Sindh sales tax on remuneration of the Management Company	7.2	118,414	-	29,003
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	200,391	62,513	49,076
Sindh Sales Tax on remuneration of the Trustee	8.2	26,050	8,127	4,355
Annual fee to the Securities and Exchange Commission of Pakistan	9.1	72,871	20,814	17,846
Selling and marketing expenses	7.3	1,275,229	-	312,312
Auditors' remuneration		280,048	278,760	140,024
Transaction charges		11,342	4,967	10,673
Legal and professional charges		39,560	43,364	19,780
Fees and subscription		109,112	108,928	54,556
Bank charges		9,179	2,009	7,998
Printing charges		17,112	16,894	8,556
Amortisation of preliminary expenses and flotation cost		50,600	50,600	25,300
Total expenses		3,120,785	596,976	904,583
Net income from operating activities		47,250,477	8,693,844	13,190,179
Reversal of provision for Sindh Workers' Welfare Fund		-	140,947	-
Net income for the period before taxation		47,250,477	8,834,791	13,190,179
Taxation	13	-	-	-
Net income for the period after taxation		47,250,477	8,834,791	13,190,179
Earnings per unit	14			
Allocation of net income for the period				
Net income for the period after taxation		47,250,477	8,834,791	
Income already paid on units redeemed		(31,632,571)	(2,790,614)	
		15,617,906	6,044,177	
Accounting income available for distribution				
- Relating to capital gains		279,091	-	
- Excluding capital gains		15,338,815	6,044,177	
		15,617,906	6,044,177	

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

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

	For the half year ended		Quarter ended	
	December 31,		December 31,	
	2022	2021	2022	2021
	----- (Rupees) -----		----- (Rupees) -----	
Net income for the period after taxation	47,250,477	8,834,791	13,190,179	5,672,629
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>47,250,477</u>	<u>8,834,791</u>	<u>13,190,179</u>	<u>5,672,629</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

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

	Half year ended December 31, 2022			Half year ended December 31, 2021		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)			(Rupees)		
Net assets at the beginning of the period (audited)	1,379,180,749	3,380,598	1,382,561,347	113,592,400	-	113,592,400
Issuance of 15,531,020 (2021: 12,907,682) units						
- Capital value (at net asset value per unit at the beginning of the period)	1,556,461,333	-	1,556,461,333	1,290,768,200	-	1,290,768,200
- Element of income	28,062,448	-	28,062,448	25,229,795	-	25,229,795
Total proceeds on issuance of units	1,584,523,781	-	1,584,523,781	1,315,997,995	-	1,315,997,995
Redemption of 26,088,205 (2021: 8,783,460) units						
- Capital value (at net asset value per unit at the beginning of the period)	(2,614,463,411)	-	(2,614,463,411)	(878,346,000)	-	(878,346,000)
- Element of loss	(19,908,422)	(31,632,571)	(51,540,993)	(14,301,839)	(2,790,614)	(17,092,453)
Total payments on redemption of units	(2,634,371,833)	(31,632,571)	(2,666,004,404)	(892,647,839)	(2,790,614)	(895,438,453)
Total comprehensive income for the period	-	47,250,477	47,250,477	-	8,834,791	8,834,791
Distribution during the period	-	-	-	-	(968,867)	(968,867)
Net income for the period less distribution	-	47,250,477	47,250,477	-	7,865,924	7,865,924
Net assets at the end of the period (un-audited)	329,332,697	18,998,504	348,331,201	536,942,556	5,075,310	542,017,866
Undistributed income brought forward						
- Realised income		3,380,598			-	
- Unrealised income		-			-	
		<u>3,380,598</u>			<u>-</u>	
Accounting income available for distribution						
- Relating to capital gains		279,091			-	
- Excluding capital gains		15,338,815			6,044,177	
		<u>15,617,906</u>			<u>6,044,177</u>	
Distribution during the period		-			(968,867)	
Undistributed income carried forward		<u>18,998,504</u>			<u>5,075,310</u>	
Undistributed income carried forward						
- Realised income		18,712,953			5,075,310	
- Unrealised income		285,551			-	
		<u>18,998,504</u>			<u>5,075,310</u>	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the period			<u>100.2163</u>			<u>100.0000</u>
Net asset value per unit at the end of the period			<u>107.5567</u>			<u>103.0400</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

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

	For the half year ended	
	December 31,	
Note	2022	2021
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	47,250,477	8,834,791
Adjustments for:		
Amortisation of preliminary expenses and floatation costs	6.1 50,600	50,600
Reversal of provision for Sindh Workers' Welfare Fund	-	(140,947)
Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss' - net	(285,551)	-
	<u>47,015,526</u>	<u>8,744,444</u>
Decrease in assets		
Investments - net	793,793,936	73,900,743
Deposit and other receivable	24,159,483	242,797
	817,953,419	74,143,540
(Decrease) / increase in liabilities		
Payable to Faysal Asset Management Limited - Management Company	(643,518)	(476,535)
Payable to Central Depository Company of Pakistan Limited - Trustee	(74,372)	13,552
Payable to the Securities and Exchange Commission of Pakistan	(100,046)	(2,931)
Payable Against Redemption of Units	(18,188)	-
Accrued expenses and other liabilities	(3,480,344)	114,306
	(4,316,468)	(351,608)
Net cash generated from operating activities	<u>860,652,477</u>	<u>82,536,376</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt against issuance of units	1,584,523,781	1,315,997,995
Payment against redemption of units	(2,666,004,404)	(895,438,453)
Dividend paid	-	(968,867)
Net cash (used in) / generated from financing activities	(1,081,480,623)	419,590,675
Net (decrease) / increase in cash and cash equivalents during the period	<u>(220,828,146)</u>	<u>502,127,051</u>
Cash and cash equivalents at the beginning of the period	275,906,237	16,040,745
Cash and cash equivalents at the end of the period	4 <u><u>55,078,091</u></u>	<u><u>518,167,796</u></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

FAYSAL CASH 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 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).

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). The Fund was required to be registered under the Sindh Trust Act. Accordingly, on November 29, 2021 the above-mentioned Trust Deed had been registered under the Sindh Trust Act.

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 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.

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 for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting' issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where 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 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

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 published audited financial statements of the Fund for the period ended 30 June 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 for the period ended 30 June 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 ended 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 period 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 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	
4 BALANCES WITH BANKS			
Balance with banks in savings accounts	4.1	<u>55,078,091</u>	<u>275,906,237</u>

- 4.1 These balances in savings accounts carry interest rates ranging from 10.00% to 15.00% (June 30, 2022: 7.00% to 10.85%) per annum. Deposits in savings accounts also include Rs. 4.072 million (June 30, 2022: 9.731 million) maintained with Faysal Bank Limited, a related party, and carry interest at the rate of 11.00% (June 30, 2022: 5.50% to 7.00%) per annum.

	Note	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
		----- (Rupees) -----	
5 INVESTMENTS			
At fair value through profit or loss			
Government securities - Market Treasury Bills	5.1	293,892,003	-
Commercial papers	5.2	-	337,400,388
Sukuk certificates	5.3	-	750,000,000
		<u>293,892,003</u>	<u>1,087,400,388</u>

5.1 Government securities - Market Treasury Bills

Issue date	Tenor	Profit rate	Face value				Carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised appreciation as at December 31, 2022	Market value as percentage of	
			As at July 1, 2022	Purchased during the period	Sold / matured during the period	As at December 31, 2022				net assets of the Fund	total investments of the Fund
			(Rupees)							%	
July 14, 2022	3 months	15.40%	-	100,000,000	100,000,000	-	-	-	-	-	
August 25, 2022	3 months	15.00%	-	150,000,000	150,000,000	-	-	-	-	-	
October 6, 2022	3 months	16.30%	-	50,000,000	50,000,000	-	-	-	-	-	
September 8, 2022	3 months	15.20%	-	200,000,000	200,000,000	-	-	-	-	-	
October 6, 2022	3 months	15.95%	-	50,000,000	50,000,000	-	-	-	-	-	
December 1, 2022	3 months	16.97%	-	200,000,000	-	200,000,000	195,257,005	195,516,600	259,595	56.13	66.53
November 17, 2022	3 months	15.72%	-	100,000,000	-	100,000,000	98,349,447	98,375,403	25,956	28.24	33.47
Total as at December 31, 2022							293,606,452	293,892,003	285,551	84.37	100.00
Total as at June 30, 2022							-	-	-	-	-

5.2 Commercial papers

Name of the security	Maturity date	Yield per annum	Face value				Carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised appreciation/ (diminution) as at December 31, 2022	Market value as percentage of	
			As at July 1, 2022	Purchased during the period	Sold / matured during the period	As at December 31, 2022				net assets of the Fund	total investments of the Fund
			(Rupees)							%	
China Power Hub Generation Company (Pvt.) Limited CP (AA+, PACRA)	October 9, 2022	14.05%	350,000,000	-	350,000,000	-	-	-	-	-	
Total as at December 31, 2022							-	-	-	-	
Total as at June 30, 2022							337,400,388	337,400,388	-	31.03	24.40

5.3 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 December 31, 2022	Carrying value as at December 31, 2022	Market value as at December 31, 2022	Unrealised appreciation/ (diminution) as at December 31, 2022	Market value as percentage of	
										net assets of the Fund	total investments
			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	-	-	-	-	-	
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 December 31, 2022							-	-	-	-	
Total as at June 30, 2022							750,000,000	750,000,000	-	54.25	68.97

	Note	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
----- (Rupees) -----			
5.4 Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net			
Market value of investments		293,892,003	1,087,400,388
Less: Carrying value of investments		(293,606,452)	(1,087,400,388)
		<u>285,551</u>	<u>-</u>
6 PRELIMINARY EXPENSES AND FLOATATION COST			
At the beginning of the period / year		353,025	453,400
Less: amortisation during the period / year	6.1	(50,600)	(100,375)
At the end of the period / year		<u>302,425</u>	<u>353,025</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 (Un-audited)	June 30, 2022 (Audited)
----- (Rupees) -----			
7 PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Management Fee Payable	7.1	63,742	290,286
Sindh Sales tax payable on management fee	7.2	8,281	37,735
Selling and Marketing expenses payable	7.3	312,311	725,113
Sales load payable		33,160	7,878
		<u>417,494</u>	<u>1,061,012</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 0.25% per annum of average annual net assets of the Fund.

The remuneration is payable to the Management Company monthly in arrears.

7.2 During the period, an amount of Rs. 118,414/- (December 31, 2021: Nil) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011.

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 0.35% of average annual net assets of the Fund for the period ended December 31, 2022 (June 30, 2022: 0.20% of average annual net assets from April 26, 2022 to June 30, 2022).

	Note	December 31, 2021 (Un-audited)	June 30, 2022 (Audited)
----- (Rupees) -----			
8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Trustee fee payable	8.1	14,110	79,926
Sindh Sales Tax payable on Trustee fee	8.2	1,836	10,392
		<u>15,946</u>	<u>90,318</u>

8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed, at a percentage of average annual net assets. The rate of 0.055% was applicable during the period ended December 31, 2022 (June 30, 2022: The rate of 0.065% from July 1, 2021 to September 30, 2021 and 0.055% from October 1, 2021 to June 30, 2022).

8.2 During the period, an amount of Rs. 26,050 (December 31, 2021: Rs. 8,127) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 at the rate of 13%.

	Note	December 31, 2022 (Un-audited)	June 30, 2022 (Audited)
----- (Rupees) -----			
9	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		
	Annual fee payable	72,846	172,892

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 (Un-audited)	June 30, 2022 (Audited)
----- (Rupees) -----			
10	ACCRUED EXPENSES AND OTHER LIABILITIES		
	Transaction charges payable	2,918	511
	Auditor's remuneration payable	296,832	417,734
	Legal and professional charges payable	127,393	87,833
	Fund rating fee payable	206,143	308,581
	Annual listing fee payable	9,000	-
	Printing charges payable	34,003	32,058
	Capital gain tax & withholding tax payable	27,853	3,928,268
	Other liabilities	590,499	-
		<u>1,294,641</u>	<u>4,774,985</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 0.86% (December 31, 2021: 0.55%) which includes 0.06% (December 31, 2021: 0.02%) 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% 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 percent units of the Fund at period end.
- 15.2** 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. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering document, trust deed and NBFC regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.
- 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** Allocated expenses and 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

	For the half year ended	
	December 31,	
	2022	2021
	(Un-audited)	
	----- (Rupees) -----	
Faysal Asset Management Limited - Management Company		
Remuneration of the Management Company	910,877	-
Sales tax on remuneration of the Management Company	118,414	-
Selling and Marketing expenses	1,275,229	-
Units issued: 5,642,203 (December 31, 2021: 776,603) units	569,407,641	77,660,253
Units redeemed: 5,642,203 (December 31, 2021: 1,811,424) units	585,504,208	182,113,457
Faysal Bank Limited (Group / Associated Company)		
Profit on balances with bank	1,390,032	384,095
Bank charges	2,075	1,161
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	200,391	62,513
Sindh Sales Tax on remuneration of the Trustee	26,050	8,127
Faysal Active Principal Preservation Plan		
(fund managed by the Management Company)		
Units issued: 3,638,957 units	-	370,123,471
Units redeemed: 3,739,735 units	-	381,184,232
Directors / Key management personnel of the management company		
Units issued: 305 units	31,387	-

Transactions during the period	For the half year ended	
	December 31,	
	2022	2021
	(Un-audited)	
	----- (Rupees) -----	
Unit holders holding more than 10% units		
Units issued: 620,518 (December 31, 2021: 5,308,296) units	66,000,000	541,602,930
Units redeemed: 19,652 (December 31, 2021: 1,136,125) units	2,001,560	117,000,000
Balances outstanding as at period / year end	December 31,	June 30,
	2022	2022
	(Un-audited)	(Audited)
	----- (Rupees) -----	
Faysal Asset Management Limited - Management Company		
Management fee payable	63,742	290,286
Sindh sales tax payable on management fee	8,281	37,735
Selling and marketing expenses payable	312,311	725,113
Sales load payable	33,160	7,878
Faysal Bank Limited (Group / Associated Company)		
Balance with bank	4,072,232	9,730,557
Profit from deposits in Bank	78,817	-
Directors / Key management personnel of the management company		
Outstanding 305 units (June 30, 2022: Nil units)	32,805	-
FAML-Staff Gratuity Fund		
Outstanding 55,437 units (June 30, 2022: 55,437 units)	5,962,573	5,553,734
FAML-Employees Provident Fund		
Outstanding 63,740 units (June 30, 2022: 63,740 units)	6,855,712	6,385,632
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	14,110	79,926
Sindh Sales Tax payable on remuneration of the Trustee	1,836	10,392
Unit holders holding more than 10% unit holding		
Outstanding 1,402,050 units (June 30, 2022: 5,124,572 units)	150,799,932	513,388,813

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).

As at December 31, 2022 and June 30, 2022, the Fund held the following financial instruments measured at fair value:

As at December 31, 2022			
----- (Un-audited) -----			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			
Financial assets at fair value through profit or loss			
Commercial papers *	-	-	-
Government securities - Market Treasury Bills	293,892,003	-	293,892,003
Sukuk Certificates	-	-	-
-	293,892,003	-	293,892,003
As at June 30, 2022			
----- (Audited) -----			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			
Financial assets at fair value through profit or loss			
Commercial papers *	337,400,388	-	337,400,388
Government securities - Market Treasury Bills	-	-	-
Sukuk Certificates	750,000,000	-	750,000,000
-	1,087,400,388	-	1,087,400,388

* The valuation of commercial papers has been done based on amortisation to its fair value as per the guidelines given in Circular 33 of 2012 since the residual maturity of this investment is less than six months and are placed with counterparties which have high credit rating.

17 GENERAL

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

18 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

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