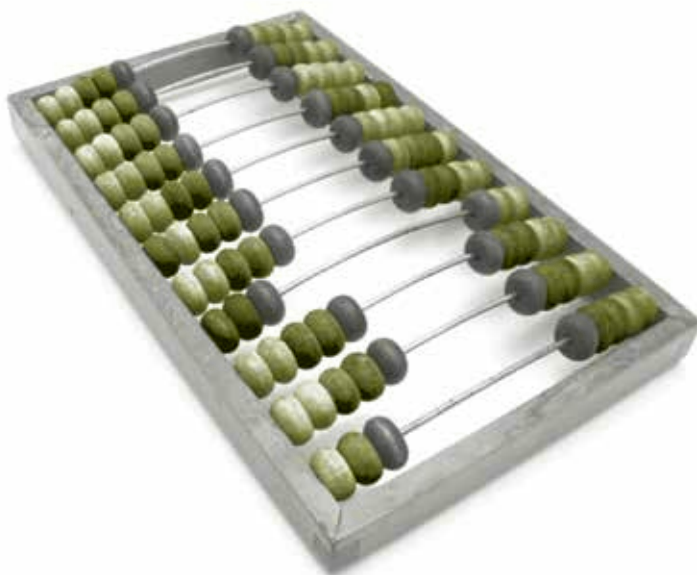


# Faysal Financial Sector Opportunity Fund

Condensed Interim Financial Statements

For The Quarter Ended September 30, 2023 (Un-Audited)





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## FUND INFORMATION

### Management Company

Faysal Asset Management Limited.

### Board of Directors

Mr. Yousaf Hussain, Chairman  
Syed Majid Ali, Vice Chairman  
Mr. Mian Salman Ali, Director  
Mrs. Samia Zuberi, Director  
Mr. Ali Waqar, Director  
Mr. Nadir Rahman, Chief Executive Officer

### Acting Chief Financial Officer & Company Secretary

Muhammad Umer Ilyas

### Audit Committee

Mrs. Samia Zuberi, Chair Person  
Syed Majid Ali, Member  
Mr. Mian Salman Ali, Member

### HR Committee

Mrs. Samia Zuberi, Chair Person  
Mr. Yousaf Hussain, Member  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Risk Committee

Mr. Mian Salman Ali, Chairman  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Trustee to the Fund

Central Depository Company of Pakistan Limited,  
CDC House, 99B, Block B, S.M.C.H.S, Main  
Shahrah-e-Faisal, Karachi.

### 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  
Shahrah-e-Faisal, Karachi.

### Bankers to the Fund

Faysal Bank Limited  
Bank Al-Falah Limited  
Habib bank Limited  
JS Bank Limited  
Allied Bank Limited  
Soneri Bank Limited  
HBL Microfinance Bank limited  
U- Microfinance Bank limited  
Khushhali Bank Limited  
Zarai Taraqati Bank Limited  
United 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 Financial Sector Opportunity Fund seeks to provide a competitive rate of return to its investors by investing in money market and debt instruments with major exposure in financial sector.

**FAYSAL FINANCIAL SECTOR OPPORTUNITY FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT SEPTEMBER 30, 2023**

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
	Note	----- (Rupees) -----	
<b>Assets</b>			
Balances with banks	5	10,526,730,629	10,184,145,179
Investments	6	703,612,800	701,677,983
Receivable against sales of units		110,329	246,000,000
Advances, deposits, prepayments and other receivables	7	426,821,147	246,741,033
<b>Total assets</b>		<u>11,657,274,906</u>	<u>11,378,564,195</u>
<b>Liabilities</b>			
Payable to Faysal Asset Management Limited - Management Company	8	56,515,396	27,384,029
Payable to Central Depository Company of Pakistan Limited - Trustee	9	803,550	836,139
Payable to the Securities and Exchange Commission of Pakistan	10	710,003	2,146,435
Accrued expenses and other liabilities	11	6,331,607	48,935,363
<b>Total liabilities</b>		<u>64,360,556</u>	<u>79,301,966</u>
<b>Net assets</b>		<u>11,592,914,349</u>	<u>11,299,262,229</u>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<u>11,592,914,349</u>	<u>11,299,262,229</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	12	----- (Number of units) -----	
<b>NUMBER OF UNITS IN ISSUE</b>		<u>109,538,162</u>	<u>109,190,972</u>
<b>NET ASSET VALUE PER UNIT</b>		<u>105.83</u>	<u>103.48</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 FINANCIAL SECTOR OPPORTUNITY FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	<b>Quarter Ended September 30</b>	
	<b>2023</b>	<b>2022</b>
	<b>Note ----- (Rupees) -----</b>	
<b>Income</b>		
Profit on balances with banks	635,978,630	271,880,427
Interest on term finance certificates	69,270	526,576
Interest on Sukuk certificates	48,602,027	
Income on money market treasury bills	-	4,723,085
Realized loss on sale of investments - net	(11,301)	(79,069)
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	(1,404,600)	47,160
<b>Total income</b>	<b>683,234,026</b>	<b>277,098,179</b>
<b>Expenses</b>		
Remuneration of Faysal Asset Management Limited - Management Company	8.1 18,568,667	5,088,951
Sindh Sales Tax on remuneration of the Management Company	8.2 2,413,927	661,563
Selling and marketing expenses	8.4 20,049,995	5,926,799
Accounting and Operational Charges	11,973,344	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1 2,172,643	1,256,772
Sindh Sales Tax on remuneration of the Trustee	282,948	164,218
Annual fees to Securities and Exchange Commission of Pakistan	10.1 2,172,643	335,139
Transaction charges	317,595	82,458
Bank charges	31,602	16,535
Auditors' remuneration	153,558	76,084
Legal & Professional Charges	33,973	19,780
Fee and subscription	85,818	83,720
Printing Charges	2,484	8,556
<b>Total expenses</b>	<b>58,259,196</b>	<b>13,720,575</b>
<b>Net income from operating activities</b>	<b>624,974,830</b>	<b>263,377,604</b>
<b>Net income for the period before taxation</b>	<b>624,974,830</b>	<b>263,377,604</b>
Taxation	13 -	-
<b>Net income for the period after taxation</b>	<b>624,974,830</b>	<b>263,377,604</b>
<b>Earnings per unit</b>	-	-
<b>Allocation of net income for the period</b>		
Net income for the period after taxation	624,974,830	263,377,604
Income already paid on units redeemed	(164,787,379)	(29,309,401)
	<b>460,187,451</b>	<b>234,068,203</b>
<b>Accounting income available for distribution</b>		
Relating to capital gains	-	-
Excluding capital gains	460,187,451	234,068,203
	<b>460,187,451</b>	<b>234,068,203</b>

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 FINANCIAL SECTOR OPPORTUNITY FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	<b>Quarter Ended September 30</b>	
	<b>2023</b>	<b>2023</b>
	<b>----- (Rupees) -----</b>	
<b>Net income for the year period taxation</b>	624,974,830	263,377,604
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	<u><u>624,974,830</u></u>	<u><u>263,377,604</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 FINANCIAL SECTOR OPPORTUNITY FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	(Un-audited)			(Un-audited)		
	Quarter Ended September 30, 2023			Quarter Ended September 30, 2022		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)			(Rupees)		
<b>Net assets at beginning of the period</b>	11,179,658,286	119,603,943	11,299,262,229	3,595,716,303	17,554,409	3,613,270,712
Issuance of 96,565,102 units (2022: 96,426,095 units)						
- Capital value (at net assets value per unit at the beginning of period)	9,992,556,755		9,992,556,755	9,915,495,350	-	9,915,495,350
- Element of income	189,440,575		189,440,575	219,612,794	-	219,612,794
Total proceeds on issuance of units	10,181,997,330	-	10,181,997,330	10,135,108,144	-	10,135,108,144
Redemption of 96,217,911 units (2022: 25,023,758 units)						
- Capital value (at net assets value per unit at the beginning of period)	(9,956,629,460)		(9,956,629,460)	(2,573,193,053)	-	(2,573,193,053)
- Element of income	(28,290,578)	(164,787,379)	(193,077,957)	(23,559,164)	(29,309,401)	(52,868,565)
Total payments on redemption of units	(9,984,920,038)	(164,787,379)	(10,149,707,417)	(2,596,752,217)	(29,309,401)	(2,626,061,618)
Dividend Distributions		(363,612,623)	(363,612,623)	-	-	-
Total comprehensive income for the period	-	624,974,830	624,974,830	-	263,377,604	263,377,604
<b>Net assets at end of the period</b>	<b>11,376,735,578</b>	<b>216,178,771</b>	<b>11,592,914,349</b>	<b>11,134,072,230</b>	<b>251,622,612</b>	<b>11,385,694,842</b>
<b>Undistributed income brought forward</b>						
- Realised income		119,648,043			17,400,745	
- Unrealised loss		(44,100)			153,664	
		119,603,943			17,554,409	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		460,187,451			234,068,203	
		460,187,451			234,068,203	
Dividend Distributions		(363,612,623)			-	
Undistributed income carried forward		216,178,771			251,622,612	
<b>Undistributed income carried forward</b>						
- Realised income		217,583,371			251,575,452	
- Unrealised gain / (loss)		(1,404,600)			47,160	
		216,178,771			251,622,612	
				(Rupees)		(Rupees)
Net assets value per unit at beginning of the period				103.48		102.83
Net assets value per unit at end of the period				105.83		106.87

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 FINANCIAL SECTOR OPPORTUNITY FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	<b>Quarter Ended September 30</b>	
	<b>2023</b>	<b>2022</b>
	----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	624,974,830	263,377,604
<b>Adjustments for:</b>		
Net capital loss on sale of investments	11,301	79,069
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	1,404,600	(47,160)
	<u>1,415,901</u>	<u>31,909</u>
<b>Decrease / (Increase) in assets</b>		
Investments	(3,350,718)	1,642,884
Receivable against sales of units	245,889,671	
Advances, deposits, prepayments and other receivables	(180,080,114)	(112,800,775)
	62,458,839	(111,157,891)
<b>(Decrease) / Increase in liabilities</b>		
Payable to Faysal Asset Management Limited - Management Company	29,131,367	9,592,776
Payable to Central Depository Company of Pakistan Limited - Trustee	(32,589)	504,592
Payable to the Securities and Exchange Commission of Pakistan	(1,436,432)	170,065
Accrued expenses and other liabilities	(42,603,756)	(2,845,025)
Payable against redemption of units	-	-
	<u>(14,941,410)</u>	<u>7,422,408</u>
<b>Net cash generated from operating activities</b>	<u>673,908,160</u>	<u>159,674,029</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amount received against issuance of units	10,181,997,329	10,135,108,144
Amount paid against redemption of units	(10,149,707,416)	(2,626,061,618)
Cash distribution	(363,612,623)	-
<b>Net cash (used in) / generated from financing activities</b>	<u>(331,322,710)</u>	<u>7,509,046,526</u>
<b>Net increase in cash and cash equivalents during the period</b>	<u>342,585,450</u>	<u>7,668,720,555</u>
Cash and cash equivalents at beginning of the period	10,184,145,179	3,581,507,206
<b>Cash and cash equivalents at end of the period</b>	<u><u>10,526,730,629</u></u>	<u><u>11,250,227,761</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 FINANCIAL SECTOR OPPORTUNITY FUND  
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (Un-Audited)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

Faysal Financial Sector Opportunity Fund (the Fund) was established under a Trust Deed executed between Faysal Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on May 28, 2013 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (NBFC Regulations, 2008). The Management Company has been licensed by Securities and Exchange Commission of Pakistan (SECP) to act as an Asset Management Company under the NBFC Rules and NBFC Regulations, 2008 through a certificate of registration issued by SECP. The registered office of the Management Company of the Fund is situated at West Wing, 7th Floor, Faysal House, ST-02, Shahrah-e-Faisal, Karachi, Pakistan.

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 19, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

The Fund has been categorised as an open-end income scheme by the Board of Directors of the Management Company pursuant to the provisions contained in circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs.100 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from July 06, 2013 and are transferable and redeemable by surrendering them to the Fund.

The objective of the Fund is to provide a competitive rate of return to its investors by investing in money market and debt instruments with major exposure in financial sector.

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

VIS Credit Rating Company Limited has awarded an "AM2++" asset manager rating to the Management Company as of December 31, 2022 (2022: "AM2+" as of December 31, 2021). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. Pakistan Credit Rating Agency Limited (PACRA) has assigned a "AA-(f)" stability rating to the Fund on April 17, 2023 (2021: AA-(f) dated April 16, 2022).

**2 STATEMENT OF COMPLIANCE**

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

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at September 30, 2023.

**3 BASIS OF PREPARATION**

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2023.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at September 30, 2023 have been extracted from the annual published audited financial statements of the Fund for the year ended June 30, 2023, whereas, comparatives report in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement are extracted from the condensed interim financial statements for the Quarter ended September 30, 2022.

#### 4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2023.

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, 2023.

		<b>(Un-audited)</b> <b>September 30,</b> <b>2023</b>	<b>(Audited)</b> <b>June 30,</b> <b>2023</b>
	<b>Note</b>	<b>----- (Rupees) -----</b>	
<b>5 BALANCES WITH BANKS</b>			
Balances with banks in saving accounts	5.1	<u>10,526,730,629</u>	<u>10,184,145,179</u>

5.1 These carry mark-up ranging from 11% to 24% (June 30, 2023 : 12.30% to 23%) per annum and includes balance of Rs. 10.738 million (June 30, 2023: Rs. 31.055 million) held with Faysal Bank Limited, a related party.

		<b>(Un-audited)</b> <b>September 30,</b> <b>2023</b>	<b>(Audited)</b> <b>June 30,</b> <b>2023</b>
	<b>Note</b>	<b>----- (Rupees) -----</b>	
<b>6 INVESTMENTS</b>			
<b>At fair value through profit or loss</b>			
Term Finance Certificates (TFCs)		-	1,677,983
Sukuk certificate	6.1	703,612,800	700,000,000
		<u>703,612,800</u>	<u>701,677,983</u>

#### 6.1 Sukuk Certificates

Name of Security	As at July 1, 2023	Purchases during the period	Disposed / matured during the period	As at September 30, 2023	Carrying value as at September 30, 2023	Market value as at September 30, 2023	Unrealised gain as at September 30, 2023	Percentage in relation to	
								Net Assets of the Fund	Total market value of investments
	----- (Face value) -----				----- (Rupees in '000) -----			----- % -----	
Jahangir Siddiqui & Company Limited	2,000	-	2,000	-	-	-	-	-	-
Hub Power Holdings Limited	-	2,000	-	2,000	205,017,400	203,612,800	(1,404,600)	1.76	28.94
<b>Total as at September 30, 2023</b>					<u>205,017,400</u>	<u>203,612,800</u>	<u>(1,404,600)</u>	<u>1.76</u>	<u>28.94</u>

#### Short Term Sukuks

Name of the security	Face value				Carrying value as at September 30, 2023	Market Value as at September 30, 2023	Market value as percentage of	
	Opening balance	Purchased during the period	Matured / sold during the period	As at September 30, 2023			net assets	total investment
K-electric Limited STS - XVI	500	-	-	500	500,000,000	500,000,000	4.31	71.06
ABHI Private Limited	200	-	200	-	-	-	-	-
<b>Total as at September 30, 2023</b>	<u>700</u>	<u>-</u>	<u>200</u>	<u>500</u>	<u>500,000,000</u>	<u>500,000,000</u>	<u>4.31</u>	<u>71.06</u>

		<b>(Un-audited)</b> <b>September 30,</b> <b>2023</b>	<b>(Audited)</b> <b>June 30,</b> <b>2023</b>
	<b>Note</b>	<b>----- (Rupees) -----</b>	
<b>7 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>			

Security deposit with Central Depository Company of Pakistan Limited	2,600,000	2,600,000
Income Receivable on term finance certificates	-	118,090
Income Receivable on Sukuk certificates	73,175,670	31,741,397
Profit receivable on bank deposits	345,874,384	207,110,453
	421,650,054	241,569,940
Advance tax	5,171,093	5,171,093
	<u>426,821,147</u>	<u>246,741,033</u>

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
		----- (Rupees) -----	
<b>8</b>	<b>PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY</b>		
	Management fee payable	4,733,858	5,919,570
	Sindh Sales tax payable on management fee	615,401	769,544
	Allocated expenses payable	14,078,119	2,104,775
	Selling and marketing expenses payable	36,001,342	18,056,122
	Sales Laod Payable	1,086,676	534,018
		<u>56,515,396</u>	<u>27,384,029</u>

**8.1** The Management Company has charged remuneration at the rates ranging from 0.5% to 0.85% (June 30, 2023 average rate is 0.60%) of average daily net assets, calculated on daily basis The fee is payable to the Management Company monthly in arrears.

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

**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). Until June 19, 2019 there was a cap of 0.1% of the average annual net assets of the scheme or actual, whichever is lower, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the cap of 0.1%. During the period the Management management has charged any allocated expenses at the rates ranging from 0.25% to 0.5% per annum on average annual net assets of the fund.

**8.4** The SECP has allowed asset management Companies to charge selling and marketing expense to all categories of open-end mutual Funds (except Fund of Funds) initially for three years (from January 01, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.1% per annum of the net assets of the fund or actual expenses whichever is lower.

The SECP through its circular 11 dated July 05, 2019 has revised the conditions for charging of selling and marketing expenses to a fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the asset management company is required to set a maximum limit for charging of such expense to the fund and the same should be approved by the board as part of annual plan. Furthermore, the time limit of three years has also been removed in the revise conditions.

During the period the Management company has charged selling and marketing charges for the fund at the rates ranging from 0.53% to 0.95% (June 30, 2023: 0.35% to 0.06%) of average annual net assets per annum.

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
		----- (Rupees) -----	
<b>9</b>	<b>PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>		
	Trustee fee payable	710,078	739,946
	Sindh Sales Tax payable on trustee fee	93,472	96,193
		<u>803,550</u>	<u>836,139</u>

**9.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed at the rate of 0.075% per annum of net assets.

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

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
		----- (Rupees) -----	
<b>10</b>	<b>PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>		
	Annual fee to SECP	710,003	2,146,435

**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 0.075% of average annual net assets of the

11	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	(Un-audited)	(Audited)
			September 30, 2023	June 30, 2023
			----- (Rupees) -----	
	Brokerage payable		186,408	186,409
	Auditors' remuneration payable		481,768	328,210
	Fees and subscription payable		244,072	158,254
	Zakat Payable		103,929	103,929
	Withholding tax payable		-	437,550
	Capital Gain & Withholding Tax Payable		4,197,891	46,567,949
	Printing Charges Payable		95,914	94,087
	Legal and Professional Charges		252,912	218,940
	Other Liabilities		-	71,323
	Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	11.1	768,712	768,712
			<u>6,331,607</u>	<u>48,935,363</u>

11.1 There is no change in the status of FED as reported in the annual financial statements of the fund for the year ended June 30, 2023.

Had the said provision for FED not been maintained, the net asset value of the Fund as at September 30, 2023 would have been higher by Re. 0.01 (June 30, 2023: Rs. 0.01) per unit.

## 12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at September 30, 2023 and June 30, 2023.

## 13 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the management has distributed the required minimum percentage of income earned by the Fund for the period ended June 30, 2022 to the unit holders in the manner as explained above, 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. Moreover, super tax introduced in Finance Act, 2015 is also not applicable on Funds as per Section 4B of the Income Tax Ordinance, 2001.

## 14 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2023 is 2.01% (2022: 0.81%) which includes 0.17% (2022: 0.07%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Income Scheme.

## 15 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons include Faysal Asset Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

Transactions with connected persons essentially comprise of sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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

	(Un-audited)	
	Quarter Ended September 30	
	2023	2022
	----- (Rupees) -----	
<b>Transactions during the period:</b>		
<b>Faysal Asset Management Limited (Management Company)</b>		
Remuneration of Faysal Asset Management Limited - Management Company	18,568,667	5,088,951
Sindh Sales Tax on remuneration of the Management Company	2,413,927	661,563
Selling and marketing expenses	20,049,995	5,926,799
Issuance of 10,968 units (2022: 6,106,170 units)	1,166,715	638,931,830
Redemption of Nil units (2022: 7,745,252 units)	-	808,338,334
<b>Faysal Bank Limited (Group / Associated Company)</b>		
Return on PLS savings accounts	846,803	674,132
<b>FAML-Staff Gratuity Fund</b>		
Issuance of 76,117 units (2022: 5,202 units)	8,114,880	551,913
Redemption of 73,779 units (2022: Nil units)	7,872,958	-
<b>FAML-Employees Provident Fund</b>		
Issuance of 106,408 units (2022: 14,920 units)	11,344,253	1,582,800
Redemption of 103,140 units (2022: Nil units)	11,006,058	-
<b>Central Depository Company of Pakistan Limited - (Trustee of the Fund)</b>		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	2,172,643	1,256,772
Sindh Sales Tax on remuneration of the Trustee	282,948	164,218
<b>Directors and Key Management Personnel of the Management Company</b>		
Issuance of 361 units (2022: 88 units)	38,320	9,307
Redemption of Nil units (2022: 42,951 units)	-	4,500,000
<b>Unit holder holding 10% or more units</b>		
Issuance of 13,441,878 units (2022: 9,879,145 units)	1,408,252,233	1,033,259,744
Redemption of Nil units (2022: 95,329 units)	-	10,000,000
	(Un-audited)	(Audited)
	September 30,	June 30,
	2023	2023
	----- (Rupees) -----	
<b>Outstanding balances:</b>		
<b>Faysal Asset Management Limited (Management Company)</b>		
Management fee payable	4,733,858	5,919,570
Sindh Sales tax payable on management fee	615,401	769,544
Allocated expenses payable	14,078,119	2,104,775
Sales load payable	1,086,676	534,018
Selling and marketing expenses payable	36,001,342	18,056,122
Outstanding Nil units (2023: Nil units)	-	-
<b>Faysal Bank Limited (Group / Associated Company)</b>		
Balance in PLS savings accounts	10,737,577	31,055,202
Profit receivable on bank deposits	475,314	2,783
<b>FAML-Staff Gratuity Fund</b>		
Outstanding 76,117 units (2023: 73,778 units)	8,055,448	7,634,547
<b>FAML-Employees Provident Fund</b>		
Outstanding 106,408 units (2023: 103,140 units)	11,261,170	10,672,927
<b>Central Depository Company of Pakistan Limited - (Trustee of the Fund)</b>		
Trustee fee payable	710,078	739,946
Sindh Sales Tax payable on trustee fee	93,472	96,193
Security deposit	2,600,000	2,600,000

	(Un-audited) September 30, 2023	(Audited) June 30, 2023
	----- (Rupees) -----	
<b>Directors and Key Management Personnel of the Management Company</b>		
Outstanding 1,848 units (2023: 1,487 units)	195,574	153,875
<b>Unit holder holding 10% or more units</b>		
Outstanding 44,630,241 units (2023: 20,671,660 units)	4,723,218,402	2,139,103,377

## 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 September 30, 2023 and June 30, 2023, the Fund held the following financial instruments measured at fair values:

	September 30, 2023 (Un-audited)			
	Level 1	Level 2	Level 3	Total
	----- Rupees -----			
<b>Financial assets 'at fair value through profit or loss'</b>				
Term Finance Certificates (TFCs)	-	-	-	-
Sukuk Certificates	-	703,612,800	-	703,612,800
	-	703,612,800	-	703,612,800
	-----	-----	-----	-----
	June 30, 2023 (Audited)			
	Level 1	Level 2	Level 3	Total
	----- Rupees -----			
<b>Financial assets 'at fair value through profit or loss'</b>				
Term Finance Certificates (TFCs)	-	1,677,983	-	1,677,983
Sukuk Certificates	-	700,000,000	-	700,000,000
	-	701,677,983	-	701,677,983
	-----	-----	-----	-----

**17 GENERAL**

17.1 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 on October 20, 2023 by the Board of Directors of the Management Company.

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

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

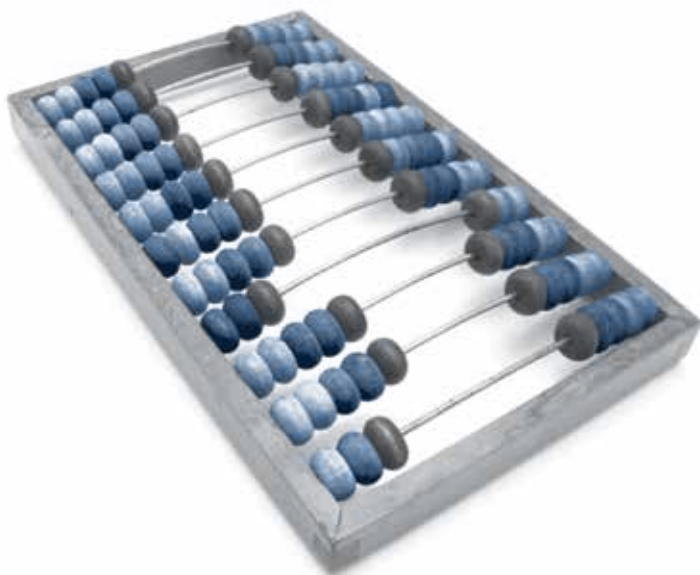
\_\_\_\_\_  
**Director**



# Faysal Income & Growth Fund

Condensed Interim Financial Statements

For The Quarter Ended September 30, 2023 (Un-Audited)





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## FUND INFORMATION

### Management Company

Faysal Asset Management Limited.

### Board of Directors

Mr. Yousaf Hussain, Chairman  
Syed Majid Ali, Vice Chairman  
Mr. Mian Salman Ali, Director  
Mrs. Samia Zuberi, Director  
Mr. Ali Waqar, Director  
Mr. Nadir Rahman, Chief Executive Officer

### Acting Chief Financial Officer & Company Secretary

Muhammad Umer Ilyas

### Audit Committee

Mrs. Samia Zuberi, Chair Person  
Syed Majid Ali, Member  
Mr. Mian Salman Ali, Member

### HR Committee

Mrs. Samia Zuberi, Chair Person  
Mr. Yousaf Hussain, Member  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Risk Committee

Mr. Mian Salman Ali, Chairman  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Trustee to the Fund

Central Depository Company of Pakistan Limited,  
CDC House, 99B, Block B, S.M.C.H.S, Main  
Shahrah-e-Faisal, Karachi.

### 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  
Shahrah-e-Faisal, Karachi.

### Bankers to the Fund

Faysal Bank Limited  
Bank Al-Falah Limited  
MCB (Islamic Banking)  
JS Bank Limited  
Allied Bank Limited  
Soneri Bank Limited  
HBL Microfinance Bank limited  
U- Microfinance Bank limited  
Khushhali Bank Limited  
Zarai Taraqati 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 Income & Growth Fund seeks to provide its risk-averse investors an opportunity to earn a consistent market based income with a conservative risk profile while maintaining security of principal as its prime objective.

**FAYSAL INCOME & GROWTH FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT SEPTEMBER 30, 2023**

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>Assets</b>			
Bank balances	5	4,180,328,079	3,133,537,276
Investments	6	733,697,083	754,603,725
Advances, deposits and other receivables	7	<u>220,703,526</u>	<u>131,757,625</u>
<b>Total assets</b>		<u>5,134,728,688</u>	<u>4,019,898,626</u>
<b>Liabilities</b>			
Payable to Faysal Asset Management Limited - Management Company	8	3,872,915	815,503
Payable to Central Depository Company of Pakistan Limited - the Trustee	9	343,428	332,406
Payable to the Securities and Exchange Commission of Pakistan	10	299,645	1,408,009
Payable against redemption of units		1,440,326	264,774
Accrued expenses and other liabilities	11	<u>16,482,916</u>	<u>166,589,764</u>
<b>Total liabilities</b>		<u>22,439,230</u>	<u>169,410,456</u>
<b>Net assets</b>		<u>5,112,289,458</u>	<u>3,850,488,170</u>
<b>Unit holders' fund (as per statement attached)</b>		<u>5,112,289,458</u>	<u>3,850,488,170</u>
<b>Contingencies and commitments</b>	12		
----- (Number of units) -----			
<b>Number of units in issue</b>		<u>44,388,702</u>	<u>35,339,686</u>
----- (Rupees) -----			
<b>Net assets value per unit</b>		<u>115.17</u>	<u>108.96</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

**FAYSAL INCOME & GROWTH FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Note	Quarter Ended September 30	
		2023	2022
		----- (Rupees) -----	
<b>Income</b>			
Profit earned on debt securities		42,666,434	14,353,870
Profit on balances with banks		219,307,765	200,703,726
Net loss on investments: at fair value through profit or loss			
- Capital loss on sale of investments - net		(4,041)	-
- Unrealized appreciation / (diminution) on revaluation of investments - net	6.1	9,447,400	(17,809)
		9,443,359	(17,809)
<b>Total income</b>		<b>271,417,558</b>	<b>215,039,787</b>
<b>Expenses</b>			
Remuneration of Faysal Asset Management Limited - the Management Company	8.1	8,011,399	4,842,519
Sindh sales tax on remuneration of the Management Company	8.2	1,041,482	629,532
Allocated expenses	8.3	1,679,721	-
Selling and marketing expenses	8.4	-	1,407,571
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	9.1	854,685	1,008,863
Sindh sales tax on remuneration of the Trustee	9.2	111,323	131,832
Transactional charges		142,812	-
Provisioning against Non Performing TFC		5,400,000	-
Bank charges		8,182	113
Annual fees to the Securities and Exchange Commission of Pakistan	10	854,685	269,030
Auditors' remuneration		219,350	186,024
Fees and subscription		96,842	94,208
Legal and Professional Charges		65,796	39,560
Printing charges		2,484	8,556
<b>Total operating expenses</b>		<b>18,488,759</b>	<b>8,617,808</b>
<b>Net profit from operating activities</b>		<b>252,928,799</b>	<b>206,421,979</b>
<b>Net profit for the period before taxation</b>		<b>252,928,799</b>	<b>206,421,979</b>
Taxation	13	-	-
<b>Net profit for the period after taxation</b>		<b>252,928,799</b>	<b>206,421,979</b>
<b>Allocation of net profit for the period</b>			
Net profit for the period		252,928,799	206,421,979
Income already paid on units redeemed		(96,779,607)	(10,327,434)
		<b>156,149,192</b>	<b>196,094,545</b>
<b>Accounting income available for distribution</b>			
Relating to capital gains		9,443,359	-
Excluding capital gains		146,705,833	196,094,545
		<b>156,149,192</b>	<b>196,094,545</b>
Earnings per unit	14		

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

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL INCOME & GROWTH FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	<b>Quarter Ended September 30</b>	
	<b>2023</b>	<b>2022</b>
	<b>----- (Rupees) -----</b>	
<b>Net income for the period after taxation</b>	252,928,799	206,421,979
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	<u><u>252,928,799</u></u>	<u><u>206,421,979</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**

**FAYSAL INCOME & GROWTH FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	(Un-audited)			(Un-audited)		
	Quarter Ended September 30, 2023			Quarter Ended September 30, 2022		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)			(Rupees)		
<b>Net assets at beginning of the period</b>	3,742,287,320	108,200,850	3,850,488,170	4,775,983,037	55,383,968	4,831,367,005
Issuance of 42,400,251 units (2022: 10,069,532 units)						
- Capital value (at net asset value at the beginning of the period)	4,619,931,309	-	4,619,931,309	1,078,245,550	-	1,078,245,550
- Element of income	144,336,026	-	144,336,026	22,145,759	-	22,145,759
Total proceeds on issuance of units	4,764,267,335	-	4,764,267,335	1,100,391,309	-	1,100,391,309
Redemption of 33,351,235 units (2022: 3,508,912 units)						
- Capital value (at net asset value at the beginning of the period)	(3,633,950,575)		(3,633,950,575)	(375,734,302)		(375,734,302)
- Element of income	(24,664,663)	(96,779,607)	(121,444,270)	(733,399)	(10,327,434)	(11,060,833)
Total payments on redemption of units	(3,658,615,238)	(96,779,607)	(3,755,394,845)	(376,467,701)	(10,327,434)	(386,795,135)
Total comprehensive income for the period	-	252,928,799	252,928,799	-	206,421,979	206,421,979
<b>Net assets at the end of the period</b>	<b>4,847,939,416</b>	<b>264,350,041</b>	<b>5,112,289,458</b>	<b>5,499,906,645</b>	<b>251,478,512</b>	<b>5,751,385,157</b>
Undistributed income brought forward						
- Realized		102,308,104			55,675,392	
- Unrealized		5,892,746			(291,424)	
		108,200,850			55,383,968	
Accounting income available for distribution						
- Relating to capital gains		9,443,359			-	
- Excluding capital gains		146,705,833			196,094,545	
		156,149,192			196,094,545	
<b>Undistributed income carried forward</b>		<b>264,350,041</b>			<b>251,478,512</b>	
Undistributed income carried forward						
- Realized		254,902,641			251,496,321	
- Unrealized		9,447,400			(17,809)	
		264,350,041			251,478,512	
				<b>(Rupees)</b>		<b>(Rupees)</b>
Net asset value per unit at the beginning of the period				108.96		107.08
Net asset value per unit at the end of the period				115.17		111.29

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**



**FAYSAL INCOME & GROWTH FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Note	Quarter Ended September 30	
		2023	2022
		----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit from operating activities		252,928,799	206,421,979
<b>Adjustments for non-cash and other items:</b>			
- Capital loss on sale of investments - net		4,041	-
- Unrealized Loss / (gain) on revaluation of investments - net		(9,447,400)	17,809
		<u>243,485,440</u>	<u>206,439,788</u>
<b>(Increase) / Decrease in assets</b>			
Investments - net		<u>30,350,001</u>	-
Advances, deposits and other receivables		<u>(88,945,901)</u>	<u>(39,249,292)</u>
		(58,595,900)	(39,249,292)
<b>Increase / (Decrease) in liabilities</b>			
Payable to the Management Company		<u>3,057,412</u>	1,788,799
Remuneration payable to the Trustee		11,022	66,309
Payable to the Securities and Exchange Commission of Pakistan		(1,108,364)	(375,547)
Payable against redemption of units		1,175,552	-
Accrued expenses and other liabilities		<u>(150,106,848)</u>	<u>2,590,787</u>
		(146,971,226)	4,070,348
<b>Net cash generated from operating activities</b>		<u>37,918,313</u>	<u>171,260,843</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Amounts received against issuance of units		<u>4,764,267,335</u>	1,100,391,309
Payments made against redemption of units		<u>(3,755,394,845)</u>	<u>(386,795,135)</u>
<b>Net cash generated from / (used in) financing activities</b>		<u>1,008,872,490</u>	<u>713,596,174</u>
Net increase in cash and cash equivalents during the period		1,046,790,803	884,857,017
Cash and cash equivalents at beginning of the period		<u>3,133,537,276</u>	<u>4,445,590,680</u>
<b>Cash and cash equivalents at end of the period</b>	5	<u><u>4,180,328,079</u></u>	<u><u>5,330,447,697</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

**FAYSAL INCOME & GROWTH FUND**  
**NOTES TO THE CONSENSUED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

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

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 April 13, 2022 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th Floor, Faysal House, ST-02, Main Shahrah-e-Faisal, Karachi, Pakistan. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an open end aggressive fixed income scheme by the Board of Directors of the Management Company pursuant to the provisions contained in circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs. 10 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from October 10, 2005 and are transferable and redeemable by surrendering them to the Fund.

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

**2. STATEMENT OF COMPLIANCE**

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

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at September 30, 2023.

**3 BASIS OF PREPARATION**

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2023.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at September 30, 2023 have been extracted from the annual published audited financial statements of the Fund for the year ended June 30, 2023, whereas, the comparatives to report for in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement extracted from the condensed interim financial statements of the fund for the quarter ended September 30, 2023.

**4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 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, 2023.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>5 BANK BALANCES</b>			
Cash at bank - PLS savings accounts	5.1	<u>4,180,328,079</u>	<u>3,133,537,276</u>

5.1 These carry mark-up ranging between 10.00% to 24.00% (June 30, 2023: 10.00% to 23.00%) per annum and include a balance of Rs. 10.639 million (June 30, 2023: Nil) held with Faysal Bank Limited, related party.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>6. INVESTMENTS</b>			
<b>Debt Securities - at fair value through profit or loss</b>			
Term finance certificates	6.1	233,697,083	254,603,725
Sukuk certificates		<u>500,000,000</u>	<u>500,000,000</u>
		<u>733,697,083</u>	<u>754,603,725</u>

**6.1 Debt Securities - at fair value through profit or loss**

Term Finance Certificates

Particulars	----- Number of certificates -----				--- Balance as at September 30, 2023 ---			----- (%) -----	
	As at July 01, 2023	Purchased during the period	Disposed off during the period	As at September 30, 2023	Carrying value	Market value	Unrealized gain on revaluation	Market value as percentage of total investments	Market value as percentage of net assets
Khushali Microfinance Bank (19-03-18) *	500	-	-	500	18,564,083	18,564,083	-	2.53	0.36
TPL Corp Limited 3rd Issue	2,000	-	-	2,000	205,685,600	215,133,000	9,447,400	29.32	4.21
JS Bank Limited (29-12-2017)	250	-	250	-	-	-	-	-	-
Total as at September 30, 2023					<u>224,249,683</u>	<u>233,697,083</u>	<u>9,447,400</u>	<u>31.85</u>	<u>4.57</u>

\* In case of debt securities against which a provision has been made, these are carried at amortised cost less provision. For non-performing securities market value / valuation on by MUFAP is not available.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>7. ADVANCES, DEPOSITS AND OTHER RECEIVABLES</b>			
Security deposits:			
- National Clearing Company of Pakistan Limited		2,500,000	2,500,000
- Central Depository Company of Pakistan Limited		100,000	100,000
		<u>2,600,000</u>	<u>2,600,000</u>
Profit receivable on TFC		11,639,699	13,461,935
Profit receivable on Sukuk		54,430,490	24,843,699
Profit receivable on bank balances		151,784,824	90,603,478
Advance Tax		248,513	248,513
Prepaid listing and rating fee		-	-
		<u>220,703,526</u>	<u>131,757,625</u>

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>8. PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - THE MANAGEMENT COMPANY</b>			

Management fee payable	8.1	1,191,666	-
Sales tax payable on Management fee	8.2	154,927	-
Allocated expenses	8.3	1,679,721	-
Selling and marketing charges	8.4	800,467	800,467
Sales load payable		46,135	15,036
		<u>3,872,915</u>	<u>815,503</u>

8.1 The Management Company is currently charging remuneration at the rate 0% to 0.50% of average daily net assets, calculated on daily basis. The fee is payable to the Management Company monthly in arrears.

- 8.2** The Provincial Government of Sindh has levied Sindh sales tax at the rate of 13% on the remuneration of the Management Company through the Sindh sales tax on Services Act, 2011.
- 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). Until June 19, 2019 there was a cap of 0.1% of the average annual net assets of the scheme or actual, whichever is lower, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the cap of 0.1%. Currently the Management Company is not charging any allocated expenses.
- 8.4** The SECP has allowed asset management Companies to charge selling and marketing expense to all categories of open-end mutual Funds (except Fund of Funds) initially for three years (from January 01, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.1% per annum of the net assets of the fund or actual expenses whichever is lower.

The SECP through its circular 11 dated July 05, 2019 has revised the conditions for charging of selling and marketing expenses to a fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the asset management company is required to set a maximum limit for charging of such expense to the fund and the same should be approved by the board as part of annual plan. Furthermore, the time limit of three years has also been removed in the revised conditions.

Currently the Management is charging selling and marketing charges at the rate of 0.1% per annum.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE</b>			
Remuneration payable to the Trustee	9.1	299,726	294,165
Sales tax payable on Trustee fee	9.2	43,702	38,241
		<u>343,428</u>	<u>332,406</u>

- 9.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the trust deed at rate of 0.075% (June 2022: 0.075%) per annum of the average annual net assets of the fund
- 9.2** During the period, an amount of Rs. 0.043 million charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13%.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION PAKISTAN</b>			
Annual fee	<b>10.1</b>	<u>299,645</u>	<u>1,408,009</u>

- 10.1** This represents annual fee payable to the SECP in accordance with the NBFC Regulations, whereby the Fund is required to pay the SECP an amount at the rate of 0.075% per annum of the average daily net assets of the Fund in accordance with SRO 685(1)/2019 of the SECP.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>11. ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Provision for Federal Excise Duty	11.1	4,050,717	4,050,717
Auditors' remuneration payable		722,190	502,840
Transaction charges payable		13,827	13,827
Legal and professional charges payable		320,988	255,192
Fees and subscription payable		273,626	176,784
Printing charges payable		233,008	231,656
Zakat payable		35,211	35,211
Withholding tax, capital gain tax payable & other payable		<u>10,833,349</u>	<u>161,323,537</u>
		<u>16,482,916</u>	<u>166,589,764</u>

- 11.1** There is no change in the status of the appeal filed by the Federal Board of Revenue in the Supreme Court of Pakistan in respect of levy of Federal Excise Duty at the rate of 16% on the services of the Management Company, as reported in note 10.2 to the annual financial statements of the Fund for the year ended June 30, 2023.

Had the said provision for FED not been maintained, the net asset value of the Fund as at September 30, 2023 would have been higher by Re. 0.09 (June 30, 2023: Re. 0.115) per unit.

## 12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at September 30, 2023 and June 30, 2023.

## 13. TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the management intends to distribute the income earned by the Fund during the period ending June 30, 2022 to the unit holders in the manner as explained above, accordingly, no provision for taxation has been made in these condensed interim financial statements.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in Finance Act, 2015 is also not applicable on Funds as per Section 4B of the Income Tax Ordinance, 2001.

## 14. EARNINGS PER UNIT

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

## 15. EXPENSE RATIO

The total expense ratio (TER) of the Fund as at September 30, 2023 is 1.62%(2022:0.64%) which includes 0.18 % (2022:0.08%) representing government levies on the Fund such as provision for Sindh workers' welfare fund, sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a income scheme.

## 16. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons and related parties include Faysal Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, Faysal Asset Management Limited - Staff Provident Fund, Faysal Asset Management Limited - Staff Gratuity Fund, Faysal Bank Limited, Faysal Bank Limited - Staff Provident Fund, Faysal Bank Limited - Staff Gratuity Fund and other entities under common management and / or directorship and the directors and officers of the Management Company and the Trustee, key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund at year end.

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

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

	(Un-audited)	
	Quarter Ended September 30	
	2023	2022
	----- (Rupees) -----	
<b>16.1 Transactions during the period</b>		
<b>Faysal Asset Management Limited (Management Company)</b>		
Remuneration of Faysal Asset Management Limited - the Management Company	8,011,399	4,842,519
Sindh sales tax on remuneration of the Management Company	1,041,482	629,532
Allocated expenses	1,679,721	-
Selling and marketing expenses	-	1,407,571
Issue of Nil units (2022: 83,567 units)	-	9,236,621
Redemption Nil units (2022: 83,567 units)	-	9,260,020
<b>Faysal Bank Limited (Group / Associated Company)</b>		
Return on PLS savings accounts	97,329	97,329
Bank charges	113	113
<b>Central Depository Company of Pakistan Limited - (Trustee of the Fund)</b>		
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	854,685	1,008,863
Sindh sales tax on remuneration of the Trustee	111,323	131,832
Settlement charges	1,130	1,130
<b>Unit holder holding 10% or more units</b>		
Issue of 18,957,053 units (2022: 9,160,026 units)	2,150,867,004	1,000,000,000
Redemption 11,777,994 units (2022: 2,060,826 units)	1,350,000,000	227,000,000

	(Un-audited) September 30, 2023	(Audited) June 30, 2023
	----- (Rupees) -----	
<b>16.2 Outstanding balances</b>		
<b>* Faysal Asset Management Limited (Management Company)</b>		
Management fee payable	1,191,666	-
Sales tax payable on Management fee	154,927	-
Sales load payable	46,135	15,036
Selling and marketing charges	800,467	800,467
Allocated expenses	1,679,721	-
<b>* Faysal Bank Limited (Group / Associated Company)</b>		
Balance in PLS savings accounts	10,638,983	3,139,236
<b>Central Depository Company of Pakistan Limited - (Trustee of the Fund)</b>		
Remuneration payable to the Trustee	299,726	294,165
Sales tax payable on Trustee fee	43,702	38,241
Security deposit	100,000	100,000
<b>*Unit holder holding 10% or more units</b>		
Units in issue 35,154,410 units (June 30, 2023: 27,975,351 units)	4,048,733,400	3,048,194,245

## 17. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

### Fair value hierarchy

International Financial Reporting Standard 13, 'Fair value measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

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

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

	September 30, 2023 (Un-audited)			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>				
<b>Financial assets at fair value through profit or loss</b>				
- Term finance certificates	-	233,697,083	-	233,697,083
- Sukuk Certificates	-	500,000,000	-	500,000,000
	-	<u>733,697,083</u>	-	<u>733,697,083</u>

June 30, 2023 (Audited)			
Level 1	Level 2	Level 3	Total
<b>ASSETS</b>			
<b>Financial assets at fair value through profit or loss</b>			
- Term finance certificates	- 254,603,725	-	254,603,725
- Sukuk Certificates	- 500,000,000	-	500,000,000
	<u>754,603,725</u>	<u>-</u>	<u>754,603,725</u>

**18. GENERAL**

18.1 Figures have been rounded off to the nearest rupee.

**19. DATE OF AUTHORISATION FOR ISSUE**

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

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

\_\_\_\_\_  
Chief Financial Officer

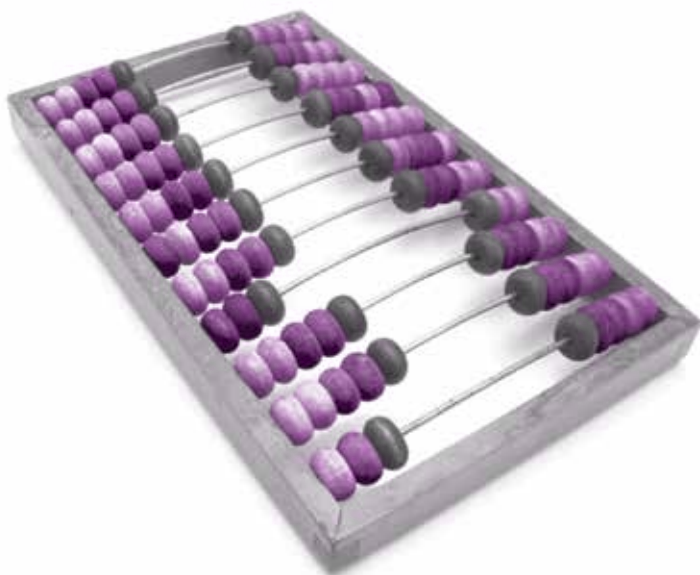
\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

# Faysal Money Market Fund

Condensed Interim Financial Statements

For The Quarter Ended September 30, 2023 (Un-Audited)







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## FUND INFORMATION

### Management Company

Faysal Asset Management Limited.

### Board of Directors

Mr. Yousaf Hussain, Chairman  
Syed Majid Ali, Vice Chairman  
Mr. Mian Salman Ali, Director  
Mrs. Samia Zuberi, Director  
Mr. Ali Waqar, Director  
Mr. Nadir Rahman, Chief Executive Officer

### Acting Chief Financial Officer & Company Secretary

Muhammad Umer Ilyas

### Audit Committee

Mrs. Samia Zuberi, Chair Person  
Syed Majid Ali, Member  
Mr. Mian Salman Ali, Member

### HR Committee

Mrs. Samia Zuberi, Chair Person  
Mr. Yousaf Hussain, Member  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Risk Committee

Mr. Mian Salman Ali, Chairman  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Trustee to the Fund

Central Depository Company of Pakistan Limited,  
CDC House, 99B, Block B, S.M.C.H.S, Main  
Shahrah-e-Faisal, Karachi.

### 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  
Shahrah-e-Faisal, Karachi.

### Bankers to the Fund

Faysal Bank Limited  
Bank Al-Falah Limited  
Habib bank Limited  
Allied Bank Limited  
United Bank Limited  
Zarai Taraqjati 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 Money Market Fund endeavors to provide maximum possible preservation of capital and a reasonable rate of return via investing in money market securities having good credit quality rating and liquidity.

**FAYSAL MONEY MARKET FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT SEPTEMBER 30, 2023**

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
	Note	----- (Rupees) -----	
<b>Assets</b>			
Balances with banks	5	1,053,140	111,190,073
Investments	6	1,210,319,114	1,151,624,400
Advances, deposits and other receivables		<u>22,350,467</u>	<u>15,631,632</u>
<b>Total assets</b>		<u>1,233,722,722</u>	<u>1,278,446,105</u>
<b>Liabilities</b>			
Payable to Faysal Asset Management Limited - the Management Company	7	5,942,485	2,614,396
Payable to Central Depository Company of Pakistan Limited - the Trustee	8	72,837	67,661
Payable to the Securities and Exchange Commission of Pakistan	9	87,823	600,333
Dividend payable		11,459	11,457
Accrued expenses and other liabilities	10	21,907,098	21,229,965
<b>Total liabilities</b>		<u>28,021,702</u>	<u>24,523,812</u>
<b>Net assets</b>		<u>1,205,701,020</u>	<u>1,253,922,293</u>
<b>Unit holders' fund (as per the statement attached)</b>		<u>1,205,701,020</u>	<u>1,253,922,293</u>
<b>Contingencies and commitments</b>	11		
		----- (Number of units) -----	
<b>Number of units in issue</b>		<u>11,171,024</u>	<u>12,223,742</u>
		----- (Rupees) -----	
<b>Net assets value per unit</b>		<u>107.9311</u>	<u>102.5809</u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL MONEY MARKET FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	<b>Quarter Ended September 30,</b>	
	<b>2023</b>	<b>2022</b>
<b>Note</b>	<b>(Rupees)</b>	
<b>Income</b>		
Profit on government securities	69,335,780	64,903,578
Profit on balances with banks	7,831,782	42,942,434
Profit on letters of placement	-	18,269,782
Profit on commercial papers and short term sukuk certificates	-	55,986,146
Capital (loss) / gain on disposal of investments - net	(55,878)	1,538,785
Unrealised gain on remeasurement of investments classified as financial asset at fair value through profit or loss'	134,599	225,035
<b>Total income</b>	<b>77,246,283</b>	<b>183,865,759</b>
<b>Operating Expenses</b>		
Remuneration of Faysal Asset Management Limited - the Management Company	2,265,960	3,139,114
Sindh sales tax on remuneration of the Management Company	294,575	408,087
Selling and marketing charges	2,441,707	4,394,758
Accounting and Operational Charges	697,746	-
Remuneration to Central Depository Company of Pakistan Limited - the Trustee	191,880	690,605
Sindh sales tax on remuneration of the Trustee	24,944	89,778
Annual fees to the Securities and Exchange Commission of Pakistan	261,655	251,129
Transaction costs	67,708	104,788
Bank charges	3,860	6,669
Auditors' remuneration	186,455	150,788
Fees and subscriptions	107,798	104,696
Legal and Professional Charges	33,130	19,780
Printing expense	2,485	8,556
<b>Total operating expenses</b>	<b>6,579,903</b>	<b>9,368,748</b>
<b>Net profit from operating activities</b>	<b>70,666,381</b>	<b>174,497,011</b>
<b>Net profit for the period before taxation</b>	<b>70,666,381</b>	<b>174,497,011</b>
Taxation	14 -	-
<b>Net profit for the period after taxation</b>	<b>70,666,381</b>	<b>174,497,011</b>
<b>Allocation of net profit for the period</b>		
- Net profit for the period	70,666,381	174,497,011
- Income already paid on units redeemed	(14,157,148)	(44,927,298)
	<b>56,509,233</b>	<b>129,569,713</b>
<b>Accounting income available for distribution</b>		
- Relating to capital gains	78,721	1,763,820
- Excluding capital gains	56,430,512	127,805,894
	<b>56,509,233</b>	<b>129,569,713</b>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL MONEY MARKET FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	<b>Quarter Ended September 30,</b>	
	<b>2023</b>	<b>2022</b>
	<b>----- (Rupees) -----</b>	
<b>Net profit for the period after taxation</b>	70,666,381	174,497,011
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	<u><u>70,666,381</u></u>	<u><u>174,497,011</u></u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL MONEY MARKET FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Quarter Ended September 30, 2023			Quarter Ended September 30, 2022		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	------(Rupees)-----			------(Rupees)-----		
<b>Net assets at beginning of the period</b>	1,194,023,425	59,898,868	1,253,922,293	6,894,077,741	55,514,579	6,949,592,320
Issuance of 4,059,390 (2022: 41,629,244) units						
- Capital value (at net assets value per unit at the beginning of the period)	416,415,861	-	416,415,861	4,254,928,727	-	4,254,928,727
- Element of income	7,556,677	-	7,556,677	34,646,787	-	34,646,787
Total proceeds on issuance of units	423,972,538	-	423,972,538	4,289,575,514	-	4,289,575,514
Redemption of 5,112,107 (2022: 71,217,014) units						
- Capital value (at net assets value per unit at the beginning of the period)	(524,404,554)	(14,157,148)	(524,404,554)	(7,279,012,761)	(44,927,298)	(7,279,012,761)
- Element of income	(4,298,490)	(14,157,148)	(18,455,638)	(1,659,845)	(44,927,298)	(46,587,143)
Total payments on redemption of units	(528,703,044)	(14,157,148)	(542,860,192)	(7,280,672,606)	(44,927,298)	(7,325,599,904)
Total comprehensive income for the period	-	70,666,381	70,666,381	-	174,497,011	174,497,011
First interim distribution of Rs.1.0662 per unit (date of declaration: July 27, 2022)		-	-	(18,443,793)	(43,604,685)	(62,048,477)
Second interim distribution of Rs. 1.1468 per unit (date of declaration: August 26, 2022)		-	-	(6,874,544)	(36,918,594)	(43,793,138)
Third interim distribution of Rs. 1.1388 per unit (date of declaration: September 23, 2022)		-	-	(7,784,825)	(37,836,431)	(45,621,256)
<b>Net assets at end of the period</b>	<u>1,089,292,919</u>	<u>116,408,101</u>	<u>1,205,701,020</u>	<u>3,869,877,487</u>	<u>66,724,583</u>	<u>3,936,602,071</u>
<b>Undistributed income brought forward</b>						
- Relates to capital gain		61,397,128			55,514,579	
- Excluding capital gain		(1,498,260)			(55,514,579)	
		<u>59,898,868</u>				
Distributions during the year		-			(118,359,709)	
Accounting income available for distribution						
- Relating to capital gains		78,721			1,763,820	
- Excluding capital gains		56,430,512			127,805,894	
		<u>56,509,233</u>			<u>129,569,713</u>	
Undistributed income carried forward		<u>116,408,101</u>			<u>66,724,583</u>	
<b>Undistributed income carried forward</b>						
- Realised income		116,273,502			66,499,548	
- Unrealised income		134,599			225,035	
		<u>116,408,101</u>			<u>66,724,583</u>	
Net assets value per unit at beginning of the period				<u>102.5809</u>		<u>102.2089</u>
Net assets value per unit at end of the period				<u>107.9311</u>		<u>102.4991</u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements

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

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

**FAYSAL MONEY MARKET FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	<b>Quarter Ended September 30,</b>	
	<b>2023</b>	<b>2022</b>
	----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit for the period before taxation	70,666,381	174,497,011
<b>Adjustments for:</b>		
Capital gain on disposal of investments - net	55,878	(1,538,785)
Unrealised (gain) / loss on remeasurement of investments classified as financial asset at fair value through profit or loss'	(134,599)	(225,035)
	<u>70,587,660</u>	<u>172,733,192</u>
<b>(Decrease) in assets</b>		
Investments Net	(58,615,993)	(51,949,932)
Deposits, advances, prepayments and other receivables	(6,718,835)	(23,043,190)
Receivable against sale of units	-	-
	<u>(65,334,829)</u>	<u>(74,993,122)</u>
<b>Increase in liabilities</b>		
Payable to Faysal Asset Management Limited - the Management Company	3,328,089	4,870,192
Payable to Central Depository Company of Pakistan Limited - the Trustee	5,176	(164,741)
Payable to the Securities and Exchange Commission of Pakistan	(512,510)	(1,653,606)
Accrued and other liabilities	677,133	(2,003,473)
Dividend payable	2	-
Payable Against Purchases of Debt Securities	-	-
	<u>3,497,890</u>	<u>1,048,372</u>
<b>Net cash generated from operating activities</b>	<u>8,750,721</u>	<u>98,788,442</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amounts received against issue of units	423,972,538	4,289,575,514
Payments made against redemption of units	(542,860,192)	(7,326,014,888)
Dividend paid	-	(151,462,870)
<b>Net cash used in financing activities</b>	<u>(118,887,654)</u>	<u>(3,187,902,245)</u>
Net (decrease) in cash and cash equivalents during the period	(110,136,933)	(3,089,113,803)
Cash and cash equivalents at beginning of the period	111,190,073	4,977,791,724
<b>Cash and cash equivalents at end of the period</b>	<u>5</u> <u>1,053,140</u>	<u>1,888,677,921</u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director



**FAYSAL MONEY MARKET FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 Faysal Money Market Fund (the Fund) is an open-end money market fund constituted under a trust deed entered into on April 22, 2009 between Faysal Asset Management Limited (FAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The investment activities and administration of the Fund are managed by the Management Company.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th Floor, Faysal House, ST-02, Main Shahrah-e-Faisal, Karachi, Pakistan. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

Trust Act, 1882 had been repealed due to promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act). The Fund is required to registered under the Sindh Trusts Act. Accordingly, on April 14, 2022 the above-mentioned Trust Deed has 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 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs. 10 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from December 13, 2010 and are transferable and redeemable by surrendering them to the Fund.

The objective of the Fund is to provide a reasonable rate of return along with maximum possible preservation of capital via investing in money market and debt securities having good credit quality rating and liquidity. The investment objectives and policies are explained in the Fund's offering document.

VIS Credit Rating Company Limited has assigned the asset manager rating of "AM2++" to the Management Company as at December 30, 2022 (2022: "AM2+" dated December 31, 2021). The Pakistan Credit Rating Agency Limited (PACRA) has assigned a "AA(f)" stability rating to Faysal Money Market Fund as of April 17, 2023 (2022: "AA(f)" as of April 18, 2022).

**2 STATEMENT OF COMPLIANCE**

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

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at September 30, 2023.

**3 BASIS OF PREPARATION**

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2023.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at September 30, 2023 have been extracted from the annual published audited financial statements of the Fund for the year ended June 30, 2023, whereas, comparatives report in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement are extracted from the condensed interim financial statements for the quarter ended September 30, 2022.

**4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2023.

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, 2023.

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
		----- (Rupees) -----	
5	BALANCES WITH BANKS	Note	
	PLS savings accounts	5.1	1,053,140      111,190,073
5.1	These carry mark-up ranging between 7.00% to 20.65% (June 30, 2023: 7% to 19.8%) per annum. The balance in PLS savings account includes Rs.0.524 million (June 30, 2023: Rs.1.423 million) with a related party, Faysal Bank Limited.		

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
		----- (Rupees) -----	
6	INVESTMENTS	Note	
	<b>At fair value through profit or loss</b>		
	Government Securities	6.1	1,210,319,114      1,151,624,400
			<u>1,210,319,114</u> <u>1,151,624,400</u>

#### 6.1 Government Securities

Name of investee company	----- Face value -----				Carrying value	Market value	Unrealised	Market value as a of total investments	Market value as a percentage of net assets
	As at July 01, 2023	Purchased during the period	Matured /Sold during the period	As at September 30, 2023					
	----- (Rupees) -----							----- % -----	
Treasury bills - 3 months	1,200,000,000	3,915,000,000	600,000,000	4,515,000,000	1,210,184,511	1,210,319,110	134,599	100	100
Treasury bills - 6 months	-			-	-			-	-
Total as at September 30, 2023	<u>1,200,000,000</u>	<u>3,915,000,000</u>	<u>600,000,000</u>	<u>4,515,000,000</u>	<u>1,210,184,511</u>	<u>1,210,319,110</u>	<u>134,599</u>	<u>100</u>	<u>100</u>
Total as at June 30, 2023					<u>1,153,122,660</u>	<u>1,151,624,400</u>	<u>(1,498,260)</u>	<u>92</u>	<u>100</u>

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
		----- (Rupees) -----	
	<b>Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net</b>		
	Market value of investments	1,210,319,110	1,151,624,400
	Carrying value of investments	<u>(1,210,184,511)</u>	<u>(1,153,122,660)</u>
		<u>134,599</u>	<u>(1,498,260)</u>

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
	Note	----- (Rupees) -----	
<b>7</b>	<b>PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - THE MANAGEMENT COMPANY</b>		
	Management fee payable	820,149	653,214
	Sales tax on management fee	106,619	84,918
	Selling and marketing charges	4,317,971	1,876,264
	Allocated expenses	697,746	-
		<u>5,942,485</u>	<u>2,614,396</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 rates ranging from 0.60% to 0.70% per annum on average annual net assets.

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

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

**7.3** 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). Until June 19, 2019 there was a cap of 0.1% of the average annual net assets of the scheme or actual, whichever is lower, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the cap of 0.1%. During the period the Management company has charged allocated expenses at rate of 0.2% per annum on average annual net assets of the fund.

**7.4** The SECP has allowed asset management Companies to charge selling and marketing expense to all categories of open-end mutual Funds (except Fund of Funds) initially for three years (from January 01, 2017 till December 31, 2019). The maximum cap of selling and marketing expense shall be 0.1% per annum of the net assets of the fund or actual expenses whichever is lower.

The SECP through its circular 11 dated July 05, 2019 has revised the conditions for charging of selling and marketing expenses to a fund. As per the revised guidelines, the maximum cap of 0.4% per annum has been lifted and now the asset management company is required to set a maximum limit for charging of such expense to the fund and the same should be approved by the board as part of annual plan. Furthermore, the time limit of three years has also been removed in the revise conditions.

Management company has charged selling & marketing charges at the rates ranging from 0.60% to 0.85% per annum from July 01, 2023 to September 30, 2023.

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
	Note	----- (Rupees) -----	
<b>8</b>	<b>PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN - THE TRUSTEE</b>		
	Remuneration payable to the Trustee	64,459	59,877
	Sindh sales tax on remuneration of the Trustee	8,378	7,784
		<u>72,837</u>	<u>67,661</u>

**8.1** The trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust

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

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
		----- (Rupees) -----	
<b>9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>			
Annual fee	9.1	<u>87,823</u>	<u>600,333</u>

- 9.1 This represents annual fee payable to the SECP in accordance with the NBFC Regulations, whereby the Fund is required to pay the SECP an amount at the rate of 0.075% per annum of the average daily net assets of the Fund in accordance with S.R.O. 592(I)/2023 of the SECP.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
		----- (Rupees) -----	
<b>10 ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Provision for Sindh Workers' Welfare Fund		-	-
Accrued Liabilities		842,869	2,816,818
Auditor's remuneration payable		602,997	416,541
Transaction charges payable		21,666	179,545
Fee & Subscription		88,778	
Legal and professional charges payable		2,210,276	2,503,966
Printing charges payable		138,314	135,829
Withholding and capital gain tax payable		2,784,574	1,017,353
Time Barred Cheques		1,057,709	-
Provision for Federal excise duty and related Sindh sales tax on management fee		<u>14,159,914</u>	<u>14,159,913</u>
		<u>21,907,098</u>	<u>21,229,965</u>

- 10.1. The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a civil petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution, the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs. 14.160 million is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund would have been higher by Re. 1.268 (June 30, 2023: Re. 1.1584 per unit).

## 11 CONTINGENCIES AND COMMITMENTS

During the year ended June 30, 2023, an income tax order dated June 3, 2022 was passed for tax year 2017 through which a tax demand of Rs. 22,468,952 was raised by the concerned Additional Commissioner Inland Revenue (ACIR) of Federal Board of Revenue (FBR) by rejecting the Fund's claim for income tax exemption under clause (99) contained in Part I of the Second Schedule to the Income Tax Ordinance, 2001. The order was passed by misconstruing that the Fund allegedly distributed less than 90% of its income to its unitholders which is the sole criterion for income tax exemption claim under clause (99). Whilst reaching this conclusion, the ACIR misinterpreted that amount of Rs. 39,965,974 is 'element of income', whereas actually this amount represents 'Net element of loss'.

The management company has filed an appeal with the Commissioner (Inland) Revenue Appeals (CIRA) against the demand raised by ACIR. CIRA passed an order dated September 30, 2022 whereby it decided the appeal in favour of the Fund.

There were no other material contingencies or commitments outstanding as at September 30, 2023 and June 30, 2023.

## 12 EXPENSE RATIO

The total expense ratio (TER) of the Fund as at September 30, 2023 is 1.89% (September 30, 2022: 0.75%) which includes 0.17% (September 30, 2022: 0.06%) representing government levies on the Fund such as provision for Sindh workers' welfare fund, sales taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

## 13 EARNINGS PER UNIT

Earnings per unit is calculated by dividing the net profit for the period before taxation of the Fund by the weighted average number of units outstanding during the period.

## 14 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2022 to the unit holders in the manner explained above, no provision for taxation has been made in these condensed interim financial

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in Finance Act, 2015 is also not applicable on Funds as per Section 4B of the Income Tax Ordinance, 2001.

## 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 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.

- 15.2 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:

	(Un-audited) Quarter Ended September 30, 2023	(Audited) Quarter Ended September 30, 2022
	----- (Rupees) -----	
<b>Transactions during the period</b>		
<b>Faysal Asset Management Limited (the Management Company)</b>		
Remuneration of the Management Company	2,265,960	3,139,114
Sales tax on remuneration of the Management Company	294,575	408,087
Selling and marketing charges	2,441,707	4,394,758
Issue of 775 (2022: 29,292) units	81,982	3,015,163
Redemption of 646 (2022: 2,746,641) units	68,461	281,375,994
<b>Faysal Asset Management Limited-Staff Gratuity Fund</b>		
Issue of Nil (2022: 174,815) units	-	18,050,193
Redemption of Nil (2022: 167,618) units	-	17,312,852
Dividend	-	4,582
<b>Faysal Asset Management Limited-Employees Provident Fund</b>		
Issue of Nil (2022: 218,611) units	-	22,565,709
Redemption of Nil (2022: 200,995) units	-	20,760,434
Dividend	-	5,507
<b>Faysal Bank Limited (group company)</b>		
Issue of Nil (2022: Nil) units	-	-
Redemption of Nil (2022: 6,009,962) units	-	615,000,000
Return on PLS savings accounts	546,317	442,957
<b>Central Depository Company of Pakistan Limited (the Trustee)</b>		
Remuneration of the trustee	191,880	690,605
Sindh sales tax on remuneration of the Trustee	24,944	89,778
<b>Directors and key management personnel of the Management Company</b>		
Issue of Nil (2022: 15) units	-	1,524
Dividend	-	22
<b>Units holders holding 10% or more units</b>		
Issue of 947,121 (2022: 1,434,323) units	100,000,000	146,991,400
Redemption of 936,740 (2022: Nil) units	100,000,000	-
Dividend	-	36,986,242

Amounts / balances outstanding as at period / year end	(Un-audited) September 30, 2023	(Audited) June 30, 2023
	----- (Rupees) -----	
<b>Faysal Asset Management Limited (the Management Company)</b>		
Management fee payable	820,149	653,214
Sindh sales tax on remuneration of the Management Company	106,619	84,918
Selling and marketing expenses payable	697,746	1,876,264
Allocated expenses payable	4,317,971	-
Units in issue 129 units (June 30, 2023: Nil units)	13,932	-
<b>Faysal Asset Management Limited-Staff Gratuity Fund</b>		
Units in issue: 73,313 units (June 30, 2023 : 73,313 units)	7,912,797	7,520,556
<b>Faysal Asset Management Limited-Staff Provident Fund</b>		
Units in issue: 102,918 units (June 30, 2023 : 102,918 units)	11,108,085	10,557,451
<b>Faysal Bank Limited (group company / associated company)</b>		
Balance in PLS saving accounts	524,281	1,420,130
Return receivable on PLS savings accounts	217,920	-
<b>Central Depository Company of Pakistan Limited - (the Trustee)</b>		
Remuneration payable to the Trustee	64,459	59,877
Sales tax on Trustee fee	8,378	7,784
Security deposit	100,000	100,000
<b>Directors and key management personnel of the Management Company</b>		
Units in issue 11 (June 30, 2023 : 11 Units)	1,187	1,128
<b>Units holder having 10% or more units</b>		
Units in issue 4,532,736 units (June 30, 2023: 4,522,355 units)	489,223,223	463,907,264

## 16 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 tradeable in an open market are revalued at market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

### 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: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or
- 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).
- 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 reporting dates, the Fund held the following financial instruments measured at fair value:

As at September 30, 2023 (Un-audited)			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			
<b>ASSETS</b>			
<b>Financial assets 'at fair value through profit or loss'</b>			
Government Securities	-	1,210,319,114	-
	-	1,210,319,114	-
	<u>1,210,319,114</u>	<u>-</u>	<u>1,210,319,114</u>

As at June 30, 2023 (Audited)			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			
<b>ASSETS</b>			
<b>Financial assets 'at fair value through profit or loss'</b>			
Government Securities	-	1,151,624,400	-
	-	1,151,624,400	-
	<u>1,151,624,400</u>	<u>-</u>	<u>1,151,624,400</u>

**17 GENERAL**

17.1 Figures have been rounded off to the nearest rupee.

**18 DATE OF AUTHORISATION FOR ISSUE**

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

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

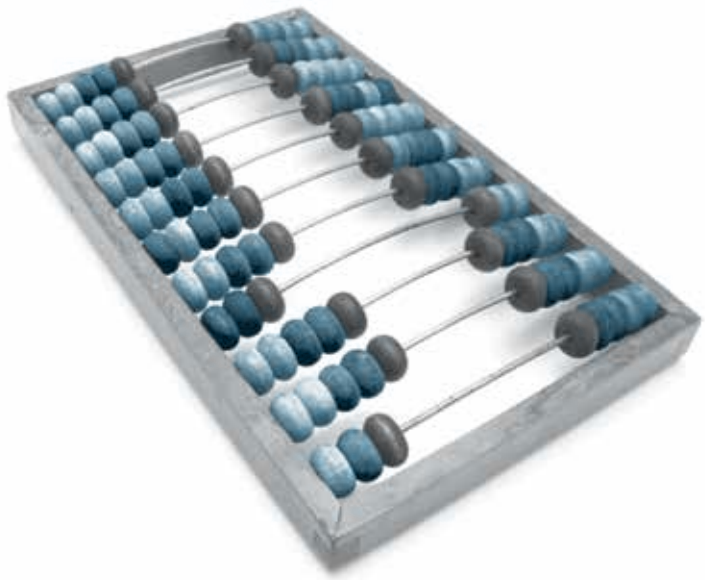
\_\_\_\_\_  
Director



# Faysal MTS Fund

Condensed Interim Financial Statements

For The Quarter Ended September 30, 2023 (Un-Audited)





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## FUND INFORMATION

### Management Company

Faysal Asset Management Limited.

### Board of Directors

Mr. Yousaf Hussain, Chairman  
Syed Majid Ali, Vice Chairman  
Mr. Mian Salman Ali, Director  
Mrs. Samia Zuberi, Director  
Mr. Ali Waqar, Director  
Mr. Nadir Rahman, Chief Executive Officer

### Acting Chief Financial Officer & Company Secretary

Muhammad Umer Ilyas

### Audit Committee

Mrs. Samia Zuberi, Chair Person  
Syed Majid Ali, Member  
Mr. Mian Salman Ali, Member

### HR Committee

Mrs. Samia Zuberi, Chair Person  
Mr. Yousaf Hussain, Member  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Risk Committee

Mr. Mian Salman Ali, Chairman  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Trustee to the Fund

Central Depository Company of Pakistan Limited,  
CDC House, 99B, Block B, S.M.C.H.S, Main  
Shahrah-e-Faisal, Karachi.

### 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  
Shahrah-e-Faisal, Karachi.

### Bankers to the Fund

Faysal Bank Limited  
Bank Al-Falah Limited  
Habib bank Limited  
Allied Bank Limited  
JS Bank Limited  
Zarai Taraqiyati Bank Limited  
Soneri 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 MTS Fund (FMTSF) endeavours to provide investors competitive returns primarily through investment into MTS market.

**FAYSAL MTS FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT SEPTEMBER 30, 2023**

	(Un-audited) September 30, 2023	(Audited) June 30, 2023
Note	----- (Rupees) -----	
<b>Assets</b>		
Bank balances	574,398,063	518,406,283
Investments	170,305,772	287,906,100
Receivable against Margin Trading System (MTS)	951,275,573	709,805,970
Prepayments, deposits and other receivables	47,521,560	40,382,133
<b>Total assets</b>	<b>1,743,500,968</b>	<b>1,556,500,486</b>
<b>Liabilities</b>		
Payable to the Management Company	10,705,239	6,065,381
Payable to Trustee	125,408	112,149
Payable to the Securities and Exchange Commission of Pakistan	110,480	334,463
Accrued and other liabilities	10,928,624	9,820,191
<b>Total liabilities</b>	<b>21,869,751</b>	<b>16,332,184</b>
<b>Net assets</b>	<b>1,721,631,217</b>	<b>1,540,168,302</b>
<b>Unit holders' fund (as per statement attached)</b>	<b>1,721,631,217</b>	<b>1,540,168,302</b>
<b>Contingencies and commitments</b>	13	
	----- (Number of units) -----	
<b>Number of units in issue</b>	<b>15,836,057</b>	<b>14,967,659</b>
	----- (Rupees) -----	
<b>Net assets value per unit</b>	<b>108.72</b>	<b>102.90</b>

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

**FAYSAL MTS FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Note	Quarter Ended September 30,	
		2023	2022
Income		----- (Rupees) -----	
Discount Income on government securities		10,158,321	3,745,588
Income from Margin Trading System (MTS)		76,760,829	60,067,639
Return on bank balances		15,340,209	11,773,315
Net gain on investments - at fair value through profit or loss			
- Net realized (loss) / gain on sale of investments		(13,898)	6,192
- Net unrealised appreciation on revaluation of investments		36,001	106,992
		22,103	113,184
<b>Total income</b>		<b>102,281,462</b>	<b>76,642,287.15</b>
<b>Expenses</b>			
Remuneration of the Management Company	9.1	3,194,109	2,072,808
Sales tax on Management fee	9.2	415,234	269,465
Selling and marketing expenses	9.3	2,839,888	1,164,330
Accounting and Operational Charges	9.4	819,230	-
Remuneration of the Trustee	10.1	307,211	340,679
Sales tax on Trustee fee	10.2	40,016	44,515
Bank charges		1,751	8,798
Auditors' remuneration		202,922	135,884
SECP annual fee	11.1	307,657	90,848
Fees and subscription		96,861	91,172
Transaction charges		3,672,579	4,026,091
Printing charges		2,484	8,556
Legal and professional charges		33,458	19,780
<b>Total expenses</b>		<b>11,933,398</b>	<b>8,272,927</b>
<b>Net income for the period before taxation</b>		<b>90,348,064</b>	<b>68,369,361</b>
Taxation	15	-	-
<b>Net income for the period after taxation</b>		<b>90,348,064</b>	<b>68,369,361</b>
<b>Allocation of net income for the period</b>			
Net income for the year		90,348,064	68,369,361
Income already paid on units redeemed		(11,880,847)	(4,022,289)
		78,467,217	64,347,072
<b>Accounting income available for distribution</b>			
Relating to capital gains		22,103	113,184
Excluding capital gains		78,445,114	64,233,888
		78,467,217	64,347,072

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

**FAYSAL MTS FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	<b>Quarter Ended September 30, 2023</b>	<b>2022</b>
	<b>----- (Rupees) -----</b>	
<b>Net income for the period after taxation</b>	90,348,064	68,369,361
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	<u>90,348,064</u>	<u>68,369,361</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**

**FAYSAL MTS FUND  
CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Note	Quarter Ended September 30,	
		2023	2022
----- (Rupees) -----			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income for the period before taxation		90,348,064	68,369,361
<b>Adjustments for non-cash and other items:</b>			
Net Gain on investments - at fair value through profit or loss			
- Net realized loss / (gain) on sale of investments		13,898	(6,192)
- Net unrealised appreciation on revaluation of investments		(36,001)	(106,992)
		<u>90,325,961</u>	<u>68,256,177</u>
<b>Decrease / (Increase) in assets</b>			
Investments - net		117,622,431	208,356,352
Receivable against Margin Trading System		(241,469,603)	(32,208,830)
Prepayments, deposits and other receivables		(7,139,427)	252,097
		<u>(130,986,598)</u>	<u>176,399,618</u>
<b>(Decrease) in liabilities</b>			
Payable to the Management Company		4,639,858	975,588
Payable to Trustee		13,259	(36,641)
Payable to the Securities and Exchange Commission of Pakistan		(223,983)	(768,352)
Accrued and other liabilities		1,108,433	(12,418,370)
		<u>5,537,567</u>	<u>(12,247,776)</u>
<b>Net cash (used in) / generated from from operating activities</b>		<u>(35,123,071)</u>	<u>232,408,019</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Amounts received against issuance of units		664,881,501	9,408,636
Payments made against redemption of units		(573,766,651)	(221,827,130)
<b>Net cash genrated from / (used in) financing activities</b>		<u>91,114,850</u>	<u>(212,418,494)</u>
<b>Net increase in cash and cash equivalents during the period</b>		<u>55,991,780</u>	<u>19,989,525</u>
Cash and cash equivalents at beginning of the period		518,406,283	52,404,288
<b>Cash and cash equivalents at end of the period</b>	5	<u><u>574,398,063</u></u>	<u><u>72,393,813</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



**FAYSAL MTS FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Quarter Ended September 30, 2023			Quarter Ended September 30, 2022		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)			(Rupees)		
<b>Net assets at beginning of the period</b>	1,505,212,101	34,956,202	1,540,168,303	1,854,170,565	20,878,925	1,875,049,490
Issuance of 6,227,272 (2022: 89,645) units						
- Capital value (at net assets value per unit at beginning of the period)	640,786,298	-	640,786,298	9,134,863	-	9,134,863
- Element of income	24,095,203	-	24,095,203	273,773	-	273,773
Total proceeds on issuance of units	664,881,501		664,881,501	9,408,636		9,408,636
Redemption of 5,358,875 (2022: 2,136,326) units						
- Capital value (at net assets value per unit at beginning of the year)	(551,428,227)	-	(551,428,227)	(217,691,658)	-	(217,691,658)
- Element of income	(10,457,577)	(11,880,847)	(22,338,424)	(113,183)	(4,022,289)	(4,135,472)
Total payments on redemption of units	(561,885,804)	(11,880,847)	(573,766,651)	(217,804,841)	(4,022,289)	(221,827,130)
Total comprehensive income for the period	-	90,348,064	90,348,064	-	68,369,361	68,369,361
<b>Net assets at the end of the period</b>	<b>1,608,207,798</b>	<b>113,423,419</b>	<b>1,721,631,217</b>	<b>1,645,774,360</b>	<b>85,225,997</b>	<b>1,731,000,357</b>
Undistributed income brought forward						
- Realised		35,333,894			20,891,547	
- Unrealised		(377,691)			(12,622)	
		34,956,202			20,878,925	
Accounting income available for distribution						
- Relating to capital gains		22,103			113,184	
- Excluding capital gains		78,445,114			64,233,888	
		78,467,217			64,347,072	
Undistributed income carried forward		113,423,419			85,225,997	
- Realised		113,387,418			85,119,005	
- Unrealised		36,001			106,992	
		113,423,419			85,225,997	
		-- (Rupees) --			-- (Rupees) --	
Net assets value per unit at the beginning of the period		102.90			102.90	
Net assets value per unit at the end of the period		108.72			105.85	

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**

**FAYSAL MTS FUND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

Faysal MTS Fund (the Fund) has been established under the Non-Banking Finance Companies (Establishment and Regulation), Rules 2003 (the NBFC Rules) and has been authorised as a unit trust scheme by the Securities and Exchange Commission of Pakistan (SECP) on December 16, 2015. It has been constituted under a Trust Deed, dated November 17, 2015 between Faysal Asset Management Limited (the Management Company), a company incorporated under the Companies Ordinance, 1984 (now Companies Act, 2017) and Central Depository Company of Pakistan Limited (CDC) as the Trustee, also a company incorporated under the Companies Ordinance, 1984 (now

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 30, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

The Fund is an open-ended income fund and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis and the units are transferable and can be redeemed by surrendering them to the Fund. Title to the assets of the fund are held in the name of CDC as a Trustee of the Fund. The Fund was launched on April 08, 2016.

The objective of the Fund is to provide competitive returns primarily through investment in Margin Trading System (MTS) market.

The Fund is categorised as an "Income Scheme" as per the Circular No. 7 of 2009 issued by SECP.

The Pakistan Credit Rating Agency Limited (PACRA) has assigned a "AA-(f)" stability rating to Faysal MTS Fund as of April 17, 2020 (2019: "A+(f)" April 17, 2019).

The Management Company has been assigned a quality rating of AM2++ by VIS dated December 31, 2021 (2021: AM2 dated December 31, 2020). This represents that the management company exhibits very good management characteristics.

**2. STATEMENT OF COMPLIANCE**

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

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at September 30, 2023.

**3. BASIS OF PREPARATION**

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2022.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at September 30, 2023 have been extracted from the annual published audited financial statements of the Fund for the year ended June 30, 2023, whereas, the comparatives to report for in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement extracted from the condensed interim financial statements of the fund for the quarter ended September 30, 2022.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2023.

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, 2023.

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
	Note	----- (Rupees) -----	
<b>5. BANK BALANCES</b>			
Cash at bank - PLS savings accounts	5.1	<u>574,398,063</u>	<u>518,406,283</u>

**5.1** These carry mark-up ranging between 11.00% to 21.99% (June 30, 2023: 11% and 22.10%) per annum and include a balance of Rs.7.2894 million (June 30, 2023: Rs. 56.028 million) held with Faysal Bank Limited (a related party).

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
	Note	----- (Rupees) -----	
<b>6. INVESTMENTS</b>			
<b>At fair value through profit or loss</b>			
Government securities - Market Treasury Bills	6.1	<u>170,305,772</u>	<u>287,906,100</u>
		<u>170,305,772</u>	<u>287,906,100</u>

#### 6.1 Government securities - Market Treasury Bills

Particulars	Rate of return per annum	----- Face value -----				- Balance as at September 30, 2023 -			Market Value as percentage of	
		As at July 01, 2023	Purchased during the period	Sold / matured during the period	As at September 30, 2023	Carrying value	Market value	Unrealised gain on revaluation	Total net assets	Total Investments
----- (Rupees) -----										
Market Treasury Bills - 03 Months	7.1500% to 11.1000%	300,000,000	278,000,000	400,000,000	178,000,000	170,269,771	170,305,772	36,001	9.89	100.00
Total as at September 30, 2023					<u>178,000,000</u>	<u>170,269,771</u>	<u>170,305,772</u>	<u>36,001</u>	<u>9.89</u>	<u>100.00</u>
Total as at June 30, 2023					<u>300,000,000</u>	<u>288,283,791</u>	<u>287,906,100</u>	<u>(377,691)</u>		

**6.1.1** The above investments have been pledged with National Clearing Company of Pakistan Limited (NCCPL) as security against settlement of the Fund's trades in terms of Circular No. 11 dated October 23, 2007 issued by the SECP.

#### 7. RECEIVABLE AGAINST MARGIN TRADING SYSTEM (MTS)

As per the offering document the total exposure of the Fund's net assets in MTS or any other similar instruments will range between 70% to 90%. Furthermore, a minimum exposure of 70% will be maintained based on quarterly average investment calculated on daily basis. In lieu of above, the Fund held an average exposure of 54.56% (June 30, 2023: 67.63%) during the Quarter ended September 30, 2023.

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
	Note	----- (Rupees) -----	
<b>8. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>			
Prepayments		28,188	35,401
Security deposits			
- National Clearing Company of Pakistan Limited		<u>250,000</u>	<u>250,000</u>
- Central Depository Company of Pakistan Limited		<u>100,000</u>	<u>100,000</u>
		350,000	350,000
Income receivable on Margin Trading System (MTS)		35,672,063	29,727,839
Profit Receivable on balances with banks	8.2	10,468,414	9,627,607
Advance tax		641,286	641,286
Other Recievables		361,609	-
		<u>47,521,560</u>	<u>40,382,133</u>

**8.1** This includes margin deposits maintained with National Clearing Company of Pakistan Limited against MTS losses for regular exposure margin by the Fund in addition to Market Treasury Bills pledged

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
		----- (Rupees) -----	
<b>9. PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY</b>			
Remuneration of the Management Company	9.1	1,188,630	918,686
Sindh sales tax on remuneration of the Management Company	9.2	154,522	119,429
Sales load payable		2,892,467	2,216,763
Selling and marketing expenses payable	9.3	5,650,391	2,810,503
Accounting and Operational Charges	9.4	819,230	-
		<u>10,705,239</u>	<u>6,065,381</u>

**9.1** The Management Company has charged remuneration at the rate of 0.70% to 0.80% from 01 July 2023 to 30 Sep 2023.

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

**9.3** During the year, an amount of Rs. 0.154 million (June 30, 2023: Rs.3.246 million) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011.

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.

The Management Company has charged selling & marketing at the rate of 0.60% to 0.80% from 01 July 2023 to 30 Sep

**9.4** 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).

During the year ended June 30, 2020, 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 on the Fund as it may decide. The Management Company has, therefore, charged allocated expenses at rate of 0.2% of the average annual net assets of the fund keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
		----- (Rupees) -----	
<b>10. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>			
Remuneration of the Trustee	10.1	110,087	99,247
Sindh sales tax on remuneration of the Trustee	10.2	15,320	12,902
		<u>125,408</u>	<u>112,149</u>

**10.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed at the rate of 0.075% per annum of net assets (June 30, 2023: 0.075%).

**10.2** 'During the year, an amount of Rs. 0.04 million (2023: Rs. 0.099 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011.

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
		----- (Rupees) -----	
<b>11. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>			
Annual fee	11.1	<u>110,480</u>	<u>334,463</u>

**11.1** 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 0.075% of average annual net assets of the Fund.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>12. ACCRUED AND OTHER LIABILITIES</b>			
Auditors' remuneration payable		679,151	476,229
Settlement charges payable		7,170,832	6,514,849
Withholding tax payable		2,603,917	2,716,592
Legal & Professional Charges Payable		342,828	-
Accrued liabilities		65,657	46,283
Provision for indirect taxes and duties	12.1	66,238	66,238
		10,928,624	9,820,191

**12.1** There is no change in the status of the appeal filed by the Federal Board of Revenue in the Supreme Court of Pakistan in respect of levy of Federal Excise Duty at the rate of 16% on the services of the Management Company, as reported in note 12.2 to the annual financial statements of the Fund for the year ended September 30, 2023.

Had the said provision for FED not been maintained, the net asset value of the Fund as at September 30, 2023 would have been higher by Re. 0.0042 (June 30, 2023: Rs. 0.0044) per unit.

### **13. CONTINGENCIES AND COMMITMENTS**

There were no contingencies as at September 30, 2023 and June 30, 2023.

### **14 TOTAL EXPENSE RATIO**

The total expense ratio (TER) of the Fund as at September 30, 2023 is 2.91% (2022: 1.82%) which includes 0.19% (2022: 0.09%) representing government levies on the Fund such as provision for Sindh workers' welfare fund, sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

### **15. 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 ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders in cash. 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.

### **16. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

Connected persons / 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.

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

		(Un-audited)	
		Quarter Ended September 30	
		2023	2022
		----- (Rupees) -----	
<b>16.1</b>	<b><u>Transactions during the period</u></b>		
	<b>Faysal Asset Management Limited (Management Company)</b>		
	Remuneration of the Management Company	3,194,109	2,072,808
	Sales tax on Management fee	415,234	269,465
	Accounting and Operational Charges	819,230	-
	Selling and marketing charges	2,839,888	1,164,330
	Issue of 718 units (2022: 8,565 units)	76,022	900,263
	Redemption of 718 units (2022: 8,565 units)	76,500	902,576
	<b>Faysal Bank Limited (Group / Associated Company)</b>		
	Return on PLS savings account	-	120,074
	<b>Directors and Key Management Personnel of the Management Company</b>		
	Issue of units Nil (2022: 251 units)	-	26,346
	<b>Central Depository Company of Pakistan Limited - (Trustee of the Fund)</b>		
	Remuneration of the Trustee	307,211	340,679
	Sales tax on Trustee fee	40,016	44,515
	Settlement charges	934,947	596,952
		<b>Un-audited</b>	<b>Audited</b>
		<b>September 30,</b>	<b>June 30,</b>
		<b>2023</b>	<b>2023</b>
		----- (Rupees) -----	
<b>16.2</b>	<b>Outstanding balances</b>		
	<b>Faysal Asset Management Limited (Management Company)</b>		
	Management fee payable	1,188,630	918,686
	Sales tax payable on Management fee	154,522	119,429
	Sales load payable	2,892,467	2,216,763
	Selling and marketing expenses	5,650,391	2,810,503
	Accounting and Operational Charges	819,230	-
	<b>Faysal Bank Limited (Group / Associated Company)</b>		
	Balance in PLS saving accounts	7,289,389	14,234,179
	Profit receivable on saving accounts	-	183,280
	Outstanding Balance: 4 (June 30, 2023: Nil) units	435	-
	<b>Central Depository Company of Pakistan Limited - (Trustee of the Fund)</b>		
	Security deposit	100,000	100,000
	Remuneration payable to the Trustee	110,087	99,247
	Sales tax payable on Trustee fee	15,320	12,902
	<b>FAML - Staff Gratuity Fund</b>		
	Outstanding Balance: 2177 (June 30, 2022: 2,177) units	236,683	224,013
	<b>FAML - Employees Provident Fund</b>		
	Outstanding Balance: 6,415 (June 30, 2022: 6,415) units	697,439	660,104
	<b>Holding more than 10%</b>		
	Outstanding Balance: 2,473,573 (June 30, 2022: 2,473,573) units	268,926,851	254,530,662

## 17. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as 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 (i.e. an exit price).

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 financial liabilities is considered not significantly different from book value.

The following table shows financial instruments recognized at fair value, analysed between those whose fair value is based on:

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

<b>As at September 30, 2023 (Un-audited)</b>			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			
<b>ASSETS</b>			
<b>Financial assets 'at fair value through profit or loss'</b>			
- Market Treasury Bills			
-	170,305,772	-	170,305,772
-	170,305,772	-	170,305,772
<b>As at June 30, 2023 (Audited)</b>			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			
<b>ASSETS</b>			
<b>Financial assets 'at fair value through profit or loss'</b>			
- Market Treasury Bills			
-	287,906,100	-	287,906,100
-	287,906,100	-	287,906,100

## 18. GENERAL

Figures have been rounded off to the nearest rupee.

## 19. DATE OF AUTHORISATION FOR ISSUE

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

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

\_\_\_\_\_  
Chief Financial Officer

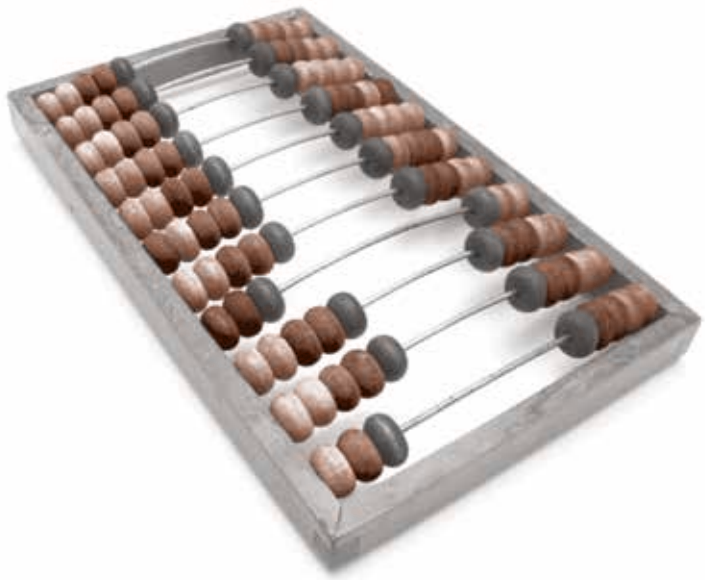
\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

# Faysal Savings Growth Fund

Condensed Interim Financial Statements

For The Quarter Ended September 30, 2023 (Un-Audited)







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## FUND INFORMATION

### Management Company

Faysal Asset Management Limited.

### Board of Directors

Mr. Yousaf Hussain, Chairman  
Syed Majid Ali, Vice Chairman  
Mr. Mian Salman Ali, Director  
Mrs. Samia Zuberi, Director  
Mr. Ali Waqar, Director  
Mr. Nadir Rahman, Chief Executive Officer

### Acting Chief Financial Officer & Company Secretary

Muhammad Umer Ilyas

### Audit Committee

Mrs. Samia Zuberi, Chair Person  
Syed Majid Ali, Member  
Mr. Mian Salman Ali, Member

### HR Committee

Mrs. Samia Zuberi, Chair Person  
Mr. Yousaf Hussain, Member  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Risk Committee

Mr. Mian Salman Ali, Chairman  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Trustee to the Fund

Central Depository Company of Pakistan Limited,  
CDC House, 99B, Block B, S.M.C.H.S, Main  
Shahrah-e-Faisal, Karachi.

### 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  
Shahrah-e-Faisal, Karachi.

### Bankers to the Fund

Faysal Bank Limited  
Bank Al-Falah Limited  
MCB (Islamic Banking)  
JS Bank Limited  
Allied Bank Limited  
Soneri Bank Limited  
HBL Microfinance Bank limited  
U- Microfinance Bank limited  
Khushhali Bank Limited  
Zarai Taraqati 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 Savings Growth Fund seeks to provide investors a consistent income stream with maximum preservative of capital.

**FAYSAL SAVINGS GROWTH FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT SEPTEMBER 30, 2023**

	September 30, 2023 (Un-audited)	June 30, 2023 (Audited)
Note	----- (Rupees) -----	-----
<b>Assets</b>		
Balances with banks	5 1,415,771,584	252,963,659
Investments	6 256,568,100	509,059,899
Advances, deposits, prepayments and other receivables	7 70,363,614	60,491,025
<b>Total assets</b>	<u>1,742,703,298</u>	<u>822,514,583</u>
<b>Liabilities</b>		
Payable to Faysal Asset Management Limited - Management Company	8 4,213,458	3,235,179
Payable to Central Depository Company of Pakistan Limited - Trustee	9 107,594	109,326
Payable to the Securities and Exchange Commission of Pakistan	10 94,051	450,390
Payable Against Redemption of Units	158,046	-
Accrued expenses and other liabilities	11 22,253,028	37,718,566
<b>Total liabilities</b>	<u>26,826,177</u>	<u>41,513,461</u>
<b>Net assets</b>	<u>1,715,877,121</u>	<u>781,001,122</u>
<b>Unit holders' fund (as per statement attached)</b>	<u>1,715,877,121</u>	<u>781,001,122</u>
<b>Contingencies and commitments</b>	12	
	----- (Number of units) -----	
<b>Number of units in issue</b>	<u>15,557,215</u>	<u>7,499,096</u>
	----- (Rupees) -----	
<b>Net asset value per unit</b>	<u>110.29</u>	<u>104.15</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

**FAYSAL SAVINGS GROWTH FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Note	Quarter Ended September 30	
		2023	2022
----- (Rupees) -----			
<b>Income</b>			
Interest on Pakistan Investment Bonds		2,818,128	1,941,816
Discount Income on Market Treasury Bills		-	29,319,525
Profit on term finance certificates		10,393,877	14,562,507
Profit on sukuk certificates		5,804,786	12,610,605
Profit from Money Market Placement		-	3,745,206
Profit on balances with banks		40,835,319	42,393,634
Net realised loss on sale of investments		(501,700)	(983,099)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		7,013,251	203,148
<b>Total income</b>		<u>66,363,662</u>	<u>103,793,342</u>
<b>Expenses</b>			
Remuneration of Faysal Asset Management Limited - Management Company	8.1	3,341,401	10,218,686
Sindh sales tax on remuneration of the Management Company	8.2	434,382	1,328,429
Selling and marketing expenses	8.3	1,721,699	1,703,114
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	196,477	510,934
Sindh sales tax on remuneration of the Trustee	9.2	25,607	66,421
Annual fees to the Securities and Exchange Commission of Pakistan	10.1	196,477	136,249
Transaction charges		90,983	121,495
Bank charges		774	1,379
Auditors' remuneration		252,246	201,756
Fees and subscriptions		107,798	104,696
Legal & Professional Charges		68,061	39,560
Printing charges and other expenses		2,484	8,556
<b>Total expenses</b>		<u>6,438,390</u>	<u>14,441,275</u>
<b>Net income from operating activities</b>		<u>59,925,272</u>	<u>89,352,067</u>
Reversal of provision for Sindh Workers Welfare Fund		-	-
<b>Net income for the period before taxation</b>		<u>59,925,272</u>	<u>89,352,067</u>
Taxation	13	-	-
<b>Net income for the period after taxation</b>		<u><u>59,925,272</u></u>	<u><u>89,352,067</u></u>
<b>Earnings per unit</b>	14	-	-
<b>Allocation of net income for the period</b>			
Net income for the period after taxation		59,925,272	89,352,067
Income already paid on units redeemed		(6,181,573)	(15,877,727)
		<u>53,743,699</u>	<u>73,474,340</u>
<b>Accounting income available for distribution</b>			
- Relating to capital gains		-	-
- Excluding capital gains		53,743,699	73,474,340
		<u>53,743,699</u>	<u>73,474,340</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

**FAYSAL SAVINGS GROWTH FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	<b>Quarter Ended September 30</b>	
	<b>2023</b>	<b>2022</b>
	<b>----- (Rupees) -----</b>	
<b>Net income for the period after taxation</b>	59,925,272	89,352,067
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	<u><u>59,925,272</u></u>	<u><u>89,352,067</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**

**FAYSAL SAVINGS GROWTH FUND  
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Quarter Ended September 30, 2023			Quarter Ended September 30, 2022		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)			(Rupees)		
<b>Net assets at beginning of the period</b>	744,740,748	36,260,374	781,001,122	2,354,799,329	28,757,545	2,383,556,874
Issuance of 16,270,973 units (2022: 8,446,828 units)						
- Capital value (at net asset value per unit at beginning of the period)	1,694,621,797	-	1,694,621,797	869,685,413	-	869,685,413
- Element of income	75,826,879	-	75,826,879	12,482,527	-	12,482,527
Total proceeds on issuance of units	1,770,448,676	-	1,770,448,676	882,167,940	-	882,167,940
Redemption of 8,212,854 units (2022: 6,715,343 units)						
- Capital value (at net assets value per unit at beginning of the period)	(855,368,760)		(855,368,760)	(691,411,791)		(691,411,791)
- Element of income	(33,947,616)	(6,181,573)	(40,129,189)	(29,667)	(15,877,727)	(15,907,394)
Total payments on redemption of units	(889,316,376)	(6,181,573)	(895,497,949)	(691,441,458)	(15,877,727)	(707,319,185)
Total comprehensive income for the period	-	59,925,272	59,925,272	-	89,352,067	89,352,067
<b>Net assets at end of the period</b>	<b>1,625,873,048</b>	<b>90,004,073</b>	<b>1,715,877,121</b>	<b>2,545,525,811</b>	<b>102,231,885</b>	<b>2,647,757,694</b>
<b>Undistributed income brought forward</b>						
- Realised income		32,980,544			27,274,000	
- Unrealised income		3,279,830			1,483,545	
		36,260,374			28,757,545	
Accounting income available for distribution						
- Relating to capital gains		-			-	
- Excluding capital gains		53,743,699			73,474,340	
		53,743,699			73,474,340	
Undistributed income carried forward		90,004,073			102,231,885	
<b>Undistributed income carried forward</b>						
- Realised income		82,990,822			102,028,737	
- Unrealised gain		7,013,251			203,148	
		90,004,073			102,231,885	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the period			104.15			102.96
Net asset value per unit at the end of the period			110.29			106.42

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

**FAYSAL SAVINGS GROWTH FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

Note	Quarter Ended September 30	
	2023	2022
	----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	59,925,272	89,352,067
<b>Adjustments for:</b>		
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(7,013,251)	(203,148)
Net realised loss on sale of investments	501,700	983,099
	<u>53,413,721</u>	<u>90,132,018</u>
<b>(Increase) / decrease in assets</b>		
Investments	259,003,350	(749,672,578)
Advances, deposits, prepayments and other receivables	(9,872,589)	(15,864,833)
	<u>249,130,761</u>	<u>(765,537,411)</u>
<b>Increase / (Decrease) in liabilities</b>		
Payable to Faysal Asset Management Limited - Management Company	978,279	1,910,963
Payable to Central Depository Company of Pakistan Limited - Trustee	(1,732)	10,389
Payable to the Securities and Exchange Commission of Pakistan	(356,339)	(414,220)
Accrued expenses and other liabilities	(15,465,538)	3,932,991
	<u>(14,845,330)</u>	<u>5,440,123</u>
<b>Net cash generated from / (used in) operating activities</b>	<u>287,699,151</u>	<u>(669,965,270)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amount received against issuance of units	1,770,448,676	882,167,940
Amount paid against redemption of units	(895,339,903)	(707,278,328)
<b>Net cash generated from financing activities</b>	<u>875,108,773</u>	<u>174,889,612</u>
Net increase / (decrease) in cash and cash equivalents during the period	<u>1,162,807,925</u>	<u>(495,075,658)</u>
Cash and cash equivalents at beginning of the period	252,963,659	1,649,208,381
<b>Cash and cash equivalents at end of the period</b>	<u><u>1,415,771,584</u></u>	<u><u>1,154,132,723</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



**FAYSAL SAVINGS GROWTH FUND  
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

Faysal Savings Growth Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on December 28, 2006 between Faysal Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The investment activities and administration of the Fund are managed by the Management Company.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 7th Floor, West Wing, Faysal House, Shahrah-e-Faisal, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

The Fund has been categorised as an open ended income scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the SECP and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs.100 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from May 7, 2007 and are transferable and redeemable by surrendering them to the Fund.

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

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

Trust Act, 1882 had been repealed due to promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act). The Fund is required to registered under the Sindh Trusts Act. Accordingly, on April 14, 2022 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

The Management Company has been assigned a quality rating of 'AM2++' by VIS Credit Rating Company Limited dated December 31, 2021 (2021: 'AM2' dated December 31, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Pakistan Credit Rating Agency Limited (PACRA) has assigned a "5-Star" rating to Faysal Stock Fund as of February 04, 2022 (2021: "4-Star" as of February 12, 2021).

**2 STATEMENT OF COMPLIANCE**

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

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at September 30, 2023.

**3 BASIS OF PREPARATION**

These condensed interim financial statements does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2023.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at September 30, 2023 have been extracted from the annual published audited financial statements of the Fund for the year ended June 30, 2023, whereas, the comparatives to report for in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement extracted from the condensed interim financial statements of the fund for the quarter ended September 30, 2022.

#### 4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2023.

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, 2023.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>5 BANK BALANCES</b>			
Balances with banks in saving accounts	5.1	<u>1,415,771,584</u>	<u>252,963,659</u>

5.1 These balances in savings accounts carry markup rates ranging from 7.00% to 24.00% (June 30, 2023: 18.10% to 23.00%) per annum. Deposits in savings accounts also include Rs. 3.033 million (June 30, 2023: Rs. 5.007 million) maintained with Faysal Bank Limited, a related party, and carry mark-up at the rate of 11.00% (June 30, 2023: 11.00%) per annum.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>6 INVESTMENTS</b>			
<b>At fair value through profit or loss</b>			
Term Finance Certificates	6.1	161,349,750	183,564,900
Sukuk certificates	6.2	25,098,350	255,509,999
Government Securities - Pakistan Investment Bonds	6.3	47,700,000	47,465,000
Government of Pakistan Ijara Sukuks	6.4	22,420,000	22,520,000
		<u>256,568,100</u>	<u>509,059,899</u>

##### 6.1 Term Finance Certificates

Name of the security	As at July 1, 2023	Purchases during the period	Sales / redemp- tions during the period	As at September 30, 2023	Carrying value as at September 30, 2023	Market value as at September 30, 2023	Unrealised appreciation/ (diminution) as at September 30, 2023	Percentage in relation to	
								Net assets of the Fund	Total market value of investment
					(Rupees)		----- % -----		
<b>INVESTMENT BANKS / INVESTMENT COMPANIES</b>									
Jahangir Siddiqui & Co. Limited TFC (18-Jul-17)	20,000	-	20,000	-	-	-	-	-	-
Jahangir Siddiqui & Co. Limited TFC (6- Mar-18)	20,000	-	20,000	-	-	-	-	-	-
<b>MISCELLANEOUS</b>									
TPL Corp Limited (AA-, PACRA) (Face value of 100,000 per certificate)	1,500	-	-	1,500	154,264,200	161,349,750	7,085,550	9.40	62.89
<b>Total - September 30, 2023</b>					<u>154,264,200</u>	<u>161,349,750</u>	<u>7,085,550</u>	<u>9.40</u>	<u>62.89</u>
<b>Total - June 30, 2023</b>					<u>180,313,418</u>	<u>183,564,900</u>	<u>3,251,482</u>		

6.1.1 The face value of these term finance certificates is Rs 5,000.

## 6.2 Sukuk certificates

Name of the security	As at July 1, 2023	Purchased during the period	Matured / sold during the period	As at September 30, 2023	Carrying value as at September 30, 2023	Market value as at September 30, 2023	Unrealised appreciation/ (diminution) as at September 30, 2023	Percentage in relation to		
	Number of certificates				(Rupees)			Net assets of the Fund	Total market value of investment	
								----- % -----		
The Hub Power Company Limited - Sukuk 4	1,000	-	1,000	-	-	-	-	-	-	
Hub Power Holding Limited (12-Nov-2020)	2,000	-	-	2,000	25,125,000	25,098,350	-	26,650	1.46	9.78
<b>Total - September 30, 2023</b>					<b>25,125,000</b>	<b>25,098,350</b>		<b>(26,650)</b>	<b>1.46</b>	<b>9.78</b>
<b>Total - June 30, 2023</b>					<b>251,242,450</b>	<b>300,384,381</b>		<b>478,600</b>		

## 6.3 Government Securities - Pakistan Investment Bonds

Name of security	As at July 01, 2023	Purchased during the period	Sold during the period	Matured during the period	As at September 30, 2023	Carrying value as at September 30, 2023	Market value as at September 30, 2023	Unrealised loss on revaluation	Market value as percentage of total investments	Market value as percentage of net assets
	----- Face value -----								----- % -----	
<b>Pakistan Investment Bonds</b>										
Pakistan Investment Bonds - 10 year	50,000,000	-	-	-	50,000,000	47,465,000	47,700,000	235,000	18.59	2.78
Pakistan Investment Bonds - 05 year	-	-	-	-	-	-	-	-	-	-
Pakistan Investment Bonds - 03 year	-	-	-	-	-	-	-	-	-	-
<b>Total - September 30, 2023</b>						<b>47,465,000</b>	<b>47,700,000</b>	<b>235,000</b>	<b>18.59</b>	<b>2.78</b>
<b>Total - June 30, 2023</b>						<b>50,000,000</b>	<b>47,465,000</b>	<b>(2,535,000)</b>		

## 6.4 Government of Pakistan Ijara Sukuks

Name of the security	As at July 1, 2023	Purchased during the period	Matured / sold during the period	As at September 30, 2023	Carrying value as at September 30, 2023	Market value as at September 30, 2023	Unrealised appreciation/ (diminution) as at September 30, 2023	Percentage in relation to	
	Number of certificates				(Rupees)			Net assets of the Fund	Total market value of investment
								----- % -----	
GOP Ijara Sukuk - 5 Year	25,000,000	-	-	25,000,000	22,700,649	22,420,000	(280,649)	1.31	8.74
<b>Total - September 30, 2023</b>					<b>22,700,649</b>	<b>22,420,000</b>	<b>(280,649)</b>	<b>1.31</b>	<b>8.74</b>
<b>Total - June 30, 2023</b>					<b>24,224,201</b>	<b>22,520,000</b>	<b>(1,704,201)</b>		

7	<b>ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>	<b>(Un-audited) September 30, 2023</b>	<b>(Audited) June 30, 2023</b>
		----- (Rupees) -----	
	Security deposits with		
	- National Clearing Company of Pakistan Limited	2,943,566	2,750,000
	- Central Depository Company of Pakistan Limited	100,000	100,000
		3,043,566	2,850,000
	Exposure deposit with the National Clearing Company of Pakistan Limited against spread transactions	-	193,566
	Prepaid Rating Fee	-	47,453
	Preliminary Expenses and Flotation Cost	-	
	Profit receivable on sukuk certificates	234,399	28,220,112
	Profit receivable on term finance certificates	8,305,266	10,168,357
	Profit receivable on Pakistan Investment Bonds	2,922,299	4,441,871
	Profit receivable on GOP Ijara Sukuks	843,288	124,931
	Profit receivable on balances with banks	51,428,256	10,858,195
	Advance tax	3,586,540	3,586,540
		<u>70,363,614</u>	<u>60,491,024</u>

7.1 This includes profit receivable amounting to Rs. 80,971 (June 30, 2023: 10.8582) on balances held with Faysal Bank Limited, a related party.

8	<b>PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY</b>	<b>(Un-audited) September 30, 2023</b>	<b>(Audited) June 30, 2023</b>
		----- (Rupees) -----	
	Management fee payable	1,255,027	1,914,363
	Sindh Sales tax payable on management fee	163,153	248,866
	Selling and marketing expenses payable	2,795,278	1,071,950
		<u>4,213,458</u>	<u>3,235,179</u>

8.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 1.5% of average annual net assets which is payable monthly in arrears.

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

8.3 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, currently the Management Company is charging selling and marketing expenses based on its discretion (duly authorised by the Board of Directors) while keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the rate of 0.25% of average annual net assets.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>9</b>	<b>PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>		
	Trustee fee payable	94,126	95,716
	Sindh Sales Tax payable on trustee fee	13,468	13,610
		<u>107,594</u>	<u>109,327</u>

**9.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.075% of average annual net assets of the Fund.

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

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>10</b>	<b>PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>		
	Annual fee to SECP	94,051	450,390

**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 0.075% of average annual net assets of the Fund.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>11</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
	Brokerage payable	1,409,874	1,489,954
	Auditors' remuneration payable	839,974	587,728
	Printing charges payable	171,442	168,970
	Legal Charges Payable	513,321	445,260
	Zakat payable	33,331	33,331
	Withholding and capital gain tax payable	533,688	16,300,639
	Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	18,281,365	18,281,365
	Other liabilities	470,035	411,319
		<u>22,253,028</u>	<u>37,718,566</u>

**11.1** There is no change in the status of the appeal filed by the Federal Board of Revenue in the Supreme Court of Pakistan in respect of levy of Federal Excise Duty at the rate of 16% on the services of the Management Company, as reported in note to the annual financial statements of the Fund for the year ended June 30, 2022.

Had the said provision for FED not been maintained, the net asset value of the Fund as at September 30, 2023 would have been higher by Re. 0.73 (June 30, 2023: Re 2.44) per unit.

## **12 CONTINGENCIES AND COMMITMENTS**

There were no contingencies outstanding as at September 30, 2023 and June 30, 2023.

## **13 TAXATION**

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the management intends to distribute the income earned by the Fund during the period ending June 30, 2021 to the unit holders in the manner as explained above, accordingly, no provision for taxation has been made in these condensed

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in Finance Act, 2015 is also not applicable on Funds as per Section 4B of the Income Tax Ordinance, 2001.

#### 14 EARNINGS PER UNIT

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

#### 15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at September 30, 2023 is 2.43% (2022:2.12%) which includes 0.25% (2022:0.23%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Income Scheme.

#### 16 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

Connected persons include Faysal Asset Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

Transactions with connected persons essentially comprise of sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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

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

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

Transactions during the period	(Un-audited) Quarter Ended September 30	
	2023	2022
	----- (Rupees) -----	
<b>Faysal Asset Management Limited (Management Company)</b>		
Remuneration of Faysal Asset Management Limited - Management Company	3,341,401	10,218,686
Sindh sales tax on remuneration of the Management Company	434,382	1,328,429
Selling and marketing expenses	1,721,699	1,703,114
Issuance of Nil units (2022: 7,122 units)	-	753,369
Redemption of Nil units (2022: 7,122 units)	-	755,078
<b>Faysal Bank Limited (Group / Parent Company)</b>		
Profit on balances with banks	129,056	129,056
<b>Central Depository Company of Pakistan Limited - (Trustee of the Fund)</b>		
Remuneration of Central Depository Company of Pakistan Limited - Trustee	196,477	510,934
Sindh sales tax on remuneration of the Trustee	25,607	66,421
<b>Key Management Personnel</b>		
Redemption of Nil units (2022: 7 units)	-	685
<b>Unitholders holding 10% or more units</b>		
Issuance of 8,884,342 units (2022: 6,342,799 units)	969,459,453	662,885,957
Redemption of 2,043,226 units (2022: Nil units)	225,000,000	-

<b>Outstanding balances</b>	<b>(Un-audited) September 30, 2023</b>	<b>(Audited) June 30, 2023</b>
	----- (Rupees) -----	
<b>Faysal Asset Management Limited (Management Company)</b>		
Management fee payable	1,255,027	1,914,363
Sindh Sales tax payable on management fee	163,153	248,866
Selling and marketing expense payable	2,795,278	1,071,950
<b>*Faysal Bank Limited (Group / Parent Company)</b>		
Balance with banks	3,032,515	5,017,188
<b>Central Depository Company of Pakistan Limited - (Trustee of the Fund)</b>		
Trustee fee payable	94,126	95,716
Sindh Sales Tax payable on trustee fee	13,468	13,610
Security deposit	100,000	100,000
<b>Unitholders holding 10% or more units</b>		
Outstanding 6,841,117 units (June 30, 2023: 2,303,416 units)	754,506,786	239,900,745

## 17 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the 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.

### 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:

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 September 30, 2023 and June 30, 2023, the Fund held the following financial instruments measured at fair values:

As at September 30, 2023 (Un-audited)		
Level 1	Level 2	Level 3

----- Rupees -----

**Financial assets****At fair value through profit or loss**

Term Finance Certificates	-	161,349,750	161,349,750
Sukuk certificates	-	25,098,350	25,098,350
Government Securities - Pakistan Investment Bonds	-	47,700,000	47,700,000
Government of Pakistan Ijara Sukuks	-	22,420,000	22,420,000
	-	<u>256,568,100</u>	<u>256,568,100</u>

As at June 30, 2023 (Audited)		
Level 1	Level 2	Level 3

----- Rupees -----

**Financial assets****At fair value through profit or loss**

		509,059,899	-
	-	<u>509,059,899</u>	<u>-</u>

**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 October 20, 2023 by the Board of Directors of the Management Company.

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

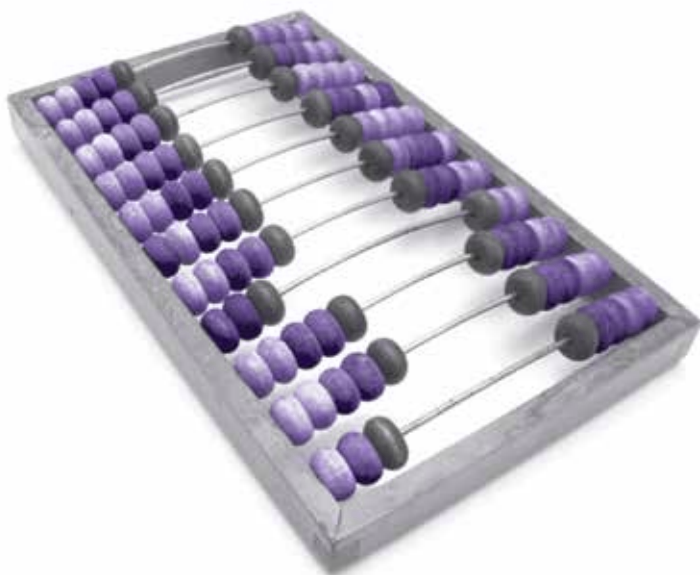
\_\_\_\_\_  
Chief Financial Officer\_\_\_\_\_  
Chief Executive Officer\_\_\_\_\_  
Director



# Faysal Cash Fund

Condensed Interim Financial Statements

For The Quarter Ended September 30, 2023 (Un-Audited)





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## FUND INFORMATION

### Management Company

Faysal Asset Management Limited.

### Board of Directors

Mr. Yousaf Hussain, Chairman  
Syed Majid Ali, Vice Chairman  
Mr. Mian Salman Ali, Director  
Mrs. Samia Zuberi, Director  
Mr. Ali Waqar, Director  
Mr. Nadir Rahman, Chief Executive Officer

### Acting Chief Financial Officer & Company Secretary

Muhammad Umer Ilyas

### Audit Committee

Mrs. Samia Zuberi, Chair Person  
Syed Majid Ali, Member  
Mr. Mian Salman Ali, Member

### HR Committee

Mrs. Samia Zuberi, Chair Person  
Mr. Yousaf Hussain, Member  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Risk Committee

Mr. Mian Salman Ali, Chairman  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Trustee to the Fund

Central Depository Company of Pakistan Limited,  
CDC House, 99B, Block B, S.M.C.H.S, Main  
Shahrah-e-Faisal, Karachi.

### 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  
Shahrah-e-Faisal, Karachi.

### Bankers to the Fund

Faysal Bank Limited  
Bank Al-Falah Limited  
Habib bank Limited  
Allied 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 maximum possible preservation of capital and a reasonable rate of return via investing in money market securities having good credit quality rating and liquidity.

**FAYSAL CASH FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT SEPTEMBER 30, 2023**

	Note	(Un-audited) September 30, 2023 (Rupees)	(Audited) June 30, 2023 (Rupees)
<b>Assets</b>			
Balances with banks	4	51,613,940	73,077,715
Investments - net	5	51,665,802	95,968,706
Advances, deposit, prepayments and other receivables	6	2,023,130	867,538
Receivable from the Faysal Asset Management Limited - Management Company		95,000	-
Preliminary expenses and floatation costs	7	227,350	252,650
<b>Total assets</b>		<b>105,625,222</b>	<b>170,166,609</b>
<b>Liabilities</b>			
Payable to Faysal Asset Management Limited - the Management Company	8	336,674	190,822
Payable to Central Depository Company of Pakistan - the Trustee	9	5,070	6,418
Payable to the Securities and Exchange Commission of Pakistan	10	6,095	93,312
Payable against Redemption of Units		6,963	-
Accrued expenses and other liabilities	11	1,519,799	1,693,264
<b>Total liabilities</b>		<b>1,874,601</b>	<b>1,983,816</b>
<b>Net assets</b>		<b><u>103,750,621</u></b>	<b><u>168,182,793</u></b>
<b>Unit holders' fund (as per the statement attached)</b>		<b><u>103,750,621</u></b>	<b><u>168,182,793</u></b>
<b>Contingencies and commitments</b>	12		
		<b>(Number of units)</b>	<b>(Number of units)</b>
<b>Number of unit in issue</b>		<b><u>970,696</u></b>	<b><u>1,654,728</u></b>
		<b>(Rupees)</b>	<b>(Rupees)</b>
<b>Net assets value per unit</b>		<b><u>106.8827</u></b>	<b><u>101.6377</u></b>

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

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL CASH FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Note	Quarter Ended September 30	
		2023	2022
----- (Rupees) -----			
<b>Income</b>			
Profit on balances with banks		1,697,601	2,246,562
Discount Income on Market Treasury Bills		4,979,263	289,959
Discount income on commercial papers		-	11,591,642
Profit from Sukuks		-	22,154,797
Realised gain / (loss) on sale of investments - net		36,470	(6,460)
<b>Total Income</b>		<b>6,713,334</b>	<b>36,276,501</b>
<b>Operating expenses</b>			
Remuneration of Faysal Asset Management Limited - the Management Company	8.1	130,309	687,797
Sindh sales tax on remuneration of the Management Company	8.2	16,940	89,411
Allocated expenses	8.3	51,564	-
Selling and marketing expenses	8.4	148,229	962,917
Remuneration to Central Depository Company of Pakistan Limited - the Trustee		17,076	151,315
Sindh sales tax on remuneration of the Trustee		2,220	19,671
Annual fee to the Securities and Exchange Commission of Pakistan		23,286	55,025
Auditors' remuneration		186,455	140,024
Fees and subscriptions		49,419	54,556
Transaction charges		11,236	669
Legal and Professional Charges		33,738	19,780
Amortisation of preliminary expenses and floatation cost	7.1	25,300	25,300
Bank charges		1,599	1,181
Total Expense Ratio (TER) Adjustment		(95,000)	-
Printing charges		2,485	8,556
<b>Total operating expenses</b>		<b>604,855</b>	<b>2,216,201</b>
<b>Net income from operating activities</b>		<b>6,108,479</b>	<b>34,060,300</b>
<b>Net income for the period before taxation</b>		<b>6,108,479</b>	<b>34,060,300</b>
Taxation	13	-	-
<b>Net income for the period after taxation</b>		<b>6,108,479</b>	<b>34,060,300</b>
<b>Earning Per Unit</b>	14		
<b>Allocation of net income for the period</b>			
- Net income for the period after taxation		6,108,479	34,060,300
- Income already paid on units redeemed		(1,621,954)	(12,413,338)
		<b>4,486,525</b>	<b>21,646,962</b>
<b>Accounting income available for distribution</b>			
- Relating to capital gains		36,470	-
- Excluding capital gains		4,450,055	21,646,962
		<b>4,486,525</b>	<b>21,646,962</b>

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

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

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

**FAYSAL CASH FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	<b>Quarter Ended September 30</b>	
	<b>2023</b>	<b>2022</b>
	<b>----- (Rupees) -----</b>	
<b>Net income for the period after taxation</b>	<b>6,108,479</b>	<b>34,060,300</b>
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	<b><u>6,108,479</u></b>	<b><u>34,060,300</u></b>

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

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

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

**FAYSAL CASH FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Note	Quarter Ended September 30	
		2023	2022
		----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income for the period before taxation		6,108,479	34,060,300
<b>Adjustments for:</b>			
Realised (gain) / loss on sale of investments - net		(36,470)	6,460
Amortisation of preliminary expenses and floatation cost		25,300	25,300
<b>Cash generated from operations</b>		<u>6,097,309</u>	<u>34,092,060</u>
<b>Decrease / (Increase) in assets</b>			
Investments - net		44,339,374	288,401,894
Investments - net		(1,155,592)	(5,161,289)
Advances, deposit, prepayments and other receivables		(95,000)	-
		<u>43,088,782</u>	<u>283,240,605</u>
<b>(Decrease) / Increase in liabilities</b>			
Payable to Faysal Asset Management Limited - the Management Company		145,852	834,168
Payable to Central Depository Company of Pakistan - the Trustee		(1,348)	(44,654)
Payable to the Securities and Exchange Commission of Pakistan		(87,217)	(117,893)
Accrued expenses and other liabilities		(173,465)	(3,387,235)
		<u>(116,178)</u>	<u>(2,715,613)</u>
<b>Net cash generated in operating activities</b>		<u>49,069,913</u>	<u>314,617,051</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Amount received against issue of units		27,417,670	1,407,680,364
Amount paid against redemption of units		(97,951,358)	(1,992,411,074)
Cash distributions		-	-
<b>Net cash (used in) financing activities</b>		<u>(70,533,688)</u>	<u>(584,730,710)</u>
<b>Net (decrease) in cash and cash equivalents</b>		<u>(21,463,775)</u>	<u>(270,113,659)</u>
Cash and cash equivalents at the beginning of the period		<u>73,077,715</u>	<u>275,906,237</u>
<b>Cash and cash equivalents at the end of the period</b>	4	<u><u>51,613,940</u></u>	<u><u>5,792,578</u></u>

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

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director



**FAYSAL CASH FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	(Un-audited)			(Un-audited)		
	Quarter Ended September 30, 2023			Quarter Ended September 30, 2022		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)			(Rupees)		
Net assets at the beginning of the period	163,500,120	4,682,673	168,182,793	1,379,180,749	3,380,598	1,382,561,347
Issuance of 263,436 (2022:13,864,212) units						
- Capital value (at net asset value per unit at the beginning of the period)	26,775,004	-	26,775,004	1,389,420,060	-	1,389,420,060
- Element of income	642,666	-	642,666	18,260,304	-	18,260,304
Total proceeds on issuance of units	27,417,670	-	27,417,670	1,407,680,364	-	1,407,680,364
Redemption of 947,469 (2022:19,616,480) units						
- Capital value (at net asset value per unit at the beginning of the period)	(96,298,564)	-	(96,298,564)	(1,965,891,023)	-	(1,965,891,023)
- Element of income	(37,803)	(1,621,954)	(1,659,757)	(14,122,833)	(12,413,338)	(26,536,171)
Total proceeds on issuance of units	(96,336,367)	(1,621,954)	(97,958,321)	(1,980,013,856)	(12,413,338)	(1,992,427,194)
Cash distributions during the period	-	-	-	-	-	-
Total comprehensive income for the period	-	6,108,479	6,108,479	-	34,060,300	34,060,300
<b>Net assets at the end of the period</b>	<b>94,581,423</b>	<b>9,169,198</b>	<b>103,750,621</b>	<b>806,847,257</b>	<b>25,027,559</b>	<b>831,874,817</b>
<b>Undistributed income carried forward</b>						
- Realised income		4,802,205			3,380,598	
- Unrealised Income		(119,532)			-	
		4,682,673			3,380,598	
<b>Accounting income available for distribution</b>						
- Relating to capital gains		36,470			-	
- Excluding capital gains		4,450,055			21,646,962	
		4,486,525			21,646,962	
Cash distributions during the period		-			-	
Undistributed income carried forward		9,169,198			25,027,559	
<b>Undistributed income carried forward</b>						
- Realised income		9,169,198			25,027,559	
- Unrealised Income		-			-	
		9,169,198			25,027,559	
		<b>(Rupees)</b>			<b>(Rupees)</b>	
Net assets value per unit at beginning of the period		101.6377			100.2163	
Net assets value per unit at end of the period		106.8827			103.4220	

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

For Faysal Asset Management Limited  
(the 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 QUARTER ENDED SEPTEMBER 30, 2023

#### 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 (AMFAP).
- 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 30, 2022 (2022: "AM2+" as of December 31, 2021). 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, 2023.

The comparatives in the condensed interim statements of assets and liabilities presented in the condensed interim financial statements as at September 30, 2023 have been extracted from the annual published audited financial statements of the Fund for the year ended June 30, 2023, 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 extracted from condensed interim financial statement of the fund for the quarter ended September 30, 2022.

#### 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 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 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

### 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, 2023.

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, 2023.

	Note	(Un-audited) September 30, 2022 (Rupees)	(Audited) June 30, 2023 (Rupees)
<b>4 BALANCES WITH BANKS</b>			
Saving accounts	4.1	<u>51,613,940</u>	<u>73,077,715</u>
<b>4.1</b>	These balances in savings accounts carry interest rates ranges between 10.00% to 20.65% (June 30, 2023: 10.00% to 19.80%) per annum. Deposits in savings accounts also include Rs. 1.40 (June 30, 2023: 51.049 million maintained with Faysal Bank Limited, a related party, and carry interest at the rate of 11.00% (June 30, 2023: 11.00%) per annum.		
	Note	(Un-audited) September 30, 2022 (Rupees)	(Audited) June 30, 2023 (Rupees)
<b>5 INVESTMENTS</b>			
<b>At fair value through profit or loss</b>			
Government securities - Market Treasury Bills	5.1	<u>51,665,802</u>	<u>95,968,706</u>
		<u>51,665,802</u>	<u>95,968,706</u>
<b>5.1 Government securities - Market Treasury Bills</b>			

#### Market Treasury Bills

Particulars	----- Face value -----				Balance as at September 30, 2023			Market value as percentage of	
	As at July 01, 2023	Purchased during the period	Sold / matured during the period	As at September 30, 2023	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	129,000,000	175,000,000	54,000,000	51,629,331	51,665,802	36,470	100.00	49.80
<b>Total as at September 30, 2023</b>					<u>51,629,331</u>	<u>51,665,802</u>	<u>36,470</u>	<u>100.00</u>	<u>49.80</u>
<b>Total as at June 30, 2023</b>					<u>96,088,238</u>	<u>95,968,706</u>	<u>(119,532)</u>	<u>57.06</u>	<u>100.00</u>

		(Un-audited) September 30, 2023 (Rupees)	(Audited) June 30, 2023 (Rupees)
<b>6</b>	<b>ADVANCES, DEPOSITS, PREPAYMENTS &amp; OTHER RECEIVABLES</b>		
	Profit receivable on bank balances		415,289
	Security deposits with Central Depository Company of Pakistan Limited	100,000	100,000
	Accrued Income	1,570,881	-
	Advance tax	352,249	352,249
		<u>2,023,130</u>	<u>867,538</u>

**Note****7 PRELIMINARY EXPENSES AND FLOATATION COSTS**

	Opening balance	252,650	353,025
	Less: amortisation for the period	(25,300)	(100,375)
	Closing balance	<u>227,350</u>	<u>252,650</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.

		(Un-audited) September 30, 2022 (Rupees)	(Audited) June 30, 2023 (Rupees)
<b>8</b>	<b>PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - THE MANAGEMENT COMPANY</b>		
	Management fee payable	3,898	51,634
	Sindh sales tax payable on management fee	506	6,712
	Allocated expenses payable	51,564	-
	Selling and marketing expenses payable	280,705	132,476
	Sales Load Payable	-	-
		<u>336,674</u>	<u>190,822</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 rates ranging from 0.05% to 0.65% 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 charged allocated expenses 0% to 0.2% of average annual net assets of the fund during the period ended September 30, 2023.

- 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 rates ranging from 0.4% to 0.65% of average annual net assets from July 01, 2023 to September 30, 2023.

			(Un-audited) September 30, 2022 (Rupees)	(Audited) June 30, 2023 (Rupees)
<b>9</b>	<b>PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE</b>	<b>Note</b>		
	Remuneration payable to the Trustee	9.1	4,487	5,680
	Sindh sales tax on remuneration of the Trustee	9.2	583	738
			<u>5,070</u>	<u>6,418</u>

**9.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed at the rate 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, 2023 (Rupees)
<b>10</b>	<b>PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>			
	Annual fee	10.1	<u>6,095</u>	<u>93,312</u>

**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 0.075% of average annual net assets of the Fund.

			(Un-audited) September 30, 2022 (Rupees)	(Audited) June 30, 2023 (Rupees)
<b>11</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>	<b>Note</b>		
	Auditors' remuneration		507,332	320,877
	Legal & Professional Charges payable		250,218	216,480
	Rating fee payable		139,705	299,901
	Annual listing fee payable		-	-
	Withholding tax payable		3,023	-
	Capital Gain Tax		24,866	258,236
	Printing charges payable		45,924	43,439
	Transaction Charges Payable		10,663	16,265
	Time Barred Cheque		538,066	538,066
			<u>1,519,799</u>	<u>1,693,264</u>

## **12 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at September 30, 2023 & June 30, 2023.

## **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, 2023 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.

## 15 EXPENSE RATIO

The total expense ratio (TER) of the Fund for the period ended September 30, 2023: 1.95% (September 30, 2022: 0.81%) which includes 0.14% (September 30, 2022: 0.06%) 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 an money market scheme.

## 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 trust deed.

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:

	(Un-audited)	
	Quarter Ended September 30	
	2023	2022
	----- (Rupees) -----	
<b>16.1 Transactions during the period:</b>		
<b>Faysal Asset Management Limited (the Management Company)</b>		
Remuneration of the Management Company	130,309	687,797
Sales tax on remuneration of the Management Company	16,940	89,411
Selling and marketing expenses	148,229	962,917
Units issued: Nil units (2022: 5,642,203 units)	-	569,407,641
Units Redeemed: Nil units (2022: 558,713) units	-	57,000,000
<b>Faysal Bank Limited (Group company / Associated Company)</b>		
Return on PLS savings accounts	144,914	423,844
<b>Central Depository Company of Pakistan Limited (the Trustee)</b>		
Remuneration of the Trustee	17,076	151,315
Sindh sales tax on remuneration of the Trustee	2,220	19,671
<b>Key Management Personnel of the Management Company</b>		
Issuance of 2 units (2022: 305 units)	231	31,387
<b>Unitholders having holding of 10% or more</b>		
Units issued: 193,353 units (2022: Nil units)	19,995,614	-

	<b>(Un-audited) September 30, 2023 (Rupees)</b>	<b>(Audited) June 30, 2022 (Rupees)</b>
<b>16.2 Amounts / balances outstanding as at period end:</b>		
<b>Faysal Asset Management Limited (Management Company)</b>		
Remuneration payable to the Management Company	3,898	51,634
Sales tax on remuneration payable to the Management Company	506	6,712
Allocated expenses payable	51,564	-
Selling and marketing expenses payable	280,705	132,476
<b>Central Depository Company of Pakistan Limited (the Trustee)</b>		
Remuneration to the Trustee	4,487	40,409
Sindh sales tax on remuneration of the Trustee	583	5,255
Security deposits	100,000	100,000
<b>Faysal Bank Limited (Group company / Associated Company)</b>		
Balance in PLS savings accounts	1,399,818	51,048,580
<b>FAML-Staff Gratuity Fund</b>		
Outstanding 63,827 (June 30, 2023: 55,437) Units	6,822,006	6,487,229
<b>FAML-Employees Provident Funds</b>		
Outstanding 73,388 (June 30, 2023: 63,740) Units	7,843,880	7,458,988
<b>Key Management Personnel of the Management Company</b>		
Outstanding: 2 units (June 30, 2023: Nil units)	214	-
<b>This unit holder also holds more than 10% units at period end.</b>		
Outstanding 603,421 (June 30, 2023: 966,553) units	64,495,232	98,238,248

## 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:

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, 2023 -----				
	Level 1	Level 2	Level 3	Total
----- Rupees -----				
<b>ASSETS</b>				
<b>Financial assets at fair value through profit or loss</b>				
Government securities - Market Treasury Bills	-	51,665,802	-	51,665,802
	-	51,665,802	-	51,665,802

----- June 30, 2023 -----				
	Level 1	Level 2	Level 3	Total
----- Rupees -----				
<b>ASSETS</b>				
<b>Financial assets at fair value through profit or loss</b>				
Government securities - Market Treasury Bills	-	95,968,706	-	95,968,706
	-	95,968,706	-	95,968,706

**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 October 20, 2023 by the Board of Directors of the Management Company.

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

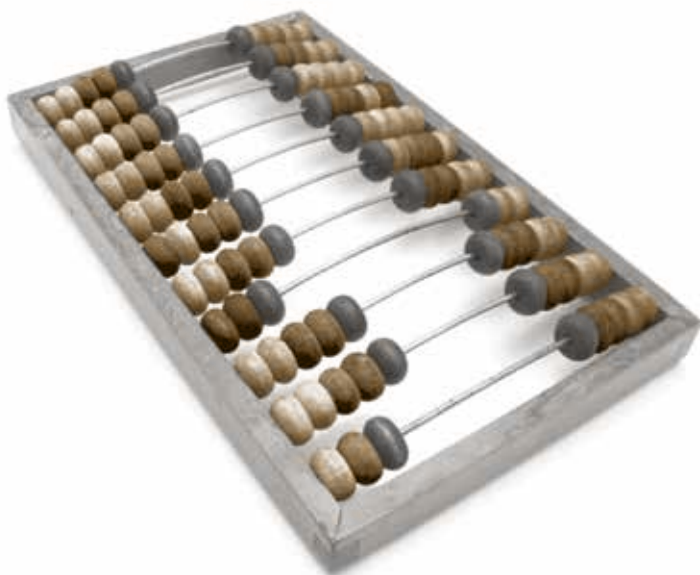
\_\_\_\_\_  
Director



# Faysal Financial Value Fund

Condensed Interim Financial Statements

For The Quarter Ended September 30, 2023 (Un-Audited)





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## FUND INFORMATION

### Management Company

Faysal Asset Management Limited.

### Board of Directors

Mr. Yousaf Hussain, Chairman  
Syed Majid Ali, Vice Chairman  
Mr. Mian Salman Ali, Director  
Mrs. Samia Zuberi, Director  
Mr. Ali Waqar, Director  
Mr. Nadir Rahman, Chief Executive Officer

### Acting Chief Financial Officer & Company Secretary

Muhammad Umer Ilyas

### Audit Committee

Mrs. Samia Zuberi, Chair Person  
Syed Majid Ali, Member  
Mr. Mian Salman Ali, Member

### HR Committee

Mrs. Samia Zuberi, Chair Person  
Mr. Yousaf Hussain, Member  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Risk Committee

Mr. Mian Salman Ali, Chairman  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Trustee to the Fund

Central Depository Company of Pakistan Limited,  
CDC House, 99B, Block B, S.M.C.H.S, Main  
Shahrah-e-Faisal, Karachi.

### 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  
Shahrah-e-Faisal, Karachi.

### Bankers to the Fund

Faysal Bank Limited  
Bank Al-Falah Limited  
Soneri 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 Financial Value Fund is to seek long term capital appreciation by investing in money market and debt instrument with major exposure in financial sector

**FAYSAL FINANCIAL VALUE FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT SEPTEMBER 30, 2023**

	(Un-audited) September 30, 2023	(Audited) June 30, 2023
Note	----- (Rupees) -----	
<b>Assets</b>		
Balances with banks	5 621,960,973	285,281,979
Investments	6 1,841,188,054	2,112,168,472
Advances, deposits, prepayment and other receivables	93,054,189	63,802,353
Preliminary expenses and floatation costs	7 248,968	299,292
<b>Total assets</b>	2,556,452,184	2,461,552,096
<b>Liabilities</b>		
Payable to Faysal Asset Management Limited - Management Company	8 599,764	579,588
Payable to Central Depository Company of Pakistan Limited - Trustee	9 177,932	171,767
Payable to the Securities and Exchange Commission of Pakistan	10 197,051	447,689
Accrued expenses and other liabilities	11 1,707,036	36,373,861
<b>Total liabilities</b>	2,681,783	37,572,905
<b>Net assets</b>	<u>2,553,770,401</u>	<u>2,423,979,191</u>
<b>Unit holders' fund (as per the statement attached)</b>	<u>2,553,770,401</u>	<u>2,423,979,191</u>
<b>Contingencies and commitments</b>	12	
	----- (Number of units) -----	
<b>Number of units in issue</b>	<u>15,820,893</u>	<u>15,891,235</u>
	----- (Rupees) -----	
<b>Net asset value per unit</b>	<u>161.42</u>	<u>152.54</u>

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL FINANCIAL VALUE FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	<b>FOR THE QUARTER ENDED SEPTEMBER 30, 2023</b>	<b>FOR THE QUARTER ENDED SEPTEMBER 30, 2022</b>
	----- (Rupees) -----	
<b>Income</b>		
Profit on balances with banks	36,875,200	28,492,146
Interest income from debt securities	103,786,309	56,433,279
Dividend income	-	38,750
Net realised gain on sale / maturity of investments	140,661,509	213,562
	140,661,509	85,177,736
Unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	6.3 3,487,832	(51,060)
<b>Total income</b>	<u>144,149,341</u>	<u>85,126,677</u>
		-
<b>Expenses</b>		
Remuneration of Faysal Asset Management Limited - Management Company	8.1 1,563,253	1,368,880
Sindh sales tax on remuneration of the Management Company	8.2 203,223	177,954
Selling and marketing expenses	8.3 -	547,552
Remuneration to Central Depository Company of Pakistan Limited - Trustee	9.1 468,976	410,664
Sindh sales tax on remuneration of the Trustee	9.2 61,077	53,660
Annual fee to the Securities and Exchange Commission of Pakistan	10.1 594,036	109,510
Transaction charges	181,137	55,571
Auditors' remuneration	164,531	123,004
Fees and subscriptions	-	6,900
Amortisation of preliminary expenses and floatation cost	7 50,324	50,324
Bank charges	353	170
Printing charges and other expenses	2,485	8,556
<b>Total expenses</b>	<u>3,358,131</u>	<u>2,952,305</u>
<b>Net income from operating activities</b>	<u>140,791,210</u>	<u>82,174,372</u>
<b>Net income for the period before taxation</b>	<u>140,791,210</u>	<u>82,174,372</u>
Taxation	13 -	-
<b>Net income for the period after taxation</b>	<u><u>140,791,210</u></u>	<u><u>82,174,372</u></u>
<b>Earnings per unit</b>	14 -	-
<b>Allocation of net income for the period</b>		
Net income for the year / period after taxation	140,791,210	82,174,372
Income already paid on units redeemed	(270,181)	(1,320,561)
	<u>140,521,030</u>	<u>80,853,811</u>
<b>Accounting income available for distribution</b>		
- Relating to capital gains	3,487,832	162,502
- Excluding capital gains	137,033,198	80,691,309
	<u>140,521,030</u>	<u>80,853,811</u>

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL FINANCIAL VALUE FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	<b>FOR THE QUARTER ENDED SEPTEMBER 30, 2023</b>	<b>FOR THE QUARTER ENDED SEPTEMBER 30, 2022</b>
	----- (Rupees) -----	
<b>Net income for the period after taxation</b>	140,791,210	82,174,372
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	<u>140,791,210</u>	<u>82,174,372</u>

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

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

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

**FAYSAL FINANCIAL VALUE FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	FOR THE QUARTER ENDED SEPTEMBER 30, 2023			FOR THE QUARTER ENDED SEPTEMBER 30, 2022		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)			(Rupees)		
<b>Net assets at the beginning of the period</b>	2,409,618,224	14,360,967	2,423,979,191	2,150,673,896	8,536,214	2,159,210,110
Issuance of Nil units (2022: 15,546 units)						
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	2,015,714	-	2,015,714
- Element of income	-	-	-	63,739	-	63,739
Total proceeds on issuance of units	-	-	-	2,079,453	-	2,079,453
Redemption of 70,342 units (2021: 497,006 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(10,729,819)	(10,729,819)	(10,729,819)	(61,799,439)	(61,799,439)	(61,799,439)
- Element of income	-	(270,181)	(270,181)	-	(1,320,561)	(1,320,561)
Total payments on redemption of units	(10,729,819)	(270,181)	(11,000,000)	(61,799,439)	(1,320,561)	(63,120,000)
Total comprehensive income for the period	-	140,791,210	140,791,210	-	82,174,372	82,174,372
<b>Net assets at the end of the period</b>	<b>2,398,888,405</b>	<b>154,881,997</b>	<b>2,553,770,401</b>	<b>2,090,953,910</b>	<b>89,390,025</b>	<b>2,180,343,935</b>
<b>Undistributed income brought forward</b>						
- Realised income		20,404,335			(1,335,580)	
- Unrealised income		(6,043,368)			9,871,794	
		14,360,967			8,536,214	
Accounting income available for distribution						
- Relating to capital gains		3,487,832			162,502	
- Excluding capital gains		137,033,198			80,691,309	
		140,521,030			80,853,811	
Undistributed income carried forward		154,881,997			89,390,025	
<b>Undistributed income carried forward</b>						
- Realised income		151,394,165			89,441,085	
- Unrealised (loss) / income		3,487,832			(51,060)	
		154,881,997			89,390,025	
			(Rupees)			(Rupees)
Net assets value per unit at the beginning of the period			152.54			129.66
Net assets value per unit at the end of the period			161.42			134.66

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

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

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**



**FAYSAL FINANCIAL VALUE FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

Note	FOR THE QUARTER ENDED SEPTEMBER 30, 2023	FOR THE QUARTER ENDED SEPTEMBER 30, 2022
	----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	140,791,210	82,174,372
<b>Adjustments for:</b>		
Unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	(3,487,832)	51,060
Net capital gain on sale / maturity of investments	-	(213,562)
	137,303,378	82,011,870
<b>(Increase) in assets</b>		
Investments	274,468,250	61,166,772
Advances, deposits, prepayment and other receivables	(29,251,836)	(99,474,803)
Preliminary expenses and floatation costs	50,324	50,324
	245,266,738	(38,257,707)
<b>(Decrease) in liabilities</b>		
Payable to Faysal Asset Management Limited - Management Company	20,176	549,775
Payable to Central Depository Company of Pakistan Limited - Trustee	6,165	941
Payable to the Securities and Exchange Commission of Pakistan	(250,638)	(293,738)
Accrued expenses and other liabilities	(34,666,825)	(20,904,350)
	(34,891,122)	(20,647,372)
<b>Net cash generated from operating activities</b>	347,678,994	23,106,791
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance of units net of refund of capital	-	2,079,453
Payments made against redemption of units	(11,000,000)	(63,120,000)
<b>Net cash used in from financing activities</b>	(11,000,000)	(61,040,547)
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	336,678,994	(37,933,756)
Cash and cash equivalents at the beginning of the period	285,281,979	708,795,389
<b>Cash and cash equivalents at the end of the period</b>	5 621,960,973	670,861,633

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL FINANCIAL VALUE FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**AS AT SEPTEMBER 30, 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 Faysal Financial Value Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on October 29, 2019 between Faysal Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The investment activities and administration of the Fund are managed by the Management Company.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 7th Floor, West Wing, Faysal House, Shahrah-e-Faisal, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

- 1.2 The Fund has been categorised as an open ended asset allocation scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the 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 December 27, 2019 and are transferable and redeemable by surrendering them to the Fund.
- 1.3 The investment objective of the Fund is to seek long term capital appreciation through investments in equity instrument, fixed income instruments, money market instruments, bank deposits primarily from the financial sector and any other instrument as defined in Constitutive documents of the Fund and allowed by the SECP.
- 1.4 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.
- 1.5 The VIS Credit Rating Company Limited has awarded an "AM2++" asset manager rating to the Management Company as of December 31, 2021 (2021: "AM2+" as of August 10, 2021). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.6 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 16, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

**2 STATEMENT OF COMPLIANCE**

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

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at September 30, 2023.

**3 BASIS OF PREPARATION**

These condensed interim financial statements does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2023.

The comparatives in the condensed interim statement 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 in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement extracted from the condensed interim financial statements of the fund for the quarter ended September 30, 2023.

#### 4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2023.

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, 2023.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>5 BALANCES WITH BANKS</b>			
Savings accounts	5.1	<u>621,960,973</u>	<u>285,281,979</u>

5.1 These savings accounts carry mark-up at rates ranging from 11.00% to 21.99% (June 30, 2023: 19.75% to 22.10%) per annum. Deposits in savings accounts also include Rs. 2.969 million (June 30, 2023: Rs. 0.596 million) maintained with Faysal Bank Limited, a related party, and carry mark-up at the rate of 11.00% (June 30, 2023: 11.00%) per annum.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>6 INVESTMENTS</b>			
<b>At fair value through profit or loss</b>			
Term finance certificates	6.1	1,601,994,554	1,404,660,372
Government securities - Market Treasury Bills	6.2	<u>239,193,500</u>	<u>707,508,100</u>
		<u>1,841,188,054</u>	<u>2,112,168,472</u>

#### 6.1 Term Finance Certificates (TFCs)

Name of the investee company	As at July 1, 2023	Purchased during the period	Sold / redeemed during the period	As at September 30, 2023	Carrying value as at September 30, 2023	Market value as at September 30, 2023	Unrealised diminution as at September 30, 2023	Percentage in relation to	
	----- (Number of certificates) -----				----- (Rupees) -----			Net assets of the Fund	Total market value of investment
<b>COMMERCIAL BANKS</b>									
Askari Bank Limited (AA-, PACRA, non-traded) (Face value of 1,000,000 per certificate)	243	-	-	243	243,000,000	243,000,000	-	9.52	13.20
Bank Al Habib Limited (AA-, PACRA, non-traded) (Face value of 5,000 per certificate)	40,000	-	-	40,000	200,000,000	200,000,000	-	7.83	10.86
Bank Alfalah Limited (AA+, VIS, non-traded) (Face value of 5,000 per certificate)	76,000	-	-	76,000	380,000,000	380,000,000	-	14.88	20.64
United Bank Limited (AA+, VIS, non-traded) (Face value of 5,000 per certificate)	44,756	-	-	44,756	223,780,000	223,780,000	-	8.76	12.15
Soneri Bank Limited (A+, PACRA, non-traded) (Face value of 4,989 per certificate)	2,650	-	-	2,650	259,555,329	261,889,512	2,334,183	10.26	14.22
Habib Bank Limited (AA+, VIS, non-traded) (Face value of 100,000 per certificate)	1,000	-	-	1,000	98,800,000	98,800,000	-	3.87	5.37
Askari Bank Limited TFC VII (AA-, PACRA, non-traded) (Face value of 1,000,000 per certificate)	-	200	-	200	193,525,043	194,525,043	1,000,000	7.62	10.57
<b>Total as at September 30, 2022</b>					<u>1,598,660,371</u>	<u>1,601,994,554</u>	<u>3,334,183</u>		
<b>Total as at June 30, 2023</b>					<u>1,410,052,000</u>	<u>1,404,660,372</u>	<u>(5,391,628)</u>		

#### 6.2 Government securities - Market Treasury Bills

Name of the security	----- Face value -----				Carrying value as at September 30, 2023	Market value as at September 30, 2023	Unrealised appreciation as at September 30, 2023	Market value as percentage of total investments of the Fund	Market value as percentage of net assets of the Fund
	As at July 01, 2023	Purchased during the year	Sold / matured during the year	As at September 30, 2023					
----- (Rupees) -----									
Market treasury bills - 6 months	725,000,000	250,000,000	725,000,000	250,000,000	239,039,851	239,193,500	153,649	12.99	9.37
<b>Total as at September 30, 2023</b>					<u>239,039,851</u>	<u>239,193,500</u>	<u>153,649</u>		
<b>Total as at June 30, 2023</b>					<u>708,159,840</u>	<u>707,508,100</u>	<u>(651,740)</u>		

6.3 Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	(Un-audited) September 30, 2023	(Audited) June 30, 2023
	----- (Rupees) -----	
Market value of investments	1,841,188,054	2,112,168,472
Carrying value of investments	#####	(2,118,211,840)
	<u>3,487,832</u>	<u>(6,043,368)</u>

7 PRELIMINARY EXPENSES AND FLOATATION COSTS	(Un-audited) September 30, 2023	(Audited) June 30, 2023
	----- (Rupees) -----	
At the beginning of the period	299,292	498,947
Less: amortisation during the period	(50,324)	(199,655)
At the end of the period	<u>248,968</u>	<u>299,292</u>

7.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These are being amortised over five years commencing from December 27, 2019 in accordance with the requirements set out in the Trust Deed of the Fund and the NBFC Regulations.

8 PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY	(Un-audited) September 30, 2023	(Audited) June 30, 2023
	----- (Rupees) -----	
Remuneration of the Management Company	518,367	500,512
Sindh sales tax on remuneration of the Management Company	71,397	69,076
Other payable	10,000	10,000
	<u>599,764</u>	<u>579,588</u>

8.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit.

Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 0.25% of average annual net assets of the Fund, calculated on a daily basis. The fee is payable to the Management Company monthly in arrears.

8.2 The Provincial Government of Sindh has levied Sindh sales tax at the rate of 13% (2021: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

8.3 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 not 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.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
		----- (Rupees) -----	
<b>9</b>	<b>PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>		
	Remuneration of the Trustee	9.1 155,467	150,110
	Sindh sales tax on remuneration of the Trustee	9.2 22,464	21,657
		<u>177,932</u>	<u>171,767</u>
<b>9.1</b>	The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed at 0.075% per annum of net assets.		
<b>9.2</b>	Sindh sales tax at the rate of 13 % is charged on the Trustee Fee.		
		(Un-audited) September 30, 2023	(Audited) June 30, 2023
		----- (Rupees) -----	
<b>10</b>	<b>PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>		
	Annual fee payable	10.1 197,051	447,689
<b>10.1</b>	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 0.095% of average annual net assets of the		
		(Un-audited) September 30, 2023	(Audited) June 30, 2023
		----- (Rupees) -----	
<b>11</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
	Auditors' remuneration payable	477,290	312,759
	Fees and subscription payable	-	-
	Printing expense payable	39,158	36,673
	Capital gain tax payable	8,935	34,951,057
	Transaction Charges Payable	49,676	10,132
	Time Barred	586,000	586,000
	Legal and professional charges payable	545,976	477,240
		<u>1,707,036</u>	<u>36,373,861</u>
<b>12</b>	There are no contingencies and commitments as at September 30, 2023 and June 30, 2023.		
<b>13</b>	<b>TAXATION</b>		
	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 NBFC Regulations, 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 has distributed the required minimum percentage of income earned by the Fund for the period ended September 30, 2022 to the unit holders in the manner as explained above, no provision for taxation has been made in these 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.		
<b>14</b>	<b>EARNINGS PER UNIT</b>		
	Earnings per unit (EPU) has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.		
<b>15</b>	<b>TOTAL EXPENSE RATIO</b>		
	The Total Expense Ratio (TER) of the Fund as at September 30, 2023 is 0.54% (2022: 0.51%) which includes 0.14% (2022: 0.06%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Asset Allocation Scheme.		

## 16 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

- 16.1** 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 and 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% units of the Fund at period end.
- 16.2** 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. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 16.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 16.4** Remuneration to Trustee is determined in accordance with the provisions of the NBFC Regulations and Trust Deed.
- 16.5** Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.
- 16.6** The details of transactions carried out by the Fund with connected persons and related parties and balances with them during the period are as follows:

	<b>FOR THE QUARTER ENDED SEPTEMBER 30, 2023</b>	<b>FOR THE QUARTER ENDED SEPTEMBER 30, 2022</b>
<b>16.7 Transactions during the period</b>	----- (Rupees) -----	
<b>Faysal Asset Management Limited (the Management Company)</b>		
Remuneration of Faysal Asset Management Limited - the Management Company	1,563,253	5,597,363
Sindh sales tax on remuneration of the Management Company	203,223	727,657
Selling and marketing expenses	-	984,612
<b>Faysal Bank Limited</b>		
Profit on balances with banks	77,792	345,494
Bank Charges	678	-
<b>Central Depository Company of Pakistan Limited (CDC) - Trustee</b>		
Remuneration of the Trustee	468,976	1,679,209
Sindh sales tax on remuneration of the Trustee	61,077	218,297
<b>Unit holders holding 10% or more units</b>		
Issuance of Nil units (2022: 12,213 units)	-	2,380,669,574
Redemption of 38,224 units (2022: 453,961 units)	6,000,000	2,471,194,908
	<b>(Un-audited)</b>	<b>(Audited)</b>
<b>16.8 Amounts / balances outstanding</b>	<b>September 30,</b>	<b>June 30,</b>
	<b>2023</b>	<b>2023</b>
	----- (Rupees) -----	
<b>Faysal Asset Management Limited (the Management Company)</b>		
Management fee payable	518,367	500,512
Sindh sales tax payable management fee	71,397	69,076
Other payable	10,000	10,000
<b>Faysal Bank Limited</b>		
Balance with bank	2,969,398	596,496
Profit receivable on balances with banks	49,164	17,275
<b>Central Depository Company of Pakistan Limited (the Trustee)</b>		
Remuneration to the Trustee payable	155,467	150,110
Sindh sales tax payable on remuneration of the Trustee	22,464	21,657
<b>Unit holders holding 10% or more units</b>		
Outstanding 14,576,083 units (June 30,2023: 14,612,652 units)	2,352,871,304	2,229,013,919

## 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:

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 September 30, 2023, the Fund held the following financial instruments measured at fair values:

<b>As at September 30, 2023</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
-----Rupees-----				
<b>Financial assets 'at fair value through profit or loss'</b>				
Term finance certificates	-	1,601,994,554	-	1,601,994,554
Government securities - Market Treasury Bi	-	239,193,500	-	239,193,500
	<u>-</u>	<u>1,841,188,054</u>	<u>-</u>	<u>1,841,188,054</u>

<b>As at June 30, 2023</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
-----Rupees-----				
<b>Financial assets 'at fair value through profit or loss'</b>				
Term finance certificates	-	1,404,660,372	-	1,404,660,372
Government securities - Market Treasury Bi	-	707,508,100	-	707,508,100
	<u>-</u>	<u>2,112,168,472</u>	<u>-</u>	<u>2,112,168,472</u>

## 18 CORRESPONDING FIGURES

Corresponding figures have been re-classified and re-arranged in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current period. No significant rearrangements or reclassifications have been made in these financial statements during the current period.

## 19 GENERAL

### 19.1 Rounding off

Figures have been rounded off to the nearest rupee.

## 20 DATE OF AUTHORISATION FOR ISSUE

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

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

\_\_\_\_\_  
Chief Financial Officer

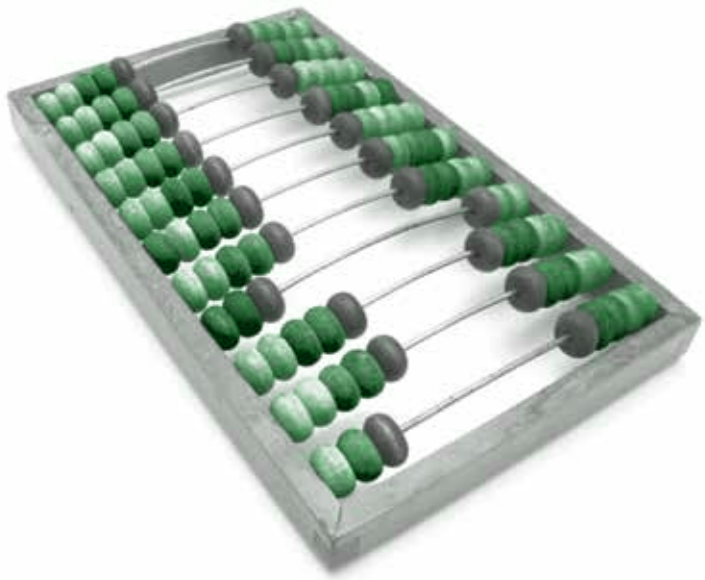
\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

# Faysal Government Securities Fund

Condensed Interim Financial Statements

For The Quarter Ended September 30, 2023 (Un-Audited)







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## FUND INFORMATION

### Management Company

Faysal Asset Management Limited.

### Board of Directors

Mr. Yousaf Hussain, Chairman  
Syed Majid Ali, Vice Chairman  
Mr. Mian Salman Ali, Director  
Mrs. Samia Zuberi, Director  
Mr. Ali Waqar, Director  
Mr. Nadir Rahman, Chief Executive Officer

### Acting Chief Financial Officer & Company Secretary

Muhammad Umer Ilyas

### Audit Committee

Mrs. Samia Zuberi, Chair Person  
Syed Majid Ali, Member  
Mr. Mian Salman Ali, Member

### HR Committee

Mrs. Samia Zuberi, Chair Person  
Mr. Yousaf Hussain, Member  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Risk Committee

Mr. Mian Salman Ali, Chairman  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Trustee to the Fund

Central Depository Company of Pakistan Limited,  
CDC House, 99B, Block B, S.M.C.H.S, Main  
Shahrah-e-Faisal, Karachi.

### 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  
Shahrah-e-Faisal, Karachi.

### Bankers to the Fund

Faysal Bank Limited  
Bank Al-Falah Limited  
JS Bank Limited  
Allied Bank Limited  
Soneri 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**

The objective of the scheme is to provide competitive returns by investing primarily in Government securities.

**FAYSAL GOVERNMENT SECURITIES FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT SEPTEMBER 30, 2023**

		(Un - Audited) September 30 2023	(Audited) June 30 2023
	Note	(Rupees)	
<b>Assets</b>			
Balances with banks	4	34,762,985	30,024,115
Investments	5	98,547,722	95,968,700
Profit and other receivable	6	2,908,431	1,552,204
Preliminary expenses and floatation costs	7	292,961	343,377
<b>Total assets</b>		136,512,099	127,888,396
<b>Liabilities</b>			
Payable to Faysal Asset Management Limited - Management Company		380,736	134,897
Payable to Central Depository Company of Pakistan Limited - Trustee	9	6,914	6,656
Payable to the Securities and Exchange Commission of Pakistan	10	8,056	20,014
Accrued expenses and other liabilities	11	971,396	753,614
<b>Total liabilities</b>		1,367,102	915,181
<b>Net assets</b>		<u>135,144,997</u>	<u>126,973,215</u>
<b>Unit holders' fund (as per the statement attached)</b>		<u>135,144,997</u>	<u>126,973,215</u>
<b>Contingencies and commitments</b>	12	<b>(Number of units)</b>	
<b>Number of unit in issue</b>		<u>1,024,257</u>	<u>1,012,221</u>
		<b>(Rupees)</b>	
<b>Net assets value per unit</b>		<u>131.94</u>	<u>125.44</u>

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

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL GOVERNMENT SECURITIES FUND  
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

		FOR THE QUARTER ENDED SEPTEMBER 30, 2023	FOR THE QUARTER ENDED SEPTEMBER 30, 2022
Note	----- (Rupees) -----		
<b>Income</b>			
		2,606,384	1,953,645
		4,639,637	3,025,351
		-	(99,668)
	5.1	49,412	610
		<u>7,295,432</u>	<u>4,879,938</u>
<b>Operating expenses</b>			
	8.1	140,475	66,587
	8.2	18,261	9,148
	9.1	17,992	18,431
	9.2	2,345	2,412
	10.1	24,535	6,702
		170,026	107,088
		49,420	51,796
	7	50,416	50,416
		1,539	2,605
		174,510	184,311
		51,514	39,560
		8,434	4,677
		2,484	8,556
		<u>711,952</u>	<u>552,289</u>
		<u>6,583,480</u>	<u>4,327,649</u>
		-	-
		<u>6,583,480</u>	<u>4,327,649</u>
	13	-	-
		<u>6,583,480</u>	<u>4,327,649</u>
	14		
<b>Allocation of net income for the period:</b>			
		6,583,480	4,327,649
		(14,366)	(4,083,200)
		<u>6,569,114</u>	<u>244,449</u>
<b>Accounting income available for distribution</b>			
		49,412	-
		6,519,702	244,449
		<u>6,569,114</u>	<u>244,449</u>

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

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL GOVERNMENT SECURITIES FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	<b>FOR THE QUARTER ENDED SEPTEMBER 30, 2023</b>	<b>FOR THE QUARTER ENDED SEPTEMBER 30, 2022</b>
	----- (Rupees) -----	
<b>Net income for the period after taxation</b>	6,583,480	4,327,649
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	<u>6,583,480</u>	<u>4,327,649</u>

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

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL GOVERNMENT SECURITIES FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	FOR THE QUARTER ENDED SEPTEMBER 30, 2023			FOR THE QUARTER ENDED SEPTEMBER 30, 2022		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)			(Rupees)		
<b>Net assets at beginning of the period</b>	119,556,382	7,416,833	126,973,215	603,660,617	6,701,020	610,361,637
Issuance of 18,187 units (2022: 1,216,426 units)						
- Capital value (at net asset value per unit at the beginning of the period)	2,281,430	-	2,281,430	132,468,830	-	132,468,830
- Element of income	102,366	-	102,366	3,651,969	-	3,651,969
Total proceeds on issuance of units	2,383,796		2,383,796	136,120,799		136,120,799
Redemption of 6,152 units (2022: 5,888,852 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(771,715)		(771,715)	(641,296,068)		(641,296,068)
- Element of loss	(9,413)	(14,366)	(23,779)	(720,748)	(4,083,200)	(4,803,948)
Total payments on redemption of units	(781,128)	(14,366)	(795,494)	(642,016,816)	(4,083,200)	(646,100,016)
Total comprehensive income for the period	-	6,583,480	6,583,480	-	4,327,649	4,327,649
Net income for the period less distribution	-	6,583,480	6,583,480	-	4,327,649	4,327,649
<b>Net assets at the end of the period</b>	<b>121,159,050</b>	<b>13,985,947</b>	<b>135,144,997</b>	<b>97,764,600</b>	<b>6,945,469</b>	<b>104,710,069</b>
<b>Undistributed income brought forward</b>						
- Realised income		7,536,367			7,258,695	
- Unrealised income		(119,534)			(557,675)	
		7,416,833			6,701,020	
Accounting income available for distribution						
- Relating to capital gains		49,412			-	
- Excluding capital gains		6,519,702			244,449	
		6,569,114			244,449	
Undistributed income carried forward		13,985,947			6,945,469	
<b>Undistributed income carried forward</b>						
- Realised income		13,936,535			6,944,859	
- Unrealised income		49,412			610	
		13,985,947			6,945,469	
			<b>(Rupees)</b>			<b>(Rupees)</b>
Net asset value per unit at the beginning of the period			125.44			108.90
Net asset value per unit at end of the period			131.94			112.32

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

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL GOVERNMENT SECURITIES FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	FOR THE QUARTER ENDED SEPTEMBER 30, 2023	FOR THE QUARTER ENDED SEPTEMBER 30, 2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	6,583,480	4,327,649
<b>Adjustments for:</b>		
Unrealised (gain) / loss on investments - net	(49,412)	(610)
Capital loss on disposal of investments - net	-	99,668
Amortisation of preliminary expenses and floatation cost	7 50,416	50,416
	<u>1,004</u>	<u>149,474</u>
<b>Decrease / (increase) in assets</b>		
Investments	(2,529,610)	86,146,821
Profit and other receivable	(1,356,227)	112,901
	<u>(3,885,837)</u>	<u>86,259,722</u>
<b>(Decrease) / increase in liabilities</b>		
Payable to Faysal Asset Management Limited - Management Company	245,839	186,849
Payable to Central Depository Company of Pakistan Limited - Trustee	258	(4,909)
Payable to the Securities and Exchange Commission of Pakistan	(11,958)	(103,303)
Accrued expenses and other liabilities	217,782	(459,802)
	<u>451,921</u>	<u>(381,165)</u>
<b>Net cash generated from (used in) operating activities</b>	<u>3,150,568</u>	<u>90,355,680</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amounts received against issue of units net of refund of capital	2,383,795	136,120,799
Payments made against redemption of units	(795,494)	(646,100,018)
<b>Net cash (used in) / generated from financing activities</b>	<u>1,588,301</u>	<u>(509,979,219)</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<u>4,738,869</u>	<u>(419,623,539)</u>
Cash and cash equivalents at the beginning of the period	30,024,115	514,799,634
<b>Cash and cash equivalents at the end of the period</b>	4 <u><u>34,762,985</u></u>	<u><u>95,176,097</u></u>

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

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director



**FAYSAL GOVERNMENT SECURITIES FUND**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 Faysal Government Securities Fund (the Fund) is an open ended mutual fund constituted under a trust deed entered into on July 31, 2019 between Faysal Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The investment activities and administration of the Fund are managed by the Management Company.
- 1.2 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 Exchange and 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).
- 1.3 The Fund has been categorised as an income scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the SECP and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs.100 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from March 16, 2020 and are transferable and redeemable by surrendering them to the Fund.
- 1.4 The objective of the Fund is to provide competitive returns by investing primarily in Government Securities.
- 1.5 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.
- 1.6 The Management Company has been assigned a quality rating of 'AM2++' by VIS Credit Rating Company Limited dated December 31, 2021 (2021: 'AM2' dated December 21, 2020). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes. The Pakistan Credit Rating Agency Limited (PACRA) had assigned a "AA(f)" rating to Faysal Government Securities Fund as of May 18, 2021.
- 1.7 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 30, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

**2 BASIS OF PREPARATION**

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2022.

The comparatives in the condensed interim statements of assets and liabilities presented in the condensed interim financial statements as at September 30, 2023 have been extracted from the annual published audited financial statements of the Fund for the year ended June 30, 2023, 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 statements of the Fund for the quarter ended September 30, 2022.

**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 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 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 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 requirements of the Trust Deed have been followed.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements 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, 2023.

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, 2023.

		(Un-audited) September 30 2023	(Audited) June 30 2023
	Note	----- (Rupees) -----	
<b>4 BALANCES WITH BANKS</b>			
PLS savings accounts	4.1	<u>34,762,985</u>	<u>30,024,115</u>

- 4.1 These accounts carry profit at rates ranging between 10.00% to 21.99% (June 30, 2023: 7.00% to 16.45%) per annum. Deposits in savings accounts also include Rs. 1.943 million (June 30, 2023: 0.252) maintained with Faysal Bank Limited, a related party carrying profit at the rate of 11.00% (June 30, 2023: 11.00%) per annum.

		(Un-audited) September 30 2023	(Audited) June 30 2023
	Note	----- (Rupees) -----	
<b>5 INVESTMENTS</b>			
<b>Financial assets 'at fair value through profit or loss'</b>			
Market Treasury Bills	5.1	<u>98,547,722</u>	<u>95,968,700</u>
<b>5.1 Market Treasury Bills</b>		<u>98,547,722</u>	<u>95,968,700</u>

Particulars	----- Face value -----				Balance as at September 30, 2023			Market value as percentage of	
	As at July 01, 2023	Purchased during the period	Sold / matured during the period	As at September 30, 2023	Carrying value	Market value	Unrealised loss on revaluation	Total investments of the fund	Net assets of the fund
	----- (Rupees) -----							----- % -----	
<b>Market Treasury Bills</b>									
- 3 Months	100,000,000	103,000,000	100,000,000	103,000,000	98,498,310	98,547,722	49,412	100.00	72.92
<b>Total as at September 30, 2023</b>					<u>98,498,310</u>	<u>98,547,722</u>	<u>49,412</u>	<u>100.00</u>	<u>72.92</u>
<b>Total as at June 30, 2023</b>					<u>96,088,234</u>	<u>95,968,700</u>	<u>(119,534)</u>	<u>100.00</u>	<u>75.58</u>

		(Un-audited) September 30 2023	(Audited) June 30 2023
	Note	----- (Rupees) -----	
<b>6 PROFIT AND OTHER RECEIVABLE</b>			
Profit receivable on bank balances	6.1	2,646,141	1,289,915
Advance tax	6.2	162,290	162,289
Security deposit		100,000	100,000
		<u>2,908,431</u>	<u>1,552,204</u>

- 6.1 This includes profit receivable amounting to Rs. 0.037 million (June 30, 2023: Rs. 0.060 million) on bank balance held with Faysal Bank Limited, a related party.

- 6.2** As per clause 47(B) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to Collective Investment Schemes (CISs) are exempt from withholding tax under section 151 and 150. However, during the year ended June 30, 2021, withholding tax on profits paid to the Fund was deducted by various withholding agents based on the interpretation issued by the FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on profit on debt securities amounts to Rs

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on dividends and profit on debt has been shown as other receivable as at June 30, 2022 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

		(Un-audited) September 30 2023	(Audited) June 30 2023
	Note	----- (Rupees) -----	
<b>7</b>	<b>PRELIMINARY EXPENSES AND FLOATATION COSTS</b>		
	Balance at beginning of the period / year	343,377	543,397
	Less: amortisation during the period / year	(50,416)	(200,020)
	At the end of the period / year	<u>292,961</u>	<u>343,377</u>

- 7.1** Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These are being amortised over five years commencing from March 16, 2020 in accordance with the trust deed of the Fund and the NBFC Regulations.

		(Un-audited) September 30 2023	(Audited) June 30 2023
	Note	----- (Rupees) -----	
<b>8</b>	<b>PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY</b>		
	Remuneration payable to the Management Company	84,526	21,402
	Sindh sales tax payable on remuneration of the Management Company	10,988	2,782
	Selling and marketing charges	285,223	110,713
		<u>380,736</u>	<u>134,897</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.

During the period from March 16, 2020 to June 30, 2020, through a resolution of the Board of Directors dated April 17, 2020 the Management Company has changed its remuneration structure from the fixed fee to a variable fee structure where the Management Company has defined a maximum fee level in the Fund's offering document at the rate of 1% of net assets. The Trustee has consented this revision via its letter CDC/T&C-S II/DH/0005/2020 dated January 01, 2020. The Board of the Management Company has also defined a minimum threshold of 0.1% of net assets through the aforementioned resolution. As a consequence thereof, the Management Company is now charging its remuneration variably keeping in view the overall return of the Fund and subject to the maximum and the minimum percentages approved by the Board and subject to the total expense ratio of the Fund as defined

Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 0.2% of average annual assets per annum from 01 July, 2023 till 31 August, 2023 and 0.8% from 01 September, 2023 to 30 September, 2023.

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

- 8.2** During the period, an amount of Rs. 0.010 million (2023: Rs. 0.007 million) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011.
- 8.3** 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 0.55% of average annual assets per annum from 01 July, 2023 till 31 August, 2023 and 0.50% from 01 September, 2023 to 30 September, 2023.

		(Un-audited) September 30 2023	(Audited) June 30 2023
		----- (Rupees) -----	
<b>9</b>	<b>PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>		
	Remuneration payable to the Trustee	6,108	5,890
	Sindh sales tax payable on remuneration of the Trustee	806	766
		<u>6,914</u>	<u>6,656</u>

**9.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed at the rate 0.065% per annum of net assets of the Fund.

**9.2** During the year, an amount of Rs 0.006 million (2023: Rs 0.002 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011.

		(Un-audited) September 30 2023	(Audited) June 30 2023
		----- (Rupees) -----	
<b>10</b>	<b>PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>		
	Annual fee payable	<u>8,056</u>	<u>20,014</u>

**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 0.075% of average annual net assets of the Fund.

		(Un-audited) September 30 2023	(Audited) June 30 2023
		----- (Rupees) -----	
<b>11</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
	Auditors' remuneration payable	486,007	315,981
	Payable to rating agency	122,648	73,228
	Withholding tax payable	34	55,755
	Capital gain tax payable	-	191
	Printing charges payable	29,684	27,200
	Transaction charges payable	3,417	3,167
	Legal and professional charges payable	221,579	170,065
	Others	<u>108,027</u>	<u>108,027</u>
		<u>971,396</u>	<u>753,614</u>

## **12 CONTINGENCIES AND COMMITMENTS**

**12.1** There were no contingencies and commitments outstanding as at September 30, 2023 and June 30, 2023.

## **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 NBFC Regulations, 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.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in Finance Act, 2015 is also not applicable on the Funds as per the Income Tax Ordinance, 2001.

## **14 EARNINGS PER UNIT**

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

**15 TOTAL EXPENSE RATIO**

The Total Expense Ratio (TER) of the Fund as at September 30, 2023 is 2.17% (2022: 1.72%) which includes 0.13% (2023: 0.06%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Income Scheme (CIS).

**16 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS**

- 16.1** 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 and 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% units of the Fund at
- 16.2** 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. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 16.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 16.4** Remuneration to the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 16.5** Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio (TER).
- 16.6** The details of transactions carried out by the Fund with related parties / connected persons during the year / period and balances with them at period / year end are as follows:

	<b>FOR THE QUARTER ENDED SEPTEMBER 30, 2023</b>	<b>FOR THE QUARTER ENDED SEPTEMBER 30, 2022</b>
<b>Transactions during the year / period</b>		
<b>Faysal Asset Management Limited - Management Company</b>		
Remuneration of the Management Company	140,475	66,587
Sindh sales tax on remuneration of the Management Company	18,261	9,148
Selling & marketing charges	174,510	184,311
Units issued: 14,352 units (2022: 837,196 units)	1,890,939	93,952,434
Units redeemed: of Nil units (2021: 927,559 units)	-	104,000,000
<b>Faysal Bank Limited (group company)</b>		
Profit on balances with bank	26,493	26,493
Bank charges	2,775	2,775
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of the Trustee	17,992	18,431
Sindh sales tax on remuneration of the Trustee	2,345	2,412

----- (Rupees) -----

	(Un-audited) September 30 2023	(Audited) June 30 2023
	----- (Rupees) -----	
<b>Balances as at year / period end</b>		
<b>Faysal Asset Management Limited - Management Company</b>		
Remuneration payable to the Management Company	84,526	21,402
Sindh sales tax on remuneration payable to the Management Company	10,988	2,782
Selling & marketing charges payable	285,223	110,713
Preliminary expenses and flotation costs	-	-
Outstanding 14,352 units (June 2023: Nil)	1,893,603	-
<b>Faysal Bank Limited (group company)</b>		
Balance with bank	1,943,859	130,275
Profit receivable on balance with bank	3,719	1,448
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable to the Trustee	6,108	5,890
Sindh sales tax payable on remuneration of the Trustee	806	766
Security Deposit	100,000	100,000
<b>*Unit holders with more than 10% holding</b>		
Outstanding units 962,921 (June 2023: 962,921 units)	127,047,757	120,788,810

## 17 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

### Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

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

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

As at September 30, 2023			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			

**ASSETS****Financial assets at fair value through profit or loss**

Market Treasury Bills

-	98,547,722	-	98,547,722
-	98,547,722	-	98,547,722

As at June 30, 2023			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			

**ASSETS****Financial assets at fair value through profit or loss**

Money market placements\*

-	95,968,700	-	95,968,700
-	95,968,700	-	95,968,700

**18 GENERAL****18.1 Rounding off**

Figures are rounded off to the nearest Rupee.

**19 DATE OF AUTHORISATION FOR ISSUE**

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

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

\_\_\_\_\_  
Chief Financial Officer

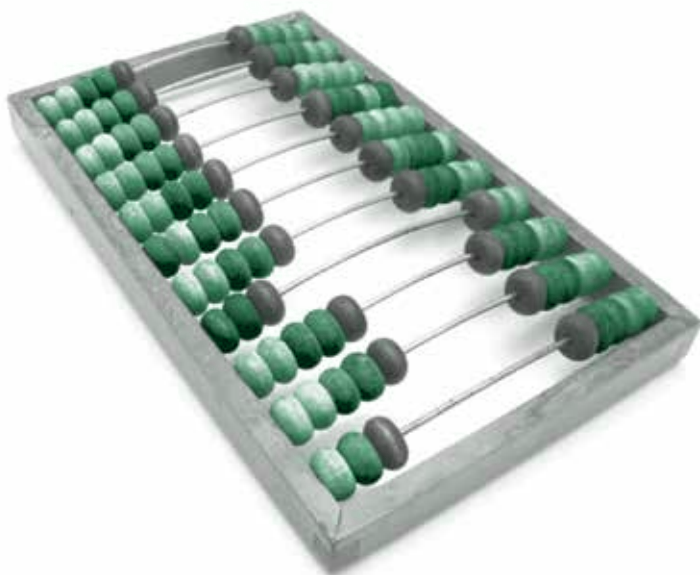
\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

# Faysal Special Savings Fund

Condensed Interim Financial Statements

For The Quarter Ended September 30, 2023 (Un-Audited)







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## FUND INFORMATION

### Management Company

Faysal Asset Management Limited.

### Board of Directors

Mr. Yousaf Hussain, Chairman  
Syed Majid Ali, Vice Chairman  
Mr. Mian Salman Ali, Director  
Mrs. Samia Zuberi, Director  
Mr. Ali Waqar, Director  
Mr. Nadir Rahman, Chief Executive Officer

### Acting Chief Financial Officer & Company Secretary

Muhammad Umer Ilyas

### Audit Committee

Mrs. Samia Zuberi, Chair Person  
Syed Majid Ali, Member  
Mr. Mian Salman Ali, Member

### HR Committee

Mrs. Samia Zuberi, Chair Person  
Mr. Yousaf Hussain, Member  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Risk Committee

Mr. Mian Salman Ali, Chairman  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Trustee to the Fund

Central Depository Company of Pakistan Limited,  
CDC House, 99B, Block B, S.M.C.H.S, Main  
Shahrah-e-Faisal, Karachi.

### 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  
Shahrah-e-Faisal, Karachi.

### Bankers to the Fund

Faysal Bank Limited  
Soneri Bank Limited  
Allied 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 Special Savings Fund endeavors to provide competitive regular return with capital preservation on Investments as per respective allocation Plans by investing in authorized investable avenues.

FAYSAL SPECIAL SAVINGS FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT SEPTEMBER 30, 2023

	Note	(Un - Audited)				(Audited)			
		30-Sep-23				30-Jun-23			
		Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total
		----- (Rupees) -----				----- (Rupees) -----			
<b>Assets</b>									
Balances with banks	4	36,848,116	12,342,983	22,634,626	71,825,725	68,739,502	10,609,767	19,457,016	98,806,285
Preliminary expenses and floatation costs	5	100,003	127,446	133,725	361,174	108,404	135,818	142,097	386,319
Deposits and other receivables	6	510,339	324,667	1,110,039	1,945,046	3,442,600	1,300,829	667,116	5,410,545
<b>Total assets</b>		<b>37,458,458</b>	<b>12,795,096</b>	<b>23,878,391</b>	<b>74,131,944</b>	<b>72,290,506</b>	<b>12,046,414</b>	<b>20,266,229</b>	<b>104,603,149</b>
<b>Liabilities</b>									
Payable to Faysal Asset Management Limited - the Management Company	7	271,862	269,790	237,299	778,952	224,613	263,726	223,154	711,493
Payable to Central Depository Company of Pakistan Limited - the Trustee	8	1,543	1,882	1,140	4,566	4,387	1,974	978	7,339
Payable to the Securities and Exchange Commission of Pakistan	9	1,580	669	1,332	3,580	142,313	112,791	9,746	264,850
Payable against redemption of units		-	-	227,091	227,091	-	-	33,237	33,237
Accrued expenses and other liabilities	10	388,841	259,062	191,517	839,421	488,471	301,873	236,802	1,027,146
<b>Total liabilities</b>		<b>663,826</b>	<b>531,404</b>	<b>658,379</b>	<b>1,853,609</b>	<b>859,784</b>	<b>680,364</b>	<b>503,917</b>	<b>2,044,065</b>
<b>Net assets</b>		<b>36,794,631</b>	<b>12,263,692</b>	<b>23,220,011</b>	<b>72,278,335</b>	<b>71,430,722</b>	<b>11,366,050</b>	<b>19,762,312</b>	<b>102,559,084</b>
<b>Contingencies and commitments</b>									
Unit holders' fund (as per the statement attached)	11	36,794,631	12,263,692	23,220,011	72,278,335	71,430,722	11,366,050	19,762,312	102,559,084
		Number of units				Number of units			
Number of units in issue		283,539	107,659	1,958,659		574,858	104,890	1,744,416	
		Rupees				Rupees			
Net asset value per unit		129.77	113.91	11.86		124.26	108.36	11.33	

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements

For Faysal Asset Management Limited  
(the Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**FAYSAL SPECIAL SAVINGS FUND  
CONDENSED INTERIM INCOME STATEMENT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

Note	Quarter Ended September 30, 2023				Quarter Ended September 30, 2022		
	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Total
	(Rupees)				(Rupees)		
<b>INCOME</b>							
Profit on balances with banks	2,730,432	645,447	1,111,797	4,487,677	41,111,097	30,663,102	71,774,199
Profit on Government Securities	-	-	-	-	-	5,581,607	5,581,607
Loss on disposal of investments - net	-	-	-	-	-	(107,610)	(107,610)
<b>Total income</b>	<b>2,730,432</b>	<b>645,447</b>	<b>1,111,797</b>	<b>4,487,677</b>	<b>41,111,097</b>	<b>36,137,099</b>	<b>77,248,196</b>
<b>EXPENSES</b>							
Remuneration of Faysal Asset Management Limited - the Management Company	84,099	12,261	18,653	115,013	290,547	174,018	464,565
Sindh sales tax on remuneration of the Management Company	10,933	1,594	2,425	14,952	37,768	22,622	60,390
Remuneration of Central Depository Company of Pakistan Limited - the Trustee	7,358	1,624	2,981	11,963	142,176	121,805	263,981
Sindh sales tax on remuneration of the Trustee	958	212	386	1,556	18,612	15,944	34,556
Annual fee of the Securities and Exchange Commission of Pakistan	10,032	2,215	4,064	16,311	51,700	44,292	95,992
Selling & Marketing Charges	80,261	13,241	22,196	115,699	310,203	161,625	471,828
Accounting & Operational Charges	1,103	-	-	1,103	-	642,250	642,250
Auditors' remuneration	62,169	62,169	62,169	186,506	140,116	108,240	248,356
Amortisation of preliminary expenses and floatation cost	8,401	8,372	8,372	25,145	8,401	6,006	14,407
Legal and professional charges	10,948	10,948	10,948	32,845	19,780	15,246	35,026
Rating Fee	15,876	15,876	15,876	47,628	-	-	-
Printing charges	2,484	828	828	4,140	8,556	3,300	11,856
Transaction charges	447	-	-	447	-	8,613	8,613
TER Adjustment	-	(75,000)	(20,000)	(95,000)	-	-	-
Bank charges	2,147	487	2,634	2,634	4,642	5,462	10,104
<b>Total operating expenses</b>	<b>297,216</b>	<b>54,828</b>	<b>128,899</b>	<b>480,943</b>	<b>1,032,501</b>	<b>1,329,423</b>	<b>2,361,924</b>
<b>Net profit for the quarter / period before taxation</b>	<b>2,433,216</b>	<b>590,620</b>	<b>982,898</b>	<b>4,006,734</b>	<b>40,078,596</b>	<b>34,807,676</b>	<b>74,886,272</b>
Taxation	-	-	-	-	-	-	-
<b>Net profit for the quarter / period after taxation</b>	<b>2,433,216</b>	<b>590,620</b>	<b>982,898</b>	<b>4,006,734</b>	<b>40,078,596</b>	<b>34,807,676</b>	<b>74,886,272</b>
Earnings per unit	-	-	-	-	-	-	-
<b>Allocation of profit for the quarter / period</b>							
- Net profit for the period after taxation	2,433,216	590,620	982,898	4,006,734	40,078,596	34,807,676	74,886,272
- Income already paid on units redeemed	(1,565,649)	-	(79,787)	(1,645,436)	(3,944,880)	114,900	(3,829,980)
	<b>867,566</b>	<b>590,620</b>	<b>903,112</b>	<b>2,361,298</b>	<b>36,133,716</b>	<b>34,922,576</b>	<b>71,056,292</b>
<b>Accounting income available for distribution</b>							
- Relating to capital gains	-	-	-	-	-	-	-
- Excluding capital gains	867,566	590,620	903,112	2,361,298	36,133,716	34,922,576	71,056,292
	<b>867,566</b>	<b>590,620</b>	<b>903,112</b>	<b>2,361,298</b>	<b>36,133,716</b>	<b>34,922,576</b>	<b>71,056,292</b>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

FAYSAL SPECIAL SAVINGS FUND  
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
 FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	Quarter Ended September 30, 2023				Quarter Ended September 30, 2022		
	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Total
	----- (Rupees) -----				----- (Rupees) -----		
<b>Net profit for the quarter / period after taxation</b>	2,433,216	590,620	982,898	4,006,734	40,078,596	34,807,676	74,886,272
Other comprehensive income for the quarter / period	-	-	-	-	-	-	-
<b>Total comprehensive income for the quarter / period</b>	<u>2,433,216</u>	<u>590,620</u>	<u>982,898</u>	<u>4,006,734</u>	<u>40,078,596</u>	<u>34,807,676</u>	<u>74,886,272</u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements

For Faysal Asset Management Limited  
 (the Management Company)

\_\_\_\_\_  
 Chief Financial Officer

\_\_\_\_\_  
 Chief Executive Officer

\_\_\_\_\_  
 Director

**FAYSAL SPECIAL SAVINGS FUND**  
**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Quarter Ended September 30, 2023						Quarter Ended September 30, 2022								
	Faysal Special Savings Plan-I			Faysal Special Savings Plan-II			Faysal Special Savings Plan-III			Faysal Special Savings Plan-I			Faysal Special Savings Plan-II		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)														
Net Assets Value at the beginning of the period	69,859,525	1,571,197	71,430,722	11,331,307	34,743	11,366,050	19,548,802	213,510	19,762,312	928,647,807	1,259,175	929,906,982	-	-	-
Issuance of units:															
FSSP - I: 175,781 (2022: 961,998) units															
FSSP - II: 2,769 (2022: 16,143,799) units															
FSSP - III: 885,731 (2022: Nil) units															
Capital value (at net asset value per unit at beginning of the period)	21,842,527	-	21,842,527	300,038	-	300,038	10,035,333	-	10,035,333	102,099,510	-	102,099,510	1,614,379,910	-	1,614,379,910
Element of income	749,650	-	749,650	6,984	-	6,984	215,740	-	215,740	337,823	-	337,823	2,373,740	-	2,373,740
Total proceeds on issuance of units	22,592,177	-	22,592,177	307,022	-	307,022	10,251,073	-	10,251,073	102,437,333	-	102,437,333	1,616,753,650	-	1,616,753,650
Redemption of units:															
FSSP - I: 467,101 (2022: 1,109,386) units															
FSSP - II: Nil (2022: 4,998,000) units															
FSSP - III: 671,488 (2022: Nil) units															
Capital value (at net assets value per unit at beginning of the period)	(58,041,919)	-	(58,041,919)	-	-	-	(7,607,958)	-	(7,607,958)	(117,742,245)	-	(117,742,245)	(499,800,079)	-	(499,800,079)
Element of income	(63,915)	(1,565,649)	(1,619,565)	-	-	-	(85,527)	(79,787)	(165,314)	(46,970)	(3,944,880)	(3,991,850)	(314,821)	114,900	(199,921)
Total payments on redemption of units	(58,095,834)	(1,565,649)	(59,661,483)	-	-	-	(7,696,486)	(79,787)	(7,776,272)	(117,789,215)	(3,944,880)	(121,734,095)	(500,114,900)	114,900	(500,000,000)
Cash distribution:															
FSSP-II: First interim distribution of Rs.1.30 per unit (date of declaration: August 24, 2022)													(1,285,706)	(18,197,579)	(19,483,286)
FSSP-II: Second interim distribution of Rs.1.57 per unit (date of declaration: September 30, 2022)													(1,088,032)	(16,410,872)	(17,498,903)
Total comprehensive income for the period	-	2,433,216	2,433,216	-	590,620	590,620	-	982,898	982,898	-	40,078,596	40,078,596	-	34,807,676	34,807,676
<b>Net assets at end of the period</b>	<b>34,355,868</b>	<b>2,438,763</b>	<b>36,794,631</b>	<b>11,638,329</b>	<b>625,363</b>	<b>12,263,692</b>	<b>22,103,390</b>	<b>1,116,622</b>	<b>23,220,011</b>	<b>913,295,925</b>	<b>37,392,891</b>	<b>950,688,816</b>	<b>1,116,638,750</b>	<b>314,125</b>	<b>1,114,579,137</b>
Undistributed income brought forward															
- Realised income		1,571,197			34,743			213,510			1,259,175			-	
- Unrealised loss		-			-			-			-			-	
Accounting income available for distribution		1,571,197			34,743			213,510			1,259,175			-	
- Relating to capital gains		-			-			-			-			-	
- Excluding capital gains		867,566			590,620			903,112			36,133,716			34,922,576	
Cash distribution:															
FSSP-II: First interim distribution of Rs.1.30 per unit (date of declaration: August 24, 2022)														(18,197,579)	
FSSP-II: First interim distribution of Rs.1.57 per unit (date of declaration: September 30, 2022)														(16,410,872)	
Undistributed income carried forward		2,438,763			625,363			1,116,622			37,392,891			314,125	
Undistributed income carried forward															
- Realised income		2,438,763			625,363			1,116,622			37,392,891			314,125	
- Unrealised gain		-			-			-			-			-	
		2,438,763			625,363			1,116,622			37,392,891			314,125	
		<u>2,438,763</u>			<u>625,363</u>			<u>1,116,622</u>			<u>37,392,891</u>			<u>314,125</u>	
		(Rupees)			(Rupees)			(Rupees)			(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period			124.26			108.36			11.33			106.13			-
Net assets value per unit at end of the period			129.77			113.91			11.86			110.36			100.00

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements

For Faysal Asset Management Limited  
(the Management Company)

Chief Financial Officer

Chief Executive Officer

Director

**FAYSAL SPECIAL SAVINGS FUND**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Quarter Ended September 30, 2023				Quarter Ended September 30, 2022		
	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Total
<b>Note</b>	----- (Rupees) -----				----- (Rupees) -----		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Net profit for the quarter / period before taxation	2,433,216	590,620	982,898	4,006,734	40,078,596	34,807,676	74,886,272
Amortisation of preliminary expenses and floatation cost	8,401	8,372	8,372	25,145	8,401	6,006	14,407
<b>(Increase) in assets</b>							
Deposits and other receivables	2,932,261	976,162	(442,923)	3,465,499	(23,021,500)	(28,187,401)	(51,208,901)
Preliminary expenses and floatation costs	-	8,372	8,372	16,744	-	(186,667)	(186,667)
	2,932,261	984,534	(434,551)	3,482,243	(23,021,500)	(28,374,068)	(51,395,568)
<b>(decrease) / Increase in liabilities</b>							
Payable to Faysal Asset Management Limited - the Management Company	47,249	6,064	14,145	53,313	373,587	1,063,681	1,437,268
Payable to Central Depository Company of Pakistan Limited - the Trustee	(2,844)	(92)	162	(2,935)	10,350	54,159	64,509
Payable to the Securities and Exchange Commission of Pakistan	(140,733)	(112,122)	(8,414)	(252,856)	21,450	44,292	65,742
Dividend Payable	-	-	-	-	-	17,498,903	17,498,903
Accrued expenses and other liabilities	(99,630)	(51,183)	(53,657)	(150,812)	(1,757,126)	2,866,778	1,109,652
	(195,958)	(157,332)	(47,764)	(353,290)	(1,351,739)	21,527,813	20,176,074
<b>Net cash generated from operating activities</b>	<b>5,177,920</b>	<b>1,426,193</b>	<b>508,955</b>	<b>7,160,832</b>	<b>15,713,758</b>	<b>27,967,427</b>	<b>43,681,185</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
Amounts received against issue of units	22,592,177	307,022	10,251,073	22,899,199	102,437,333	1,616,753,650	1,719,190,983
Payments made against redemption of units	(59,661,483)	-	(7,582,418)	(59,661,483)	(121,734,095)	(500,000,000)	(621,734,095)
Dividends paid	-	-	-	-	-	(36,982,189)	(36,982,189)
<b>Net cash (used) in / generated from financing activities</b>	<b>(37,069,306)</b>	<b>307,022</b>	<b>2,668,655</b>	<b>(36,762,284)</b>	<b>(19,296,762)</b>	<b>1,079,771,461</b>	<b>1,060,474,699</b>
Net (decrease) / increase in cash and cash equivalents	(31,891,386)	1,733,215	3,177,610	(30,158,171)	(3,583,004)	1,107,738,888	1,104,155,884
Cash and cash equivalents at the beginning of the period	68,739,502	10,609,767	19,457,016	79,349,269	928,310,507	-	928,310,507
<b>Cash and cash equivalents at the end of the period</b>	<b>4 36,848,116</b>	<b>12,342,983</b>	<b>22,634,626</b>	<b>49,191,098</b>	<b>924,727,503</b>	<b>1,107,738,888</b>	<b>2,032,466,391</b>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements

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

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**



**FAYSAL SPECIAL SAVINGS FUND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (Un-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

1.1 Faysal Special Savings Fund (The Fund) is an open-end capital protected scheme established through a Trust Deed under the Trust Act, 1882, entered into on November 21, 2019 between Faysal Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has been registered under the Sindh Trusts Act 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, Sharah -e- Faisal, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

1.2 Currently the Fund is offering three plans i.e. Faysal Special Saving Plan-I (FSSP-I), Faysal Special Saving Plan-II (FSSP-II) and Faysal Special Saving Plan-III (FSSP-III) with an objective to earn competitive return with capital protection for unit holders who retain their investment in the Plan for a period of Twenty Four (24) months or more from date of their investments in the Plan.

1.3 The Fund is categorised as a 'Capital Protected 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 October 1, 2021 in Plan I and July 26, 2022 in Plan II and are transferable and redeemable by surrendering them to the Fund.

1.4 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.

1.5 The Management Company has been assigned a quality rating of 'AM2++' by VIS Credit Rating Company Limited dated December 30, 2022. 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 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Sindh Trusts Act, 2020 have been introduced. The Management Company has submitted Collective Investment Scheme Trust Deed to Registrar (acting under Sindh Trusts Act, 2020) for registration to fulfill the requirement for registration of Trust Deed under Sindh Trusts Act, 2020.

1.7 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.

'The comparatives in the condensed interim statements of assets and liabilities presented in the condensed interim financial statements as at September 30, 2023 have been extracted from the annual published audited financial statements of the Fund for the year ended June 30, 2023, whereas there are no 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 as these are the first condensed interim financial statement of the fund for the quarter ended September 30, 2023.

**2 STATEMENT OF COMPLIANCE**

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

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at September 30, 2023.

### 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, 2023.

The Fund's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the period ended June 30, 2023.

	Note	(Un - Audited)				(Audited)			
		30-Sep-23				30-Jun-23			
		Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total
(Rupees)									
<b>4 BALANCES WITH BANKS</b>									
PLS savings accounts	4.1	36,848,116	12,342,983	22,634,626	49,191,099	68,739,502	10,609,767	19,457,016	98,806,285

- 4.1 This carries profit rate at 11.00% to 21.99% per annum. Deposits in PLS savings accounts also include Rs. 1.581 million in Plan I & 1.00 million in Plan II maintained with Faysal Bank Limited, a related party, and carry mark-up at the rate of 11.00% per annum.

	Note	(Un - Audited)				(Audited)			
		30-Sep-23				30-Jun-23			
		Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total
(Rupees)									
<b>5 PRELIMINARY EXPENSES AND FLOATATION COSTS</b>									
At the beginning of the period	5.1	108,404	135,818	142,097	244,222	141,736	166,667	166,667	475,070
Less: amortisation for the period		8,401	8,372	8,372	16,773	(33,332)	(30,849)	(24,570)	(88,751)
Closing balance		100,003	127,446	133,725	227,449	108,404	135,818	142,097	386,319

- 5.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These are being amortised over five years commencing from the end of the initial offering period in accordance with the Trust Deed of the Fund and the NBFC Regulations, 2008.

	Note	(Un - Audited)				(Audited)			
		30-Sep-23				30-Jun-23			
		Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total
(Rupees)									
<b>6 DEPOSITS AND OTHER RECEIVABLES</b>									
Profit receivable on bank deposits	6.1	390,553	229,667	1,090,039	620,220	3,322,813	1,300,829	667,116	5,290,758
Advance tax		89,786	-	-	89,786	89,786	-	-	89,786
Other receivable		30,000	95,000	20,000	125,000	30,001	-	-	30,001
		510,339	324,667	1,110,039	835,006	3,442,600	1,300,829	667,116	5,410,545

- 6.1 This includes profit receivable amounting to Rs. 0.048 million in Plan I & 0.006 million in Plan II on bank balance held with Faysal Bank Limited, a related party.

	Note	(Un - Audited)				(Audited)			
		30-Sep-23				30-Jun-23			
		Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total
(Rupees)									
<b>7 PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - THE MANAGEMENT COMPANY</b>									
Remuneration of Faysal Asset Management Limited - the Management Company	7.1	12,130	3,550	939	15,679	42,316	9,902	8,064	60,282
Sindh sales tax on remuneration of the Management Company	7.2	1,577	491	122	2,068	5,501	1,316	1,048	7,865
Selling and marketing Charges	7.2	248,205	69,082	59,572	317,288	167,944	55,841	37,376	261,161
Accounting & Professional Charges	7.3	1,103	-	-	1,103	-	-	-	-
Other payable		8,848	196,667	176,666	205,515	8,852	196,667	176,666	382,185
		271,862	269,790	237,299	541,652	224,613	263,726	223,154	711,493

- 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 following rates:

## Faysal Special Savings Plan-I :

From July 01, 2023 to August 31, 2023	'From September 01, 2023 to September 30, 2023
0.60% of average annual net assets	0.05% of average annual net assets

## Faysal Special Savings Plan-II :

From July 01, 2023 to August 31, 2023	'From September 01, 2023 to September 30, 2023
0.60% of average annual net assets	0.05% of average annual net assets

## Faysal Special Savings Plan-III :

From July 01, 2023 to August 31, 2023	'From September 01, 2023 to September 30, 2023
0.50% of average annual net assets	0.55% of average annual net assets

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

- 7.2 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 and the total expense ratio limit of the Fund as defined under the NBFC Regulations, 2008 as per following:

## Faysal Special Savings Plan-I :

From July 01, 2023 to September 30, 2023
0.60% of average annual net assets

## Faysal Special Savings Plan-II :

From July 01, 2023 to September 04, 2023	From September 05, 2023 to September 30, 2023
0.60% of average annual net assets	0.05% of average annual net assets

## Faysal Special Savings Plan-III :

From July 01, 2023 to September 04, 2023	From September 05, 2023 to September 30, 2023
0.60% of average annual net assets	0.05% of average annual net assets

- 7.3 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). Until June 19, 2019 there was a cap of 0.1% of the average annual net assets of the scheme or actual, whichever is lower, for allocation of such expense to the Fund. However, the SECP vide its SRO 639 dated June 20, 2019 removed the cap of 0.1%. During the period the Management company has charged allocated expenses at following rates.

## Faysal Special Savings Plan-I :

From July 01, 2023 to September 30, 2023
0.05% of average annual net assets

## 8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED- THE TRUSTEE

	Note	(Un - Audited) 30-Sep-23				(Audited) 30-Jun-23			
		Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-II	Total	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total
Remuneration payable to the Trustee	8.1	1,361	1,665	1,032	3,026	3,879	1,747	887	6,513
Sindh sales tax on remuneration of the Trustee		182	217	109	399	508	227	91	826
		<u>1,543</u>	<u>1,882</u>	<u>1,140</u>	<u>3,426</u>	<u>4,387</u>	<u>1,974</u>	<u>978</u>	<u>7,339</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 net assets of the Fund.

During the period, an amount of Rs. 0.011 million was charged on account of sales tax @ 13% on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011.

	Note	(Un - Audited) 30-Sep-23				(Audited) 30-Jun-23			
		Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-II	Total	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total
Annual fee	9.1	1,580	669	1,332	2,248	142,313	112,791	9,746	264,850

- 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 0.075% of average annual net assets of the Fund.

		(Un - Audited) 30-Sep-23				(Audited) 30-Jun-23			
		Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-II	Total	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total
Auditors' remuneration payable		88,693	176,489	111,539	265,182	26,524	114,320	49,370	190,214
Legal and professional charges payable		215,047	54,145	32,963	269,193	204,099	43,197	22,015	269,311
Annual listing fee payable		29,376	-	-	29,376	29,376	-	-	29,376
Rating fee payable		15,876	15,876	15,876	31,752	-	-	-	-
Printing charges payable		34,031	11,839	9,361	45,870	31,547	11,011	8,533	51,091
Withholding tax payable & capital gain tax payable		168	-	21,778	168	190,813	121,310	156,884	469,007
Transaction Charges Payable		5,650	713	-	6,363	6,112	12,035	-	18,147
		<u>388,841</u>	<u>259,062</u>	<u>191,517</u>	<u>647,904</u>	<u>488,471</u>	<u>301,873</u>	<u>236,802</u>	<u>1,027,146</u>

## 11 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments outstanding as at September 30, 2023 and June 30, 2023.

## 12 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the period ending September 30, 2023 to the unit holders in the manner explained above, 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. Moreover, super tax introduced in Finance Act, 2015 is also not applicable on Funds as per Section 4B of the Income Tax Ordinance, 2001.

## 13 EARNINGS PER UNIT

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

## 14 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at September 30, 2023 is 2.24% 1.86% & 2.37% (2022: FSSP-I 0.40% & FSSP-II 0.55%) which includes 0.17%, 0.14% & 0.12% (2022: FSSP-I 0.04% & FSSP-II 0.03%) representing government levies on the Fund such as sales taxes and annual fee payable to the SECP, etc in FSSP - I, FSSP - II & FSSP - III respectively. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a capital protected scheme.

## 15 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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% units of the Fund at year 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, 2008 and the Trust Deed.

15.4 Remuneration to the Trustee is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

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

### 15.6 Transactions during the period

	(Un - Audited)			(Un - Audited)	
	30-Sep-23			30-Sep-22	
	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II
	(Rupees)			(Rupees)	
<b>Faysal Asset Management Limited (the Management Company)</b>					
Remuneration of the Management Company	84,099	12,261	18,653	290,547	174,018
Sindh sales tax on remuneration of the Management Company	10,933	1,594	2,425	37,768	22,622
Allocated expenses	1,103	-	-	-	642,250
Issue of units FSSP I : 3,775 (2022: 13,508), FSSP-II : 3,490 (2022: Nil), FSSP-III : 70,285 (2022: Nil)	488,984	393,134	819,991	1,480,598	-
Redemption of units FSSP I : Nil (2022: 201,780)	-	-	-	21,734,096	-
<b>Faysal Bank Limited (group company / associated company)</b>					
Return on PLS savings accounts	211,336	18,956	88,164	22,706	5,626
<b>Central Depository Company of Pakistan Limited (the Trustee)</b>					
Remuneration of the Trustee	7,358	1,624	2,981	142,176	121,805
Sindh sales tax on remuneration of the Trustee	958	212	386	18,612	15,944
<b>Unitholder having holding of 10% or more</b>					
Issue of units FSSP I : 178,211 (2022: 948,490), FSSP-II Nil (2022: 15,154,679)	22,918,490	-	-	100,956,735	1,516,753,649
Redemption of units FSSP-I : 467,101 (2022: 907,606), FSSP-II: Nil (2022: 4,998,001)	59,661,483	-	-	100,000,000	500,000,000

## 15.7 Outstanding balances

	(Un - Audited)				(Audited)			
	30-Sep-23				30-Jun-23			
	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total	Faysal Special Savings Plan-I	Faysal Special Savings Plan-II	Faysal Special Savings Plan-III	Total
	(Rupees)				(Rupees)			
<b>Faysal Asset Management Limited (the Management Company)</b>								
Remuneration payable to the Management Company	12,130	3,550	939	15,679	42,316	9,902	8,064	60,282
Sindh Sales tax payable on remuneration of the Management Com	1,577	491	122	2,068	5,501	1,316	1,048	7,865
Preliminary expenses and floatation costs	-	-	-	-	8,852	196,667	176,666	382,185
Selling and marketing Charges	248,205	69,082	59,572	317,288	167,944	55,841	37,376	261,161
Other payable	8,848	196,667	176,666	205,515	-	-	-	-
Outstanding units: FSSP-I 97,277 (June 30, 2023 93,502), in FSSP-II 106,222 (June 30, 2023: 102,732) & in FSSP-III 1,269,281 (June 30, 2023: 1,198,996)	12,623,677	12,099,786	15,053,671	39,777,134	11,618,588	11,132,041	13,584,619	36,335,248
<b>Faysal Bank Limited (group company / associated company)</b>								
Balance in PLS saving accounts	322,346	779,462	3,148,501	1,101,809	3,245,680	599,465	1,917,472	5,762,617
Return receivable on PLS savings accounts	227,846	-	78,137	227,846	152,355	97,991	47,153	297,499
<b>Central Depository Company of Pakistan Limited (the Trustee)</b>								
Remuneration payable to the Trustee	1,361	1,665	1,032	3,026	3,879	1,747	887	6,513
Sindh sales tax on remuneration payable to the Trustee	182	217	109	399	508	227	91	826
<b>Unitholder having holding of 10% or more</b>								
Outstanding units: FSSP-I 175,184 (June 30, 2023 13,718), in FSSP-II Nil (June 30, 2023: Nil) & in FSSP-III Nil (June 30, 2023: Nil)	22,733,657	-	-	22,733,657	1,704,537	-	-	1,704,537

## 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 reporting date. Fair value of the units of mutual funds are based on the NAV announced by the MUFAP. 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 the reporting date, the Fund does not hold any instrument that are measured at fair value.

## 17 GENERAL

## 17.1 Rounding off

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

## 18 DATE OF AUTHORISATION FOR ISSUE

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

For Faysal Asset Management Limited  
(the Management Company)

Chief Financial Officer

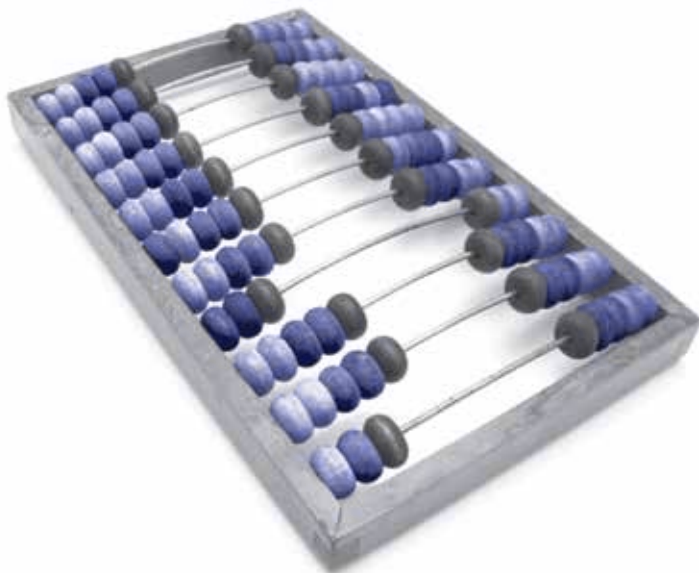
Chief Executive Officer

Director

# Faysal Stock Fund

Condensed Interim Financial Statements

For The Quarter Ended September 30, 2023 (Un-Audited)





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## FUND INFORMATION

### Management Company

Faysal Asset Management Limited.

### Board of Directors

Mr. Yousaf Hussain, Chairman  
Syed Majid Ali, Vice Chairman  
Mr. Mian Salman Ali, Director  
Mrs. Samia Zuberi, Director  
Mr. Ali Waqar, Director  
Mr. Nadir Rahman, Chief Executive Officer

### Acting Chief Financial Officer & Company Secretary

Muhammad Umer Ilyas

### Audit Committee

Mrs. Samia Zuberi, Chair Person  
Syed Majid Ali, Member  
Mr. Mian Salman Ali, Member

### HR Committee

Mrs. Samia Zuberi, Chair Person  
Mr. Yousaf Hussain, Member  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Risk Committee

Mr. Mian Salman Ali, Chairman  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Trustee to the Fund

Central Depository Company of Pakistan Limited,  
CDC House, 99B, Block B, S.M.C.H.S, Main  
Shahrah-e-Faisal, Karachi.

### 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  
Shahrah-e-Faisal, Karachi.

### Bankers to the Fund

Faysal Bank Limited  
Bank Al-Falah Limited  
Habib bank Limited  
JS Bank Limited  
Allied Bank Limited  
Soneri 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 Stock Fund (FSF) endeavors to provide investors with an opportunity to earn capital growth by investing in a large pool of fund representing equity investment in a broad range of sectors and financial instruments.

**FAYSAL STOCK FUND**  
**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT SEPTEMBER 30, 2023**

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
------(Rupees)-----			
<b>Assets</b>			
Balances with banks	5	160,144,934	14,889,796
Investments - net	6	77,037,746	154,297,551
Deposits Prepayments & Other Receivables	7	21,441,354	35,388,137
Receivable from the Management Company		265,001	40,000
Receivable against sale of investments		-	-
<b>Total assets</b>		<b>258,889,035</b>	<b>204,615,484</b>
<b>Liabilities</b>			
Payable to Faysal Asset Management Limited - the Management Company	8	2,419,867	1,632,453
Payable to Central Depository Company of Pakistan - the Trustee	9	27,496	36,410
Payable to the Securities and Exchange Commission of Pakistan	10	12,292	136,309
Payable against redemption of units		1,264,600	-
Payable against purchase of investments		6,303,122	9,982,342
Accrued expenses and other liabilities	11	4,032,071	3,200,353
<b>Total liabilities</b>		<b>14,059,447</b>	<b>14,987,867</b>
<b>Net assets</b>		<b>244,829,588</b>	<b>189,627,617</b>
<b>Unit holders' fund (as per the statement attached)</b>		<b>244,829,588</b>	<b>189,627,617</b>
<b>Contingencies and commitments</b>	12		
		(Number of units)	
<b>Number of unit in issue</b>		<b>5,715,545</b>	<b>3,952,964</b>
		(Rupees)	
<b>Net assets value per unit</b>		<b>42.84</b>	<b>47.97</b>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL STOCK FUND**  
**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTMEBER 30, 2023**

		QUARTER ENDED SEPTEMBER 30, 2023	QUARTER ENDED SEPTEMBER 30, 2022
	Note	------(Rupees)-----	
<b>Income</b>			
Profit on balances with banks		1,555,326	3,713,498
Dividend income from equity securities		12,511,517	14,473,235
Realised (loss) / gain on sale of investments - net		(1,982,090)	16,425,197
Unrealised (loss) on re-measurement of investments classified as 'at fair value through profit or loss' - net	6.1	(13,252,472)	(13,383,652)
<b>Total (loss) / income</b>		(1,167,718)	21,228,278
<b>Expenses</b>			
Remuneration of Faysal Asset Management Limited - the Management Company	8.1	490,970	7,276,665
Sindh sales tax on remuneration of the Management Company	8.2	63,801	945,966
Selling and marketing charges	8.3	713,882	4,365,999
Legal and Professional Charges		68,792	39,562
Remuneration to Central Depository Company of Pakistan Limited - the Trustee	9.1	82,821	540,263
Sindh sales tax on remuneration of the Trustee	9.2	10,311	70,235
Annual fee to the Securities and Exchange Commission of Pakistan	10.1	39,340	58,214
Auditors' remuneration		265,645	217,488
Fees and subscriptions		83,168	73,324
Transaction charges		304,417	4,138,097
Bank charges		1,424	3,451
Printing charges		2,403	8,556
Reimbursement (from) / to Management Company		(225,000)	(3,500,000)
<b>Total operating expenses</b>		1,901,974	14,237,820
<b>Net (loss) / income from operating activities</b>		<b>(3,069,693)</b>	<b>6,990,458</b>
<b>Net (loss) / income for the period before taxation</b>		<b>(3,069,693)</b>	<b>6,990,458</b>
Taxation	13	-	-
<b>Net (loss) / income for the period after taxation</b>		<b>(3,069,693)</b>	<b>6,990,458</b>
<b>Earning per unit</b>	14		
<b>Allocation of net income for the period</b>			
-Net income for the period after taxation		-	-
-Income already paid on units redeemed		-	-
		-	-
<b>Accounting income available for distribution</b>			
-Relating to capital gains		-	-
-Excluding capital gains		-	-
		-	-
		-	-

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

FAYSAL STOCK FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTMEBER 30, 2023

	QUARTER ENDED SEPTEMBER 30, 2023	QUARTER ENDED SEPTEMBER 30, 2022
	------(Rupees)-----	
Net (loss) / income for the period after taxation	(3,069,693)	6,990,458
Other comprehensive income for the period	-	-
<b>Total comprehensive (loss) / Income for the period</b>	<b><u>(3,069,693)</u></b>	<b><u>6,990,458</u></b>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements

For Faysal Asset Management Limited  
(the Management Company)

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL STOCK FUND  
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTMEBER 30, 2023**

	Note	QUARTER ENDED SEPTEMBER 30, 2023	QUARTER ENDED SEPTEMBER 30, 2022
------(Rupees)-----			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net (loss) / income for the period before taxation		(3,069,693)	6,990,458
<b>Adjustments for:</b>			
Realised (gain) / loss on sale of investments - net		1,982,090	(16,425,197)
Unrealised diminution on revaluation of investments classified as 'at fair value through profit or loss' - net		-	-
		<u>13,252,472</u>	<u>13,383,652</u>
<b>Net Cash used in generated from operations</b>		<u>12,164,869</u>	<u>3,948,913</u>
<b>Decrease / (Increase) in assets</b>			
Investments - net		62,025,243	97,791,807
Deposits Prepayments & Other Receivables		13,946,783	(10,802,974)
Receivable from the Management Company		(225,001)	4,485,478
Receivable against sale of investments		-	9,182,561
		<u>75,747,025</u>	<u>100,656,872</u>
<b>(Decrease) / Increase in liabilities</b>			
Payable to Faysal Asset Management Limited - the Management Company		787,414	4,365,999
Payable to Central Depository Compnay of Pakistan - the Trustee		(8,914)	(25,915)
Payable to the Securities and Exchange Commission of Pakistan		(124,017)	(395,725)
Payable against redemption of units		1,264,600	-
Payable against purchase of investments		(3,679,220)	84,391,529
Accrued expenses and other liabilities		831,718	1,614,253
		<u>(928,420)</u>	<u>89,950,140</u>
<b>Net cash generated from / (used in) operating activities</b>		<u>86,983,474</u>	<u>194,555,925</u>
<b>Cash Flow from Financing Activities</b>			
Amount received against issue of units		657,608,430	873,176,679
Amount paid against redemption of units		(599,336,766)	(1,160,209,666)
<b>Net cash generated from financing activities</b>		<u>58,271,664</u>	<u>(287,032,987)</u>
Net increase in cash and cash equivalents		145,255,138	(92,477,062)
Cash and cash equivalents at the beginning of the period		14,889,796	208,834,657
<b>Cash and cash equivalents at the end of the period</b>	5	<u><u>160,144,934</u></u>	<u><u>116,357,595</u></u>

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL STOCK FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTMEBER 30, 2023**

	(Un-audited)			(Un-audited)		
	Quarter Ended September 30, 2023			Quarter Ended September 30, 2022		
	Capital value	Undistributed income / (loss)	Total	Capital value	Accumulated Loss	Total
------(Rupees)-----						
Net assets at the beginning of the period	997,115,510	(807,487,893)	189,627,617	1,975,210,595	(797,316,020)	1,177,894,575
Issuance of 14,805,875 (2022:15,635,972) units						
- Capital value (at net asset value per unit at the beginning of the period)	710,237,845	-	710,237,845	859,509,415	-	859,509,415
- Element of income	(52,629,415)	-	(52,629,415)	13,667,264	-	13,667,264
Total proceeds on issuance of units	657,608,430	-	657,608,430	873,176,679	-	873,176,679
Redemption of 13,043,294 (2022: 20,814,809) units						
- Capital value (at net asset value per unit at the beginning of the period)	(625,686,829)	-	(625,686,829)	(1,144,190,090)	-	(1,144,190,090)
- Element of income	26,350,063	-	26,350,063	(13,385,584)	(2,633,992)	(16,019,576)
Total payments on redemption of units	(599,336,766)	-	(599,336,766)	(1,157,575,674)	(2,633,992)	(1,160,209,666)
Total comprehensive (loss) / income for the period	-	(3,069,693)	(3,069,693)	-	6,990,458	6,990,458
<b>Net assets at the end of the period</b>	<b>1,055,387,174</b>	<b>(810,557,586)</b>	<b>244,829,588</b>	<b>1,690,811,600</b>	<b>(792,959,555)</b>	<b>897,852,046</b>
Accumulated losses brought forward						
-Realised loss		(785,882,653)			(659,309,102)	
-Unrealised income / (loss)		(21,605,240)			(138,006,918)	
		<u>(807,487,893)</u>			<u>(797,316,020)</u>	
Accounting income available for distribution						
-Relating to capital gains		-			3,041,545	
-Excluding capital gains		-			1,314,921	
		-			<u>4,356,466</u>	
Accumulated losses carried forward		<u><b>(807,487,893)</b></u>			<u>(792,959,555)</u>	
<b>Accumulated losses carried forward</b>						
-Realised loss		(794,235,421)			(779,575,903)	
-Unrealised gain / (loss)		(13,252,472)			(13,383,652)	
		<u>(807,487,893)</u>	<b>3,069,693</b>		<u>(792,959,555)</u>	-
		<b>(Rupees)</b>			<b>(Rupees)</b>	
Net assets value per unit at beginning of the period	<u>47.97</u>			<u>54.97</u>		
Net assets value per unit at end of the period	<u>42.84</u>			<u>55.25</u>		

The annexed notes from 1 to 18 form an integral part of these condensed interim financial statements

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

## **FAYSAL STOCK FUND**

### **NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-Audited) FOR THE QUARTER ENDED SEPTMEBER 30, 2023**

#### **1 LEGAL STATUS AND NATURE OF BUSINESS**

Faysal Stock Fund (the Fund) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and had been authorised as a unit trust scheme by the Securities and Exchange Commission of Pakistan (SECP) on February 18, 2004. It was constituted under a Trust Deed, dated January 29, 2004, entered into between Faysal Asset Management Limited (the Management Company), and Muslim Commercial Financial Services (Private) Limited as the Trustee till June 04, 2005 and thereafter between Faysal Asset Management Limited as Management Company and Central Depository Company of Pakistan Limited

The Management Company revised the trust deed through a third supplemental trust deed dated December 26, 2017 with CDC as the Trustee, to convert the category of the Fund from "Balanced Scheme" to "Equity Scheme" and to change its name from "Faysal Balanced Growth Fund" to "Faysal Stock Fund" along with the changes in fundamental attributes of the Constitutive Documents of the Fund, including investment objectives of the scheme. SECP vide its letter No.SCD/AMCW/FAML/FBGF/267/2018 dated February 16, 2018 approved the restated offering

The Fund is an open ended equity fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering units to the Fund. Title to the assets of the fund are held in the name of CDC as a Trustee of the Fund. The fund is listed on the Pakistan Stock Exchange Limited.

The objective of the Fund is to provide capital growth by investing primarily in a diversified pool of equities and equity related investments.

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.

The Trust Act, 1882 had been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act). 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.

The Management Company has been assigned a quality rating of 'AM2++' by VIS Credit Rating Company Limited dated December 31, 2022 (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. The Pakistan Credit Rating Agency Limited (PACRA) has assigned a "5-Star" rating to Faysal Stock Fund as of February 04, 2023 (2022: "5-Star" as of February 04, 2022).

#### **2 STATEMENT OF COMPLIANCE**

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

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at September 30, 2023.

#### **3 BASIS OF PREPARATION**

These condensed interim financial statements does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2023.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at September 30, 2023 have been extracted from the annual published audited financial statements of the Fund for the year ended June 30, 2023, whereas, comparatives in 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 are extracted from the condensed interim financial statements for the quarter ended September 30, 2022.

#### **4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2023.

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, 2023.

(Un-audited)      (Audited)  
September 30,      June 30,  
2023                      2023  
Note      -----(Rupees)-----

## 5 BALANCES WITH BANKS

Saving accounts 5.1      160,144,934      14,889,796

5.1 These carry mark-up rate ranging from 11% to 21.99% (June 30, 2023: 10% to 19.75%) per annum and includes balance of Rs. 4.002 million (June 30, 2023: 4.590 million) which is held with Faysal Bank Limited - a related party.

(Un-audited)      (Audited)  
September 30,      June 30,  
2023                      2023  
Note      -----(Rupees)-----

## 6 INVESTMENTS

### At fair value through profit or loss

6.1 Listed equity securities 6.1      77,037,746      154,297,551

Name of investee company	Note	Number of shares					Carrying value as at Sep 30, 2023	Market value as at Sep 30, 2023	Unrealised appreciation / (diminution) as at June 30, 2023	Investment as % of		
		As at July 01, 2023	Purchased during the year	Bonus / right shares received	Disposed off during the year	As at Sep 30, 2023				Net assets	Total invest-ments	Investee company paid up capital
----- (Rupees) -----												
<b>Fertilizer</b>												
ENGRO FERTILIZERS LIMITED		10,000	24,000	-	22,000	12,000	905,175.30	911,040.00	5,865	0.37	1.18	-
ENGRO CORPORATION LIMITED		3,900	7,500	-	7,900	3,500	847,450.05	840,490.00	(6,960)	0.34	1.09	-
FAUJI FERTILIZER COMPANY LIMITED	5.1.2	-	19,500	-	10,000	9,500	876,744.92	881,980.00	5,235	0.36	1.14	0.00
							<b>2,629,370</b>	<b>2,633,510</b>	<b>4,140</b>	<b>1.08</b>	<b>3.42</b>	
<b>Cement</b>												
CHERAT CEMENT COMPANY LIMITED	5.1.2	-	5,000	-	5,000	-	-	-	-	-	-	-
FAUJI CEMENT COMPANY LIMITED		160,000	91,000	-	251,000	-	-	-	-	-	-	-
MAPLE LEAF CEMENT FACTORY LIMITED		-	52,500	-	52,500	-	-	-	-	-	-	-
							-	-	-	-	-	-
<b>Engineering</b>												
International Steels Limited		-	-	-	-	-	-	-	-	-	-	-
Mughal Iron & Steel Industries Limited		-	19,796	-	19,796	-	-	-	-	-	-	-
							-	-	-	-	-	-
<b>Oil and gas exploration companies</b>												
MARI PETROLEUM COMPANY LIMITED		1,300	2,200	-	3,050	450	697,500	702,045	4,545	0.29	0.91	0.00
OIL & GAS DEVELOPMENT COMPANY LIMITED		-	53,700	-	42,500	11,200	1,073,835	1,080,352	6,517	0.44	1.40	-
PAKISTAN PETROLEUM LIMITED		-	70,500	-	59,000	11,500	849,858	851,805	1,947	0.35	1.11	-
							<b>2,621,193</b>	<b>2,634,202</b>	<b>13,009</b>	<b>1.08</b>	<b>3.42</b>	
<b>Oil &amp; Gas Marketing Companies</b>												
PAKISTAN STATE OIL COMPANY LIMITED		-	37,000	-	37,000	-	-	-	-	-	-	-
SUI NORTHERN GAS PIPELINES LIMITED	50,000	52,000	-	102,000	-	-	-	-	-	-	#DIV/0!	-
							-	-	-	-	-	-
<b>Refinery</b>												
ATTOCK REFINERY LIMITED		-	2,500	-	2,500	-	-	-	-	-	-	-
PAKISTAN REFINERY LIMITED		-	91,500	-	91,500	-	-	-	-	-	-	-
							-	-	-	-	-	-
<b>Commercial banks</b>												
FAYSAL BANK LIMITED		-	150,000	-	150,000	-	-	-	-	-	-	-
MCB BANK LIMITED		-	12,608	-	7,000	5,608	734,615	725,395	(9,220)	0.30	0.94	-
MEEZAN BANK LIMITED		-	12,573	-	6,473	6,100	709,364	699,121	(10,243)	0.29	0.91	-
UNITED BANK LIMITED		-	4,800	-	-	4,800	699,360	689,280	(10,080)	0.28	0.89	-
							<b>2,143,339</b>	<b>2,113,796</b>	<b>(29,543)</b>	<b>0.86</b>	<b>2.74</b>	
<b>Power generation and distribution</b>												
The Hub Power Company Limited		34,000	-	-	34,000	-	-	-	-	-	-	-
							-	-	-	-	-	-
<b>Insurance</b>												
TPL Insurance Limited		5,252,875	-	-	1,316,500	3,936,375	81,522,326	68,296,106	(13,226,220)	27.90	88.65	3.36
							<b>81,522,326</b>	<b>68,296,106</b>	<b>(13,226,220)</b>	<b>27.90</b>	<b>88.65</b>	
<b>Textile Composite</b>												
INTERLOOP LIMITED	5.1.2	-	8,000	-	8,000	-	-	-	-	-	-	-
							-	-	-	-	-	-



Note	Number of shares					Carrying value as at Sep 30, 2023	Market value as at Sep 30, 2023	Unrealised appreciation / (diminution) as at June 30, 2023	Investment as % of		
	As at July 01, 2023	Purchased during the year	Bonus / right shares received	Disposed off during the year	As at Sep 30, 2023				Net assets	Total investments	Investee company paid-up capital
(Rupees)											
<b>Automobile Assembler</b>											
SAZGAR ENGINEERING WORKS LIMITED		12,000	-	12,000	-	-	-	-	-	-	
						-	-	-	-	-	
<b>Tariq Glass Industries Limited</b>											
Tariq Glass Industries Limited	18,500	11,000	-	29,500	-	0	0	-	-	-	
						-	-	-	-	-	
<b>Paper &amp; Board</b>											
<b>Pak Agro Packaging Limited</b>											
Pak Agro Packaging Limited	333,970	-	-	136,000	197,970	1,373,990	1,360,132	(13,858)	0.56	1.77	
						1,373,990	1,360,132	(13,858)	0.56	1.77	
<b>Technology &amp; Communication</b>											
<b>Systems Limited</b>											
Systems Limited	-	2,000	-	2,000	-	-	-	-	-	-	
						-	-	-	-	-	
<b>As at September 30, 2023</b>						<b>90,290,218</b>	<b>77,037,746</b>	<b>(13,252,472)</b>	<b>31.47</b>	<b>100.00</b>	
<b>As at June 30, 2023</b>						<b>175,902,719</b>	<b>154,297,484</b>	<b>(21,605,240)</b>			

**6.2** All shares have a face value of Rs 10 each except for the shares of Hum Network Limited which have a face value of Re. 1 each and shares of Nimir Resins Limited and Thal Limited which have a face value of Rs. 5 each

7	<b>DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
------(Rupees)-----				
	Security Deposits			
	National Clearing Company of Pakistan L		18,500,000	33,500,000
	Central Depository Company of Pakistan Limited		107,500	107,500
			<b>18,607,500</b>	<b>33,607,500</b>
	Profit Receivable on Balances with Bank	7.1	2,621,089	1,625,264
	Dividend Receivable		111,619	54,227
	Advance Tax		101,146	101,146
	Prepaid Rating Fee		-	-
	Prepaid Listing Fees		-	-
	Receivable against total Expense Ratio		265,001	-
			<u>21,706,355</u>	<u>68,995,637</u>

7.1 This includes a profit Receivable amounting to Rs. 1.585 on balance held with Faysal Bank Limited, a related party.

8	<b>PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - THE MANAGEMENT COMPANY</b>	Note	(Un-audited) September 30, 2023 (Rupees)	(Audited) June 30, 2023 (Rupees)
	Remuneration of the Management Company	8.1	65,095	-
	Sindh sales tax on remuneration of the Management Company	8.2	8,436	-
	Selling and marketing charges payable	8.3	1,676,284	962,402
	Sales Load		670,051	670,051
	Allocated Expense Payables		-	-
			<u>2,419,867</u>	<u>1,632,453</u>

8.1 The Management Company has charged remuneration at the rate ranging from 0.5% to 1.5% of average annual net assets of the Fund, calculated on a daily basis. The fee is payable to the Management Company monthly in arrears.

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

8.3 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 approved by the Board of Directors) while keeping in view the overall return, the annual plan and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following rates:

The Management has charged selling and marketing charges at the rate ranging from 0.5% to 2.00% of average annual net assets per annum.

9	<b>PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - THE TRUSTEE</b>	Note	(Un-audited) September 30, 2023 (Rupees)	(Audited) June 30, 2023 (Rupees)
	Remuneration payable to the Trustee	9.1	26,008	32,221
	Sindh sales tax on remuneration of the Trustee	9.2	1,488	4,189
			<u>27,496</u>	<u>36,410</u>

9.1 The trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed.

Net Assets (Rs.)	Fee
up to Rs 1,000 million	Rs 0.7 million or 0.20% per annum of net assets
over Rs 1,000 million	Rs 2.0 million plus 0.10% per annum of net assets exceeding Rs 1,000 million

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

		(Un-audited) September 30, 2023 (Rupees)	(Audited) June 30, 2023 (Rupees)
<b>10</b>	<b>PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>		
	Annual fee	10.1	12,292
		<u>12,292</u>	<u>136,309</u>
<b>10.1</b>	This represents annual fee payable to the SECP in accordance with the NBFC Regulations, whereby the Fund is required to pay the SECP an amount at the rate of 0.095% per annum of the average daily net assets of the Fund in accordance with S.R.O. 592(I)/2023 of the SECP.		
<b>11</b>	<b>ACCRUED AND OTHER LIABILITIES</b>	(Un-audited) September 30, 2023 (Rupees)	(Audited) June 30, 2023 (Rupees)
		Note	
	Transaction charges payable	141,674	135,648
	Auditors' remuneration	965,203	699,558
	Annual listing fee payable	29,657	-
	Withholding tax payable	502,646	232,762
	Capital gain tax payable	318,993	245,054
	Other Payables	41,661	89,490
	Printing charges payable	43,878	40,037
	Legal and Professional Charges	509,132	440,340
	Payable to Rating / Ranking Agency	191,211	
	Payable to Central Zakat Fund	78,366	78,366
	Provision for indirect taxes	1,209,652	1,209,652
		<u>4,032,071</u>	<u>3,170,907</u>

- 11.2** There is no change in the status of the appeal filed by the Federal Board of Revenue in the Supreme Court of Pakistan in respect of levy of Federal Excise Duty at the rate of 16% on the services of the Management Company, as reported in note 11.2 to the annual financial statements of the Fund for the year ended June 30, 2023.

Had the said provision for FED not been maintained, the net asset value of the Fund as at September 30, 2023 would have been higher by Rs. 0.212 (June 30, 2023: Rs. 0.306) per unit.

## **12 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at September 30, 2023 and June 30, 2023.

## **13 TAXATION**

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. The Management Company has distributed, subsequent to the year end, the income earned by the Fund for the year to the unit holders in the manner as explained above, accordingly, no provision for taxation has been made in these condensed interim financial statements for the period ended

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Moreover, super tax introduced in Finance Act, 2015 is also not applicable on Funds as per 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 EXPENSE RATIO**

The Total Expense Ratio (TER) of the Fund as at September 30, 2023 is 4.58% which includes 0.35% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Equity Scheme.

## 16 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

- 16.1** 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 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.
- 16.2** 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.

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:

	(Un-audited)	
	Quarter Ended September 30	
	2023	2022
	------(Rupees)-----	
<b><u>Transactions during the period</u></b>		
<b>Faysal Asset Management Limited (the Management Company)</b>		
Remuneration of the Management Company	490,970	7,276,665
Sales tax on remuneration of the Management Company	63,801	945,966
Reimbursement (from) / to Management Company	(225,000)	(3,500,000)
Selling and marketing charges	713,882	4,365,999
Units issued: units 1,013,331 (2022: 182,065 Units)	49,107,583	10,202,777
Units Redeemed: 822,348 units (2022: 725,738 Units)	37,000,000	40,000,000
<b>Faysal Bank Limited (Group / Associated Company)</b>		
Units Redeemed: NIL units (2022: 2,912,798 Units)	-	160,000,000
Return on PLS Saving Account	128,795	81,451
<b>Directors and Key Management Personnel</b>		
Units issued: Nil units (2022: 497 Units)	-	27,602
Units Redeemed: Nil units (2022: 64,722 Units)	-	3,622,322
<b>Unit holders having holding of 10% or more</b>		
Units issued: 13,533,776 units (2022: Nil Units)	596,887,356	-
Units Redeemed: 9,353,174 units (2022: Nil Units)	427,960,425	-
<b>Central Depository Company of Pakistan Limited (the Trustee)</b>		
Remuneration of the Trustee	82,821	540,263
Sindh sales tax on remuneration of the Trustee	10,311	70,235
	(Un-audited)	(Audited)
	September 30,	June 30,
	2023	2023
	(Rupees)	
<b><u>Amounts / balances outstanding as at period end</u></b>		
<b>Faysal Asset Management Limited (the Management Company)</b>		
Remuneration payable to the Management Company	65,095	-
Sales tax on remuneration payable to the Management Company	8,436	-
Selling and marketing charges payable	1,676,284	962,402
Sales Load Payable	670,051	670,051
Outstanding 190,984 units (2023: NIL units)	8,181,737	-
<b>Faysal Bank Limited (Group / Associated Company)</b>		
Return Receivable on PLS Saving Account	-	1,455,955
Balances with banks	-	-
Outstanding Nil units (2023: NIL units)	-	-
<b>Directors and Key Management Personnel</b>		
Outstanding: 497 (June 30, 2023: 497 Units)	21,291	23,841
<b>Unitholders having holding of 10% or more</b>		
Outstanding: 4,180,602 units (June 30, 2022: 14,495,561 Units)	179,096,994	112,675,774

	(Un-audited) September 30, 2023	(Audited) June 30, 2023
--	---------------------------------------	-------------------------------

(Rupees)

**Central Depository Company of Pakistan Limited (the Trustee)**

Remuneration to the Trustee	26,008	32,221
Sindh sales tax on remuneration of the Trustee	1,488	4,189
Security deposit	107,500	107,500

**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:

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:

As at September 30, 2023 (Un-audited)			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
<b>Financial assets 'at fair value through profit or loss'</b>			
Listed equity securities	77,037,746	-	-
	<u>77,037,746</u>	<u>-</u>	<u>-</u>
	<u><u>77,037,746</u></u>	<u><u>-</u></u>	<u><u>77,037,746</u></u>

As at June 30, 2023 (Audited)			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
<b>Financial assets 'at fair value through profit or loss'</b>			
Listed equity securities	154,297,551	-	-
	<u>154,297,551</u>	<u>-</u>	<u>-</u>
	<u><u>154,297,551</u></u>	<u><u>-</u></u>	<u><u>154,297,551</u></u>

## 18 GENERAL

Figures are rounded off to the nearest Rupee.

### DATE OF AUTHORISATION FOR ISSUE

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

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

# Faysal Asset Allocation Fund

Condensed Interim Financial Statements

For The Quarter Ended September 30, 2023 (Un-Audited)





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## FUND INFORMATION

### Management Company

Faysal Asset Management Limited.

### Board of Directors

Mr. Yousaf Hussain, Chairman  
Syed Majid Ali, Vice Chairman  
Mr. Mian Salman Ali, Director  
Mrs. Samia Zuberi, Director  
Mr. Ali Waqar, Director  
Mr. Nadir Rahman, Chief Executive Officer

### Acting Chief Financial Officer & Company Secretary

Muhammad Umer Ilyas

### Audit Committee

Mrs. Samia Zuberi, Chair Person  
Syed Majid Ali, Member  
Mr. Mian Salman Ali, Member

### HR Committee

Mrs. Samia Zuberi, Chair Person  
Mr. Yousaf Hussain, Member  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Risk Committee

Mr. Mian Salman Ali, Chairman  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Trustee to the Fund

Central Depository Company of Pakistan Limited,  
CDC House, 99B, Block B, S.M.C.H.S, Main  
Shahrah-e-Faisal, Karachi.

### 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  
Shahrah-e-Faisal, Karachi.

### Bankers to the Fund

Faysal Bank Limited  
Bank Al-Falah Limited  
Habib bank Limited  
JS Bank Limited  
Allied Bank Limited  
Soneri 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 Asset Allocation 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.

**FAYSAL ASSET ALLOCATION FUND  
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT SEPTEMBER 30, 2023**

		(Un-audited) September 30, 2023	(Audited) June 30, 2023
	Note	----- (Rupees) -----	
<b>Assets</b>			
Balances with banks	5	16,243,308	4,613,723
Investments	6	58,132,557	62,943,167
Deposits, prepayments and other receivables	7	5,345,337	8,031,261
Receivable from the Management Company	8	635,000	-
Receivable against sale of investments		-	12,967,468
Receivable against sale of units		100	-
<b>Total assets</b>		80,356,302	88,555,619
<b>Liabilities</b>			
Payable to Faysal Asset Management Limited - Management Company	9	500,225	193,129
Payable to Central Depository Company of Pakistan Limited - Trustee	10	11,114	12,068
Payable to the Securities and Exchange Commission of Pakistan	11	6,202	24,714
Accrued expenses and other liabilities	12	7,119,735	5,993,966
Payable against purchase of investments		-	3,150,375
<b>Total liabilities</b>		7,637,276	9,374,252
<b>Net assets</b>		<u>72,719,026</u>	<u>79,181,367</u>
<b>Unit holders' fund (as per statement attached)</b>		<u>72,719,026</u>	<u>79,181,367</u>
<b>Contingencies and commitments</b>	13		
		----- (Number of units) -----	
<b>Number of units in issue</b>		<u>1,106,347</u>	<u>1,287,092</u>
		----- (Rupees) -----	
<b>Net asset value per unit</b>		<u>65.73</u>	<u>61.52</u>

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL ASSET ALLOCATION FUND  
CONDENSED INTERIM INCOME STATEMENT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

		(Un-audited)	
		QUARTER ENDED SEPTEMBER 30,2023	QUARTER ENDED SEPTEMBER 30,2022
Note		----- (Rupees) -----	
<b>Income</b>			
	Dividend income from equity securities	1,734,015	2,666,901
	Profit on balances with banks	886,650	604,493
	Capital gain on sale of investments - net	6,761,942	11,881,382
		9,382,607	15,152,775
	Unrealised diminution on revaluation of investments classified as 'financial assets at fair value through profit or loss' - net	(2,054,615)	(4,446,998)
	<b>Total income</b>	<u>7,327,992</u>	<u>10,705,777</u>
<b>Expenses</b>			
	Remuneration of Faysal Asset Management Limited - Management Company	245,557	922,129
	Sindh sales tax on remuneration of the Management Company	31,922	119,877
	Selling and marketing expenses	313,623	553,277
	Remuneration of Central Depository Company of Pakistan Limited - Trustee	47,957	69,490
	Sindh sales tax on remuneration of the Trustee	6,234	9,590
	Annual fee to the Securities and Exchange Commission of Pakistan	22,780	7,377
	Transaction charges	819,164	688,525
	Bank charges	905	2,949
	Auditors' remuneration	221,744	172,960
	Legal and professional charges	67,179	39,560
	Printing and other expenses	55,998	57,868
	Reimbursement from the Management Company	(635,000)	(815,000)
	<b>Total expenses</b>	<u>1,198,063</u>	<u>1,828,601</u>
	<b>Net income from operating activities</b>	<u>6,129,929</u>	<u>8,877,176</u>
	Reversal for Sindh Workers Welfare Fund (SWWF)	-	-
	<b>Net income for the period before taxation</b>	<u>6,129,929</u>	<u>8,877,176</u>
	Taxation	-	-
	<b>Net income for the period after taxation</b>	<u><u>6,129,929</u></u>	<u><u>8,877,176</u></u>
	<b>Earning per unit</b>	-	-
<b>Allocation of net income for the period</b>			
	Net income for the period after taxation	6,129,929	8,877,176
	Income already paid on units redeemed	(1,643,405)	(877,950)
		<u>4,486,525</u>	<u>7,999,226</u>
<b>Accounting income available for distribution</b>			
	Relating to capital gains	4,486,525	7,434,383
	Excluding capital gains	-	564,843
		<u>4,486,525</u>	<u>7,999,226</u>

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL ASSET ALLOCATION FUND  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

(Un-audited)

	QUARTER ENDED SEPTEMBER 30,2023	QUARTER ENDED SEPTEMBER 30,2022
	----- (Rupees) -----	
<b>Net income for the period after taxation</b>	6,129,929	8,877,176
Other comprehensive income for the period	-	-
<b>Total comprehensive income for the period</b>	6,129,929	8,877,176

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL ASSET ALLOCATION FUND  
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	(Un-audited)			(Un-audited)		
	Quarter Ended September 30, 2023			Quarter Ended September 30, 2022		
	Capital value	Accumulated losses	Total	Capital value	Accumulated losses	Total
(Rupees)			(Rupees)			
<b>Net assets at beginning of the period</b>	388,546,018	(309,364,651)	79,181,367	468,162,259	(309,424,651)	158,737,608
Issuance of 2,488,309 units (2022: 599,277 units)						
- Capital value (at net assets value per unit at beginning of the period)	153,080,770	-	153,080,770	36,813,561	-	36,813,561
- Element of income	15,106,944	-	15,106,944	665,936	-	665,936
Total proceeds on issuance of units	168,187,714	-	168,187,714	37,479,497	-	37,479,497
Redemption of 2,669,054 units (2022: 1,116,408 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(164,200,221)	-	(164,200,221)	(68,580,931)	-	(68,580,931)
- Element of loss	(14,936,358)	(1,643,405)	(16,579,763)	(555,417)	(877,950)	(1,433,367)
Total payments on redemption of units	(179,136,580)	(1,643,405)	(180,779,984)	(69,136,348)	(877,950)	(70,014,298)
Total comprehensive income for the Period	-	6,129,929	6,129,929	-	8,877,176	8,877,176
<b>Net assets at end of the period</b>	<b>377,597,152</b>	<b>(304,878,126)</b>	<b>72,719,026</b>	<b>436,505,408</b>	<b>(301,425,425)</b>	<b>135,079,983</b>
<b>Accumulated loss brought forward</b>						
- Realised loss		(288,215,178)			(288,215,178)	
- Unrealised gain / (loss)		(21,209,473)			(21,209,473)	
		(309,424,651)			(309,424,651)	
Accounting income available for distribution						
- Relating to capital gains	4,486,525			7,434,383		
- Excluding capital gains	-			564,843		
	4,486,525			7,999,226		
Accumulated loss carried forward		(304,938,126)			(301,425,425)	
<b>Accumulated loss carried forward</b>						
- Realised loss		(302,883,511)			(296,978,427)	
- Unrealised loss		(2,054,615)			(4,446,998)	
		(304,938,126)			(301,425,425)	
		(Rupees)			(Rupees)	
Net asset value per unit at the beginning of the period	61.52			61.43		
Net asset value per unit at the end of the period	65.73			65.36		

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL ASSET ALLOCATION FUND  
CASH FLOW STATEMENT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

		(Un-audited)	
Note	QUARTER ENDED SEPTEMBER 30,2023	QUARTER ENDED SEPTEMBER 30,2022	Rupees -----
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
	6,129,929	8,877,176	
<b>Net income for the period before taxation</b>			
<b>Adjustments for:</b>			
Capital gain on sale of investments - net	(6,761,942)	(11,881,382)	
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	2,054,615	4,446,998	
	<u>1,422,603</u>	<u>1,442,793</u>	
<b>(Increase) / decrease in assets</b>			
Investments- net	9,517,936	14,517,921	
Deposits, prepayments and other receivables	2,685,924	(3,125,361)	
Receivable against sale of investments	12,967,468	(85,223,815)	
Receivable against sale of units	(100)	(500)	
Receivable from the Management Company - net	(635,000)	(815,000)	
	<u>24,536,228</u>	<u>(74,646,756)</u>	
<b>Increase / (decrease) in liabilities</b>			
Payable to Faysal Asset Management Limited - Management Company	307,096	906,405	
Payable to Central Depository Company of Pakistan Limited - Trustee	(954)	(8,275)	
Payable to the Securities and Exchange Commission of Pakistan	(18,512)	(50,872)	
Payable against purchase of investments	(3,150,375)	92,055,113	
Payable against redemption of units	1,125,769	1,082,543	
Accrued expenses and other liabilities	<u>(1,736,976)</u>	<u>93,984,914</u>	
<b>Net cash generated from operating activities</b>	<u>24,221,855</u>	<u>20,780,951</u>	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts against issuance of units - net of refund of capital	168,187,714	37,479,497	
Payments made against redemption of units	<u>(180,779,984)</u>	<u>(70,014,298)</u>	
<b>Net cash used in from financing activities</b>	<u>(12,592,270)</u>	<u>(32,534,801)</u>	
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>	11,629,585	(11,753,850)	
Cash and cash equivalents at the beginning of the period	4,613,723	43,517,367	
<b>Cash and cash equivalents at the end of the period</b>	<u>5</u> <u>16,243,308</u>	<u>31,763,517</u>	

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL ASSET ALLOCATION FUND  
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 Faysal Asset Allocation Fund (the Fund) is an open ended asset allocation fund constituted under a Trust Deed entered into on January 31, 2006 between Faysal Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The investment activities and administration of the Fund are managed by the Management Company.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 7th Floor, West Wing, Faysal House, Shahrah-e-Faisal, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

- 1.2 The Fund has been categorised as an 'Asset Allocation Scheme', by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the SECP and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs. 100 per unit. Thereafter, the units were being offered for public subscription on a continuous basis from July 24, 2006 and are transferable and redeemable by surrendering them to the Fund.
- 1.3 The objective of the fund is to provide investors with an opportunity to earn long-term capital appreciation optimizing through broad mix of asset classes encompassing equity instrument, fixed income instruments, money market instruments, bank deposits primarily from the financial sector and any other instrument as defined in constitutive documents and allowed by the SECP.
- 1.4 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.
- 1.5 The Management Company has been assigned a quality rating of AM2++ by VIS dated December 30, 2022 ("AM2+" as of December 31, 2021) and the Pakistan Credit Rating Agency Limited (PACRA) has assigned a short term 4-Star rating to Faysal Asset Allocation Fund on February 4, 2022 (2021: 4-Star dated February 12, 2021).
- 1.6 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020" (the Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company has submitted Collective Investment Scheme Trust Deed to Registrar (acting under the Trust Act) for registration to fulfill the requirement for registration of Trust Deed under the Trust Act.

**2 STATEMENT OF COMPLIANCE**

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

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at September 30, 2023.

**3 BASIS OF PREPARATION**

These condensed interim financial statements does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2023.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at September 30, 2023 have been extracted from the annual published audited financial statements of the Fund for the year ended June 30, 2023, whereas, the comparatives to report for in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement extracted from the condensed interim financial statements of the fund for the quarter ended September 30, 2022.



#### 4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial statements 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, 2023.

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, 2023.

5	BALANCES WITH BANKS	Note	(Un-audited)	Audit
			September 30, 2023	June 30, 2023
			----- Rupees -----	
	PLS savings accounts	5.1	<u>16,243,308</u>	<u>4,613,723</u>

5.1 These carry mark-up at rates ranging from 10.00% to 21.99% (June 30, 2023: 7% to 19.75%) per annum and include balance of Rs. 1.958 million (June 30, 2023: Rs. 1.690 million) held with Faysal Bank Limited, a related party, and carry mark-up at the rate of 11.00% (June 30, 2023: 11%) per annum.

6	INVESTMENTS	Note	(Un-audited)	(Audited)
			September 30, 2023	June 30, 2022
			----- Rupees -----	
	<b>At fair value through profit or loss</b>			
	Listed equity securities	6.1	<u>58,132,557</u>	<u>62,943,167</u>
			<u>58,132,557</u>	<u>62,943,167</u>

#### 6.1 Listed equity securities - at fair value through profit or loss

Name of the Investee Company	As at July 01, 2023	Purchased during the period	Bonus / right shares received during the period	Sold during the period	As at September 30, 2023	Carrying Value as at September 30, 2023	Market Value as at September 30, 2023	Unrealised appreciation / (diminution) as at September 30, 2023	Percentage in relation to		
									Net assets of the Fund	Total investments of the Fund	Investee company paid-up capital
Number of shares						(Rupees)			%		
<b>Commercial Banks</b>											
BANK ALFALAH LIMITED	54,441	173,000	-	185,000	42,441	1,695,088	1,632,705	(62,383)	0.02	0.03	0.00
BANK AL HABIB LIMITED	82,348	187,000	-	180,500	88,848	4,451,046	4,000,825	(450,221)	0.06	0.07	0.01
FAYSAL BANK LIMITED	50,381	226,400	-	256,000	20,781	511,211	463,416	(47,795)	0.01	0.01	0.00
HABIB BANK LIMITED	40,300	114,735	-	131,750	23,285	2,283,465	2,105,895	(177,570)	0.03	0.04	0.00
MCB BANK LIMITED	14,723	56,100	-	49,000	21,823	2,819,805	2,822,805	3,000	0.04	0.05	0.00
MEZAN BANK LIMITED	29,701	50,262	-	55,300	24,663	3,043,144	2,826,626	(216,518)	0.04	0.05	0.00
UNITED BANK LIMITED	13,700	80,100	-	69,500	24,300	3,459,848	3,489,480	29,632	0.05	0.06	0.00
						18,263,608	17,341,754	(921,854)	0.24	0.30	0.02
<b>OIL AND GAS EXPLORATION COMPANIES</b>											
MARI PETROLEUM COMPANY LIMITED	2,785	3,677	-	4,650	1,812	2,927,331	2,826,901	(100,430)	0.04	0.05	0.00
OIL & GAS DEVELOPMENT COMPANY LIMITED	41,778	155,300	-	151,700	45,378	4,443,852	4,377,162	(66,690)	0.06	0.08	0.00
PAKISTAN OILFIELDS LIMITED	-	6,700	-	1,500	5,200	2,305,150	2,026,752	(278,398)	0.03	0.03	0.00
PAKISTAN PETROLEUM LIMITED	54,147	188,653	-	184,200	58,600	4,353,808	4,340,502	(13,306)	0.06	0.07	0.00
SUI NORTHERN GAS PIPELINES LIMITED	6,000	125,000	-	101,100	29,900	1,347,636	1,404,702	57,066	0.02	0.02	0.00
						15,377,777	14,976,019	(401,758)	0.21	0.26	0.01
<b>Oil &amp; Gas Marketing Companies</b>											
PAKISTAN STATE OIL COMPANY LIMITED	-	97,850	-	79,200	18,650	2,260,518	2,289,101	28,583	0.03	0.04	0.00
						2,260,518	2,289,101	28,583	0.03	0.04	0.00
<b>POWER GENERATION AND DISTRIBUTION</b>											
THE HUB POWER COMPANY LIMITED	50,819	157,500	-	177,876	30,443	2,532,930	2,689,030	156,100	0.04	0.05	0.00
						2,532,930	2,689,030	156,100	0.04	0.05	0.00
<b>FERTILIZER</b>											
ENGRO FERTILIZERS LIMITED	37,300	40,800	-	45,000	33,100	2,641,951	2,512,952	(128,999)	0.03	0.04	0.00
ENGRO CORPORATION LIMITED	18,462	8,450	-	17,750	9,162	2,370,929	2,200,163	(170,766)	0.03	0.04	0.00
FAUJI FERTILIZER COMPANY LIMITED	-	55,000	-	18,000	37,000	3,681,003	3,435,080	(245,923)	0.05	0.06	0.00
						8,693,883	8,148,195	(545,688)	0.11	0.14	0.01
<b>GLASS &amp; CERAMICS</b>											
TARIQ GLASS INDUSTRIES LTD	36,982	56,500	-	91,180	2,302	191,351	180,753	(10,598)	0.00	0.00	0.00
						191,351	180,753	(10,598)	0.00	0.00	0.00

Name of the Investee Company	As at July 01, 2023	Purchased during the period	Bonus / right shares received during the period	Sold during the period	As at September 30, 2023	Carrying Value as at September 30, 2023	Market Value as at September 30, 2023	Unrealised appreciation / (diminution) as at September 30, 2023	Percentage in relation to					
									Net assets of the Fund	Total Investments of the Fund	Investee company paid-up capital			
						Number of shares			(Rupees)			%		
<b>PHARMACEUTICALS</b>														
HIGHNOON LABORATORIES LIMITED	-	2,200	-	-	2,200	836,294	835,802	(492)	0.01	0.01	0.00			
						836,294	835,802	(492)	0.01	0.01	0.00			
<b>TECHNOLOGY AND COMMUNICATION</b>														
HUM NETWORK LIMITED	356,000	580,500	-	315,000	621,500	3,556,530	3,418,250	(138,280)	0.05	0.06	0.05			
SYSTEMS LIMITED	8,650	12,800	-	17,150	4,300	1,852,281	1,693,438	(158,843)	0.02	0.03	0.00			
						5,408,811	5,111,688	(297,123)	0.07	0.09	0.06			
<b>PROPERTY</b>														
TPL PROPERTIES LIMITED	16,700	111,500	-	95,500	32,700	440,158	400,248	(39,910)	0.01	0.01	0.01			
						440,158	400,248	(39,910)	0.01	0.01	0.01			
<b>Textile</b>														
GUL AHMED TEXTILE MILLS LIMITED	-	148,500	-	100,500	48,000	887,286	849,120	(38,266)	0.01	0.01	0.01			
INTERLOOP LIMITED	-	42,500	-	29,955	12,545	483,897	566,532	82,635	0.01	0.01	0.00			
						1,371,284	1,415,652	44,369	0.02	0.02	0.01			
<b>Industrial Engineering</b>														
INTERNATIONAL STEELS LIMITED	-	37,000	-	34,500	2,500	106,127	106,275	148	0.00	0.00	0.00			
						106,127	106,275	148	0.00	0.00	0.00			
<b>Transport</b>														
PAKISTAN INTERNATIONAL BULK TERMINAL LIMITED	-	90,000	-	-	90,000	362,035	347,400	(14,635)	0.00	0.01	0.01			
						362,035	347,400	(14,635)	0.00	0.01	0.01			
<b>Cement</b>														
LUCKY CEMENT LIMITED	3,809	6,250	-	5,157	4,902	2,828,635	2,766,395	(62,240)	0.04	0.05	0.00			
MAPLE LEAF CEMENT FACTORY LIMITED	89,700	338,300	-	377,090	50,910	1,513,761	1,524,245	10,484	0.02	0.03	0.00			
						4,342,396	4,290,640	(51,756)	0.06	0.07	0.01			
<b>Total as at September 30, 2023</b>						<b>60,187,172</b>	<b>58,132,557</b>	<b>(2,054,615)</b>						
<b>Total as at June 30, 2023</b>						<b>65,101,205</b>	<b>108,513,380</b>	<b>(21,209,473)</b>						

6.1.1 All shares have a face value of Rs. 10 each except for the shares of Hum Network Limited which have a face value of Rs. 1.

6.1.2 Following shares have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

	<b>(Un-audited)</b>		<b>(Audited)</b>	
	<b>September 30, 2023</b>		<b>June 30, 2023</b>	
	<b>Number of shares</b>	<b>Market value in Rupees</b>	<b>Number of shares</b>	<b>Market value in Rupees</b>
<b>----- (Rupees) -----</b>				
Bank Alfalah	471,899	18,153,955	471,899	15,100,768
Systems Limited	20,000	7,876,600	20,000	6,597,200
TRG Pakistan Limited - Class 'A'	-	-	205,000	15,852,650
	<b>491,899</b>	<b>26,030,555</b>	<b>696,899</b>	<b>37,550,618</b>

6.1.3 **Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at 'fair value through profit or loss' - net**

	<b>(Un-audited)</b>	<b>(Audited)</b>
	<b>September 30, 2023</b>	<b>June 30, 2023</b>
<b>----- Rupees -----</b>		
Market value of investments	58,132,557	62,943,167
Less: Carrying value of investments	(60,187,172)	65,101,205
	<b>(2,054,615)</b>	<b>(2,158,038)</b>

## 6.2 Term finance certificates - Impaired

Name of the Investee Company	Secured / Unsecured	Maturity	Profit / mark-up rate	As at July 01, 2022	Purchased during the year	Sold during the year	As at September 30, 2022	Carrying Value as at September 30, 2022	Impairment as at September 30, 2022	Market Value as at September 30, 2022	Percentage in relation to	
											Net assets of the Fund	Total market value of investments of the Fund
Number of certificates								Rupees		%		
Trust Investment Bank Limited (note 5.3.1)	Secured	July 2013	6m KIBOR +1.85%	7,000	-	-	7,000	13,137,043	13,137,043	-	-	-
<b>As at September 30, 2022</b>				7,000	-	-	7,000	13,137,043	13,137,043	-	-	-
<b>As at June 30, 2022</b>				7,000	-	-	7,000	13,137,043	13,137,043	-	-	-

6.2.1 These term finance certificates defaulted on their payment of principal and mark-up due on July 04, 2012. Consequently, the security was classified as non-performing by MUFAP on October 18, 2012. Accordingly, accrual of mark-up on these TFCs has been suspended and mark-up due had been reversed and full provision has been made in accordance with the requirements of SECP circulars and directives issued from time to time and the Board's approved provisioning policy.

	Note	(Un-audited)	(Audited)
		September 30, 2023	June 30, 2023
		Rupees	
<b>7 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>			
Security deposit with National Clearing Company of Pakistan Limited		2,500,000	2,500,000
Profit receivable on balances with banks		284,634	227,310
Dividend receivable		1,856,452	4,599,461
Advance tax		704,251	704,251
Other receivable		-	239
		<u>5,345,337</u>	<u>8,031,261</u>
		(Un-audited)	(Audited)
		September 30, 2023	June 30, 2023
		Rupees	
<b>8 RECEIVABLE FROM THE MANAGEMENT COMPANY</b>			
Reimbursement from the Management Company	8.1	<u>635,000</u>	<u>-</u>
8.1	The Total Expense Ratio (TER) of the Fund shall be within the maximum limit of 4.5% as prescribed under the NBFC Regulations for a collective investment scheme recognised as an asset allocation scheme. However the TER of the fund exceeded the above limit as at September 30, 2023. As a result, the Fund has recorded reimbursement from the Management Company to comply with the TER.		
		(Un-audited)	(Audited)
		September 30, 2023	June 30, 2023
		Rupees	
<b>9 PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY</b>			
Management remuneration payable	9.1	1,889	8,643
Sindh sales tax payable on management remuneration	9.2	245	1,123
Selling and marketing expenses payable	9.4	498,091	183,363
		<u>500,225</u>	<u>193,129</u>
9.1	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 with Minimum rate 0.50% to maximum rate 1.5% (June 30, 2023; 5.00%) as per the following rates.		

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

- 9.2 The Provincial Government of Sindh has levied Sindh sales tax at the rate of 13% (June 30, 2023: 13%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.
- 9.3 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). Currently the Management is not charging any allocated expenses.
- 9.4 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 currently 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 2.00% of average annual net assets (June 30, 2023: 3%).

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- Rupees -----			
<b>10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>			
Remuneration payable to the Trustee	10.1	9,345	10,189
Sindh sales tax payable on remuneration of the trustee	10.2	1,769	1,879
		<u>11,114</u>	<u>12,068</u>

- 10.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed as follows:

Net Assets (Rs.)	Remuneration
up to Rs. 1,000 million	0.20% per annum of net assets.
over Rs. 1,000 million	Rs 2.0 million plus 0.10% per annum of net assets exceeding Rs 1,000 million.

- 10.2 Sindh sales tax at the rate of 13 % (June 30, 2023: 13%) is charged on the Trustee Fee.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>			
Annual fee payable	11.1	6,202	24,714

- 11.1 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 0.0950% of average annual net assets of the Fund.

	Note	(Un-audited) September 30, 2023	(Audited) June 30, 2023
----- (Rupees) -----			
<b>12 ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Transaction charges payable		1,622,776	918,359
Auditors' remuneration payable		806,102	584,358
Printing charges payable		183,263	179,466
Legal and professional charges payable		438,638	371,459
Zakat payable		9,753	9,753
Capital gain tax & withholding tax payable		310,310	237,723
Rating Fee Payable		26,171	160,902
Sales Tax withheld		6,063	-
Listing fee payable		43,024	34,488
Provision for Federal Excise Duty and related Sindh Sales Tax on management fee	12.1	3,497,459	3,497,459
Accrued & other liabilities		176,178	-
		<u>7,119,735</u>	<u>5,993,967</u>

- 12.1** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 3.497 million is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the net asset value of the Fund would have been higher by Re 1.692 (2022: Rs. 1.692) per unit.

### **13 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments as at September 30, 2023 and June 30, 2023.

### **14 TOTAL EXPENSE RATIO**

The Total Expense Ratio (TER) of the Fund as at September 30, 2023 is 4.96% (2022 is 4.97%) which includes 0.46% (2022: 0.59%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an asset allocation scheme.

### **15 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 has distributed the required minimum percentage of income earned by the Fund for the period ended September 30, 2022 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed 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.

### **16 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.

## 17 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 17.1 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 and 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% units of the Fund at year end.
- 17.2 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. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 17.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 17.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 17.5 Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.
- 17.6 The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

	(Un-audited)	
	QUARTER ENDED SEPTEMBER 30,2023	QUARTER ENDED SEPTEMBER 30,2022
	----- (Rupees) -----	
<b>Transactions during the year</b>		
<b>Faysal Asset Management Limited (Management Company)</b>		
Remuneration of the Management Company	245,557	922,129
Sindh sales tax on management remuneration	31,922	119,877
Issue of Nil units (2022: 36,994 units)	-	2,408,653
Redemption of Nil units (2022: 215,131 units)	-	13,308,008
Selling and marketing expenses	313,623	553,277
Reimbursement from the Management Company	635,000	815,000
<b>Faysal Bank Limited (Group / Associated Company)</b>		
Profit on balances with banks	100,782	56,347
Bank charges	218	2,949
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of the Trustee	47,957	69,490
Sindh sales tax on trustee fee	6,234	9,590
<b>Directors, their close family members and Key Management Personnel of the Management Company</b>		
Issue of Nil units (2022: 93 units)	-	6,043

	(Un-audited) September 30, 2023	(Audited) June 30, 2023
	----- (Rupees) -----	
<b>Outstanding balances</b>		
<b>Faysal Asset Management Limited - (Management Company)</b>		
Remuneration payable to the Management Company	1,889	8,643
Sindh sales tax payable on management remuneration	245	1,123
Selling and marketing expenses payable	498,091	184,468
Receivable from the Management Company	635,000	-
<b>Faysal Bank Limited</b>		
Balance in savings account	1,950,615	1,689,996
<b>Central Depository Company of Pakistan Limited - (Trustee)</b>		
Remuneration payable to the Trustee	9,345	10,189
Sindh sales tax payable on remuneration of the trustee	1,769	1,881
<b>Unit holders holding 10% or more units</b>		
Outstanding 769,952 units (June 30, 2023: 769,952 units)	50,608,946	47,367,447

## 18 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

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.

### 18.1 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: 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:

<b>As at September 30, 2023</b>		
At amortized Cost	At fair value through profit or loss	Total

(Rupees)

**Financial Asset**

Balances with bank	16,243,308	-	16,243,308
Investments		58,132,557	58,132,557
Deposits and other receivables	5,345,337	-	5,345,337
Receivable against sale of investments	-	-	-
	<u>21,588,644</u>	<u>58,132,557</u>	<u>79,721,201</u>

**Financial Liabilities**

Payable to Faysal Asset management Limited - Management Company	500,225	-	500,225
Payable to Central Depository Company of Pakistan Limited - Trustee	11,114	-	11,114
Accrued expences and other liabilities	7,119,735	-	7,119,735
Payable against sale of Investments	-	-	-
	<u>7,631,074</u>		<u>7,631,074</u>

**As at June 30, 2023**

At amortized Cost	At fair value through profit or loss	Total
-------------------	--------------------------------------	-------

(Rupees)

**Financial Asset**

Balances with bank	4,613,723		4,613,723
Investments	-	62,943,167	62,943,167
Deposits and other receivables	7,327,010		
Receivable against sale of investments	12,967,468		12,967,468
	<u>24,908,201</u>	<u>62,943,167</u>	<u>80,524,358</u>

**Financial Liabilities**

Payable to Faysal Asset management Limited - Management Company	193,129		193,129
Payable to Central Depository Company of Pakistan Limited - Trustee	12,068		12,068
Accrued expences and other liabilities	2,249,032		2,249,032
Payable against sale of Investments	3,150,375		3,150,375
	<u>5,604,604</u>	<u>-</u>	<u>5,604,604</u>

**19 GENERAL**

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

**20 DATE OF AUTHORISATION FOR ISSUE**

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

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

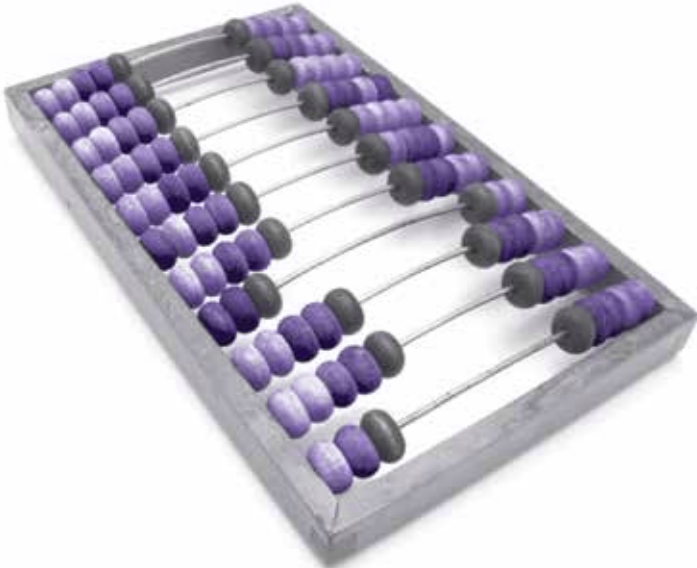
\_\_\_\_\_  
Director



# Faysal Pension Fund

Condensed Interim Financial Statements

For The Quarter Ended September 30, 2023 (Un-Audited)





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## FUND INFORMATION

### Management Company

Faysal Asset Management Limited.

### Board of Directors

Mr. Yousaf Hussain, Chairman  
Syed Majid Ali, Vice Chairman  
Mr. Mian Salman Ali, Director  
Mrs. Samia Zuberi, Director  
Mr. Ali Waqar, Director  
Mr. Nadir Rahman, Chief Executive Officer

### Acting Chief Financial Officer & Company Secretary

Muhammad Umer Ilyas

### Audit Committee

Mrs. Samia Zuberi, Chair Person  
Syed Majid Ali, Member  
Mr. Mian Salman Ali, Member

### HR Committee

Mrs. Samia Zuberi, Chair Person  
Mr. Yousaf Hussain, Member  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Risk Committee

Mr. Mian Salman Ali, Chairman  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Trustee to the Fund

Central Depository Company of Pakistan Limited,  
CDC House, 99B, Block B, S.M.C.H.S, Main  
Shahrah-e-Faisal, Karachi.

### 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  
Shahrah-e-Faisal, Karachi.

### Bankers to the Fund

Faysal Bank Limited  
Bank Al-Habib 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 Pension Fund endeavors to provide individuals with a portable, individualized, funded (based on defined contribution) and flexible pension scheme which is managed by professional investment manager to assist them to plan and provide for their retirement

**FAYSAL PENSION FUND  
STATEMENT OF ASSETS AND LIABILITIES  
AS AT SEPTEMBER 30, 2023**

	September 30, 2023				June 30, 2023				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
<b>Note</b>	----- Rupees -----				----- Rupees -----				
<b>Assets</b>									
Balances with banks	3	105,382	10,282,677	15,479,485	25,867,544	132,130	9,579,734	18,635,279	28,347,143
Investments	4	31,212,773	32,920,767	37,908,762	102,042,302	27,163,871	31,766,720	34,744,850	93,675,441
Advances, deposits and other receivables	6	2,939,015	438,971	577,736	3,955,723	2,885,601	213,717	249,954	3,349,272
Receivable against sale of units		1,312,850	-	-	1,312,850	-	-	-	-
Preliminary expenses and floatation costs	7	51,973	51,973	51,973	155,919	57,309	57,309	57,309	171,927
<b>Total assets</b>		<u>35,621,994</u>	<u>43,694,388</u>	<u>54,017,956</u>	<u>133,334,338</u>	<u>30,238,911</u>	<u>41,617,480</u>	<u>53,687,392</u>	<u>125,543,783</u>
<b>Liabilities</b>									
Payable to Faysal Asset Management Limited - Pension Fund Manager	8	47,444	23,536	24,024	95,004	44,303	21,545	21,545	87,393
Payable to Central Depository Company of Pakistan Limited - Trustee	9	9,291	9,291	9,291	27,872	9,289	9,289	9,289	27,867
Payable to the Securities and Exchange Commission of Pakistan	10	2,243	2,789	3,555	8,588	10,549	13,241	14,624	38,414
Payable against purchases of shares		1,312,839	-	-	1,312,839	-	-	-	-
Payable against redemption of units		-	-	32,714	32,714	-	-	-	-
Accrued and other liabilities	11	473,483	319,280	272,788	1,065,552	286,224	234,231	219,974	740,429
<b>Total liabilities</b>		<u>1,845,300</u>	<u>354,896</u>	<u>342,373</u>	<u>2,542,569</u>	<u>350,365</u>	<u>278,306</u>	<u>265,432</u>	<u>894,103</u>
<b>Net assets</b>		<u>33,776,694</u>	<u>43,339,491</u>	<u>53,675,584</u>	<u>130,791,769</u>	<u>29,888,546</u>	<u>41,339,174</u>	<u>53,421,960</u>	<u>124,649,680</u>
<b>Participants' funds (as per statement attached)</b>		<u>33,776,694</u>	<u>43,339,491</u>	<u>53,675,584</u>	<u>130,791,769</u>	<u>29,888,546</u>	<u>41,339,174</u>	<u>53,421,960</u>	<u>124,649,680</u>
<b>Contingencies and commitments</b>	12								
		----- Number of units -----			----- Number of units -----				
<b>Number of units in issue</b>	15	<u>333,388</u>	<u>345,019</u>	<u>422,066</u>	<u>333,388</u>	<u>345,019</u>	<u>439,379</u>		
		----- Rupees -----			----- Rupees -----				
<b>Net asset value per unit</b>		<u>101.3135</u>	<u>125.6147</u>	<u>127.1733</u>	<u>89.6509</u>	<u>119.8170</u>	<u>121.5853</u>		

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

**Faysal Asset Management Limited  
(Pension Fund Manager)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**FAYSAL PENSION FUND  
INCOME STATEMENT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	For The Quarter Ended September 30, 2023				For The Quarter Ended September 30, 2022				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
<b>Note</b>	Rupees				Rupees				
<b>Income</b>									
Profit on bank balances	24,027	339,410	506,902	870,338	12,514	163,763	115,055	291,332	
Markup / Return on government securities	-	1,799,366	2,058,521	3,857,887	-	1,165,968	1,238,587	2,404,555	
Realised gain / (loss) on sale of investments - net	2,844,000	-	-	2,844,000	978,197	(9,816)	(13,088)	955,293	
Dividend Income	242,310	-	-	242,310	271,838	-	-	271,838	
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	1,109,477	(929)	(1,069)	1,107,479	(293,174)	(8,275)	16,152	(285,297)	
<b>Total income</b>	<b>4,219,814</b>	<b>2,137,847</b>	<b>2,564,354</b>	<b>8,922,015</b>	<b>969,374</b>	<b>1,311,640</b>	<b>1,356,706</b>	<b>3,637,720</b>	
<b>Expenses</b>									
Remuneration of Faysal Asset Management Limited - Pension Fund Manager	8.1	85,268	5,318	6,789	97,375	83,607	-	-	83,607
Sindh sales tax on remuneration of the Pension Fund Manager	8.2	11,085	691	883	12,659	10,869	-	-	10,869
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	25,160	25,160	25,160	75,481	25,205	25,205	25,205	75,616
Sindh sales tax on remuneration of the Trustee	9.2	3,271	3,271	3,271	9,813	3,277	3,276	3,276	9,830
Annual fee to the Securities and Exchange Commission of Pakistan	10	3,411	4,254	5,431	13,096	3,578	3,994	4,110	11,681
Auditors' remuneration		62,168	62,168	62,168	186,505	51,980	51,980	51,980	155,940
Transaction and settlement charges		112,780	8,138	6,894	127,812	198,946	1,130	1,130	201,206
Legal and professional charges		22,076	22,076	22,076	66,228	6,624	13,156	6,624	26,404
Printing charges		828	828	828	2,484	920	920	920	2,760
Amortisation of preliminary expenses and floatation costs	7	5,336	5,336	5,336	16,008	5,336	5,336	5,336	16,008
Bank and settlement charges		283	288	592	1,163	1,956	4,781	7,546	14,283
<b>Total operating expenses</b>		<b>331,666</b>	<b>137,530</b>	<b>139,429</b>	<b>608,625</b>	<b>392,298</b>	<b>109,779</b>	<b>106,127</b>	<b>608,204</b>
<b>Net income for the quarter before taxation</b>		<b>3,888,148</b>	<b>2,000,317</b>	<b>2,424,925</b>	<b>8,313,391</b>	<b>577,076</b>	<b>1,201,861</b>	<b>1,250,578</b>	<b>3,029,515</b>
Taxation	13	-	-	-	-	-	-	-	-
<b>Net income for the quarter after taxation</b>		<b>3,888,148</b>	<b>2,000,317</b>	<b>2,424,925</b>	<b>8,313,391</b>	<b>577,076</b>	<b>1,201,861</b>	<b>1,250,578</b>	<b>3,029,515</b>
<b>Earnings per unit</b>	14								

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

**Faysal Asset Management Limited  
(Pension Fund Manager)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

FAYSAL PENSION FUND  
 STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	For The Quarter Ended September 30, 2023				For The Quarter Ended September 30, 2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees				Rupees			
Net income for the quarter after taxation	3,888,148	2,000,317	2,424,925	8,313,391	577,076	1,201,861	1,250,578	3,029,515
Other comprehensive income for the quarter	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the quarter</b>	<u>3,888,148</u>	<u>2,000,317</u>	<u>2,424,925</u>	<u>8,313,391</u>	<u>577,076</u>	<u>1,201,861</u>	<u>1,250,578</u>	<u>3,029,515</u>

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

Faysal Asset Management Limited  
 (Pension Fund Manager)

\_\_\_\_\_  
 Chief Executive Officer

\_\_\_\_\_  
 Chief Financial Officer

\_\_\_\_\_  
 Director

FAYSAL PENSION FUND  
STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023

	For The Quarter Ended September 30, 2023				For The Quarter Ended September 30, 2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----				----- Rupees -----			
<b>Net assets at the beginning of the period</b>	29,888,546	41,339,174	53,421,960	124,649,680	32,366,188	36,467,233	37,273,126	106,106,547
Amount received on issuance of units	-	-	1,329,000	1,329,000	77,376	290,314	776,166	1,143,857
Amount paid on redemption of units	-	-	(3,500,301)	(3,500,301)	(132,717)	(26,434)	(132,779)	(291,930)
Gain / (loss) on sale of investments - net	2,844,000	-	-	2,844,000	978,197	(9,816)	(13,088)	955,293
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	1,109,477	(929)	(1,069)	1,107,479	(293,174)	(8,275)	16,152	(285,297)
Other income - net	(65,329)	2,001,246	2,425,994	4,361,911	(107,946)	1,219,952	1,247,514	2,359,520
	3,888,148	2,000,317	2,424,925	8,313,391	577,076	1,201,861	1,250,578	3,029,515
<b>Net assets at the end of the period</b>	<u>33,776,694</u>	<u>43,339,491</u>	<u>53,675,584</u>	<u>130,791,770</u>	<u>32,887,923</u>	<u>37,932,975</u>	<u>39,167,091</u>	<u>109,987,989</u>

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

Faysal Asset Management Limited  
(Pension Fund Manager)

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**FAYSAL PENSION FUND  
CASH FLOW STATEMENT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	For The Quarter Ended September 30, 2023				For The Quarter Ended September 30, 2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees				Rupees			
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>								
Net income for the period before taxation	3,888,148	2,000,317	2,424,925	8,313,391	577,076	1,201,861	1,250,578	3,029,515
<b>Adjustments for:</b>								
Amortisation of preliminary expenses and floatation costs	7	5,336	5,336	5,336	16,008	5,336	5,336	16,008
Unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	(1,109,477)	929	1,069	(1,107,479)	293,174	8,275	(16,152)	285,297
	2,784,007	2,006,582	2,431,330	7,221,920	875,586	1,215,472	1,239,762	3,330,821
<b>(Increase) / decrease in assets</b>								
Investments	(2,939,425)	(1,154,976)	(3,164,981)	(7,259,382)	(3,307,600)	568,804	429,327	(2,309,469)
Advances, deposits and other receivables	(53,414)	(225,254)	(327,782)	(606,451)	(67,610)	(141,695)	127,011	(82,293)
Accrued and other liabilities	(1,312,850)	-	-	(1,312,850)	(1,665,935)	-	-	(1,665,935)
	(4,305,689)	(1,380,230)	(3,492,764)	(9,178,683)	(5,041,144)	427,109	556,338	(4,057,697)
<b>(Decrease) / Increase in liabilities</b>								
Payable to Faysal Asset Management Limited - Pension Fund Manager	3,141	1,991	2,479	7,611	86,803	83,788	83,788	254,379
Payable to Central Depository Company of Pakistan Limited - Trustee	2	2	2	5	(1)	(1)	(1)	(3)
Payable to the Securities and Exchange Commission of Pakistan	(8,306)	(10,452)	(11,069)	(29,826)	(9,469)	(11,845)	(13,219)	(34,532)
Payable against purchases of shares	1,312,839	-	-	1,312,839	3,192,683	-	-	3,192,683
Accrued and other liabilities	187,259	85,049	52,814	325,123	136,559	(46,615)	(63,516)	26,427
	1,494,935	76,590	44,227	1,615,752	3,406,575	25,327	7,052	3,438,954
<b>Net cash (used in) / generated from from operating activities</b>	(26,747)	702,943	(1,017,206)	(341,011)	(758,983)	1,667,908	1,803,152	2,712,077
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>								
Receipts from issuance of units	-	-	1,329,000	1,329,000	77,376	290,314	776,166	1,143,857
Payments against redemption of units	-	-	(3,467,587)	(3,467,587)	(132,717)	(26,434)	(132,779)	(291,930)
<b>Net cash generated from financing activities</b>	-	-	(2,138,587)	(2,138,587)	(55,341)	263,881	643,387	851,926
<b>Net increase in cash and cash equivalents</b>	(26,747)	702,943	(3,155,794)	(2,479,598)	(814,324)	1,931,789	2,446,539	3,564,003
Cash and cash equivalents at the beginning of the period	132,130	9,579,734	18,635,279	28,347,143	132,130	9,579,734	18,635,279	28,347,143
<b>Cash and cash equivalents at the end of the period</b>	3	105,382	10,282,677	15,479,485	25,867,544	(682,194)	11,511,523	21,081,818
								31,911,146

The annexed notes from 1 to 20 form an integral part of these condensed financial statements.

**Faysal Asset Management Limited  
(Pension Fund Manager)**

Chief Executive Officer

Chief Financial Officer

Director

**FAYSAL PENSION FUND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

**1.1** Faysal Pension Fund (the Fund) has been established as a trust under the Sindh Trust Act, 2020 under a Trust Deed entered into on July 30, 2021 between Faysal Asset Management Limited as the Pension Fund Manager and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorised constitution of the Fund as a Pension Fund on September 8, 2021 under the Voluntary Pension System Rules, 2005. The Offering Document was approved by the SECP through its letter no. SCD/AMCW/PW/FAML/FPF/44/2021 dated August 9, 2021.

The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 (the VPS Rules) through a certificate of registration issued by the SECP dated August 28, 2020. The registered office of the Pension Fund Manager is situated at 7th Floor, Faysal House, ST-02, Main Shahrah-e-Faisal, Karachi.

**1.2** The units of the Fund are offered to the public for subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in the Voluntary Pension System Rules, 2005 and can be redeemed by surrendering them to the Fund. Further, as per the Offering Document, any income earned shall be accumulated and retained in the respective sub-funds and no distribution of income or dividend shall be allowed from the Pension Fund.

**1.3** The objective of the Fund is to provide individuals with a portable, individualized, funded (based on defined contribution) and flexible pension scheme which is managed by professional investment manager to assist them to plan and provide for their retirement.

**1.4** The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

**1.5** The Pension Fund Manager has been assigned a quality rating of 'AM2++' by VIS Credit Rating Company Limited dated December 30, 2022 (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.

**1.6** The Fund consists of three sub-funds namely, Faysal Pension Fund Equity Sub-Fund (Equity Sub-Fund), Faysal Pension Fund Debt Sub-Fund (Debt Sub-Fund) and Faysal Pension Fund Money Market Sub-Fund (Money Market Sub-Fund) (collectively the "Sub-Funds"). Investment policy for each of the sub-funds is as follows:

**Faysal Pension Fund - Equity Sub-Fund**

Assets of the Equity Sub-Fund shall be invested in equity securities which are listed on the Stock Exchange or in securities of which the application for listing has been approved by the Stock Exchange and Equity Sub-Fund shall be eligible to invest in units of Real Estate Investment Trusts and Exchange Traded Funds provided that entity / sector / group exposure limits as prescribed are complied with. At least ninety percent (90%) of net assets of the Equity Sub-Fund shall remain invested in listed equity securities based on rolling average investment of last ninety days calculated on daily basis. The Pension Fund Manager may make investment maximum up to five (5%) of net assets of Equity Sub-Fund in units of private equity and venture capital funds registered under Private Funds Regulations, 2015. The Pension Fund Manager may make investment maximum up to ten percent (10%) of net assets of Equity Sub-Fund in public offering and pre-initial public offering of equity securities. Investment in equity securities of any single company shall not exceed ten percent (10%) of net assets of Equity Sub-Fund or paid-up capital of that single company, whichever is lower. The Pension Fund Manager may invest up to thirty percent (30%) or the index weight, whichever is higher, subject to maximum of thirty five percent (35%) of net assets of Equity Sub-Fund in equity securities of companies belonging to a single sector as classified by the Pakistan Stock Exchange. The Pension Fund Manager may invest any surplus (un-invested) funds in government securities having less than one-year time to maturity or keep as deposits with scheduled commercial banks which are rated not less than "A". The Pension Fund Manager shall ensure that the investment in equity securities of the certain companies, as specified in the Offering Document, shall not exceed 10% of the net assets of Equity Sub-Fund on monthly average basis.

### **Faysal Pension Fund - Debt Sub-Fund**

The Debt Sub-Fund shall consist of government securities, cash in bank account, money market placements, deposits, certificates of deposit, term deposit receipts, commercial papers, term finance certificates, reverse repo, deposits / placements with microfinance banks and any other approved debt / money market security issued from time-to-time. Rating of any security in the portfolio shall not be lower than "A+". Rating of any NBFC and modaraba with which funds are placed shall not be lower than "AA". Rating of any microfinance bank with which funds are placed shall not be lower than "A+". At least twenty five percent (25%) net assets of the Debt Sub-Fund shall be invested in government securities not exceeding ninety (90) days' maturity or deposit with scheduled commercial banks having not less than "A+" rating. Exposure to any single entity, excluding securities issued by the Federal Government, shall not exceed ten percent (10%) of net assets of the Debt Sub-Fund. Exposure in debt security of an entity, excluding securities issued by the Federal Government, shall not exceed ten percent (10%) of net assets of the Debt Sub-Fund or ten percent (10%) of size of the issue of that debt security, whichever is lower. Exposure to securities issued by entities of a single sector shall not exceed twenty five percent (25%) of net assets of the Debt Sub-Fund. The Pension Fund Manager shall not place funds, including term deposit receipts, PLS saving deposits, certificates of deposit, certificates of investment, money market placements and other clean placements of funds of more than twenty five percent (25%) of net assets of Debt Sub-Fund with all microfinance banks, non-bank finance companies and modarabas. The weighted average time to maturity of securities held in the portfolio of the Debt Sub-Fund, excluding securities issued by the Federal Government, shall not exceed five (5) years.

### **Faysal Pension Fund - Money Market Sub-Fund**

The Money Market Sub-Fund shall consist of government securities, cash and near cash instruments (including cash in bank accounts, but excluding term deposit receipts), treasury bills, money market placements, deposits, certificates of deposit, certificates of musharaka, or any other Islamic mode of placement, term deposit receipts, commercial papers, reverse repo. Rating of any security in the portfolio shall not be lower than "AA". Rating of any NBFC and modaraba with which funds are placed shall not be lower than "AAA". At least ten percent (10%) net assets of the Money Market Sub-Fund shall be invested in government securities not exceeding ninety (90) days' maturity or deposit with scheduled commercial banks having not less than "AA" rating. Exposure to any single entity, excluding securities issued by the Federal Government, shall not exceed ten percent (10%) of net assets of the Money Market Sub-Fund. Exposure in security of an entity, excluding securities issued by the Federal Government, shall not exceed ten percent (10%) of net assets of the Money Market Sub-Fund or ten percent (10%) of size of the issue of that security, whichever is lower. Exposure to securities issued by entities of a single sector shall not exceed twenty five percent (25%) of net assets of the Money Market Sub-Fund. The Pension Fund Manager shall not place funds, including term deposit receipts, PLS saving deposits, certificates of deposit, certificates of investment, money market placements and other clean placements of funds of more than twenty five percent (25%) of net assets of Money Market Sub-Fund with all microfinance banks, non-bank finance companies and modarabas. The weighted average time to maturity of assets of the money market Sub-Fund shall not exceed ninety (90) days. Time to maturity of any asset in the portfolio of Money Market Sub-Fund shall not exceed six (6) months.

- 1.7** The Fund offers four types of allocation schemes, as prescribed by the SECP under VPS Rules 2005 vide its Circular no. 12 of 2021 dated April 06, 2021, to the participants of the Fund, namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has an option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the funds are allocated to the above stated Sub-Funds. A participant has the option to select any allocation scheme in relation to the contributions and shall make such selection at the date of opening his / her individual pension account. A participant may change any allocation scheme selected in relation to his / her contributions to a different allocation scheme selected by him by sending form of the change to the Pension Fund Manager as per the allocation policy approved by the SECP.
- 1.8** As per the Offering Document approved by the SECP, the accounting period, in case of the first such period, shall commence from the date on which the full amount of seed capital is received. Accordingly, these financial statements have been prepared from October 05, 2021.
- 1.9** The comparatives in the condensed interim statements of assets and liabilities presented in the condensed interim financial statements as at September 30, 2023 have been extracted from the annual published audited financial statements of the Fund for the year ended June 30, 2023, whereas there are no 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 as these are the first condensed interim financial statement of the fund for the quarter ended September 30, 2023.

## **2 STATEMENT OF COMPLIANCE**

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

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at September 30, 2023.

### 3 BASIS OF PREPARATION

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Fund for the year ended June 30, 2023.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at September 30, 2023 have been extracted from the annual published audited financial statements of the Fund for the year ended June 30, 2023, whereas, the condensed interim income statement have been extracted from financial statements for the quarter ended September 30, 2022.

### 4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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, 2023.

Note	September 30, 2023			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----			

### 3 BALANCES WITH BANKS

Savings accounts 3.1 105,382 10,282,677 15,479,485 25,867,544

Note	June 30, 2023			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----			

Savings accounts 3.1 132,130 9,579,734 18,635,279 28,347,143

- 3.1 These savings accounts carry profit at rates ranging from 11.00% to 15.50% (June 30, 2023: 11.00% to 15.50%) per annum. Deposits in savings accounts also include Rs. Rs. 20.764 million (June 30, 2023: Rs. 20.764 million) maintained with Faysal Bank Limited, a related party, and carry profit at the rate of 11.00% (June 30, 2023: 11.00%) per annum.

Note	September 30, 2023			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----			

### 4 INVESTMENTS

#### At fair value through profit or loss

Listed equity securities 4.1	31,212,773	-	-	31,212,773
Government Securities - Market Treasury Bills 4.2	-	32,920,767	37,908,762	70,829,529
	<u>31,212,773</u>	<u>32,920,767</u>	<u>37,908,762</u>	<u>102,042,302</u>

Note	June 30, 2023			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----			

#### At fair value through profit or loss

Listed equity securities 4.1	27,163,871	-	-	27,163,871
Government Securities - Market Treasury Bills 4.2	-	31,766,720	34,744,850	66,511,570
	<u>27,163,871</u>	<u>31,766,720</u>	<u>34,744,850</u>	<u>93,675,441</u>

## 4.1 Listed equity securities

Name of the investee company	As at July 1, 2023	Purchased during the period	Bonus / right shares received during the period	Sold during the period	As at September 30, 2023	Carrying value as at September 30, 2023	Market value as at September 30, 2023	Unrealised diminution as at September 30, 2023	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid-up capital of the investee company
						Number of shares held	Rupees	Rupees	%	%	%
<b>CEMENT</b>											
Cherat Cement Company Limited	-	3,280	-	-	3,280	416,232	423,710	7,478	1.36	1.25	0.17
Fauji Cement Company Limited	50,500	-	-	25,000	25,500	299,880	288,405	(11,475)	0.92	0.85	0.10
Lucky Cement Limited	1,970	967	-	1,000	1,937	1,041,178	1,093,127	51,948	3.50	3.24	0.06
Maple Leaf Cement Factory Limited	22,900	22,000	-	15,000	29,900	848,417	895,206	46,789	2.87	2.65	0.28
						2,605,708	2,700,448	94,740	8.65	7.99	
<b>COMMERCIAL BANKS</b>											
Bank Alfalah Limited	40,799	-	-	15,799	25,000	761,000	961,750	200,750	3.08	2.85	0.16
Bank Al Habib Limited	16,220	30,000	-	26,000	20,220	976,926	910,507	(66,419)	2.92	2.70	0.18
BANKISLAMI PAKISTAN LIMITED	30,000	19,185	-	30,000	19,185	260,973	335,546	74,573	1.08	0.99	0.17
Faysal Bank Limited	91,000	-	-	65,000	26,000	524,680	579,800	55,120	1.86	1.72	0.17
Meezan Bank Limited	11,200	17,075	-	5,400	22,875	2,531,658	2,621,704	90,046	8.40	7.76	0.13
						5,055,236	5,409,306	354,070	17.34	16.02	
<b>FERTILIZER</b>											
Engro Fertilizers Limited	8,500	3,700	-	8,523	3,677	300,530	279,158	(21,372)	0.89	0.83	0.03
Engro Corporation Limited	4,330	4,955	-	6,100	3,185	806,608	764,846	(41,762)	2.45	2.26	0.06
						1,107,137	1,044,004	(63,134)	3.34	3.09	
<b>OIL &amp; GAS EXPLORATION COMPANIES</b>											
Mari Petroleum Company Limited	1,210	180	-	1,040	350	535,909	546,035	10,126	1.75	1.62	0.03
Oil & Gas Development Company Limited	27,125	30,550	-	24,000	33,675	3,098,278	3,248,291	150,013	10.41	9.62	0.08
Pakistan Petroleum Limited	41,206	17,050	-	15,000	43,256	2,759,424	3,203,972	444,548	10.26	9.49	0.16
						6,393,611	6,998,297	604,686	22.42	20.73	
<b>OIL &amp; GAS MARKETING COMPANIES</b>											
Pakistan State Oil Company Limited	10,547	21,256	-	10,000	21,803	2,582,949	2,676,100	93,151	8.57	7.92	0.46
						2,582,949	2,676,100	93,151	8.57	7.92	
<b>POWER GENERATION &amp; DISTRIBUTION</b>											
The Hub Power Company Limited	39,192	23,550	-	47,742	15,000	1,134,614	1,324,950	190,336	4.24	3.92	0.12
Engro Powergen Qadirpur Limited	14,000	-	-	14,000	-	-	-	-	0.00	0.00	-
Nishat Chunian Power Limited	84,000	90,000	-	#####	-	-	-	-	0.00	0.00	-
K-Electric Limited	140,000	-	-	-	140,000	240,800	274,400	33,600	0.88	0.81	0.05
						1,375,414	1,599,350	223,936	5.12	4.73	
<b>GLASS &amp; CERAMICS</b>											
Tariq Glass Industries Ltd	12,970	6,500	-	6,500	12,970	982,857	1,018,404	35,547	3.26	3.02	0.75
						982,857	1,018,404	35,547	-	3.02	
<b>MISCELLANEOUS</b>											
TPL Properties Limited	16,400	70,000	-	16,400	70,000	903,369	856,800	(46,569)	2.75	2.54	1.23
						903,369	856,800	(46,569)	2.75	2.54	
<b>PHARMACEUTICALS</b>											
AGP Limited	2,819	-	-	-	2,819	159,217	138,864	(20,353)	0.44	0.41	0.10
Haleon Pakistan Limited	2,000	-	-	-	2,000	280,280	284,960	4,680	0.91	0.84	0.17
						439,497	423,824	(15,673)	1.35	1.25	
<b>INDUSTRIAL ENGINEERING</b>											
Mughal Iron And Steel Industries Ltd	4,000	-	-	4,000	-	-	-	-	0.00	0.00	-
						-	-	-	-	-	
<b>TEXTILE COMPOSITE</b>											
Interloop Limited	-	30,000	-	-	30,000	1,200,944	1,354,800	153,856	4.34	4.01	0.21
						1,200,944	1,354,800	153,856	4.34	4.01	
<b>TECHNOLOGY &amp; COMMUNICATION</b>											
Avanceon Limited	12,850	-	-	6,000	6,850	292,866	312,351	19,485	1.00	0.92	0.18
Octopus Digital Limited	15,525	-	-	4,000	11,525	430,920	434,723	3,803	1.39	1.29	0.73
Air Link Communication Limited	-	50,000	-	-	50,000	1,208,846	1,181,000	(27,846)	3.78	3.50	1.26
Systems Limited*	5,030	7,850	-	6,680	6,200	2,609,902	2,441,746	(168,156)	7.82	7.23	0.21
						4,542,533	4,369,820	(172,713)	13.99	12.94	
<b>CABLES &amp; ELECTRICAL GOODS</b>											
Pak Elektron Limited	-	52,500	-	-	52,500	582,687	521,850	(60,837)	1.67	1.55	0.61
						582,687	521,850	(60,837)	1.67	1.55	
<b>SYNTHETIC &amp; RAYON</b>											
Image Pakistan Limited	-	49,000	-	-	49,000	601,365	626,220	24,855	2.01	1.85	3.72
						601,365	626,220	24,855	2.01	1.85	
<b>AUTOMOBILE ASSEMBLER</b>											
Honda Atlas Cars (Pakistan) Limited	3,701	3,000	-	3,701	3,000	365,453	362,250	(3,203)	1.16	1.07	0.21
Sazgar Engineering Works Limited	-	12,408	-	12,408	-	-	-	-	0.00	0.00	-
						365,453	362,250	(3,203)	1.16	1.07	
<b>FOODS &amp; PERSONAL CARE PRODUCTS</b>											
The Organic Meat Company Limited	14,986	90,000	-	64,986	40,000	854,540	801,600	(52,940)	2.57	2.37	2.96
Matco Foods Limited	-	15,000	-	-	15,000	509,995	449,700	(60,295)	1.44	1.33	1.23
						1,364,535	1,251,300	(113,235)	4.01	3.70	
<b>Total as at September 30, 2023</b>						<b>30,103,296</b>	<b>31,212,773</b>	<b>1,109,477</b>	<b>98.4</b>	<b>92.41</b>	
<b>Total as at June 30, 2023</b>						<b>30,331,569</b>	<b>27,163,871</b>	<b>(3,167,698)</b>			

## 4.2 Government Securities - Market Treasury Bills

### 4.2.1 Debt Sub-Fund

Particulars	Rate of return per annum	Issue date	Face value				September 30, 2023			Market value as a percentage of net assets	Market value as a percentage of total investments
			As at July 1, 2023	Purchased during the year	Sold / Matured during the year	As at September 30, 2023	Carrying value	Market value	Unrealised diminution		
			----- (Rupees) -----								
Market Treasury Bills - 03 Months	13.12%	April 21, 2022	32,000,000	33,000,000	32,000,000	33,000,000	32,921,696	32,920,767	(929)	75.96	100.00
<b>Total as at September 30, 2023</b>						<u>33,000,000</u>	<u>32,921,696</u>	<u>32,920,767</u>	<u>(929)</u>	<u>75.96</u>	<u>100.00</u>

### 4.2.2 Money Market Sub-Fund

Particulars	Rate of return per annum	Issue date	Face value				September 30, 2023			Market value as a percentage of net assets	Market value as a percentage of total investments
			As at July 1, 2021	Purchased during the year	Sold / Matured during the year	As at September 30, 2023	Carrying value	Market value	Unrealised diminution		
			----- (Rupees) -----								
Market Treasury Bills - 03 Months	13.12%	April 21, 2022	35,000,000	38,000,000	35,000,000	38,000,000	37,909,831	37,908,762	(1,069)	70.63	100.00
<b>Total as at September 30, 2023</b>						<u>38,000,000</u>	<u>37,909,831</u>	<u>37,908,762</u>	<u>(1,069)</u>	<u>70.63</u>	<u>100.00</u>

## 6 ADVANCES, DEPOSITS AND OTHER RECEIVABLES

Security deposits with Central Depository Company of Pakistan Limited  
 Security deposits with NCCPL  
 Profit receivable on balances with banks  
 Dividend receivable  
 Advance tax  
 Other receivable

September 30, 2023				
Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----			
	100,000	100,000	100,000	300,000
	2,500,000	-	-	2,500,000
6.1	218,588	328,971	477,604	1,025,163
	120,427	-	-	120,427
	-	-	132	-
	-	10,000	-	10,000
	<u>2,939,015</u>	<u>438,971</u>	<u>577,736</u>	<u>3,955,590</u>

June 30, 2023				
Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----			
	100,000	100,000	100,000	300,000
	2,500,000	-	-	2,500,000
	197,124	103,717	149,954	450,795
	88,477	-	-	88,477
	-	10,000	-	10,000
	<u>2,885,601</u>	<u>213,717</u>	<u>249,954</u>	<u>3,349,272</u>

- 6.1 These include profit receivable amounting to Rs. 23,340 (June 30, 2023: 0.022 million, Rs. 0.075 million and Rs. 0.131 million) for the Equity Sub-Fund, the Debt Sub-Fund and the Money Market Sub-Fund respectively on bank balances held with Faysal Bank Limited, a related party.

## 7 PRELIMINARY EXPENSES AND FLOATATION COSTS

Preliminary expenses and floatation costs incurred  
 Less: amortisation during the period

September 30, 2023				
Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----			
	57,309	57,309	57,309	171,927
7.1	5,336	5,336	5,336	16,008
	<u>51,973</u>	<u>51,973</u>	<u>51,973</u>	<u>155,919</u>

June 30, 2023				
Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees -----			
	78,479	78,479	78,479	235,437
	21,170	21,170	21,170	63,510
	<u>57,309</u>	<u>57,309</u>	<u>57,309</u>	<u>171,927</u>

- 7.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund and are being amortised over a period of three periods commencing from October 05, 2021 as per the requirements set out in the Trust Deed of the Fund and the VPS Rules.

**8 PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - PENSION FUND MANAGER**

September 30, 2023					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note ----- Rupees -----					
Remuneration payable to the Pension Fund Manager	8.1	27,344	1,762	2,194	31,300
Sindh sales tax on remuneration of the Pension Fund Manager	8.2	3,555	229	285	4,069
Preliminary expenses and floatation costs payable		16,545	21,545	21,545	59,635
		<u>47,444</u>	<u>23,536</u>	<u>24,024</u>	<u>95,004</u>

June 30, 2023					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note ----- Rupees -----					
Remuneration payable to the Pension Fund Manager	8.1	24,564	-	-	24,564
Sindh sales tax on remuneration of the Pension Fund Manager	8.2	3,194	-	-	3,194
Preliminary expenses and floatation costs payable		16,545	21,545	21,545	59,635
		<u>44,303</u>	<u>21,545</u>	<u>21,545</u>	<u>87,393</u>

- 8.1** In accordance with the provisions of the VPS Rules, the Pension Fund Manager is entitled to remuneration for its services by way of an annual management fee not exceeding 1.50% of net assets of each Sub-Fund calculated on daily basis. During the period, the Pension Fund Manager has charged its remuneration at the following rates:

1% per annum of average annual net assets in Equity sub fund, and no management fee has been charged in Debt & Money Market Sub Fund for the period ended September 30, 2023

The remuneration is payable to the Pension Fund Manager monthly in arrears.

- 8.2** During the period, Sindh Sales Tax on remuneration of the Pension Fund Manager has been charged at the rate of 13% (June 30, 2023: 13%).

September 30, 2023					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note ----- Rupees -----					
Remuneration of the Trustee	9.1	8,221	8,220	8,221	24,663
Sindh sales tax payable on Trustee remuneration	9.2	1,070	1,070	1,070	3,209
		<u>9,291</u>	<u>9,291</u>	<u>9,291</u>	<u>27,872</u>

**9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE**

June 30, 2023					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note ----- Rupees -----					
Remuneration of the Trustee	9.1	8,220	8,219	8,220	24,659
Sindh sales tax payable on Trustee remuneration	9.2	1,069	1,070	1,069	3,208
		<u>9,289</u>	<u>9,289</u>	<u>9,289</u>	<u>27,867</u>

- 9.1** The Trustee is entitled to a monthly remuneration for services rendered to the Sub-Funds under the provisions of the Trust Deed as per the tariff specified therein which is charged in proportion to the net assets of the pertinent Sub-Fund at the following rates:

Net assets (Rs)	Fee
- up to Rs 1,000 million	Rs 0.3 million or 0.15% per annum of net assets, whichever is higher
- exceeding Rs 1,000 million and upto Rs 3,000 million	Rs 1.5 million plus 0.10% per annum of net assets on amount exceeding Rs 1,000 million
- exceeding Rs 3,000 million and upto Rs 6,000 million	Rs 3.5 million plus 0.08% per annum of net assets on amount exceeding Rs 3,000 million
- exceeding Rs 6,000 million	Rs 5.9 million plus 0.06% per annum of net assets on amount exceeding Rs 6,000 million

- 9.2** During the period, Sindh sales tax on remuneration of the Trustee has been charged at the rate of 13% (June 30, 2023: 13%).

September 30, 2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total

Note ----- Rupees -----

**10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

Annual fee payable	10.1	<u>2,243</u>	<u>2,789</u>	<u>3,555</u>	<u>8,588</u>
--------------------	------	--------------	--------------	--------------	--------------

June 30, 2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total

Note ----- Rupees -----

Annual fee payable	10.1	<u>10,549</u>	<u>13,241</u>	<u>14,624</u>	<u>38,414</u>
--------------------	------	---------------	---------------	---------------	---------------

- 10.1** In accordance with the VPS Rules, each Sub-Fund is required to pay annual fee to the SECP at the rate of one twenty-fifth of one percent (0.04%) of average annual net assets of the Fund, applicable to all Voluntary Pension Schemes.

September 30, 2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total

----- Rupees -----

**11 ACCRUED AND OTHER LIABILITIES**

Auditors' remuneration payable	140,430	140,429	140,430	421,288
Brokerage fee payable	178,281	2,691	660	181,632
Legal and professional charges payable	149,458	141,752	119,458	410,669
Printing charges payable	2,670	2,671	1,599	6,940
Withholding tax payable	1,332	98	314	1,744
Other payable	1,312	31,639	10,328	43,279
	<u>473,483</u>	<u>319,280</u>	<u>272,788</u>	<u>1,065,552</u>

June 30, 2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total

----- Rupees -----

Auditors' remuneration payable	78,261	78,260	78,261	234,782
Brokerage fee payable	76,072	2,692	660	79,424
Legal and professional charges payable	127,382	151,315	107,710	386,407
Printing charges payable	1,842	1,843	1,843	5,528
Withholding tax payable	1,355	121	(1,084)	392
Other payable	1,312	-	-	1,312
Payable against Redemption of Units	-	-	32,584	32,584
	<u>286,224</u>	<u>234,231</u>	<u>219,974</u>	<u>707,845</u>

**12 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at September 30, 2022 (June 30, 2022: Nil).

**13 TAXATION**

The income of the Fund is exempt from income tax under clause 57 (3) (viii) of the Part I of the Second Schedule to the Income Tax Ordinance, 2001.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A (i) 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, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.



September 30, 2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
-----Number of units in issue-----			

## 15 NUMBER OF UNITS IN ISSUE

Total units in issue at the beginning of the period	333,388	345,020	439,378	1,117,786
Add: issuance of units during the period	-	-	10,642	10,642
Less: units redeemed during the period	-	-	27,954	27,954
<b>Total units in issue at the end of the period</b>	<b>333,388</b>	<b>345,020</b>	<b>422,066</b>	<b>1,100,474</b>

June 30, 2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
-----Number of units in issue-----			

## NUMBER OF UNITS IN ISSUE

Total units in issue at the beginning of the period	352,338	352,237	353,908	1,058,483
Add: issuance of units during the period	829	2,939	130,543	134,311
Less: units redeemed during the period	19,779	10,157	45,072	75,008
<b>Total units in issue at the end of the period</b>	<b>333,388</b>	<b>345,020</b>	<b>439,378</b>	<b>1,117,786</b>

## 16 CONTRIBUTION TABLE

September 30, 2023					
Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
Units	Rupees	Units	Rupees	Units	Rupees
Corporate	-	-	-	-	-
Individuals	-	-	-	-	-
	-	-	-	-	-

June 30, 2023					
Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
Units	Rupees	Units	Rupees	Units	Rupees
Corporate	829	78,377	2,939	315,721	103,368
Individuals	-	-	-	-	27,174
	829	78,377	2,939	315,721	130,542
					12,096,344
					3,033,560
					15,129,904

**17 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

- 17.1** Connected persons / related parties include Faysal Asset Management Limited being the Pension Fund Manager, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Pension Fund Manager, 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 their close family members and officers of the Pension Fund Manager and the Trustee, key management personnel, other associated undertakings and unit holders holding more than 10% units of the Fund at period end.
- 17.2** Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates.
- 17.3** Remuneration to the Pension Fund Manager of the Fund is determined in accordance with the provisions of the VPS Rules.
- 17.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the VPS Rules and the Trust Deed.
- 17.5** The details of transactions carried out by the Fund with connected persons / related parties during the period and balances with them as at period end are as follows:

For The Quarter Ended September 30, 2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total

----- Rupees -----

**Transactions during the period:****Faysal Asset Management Limited - Pension Fund Manager**

Remuneration of the Pension Fund Manager	85,268	5,318	6,789	97,375
Sindh sales tax on remuneration of the Pension Fund Manager	11,085	691	883	12,659

**Central Depository Company of Pakistan Limited - Trustee**

Remuneration of the Trustee	25,160	25,160	25,160	75,481
Sindh sales tax on remuneration of the Trustee	3,271	3,271	3,271	9,813
Settlement charges	9,354	7,202	6,101	22,657
Sindh sales tax on settlement charges	1,216	936	793	2,945

**Faysal Bank Limited**

Profit on savings account	2,361	158,519	378,754	539,634
Bank charges	980	4,234	7,032	12,246

For The Quarter Ended September 30, 2022			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total

----- Rupees -----

**Transactions during the period:****Faysal Asset Management Limited - Pension Fund Manager**

Remuneration of the Pension Fund Manager	83,607	-	-	83,607
Sindh sales tax on remuneration of the Pension Fund Manager	10,869	-	-	10,869

**Central Depository Company of Pakistan Limited - Trustee**

Remuneration of the Trustee	25,205	25,205	25,205	75,616
Sindh sales tax on remuneration of the Trustee	3,277	3,276	3,276	9,830
Settlement charges	2,130	1,000	1,000	4,130
Sindh sales tax on settlement charges	277	130	130	537

**Faysal Bank Limited**

Profit on savings account	4,467	143,915	110,160	258,542
Bank charges	980	4,234	7,032	12,246

September 30, 2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total

Amounts / balances outstanding as at period end:

Rupees

**Faysal Asset Management Limited -  
Pension Fund Manager**

Remuneration payable of Pension Fund Manager	27,344	1,762	2,194	31,300
Sindh Sales Tax on remuneration of the Pension Fund Manager	3,555	229	285	4,069
Preliminary expenses and floatation costs payable	16,545	21,545	21,545	59,635
Outstanding 300,000 units - Equity Sub-Fund	30,394,050	-	-	30,394,050
Outstanding 300,000 units - Debt Sub-Fund	-	37,684,410	-	37,684,410
Outstanding 300,000 units - Money Market Sub-Fund	-	-	38,151,990	38,151,990

**Central Depository Company of Pakistan  
Limited - Trustee**

Remuneration payable	8,221	8,220	8,221	24,663
Sindh sales tax payable on Trustee remuneration	1,070	1,070	1,070	3,209
Security deposit	100,000	100,000	100,000	300,000

**Faysal Bank Limited**

Profit receivable on savings account	23,836	182,598	382,098	588,532
Balances with banks	-	5,635,781	12,257,593	17,893,374

June 30, 2023			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total

Amounts / balances outstanding as at period end:

Rupees

**Faysal Asset Management Limited -  
Pension Fund Manager**

Remuneration payable of Pension Fund Manager	24,564	-	-	24,564
Sindh Sales Tax on remuneration of the Pension Fund Manager	3,194	-	-	3,194
Preliminary expenses and floatation costs payable	16,545	21,545	21,545	59,635
Outstanding 300,000 units - Equity Sub-Fund	26,895,270	-	-	26,895,270
Outstanding 300,000 units - Debt Sub-Fund	-	35,945,100	-	35,945,100
Outstanding 300,000 units - Money Market Sub-Fund	-	-	36,475,590	36,475,590

**Central Depository Company of Pakistan  
Limited - Trustee**

Remuneration payable	8,220	8,219	8,220	24,659
Sindh sales tax payable on Trustee remuneration	1,069	1,070	1,069	3,208
Security deposit	100,000	100,000	100,000	300,000

**Faysal Bank Limited**

Profit receivable on savings account	22,474	75,095	131,480	229,049
Balances with banks	15,055	5,640,251	15,464,252	21,119,558

17.6 Other balances due to / from related parties / connected persons are included in the respective notes to the financial statements.

**18 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.

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

		September 30, 2023			
Equity Sub-Fund		Level 1	Level 2	Level 3	Total
----- Rupees -----					
<b>At fair value through profit or loss</b>					
Listed equity securities		31,212,773	-	-	31,212,773
		<u>31,212,773</u>	<u>-</u>	<u>-</u>	<u>31,212,773</u>
		----- Rupees -----			
		June 30, 2023			
Equity Sub-Fund		Level 1	Level 2	Level 3	Total
----- Rupees -----					
<b>At fair value through profit or loss</b>					
Listed equity securities		27,163,871	-	-	27,163,871
		<u>27,163,871</u>	<u>-</u>	<u>-</u>	<u>27,163,871</u>
		----- Rupees -----			
		September 30, 2023			
Debt Sub-Fund		Level 1	Level 2	Level 3	Total
----- Rupees -----					
<b>At fair value through profit or loss</b>					
Government securities - Market Treasury Bills		-	32,920,767	-	32,920,767
		<u>-</u>	<u>32,920,767</u>	<u>-</u>	<u>32,920,767</u>
		----- Rupees -----			
		June 30, 2023			
Debt Sub-Fund		Level 1	Level 2	Level 3	Total
----- Rupees -----					
<b>At fair value through profit or loss</b>					
Government securities - Market Treasury Bills		-	31,766,720	-	31,766,720
		<u>-</u>	<u>31,766,720</u>	<u>-</u>	<u>31,766,720</u>
		----- Rupees -----			
		September 30, 2023			
Money Market Sub-Fund		Level 1	Level 2	Level 3	Total
----- Rupees -----					
<b>At fair value through profit or loss</b>					
Government Securities - Market Treasury Bills		-	37,908,762	-	37,908,762
		<u>-</u>	<u>37,908,762</u>	<u>-</u>	<u>37,908,762</u>
		----- Rupees -----			
		June 30, 2023			
Money Market Sub-Fund		Level 1	Level 2	Level 3	Total
----- Rupees -----					
<b>At fair value through profit or loss</b>					
Government Securities - Market Treasury Bills		-	34,744,850	-	34,744,850
		<u>-</u>	<u>34,744,850</u>	<u>-</u>	<u>34,744,850</u>

**19 GENERAL**

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

**20 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue by the Board of Directors of the Pension Fund Manager on October 20, 2023

**Faysal Asset Management Limited  
(Pension Fund Manager)**

\_\_\_\_\_  
Chief Executive Officer

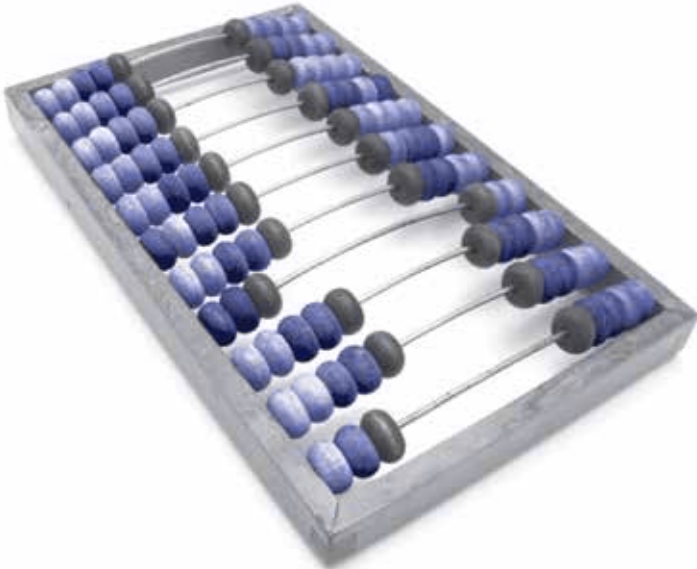
\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

# Faysal Financial Planning Fund

Condensed Interim Financial Statements

For The Quarter Ended September 30, 2023 (Un-Audited)





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## FUND INFORMATION

### Management Company

Faysal Asset Management Limited.

### Board of Directors

Mr. Yousaf Hussain, Chairman  
Syed Majid Ali, Vice Chairman  
Mr. Mian Salman Ali, Director  
Mrs. Samia Zuberi, Director  
Mr. Ali Waqar, Director  
Mr. Nadir Rahman, Chief Executive Officer

### Acting Chief Financial Officer & Company Secretary

Muhammad Umer Ilyas

### Audit Committee

Mrs. Samia Zuberi, Chair Person  
Syed Majid Ali, Member  
Mr. Mian Salman Ali, Member

### HR Committee

Mrs. Samia Zuberi, Chair Person  
Mr. Yousaf Hussain, Member  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Risk Committee

Mr. Mian Salman Ali, Chairman  
Syed Majid Ali, Member  
Mr. Ali Waqar, Member

### Trustee to the Fund

Central Depository Company of Pakistan Limited,  
CDC House, 99B, Block B, S.M.C.H.S, Main  
Shahrah-e-Faisal, Karachi.

### 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  
Shahrah-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 Financial Planning Fund that aims to generate returns on investment as per the respective Allocation Plans by investing in collective investment scheme in line with the risk tolerance, returns & basic needs of the investor.



**FAYSAL FINANCIAL PLANNING FUND  
STATEMENT OF ASSETS AND LIABILITIES  
AS AT SEPTEMBER 30, 2023**

	(Un-audited) September 30, 2023 (Rupees)	(Audited) June 30, 2023 (Rupees)
	----- (Rupees) -----	
<b>Assets</b>		
Balance with bank	4 <span style="border: 1px solid black; padding: 2px;">1,755,225</span>	<span style="border: 1px solid black; padding: 2px;">1,707,534</span>
Profit and other receivable	<span style="border: 1px solid black; padding: 2px;">-</span>	<span style="border: 1px solid black; padding: 2px;">-</span>
<b>Total assets</b>	1,755,225	1,707,534
<b>Liabilities</b>		
Payable to Faysal Asset Management Limited - Management Company	5 <span style="border: 1px solid black; padding: 2px;">-</span>	<span style="border: 1px solid black; padding: 2px;">-</span>
Payable to Central Depository Company of Pakistan Limited - Trustee	6 <span style="border: 1px solid black; padding: 2px;">-</span>	<span style="border: 1px solid black; padding: 2px;">-</span>
Payable to the Securities and Exchange Commission of Pakistan	7 <span style="border: 1px solid black; padding: 2px;">-</span>	<span style="border: 1px solid black; padding: 2px;">-</span>
Payable to unit holders	<span style="border: 1px solid black; padding: 2px;">1,283,995</span>	<span style="border: 1px solid black; padding: 2px;">1,236,304</span>
Accrued expenses and other liabilities	8 <span style="border: 1px solid black; padding: 2px;">471,230</span>	<span style="border: 1px solid black; padding: 2px;">471,230</span>
<b>Total liabilities</b>	1,755,225	1,707,534
<b>Net assets</b>	<u><u>-</u></u>	<u><u>-</u></u>
<b>Unit holders' fund (as per statement attached)</b>	<u><u>-</u></u>	<u><u>-</u></u>
<b>Contingencies and commitments</b>	9	
	----- (Number of units) -----	
<b>Number of units in issue</b>	<u><u>-</u></u>	<u><u>-</u></u>
	----- (Rupees) -----	
<b>Net asset value per unit</b>	<u><u>-</u></u>	<u><u>-</u></u>

The annexed notes from 1 to 15 form an integral part of these financial statements.

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL FINANCIAL PLANNING FUND**  
**INCOME STATEMENT**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Note	Quarter Ended September 30	
		2023	2022
----- (Rupees) -----			
<b>Income</b>			
Profit on balance with bank		-	-
Dividend income		-	-
Back-end load income		-	-
Gain / (loss) on sale of investments - net		-	-
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		-	-
<b>Total income / (loss)</b>		<u>-</u>	<u>-</u>
<b>Expenses</b>			
Remuneration of Faysal Asset Management Limited - Management Company	5.1	-	-
Sindh Sales Tax on remuneration of the Management Company	5.2	-	-
Allocated expenses	5.3	-	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee		-	-
Sindh Sales Tax on remuneration of the Trustee	6.1	-	-
Annual fee to the Securities and Exchange Commission of Pakistan	7.1	-	-
Auditors' remuneration		-	-
Amortisation of preliminary expenses and floatation costs		-	-
Fees and subscription		-	-
Legal and professional charges		-	-
Printing charges		-	-
Bank charges		-	-
Other expenses		-	-
<b>Total expenses</b>		<u>-</u>	<u>-</u>
<b>Net income / (loss) from operating activities</b>		<u>-</u>	<u>-</u>
Reversal of provision for Sindh Workers' Welfare Fund		-	-
<b>Net income / (loss) for the year before taxation</b>		<u>-</u>	<u>-</u>
Taxation	10	-	-
<b>Net income / (loss) for the year after taxation</b>		<u>-</u>	<u>-</u>
<b>Earnings per unit</b>	11		
<b>Allocation of net income for the year</b>			
Net income for the year after taxation		-	-
Income already paid on units redeemed		-	-
		<u>-</u>	<u>-</u>
<b>Accounting income available for distribution</b>			
- Relating to capital gains		-	-
- Excluding capital gains		-	-
		<u>-</u>	<u>-</u>

The annexed notes from 1 to 15 form an integral part of these financial statements.

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

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

**FAYSAL FINANCIAL PLANNING FUND  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	<b>Quarter Ended September 30</b>	
	<b>2023</b>	<b>2022</b>
	<hr/>	
	----- (Rupees) -----	
<b>Net income / (loss) for the year before taxation</b>	-	-
Other comprehensive income for the year	-	-
<b>Total comprehensive income / (loss) for the year</b>	<hr/>	<hr/>
	<hr/> <hr/>	<hr/> <hr/>

The annexed notes from 1 to 15 form an integral part of these financial statements.

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

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

**FAYSAL FINANCIAL PLANNING FUND  
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	<b>(Un-audited)</b>			<b>(Un-audited)</b>		
	<b>Quarter Ended September 30, 2023</b>			<b>Quarter Ended September 30, 2022</b>		
	<b>Capital value</b>	<b>Undistributed income</b>	<b>Total</b>	<b>Capital value</b>	<b>Undistributed income</b>	<b>Total</b>
	----- (Rupees) -----			----- (Rupees) -----		
<b>Net assets at the beginning of the year</b>	-	-	-	-	-	-
Issuance of nil units (2022: nil units)						
- Capital value (at net asset value per unit at the beginning of the year)	-	-	-	-	-	-
- Element of loss	-	-	-	-	-	-
Total proceeds on issuance of units	-	-	-	-	-	-
Redemption of nil units (2022: nil units)						
- Capital value (at net asset value per unit at the beginning of the year)	-	-	-	-	-	-
- Element of income	-	-	-	-	-	-
Total payments on redemption of units	-	-	-	-	-	-
Total comprehensive income / (loss) for the year	-	-	-	-	-	-
<b>Net assets at the end of the year</b>	-	-	-	-	-	-
<b>Undistributed income brought forward</b>						
- Realised income		-			-	
- Unrealised income		-			-	
		-----			-----	
<b>Accounting income available for distribution</b>						
- Relating to capital gains		-			-	
- Excluding capital gains		-			-	
		-----			-----	
Net loss for the year after taxation		-			-	
Undistributed income carried forward		-----			-----	
<b>Undistributed income carried forward</b>						
- Realised income		-			-	
- Unrealised income		-			-	
		-----			-----	
			<b>(Rupees)</b>			<b>(Rupees)</b>
Net asset value per unit at the beginning of the year		-----	-		-----	-
Net asset value per unit at the end of the year		-----	-		-----	-

The annexed notes from 1 to 15 form an integral part of these financial statements.

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

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Director**

**FAYSAL FINANCIAL PLANNING FUND  
CASH FLOW STATEMENT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

	Quarter Ended September 30	
	2023	2022
Note	----- (Rupees) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income / (loss) for the year before taxation	-	-
<b>Adjustments for:</b>		
Amortisation of preliminary expenses and floatation costs	-	-
Reversal of provision for Sindh Workers' Welfare Fund	-	-
	-	-
<b>Decrease in assets</b>		
Investments - net	-	-
Profit and other receivable	-	-
	-	-
<b>Decrease in liabilities</b>		
Payable to Faysal Asset Management Limited - Management Company	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-
Payable to the Securities and Exchange Commission of Pakistan	-	-
Payable to unit holders	47,691	-
Accrued expenses and other liabilities	-	-
	47,691	-
<b>Net cash (used in) / generated from operating activities</b>	47,691	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance of units	-	-
Payments against redemption of units	-	-
<b>Net cash used in from financing activities</b>	-	-
<b>Net (decrease) / increase in cash and cash equivalents during the year</b>	47,691	-
Cash and cash equivalents at the beginning of the year	1,707,534	-
<b>Cash and cash equivalents at the end of the year</b>	4 1,755,225	-

The annexed notes from 1 to 15 form an integral part of these financial statements.

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

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Director

**FAYSAL FINANCIAL PLANNING FUND**  
**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 Faysal Financial Planning Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on February 18, 2019 between Faysal Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The investment activities and administration of the Fund are managed by the Management Company.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at 7th Floor, West Wing, Faysal House, Shahrah-e-Faisal, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

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 16, 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 fund of funds scheme by the Board of Directors of the Management Company pursuant to the provisions contained in circular 7 of 2009 issued by SECP. The Fund aims to generate returns on investment as per the respective Allocation Plans by investing in Collective Investment Scheme in line with the risk tolerance, returns and basic needs of the investor. Currently the Fund is offering one plan i.e. Faysal Active Principal Preservation Plan, with an objective to earn a potentially competitive returns through dynamic asset allocation between sovereign income / money market, equity collective investment schemes and bank deposit by using CPPI methodology, while aiming to provide principal preservation of the initial investment value at maturity of the plan based on the Fund Manager's outlook on the asset classes.
- 1.3 The Management Company has been assigned a quality rating of 'AM2++' by VIS Credit Rating Company Limited dated December 31, 2022 (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.
- 1.4 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.
- 1.5 The initial maturity of Faysal Active Principal Preservation Plan was two years from the close of the initial subscription period (i.e. December 19, 2019). The SECP then granted an extension for a period of six months after which the plan was due to mature on June 19, 2022.

During the year ended June 30, 2022, Faysal Active Principal Preservation Plan (the Plan) was matured on June 17, 2022 by the Management Company as per the provisions of the offering document. However, the duration of the Fund is perpetual and hence, these financial statements have been prepared for the year ended June 30, 2023. Since the Plan has ceased to operate, therefore, the Plan and resultantly the Fund is no longer a going concern. The management has continued to measure the Plan's / Fund's assets and liabilities principally in accordance with the summary of significant accounting policies as disclosed in note 3 to these financial statements. However, in preparing these financial statements, the management has given due consideration to the fact that the measurement of assets and liabilities of the Plan / Fund may be affected by changes in judgements that can arise when the going concern assumption ceases to be valid.

**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 VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulations) 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 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.

## **2.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year**

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on July 1, 2022. However, these do not have any significant impact on the Fund's operations and, therefore, have not been disclosed in these financial statements.

## **2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective**

There are certain 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 do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

## **2.4 Critical accounting estimates and judgments**

The preparation of the financial statements in conformity with the accounting and reporting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities and income and expenses. It also requires the management to exercise judgment in the application of the Fund's accounting policies. The estimates and associated assumptions are based on historical experience and various other factors, including expectation of future events, that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying value of assets and liabilities. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both the current and future years.

The estimates and judgments that have a significant effect on these financial statements of the Fund relate to classification and valuation of financial assets (notes 3.2 and 5).

## **2.5 Accounting convention**

These financial statements have been prepared under the historical cost convention except that investments have been carried at fair values.

## **2.6 Functional and presentation currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupee, which is the Fund's functional and presentation currency.

## **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

### **3.1 Cash and cash equivalents**

These comprise balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

### **3.2 Financial assets**

#### **3.2.1 Initial recognition and measurement**

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

### 3.2.2 Classification

#### 3.2.2.1 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- amortised cost;
- at fair value through other comprehensive income (FVOCI); and
- at fair value through profit or loss (FVPL)

based on the business model of the entity.

The investments of the Fund includes investments in units of mutual funds which are categorised as puttable instruments and are mandatorily required to be classified as 'financial assets at fair value through profit or loss'.

#### 3.2.2.2 Subsequent measurement

Subsequent to initial recognition, financial assets are valued as follows:

##### 'Financial assets at fair value through profit or loss'

##### Basis of valuation in the collective investment scheme

The investments of the Fund in the collective investment scheme are valued on the basis of daily net assets value (NAV) announced by the Management Company.

The fair value of financial instruments i.e. investment in mutual funds is based on their net asset value at the reporting date without any deduction for estimated future selling costs.

Net gains and losses arising from changes in the fair value of financial assets carried 'at fair value through profit or loss' are taken to the Income Statement.

### 3.2.3 Impairment

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and at FVOCI. The Fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

### 3.2.4 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

### 3.2.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all the risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

## 3.3 Financial liabilities

### 3.3.1 Classification and subsequent measurement

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.



### 3.3.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

### 3.4 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the "Statement of Assets and Liabilities" when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### 3.5 Provisions

Provisions are recognised when the Fund has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

### 3.6 Net asset value per unit

The Net Asset Value (NAV) per unit as disclosed in the 'Statement of Assets and Liabilities' is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

### 3.7 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company / distributors receive redemption applications during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

### 3.8 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

### 3.9 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income represents the difference between net asset value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

### 3.10 Revenue recognition

- Gains / (losses) arising on sale of investments are recorded at the date at which the transaction takes place;
- Unrealised gains / (losses) arising on remeasurement of investments classified as financial assets 'at fair value through profit or loss' are recorded in the period in which these arise;
- Dividend income is recognised when the Fund's right to receive the same is established i.e. on the commencement of date of book closure of the investee company declaring the dividend; and
- Profit on balances with banks and other income is recognised on an accrual basis.

### 3.11 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee to the SECP are recognised in the Income Statement on an accrual basis.

### 3.12 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 ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders in cash.

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.

### 3.13 Earnings per unit

Earnings per unit is calculated by dividing the net income for the year after taxation of the Fund by the weighted average number of units outstanding during the year. The determination of earnings per unit is not practicable as disclosed in note 11.

### 3.14 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

		2023	2023
		Faysal Active Principal Preservation Plan	Faysal Active Principal Preservation Plan
		----- (Rupees) -----	
<b>4</b>	<b>BALANCE WTH BANK</b>	<b>Note</b>	
	Balance with bank in savings account	4.1	1,755,225      1,707,534
<b>4.1</b>	This represents balance maintained with Faysal Bank Limited (a related party) that carries mark-up at the rate of 21.00% (2022: 7.00%) per annum.		

		2023	2023
		Faysal Active Principal Preservation Plan	Faysal Active Principal Preservation Plan
		----- (Rupees) -----	
<b>5</b>	<b>PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY</b>	<b>Note</b>	
	Remuneration payable	5.1	-
	Sindh Sales Tax payable on remuneration of the Management Company	5.2	-
	Allocated expenses payable	5.3	-
	Sales load payable		-
			-
			-

**5.1** 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 not charged any remuneration (2022: 1% per annum of the average annual net assets of the Fund) during the year ended June 30, 2023. However, no amount of remuneration is charged on that part of net assets which has been invested in mutual funds managed by the Management Company. The remuneration is payable to the Management Company monthly in arrears.

**5.2** During the year, an amount of Nil (2022: Rs. 0.137 million) was charged on account of sales tax on remuneration of the Management Company levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2022: 13%).

- 5.3** 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 Management Company, based on its own discretion, has not charged allocated expenses to the Fund (2022: 1.20% to 2% per annum of the average annual net assets of the Fund) during the year ended June 30, 2023.

		2023	2023
		Faysal Active Principal Preservation Plan	Faysal Active Principal Preservation Plan
		----- (Rupees) -----	
<b>6</b>	<b>PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>		
	Remuneration payable	-	-
	Sindh Sales Tax payable on remuneration of the Trustee	-	-
		-	-
		-	-

- 6.1** During the year, an amount of Nil (2022: Rs. 0.201 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2022: 13%).

		2023	2023
		Faysal Active Principal Preservation Plan	Faysal Active Principal Preservation Plan
		----- (Rupees) -----	
<b>7</b>	<b>PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>		
	Annual fee payable	-	-
		-	-
		-	-

- 7.1** 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 at the rate of 0.02% (2022: 0.02%) per annum of the daily net assets of the Fund.

		2023	2022
		Faysal Active Principal Preservation Plan	Faysal Active Principal Preservation Plan
		----- (Rupees) -----	
<b>8</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
	Auditors' remuneration payable	316,250	316,250
	Fees and subscription payable	-	-
	Printing charges payable	-	-
	Annual listing fee payable	-	-
	Legal and professional charges payable	154,980	154,980
	Capital gain tax payable	-	-
		471,230	471,230
		471,230	471,230

## **9 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at September 30, 2023 and June 30, 2023.

## **10 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 Fund has not earned any income during the year ended June 30, 2023, therefore no provision for taxation has been made in these financial statements during the year.

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.

## 11 EARNINGS PER UNIT

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

## 12 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

- 12.1** Connected persons / related parties include Faysal Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes being 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 their close family members and officers of the Management Company and the Trustee, key management personnel, other associated undertakings and any person or company beneficially owning directly or indirectly 10% or more of the net assets of the Fund.
- 12.2** 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. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 12.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations.
- 12.4** Remuneration to the Trustee is determined in accordance with the provisions of the Trust Deed.
- 12.5** Allocated expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.
- 12.6** The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

	<b>(Un-audited)</b>	
	<b>Quarter Ended September 30</b>	
	<b>2023</b>	<b>2022</b>
	----- (Rupees) -----	
<b>Transactions during the year</b>		
<b>Faysal Asset Management Limited - Management Company</b>		
Remuneration of the Management Company	-	-
Sindh Sales Tax on remuneration of the Management Company	-	-
Allocated expenses	-	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of the Trustee	-	-
Sindh Sales Tax on remuneration of the Trustee	-	-
<b>Faysal Bank Limited - Group Company</b>		
Profit on balance with bank	-	-
Bank charges	-	-
<b>Faysal Money Market Fund</b>		
<b>(fund managed by the Management Company)</b>		
Investment of Nil units (2022: 36,674,373 units)	-	-
Redemption of Nil units (2022: 39,911,686 units)	-	-
Dividend income	-	-
<b>Faysal Government Securities Fund</b>		
<b>(fund managed by the Management Company)</b>		
Investment of Nil units (2022: 3,595,205 units)	-	-
Redemption of Nil units (2022: 3,595,205 units)	-	-

	(Un-audited) September 30, 2023 (Rupees)	(Audited) June 30, 2022 (Rupees)
	----- (Rupees) -----	
<b>Faysal Islamic Dedicated Equity Fund</b>		
<b>(fund managed by the Management Company)</b>		
Redemption of Nil units (2022: 1,936,895 units)	-	-
<b>Faysal Halal Amdani Fund - Investment in Fund</b>		
<b>(fund managed by the Management Company)</b>		
Investment of Nil units (2022: 13,478,246 units)	-	-
Redemption of Nil units (2022: 13,478,246 units)	-	-
<b>Faysal Cash Fund</b>		
<b>(fund managed by the Management Company)</b>		
Investment of Nil units (2022: 2,300,778 units)	-	-
Redemption of Nil units (2022: 2,200,000 units)	-	-
Dividend income	-	80,499
<b>Amounts / balances outstanding as at year end</b>		
<b>Faysal Asset Management Limited - Management Company</b>		
Remuneration payable	-	-
Sindh Sales Tax payable on remuneration of the Management Company	-	-
Allocated expenses payable	-	-
Sales load payable	-	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	-	-
Sindh Sales Tax payable on remuneration of the Trustee	-	-
<b>Faysal Bank Limited - Group Company</b>		
Balance with bank	1,755,225	-
Profit receivable on balance with bank	-	-

### 13 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

#### 13.1 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 September 30, 2023 and June 30, 2023, the Fund did not held any financial instruments measured at fair value.

**14 GENERAL**

**14.1** Figures have been rounded off to the nearest Rupees, unless otherwise stated.

**15 DATE OF AUTHORISATION FOR ISSUE**

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

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

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**Chief Financial Officer**

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**Chief Executive Officer**

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**Director**