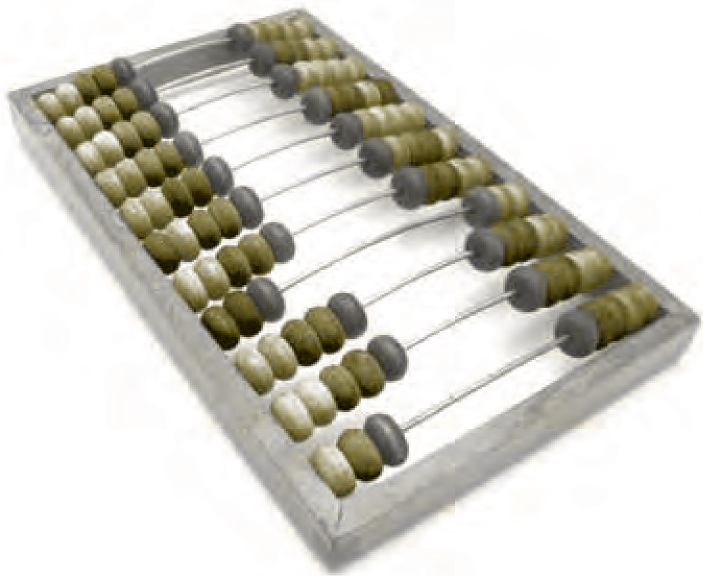
faysalfunds
The Art of Investment

Faysal Islamic Stock Fund

Financial Statements

For The Year Ended June 30, 2024



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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
Mr. Ehsan Zafar Puri, Director

Chief Financial Officer & Company Secretary
Mr. Salman Muslim

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

Board Strategy Committee
Mr. Yousaf Hussain, Chairman
Syed Majid Ali, Member
Mr. Mian Salman Ali, Member
Mr. Ehsan Zafar Puri, 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
Habib bank Limited (Islamic Banking)
Meezan Bank Limited

MISSION AND VISION

To provide world class investment management and advisory services for the benefit of clientele looking to maximize their financial returns while minimizing risk.

To amplify our client-centricity by inspiring innovation, championing customer service, generating competitive returns, and honoring the utmost ethical and professional standards.

MISSION STATEMENT

Faysal Islamic Stock Fund (FISF) endeavors to provide investors with an opportunity to earn capital growth by investing in a large pool of fund representing Shariah compliant equity investment in a broad range of sectors and financial instruments.

FUND MANAGER'S REPORT

ECONOMIC REVIEW

In 3QFY24, Pakistan's GDP experienced an YoY growth of 2.09%, with a marginal QoQ increase of 0.12%. The Services sector remained flat at 0.83%, offsetting gains in the Industrial and Agriculture sectors, which saw advances of 3.84% and 3.94%, respectively. Albeit Large-Scale Manufacturing Index growth was trivial at 1.47%, improvements in the small-scale sector supported overall industrial growth. Looking ahead, the country's growth rate is likely to be lower than anticipated in the 1HFY25, before gaining momentum in the 2HFY25 due to projected interest rate cuts that could stimulate industrial growth.

Pakistan's external account continued to exhibit improvement, with the Current Account Deficit (CAD) clocking in at ~USD 665mn during FY24, down from ~USD 3.3bn in SPLY. This steep reduction is primarily due to a 12% YoY increase in exports, reaching ~USD 31bn, and an 11% YoY rise in remittances, totaling ~USD 30.2bn. On a QoQ basis, the CAD was ~USD 0.07bn, supported by increased exports and remittances. The trade deficit also improved, decreasing by roughly 11% to USD 22bn in FY24 from USD 24.8bn in the SPLY, attributed to rising exports and declining imports.

The PKR appreciated by ~2.62% since Jun-23, closing 4QFY24 at PKR 278.34 against the USD. Foreign exchange reserves rose by about 10% QoQ to USD 14 bn, driven by strong inflows and roll-overs, including support from the IMF, GCC countries, and FDIs predominantly from China. The FX Reserves improved significantly from USD 9.1bn at the end of June 2023, enhancing the imports cover to above 1.5 months.

The average inflation clocked in at ~24% in FY24, down from ~29.4% in FY23. However, Core inflation rose to about 18.9% in FY24 from 17.8% in the SPLY. However, on QoQ basis, it dropped from 18.1% in 3QFY24 to 14.6% in 4QFY24. Despite higher fuel, power, and food inflation, the appreciation of the PKR and lower international commodity prices helped moderate inflation.

The Federal Board of Revenue (FBR) collected ~PKR 9,285bn in taxes during FY24, surpassing the target of PKR 9,252bn, and marking a 29% YoY increase from PKR 7,167bn in the SPLY. This growth was mainly on account of increased direct taxes and Petroleum Development Levy (PDL), while tax collection on imports remained subdued due to import compression.

Looking forward, the economic outlook for the upcoming quarters is optimistic, bolstered by the IMF program and anticipated rate cuts (a cumulative 250 bps in the last two Monetary Policy Committee meetings). The potential economic rebound FY25, a downward trend in inflation, and PKR stability are key factors supporting this outlook.

Equities review:

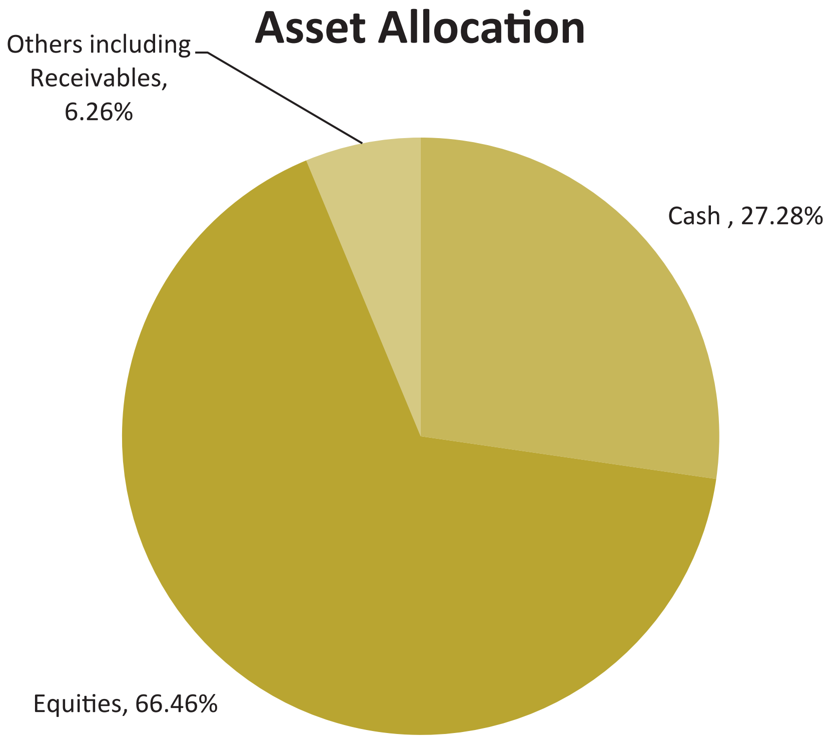
During FY24, the index surged by ~79% from 41,453 points at the end of Jun’23 to 78,445 points. Positive developments on the external front (IMF program success and reapproval, stable PKR, modest Fx reserves), as well as diminishing inflationary pressures and political stability among others, bolstered investor sentiment during the year.

During the FY24, Foreigners and Insurance drove the market with a net purchase of ~USD 152m and ~USD 126m. On the flipside, Banks/DFIs, Individuals, Mutual Funds and Others were net sellers to the tune of ~USD 141mn, ~USD 59mn, ~USD 47mn and ~USD 33m respectively.

During FY24 the sectors which contributed positively to the index include Banks (13,262 points), Fertilizer (5,074 points), Oil & Gas Exploration Companies (4,300 points), Power Generation & Distribution (4,192 points), Cement (2,513 points) and Automobile Assembler (1,095 points). The sectors which dragged in the bourse in FY24 majorly include Technology & Communication (-52 points) and Textile Spinning (-17 points). The market experienced a sustained bull run in FY24, driven by improving macroeconomic indicators, rising corporate profitability, expectations of a rate cut in 2HFY24, and attractive market valuations.

Fund Information	
Fund Type	Open Ended
Category	Shariah Compliant Equity Scheme
Risk Profile	High
Launch Date	July 24, 2020
Custodian/Trustee	CDC
Auditor	A.F. Ferguson & Co.
Management Fee	Up to 2% of Average Annual N.A. (Actual Rate of Management Fee Charged is 0.50%)
Selling and Marketing Expense	0.00%
Front/Back end Load	FEL up to 3% of NAV & BEL 0%
Min Subscription	PKR 5,000
Benchmark	KMI 30 Index
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	Mon - Thu 9:00 am - 3:30 pm, Fri 9:00 am - 4:30 pm
AMC Rating	AM2++ (VIS) December 29, 2023
NAV per Unit (PKR)	93.86
Net Assets (mn)	141
Net Assets (PKR mn) excluding FoF	141
Total Expense Ratio (Annualized)	4.20%
Total Expense Ratio (Monthly)	4.50%

Fund Returns (% p.a)		
	FY24	**FY23**
YTD	70.24%	-10.97%
Benchmark (YTD)	78.70%	2.88%



FUND PERFORMANCE

During FY24, the fund posted an absolute return of 70.24% against its benchmark return of 78.70%. The fund's exposure in Equities, Cash and Others stood at 66.46%, 27.28% and 6.26% of assets, respectively. During this period, an overweight stance relative to the KMI-30 index was taken in the Oil & Gas sector and pharmaceutical sector, whereas an underweight stance was taken in the remaining sectors.

بسم الله الرحمن الرحيم

الحمد لله رب العالمين,والصلاة والسلام على خاتم النبيّين وسيد المرسلين,

وعلى آله واصحابه أجمعين.أمّا بعد

Annual Report
of
Faysal Islamic Stock Fund

August 22, 2024

By the blessing of ALLAH, the year ended 30 June, 2024 under analysis of **Faysal Islamic Stock Fund (FISF).** I, as the Shariah Advisor of the fund am issuing the report in accordance with the trust deed of the fund. The scope of the report is to express an opinion on the Shariah Compliance of the fund's activities.

In the capability of Shariah Advisor, I have set out criteria and guideline to be followed in ensuring Shariah Compliance in the each and every transaction.
It is the responsibility of the management of the fund to establish and maintain a system of internal control to ensure Shariah Compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the management company' personal and review of various documents prepared by the management company to comply with the prescribed criteria.

In the light of above, I hereby certify that:

- I have reviewed and approved the modes of investment of **FISF** in light of the Shariah guidelines.
- All the provisions of the scheme and investment made on account of **FISF** by **FAML** Fund Managers are Shariah Compliant and in accordance with the criteria established.

On the basis of information provided by the management, all operations of **Faysal Islamic Stock Fund (FISF).** for year ended 30 June 2024 have been in compliance with the Shariah Principles.

May Allah make us successful and accept efforts of the management company for developing of Islamic Finance System.

وصلى الله على حبيبه محمد صلى الله عليه وسلم

Farooqi

Abdul Zahid Farooqi
Shariah Advisor
Faysal Asset Management Limited

Mufti Abdul Zahid Farooqi
Shariah Advisor
Faysal Asset Management Ltd

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

FAYSAL ISLAMIC STOCK FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of Faysal Islamic Stock Fund (the Fund) are of the opinion that Faysal Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2024 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 24, 2024

CENTRAL DEPOSITORY

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INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Faysal Islamic Stock Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Faysal Islamic Stock Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Net Asset Value** (Refer notes 4 and 5 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks of the Fund as at June 30, 2024 amounted to Rs. 50.05 million and investments aggregated to Rs. 121.91 million. The existence of balances with banks and existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: • Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; • Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and • Obtained bank reconciliation statements and tested reconciling items on a sample basis.

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A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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KARACHI LAHORE ISLAMABAD

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Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Shahbaz Akbar.**

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A. F. Ferguson & Co.
Chartered Accountants
Dated: September 27, 2024
Karachi
UDIN: AR202410068R0I6ywUko

STATEMENT OF ASSETS AND LIABILITIES

As at June 30, 2024

	Note	2024	2023
		------------- (Rupees) -------------	
Assets			
Balances with banks	4	50,054,801	34,595,999
Investments	5	121,914,755	348,201,544
Deposits, profit and other receivable	6	1,532,651	3,776,755
Preliminary expenses and floatation costs	7	307,675	600,175
Receivable against sale of investments		10,143,854	60,648,150
Total assets		183,953,736	447,822,623
Liabilities			
Payable to Faysal Asset Management Limited - Management Company	8	724,359	2,435,226
Payable to Central Depository Company of Pakistan Limited - Trustee	9	35,559	70,186
Payable to the Securities and Exchange Commission of Pakistan	10	13,385	88,151
Payable against redemption of units		31,122,795	36,886,887
Payable against purchase of investments		3,091,977	53,828,685
Accrued expenses and other liabilities	11	8,311,211	4,109,768
Total liabilities		43,299,286	97,418,903
Net assets		140,654,450	350,403,720
Unit holders' fund (as per statement attached)		140,654,450	350,403,720
Contingencies and commitments	12		
		--------- (Number of units) ---------	
Number of unit in issue		1,498,596	3,736,135
		--------- (Rupees) ---------	
Net asset value per unit		93.86	93.79

The annexed notes from 1 to 28 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

INCOME STATEMENT
For The Year Ended June 30, 2024

	Note	2024	2023
		------------ (Rupees) ------------	
Income			
Profit on balances with banks		8,111,962	6,088,942
Dividend income		28,824,907	41,605,014
Realised gain / (loss) on sale of investments		223,217,055	(28,233,723)
Unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.2	8,409,770	(9,034,853)
Other income		-	188,705
Total income		268,563,694	10,614,085
Expenses			
Remuneration of Faysal Asset Management Limited - Management Company	8.1	3,110,384	7,146,699
Sindh sales tax on remuneration of the Management Company	8.2	404,350	929,071
Selling and marketing expenses	8.3	589,570	5,228,158
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	810,532	881,760
Sindh sales tax on remuneration of the Trustee	9.2	105,369	114,629
Fee of the Securities and Exchange Commission of Pakistan	10.1	383,980	88,176
Auditors' remuneration	13	786,580	541,693
Transaction charges		10,028,278	6,319,804
Legal and professional charges		261,459	91,590
Shariah advisory fee		167,189	84,528
Amortisation of preliminary expenses and floatation costs	7	292,500	291,702
Bank charges		11,284	12,166
Printing charges		9,883	27,156
Total expenses		16,961,358	21,757,132
Net income / (loss) for the year before taxation		251,602,336	(11,143,047)
Taxation	14	-	-
Net income / (loss) for the year after taxation		251,602,336	(11,143,047)
Earnings per unit	15		
Allocation of net income for the year			
Net income for the year after taxation		251,602,336	-
Income already paid on units redeemed		(239,943,977)	-
		11,658,359	
Accounting income available for distribution			
- Relating to capital gains		11,658,359	-
- Excluding capital gains		-	-
		11,658,359	-

The annexed notes from 1 to 28 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

STATEMENT OF COMPREHENSIVE INCOME

For The Year Ended June 30, 2024

	2024	2023
	------------- (Rupees) -------------	
Net income / (loss) for the year after taxation	251,602,336	(11,143,047)
Other comprehensive income for the year	-	-
Total comprehensive income / (loss) for the year	251,602,336	(11,143,047)

The annexed notes from 1 to 28 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

For The Year Ended June 30, 2024

	2024			2023		
	Capital value	Accumulated loss	Total	Capital value	Accumulated loss	Total
	--------(Rupees)--------			--------(Rupees)--------		
Net assets at the beginning of the year	466,910,642	(116,506,922)	350,403,720	610,691,589	(105,363,875)	505,327,714
Issuance of 26,961,198 units (2023: 33,003,907 units)						
- Capital value (at net asset value per unit at the beginning of the year)	2,528,690,728	-	2,528,690,728	3,476,961,633	-	3,476,961,633
- Element of income	730,969,022	-	730,969,022	(145,703,435)	-	(145,703,435)
Total proceeds on issuance of units	3,259,659,750		3,259,659,750	3,331,258,198	-	3,331,258,198
Redemption of 29,198,737 units (2023: 34,064,361 units)						
- Capital value (at net asset value per unit at the beginning of the year)	(2,738,549,556)		(2,738,549,556)	(3,588,680,482)	-	(3,588,680,482)
- Element of loss	(683,838,470)	(239,943,977)	(923,782,447)	113,641,337	-	113,641,337
Total payments on redemptions of units	(3,422,388,026)	(239,943,977)	(3,662,332,003)	(3,475,039,145)	-	(3,475,039,145)
Total comprehensive income for the year	-	251,602,336	251,602,336	-	(11,143,047)	(11,143,047)
Final cash distribution for the year ended June 30, 2024 @ Rs.65.76 per unit declared on June 28, 2024	(47,027,559)	(11,651,794)	(58,679,353)	-	-	-
Net income / (loss) for the year less distribution	(47,027,559)	239,950,542	192,922,983	-	(11,143,047)	(11,143,047)
Net assets at the end of the year	257,154,807	(116,500,357)	140,654,450	466,910,642	(116,506,922)	350,403,720
Accumulated loss brought forward						
- Realised loss		(107,472,069)			(38,063,296)	
- Unrealised loss		(9,034,853)			(67,300,579)	
		(116,506,922)			(105,363,875)	
Net loss for the year after taxation		-			(11,143,047)	
Accounting income available for distribution						
- Relating to capital gains		11,658,359			-	
- Excluding capital gains		-			-	
		11,658,359			-	
Final cash distribution for the year ended June 30, 2024 @ Rs.65.76 per unit declared on June 28, 2024		(11,651,794)			-	
Accumulated loss		(116,500,357)			(116,506,922)	
Accumulated loss carried forward						
- Realised loss		(124,910,127)			(107,472,069)	
- Unrealised income / (loss)		8,409,770			(9,034,853)	
		(116,500,357)			(116,506,922)	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the year			93.79			105.35
Net asset value per unit at the end of the year			93.86			93.79

The annexed notes from 1 to 28 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

CASH FLOW STATEMENT
For The Year Ended June 30, 2024

	Note	2024	2023
		------------- (Rupees) -------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income / (loss) for the year before taxation		251,602,336	(11,143,047)
Adjustments for:			
Unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		(8,409,770)	9,034,853
Amortisation of preliminary expenses and floatation costs	7	292,500	291,702
		243,485,066	(1,816,492)
Decrease / (increase) in assets			
Investments		234,696,559	24,074,146
Deposits, profit and other receivable		2,244,104	(11,048)
Receivable against sale of investments		50,504,296	(19,126,456)
Receivable from Faysal Asset Management Limited - Management Company		-	(776,927)
		287,444,959	5,713,569
(Decrease) / increase in liabilities			
Payable to Faysal Asset Management Limited - Management Company		(1,710,867)	(592,092)
Payable to Central Depository Company of Pakistan Limited - Trustee		(34,627)	(28,940)
Payable to the Securities and Exchange Commission of Pakistan		(74,766)	(40,987)
Payable against purchase of investments		(50,736,708)	53,828,685
Accrued expenses and other liabilities		4,201,443	1,242,308
		(48,355,525)	54,408,974
Net cash generated from operating activities		482,574,500	58,306,051
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipt against issuance of units - net of refund of capital		3,212,632,191	3,331,258,198
Dividend Distribution		(11,651,794)	-
Payment against redemption of units - net		(3,668,096,095)	(3,438,152,258)
Net cash used in financing activities		(467,115,698)	(106,894,060)
Net increase / (decrease) in cash and cash equivalents during the year		15,458,802	(48,588,009)
Cash and cash equivalents at beginning of the year		34,595,999	83,184,008
Cash and cash equivalents at the end of the year	4	50,054,801	34,595,999

The annexed notes from 1 to 28 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Faysal Islamic Stock Fund (the Fund) is an open end mutual fund established through a Trust Deed under the Trust Act, 1882, entered into on February 25, 2019 between Faysal Asset Management Limited (FAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. This 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). 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). The Fund was required to be registered under the Sindh Trust Act. Accordingly, on September 9, 2021 the above-mentioned Trust Deed had been registered under the Sindh Trust Act.

1.2 The Management Company of the Fund has been licensed by the SECP 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, Faysal House, ST-02, Main Shahrah-e-Faisal, Karachi, Pakistan. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

1.3 The Fund has been categorised as a 'Shariah Compliant Open Ended Equity 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 July 24, 2020 and are transferable and redeemable by surrendering them to the Fund.

1.4 According to the Trust Deed, the objective of the Fund is to provide a reasonable rate of return along with maximum possible preservation of capital by investing in Shariah compliant listed equity securities. The investment objectives and policies are explained in the Fund's offering document.

1.5 The Management Company has been assigned a quality rating of 'AM2++' by VIS Credit Rating Company Limited dated December 29, 2023 (June 30, 2023: 'AM2++' dated December 30, 2022). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.6 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.

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 Accounting 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 Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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2.2 Standards, interpretations and amendments to the 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 annual accounting period beginning on July 1, 2023. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and hence, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Fund which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

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

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and

- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

2.4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying 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 current and future years.

The estimates and judgments that have a significant effect on the 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 for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values.

2.6 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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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 and subsequent measurement

3.2.2.1 Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the “Statement of Assets and Liabilities” at fair value, with gains and losses recognised in the “Income Statement”, except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI. The management considers its investment in equity securities being managed as a group of assets and hence has classified them as FVPL. Accordingly, the irrevocable option has not been considered.

The dividend income for equity securities classified under FVPL is recognised in the Income Statement.

Since all investments in equity instruments have been designated as FVPL, the subsequent movement in the fair value of equity securities is routed through the Income Statement.

3.2.3 Impairment (other than debt securities)

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. 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.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

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.

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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 Issue 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 at the close of the business day, plus the allowable sales load, provision of any duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company / distributors receive redemption applications during business hours on that date. The redemption price represents the NAV as on the close of the business day, less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

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 for 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 / (loss) 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 year. 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 included in Income Statement and are recognised when the transaction takes place.

- Unrealised appreciation / (diminution) arising on re-measurement of securities classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the period in which they arise.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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- Dividend income is recognised when the Fund's right to receive the same is established, i.e. on the date of commencement of book closure of the investee company / institution declaring the dividend.

- Profit on saving accounts with banks is recognised on an accrual basis.

3.11 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company, Trustee and fee of SECP are recognised in the Income Statement on an accrual basis.

3.12 Preliminary expenses and floatation costs

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 5 years in accordance with the requirements set out in the trust deed of the Fund.

3.13 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.

3.14 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

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 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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.

3.15 Earnings / (loss) per unit

Earnings per unit is calculated by dividing the net income / (loss) 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 15.

4 BALANCES WITH BANKS	**Note**	**2024**	**2023**
		---------------- (Rupees)	----------------
Savings accounts	4.1	50,054,801	34,595,999

4.1 These saving accounts carry profit rates ranging between 6.50% to 20.00% (2023: 6.50% to 20.40%) per annum. Deposits in savings accounts also include Rs. 2.227 million (2023: Rs. 0.042 million) maintained with Faysal Bank Limited, a related party and carry profit at the rate of 20.00% (2023: 20.40%) per annum

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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5	INVESTMENTS	Note	2024	2023
			---------------- (Rupees) ----------------	
	At fair value through profit or loss			
	Shares of listed companies - 'ordinary shares'	5.1	121,914,755	348,201,544

5.1 Shares of listed companies - 'ordinary shares'

Name of the investee company	------------------Number of Shares----------------------					Balance as at June 30, 2024			Investment as a percentage of		
	As at July 1, 2023	Purchased during the year	Bonus / right shares received during the year	Sold during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised (diminution) / appreciation on re-measurement of investments	net assets of the Fund	total market value of investments of the Fund	Paid-up-capital of the investee company (with face value of investments)
	---------------- Number of shares held -----------------					------------------ Rupees --------------------			----------- Percentage ------------		
Chemicals											
Descon Oxychem Limited	337,000	146,000	-	483,000	-	-	-	-	-	-	-
Engro Polymer and Chemicals Limited	-	539,723	-	511,123	28,600	1,265,942	1,284,712	18,770	0.91%	1.05%	0.01%
Lotte Chemical Pakistan Limited	132,053	220,000	-	352,053	-	-	-	-	-	-	-
Dynea Pakistan Limited	-	23,550	-	17,400	6,150	1,268,874	1,386,948	118,074	0.99%	1.14%	1.47%
									1.90%	**2.19%**	**1.48%**
Engineering											
Agha Steel Industries Limited	150,000	125,000	-	275,000	-	-	-	-	-	-	-
International Industries Limited	-	97,241	-	87,341	9,900	1,902,006	1,937,529	35,523	1.38%	1.59%	0.15%
International Steels Limited	-	340,832	-	340,832	-	-	-	-	-	-	-
Mughal Iron and Steel Industries Limited	120,071	299,445	-	419,516	-	-	-	-	-	-	-
									1.38%	**1.59%**	**0.15%**
Commercial Banks											
Bankislami Pakistan Limited	325,000	773,000	-	1,098,000	-	-	-	-	-	-	-
Faysal Bank Limited	389,415	1,402,231	-	1,726,696	64,950	2,961,348	3,405,978	444,630	2.42%	2.79%	0.02%
Meezan Bank Limited	284,993	690,386	-	930,503	44,876	9,720,015	10,742,866	1,022,851	7.64%	8.81%	0.06%
									10.06%	**11.60%**	**0.08%**
Textile Composite											
Nishat Mills Limited	-	229,550	-	229,550	-	-	-	-	-	-	-
Interloop Limited	-	756,114	-	691,796	64,318	5,060,890	4,555,644	(505,246)	3.24%	3.74%	0.03%
									3.24%	**3.74%**	**0.03%**
Cables and Electrical Goods											
Pak Elektron Limited	-	736,342	-	736,342	-	-	-	-	-	-	-
									-	**-**	**-**
Automobile Assembler											
Honda Atlas Cars (Pakistan) Limited	-	33,404	-	33,404	-	-	-	-	-	-	-
Millat Tractors Limited	7,294	-	-	7,294	-	-	-	-	-	-	-
Pak Suzuki Motor Company Limited	-	64,701	-	64,701	-	-	-	-	-	-	-
Sazgar Engineering Works Limited	-	191,500	-	191,500	-	-	-	-	-	-	-
									-	**-**	**-**
Cement											
Cherat Cement Company Limited	150,635	497,183	-	647,818	-	-	-	-	-	-	-
D.G. Khan Cement Company Limited	-	360,862	-	352,162	8,700	721,384	785,349	63,965	0.56%	0.64%	0.02%
Attock Cement Pakistan Limited	-	136,309	-	111,336	24,973	2,461,244	2,425,877	(35,367)	1.72%	1.99%	0.18%
Fauji Cement Company Limited	1,438,000	4,751,000	-	5,765,025	423,975	9,159,623	9,713,267	553,644	6.91%	7.97%	0.04%
Kohat Cement Company Limited	25,082	64,458	-	89,540	-	-	-	-	-	-	-
Lucky Cement Limited	30,770	169,579	-	192,578	7,771	6,656,062	7,046,199	390,137	5.01%	5.78%	0.24%
Maple Leaf Cement Factory Limited	659,773	2,814,546	-	3,368,258	106,061	4,082,717	4,030,318	(52,399)	2.87%	3.31%	0.04%
Pioneer Cement Limited	535	442,641	-	417,641	25,535	3,901,944	4,306,478	404,534	3.06%	3.53%	0.19%
									20.13%	**23.22%**	**0.70%**
Automobile Parts and Accessories											
Exide Pakistan Limited	-	4,825	-	2,270	2,555	1,185,158	1,505,687	320,529	1.07%	1.24%	1.94%
Thal Limited	-	25,280	-	18,264	7,016	2,260,618	3,391,113	1,130,495	2.41%	2.78%	0.84%
									3.48%	**4.02%**	**2.78%**
Glass and Ceramics											
Tariq Glass Industries Limited	264,088	541,750	-	794,088	11,750	1,342,732	1,369,463	26,731	0.97%	1.12%	0.08%
									0.97%	**1.12%**	**0.08%**
Fertilizer											
Engro Corporation Limited	107,439	406,041	-	499,774	13,706	4,542,433	4,560,123	17,690	3.24%	3.74%	0.08%
Engro Fertilizers Limited	255,656	804,982	-	1,031,996	28,642	4,269,297	4,760,873	491,576	3.38%	3.91%	0.04%
									6.62%	**7.65%**	**0.12%**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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Name of the investee company	Number of Shares					Balance as at June 30, 2024			Investment as a percentage of		
	As at July 1, 2023	Purchased during the year	Bonus / right shares received during the year	Sold during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised (diminution) / appreciation on re-measurement of investments	net assets of the Fund	total market value of investments of the Fund	Paid-up-capital of the investee company (with face value of investments)
	Number of shares held					Rupees			Percentage		
Foods & Personal Care Products											
At-Tahur Limited	-	92,500	-	92,500	-	-	-	-	-	-	-
Fauji Foods Limited	-	250,000	-	250,000	-	-	-	-	-	-	-
The Organic Meat Company Limited	-	1,107,500	10,395	1,117,895	-	-	-	-	-	-	-
									-	**-**	**-**
Power Generation & Distribution											
Lalpir Power Limited	-	428,500	-	428,500	-	-	-	-	-	-	-
Nishat Chunian Power Limited	-	1,197,500	-	1,197,500	-	-	-	-	-	-	-
K Electric Limited	-	350,000		350,000	-	-	-	-	-	-	-
The Hub Power Company Limited	294,117	2,187,607	-	2,394,475	87,249	11,769,371	14,228,567	2,459,196	10.12%	11.67%	0.11%
									10.12%	**11.67%**	**0.11%**
Synthetic and Rayon											
Image Pakistan Limited	-	197,000	-	197,000	-	-	-	-	-	-	-
									-	**-**	**-**
Technology and Communication											
Air Link Communication Limited	-	118,500	-	118,500	-	-	-	-	-	-	-
Avanceon Limited	-	187,056	-	187,056	-	-	-	-	-	-	-
Systems Limited	75,860	252,372	-	319,094	9,138	3,836,256	3,822,425	(13,831)	2.72%	3.14%	0.13%
									2.72%	**3.14%**	**0.13%**
Miscellaneous											
Pakistan Aluminium Beverage Cans Limited	-	341,000	-	341,000	-	-	-	-	-	-	-
									-	**-**	**-**
Oil and Gas Exploration Companies											
Mari Petroleum Company Limited	25,849	41,436	-	65,455	1,830	4,697,152	4,963,582	266,430	3.53%	4.07%	0.37%
Oil and Gas Development Company Limited	361,180	1,894,981	-	2,155,990	100,171	13,181,477	13,560,148	378,671	9.64%	11.12%	0.03%
Sui Northern Gas Pipelines Limited	7,259	1,308,600	-	1,315,859	-	-	-	-	-	-	-
Pakistan Petroleum Limited	460,781	2,652,309	-	3,051,574	61,516	7,364,673	7,204,139	(160,534)	5.12%	5.91%	0.03%
									18.29%	**21.10%**	**0.43%**
Oil & Gas Marketing Companies											
Pakistan State Oil Company Limited	-	707,309	-	707,309	-	-	-	-	-	-	-
Attock Petroleum Limited	-	17,900	-	17,900	-	-	-	-	-	-	-
Shell Pakistan Limited	-	17,000	-	17,000	-	-	-	-	-	-	-
									-	**-**	**-**
Refinery											
Attock Refinery Limited	-	53,305	-	53,305	-	-	-	-	-	-	-
National Refinery Limited	-	30,500	-	30,500	-	-	-	-	-	-	-
Pakistan Refinery Limited	-	853,000	-	853,000	-	-	-	-	-	-	-
									-	**-**	**-**
Transport											
Pakistan International Bulk Terminal Limited	-	2,189,000	-	2,189,000	-	-	-	-	-	-	-
									-	**-**	**-**
Pharmaceuticals	-										
Agp Limited	-	233,206	-	205,706	27,500	2,366,429	2,540,175	173,746	1.81%	2.08%	0.09%
Citi Pharma Limited	-	349,395	-	349,395	-	-	-	-	-	-	-
Ferozsons Laboratories Limited	-	133,830	-	127,600	6,230	1,482,335	1,553,824	71,489	1.10%	1.27%	0.36%
Haleon Pakistan Limited	-	45,200	-	34,295	10,905	2,829,040	3,242,820	413,780	2.31%	2.66%	0.28%
Highnoon Laboratories Limited	-	42,220	-	37,188	5,032	3,215,965	3,590,651	374,686	2.55%	2.95%	0.68%
The Searle Company Limited	-	461,400	-	461,400	-	-	-	-	-	-	-
									7.77%	**8.96%**	**1.40%**
Property											
Tpl Properties Limited	74,528	643,000	-	717,528	-	-	-	-	-	-	-
									-	**-**	**-**
Total as at June 30, 2024						113,504,985	121,914,755	8,409,770			
Total as at June 30, 2023						357,236,397	348,201,544	(9,034,853)			

5.1.1 All shares have a face value of Rs. 10 each except the shares of K-Electric Limited, Thal Limited, and Dynea Pakistan Limited having face value of Rs. 3.5, Rs.5 and Rs. 5 each, respectively.

5.1.2 Investments include the following company shares which 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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Name of investee company	2024 Number of shares	2024 Market value in Rupees	2023 Number of shares	2023 Market value in Rupees
Engro Fertilizer Limited	21,942	3,647,199	149,799	12,362,911
The Hub Power Company Limited	50,000	8,154,000	-	-
Lucky Cement Limited	5,000	4,533,650	-	-
Mari Petroleum Company Limited	1,770	4,800,842	5,000	7,573,200
Oil and Gas Development Company Limited	48,100	6,511,297	189,000	14,742,000
Pakistan Petroleum Limited	50,000	5,855,500	-	-
Systems Limited	8,138	3,404,125	50,000	20,166,500
	184,950	36,906,613	393,799	54,844,611

		Note	2024	2023
5.2	**Unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net**		---------------- (Rupees)	----------------
	Market value of investments	5.1	121,914,755	348,201,544
	Less: Carrying value of investments	5.1	113,504,985	357,236,397
			8,409,770	(9,034,853)

6 DEPOSITS, PROFIT AND OTHER RECEIVABLE

	Note	2024	2023
Security deposit with:			
- Central Depository Company of Pakistan Limited		100,000	100,000
- National Clearing Company of Pakistan Limited		1,000,000	2,500,000
		1,100,000	2,600,000
Profit receivable on balances with banks		205,293	657,140
Dividend receivable		-	293,056
Advance tax	6.1	201,307	201,307
Prepaid Listing Fee		26,051	25,252
		1,532,651	3,776,755

6.1 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 prior years, withholding tax on profit on debt securities and profit on bank deposits paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 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 withholdee. The tax withheld on profit on debt securities and profit on bank deposits amounts to Rs. 0.201 million (2023: Rs. 0.201 million).

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 profit on debt securities and profit on bank deposits has been shown as advance tax as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

		Note	2024	2023
7	**PRELIMINARY EXPENSES AND FLOATATION COSTS**		---------------- (Rupees)	----------------
	Balance at the beginning of the year		600,175	891,877
	Less: amortisation during the year		(292,500)	(291,702)
	At the end of the year	7.1	307,675	600,175

7.1 Preliminary expenses and flotation costs represent expenditure incurred prior to the commencement of the operations of the Fund and are being amortised over a period of five years commencing from July 24, 2020 in accordance with the Trust Deed of the Fund and the NBFC Regulations.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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8	PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	2024	2023
			---------------- (Rupees)	----------------
	Management remuneration payable	8.1	82,721	-
	Sindh sales tax payable on management remuneration	8.2	9,344	-
	Selling and marketing expenses payable	8.3	589,023	1,912,228
	Preliminary expenses and flotation costs payable		12,256	12,256
	Sales load payable		21,015	743
	Other payable		10,000	510,000
			724,359	2,435,226

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 its remuneration at the rate of 0.5% to 2% (2023: 1.5% to 2%) per annum of the average annual net assets of the Fund during the year ended June 30, 2024. The remuneration is payable to the Management Company monthly in arrears.

8.2 During the year, an amount of Rs. 0.404 (2023: Rs. 0.929) million was charged on account of sales tax at the rate of 13% (June 30, 2023: 13%) on remuneration of management company levied through the Sindh Sales Tax on Services Act, 2011.

8.3 In accordance with Circular 11 dated July 5, 2019 issued by the SECP with respect to selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the rate of 1.5% from July 1, 2023 to August 25, 2023 and no expense was charged from August 26, 2023 to June 30, 2024 (June 30, 2023: 1.5%), subject to total expense charged being lower than actual expense incurred.

8.4 During the year, the Securities and Exchange Commission of Pakistan (SECP) carried out onsite inspection of the Management Company and inspected, among other matters, the mechanism of chargeability of selling & marketing expenses and accounting & operational charges to the funds under its management. As a result of this inspection, SECP raised certain observations relating to the chargeability of such expenses by the Management Company to the funds under its management. The Board of Directors of the Management Company has responded to the observations highlighted by the SECP and the management is engaged with SECP in this regard. Accordingly, the impact of the SECP's observations on the financial statements, if any, is not determinable as at the reporting date.

9	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2024	2023
			---------------- (Rupees)	----------------
	Trustee fee payable	9.1	31,468	62,111
	Sindh sales tax payable on trustee fee	9.2	4,091	8,075
			35,559	70,186

9.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed at the following rates:

Net Assets (Rs.)	Tariff
up to Rs. 1 billion	0.20% per annum of net assets
over Rs. 1 billion	Rs.2.0 million plus 0.10% p.a. of Net Assets, on amount exceeding Rs.1 billion

9.2 During the year, an amount of Rs. 0.105 (2023: Rs. 0.115) 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% (June 30, 2023: 13%).

10	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2024	2023
			---------------- (Rupees)	----------------
	Fee payable	10.1	13,385	88,151

10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of fee to 0.095% (June 30, 2023: 0.02%) per annum of the daily net assets of the Fund.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the Fund was required to pay SECP fee within three months of the close of accounting year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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11 ACCRUED EXPENSES AND OTHER LIABILITIES

	2024	2023
	---------------- (Rupees)	----------------
Auditors' remuneration payable	594,157	415,833
Transaction charges payable	3,652,124	2,302,031
Shariah advisory fee payable	172,049	4,860
Legal and professional charges payable	497,097	441,078
Withholding tax payable	184,623	181,135
Withholding tax on dividend	1,799,395	-
Capital gain tax payable	973,736	312,142
Printing charges payable	10,716	25,374
Other payable	427,314	427,315
	8,311,211	4,109,768

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 and June 30, 2023.

13 AUDITORS' REMUNERATION

	2024	2023
	---------------- (Rupees)	----------------
Annual audit fee	529,059	358,467
Half yearly review of condensed interim financial statements	158,031	107,000
Out of pocket expenses	41,225	35,265
	728,315	500,732
Sales tax	58,265	40,961
	786,580	541,693

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 unit holders. Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2024 to the unit holders in the manner as explained above, 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.

15 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.

16 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2024 is 4.20% (2023: 4.90%) which includes 0.48% (2023: 0.42%) representing government levies on the Fund such as sales taxes and 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 a 'Equity Scheme'.

17 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

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 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, 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 capital of the Management Company or the net assets of the Fund.

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17.2 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.

17.3 Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations.

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

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

17.7 Transactions during the year

	2024	2023
	---------------- (Rupees) ----------------	
Faysal Asset Management Limited - Management Company		
Remuneration of the Management Company	3,110,384	7,146,699
Sindh sales tax on remuneration of the Management Company	404,350	929,071
Selling and marketing expenses	589,570	5,228,158
Issuance of Nil units (2023: 27,439 units)	-	2,989,429
Redemption of Nil units (2023: 27,439 units)	-	2,901,351
Faysal Bank Limited		
Profit on balances with banks	2,859,682	6,088,942
Bank charges	11,284	12,166
Issuance of Nil units (2023: 194,231 units)	-	20,000,000
Redemption of 930,953 units (2023: 237,689 units)	134,950,904	25,000,000
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	810,532	881,760
Sindh sales tax on remuneration of the Trustee	105,369	114,629
Faysal Bank Limited-Staff Provident Fund		
Redemption of 590,551 units (2023: Nil units)	80,692,913	-
Unit holder with 10% or more unit holding		
Issuance 816,721 units (2023: 1,012,248 units)	115,866,415	92,985,120
Redemption of 654,374 units (2023: 1,012,248 units)	99,981,147	92,985,120
Directors, their close family members and key management personnel of the Management Company		
Issuance of Nil units (2023: 11,449 units)	-	1,208,108
Redemption of 65 units (2023: 11,503 units)	7,991	1,217,570

17.8 Outstanding balances

	2024	2023
	---------------- (Rupees) ----------------	
Faysal Asset Management Limited - Management Company		
Management remuneration payable	82,721	-
Sindh sales tax payable on management remuneration	9,344	-
Selling and marketing expenses payable	589,023	1,912,228
Preliminary expenses and flotation costs payable	12,256	12,256
Sales load payable	21,015	743
Other payable	10,000	510,000
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	31,468	62,111
Sindh sales tax payable on trustee fee	4,091	8,075
Security deposit	100,000	100,000
Faysal Bank Limited*		
Balance with bank	2,227,218	41,941
Profit receivable on savings account	407,366	124,073
Outstanding: Nil units (2023: 930,953 units)	-	87,314,054

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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	2024	2023
	---------------- (Rupees) ----------------	
Faysal Bank Limited - Staff Provident Fund*		
Outstanding: Nil units (2023: 590,551 units)	-	55,387,778
Directors, their close family members and key management personnel of the Management Company		
Outstanding: Nil units (2023: 65 units)	-	11,161
Unit holder with 10% or more unit holding		
Outstanding: 384,144 units (2023: 1,012,248)	36,054,789	355,570,122

18 FINANCIAL INSTRUMENTS BY CATEGORY

	2024		
	At amortised cost	At fair value through profit or loss	Total
	Rupees		
Financial assets			
Balances with banks	50,054,801	-	50,054,801
Investments	-	121,914,755	121,914,755
Deposits, profit and other receivable	1,305,293	-	1,305,293
Receivable against Sale of Investments	10,143,854	-	10,143,854
	61,503,948	121,914,755	183,418,703
Financial liabilities			
Payable to Faysal Asset Management Limited - Management Company	724,359	-	724,359
Payable to Central Depository Company of Pakistan - Trustee	35,559	-	35,559
Payable against redemption of units	31,122,795	-	31,122,795
Payable against purchases of investments	3,091,977	-	3,091,977
Accrued expenses and other liabilities	5,353,457	-	5,353,457
	40,328,147	-	40,328,147

	2023		
	At amortised cost	At fair value through profit or loss	Total
	Rupees		
Financial assets			
Balances with banks	34,595,999	-	34,595,999
Investments	-	348,201,544	348,201,544
Deposits, profit and other receivable	3,550,196	-	3,550,196
Receivable against Sale of Investments	60,648,150	-	60,648,150
	98,794,345	348,201,544	446,995,889
Financial liabilities			
Payable to Faysal Asset Management Limited - Management Company	2,435,226	-	2,435,226
Payable to Central Depository Company of Pakistan - Trustee	70,186	-	70,186
Accrued expenses and other liabilities	3,616,491	-	3,616,491
Payable against redemption of units	36,886,887	-	36,886,887
Payable against purchases of investments	53,828,685	-	53,828,685
	96,837,475	-	96,837,475

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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19.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee and regulations laid down by the SECP.

Market risk comprises of three types of risks: yield / profit rate risk, currency risk, and price risk.

(i) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2024, the Fund is exposed to such risk on its balances held with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income / (loss) for the year and net assets of the Fund would have been higher / lower by Rs. 0.501 million (2023: Rs. 0.346 million).

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

	---- 2024 ----					
	Effective yield / profit rate (%)	Exposed to profit rate risk			Not exposed to yield / profit rate risk	Total
		Up to three months	More than three months and up to one year	More than one year		
		---- Rupees ----				
Financial assets						
Balances with banks	6.50% - 20.00%	50,054,801	-	-	-	50,054,801
Investments		-	-	-	121,914,755	121,914,755
Deposits, profit and other receivable		-	-	-	1,305,293	1,305,293
Receivable against sale of investments		-	-	-	10,143,854	10,143,854
		50,054,801	-	-	133,363,902	183,418,703
Financial liabilities						
Payable to Faysal Asset Management Limited - Management Company		-	-	-	724,359	724,359
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	35,559	35,559
Payable against redemption of units		-	-	-	31,122,795	31,122,795
Payable Against purchases of investments		-	-	-	3,091,977	3,091,977
Accrued expenses and other liabilities		-	-	-	5,353,457	5,353,457
		-	-	-	40,328,147	40,328,147
On-balance sheet gap (a)		50,054,801	-	-	93,035,755	143,090,556
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a+b)		50,054,801	-	-		
Cumulative profit rate sensitivity gap		50,054,801	50,054,801	50,054,801		

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For The Year Ended June 30, 2024

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	2023					
	Effective yield / profit rate (%)	Exposed to profit rate risk: Up to three months	Exposed to profit rate risk: More than three months and up to one year	Exposed to profit rate risk: More than one year	Not exposed to yield / profit rate risk	Total
		Rupees				
Financial assets						
Balances with banks	6.50% - 20.40%	34,595,999	-	-	-	34,595,999
Investments		-	-	-	348,201,544	348,201,544
Deposits, profit and other receivable		-	-	-	3,550,196	3,550,196
Receivable against sale of investments		-	-	-	60,648,150	60,648,150
		34,595,999	-	-	412,399,890	446,995,889
Financial liabilties						
Payable to Faysal Asset Management Limited - Management Company		-	-	-	2,435,226	2,435,226
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	70,186	70,186
Accrued expenses and other liabilities		-	-	-	3,616,491	3,616,491
Payable against redemption of units		-	-	-	36,886,887	36,886,887
Payable against purchases of investments		-	-	-	53,828,685	53,828,685
		-	-	-	96,837,475	96,837,475
On-balance sheet gap (a)		34,595,999	-	-	315,562,415	350,158,414
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a+b)		34,595,999	-	-		
Cumulative profit rate sensitivity gap		34,595,999	34,595,999	34,595,999		

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund is exposed to equity price risk on investments held by the Fund classified as 'at fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the Trust Deed. The NBFC Regulations also limit individual equity securities to no more than 15% of net assets and issued capital of the investee company and sector exposure limit to 35% of the net assets or index weight, whichever is higher, subject to maximum of 40%.

In case of 1% increase / decrease in KMI-30 all share index on June 30, 2024, with all other variables held constant, the total comprehensive income of the Fund for the period would increase / decrease by Rs. 1.219 million (2023: 3.482 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as financial assets at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 1% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KMI All Share Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI All Share Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI All Share Index.

19.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

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The Fund is exposed to daily settlement of equity securities and daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, 2008, the Fund can borrow in the short-term to ensure settlement the maximum limit of which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemption requests during the year ended June 30, 2024.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including balances with banks have been included in the maturity grouping of one month:

	2024						
	Within 1 month	More than one month and upto three	More than three months and upto one	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
	Rupees						
Financial assets							
Balances with banks	50,054,801	-	-	-	-	-	50,054,801
Investments	-	-	-	-	-	121,914,755	121,914,755
Deposits, profit and other receivable	205,293	-	-	-	-	1,100,000	1,305,293
Receivable against sale of investments	10,143,854	-	-	-	-	-	10,143,854
	60,403,948	-	-	-	-	123,014,755	183,418,703
Financial liabilities							
Payable to Faysal Asset Management Limited - Management Company	724,359	-	-	-	-	-	724,359
Payable to Central Depository Company of Pakistan Limited - Trustee	35,559	-	-	-	-	-	35,559
Payable against redemption of units	31,122,795	-	-	-	-	-	31,122,795
Payable Against purchases of investments	3,091,977	-	-	-	-	-	3,091,977
Accrued expenses and other liabilities	4,587,251	594,157	172,049	-	-	-	5,353,457
	39,561,941	594,157	172,049	-	-	-	40,328,147
Net financial assets / (financial liabilities)	20,842,007	(594,157)	(172,049)	-	-	123,014,755	143,090,556

	2023						
	Within 1 month	More than one month and upto three	More than three months and upto one	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
	Rupees						
Financial assets							
Balances with banks	34,595,999	-	-	-	-	-	34,595,999
Investments	-	-	-	-	-	348,201,544	348,201,544
Deposits, profit and other receivable	950,196	-	-	-	-	2,600,000	3,550,196
Receivable against sale of investments	60,648,150	-	-	-	-	-	60,648,150
	96,194,345	-	-	-	-	350,801,544	446,995,889
Financial liabilities							
Payable to Faysal Asset Management Limited - Management Company	2,435,226	-	-	-	-	-	2,435,226
Payable to Central Depository Company of Pakistan Limited - Trustee	70,186	-	-	-	-	-	70,186
Payable against redemption of units	36,886,887	-	-	-	-	-	36,886,887
Payable Against purchases of investments	53,828,685	-	-	-	-	-	53,828,685
Accrued expenses and other liabilities	3,195,798	415,833	4,860	-	-	-	3,616,491
	96,416,782	415,833	4,860	-	-	-	96,837,475
Net (financial liabilities) / financial assets	(222,437)	(415,833)	(4,860)	-	-	350,801,544	350,158,414

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

19.3 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. Credit risk arises from deposits with banks and financial institutions, profit receivable on bank deposits, dividend receivable and receivable against sale of investments.

Credit risk arising on financial assets is monitored through a regular analysis of financial position of brokers and other parties. In accordance with the risk management policy of the Fund, the investment manager monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

The table below analyses the Fund's maximum exposure to credit risk:

	2024		2023	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	------------------Rupees------------------		------------------Rupees------------------	
Balances with banks	50,054,801	50,054,801	34,595,999	34,595,999
Investments	121,914,755	-	348,201,544	-
Advances, deposits and other receivables	1,305,293	1,305,293	3,550,196	3,550,196
Receivable against sale of investments	10,143,854	10,143,854	60,648,150	60,648,150
	183,418,703	61,503,948	446,995,889	98,794,345

The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets. Investment in equity securities, however, are not exposed to credit risk and have been excluded from the above analysis.

There is a possibility of default by participants or failure of the financial market / stock exchanges, the depositories, the settlements or clearing systems, etc. Settlement risk on equity securities is considered minimal because of inherent controls established in the settlement process. The Fund's policy is to enter into financial contracts in accordance with internal risk management policies and instruments guidelines approved by the Investment Committee.

19.3.1 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its balances with banks and profit accrued thereon. The credit rating profile of balances with banks is as follows:

	% of financial assets exposed to credit risk	
Rating	**2024**	**2023**
AA	4.45%	0.10%
AAA	95.55%	99.90%
	100.00%	100.00%

19.3.2 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties thereby any significant concentration of credit risk is mitigated.

20 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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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.

20.1 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 June 30, 2024 and June 30, 2023, the Fund held the following financial instruments measured at fair value:

	As at June 30, 2024			
	Level 1	Level 2	Level 3	Total
Financial assets 'at fair value through profit or loss'	---------------------- (Rupees) ----------------------			
Shares of listed companies				
- 'ordinary shares'	121,914,755	-	-	121,914,755
	121,914,755	-	-	121,914,755

	As at June 30, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets 'at fair value through profit or loss'	---------------------- (Rupees) ----------------------			
Shares of listed companies				
- 'ordinary shares'	348,201,544	-	-	348,201,544
	348,201,544	-	-	348,201,544

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 19, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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22 UNIT HOLDING PATTERN OF THE FUND

Category	June 30, 2024		
	Number of unit holders	Number of units held	Percentage of total
Individual	192	1,163,953	77.67%
Other Corporate	3	165,147	11.02%
Insurance	1	169,496	11.31%
Total	196	1,498,596	100.00%

Category	June 30, 2023		
	Number of unit holders	Number of units held	Percentage of total
Individual	103	570,400	15.27%
Other Corporate	4	1,418,570	37.97%
Retirement Funds	1	590,551	15.81%
Insurance	2	225,662	6.04%
Associate Banks / DFIs / AMC	1	930,952	24.92%
	111	3,736,135	100.00%

23 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

Name of broker	2024	2023
	Percentage of commission paid	Percentage of commission paid
Khadim Ali Shah Bukhari Securities (Private) Limited	-	15.01%
Next Capital Limited	6.81%	12.14%
Optimus Capital Management (Private) Limited	4.29%	10.81%
BMA Capital Management Limited	-	5.54%
Akik Capital (Private) Limited	4.80%	4.78%
Intermarket Securities Limited	-	4.63%
Al Habib Capital Markets (Private) Limited	-	4.47%
Alfalah CLSA Securities (Private) Limited	6.01%	4.33%
DJM Securities (Private) Limited	-	4.06%
Taurus Securities Limited	4.27%	3.62%
Insight Securities (Private) Limited	6.51%	-
Arif Habib Limited	6.08%	-
JS Global Capital Limited	4.74%	-
Ismail Iqbal Securities (Private) Limited	4.13%	-
Chase Securities Pakistan (Private) Limited	3.84%	-
	51.50%	69.39%

24 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Following are the details in respect of members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Mr. Nadir Rahman	Chief Executive Officer	BS (Economics)	Over 33 Years
Mr. Omer Bin Javaid	Deputy Chief Executive Officer	MBA	Over 25 Years
Mr. Muhammad Imran	Chief Investment Officer	MBA	Over 22 Years
Mr. Nafees Imtiaz Malik	Chief Operating Officer	MBA	Over 12 Years
Mr. Shahid Iqbal	Head of Fixed Income	B.Com	Over 32 Years
Mr. Salman Muslim	Chief Financial Officer and Company Secretary	FCA	Over 18 Years
Mr. Shoaib Danish	Equity Fund Specialist	MBA, CFA	Over 9 Years
Mr. Mustajab Alam	Fund Manager	MBA Finance	Over 11 Years
Mr. Abdul Ghani Mianoor	Senior Research Analyst	BSC	Over 5 Years
Syed Eunas Viqar	Head of Internal Audit and Compliance	ACCA	Over 16 Years
Mr. Abdul Basit	Unit Head - Risk Management	MBA	Over 9 Years
Mr. Mohammed Qasim	Senior Manager Risk Management	MBA	Over 16 Years

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

19

25 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other funds managed by the Fund manager
Mr. Shoaib Danish	Equity Fund Specialist	MBA, CFA	Faysal Islamic Dedicated Equity Fund, Faysal Islamic Pension Fund, Faysal Pension Fund, Faysal Islamic KPK Government Pension Fund, Faysal Asset Allocation Fund, Faysal Stock Fund.

26 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and the attendance of its members are given below:

Name of directors	Designation	Attended meeting held on						
		July 12, 2023	August 18, 2023	October 20, 2023	December 12, 2023	Januar y 5,	February 2, 2024	April 19, 2024
Mr. Yousaf Hussain	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Syed Majid Ali	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mian Salman Ali	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ali Waqar	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Samia Zuberi	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ehsen Zafar Puri*	Director	-	-	-	Yes	Yes	Yes	Yes
Mr. Nadir Rahman	Chief Executive Officer	Yes	Yes	Yes	Yes	Yes	Yes	Yes

* Mr. Ehsen Zafar Puri was appointmented as the director with effect from October 20, 2023

27 GENERAL

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

28 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 22, 2024 by the Board of Directors of the Management Company.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

SUPPLEMENTARY NON FINANCIAL INFORMATION
DISCLOSURE REQUIREMENTS UNDER CLAUSE 6 - NOTES TO THE ACCOUNTS SUB CLAUSE (I)
AND CLAUSE 11 - PERFORMANCE TABLE OF THE 5TH SCHEDULE TO THE
NON BANKING FINANCE COMPANIES AND NOTIFIED ENTITIES REGULATIONS, 2008

(i) PERFORMANCE TABLE

	June 30, 2024 (Rupees)	June 30, 2023 (Rupees)	June 30, 2022 (Rupees)	June 30, 2021 (Rupees)
Net assets	140,654,450	350,403,720	505,327,714	744,808,874
Net assets value per unit	93.86	93.79	105.35	137.27
Offer price per unit	97.05	96.97	108.93	141.93
Repurchase price per unit	93.86	93.79	105.35	137.27
Highest offer price per unit	165.98	116.18	147.25	148.15
Highest repurchase price per unit	160.54	112.37	142.42	143.29
Lowest offer price per unit	96.97	93.89	107.53	99.96
Lowest repurchase price per unit	93.79	91.81	104.00	96.68
Total return:	70.24%	-10.97%	-23.25%	40.73%
- capital growth	0.13%	-10.97%	-23.25%	38.21%
- income distribution	70.11%	0.00%	0.00%	2.52%
Average annual return: (Launch date: January 02, 2020)				
- one year	70.24%	-10.97%	-23.25%	40.73%
- two years	29.64%	-17.11%	8.74%	N/A
- three years	12.01%	N/A	N/A	N/A
Four Years	19.19%			
Distribution per unit:				
- Interim distribution (% per unit) *	70.11%	-	-	2.52%
- Final distribution (% per unit)		-	-	-
	70.11%	-	-	2.52%

* Announced on 28 June 2024

The Fund's past performance is not necessarily indicative of future performance. Therefore, the unit prices and investment returns may go down, as well as up.

(ii) Responsibilities towards Proxy Voting as per Regulation 38A
The proxy voting policy of the Faysal Asset Management Limited is available on the website of the FAML and detailed information regarding actual proxies voted by the FAML in respect of the CIS is also available without charge, upon request, to all unit holders.

SUMMARY OF ACTUAL PROXY VOTED BY THE FUND

	Resolutions	For	Against	Abstain
Number	0	0	0	0
Percentage		0%	0%	0%

(iii) MEETINGS OF THE AUDIT COMMITTEE
Following is the analysis of the attendance in the meetings of the Audit Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On			
		17-Aug-23	19-Oct-23	01-Feb-24	18-Apr-24
Ms. Samia Zuberi	Chairperson	Yes	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes	Yes
Mr. Mian Salman Ali	Member	Yes	Yes	Yes	Yes

(iv) MEETINGS OF THE HUMAN REOUSRCE AND REMUNERATION COMMITTEE
Following is the analysis of the attendance in the meetings of the Human Resource and Remuneration Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On				
		08-Aug-23	17-Oct-23	08-Nov-23	01-Feb-24	06-May-24
Ms. Samia Zuberi	Chairperson	Yes	Yes	Yes	Yes	Yes
Mr. Yousaf Hussain	Member	Yes	Yes	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes	Yes	Yes
Mr. Ali Waqar	Member	Yes	Yes	Yes	Yes	Yes

(v) MEETINGS OF THE BOARD RISK MANAGEMENT COMMITTEE

Following is the analysis of the attendance in the meetings of the Board Risk Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On		
		10-Aug-23	16-Oct-23	18-Apr-24
Mr. Mian Salman Ali	Chairman	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes
Mr. Ali Waqar	Member	Yes	Yes	Yes
Mr. Nadir Rahman	Member	Yes	Yes	Yes

(vi) MEETINGS OF THE BOARD STRATEGY COMMITTEE

Following is the analysis of the attendance in the meetings of the Board Strategy Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On	
		09-Aug-23	16-Oct-23
Mr. Yousaf Hussain	Chairman	Yes	Yes
Syed Majid Ali	Member	Yes	Yes
Mr. Mian Salman Ali	Member	Yes	Yes
Mr. Nadir Rahman	Member	Yes	Yes
*Mr. Ehsan Zafar Puri	Member	N/A	N/A

*Mr. Ehsan Zafar Puri was appointed as director board strategy committee, effective from October 20, 2023.

Head Office
West wing, 7th Floor,Faysal House, ST-02,
Shahrah-e-Faisal,Karachi, Pakistan.

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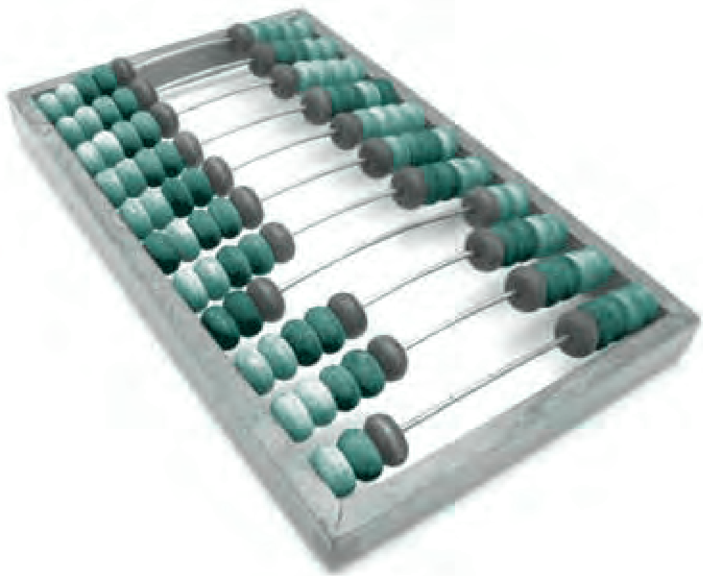
Faysal Islamic Financial Growth Fund

Financial Statements

For The Year Ended June 30, 2024



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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
Mr. Ehsan Zafar Puri, Director

Chief Financial Officer & Company Secretary
Mr. Salman Muslim

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

Board Strategy Committee
Mr. Yousaf Hussain, Chairman
Syed Majid Ali, Member
Mr. Mian Salman Ali, Member
Mr. Ehsan Zafar Puri, 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

The Faysal Islamic Financial Growth Fund (FIFGF) aims to provide its investors with an investment avenue that is gain-oriented aiming to generate Halal competitive returns. Inspired by a customer-centric approach, FIFGF is all set to provide a responsible Shariah-compliant investment solution to its investors honoring the utmost professional standards.

FUND MANAGER'S REPORT

ECONOMIC REVIEW

In 3QFY24, Pakistan's GDP experienced an YoY growth of 2.09%, with a marginal QoQ increase of 0.12%. The Services sector remained flat at 0.83%, offsetting gains in the Industrial and Agriculture sectors, which saw advances of 3.84% and 3.94%, respectively. Albeit Large-Scale Manufacturing Index growth was trivial at 1.47%, improvements in the small-scale sector supported overall industrial growth. Looking ahead, the country's growth rate is likely to be lower than anticipated in the 1HFY25, before gaining momentum in the 2HFY25 due to projected interest rate cuts that could stimulate industrial growth.

Pakistan's external account continued to exhibit improvement, with the Current Account Deficit (CAD) clocking in at ~USD 665mn during FY24, down from ~USD 3.3bn in SPLY. This steep reduction is primarily due to a 12% YoY increase in exports, reaching ~USD 31bn, and an 11% YoY rise in remittances, totaling ~USD 30.2bn. On a QoQ basis, the CAD was ~USD 0.07bn, supported by increased exports and remittances. The trade deficit also improved, decreasing by roughly 11% to USD 22bn in FY24 from USD 24.8bn in the SPLY, attributed to rising exports and declining imports.

The PKR appreciated by ~2.62% since Jun-23, closing 4QFY24 at PKR 278.34 against the USD. Foreign exchange reserves rose by about 10% QoQ to USD 14 bn, driven by strong inflows and roll-overs, including support from the IMF, GCC countries, and FDIs predominantly from China. The FX Reserves improved significantly from USD 9.1bn at the end of June 2023, enhancing the imports cover to above 1.5 months.

The average inflation clocked in at ~24% in FY24, down from ~29.4% in FY23. However, Core inflation rose to about 18.9% in FY24 from 17.8% in the SPLY. However, on QoQ basis, it dropped from 18.1% in 3QFY24 to 14.6% in 4QFY24. Despite higher fuel, power, and food inflation, the appreciation of the PKR and lower international commodity prices helped moderate inflation.

The Federal Board of Revenue (FBR) collected ~PKR 9,285bn in taxes during FY24, surpassing the target of PKR 9,252bn, and marking a 29% YoY increase from PKR 7,167bn in the SPLY. This growth was mainly on account of increased direct taxes and Petroleum Development Levy (PDL), while tax collection on imports remained subdued due to import compression.

Looking forward, the economic outlook for the upcoming quarters is optimistic, bolstered by the IMF program and anticipated rate cuts (a cumulative 250 bps in the last two Monetary Policy Committee meetings). The potential economic rebound FY25, a downward trend in inflation, and PKR stability are key factors supporting this outlook.

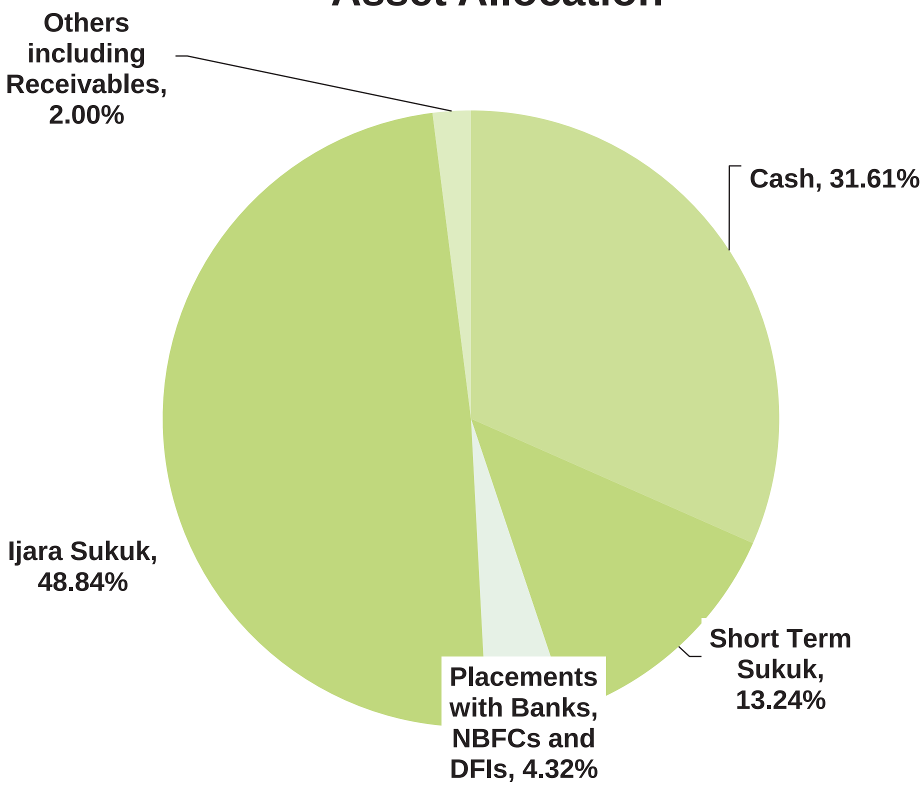
MONEY MARKET REVIEW

For the majority of FY24, the SBP kept the policy rate steady at 22%. However, following a decline in CPI readings, the SBP revised down the policy rate by 150 basis points to 20.5%. During the year, SBP held 26 T-Bill and 10 PIB auctions raising a total of ~PKR 21.3tn through T-Bills and ~PKR 4.5tn through the PIB auctions. During the year, the yields depicted volatility, inching upwards and peaking in Sept'24, before gradually declining thereon. In the first T-bill auction of FY24, the State Bank of Pakistan raised ~PKR 597bn, with weighted average yields realized in the 3M / 6M / 12M tenors clocking in at ~22.75% / 22.96% / 22.99%, respectively. However, in the last auction of FY24 held in June'24, SBP held, the weighted average yields realized in the 3M / 6M / 12M fell to ~20.01% / 19.94% / 18.49%, respectively. The decline in yields since Sept'23 followed expectations of interest rate cuts, which materialized in June'24. A similar trend was witnessed during FY24 in the Islamic Money Market / Sukuk yields.

Fund Information	
Fund Type	Open Ended
Category	Shariah Compliant Aggressive Fixed Income Scheme (non-equity)
Risk Profile	Medium
Launch Date	July 25, 2023
Custodian/Trustee	CDC
Stability Rating	Not Rated
Auditor	A.F. Ferguson & Co.
Management Fee	Upto 2% of Average Annual N.A. (Actual Rate of Management Fee Charged is1.52%)
Selling and Marketing Expense	0.00%
Front/Back-end Load	FEL up to 2% of NAV & BEL 0%
Min Subscription	PKR. 5,000
Benchmark*	Weighted average of 12 (twelve) month Deposit Rates of 03 different Islamic Banks/Islamic Windows of Scheduled Commercial Banks
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 4:00 pm
AMC Rating	AM2++ (VIS) December 29, 2023
NAV per Unit (PKR)	100.26
Net Assets (mn)	7,846
Total Expense Ratio (Annualized)	0.81%
Total Expense Ratio (Monthly)	1.51%

Fund Returns (% p.a)		
	FY24	FY23
YTD	20.92%	-
Benchmark (YTD)	10.10%	-

Asset Allocation



FUND PERFORMANCE

Faysal Islamic Financial Growth Plan (FIFGP-I) posted a FY24 return of 20.92% (annualized) against the Benchmark return of 10.10%. Most of the funds were held in Ijara Sukuks (48.84%), Cash (31.61%), Short Term Sukuks (13.24%), Placements in Banks (4.32%) and C (2.00%). In the future, your fund will take exposure to other investment avenues, keeping in view the country's economic position.

بسم الله الرحمن الرحيم
الحمد لله رب العالمين,والصلاة والسلام على خاتم النبيّين وسيد المرسلين,
وعلى آله واصحابه أجمعين.أمّا بعد

Annual Report
of
Faysal Islamic Financial Growth Fund

August 22, 2024

By the blessing of ALLAH, the year ended 30 June, 2024 under analysis of **Faysal Islamic Financial Growth Fund (FIFGF)**. I, as the Shariah Advisor of the fund am issuing the report in accordance with the trust deed of the fund. The scope of the report is to express an opinion on the Shariah Compliance of the fund's activities.

In the capability of Shariah Advisor, I have set out criteria and guideline to be followed in ensuring Shariah Compliance in the each and every transaction.
It is the responsibility of the management of the fund to establish and maintain a system of internal control to ensure Shariah Compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the management company' personal and review of various documents prepared by the management company to comply with the prescribed criteria.

In the light of above, I hereby certify that:

- I have reviewed and approved the modes of investment of **FIFGF** in light of the Shariah guidelines.
- All the provisions of the scheme and investment made on account of **FIFGF** by **FAML** Fund Managers are Shariah Compliant and in accordance with the criteria established.

On the basis of information provided by the management, all operations of **Faysal Islamic Financial Growth Fund (FIFGF)**. for year ended 30 June 2024 have been in compliance with the Shariah Principles.

May Allah make us successful and accept efforts of the management company for developing of Islamic Finance System.

وصلى الله على حبيبه محمد صلى الله عليه وسلم

Farooqi

Abdul Zahid Farooqi
Shariah Advisor
Faysal Asset Management Limited

Mufti Abdul Zahid Farooqi
Shariah Advisor
Faysal Asset Management Ltd

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
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TRUSTEE REPORT TO THE UNIT HOLDERS

FAYSAL ISLAMIC FINANCIAL GROWTH FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of Faysal Islamic Financial Growth Fund (the Fund) are of the opinion that Faysal Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the period from July 25, 2023 to June 30, 2024 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 24, 2024

CENTRAL DEPOSITORY COMPANY

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INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Faysal Islamic Financial Growth Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Faysal Islamic Financial Growth Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the period from July 25, 2023 to June 30, 2024, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the year then from July 25, 2023 to June 30, 2024 in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Net Asset Value** (Refer notes 4 and 5 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks of the Fund as at June 30, 2024 amounted to Rs. 2,489.86 million and investments aggregated to Rs. 5,229.08 million. The existence of balances with banks and existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: • Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; • Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and • Obtained bank reconciliation statements and tested reconciling items on a sample basis.

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Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Shahbaz Akbar.**

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A. F. Ferguson & Co.
Chartered Accountants
Dated: September 27, 2024
Karachi
UDIN: AR202410068DbeUB31rf

STATEMENT OF ASSETS AND LIABILITIES

As at June 30, 2024

	Note	June 30, 2024 Faysal Islamic Financial Growth Plan-I (Rupees)
Assets		
Balances with banks	4	2,489,858,056
Investments	5	5,229,088,750
Advances, deposits and profit receivable	6	156,713,517
Preliminary expenses and floatation costs	7	415,034
Total assets		7,876,075,357
Liabilities		
Payable to Faysal Asset Management Limited - Management Company	8	9,126,739
Payable to Central Depository Company of Pakistan Limited - Trustee	9	519,016
Payable to the Securities and Exchange Commission of Pakistan	10	429,748
Payable against redemption and conversion of units		6,430,577
Accrued expenses and other liabilities	11	13,702,496
Total liabilities		30,208,576
Net assets		7,845,866,781
Unit holders' fund (as per statement attached)		7,845,866,781
Contingencies and commitments	12	
		(Number of units)
Number of units in issue		78,256,848
		(Rupees)
Net asset value per unit		100.26

The annexed notes from 1 to 28 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

INCOME STATEMENT
For The Year Ended June 30, 2024

	Note	For the period from July 25, 2023 to June 30, 2024 Faysal Islamic Financial Growth Plan-I
		(Rupees)
Income		
Profit on corporate sukuk certificates		30,543,836
Profit on GoP Ijarah sukuk certificates		228,437,975
Profit on savings accounts with banks		147,649,748
Profit on certificates of musharakah		8,306,723
Loss on sale of investments - net		(17,967,500)
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.4	7,584,350
Total income		404,555,132
Expenses		
Remuneration of Faysal Asset Management Limited - Management Company	8.1	10,333,739
Sindh Sales Tax on remuneration of the Management Company	8.2	1,343,386
Selling and marketing expenses	8.3	719,724
Allocated expenses	8.4	724,989
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	1,490,984
Sindh Sales Tax on remuneration of the Trustee	9.2	193,828
Fee to the Securities and Exchange Commission of Pakistan	10	1,490,993
Auditors' remuneration	13	383,907
Amortisation of preliminary expenses and floatation costs	7	95,491
Legal and professional charges		122,078
Transaction charges		94,270
Bank charges		11,511
Printing expenses		8,255
Shariah advisory fee		160,877
Total expenses		17,174,032
Net income for the period before taxation		387,381,100
Taxation	14	-
Net income for the period after taxation		387,381,100
Earnings per unit	15	
Allocation of net income for the period		
Net income for the period after taxation		387,381,100
Income already paid on units redeemed		(194,880,479)
		192,500,621
Accounting income available for distribution		
- Relating to capital gains		-
- Excluding capital gains		192,500,621
		192,500,621

The annexed notes from 1 to 28 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

STATEMENT OF COMPREHENSIVE INCOME

For The Year Ended June 30, 2024

	For the period from July 25, 2023 to June 30, 2024
	Faysal Islamic Financial Growth Plan-I
	------- (Rupees) ------
Net income for the period after taxation	387,381,100
Other comprehensive income for the period	-
Total comprehensive income for the period	387,381,100

The annexed notes from 1 to 28 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

For The Year Ended June 30, 2024

	For the period from July 25, 2023 to June 30, 2024		
	Faysal Islamic Financial Growth Plan-I		
	Capital value	Undistributed income	Total
	---(Rupees)---		
Issuance of 283,291,869 units			
- Capital value (at net asset value per unit at the commencement of the Fund)	28,329,186,902	-	28,329,186,902
- Element of income	1,016,284,623	-	1,016,284,623
Total proceeds on issuance of units	29,345,471,525	-	29,345,471,525
Redemption of 205,035,021 units			
- Capital value (at net asset value per unit at the commencement of the Fund)	(20,503,502,065)	-	(20,503,502,065)
- Element of loss	(520,049,621)	(194,880,479)	(714,930,100)
Total payments on redemption of units	(21,023,551,686)	(194,880,479)	(21,218,432,165)
Total comprehensive income for the period	-	387,381,100	387,381,100
Distribution for the period ended June 30, 2024 @ Rs. 1.53 per unit declared on August 24, 2023	(6,778,941)	(1,883,845)	(8,662,786)
Distribution for the period ended June 30, 2024 @ Rs. 14.15 per unit declared on April 29, 2024	(320,081,266)	(149,778,000)	(469,859,266)
Distribution for the period ended June 30, 2024 @ Re. 0.50 per unit declared on May 13, 2024	(605,341)	(16,672,767)	(17,278,108)
Distribution for the period ended June 30, 2024 @ Rs. 2.37 per unit declared on June 25, 2024	(168,780,184)	(3,973,335)	(172,753,519)
Net income for the period less distribution	(496,245,732)	215,073,153	(281,172,579)
Net assets at the end of the period	7,825,674,107	20,192,674	7,845,866,781
Accounting income available for distribution			
- Relating to capital gains		-	
- Excluding capital gains		192,500,621	
		192,500,621	
Distributions made during the period		(172,307,947)	
Undistributed income carried forward		20,192,674	
Undistributed income carried forward			
- Realised income		12,608,324	
- Unrealised income		7,584,350	
		20,192,674	
			(Rupees)
Net asset value per unit at the end of the period			100.26

The annexed notes from 1 to 28 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

CASH FLOW STATEMENT
For The Year Ended June 30, 2024

	Note	For the period from July 25, 2023 to June 30, 2024 — Faysal Islamic Financial Growth Plan-I
		------- (Rupees) -------
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation		387,381,100
Adjustments for:		
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.4	(7,584,350)
Amortisation of preliminary expenses and floatation costs	7	95,491
		379,892,241
Increase in assets		
Investments - net		(5,221,504,400)
Advances, deposits and profit receivable		(156,713,517)
Preliminary expenses and floatation costs		(510,525)
		(5,378,728,442)
Increase in liabilities		
Payable to Faysal Asset Management Limited - Management Company		9,126,739
Payable to Central Depository Company of Pakistan Limited - Trustee		519,016
Payable to the Securities and Exchange Commission of Pakistan		429,748
Accrued expenses and other liabilities		13,702,496
		23,777,999
Net cash used in from operating activities		(4,975,058,202)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against against issuance and conversion of units - net of refund of capital		28,849,225,793
Payments against redemption and conversion of units		(21,212,001,588)
Dividend paid		(172,307,947)
Net cash generated from financing activities		7,464,916,258
Net increase in cash and cash equivalents during the period		2,489,858,056
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period	4	2,489,858,056

The annexed notes from 1 to 28 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

1.1 Faysal Islamic Financial Growth 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 and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Trust Deed has been registered under the Sindh Trusts Act, 2020 on July 20, 2022.

1.2 The Management Company of the Fund has been licensed by the SECP 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, Faysal House, ST-02, Main Shahrah-e-Faisal, Karachi, Pakistan. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

1.3 The Fund is categorised as an '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.100 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from October 10, 2005 and are transferable and redeemable by surrendering them to the Fund.

1.4 The objective of the Fund d is to aim to generate Competitive returns and consistent returns while seeking capital growth through a diversified portfolio of shariah compliant debt securities, liquid money market instruments and placements. In particular, the aim is to provide competitive risk adjusted returns to its investors by investing in a diversified portfolio of long, medium and short-term Shariah Compliant instruments The investment objective and policies are more fully explained in Fund's Offering Document.

1.5 The Management Company has been assigned a quality rating of 'AM2++' by VIS Credit Rating Company Limited dated December 29, 2023. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.6 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.

1.7 As per the offering document approved by the SECP, the accounting period, in case of the first period, shall commence from the date on which the trust property is first paid or transferred to the Trustee. Accordingly, these financial statements have been prepared from July 25, 2023.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund are in conformity with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

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 Accounting 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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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 requirements of IFRS Accounting 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 not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 has not yet been adopted in Pakkstan. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and

- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

2.3 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).

2.4 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments which have been classified as 'at fair value through profit or loss' and which are measured at fair value.

2.5 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 MATERIAL ACCOUNTING POLICY INFORMATION

The material 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.

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.

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3.2.2 Classification and subsequent measurement

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
- fair value through other comprehensive income "(FVOCI)"
- fair value through profit or loss "(FVPL)"

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

3.2.3 Impairment (other than debt securities)

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.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

3.2.4 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has also been placed on the Management Company's website as required under the SECP's Circular.

3.2.5 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.

3.2.6 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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

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 included in Income Statement and are recognised on the date when the transaction takes place;

- Unrealised appreciation / (diminution) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the period in which they arise;

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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- Income on sukuk certificates, government securities and certificates of musharakah is recognised on a time proportionate basis using the effective yield method, except for the securities which are classified as non-performing asset under Circular No. 33 of 2012 issued by the SECP for which the profits are recorded on cash

- Profit on savings account with banks 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

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

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 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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 profit of the year after taxation of the Fund by the weighted average number of units outstanding during the year.

Earnings per unit 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.

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.

			Faysal Islamic Financial Growth Plan-I
		Note	June 30, 2024 (Rupees)
4	**BALANCES WITH BANKS**		
	Balances with banks in savings accounts	4.1	2,489,858,056

4.1 These include a balance of Rs. 264.117 million maintained with Faysal Bank Limited (a related party) that carries profit at the rate of 20.00% per annum. Other savings accounts of the Fund carry profit rates ranging from 18.50% to 21.75% per annum.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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		Note	Faysal Islamic Financial Growth Plan-I June 30, 2024 (Rupees)
5	**INVESTMENTS**		
	At fair value through profit or loss		
	Certificates of musharakah	5.1	340,000,000
	GoP Ijara sukuk certificates	5.2	3,846,470,000
	Corporate sukuk certificates	5.3	1,042,618,750
			5,229,088,750

5.1 Certificates of musharakah

Name of the investee company	Maturity date	Profit rate	Face value: As at July 1, 2023	Face value: Purchased during the year	Face value: Matured during the year	Face value: As at June 30, 2024	Balance as at June 30, 2024: Carrying value	Balance as at June 30, 2024: Market value	Balance as at June 30, 2024: Unrealised appreciation	Market value as a percentage of net assets of the Fund	Market value as a percentage of total investments of the Fund
			Rupees							%	
OLP Modaraba (AA, VIS)	November 21, 2024	21.75%	-	340,000,000	-	340,000,000	340,000,000	340,000,000	-	4.33%	6.50%
Total as at June 30, 2024						340,000,000	340,000,000	340,000,000	-		

5.2 GoP Ijara sukuk certificates

Name of the security	Profit payments / principal redemptions	Issue date	Maturity date	Profit rate	As at July 1, 2023	Purchased during the year	Sold during the year	As at June 30, 2024	Balance as at June 30, 2024: Carrying value	Balance as at June 30, 2024: Market value	Balance as at June 30, 2024: Unrealised appreciation	Percentage in relation to: Net assets of the Fund	Percentage in relation to: Total market value of investments
					(Number of certificates)				(Rupees)			%	
GoP Ijarah Sukuk Certificates - XL - VRR	Semi-annually / At maturity	December 4, 2023	December 4, 2024	Weighted average 6 months T-Bills	-	250	250	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XLI - VRR	Semi-annually / At maturity	December 4, 2023	December 4, 2026	Weighted average 6 months T-Bills	-	29,250	750	28,500	2,838,585,000	2,844,870,000	6,285,000	36.26%	54.40%
GoP Ijarah Sukuk Certificates - XLII - VRR	Semi-annually / At maturity	December 4, 2023	December 4, 2028	Weighted average 6 months T-Bills	-	11,000	1,000	10,000	1,000,350,000	1,001,600,000	1,250,000	12.77%	19.15%
GoP Ijarah Sukuk Certificates - XXXIII - FRR	Semi-annually / At maturity	December 4, 2023	December 4, 2026	16.19%	-	750	750	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XXIV - VRR	Semi-annually / At maturity	October 29, 2021	October 29, 2026	Weighted average 6 months T-Bills	-	30,000	30,000	-	-	-	-	-	-
Total as at June 30, 2024									3,838,935,000	3,846,470,000	7,535,000	49.03%	73.55%

5.2.1 The nominal value of these sukuk certificates is Rs 100,000 each.

5.3 Corporate sukuk certificates

Name of the security	Profit payments / principal redemptions	Maturity date	Face value per certificate (Rupees)	Profit rate	As at July 1, 2023	Purchased during the year	Sold / matured during the year	As at June 30, 2024	Balance as at June 30, 2024: Carrying value	Balance as at June 30, 2024: Market value	Balance as at June 30, 2024: Unrealised appreciation	Percentage in relation to: Net assets of the Fund	Percentage in relation to: Total market value of investments
					(Number of certificates)				(Rupees)			%	
Abhi (Private) Limited STS-1 (A-1+, PACRA)	At maturity	November 10, 2023	1,000,000	6 months KIBOR plus base rate of 3.00%	-	300	300	-	-	-	-	-	-
Air Link Communication Limited PPSTS-1 (A-1, PACRA)	At maturity	September 18, 2024	1,000,000	6 months KIBOR plus base rate of 1.75%	-	100	-	100	100,000,000	100,000,000	-	1.27%	1.91%
Hub Power Holdings Limited (AA+, PACRA, traded)	Semi-annually	November 12, 2025	75,000	6 months KIBOR plus base rate of 2.50%	-	3,500	-	3,500	267,569,400	267,618,750	49,350	3.41%	5.12%
Lucky Electric Power Company Limited PPSTS-19 (A-1+, PACRA)	At maturity	December 27, 2024	1,000,000	6 months KIBOR plus base rate of 0.15%	-	675	-	675	675,000,000	675,000,000	-	8.60%	12.91%
Total as at June 30, 2024									1,042,569,400	1,042,618,750	49,350		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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		Note	Faysal Islamic Financial Growth Plan-I June 30, 2024 (Rupees)
5.4	**Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit and loss' - net**		
	Market value of investments	5.1, 5.2 & 5.3	5,229,088,750
	Less: carrying value of investments	5.1, 5.2 & 5.3	(5,221,504,400)
			7,584,350

6 ADVANCES, DEPOSITS AND PROFIT RECEIVABLE

Security deposit with:		
Central Depository Company of Pakistan Limited (CDC)		100,000
National Clearing Company of Pakistan Limited (NCCPL)		10,000
		110,000
Profit receivable on:		
Certificates of musharakah		8,306,723
GoP Ijara sukuk certificates		59,808,791
Corporate sukuk certificates		16,793,507
Balances with banks		69,180,840
		154,089,861
Advance tax	6.1	2,513,656
		156,713,517

6.1 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 150 and 151. However, withholding tax on profit on savings accounts, sukuk certificates and islamic term deposit receipts paid to the Fund has been deducted by various withholding agents based on the interpretation issued by FBR vide its 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 withholdee. The tax withheld on profit on savings accounts and debt securities amounts to Rs. 2.514 million.

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 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 (SCP) by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the SCP 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 profit on savings accounts and debt securities has been shown as advance tax under assets as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source is likely to be refunded.

		Faysal Islamic Financial Growth Plan-I June 30, 2024 (Rupees)
7	**PRELIMINARY EXPENSES AND FLOATATION COSTS**	
	Preliminary expenses and floatation costs incurred	510,525
	Less: amortisation during the period	(95,491)
	At the end of the period	415,034

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 July 25, 2023 in accordance with the Trust Deed of the Fund and the NBFC Regulations.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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		Note	Faysal Islamic Financial Growth Plan-I June 30, 2024 (Rupees)
8	**PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY**		
	Remuneration payable	8.1	6,891,441
	Sindh Sales Tax payable on remuneration of the Management Company	8.2	895,887
	Preliminary expenses and floatation costs payable	7	510,525
	Sales load payable		828,886
			9,126,739

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 its remuneration at rates ranging from 0% to 0.09% per annum of the average annual net assets of the Fund during the period ended June 30, 2024. The remuneration is payable to the Management Company monthly in arrears.

8.2 During the period, an amount of Rs. 1.343 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%.

8.3 In accordance with Circular 11 dated July 5, 2019 with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses at the rate of ranging from 0.00% to 0.05% per annum of the average annual net assets of the Fund during the period ended June 30, 2024 while keeping in view the overall return and total expense ratio limit of the Fund as defined under the NBFC Regulations, subject to total expense charged being lower than actual expense incurred.

8.4 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).

The Management Company, based on its discretion (duly authorised by the Board of Directors), has charged accounting and operational charges to the Fund at rates ranging from 0% to 0.55% per annum of the average annual net assets of the Fund during the period ended June 30, 2024, subject to total expense charged being lower than actual expense incurred.

8.5 During the year, the Securities and Exchange Commission of Pakistan (SECP) carried out onsite inspection of the Management Company and inspected, among other matters, the mechanism of chargeability of selling & marketing expenses and accounting & operational charges to the funds under its management. As a result of this inspection, SECP raised certain observations relating to the chargeability of such expenses by the Management Company to the funds under its management. The Board of Directors of the Management Company has responded to the observations highlighted by the SECP and the management is engaged with SECP in this regard. Accordingly, the impact of the SECP's observations on the financial statements, if any, is not determinable as at the reporting date.

		Note	Faysal Islamic Financial Growth Plan-I June 30, 2024 (Rupees)
9	**PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE**		
	Remuneration payable	9.1	459,306
	Sindh Sales Tax paybale on remuneration of the Trustee	9.2	59,710
			519,016

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

9.2 During the period, an amount of Rs 0.194 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%.

		Note	Faysal Islamic Financial Growth Plan-I June 30, 2024 (Rupees)
10	**PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**		
	Fee payable	10.1	429,748

10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.095% per annum of the daily net assets of the Fund.

The Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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11 ACCRUED EXPENSES AND OTHER LIABILITIES

	Faysal Islamic Financial Growth Plan-I June 30, 2024 (Rupees)
Auditors' remuneration payable	257,979
Legal and professional charges payable	122,078
Transaction charges payable	88,508
Witholding tax payale	926,917
Shariah advisory fee payable	160,877
Capital gain tax payable	12,146,137
	13,702,496

12 CONTINGENCIES AND COMMITMENTS

12.1 There were no contingencies and commitments outstanding as at June 30, 2024.

13 AUDITORS' REMUNERATION

	Faysal Islamic Financial Growth Plan-I For the period from July 25, 2023 to June 30, 2024 (Rupees)
Annual audit fee	140,000
Fee for half yearly review of condensed interim financial statements	110,000
Fee for other certifications	85,000
Out of pocket expenses	20,469
	355,469
Sindh Sales Tax	28,438
	383,907

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 unit holders. Since the management has distributed the required minimum percentage of income earned by the Fund for the period ended June 30, 2024 to the unit holders in the manner as explained above 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.

15 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.

16 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2024 is 0.81% which includes 0.14% representing government levies on the Fund such as sales taxes, 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 'Shariah Compliant Islamic Income Scheme'.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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17 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

17.1 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.

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.

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

17.5 Accounting and operational charges 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 period and balances with them as at period end are as follows:

Transactions during the period	**For the period from July 25, 2023 to June 30, 2024**
	(Rupees)
Faysal Asset Management Limited - Management Company	
Remuneration of the Management Company	10,333,739
Sindh Sales Tax on remuneration of the Management Company	1,343,386
Allocated expenses	724,989
Selling and marketing expenses	719,724
Units issued: 3,257,681 units	346,797,566
Units redeemed: 3,227,886 units	310,790,949
Dividend paid	4,818,987
Faysal Bank Limited - Group Company	
Profit on balances with bank	66,821,475
Bank charges	9,348
Central Depository Company of Pakistan Limited - Trustee	
Remuneration of the Trustee	1,490,984
Sindh Sales Tax on remuneration of the Trustee	193,828
Unit holders holding 10% or more units of the Fund	
Units issued: 88,934,384 units	9,169,042,945
Units redeemed: 63,082,191 units	6,586,987,803
Dividend paid	35,629
Directors, their close family members and Key Management Personnel of the Management Company	
Units issued: 176,025 units	17,805,987
Units redeemed: 124,664 units	12,757,360

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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Amounts / balances outstanding as at period end	2024 (Rupees)
Faysal Asset Management Limited - Management Company	
Remuneration payable	6,891,441
Sindh Sales Tax payable on remuneration of the Management Company	895,887
Preliminary expenses and floatation costs payable	510,525
Sales load payable	828,886
Units in issue: 29,795 units	2,987,247
Faysal Bank Limited - Group Company	
Balance with bank	264,116,578
Profit receivable on balance with bank	17,225,086
Central Depository Company of Pakistan Limited - Trustee	
Remuneration payable	459,306
Sindh Sales Tax payable on remuneration of the Trustee	59,710
Security deposit	100,000
Directors, their close family members and Key Management Personnel of the Management Company	
Units in issue: 51,361 units	5,149,454
Unit holders holding 10% or more units of the Fund	
Units in issue: 25,852,193 units	2,591,940,870

18 FINANCIAL INSTRUMENTS BY CATEGORY

	June 30, 2024		
	At amortised cost	At fair value through profit or loss	Total
	---------------------------- Rupees ----------------------------		
Financial assets			
Balances with banks	2,489,858,056	-	2,489,858,056
Investments	-	5,229,088,750	5,229,088,750
Deposits and profit receivable	154,199,861	-	154,199,861
	2,644,057,917	5,229,088,750	7,873,146,667
Financial liabilities			
Payable to Faysal Asset Management Limited - Management Company	9,126,739	-	9,126,739
Payable to Central Depository Company of Pakistan Limited - Trustee	519,016	-	519,016
Payable against redemption and conversion of units	6,430,577	-	6,430,577
Accrued expenses and other liabilities	629,442	-	629,442
	16,705,774	-	16,705,774

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: yield / profit rate risk, currency risk, and price risk.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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(i) Yield / profit rate risk

Yiled / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market yield / profit rates. As of June 30, 2024, the Fund is exposed to such risk on its balances with banks, sukuk certificates and certificates of musharakah. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks and sukuk certificates which expose the Fund to cash flow yield / profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the period and net assets of the Fund would have been higher / lower by Rs. 73.789 million.

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2024, the Fund holds certificates of musharakah which the expose the Fund to fair value profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the period and net assets of the Fund would have been higher / lower by Rs. 73.789 million.

Yield / profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date.

The Fund's yield / profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

	June 30, 2024					
	Effective yield / profit rate (%)	Exposed to yield / profit rate risk: Up to three months	More than three months and up to one year	More than one year	Not exposed to yield / profit rate risk	Total
		Rupees				
Financial assets						
Balances with banks	18.50% - 21.75%	2,489,858,056	-	-	-	2,489,858,056
Investments	20.29% - 24.08%	100,000,000	5,129,088,750	-	-	5,229,088,750
Deposits and profit receivable		-	-	-	154,199,861	154,199,861
		2,589,858,056	5,129,088,750	-	154,199,861	7,873,146,667
Financial liabilities						
Payable to Faysal Asset Management Limited - Management Company		-	-	-	9,126,739	9,126,739
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	519,016	519,016
Payable against redemption and conversion of units		-	-	-	6,430,577	6,430,577
Accrued expenses and other liabilities		-	-	-	629,442	629,442
		-	-	-	16,705,774	16,705,774
On-balance sheet gap (a)		2,589,858,056	5,129,088,750	-	137,494,087	7,856,440,893
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a+b)		2,589,858,056	5,129,088,750	-		
Cumulative profit rate sensitivity gap		2,589,858,056	7,718,946,806	7,718,946,806		

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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Equity price risk is a risk that the fair value of equity instruments decreases as a result of changes in the level of equity indices and the value of individual stocks. The Fund does not have any investment in equity securities at at June 30, 2024 and hence, is not exposed to price risk.

19.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily settlement of equity securities and daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations the Fund can borrow in the short-term to ensure settlement the maximum limit of which is fifteen percent of the net assets up to 90 days and would be secured by the assets of the Fund.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the period.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

	June 30, 2024						
	Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial instruments with no fixed maturity	Total
	Rupees						
Financial assets							
Balances with banks	2,489,858,056	-	-	-	-	-	2,489,858,056
Investments	-	100,000,000	1,193,412,500	3,935,676,250	-	-	5,229,088,750
Deposits and profit receivable	69,180,840	-	84,909,021	-	-	110,000	154,199,861
	2,559,038,896	100,000,000	1,278,321,521	3,935,676,250	-	110,000	7,873,146,667
Financial liabilities							
Payable to Faysal Asset Management Limited - Management Company	9,126,739	-	-	-	-	-	9,126,739
Payable to Central Depository Company of Pakistan Limited - Trustee	519,016	-	-	-	-	-	519,016
Payable against redemption and conversion of units	6,430,577	-	-	-	-	-	6,430,577
Accrued expenses and other liabilities	371,463	257,979	-	-	-	-	629,442
	16,447,795	257,979	-	-	-	-	16,705,774
Net financial assets	2,542,591,101	99,742,021	1,278,321,521	3,935,676,250	-	110,000	7,856,440,893

19.3 Credit risk

19.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

	June 30, 2024	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	Rupees	
Balances with banks	2,489,858,056	2,489,858,056
Investments	5,229,088,750	1,382,618,750
Deposits and profit receivable	154,199,861	94,391,070
	7,873,146,667	3,966,867,876

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial asset. Investment in government securities and profit accrued thereon, however, are not exposed to credit risk and have been excluded from the above analysis as investment in government securities are guaranteed by the Government of Pakistan.

19.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks, investment in sukuk certificates and profit accrued thereon. The credit rating profile of bank balances, sukuk certificates and its accrued profit is as follows:

	% of financial assets exposed to credit risk
Bank balances and profit accrued thereon	**2024**
AAA	28.85%
AA	3.44%
Sukuk certifcates and profit accrued thereon	
AA+	3.51%
A-1+	8.59%
A-1	1.35%

19.3.2.1 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2024 are unsecured and are not impaired.

20 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.

20.1 Fair value hierarchy

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

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

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

15

As at June 30, 2024, and June 30, 2023 the Fund held the following financial instruments measured at fair value:

ASSETS	2024			
	Level 1	Level 2	Level 3	Total
	(Rupees)			
Financial assets at fair value through profit or loss				
Certificates of musharakah *	-	340,000,000	-	340,000,000
GoP Ijara sukuk certificates	-	3,846,470,000	-	3,846,470,000
Corporate sukuk certificates	-	1,042,618,750	-	1,042,618,750
	-	5,229,088,750	-	5,229,088,750

* The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counterparties which have high credit rating.

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 19, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

22 UNIT HOLDING PATTERN OF THE FUND

Category	2024		
	Number of unit holders	Number of units held	Percentage of total
Individuals	114	74,025,557	94.59%
Associated company	1	29,795	0.04%
Other corporates	4	1,034,047	1.32%
Retirement Funds	8	3,167,449	4.05%
	127	78,256,848	100.00%

23 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

Name of broker	2024 Percentage of commission paid
Next Capital Limited	100.00%

23.1 The Fund has traded with only the above mentioned 1 broker / dealer during the period ended June 30, 2024.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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24 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Following are the details in respect of members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Mr. Nadir Rahman	Chief Executive Officer	BS (Economics)	Over 33 Years
Mr. Omer Bin Javaid	Deputy Chief Executive Officer	MBA	Over 25 Years
Mr. Muhammad Imran	Chief Investment Officer	MBA	Over 22 Years
Mr. Nafees Imtiaz Malik	Chief Operating Officer	MBA	Over 12 Years
Syed Shahid Iqbal	Head of Fixed Income	B.Com	Over 32 Years
Mr. Salman Muslim	Chief Financial Officer and Company Secretary	FCA	Over 18 Years
Mr. Shoaib Danish	Equity Fund Specialist	MBA & CFA	Over 9 Years
Mr. Mustajab Alam	Fund Manager	MBA Finance	Over 11 Years
Mr. Abdul Ghani Mianoor	Senior Research Analyst	BSc	Over 5 Years
Mr. Syed Eunas Viqar	Head of Internal Audit and Compliance	ACCA	Over 16 Years
Mr. Abdul Basit	Unit Head - Risk Management	MBA	Over 9 Years
Mr. Muhammad Qasim	Senior Manager Risk Management	MBA	Over 16 Years

25 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other funds managed by the Fund manager
Syed Shahid Iqbal	Fund Manager	B.Com	Faysal Savings Growth Fund, Faysal Money Market Fund, Faysal MTS Fund, Faysal Financial Value Fund, Faysal Islamic Savings Growth Fund, Faysal Cash Fund, Faysal Islamic Asset Allocation Fund, Faysal Halal Amdani Fund, Faysal Islamic Cash Fund, Faysal Special Savings Fund, Faysal Financial Sector Opportunity Fund, Faysal Government Securities Fund, Faysal Islamic Special Income Fund, Faysal Islamic Sovereign Fund, Faysal Islamic Financial Planning Fund, Faysal Shariah Planning Fund, Faysal Islamic Financial Planning Fund II, Faysal Income & Growth Fund, Faysal Islamic Mustakil Munafa Fund

26 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and the attendance of its members are given below:

Name of directors	Designation	Attended meeting held on						
		July 12, 2023	August, 18 2023	October 20, 2023	December 12, 2023	January 5, 2024	February 2, 2024	April 19, 2024
Mr. Yousaf Hussain	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Syed Majid Ali	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mian Salman Ali	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ali Waqar	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Samia Zuberi	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ehsen Zafar Puri*	Director	-	-	-	Yes	Yes	Yes	Yes
Mr. Nadir Rahman	Chief Executive Officer	Yes	Yes	Yes	Yes	Yes	Yes	Yes

*Mr. Ehsen Zafar Puri has been appointed as Director on the Board with effect from October 20, 2023.

27 GENERAL

27.1 Figures have been rounded off to the nearest Rupees, unless otherwise stated.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

28 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 22, 2024 by the Board of Directors of the Management Company.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

SUPPLEMENTARY NON FINANCIAL INFORMATION
DISCLOSURE REQUIREMENTS UNDER CLAUSE 6 - NOTES TO THE ACCOUNTS SUB CLAUSE (I)
AND CLAUSE 11 - PERFORMANCE TABLE OF THE 5TH SCHEDULE TO THE
NON BANKING FINANCE COMPANIES AND NOTIFIED ENTITIES REGULATIONS, 2008

(i) PERFORMANCE TABLE

	June 30, 2024 (Rupees)
Net assets	7,845,866,781
Net assets value per unit	100.26
Offer price per unit	102.53
Repurchase price per unit	100.26
Highest offer price per unit	116.714
Highest repurchase price per unit	114.1345
Lowest offer price per unit	102.191
Lowest repurchase price per unit	99.9325
Total return:	20.92%
- capital growth	2.37%
- income distribution	18.55%
Average annual return: (Launch date: July 24, 2006)	
- one year	20.92%
Distribution per unit:	
- Interim distribution (% per unit)	18.55%
- Final distribution (% per unit)*	
	18.55%

* Announced on 25 June 2024

The Fund's past performance is not necessarily indicative of future performance. Therefore, the unit prices and investment returns may go down, as well as up.

(ii) MEETINGS OF THE AUDIT COMMITTEE

Following is the analysis of the attendance in the meetings of the Audit Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On			
		17-Aug-23	19-Oct-23	01-Feb-24	18-Apr-24
Ms. Samia Zuberi	Chairperson	Yes	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes	Yes
Mr. Mian Salman Ali	Member	Yes	Yes	Yes	Yes

(iii) MEETINGS OF THE HUMAN REOUSRCE AND REMUNERATION COMMITTEE

Following is the analysis of the attendance in the meetings of the Human Resource and Remuneration Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On				
		08-Aug-23	17-Oct-23	08-Nov-23	01-Feb-24	06-May-24
Ms. Samia Zuberi	Chairperson	Yes	Yes	Yes	Yes	Yes
Mr. Yousaf Hussain	Member	Yes	Yes	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes	Yes	Yes
Mr. Ali Waqar	Member	Yes	Yes	Yes	Yes	Yes

(iv) MEETINGS OF THE BOARD RISK MANAGEMENT COMMITTEE

Following is the analysis of the attendance in the meetings of the Board Risk Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On		
		10-Aug-23	16-Oct-23	18-Apr-24
Mr. Mian Salman Ali	Chairman	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes
Mr. Ali Waqar	Member	Yes	Yes	Yes
Mr. Nadir Rahman	Member	Yes	Yes	Yes

(v) MEETINGS OF THE BOARD STRATEGY COMMITTEE

Following is the analysis of the attendance in the meetings of the Board Strategy Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On	
		09-Aug-23	16-Oct-23
Mr. Yousaf Hussain	Chairman	Yes	Yes
Syed Majid Ali	Member	Yes	Yes
Mr. Mian Salman Ali	Member	Yes	Yes
Mr. Nadir Rahman	Member	Yes	Yes
*Mr. Ehsan Zafar Puri	Member	N/A	N/A

*Mr. Ehsan Zafar Puri was appointed as director board strategy committee, effective from October 20, 2023.

Head Office
West wing, 7th Floor,Faysal House, ST-02,
Shahrah-e-Faisal,Karachi, Pakistan.

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T 92 42 35785558
F 92 42 35755196

Islamabad
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F 92 51 2275252

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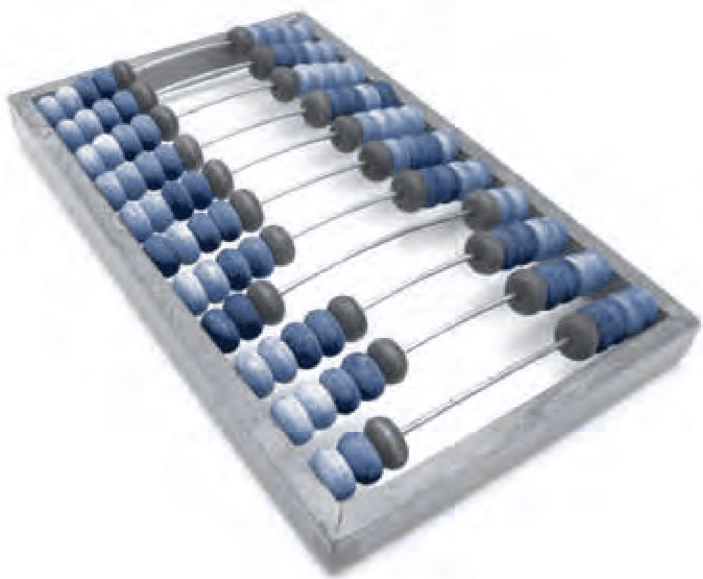
Faysal Islamic Financial Planning Fund - II

Financial Statements

For The Year Ended June 30, 2024



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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
Mr. Ehsan Zafar Puri, Director

Chief Financial Officer & Company Secretary
Mr. Salman Muslim

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

Board Strategy Committee
Mr. Yousaf Hussain, Chairman
Syed Majid Ali, Member
Mr. Mian Salman Ali, Member
Mr. Ehsan Zafar Puri, 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
Dubai Islamic Bank

MISSION AND VISION

To provide world class investment management and advisory services for the benefit of clientele looking to maximize their financial returns while minimizing risk.

To amplify our client-centricity by inspiring innovation, championing customer service, generating competitive returns, and honoring the utmost ethical and professional standards.

MISSION STATEMENT

Faysal Islamic 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

FUND MANAGER'S REPORT

ECONOMIC REVIEW

In 3QFY24, Pakistan's GDP experienced an YoY growth of 2.09%, with a marginal QoQ increase of 0.12%. The Services sector remained flat at 0.83%, offsetting gains in the Industrial and Agriculture sectors, which saw advances of 3.84% and 3.94%, respectively. Albeit Large-Scale Manufacturing Index growth was trivial at 1.47%, improvements in the small-scale sector supported overall industrial growth. Looking ahead, the country's growth rate is likely to be lower than anticipated in the 1HFY25, before gaining momentum in the 2HFY25 due to projected interest rate cuts that could stimulate industrial growth.

Pakistan's external account continued to exhibit improvement, with the Current Account Deficit (CAD) clocking in at ~USD 665mn during FY24, down from ~USD 3.3bn in SPLY. This steep reduction is primarily due to a 12% YoY increase in exports, reaching ~USD 31bn, and an 11% YoY rise in remittances, totaling ~USD 30.2bn. On a QoQ basis, the CAD was ~USD 0.07bn, supported by increased exports and remittances. The trade deficit also improved, decreasing by roughly 11% to USD 22bn in FY24 from USD 24.8bn in the SPLY, attributed to rising exports and declining imports.

The PKR appreciated by ~2.62% since Jun-23, closing 4QFY24 at PKR 278.34 against the USD. Foreign exchange reserves rose by about 10% QoQ to USD 14 bn, driven by strong inflows and roll-overs, including support from the IMF, GCC countries, and FDIs predominantly from China. The FX Reserves improved significantly from USD 9.1bn at the end of June 2023, enhancing the imports cover to above 1.5 months.

The average inflation clocked in at ~24% in FY24, down from ~29.4% in FY23. However, Core inflation rose to about 18.9% in FY24 from 17.8% in the SPLY. However, on QoQ basis, it dropped from 18.1% in 3QFY24 to 14.6% in 4QFY24. Despite higher fuel, power, and food inflation, the appreciation of the PKR and lower international commodity prices helped moderate inflation.

The Federal Board of Revenue (FBR) collected ~PKR 9,285bn in taxes during FY24, surpassing the target of PKR 9,252bn, and marking a 29% YoY increase from PKR 7,167bn in the SPLY. This growth was mainly on account of increased direct taxes and Petroleum Development Levy (PDL), while tax collection on imports remained subdued due to import compression.

Looking forward, the economic outlook for the upcoming quarters is optimistic, bolstered by the IMF program and anticipated rate cuts (a cumulative 250 bps in the last two Monetary Policy Committee meetings). The potential economic rebound FY25, a downward trend in inflation, and PKR stability are key factors supporting this outlook.

Equities review:

During FY24, the index surged by ~79% from 41,453 points at the end of Jun'23 to 78,445 points. Positive developments on the external front (IMF program success and reapproval, stable PKR, modest Fx reserves), as well as diminishing inflationary pressures and political stability among others, bolstered investor sentiment during the year.

During the FY24, Foreigners and Insurance drove the market with a net purchase of ~USD 152m and ~USD 126m. On the flipside, Banks/DFIs, Individuals, Mutual Funds and Others were net sellers to the tune of ~USD 141mn, ~USD 59mn, ~USD 47mn and ~USD 33m respectively.

During FY24 the sectors which contributed positively to the index include Banks (13,262 points), Fertilizer (5,074 points), Oil & Gas Exploration Companies (4,300 points), Power Generation & Distribution (4,192 points), Cement (2,513 points) and Automobile Assembler (1,095 points). The sectors which dragged in the bourse in FY24 majorly include Technology & Communication (-52 points) and Textile Spinning (-17 points). The market experienced a sustained bull run in FY24, driven by improving macroeconomic indicators, rising corporate profitability, expectations of a rate cut in 2HFY24, and attractive market valuations.

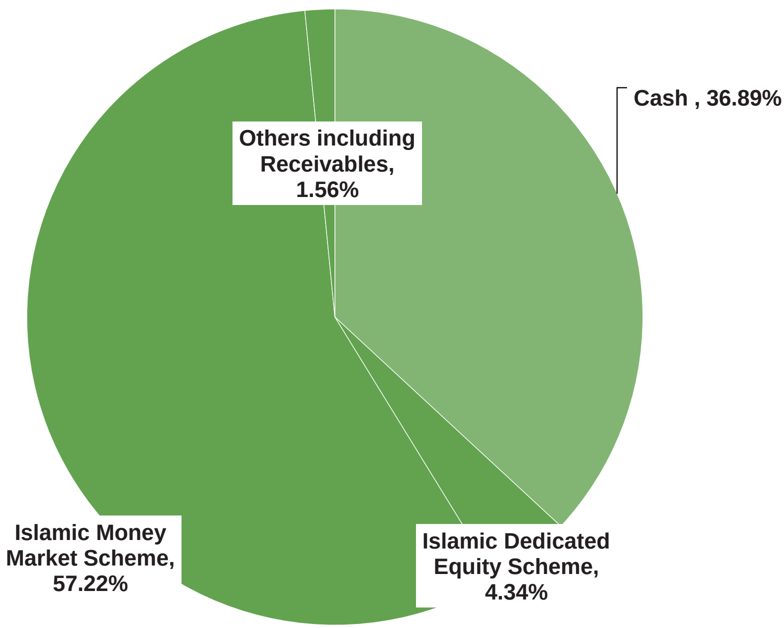
MONEY MARKET REVIEW

For the majority of FY24, the SBP kept the policy rate steady at 22%. However, following a decline in CPI readings, the SBP revised down the policy rate by 150 basis points to 20.5%. During the year, SBP held 26 T-Bill and 10 PIB auctions raising a total of ~PKR 21.3tn through T-Bills and ~PKR 4.5tn through the PIB auctions. During the year, the yields depicted volatility, inching upwards and peaking in Sept'24, before gradually declining thereon. In the first T-bill auction of FY24, the State Bank of Pakistan raised ~PKR 597bn, with weighted average yields realized in the 3M / 6M / 12M tenors clocking in at ~22.75% / 22.96% / 22.99%, respectively. However, in the last auction of FY24 held in June'24, SBP held, the weighted average yields realized in the 3M / 6M / 12M fell to ~20.01% / 19.94% / 18.49%, respectively. The decline in yields since Sept'23 followed expectations of interest rate cuts, which materialized in June'24. A similar trend was witnessed during FY24 in the Islamic Money Market / Sukuk yields.

Fund Information	
Fund Type	Open Ended
Category	Shariah Compliant Fund of Funds - CPPI
Risk Profile	Medium
Launch Date	July 15, 2022
Trustee	CDC
Auditor	A.F. Ferguson & Co.
Management Fee	1% on AUM or if investment made in CIS Underlying Fund fee will be applicable. (Actual Rate of Management Fee Charged is 1%)
Selling and Marketing Expense	-
Front end Load	Up to 3%
Contingent Load	For First Year 2% For Second Year 1%
Min Subscription	PKR 1,000
Pricing Mechanism	Forward
Benchmark	Weighted average return of KMI 30 index and 6-months deposit rate of (Three)3 A rated Scheduled Islamic Banks or Islamic window of conventional banks
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 4:00 pm
AMC Rating	AM2++ (VIS) December 29, 2023
NAV per Unit (PKR)	100.42
Net Assets (PKR mn)	775
Total Expense Ratio (Annualized)	1.99%
Total Expense Ratio (Monthly)	2.45%

Fund Returns (% p.a)		
	FY24	FY23
YTD	21.75%	7.93%
Benchmark (YTD)	20.50%	4.50%

Asset Allocation



FUND PERFORMANCE

Faysal Shariah Capital Preservation Plan 10 yielded a FY24 return of 21.75% (absolute) relative to its benchmark of 20.50%. At the close of the period, exposure in Cash, Islamic Money Market Scheme, Islamic Dedicated Equity Schemes and Others stood at 36.89%, 57.22%, 4.34% and 1.56, respectively. In the future, fund management will allocate funds in different high-yielding streams.

بسم الله الرحمن الرحيم

الحمد لله رب العالمين,والصلاة والسلام على خاتم النبيّين وسيد المرسلين,

وعلى آله واصحابه أجمعين.أمّا بعد

Annual Report
of
Faysal Islamic Financial Planning Fund-II

August 22, 2024

By the blessing of ALLAH, the year ended 30 June, 2024 under analysis of **Faysal Islamic Financial Planning Fund-II (FIFPF-II)**. I, as the Shariah Advisor of the fund am issuing the report in accordance with the trust deed of the fund. The scope of the report is to express an opinion on the Shariah Compliance of the fund's activities.

In the capability of Shariah Advisor, I have set out criteria and guideline to be followed in ensuring Shariah Compliance in the each and every transaction.
It is the responsibility of the management of the fund to establish and maintain a system of internal control to ensure Shariah Compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the management company' personal and review of various documents prepared by the management company to comply with the prescribed criteria.

In the light of above, I hereby certify that:

- I have reviewed and approved the modes of investment of **FIFPF-II** in light of the Shariah guidelines.
- All the provisions of the scheme and investment made on account of **FIFPF-II** by **FAML** Fund Managers are Shariah Compliant and in accordance with the criteria established.

On the basis of information provided by the management, all operations of **Faysal Islamic Financial Planning Fund-II (FIFPF-II)**. for year ended 30 June 2024 have been in compliance with the Shariah Principles.

May Allah make us successful and accept efforts of the management company for developing of Islamic Finance System.

وصلى الله على حبيبه محمد صلى الله عليه وسلم

Farooqi

Abdul Zahid Farooqi
Shariah Advisor
Faysal Asset Management Limited

Mufti Abdul Zahid Farooqi
Shariah Advisor
Faysal Asset Management Ltd

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

FAYSAL ISLAMIC FINANCIAL PLANNING FUND- II

Report of the Trustee pursuant to Regulation 41(h) and clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of Faysal Islamic Financial Planning Fund- II (the Fund) are of the opinion that Faysal Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2024 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 24, 2024

pwc A·F·FERGUSON&Co.

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Faysal Islamic Financial Planning Fund II

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Faysal Islamic Financial Planning Fund II (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Net Asset Value** (Refer notes 4 and 5 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks of the Fund as at June 30, 2024 amounted to Rs. 303.98 million and investments aggregated to Rs. 507.30 million. The existence of balances with banks and existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: ▪ Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; ▪ Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and ▪ Obtained bank reconciliation statements and tested reconciling items on a sample basis.

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Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Shahbaz Akbar**.

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A. F. Ferguson & Co.
Chartered Accountants
Dated: September 27, 2024
Karachi
UDIN: AR2024100688ebJL3I9r

STATEMENT OF ASSETS AND LIABILITIES

As at June 30, 2024

	Note	June 30, 2024 FIFPF-II-Faysal Sharia Capital Preservation	June 30, 2023 FIFPF-II-Faysal Sharia Capital Preservation
		---------------(Rupees)---------------	
Assets			
Balances with banks	4	303,980,394	110,217,012
Investments	5	507,305,090	959,980,925
Advances and profit receivable	6	12,746,123	13,222,752
Preliminary expenses and floatation costs	7	78,677	909,679
Total assets		824,110,284	1,084,330,368
Liabilities			
Payable to Faysal Asset Management Limited - Management Company	8	3,022,950	6,808,400
Payable to Central Depository Company of Pakistan Limited - Trustee	9	52,736	72,219
Payable to the Securities and Exchange Commission of Pakistan	10	13,021	243,785
Payable against redemption of units		14,975,100	-
Accrued expenses and other liabilities	11	31,009,571	585,490
Total liabilities		49,073,378	7,709,894
Net assets		775,036,906	1,076,620,474
Unit holders' fund (as per statement attached)		775,036,906	1,076,620,474
Contingencies and commitments	12		
		----------(Number of units)----------	
Number of units in issue		7,718,192	10,726,925
		(Rupees)	(Rupees)
Net asset value per unit		100.42	100.37

The annexed notes from 1 to 26 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

INCOME STATEMENT

For The Year Ended June 30, 2024

	Note	FIFPF-II-Faysal Sharia Capital Preservation For the year ended June 30, 2024	FIFPF-II-Faysal Sharia Capital Preservation For the period from July 15, 2022 to June 30, 2023
		--------------(Rupees)--------------	
Income			
Profit on balances with banks		59,084,971	32,154,552
Dividend income		69,934,442	57,863,461
Back end load income		4,544,854	7,769,822
Gain on sale of investments - net		90,690,616	31,962,277
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.1.1	(17,475,333)	(2,630,646)
Total income		206,779,550	127,119,466
Expenses			
Remuneration of Faysal Asset Management Limited - Management Company	8.1	5,483,147	4,417,613
Sindh Sales Tax on remuneration of the Management Company	8.2	712,809	574,290
Allocated expenses	8.3	9,278,603	23,389,320
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	649,816	854,672
Sindh Sales Tax on remuneration of the Trustee	9.2	84,476	111,107
Fee to the Securities and Exchange Commission of Pakistan	10.1	185,661	243,785
Auditors' remuneration	13	786,579	625,234
Fees and subscription		172,490	110,203
Legal and professional charges		261,428	150,800
Amortisation of preliminary expenses and floatation cost	7	831,002	831,017
Bank charges		3,406	2,738
Printing charges		10,646	25,896
Total expenses		18,460,063	31,336,675
Net income for the year / period before taxation		188,319,487	95,782,791
Taxation	15	-	-
Net income for the year / period after taxation		188,319,487	95,782,791
Earnings per unit	3.15		
Allocation of net income for the year / period			
Net income for the year / period after taxation		188,319,487	95,782,791
Income already paid on units redeemed		(51,292,886)	(15,987,653)
		137,026,601	79,795,138
Accounting income available for distribution			
- Relating to capital gains		73,215,283	29,331,631
- Excluding capital gains		63,811,318	50,463,507
		137,026,601	79,795,138

The annexed notes from 1 to 26 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

STATEMENT OF COMPREHENSIVE INCOME

For The Year Ended June 30, 2024

	FIFPF-II-Faysal Sharia Capital Preservation For the year ended June 30, 2024	FIFPF-II-Faysal Sharia Capital Preservation For the period from July 15, 2022 to June 30, 2023
	---------------(Rupees)---------------	
Net income for the year / period after taxation	188,319,487	95,782,791
Other comprehensive income for the year / period	-	-
Total comprehensive income for the year / period	188,319,487	95,782,791

The annexed notes from 1 to 26 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
For The Year Ended June 30, 2024

	FIFPF-II-Faysal Sharia Capital Preservation Plan-X For the year ended June 30, 2024			FIFPF-II-Faysal Sharia Capital Preservation Plan-X For the period from July 15, 2022 to June 30, 2023		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	---(Rupees)---			---(Rupees)---		
Net assets at the beginning of the year / period	1,072,836,646	3,783,828	1,076,620,474	-	-	-
Issuance of 1,443,789 units (2023: 14,451,959 units)						
- Capital value (at par value per unit at the beginning of the year / period)	144,913,102	-	144,913,102	1,445,195,884	-	1,445,195,884
- Element of income	6,617,015	-	6,617,015	144,187	-	144,187
Total proceeds on issuance of units	151,530,117	-	151,530,117	1,445,340,071	-	1,445,340,071
Redemption of 4,452,522 units (2023: 3,725,034 units)						
- Capital value (at par value per unit at the beginning of the year / period)	(446,899,633)	-	(446,899,633)	(372,503,425)	-	(372,503,425)
- Element of loss	(28,456)	(51,292,886)	(51,321,342)	-	(15,987,653)	(15,987,653)
Total payments on redemption of units	(446,928,089)	(51,292,886)	(498,220,975)	(372,503,425)	(15,987,653)	(388,491,078)
Distribution for the year ended June 30, 2024 @ Rs. 21.77 per unit declared on June 28, 2024	(6,613,011)	(136,599,186)	(143,212,197)	-	-	-
Distribution for the period ended June 30, 2023 @ Rs. 0.79 per unit declared on August 18, 2022	-	-	-	-	(10,470,365)	(10,470,365)
Distribution for the period ended June 30, 2023 @ Rs. 5.13 per unit declared on June 23, 2023	-	-	-	-	(52,368,788)	(52,368,788)
Distribution for the period ended June 30, 2023 @ Rs. 0.80 per unit declared on June 27, 2023)				-	(13,172,157)	(13,172,157)
Total comprehensive income for the year / period	-	188,319,487	188,319,487	-	95,782,791	95,782,791
Net income for the year / period less distribution	(6,613,011)	51,720,301	45,107,290	-	19,771,481	19,771,481
Net assets at the end of the year / period	770,825,663	4,211,243	775,036,906	1,072,836,646	3,783,828	1,076,620,474
Undistributed income brought forward						
- Realised income		6,414,474			-	
- Unrealised loss		(2,630,646)			-	
		3,783,828			-	
Distribution made during the year / period		(136,599,186)			(76,011,310)	
Accounting income available for distribution						
- Relating to capital gains		73,215,283			29,331,631	
- Excluding capital gains		63,811,318			50,463,507	
		137,026,601			79,795,138	
Undistributed income carried forward		4,211,243			3,783,828	
Undistributed income carried forward						
- Realised income		21,686,576			6,414,474	
- Unrealised loss		(17,475,333)			(2,630,646)	
		4,211,243			3,783,828	
			(Rupees)			**(Rupees)**
Net asset value per unit at the start of the year / period			100.37			-
Net asset value per unit at the end of the year / period			100.42			100.37

The annexed notes from 1 to 26 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer | **Chief Executive Officer** | **Director**

CASH FLOW STATEMENT
For The Year Ended June 30, 2024

	Note	FIFPF-II- Faysal Sharia Capital Preservation For the year ended June 30, 2024	FIFPF-II- Faysal Sharia Capital Preservation For the period from July 15, 2022 to June 30, 2023
		--------------(Rupees)--------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year / period before taxation		188,319,487	95,782,791
Adjustments for:			
Amortisation of preliminary expenses and flotation costs	7	831,002	831,017
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.1.1	17,475,333	2,630,646
		206,625,822	99,244,454
Decrease / (increase) in assets			
Advances and profit receivable		476,629	(13,222,752)
Investments - net		435,200,502	(962,611,571)
Preliminary expenses and floatation costs paid		-	(1,740,696)
		435,677,131	(977,575,019)
Increase / (decrease) in liabilities			
Payable to Faysal Asset Management Limited - Management Company		(3,785,450)	6,808,400
Payable to Central Depository Company of Pakistan Limited - Trustee		(19,483)	72,219
Payable to the Securities and Exchange Commission of Pakistan		(230,764)	243,785
Accrued expenses and other liabilities		30,424,081	585,490
		26,388,384	7,709,894
Net cash generated from / (used in) operating activities		668,691,337	(870,620,671)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance and conversion of units - net of refund of capital		144,917,106	1,445,340,071
Payments against redemption of units and conversion of units		(483,245,875)	(388,491,078)
Dividend paid		(136,599,186)	(76,011,310)
Net cash (used in) / generated from financing activities		(474,927,955)	980,837,683
Net increase in cash and cash equivalents during the year / period		193,763,382	110,217,012
Cash and cash equivalents at the beginning of the year / period		110,217,012	-
Cash and cash equivalents at the end of the year / period	4	303,980,394	110,217,012

The annexed notes from 1 to 26 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Faysal Islamic Financial Planning Fund II (the Fund) is an open-ended mutual fund established through a Trust Deed entered into on May 19, 2020 between Faysal Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The investment activities and administration of the Fund are managed by the Management Company. 'The Fund was registered under the Sindh Trust Act on November 16, 2021.

The Management Company of the Fund has been licensed by the SECP 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, Faysal House, ST-02, Main Shahrah-e-Faisal, Karachi, Pakistan. 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 'Shariah compliant fund of funds 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 under pre - IPO at a par value of Rs. 100 per unit.

1.3 Faysal Sharia Capital Preservation Plan - X under Faysal Islamic Financial Planning Fund II is a Shariah compliant plan which commenced its operations from July 15, 2022 with an objective to earn a potentially competitive return through dynamic asset allocation between Islamic income / money market, Islamic equity collective investment scheme and Islamic banks deposits by using CPPI methodology, while aiming to providing capital preservation of the initial investment value at maturity of the plan based on the fund manager’s outlook on the assets' classes. The initial maturity of this plan is two years from the close of the subscription period (i.e. July 15, 2022). Units will be subject to front end load and back end / contingent load.

1.4 The Management Company has been assigned a quality rating of 'AM2++' by VIS Credit Rating Company Limited dated December 29, 2023 (2023: 'AM2++' dated December 31, 2022). The rating reflects the Company’s experienced management team, structured investment process and sound quality of systems and processes.

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

1.6 Subsequent to the year ended June 30, 2024, Faysal Sharia Capital Preservation Plan X (the Plan) has been matured by the Management Company on July 14, 2024 as per the provisions of the offering document. However, the duration of the Fund is perpetual. Since the Plan has ceased to operate subsequent to the year end, therefore, the Plan is no longer a going concern. The management has continued to measure the Plan's assets and liabilities principally in accordance with the material accounting policy information 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 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 Accounting Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017, along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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 annual accounting period beginning on July 1, 2023. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and have, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Fund which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

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

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 has not yet been adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and

- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

2.4 Critical accounting estimates and judgments

The preparation of these financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying 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 current and future years.

The estimates and judgments that have a significant effect on the 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 these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material 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.

3.1 Cash and cash equivalents

These comprise balances with banks in savings and current accounts, cheques in hand and other short-term highly liquid investments with original maturities of three months or less.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

3

3.2 Financial assets

3.2.1 Classification and subsequent measurement

3.2.1.1 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at 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.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

3.2.2 Subsequent measurement

Fair value through profit or loss (FVPL):

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 (other than debt securities)

The fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost. 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.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

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 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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3.2.6 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

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.

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 period 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 application during business hours of that day. The redemption price is equal to the 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 / period also includes portion of income already paid on units redeemed during the year / period.

Distributions declared subsequent to the period end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period 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 assets 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 will be refunded on units in the same proportion as dividend bears to accounting income available for distribution.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

3.10 Revenue recognition

- Realised gain / (loss) arising on sale of investments are recorded at the date at which the transaction takes place;
- Unrealised appreciation / (diminution) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are recorded in the period in which these arise;
- Profit on savings accounts is recognised on an accrual basis;
- Back-end load income is recognised at the date at which the transaction takes place; and
- Dividend income is recognised when the right to receive the dividend is established.

3.11 Expenses

All expenses including management fee and trustee fee are recognised in the income statement on an accrual basis.

3.12 Preliminary expenses and floatation costs

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 two years in accordance with the requirements set out in the trust deed of the Fund.

3.13 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.

3.14 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

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 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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.

3.15 Earnings per unit

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

Earnings per unit 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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		Note	June 30, 2024 FIFPF-II-Faysal Sharia Capital Preservation Plan-X	June 30, 2023 FIFPF-II-Faysal Sharia Capital Preservation Plan-X
4	**BALANCES WITH BANKS**	**Note**	--------------(Rupees)--------------	
	Balances with banks in savings accounts	4.1	303,980,394	110,217,012

4.1 Deposits in savings accounts include Rs. 303.980 million (2023: Rs. 109.811 million) maintained with Faysal Bank Limited, a related party, and carry profit at the rate of 20.00% (2023: 20.40%) per annum. Other savings account of the Fund carry profit at the rate of 18.50% (2023: 14.50% to 20.40%) per annum.

		Note	June 30, 2024 FIFPF-II-Faysal Sharia Capital Preservation Plan-X	June 30, 2023 FIFPF-II-Faysal Sharia Capital Preservation Plan-X
5	**INVESTMENTS**	**Note**	--------------(Rupees)--------------	
	Investment in units of mutual funds	5.1	507,305,090	959,980,925

5.1 Investment in units of mutual funds

Name of the investee fund	Number of units				As at June 30, 2024			Market value as a percentage of	
	As at July 1, 2023	Purchased during the year	Redeemed during the year	As at June 30, 2024	Carrying value	Market value	Unrealised diminution	net assets	total investments
					------------------------(Rupees)------------------------				
Faysal Islamic Dedicated Equity Fund	4,634,941	229,646	4,634,941	229,646	35,799,648	35,762,723	(36,925)	4.61%	7.05%
Pak Qatar Cash Plan	-	4,682,845	-	4,682,845	488,980,775	471,542,367	(17,438,408)	60.84%	92.95%
Faysal Halal Amdani Fund	-	46,412,879	46,412,879	-	-	-	-	-	-
Faysal Islamic Sovereign Plan - I	4,008,699	70,252,131	74,260,830	-	-	-	-	-	-
Faysal Islamic Sovereign Plan - II	-	5,771,144	5,771,144	-	-	-	-	-	-
Faysal Islamic Cash fund	-	58,690,702	58,690,702	-	-	-	-	-	-
Al-Ameen Islamic Cash Fund	993,106	-	993,106	-	-	-	-	-	-
Total as at June 30, 2024					524,780,423	507,305,090	(17,475,333)	65.45%	100.00%
Total as at June 30, 2023					962,611,571	959,980,925	(2,630,646)		

		Note	June 30, 2024 FIFPF-II-Faysal Sharia Capital Preservation Plan-X	June 30, 2023 FIFPF-II-Faysal Sharia Capital Preservation Plan-X
5.1.1	**Unrealised diminution on re-measurement of investments ' classified as financial assets at fair value through profit or loss' - net**	**Note**	--------------(Rupees)--------------	
	Market value of investments	5.1	507,305,090	959,980,925
	Less: Carrying value of investments	5.1	524,780,423	962,611,571
			(17,475,333)	(2,630,646)

		Note	June 30, 2024	June 30, 2023
6	**ADVANCES AND PROFIT RECEIVABLE**			
	Profit receivable on balances with banks		11,456,253	11,932,882
	Advance tax	6.1	1,289,870	1,289,870
			12,746,123	13,222,752

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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6.1 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 150 and 151. However, withholding tax on profit on balances with banks paid to the Fund has been deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 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 withholdee. The tax withheld on profit on balances with banks amounts to Rs. 1.290 million (2023: Rs. 1.290 million).

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 the FBR. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, 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 on profits received by the Fund has been shown as receivable under "Advances and profit receivable" as at June 30, 2024, as, in the opinion of the management, the amount of tax deducted at source will be refunded.

			June 30, 2024	June 30, 2023
			FIFPF-II-Faysal Sharia Capital Preservation Plan-X	FIFPF-II-Faysal Sharia Capital Preservation Plan-X
7	**PRELIMINARY EXPENSES AND FLOATATION COSTS**	**Note**	---------------(Rupees)---------------	
	Opening balance		909,679	-
	Preliminary expenses and floatation costs incurred		-	1,740,696
	Less: amortisation for the year / period	7.1	(831,002)	(831,017)
	Closing balance		78,677	909,679

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 two years commencing from the end of the initial offering period in accordance with the Trust Deed of the Fund and the NBFC Regulations, 2008.

			June 30, 2024	June 30, 2023
			FIFPF-II-Faysal Sharia Capital Preservation Plan-X	FIFPF-II-Faysal Sharia Capital Preservation Plan-X
8	**PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY**	**Note**	---------------(Rupees)---------------	
	Remuneration payable	8.1	549,161	269,946
	Sindh Sales Tax payable on remuneration of the Management Company	8.2	71,391	35,093
	Preliminary expenses and floatation costs payable	7	1,740,696	1,740,696
	Allocated expenses payable	8.3	661,702	4,762,665
			3,022,950	6,808,400

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 1.00% (2023: 1.00%) per annum of the average annual net assets of the Fund for the year ended June 30, 2024. However, no amount of remuneration is charged on that part of the net assets which have been invested in mutual funds managed by the Management Company. The remuneration is payable to the Management Company monthly in arrears.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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8.2 During the year, an amount of Rs. 0.713 million (2023: Rs. 0.574 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% (2023: 13%).

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 Management Company, based on its own discretion, has charged such expenses at the rate of 1.00% (2023: 1.00% to 3.00%) per annum of the average annual net assets of the Fund for subject to total expense charged being lower than actual expense incurred.

8.4 During the year, the Securities and Exchange Commission of Pakistan (SECP) carried out onsite inspection of the Management Company and inspected, among other matters, the mechanism of chargeability of selling & marketing expenses and accounting & operational charges to the funds under its management. As a result of this inspection, SECP raised certain observations relating to the chargeability of such expenses by the Management Company to the funds under its management. The Board of Directors of the Management Company has responded to the observations highlighted by the SECP and the management is engaged with SECP in this regard. Accordingly, the impact of the SECP's observations on the financial statements, if any, is not determinable as at the reporting date.

	Note	June 30, 2024 FIFPF-II-Faysal Sharia Capital Preservation Plan-X	June 30, 2023 FIFPF-II-Faysal Sharia Capital Preservation Plan-X
9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE		--------------(Rupees)--------------	
Remuneration payable to the Trustee	9.1	46,669	63,911
Sindh Sales Tax payable on remuneration of the Trustee	9.2	6,067	8,308
		52,736	72,219

9.1 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.)	Fee
up to Rs 1,000 million	0.20% per annum of net assets
from Rs 1,000 million and above	Rs 2.0 million plus 0.10% per annum of net assets exceeding Rs 1,000 million.

9.2 During the year, an amount of Rs. 0.084 million (2023: Rs. 0.111 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% (2023: 13%).

	Note	June 30, 2024 FIFPF-II-Faysal Sharia Capital Preservation Plan-X	June 30, 2023 FIFPF-II-Faysal Sharia Capital Preservation Plan-X
10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		--------------(Rupees)--------------	
Fee payable	10.1	13,021	243,785

10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.075% (2023: 0.02%) per annum of the daily net assets during the year.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the Fund was required to pay SECP fee within three months of the close of accounting year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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		June 30, 2024 FIFPF-II-Faysal Sharia Capital Preservation Plan-X	June 30, 2023 FIFPF-II-Faysal Sharia Capital Preservation Plan-X
11	**ACCRUED EXPENSES AND OTHER LIABILITIES**	---------------(Rupees)---------------	
	Auditors' remuneration payable	565,957	387,634
	Legal and professional charges payable	412,228	150,800
	Withholding tax payable	28,813,272	16,721
	Capital gain tax payable	1,021,139	-
	Printing charges payable	14,585	20,435
	Shariah advisor fee payable	182,390	9,900
		31,009,571	585,490

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 and June 30, 2023.

		June 30, 2024 FIFPF-II-Faysal Sharia Capital Preservation Plan-X	June 30, 2023 FIFPF-II-Faysal Sharia Capital Preservation Plan-X
13	**AUDITORS' REMUNERATION**	---------------(Rupees)---------------	
	Annual audit fee	380,000	300,000
	Half yearly review of condensed interim financial statements	220,000	200,000
	Fee for other certifications	85,000	-
	Out of pocket expenses	43,314	78,920
		728,314	578,920
	Sindh Sales Tax	58,265	46,314
		786,579	625,234

14 TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund as at June 30, 2024 is 1.99% (2023: 2.56%) which includes 0.11% (2023: 0.07%) representing government levies on the Fund such as sales taxes, 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 "Fund of Fund 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 Company has distributed at least 90% of the Fund's accounting income for the year ended June 30, 2024 as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore 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.

16 TRANSACTIONS AND BALANCES 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, their close family members and officers of the Management Company and the Trustee, key management personnel, other associated undertakings and unit holders holding more than 10% or more units / net assets of the Fund.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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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. Transactions with connected persons are in the normal course of business, at contracted rates and 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, 2008 and the Trust Deed.

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

16.5 Allocated expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

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

Transactions during the year / period:	**FIFPF-II-Faysal Sharia Capital Preservation Plan-X**	
	For the year ended June 30, 2024	**For the period from July 15, 2022 to June 30, 2023**
	---------------(Rupees)---------------	
Faysal Asset Management Limited - Management Company		
Remuneration of the Management Company	5,483,147	4,417,613
Sindh Sales tax on remuneration of the Management Company	712,809	574,290
Allocated expenses	9,278,603	23,389,320
Faysal Bank Limited - Group company		
Profit on bank balance	59,055,975	31,542,913
Bank charges	3,406	2,738
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	649,816	854,672
Sindh Sales Tax on remuneration of the Trustee	84,476	111,107
Faysal Islamic Dedicated Equity Fund - Fund managed by the Management Company		
Purchase of 229,646 units (2023: 13,008,937 units)	35,799,467	1,255,000,000
Redemption of 4,634,941 units (2023: 8,373,996 units)	539,799,467	822,000,000
Faysal Islamic Cash Fund - Fund managed by the Management Company		
Purchase of 58,690,702 units : (2023: 225,713,817 units)	5,869,069,681	21,209,815,809
Redemption of 58,690,702 units (2023: 225,713,817 units)	5,869,069,681	22,571,381,770
Faysal Islamic Sovereign Plan- I - Fund managed by the Management Company		
Purchase of 70,252,131 units (2023: 31,017,293 units)	7,126,883,946	3,186,585,995
Redemption of 74,260,830 units (2023: 27,008,594 units)	7,533,931,275	2,778,570,612
Faysal Islamic Sovereign Plan- II - Fund managed by the Management Company		
Purchase of 5,771,144 units (2023: Nil)	580,000,000	-
Redemption of 5,771,144 units (2023: Nil)	580,634,826	-
Faysal Halal Amdani Fund - Fund managed by the Management Company		
Purchase of 46,412,879 units : (2023: 97,123,156 units)	5,301,156,917	10,365,281,432
Redemption of 46,412,879 units : (2023: 97,123,156 units)	5,303,750,052	10,375,648,052

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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Transactions during the year / period:	FIFPF-II-Faysal Sharia Capital Preservation Plan-X For the year ended June 30, 2024	FIFPF-II-Faysal Sharia Capital Preservation Plan-X For the period from July 15, 2022 to June 30, 2023
	--------------(Rupees)--------------	
Unit holders holding 10% or more units		
Issuance of 193,631 units (2023: 1,050,269 units)	19,434,697	105,041,946
Dividend Paid	22,864,349	6,088,155

Amounts / balances outstanding as at year / period end:	June 30, 2024 FIFPF-II-Faysal Sharia Capital Preservation Plan-X	June 30, 2023 FIFPF-II-Faysal Sharia Capital Preservation Plan-X
	--------------(Rupees)--------------	
Faysal Asset Management Limited - Management Company		
Remuneration payable	549,161	269,946
Sindh Sales Tax payable on remuneration of the Management Company	71,391	35,093
Preliminary expenses and floatation costs payable	1,740,696	1,740,696
Allocated expenses payable	661,702	4,762,665
Faysal Bank Limited - Group company		
Balance with bank	303,980,394	109,811,597
Profit receivable on balance with bank	11,432,495	11,932,882
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	46,669	63,911
Sindh Sales Tax payable on remuneration of the Trustee	6,067	8,308
Faysal Islamic Dedicated Equity Fund - fund managed by the Management Company		
Outstanding: 229,646 units (2023: 4,634,941 units)	35,762,723	457,515,101
Faysal Islamic Sovereign Plan- I - Fund managed by the Management Company		
Outstanding: Nil units (2023: 4,008,699 units)	-	402,393,129
Unit holders holding 10% or more units		
Outstanding: 1,243,900 units (2023: 1,050,269)	124,908,581	105,415,500

17 FINANCIAL INSTRUMENTS BY CATEGORY

	---------------------- June 30, 2024 ---------------------		
	FIFPF-II-Faysal Sharia Capital Preservation Plan-X		
	At amortised cost	At fair value through profit or loss	Total
	---------------------------- Rupees ----------------------------		
Financial assets			
Balances with banks	303,980,394	-	303,980,394
Investments	-	507,305,090	507,305,090
Profit receivable	11,456,253	-	11,456,253
	315,436,647	507,305,090	822,741,737
Financial liabilities			
Payable to Faysal Asset Management Limited - Management Company	3,022,950	-	3,022,950
Payable to Central Depository Company of Pakistan - Trustee	52,736	-	52,736
Payable against redemption of units	14,975,100		14,975,100
Accrued expenses and other liabilities	1,175,160	-	1,175,160
	19,225,946	-	19,225,946

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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	---------------------- June 30, 2023 ----------------------		
	FIFPF-II-Faysal Sharia Capital Preservation Plan-X		
	At amortised cost	At fair value through profit or loss	Total
	---------------------------- Rupees ----------------------------		
Financial assets			
Balances with banks	110,217,012	-	110,217,012
Investments	-	959,980,925	959,980,925
Profit receivable	11,932,882	-	11,932,882
	122,149,894	959,980,925	1,082,130,819
Financial liabilities			
Payable to Faysal Asset Management Limited - Management Company	6,808,400	-	6,808,400
Payable to Central Depository Company of Pakistan - Trustee	72,219	-	72,219
Accrued expenses and other liabilities	568,769	-	568,769
	7,449,388	-	7,449,388

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, Fund's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

18.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risk: currency risk, profit rate risk and price risk.

(i) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2024, the Fund is exposed to such risk on its balances with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the period and net assets of the Fund would have been higher / lower by Rs. 3.040 million (2023: Rs. 1.102 million)

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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	June 30, 2024					
	FIFPF-II-Faysal Sharia Capital Preservation Plan-X					
	Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to profit rate risk	Total
		Upto three months	More than three months and up to one year	More than one year		
		---------- Rupees ----------				
Financial assets						
Balances with banks	18.50% - 20.00%	303,980,394	-	-	-	303,980,394
Investments		-	-	-	507,305,090	507,305,090
Profit receivable		-	-	-	11,456,253	11,456,253
		303,980,394	-	-	518,761,343	822,741,737
Financial liabilities						
Payable to Faysal Asset Management Limited - Management Company		-	-	-	3,022,950	3,022,950
Payable to Central Depository Company of Pakistan - Trustee		-	-	-	52,736	- 52,736
Payable against redemption of units		-	-	-	14,975,100	14,975,100
Accrued expenses and other liabilities					1,175,160	1,175,160
		-	-	-	19,225,946	19,225,946
On-balance sheet gap (a)		303,980,394	-	-	499,535,397	803,515,791
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a+b)		303,980,394	-	-		
Cumulative profit rate sensitivity gap		303,980,394	303,980,394	303,980,394		

	June 30, 2023					
	FIFPF-II-Faysal Sharia Capital Preservation Plan-X					
	Effective profit rate (%)	Exposed to yield / profit rate risk			Not exposed to profit rate risk	Total
		Upto three months	More than three months and up to one year	More than one year		
		---------- Rupees ----------				
Financial assets						
Balances with banks	14.50% - 20.40%	110,217,012	-	-	-	110,217,012
Investments		-	-	-	959,980,925	959,980,925
Profit receivable		-	-	-	11,932,882	11,932,882
		110,217,012	-	-	971,913,807	1,082,130,819
Financial liabilities						
Payable to Faysal Asset Management Limited - Management Company		-	-	-	6,808,400	6,808,400
Payable to Central Depository Company of Pakistan - Trustee		-	-	-	72,220	72,220
Accrued expenses and other liabilities		-	-	-	568,769	568,769
		-	-	-	7,449,389	7,449,389
On-balance sheet gap (a)		110,217,012	-	-	964,464,418	1,074,681,430
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a+b)		110,217,012	-	-		
Cumulative profit rate sensitivity gap		110,217,012	110,217,012	110,217,012		

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund has exposure to price risk arising from the Fund investments in open end mutual funds. The Fund manages its price risk arising from investments by diversifying its portfolio within the eligible limits prescribed in the Fund's Constitutive Documents, the NBFC Regulations and circulars issued by the SECP from time to time.

In case of 1% increase / decrease in prices as at June 30, 2024 with all other variables held constant, the total comprehensive income of the Fund for the year would increase / decrease by Rs. 5.073 million (2023: Rs. 9.600 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on securities classified as financial assets at fair value through profit or loss.

18.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement. The maximum limit of which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

	June 30, 2024						
	FIFPF-II-Faysal Sharia Capital Preservation Plan-X						
	Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial instruments with no fixed maturity	Total
	---------- Rupees ----------						
Financial assets							
Balances with banks	303,980,394	-	-	-	-	-	303,980,394
Investments	-	-	-	-	-	507,305,090	507,305,090
Profit receivable	11,456,253	-	-	-	-	-	11,456,253
	315,436,647	-	-	-	-	507,305,090	822,741,737
Financial liabilities							
Payable to Faysal Asset Management Limited - Management Company	3,022,950	-	-	-	-	-	3,022,950
Payable to Central Depository Company of Pakistan - Trustee	52,736	-	-	-	-	-	52,736
Payable against redemption of units	14,975,100	-	-	-	-	-	14,975,100
Accrued expenses and other liabilities	609,203	565,957	-	-	-	-	1,175,160
	18,659,989	565,957	-	-	-	-	19,225,946
Net financial assets	296,776,658	(565,957)	-	-	-	507,305,090	803,515,791

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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	June 30, 2023						
	FIFPF-II-Faysal Sharia Capital Preservation Plan-X						
	Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial instruments with no fixed maturity	Total
	---------- Rupees ----------						
Financial assets							
Balances with banks	110,217,012	-	-	-	-	-	110,217,012
Investments	-	-	-	-	-	959,980,925	959,980,925
Profit receivable	11,932,882	-	-	-	-	-	11,932,882
	122,149,894	-	-	-	-	-	1,082,130,819
Financial liabilities							
Payable to Faysal Asset Management Limited - Management Company	6,808,400	-	-	-	-	-	6,808,400
Payable to Central Depository Company of Pakistan - Trustee	72,220	-	-	-	-	-	72,220
Accrued expenses and other liabilities	181,135	387,634	-	-	-	-	568,769
	7,061,755	-	-	-	-	-	7,449,389
Net financial assets	115,088,139	-	-	-	-	-	1,074,681,430

18.3 Credit risk

18.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

	June 30, 2024		June 30, 2023	
	FIFPF-II-Faysal Sharia Capital Preservation Plan-X			
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	---- Rupees ----		---- Rupees ----	
Balances with banks	303,980,394	303,980,394	110,217,012	110,217,012
Investments	507,305,090	-	959,980,925	-
Profit receivable	11,456,253	11,456,253	11,932,882	11,932,882
	822,741,737	315,436,647	1,082,130,819	122,149,894

The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets. Investment in units of mutual funds, however, are not exposed to credit risk and have been excluded from the above analysis.

18.3.2 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of investment in units of mutual funds) arises mainly on account of its placements in banks and profit accrued thereon. The credit rating profile of balances with banks and profit accrued thereon is as follows:

	June 30, 2024	June 30, 2023
	FIFPF-II-Faysal Sharia Capital	
Rating	Percentage of financial assets exposed to credit risk	
AA	38.34%	11.29%

18.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties thereby any significant concentration of credit risk is mitigated.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

19 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 at 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.

19.1 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 June 30, 2024 and June 30 2023, the Fund held the following financial instruments measured at fair value:

	June 30, 2024			
	FIFPF-II-Faysal Sharia Capital Preservation Plan-X			
	Level 1	Level 2	Level 3	Total
Investment in units of mutual funds	-	507,305,090	-	507,305,090
	-	507,305,090	-	507,305,090

	June 30, 2023			
	FIFPF-II-Faysal Sharia Capital Preservation Plan-X			
	Level 1	Level 2	Level 3	Total
Investment in units of mutual funds	-	959,980,925	-	959,980,925
	-	959,980,925	-	959,980,925

20 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 19, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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21 UNIT HOLDING PATTERN OF THE FUND

Category	June 30, 2024			June 30, 2023		
	FIFPF-II-Faysal Sharia Capital Preservation Plan-X					
	Number of unit holders	Number of units held	Percentage of total	Number of unit holders	Number of units held	Percentage of total
Individuals	164	7,663,600	99.29%	230	10,679,529	99.55%
Trusts / NGOs / Societies / Foundations / Charities	2	54,592	0.71%	1	31,710	0.30%
Retirement Fund	-	-	-	1	15,686	0.15%
	166	7,718,192	100.00%	232	10,726,925	100.00%

22 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Name	Designation	Qualification	Overall experience
Mr. Nadir Rahman	Chief Executive Officer	BS (Economics)	Over 33 Years
Mr. Omer Bin Javaid	Deputy Chief Executive Officer	MBA	Over 25 Years
Mr. Muhammad Imran	Chief Investment Officer	MBA	Over 22 Years
Mr. Nafees Imtiaz Malik	Chief Operating Officer	MBA	Over 12 Years
Syed Shahid Iqbal	Head of Fixed Income	B.Com	Over 32 Years
Mr. Salman Muslim	Chief Financial Officer and Company Secretary	FCA	Over 18 Years
Mr. Shoaib Danish	Equity Fund Specialist	MBA, CFA	Over 9 Years
Mr. Mustajab Alam	Fund Manager	MBA Finance	Over 11 Years
Mr. Abdul Ghani Mianoor	Senior Research Analyst	BSc	Over 5 Years
Syed Eunas Viqar	Head of Internal Audit and Compliance	ACCA	Over 16 Years
Mr. Abdul Basit	Unit Head - Risk Management	MBA	Over 9 Years

23 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other funds managed by the Fund manager
Syed Shahid Iqbal	Fund Manager	B.Com	Faysal Islamic Savings Growth Fund, Faysal Halal Amdani Fund, Faysal Islamic Cash Fund, Faysal Islamic Special Income Plan I, Faysal Islamic Financial Planning Fund II (Faysal Sharia Capital Preservation Plan X), Faysal Islamic Sovereign Fund (Faysal Islamic Sovereign Plan I), Faysal Islamic Special Income Plan III, Faysal Islamic Sovereign Fund (Faysal Islamic Sovereign Plan II), Faysal Islamic Financial Growth Fund (Faysal Islamic Financial Growth Plan I), Faysal Islamic Mustakil Munafa Fund (Faysal Islamic Mehdood Muddat Plan I), Faysal Islamic Mustakil Munafa Fund (Faysal Islamic Mehdood Muddat Plan II)

24 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Name of directors	Designation	Attended meeting held on						
		July 12, 2023	August 18, 2023	October 20, 2023	December 12, 2023	January 5, 2024	February 2, 2024	April 19, 2024
Mr. Yousaf Hussain	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Syed Majid Ali	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mian Salman Ali	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ali Waqar	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Samia Zuberi	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ehsen Zafar Puri*	Director	-	-	-	Yes	Yes	Yes	Yes
Mr. Nadir Rahman	Chief Executive Officer	Yes	Yes	Yes	Yes	Yes	Yes	Yes

* Mr. Ehsen Zafar Puri was appointed as a director on the board with effect from October 20, 2023.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

25 GENERAL

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

26 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 22, 2024 by the Board of Directors of the Management Company.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

SUPPLEMENTARY NON FINANCIAL INFORMATION
DISCLOSURE REQUIREMENTS UNDER CLAUSE 6 - NOTES TO THE ACCOUNTS SUB CLAUSE (I) AND CLAUSE 11 - PERFORMANCE TABLE OF THE 5TH SCHEDULE TO THE NON BANKING FINANCE COMPANIES AND NOTIFIED ENTITIES REGULATIONS, 2008

(i) PERFORMANCE TABLE

	June 30, 2024 (Rupees) FIFPF-II (PLAN-X)	June 30, 2023 (Rupees) FIFPF-II (PLAN-X)
Net assets	775,036,906	1,076,620,474
Net assets value per unit	100.3657	98.36
Offer price per unit	N/A	N/A
Repurchase price per unit	100.3657	98.36
Highest offer price per unit	N/A	N/A
Highest repurchase price per unit	120.81	106.28
Lowest offer price per unit	N/A	N/A
Lowest repurchase price per unit	99.41	97.99
Total return:	21.75%	7.93%
- capital growth	0.06%	1.56%
- income distribution	21.69%	6.37%
Average annual return: (Launch date: July 15, 2022)		
- one year	21.75%	7.93%
- two years	14.84%	N/A
- three years		N/A
Distribution per unit:		
- Interim distribution (% per unit) *	21.69%	6.37%
- Final distribution (% per unit)	-	-
	21.69%	6.37%

* Announced on 28 June 2024

The Fund's past performance is not necessarily indicative of future performance. Therefore, the unit prices and investment returns may go down, as well as up.

(ii) MEETINGS OF THE AUDIT COMMITTEE

Following is the analysis of the attendance in the meetings of the Audit Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On			
		17-Aug-23	19-Oct-23	01-Feb-24	18-Apr-24
Ms. Samia Zuberi	Chairperson	Yes	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes	Yes
Mr. Mian Salman Ali	Member	Yes	Yes	Yes	Yes

(iii) MEETINGS OF THE HUMAN REOUSRCE AND REMUNERATION COMMITTEE

Following is the analysis of the attendance in the meetings of the Human Resource and Remuneration Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On				
		08-Aug-23	17-Oct-23	08-Nov-23	01-Feb-24	06-May-24
Ms. Samia Zuberi	Chairperson	Yes	Yes	Yes	Yes	Yes
Mr. Yousaf Hussain	Member	Yes	Yes	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes	Yes	Yes
Mr. Ali Waqar	Member	Yes	Yes	Yes	Yes	Yes

(iv) MEETINGS OF THE BOARD RISK MANAGEMENT COMMITTEE

Following is the analysis of the attendance in the meetings of the Board Risk Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On		
		10-Aug-23	16-Oct-23	18-Apr-24
Mr. Mian Salman Ali	Chairman	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes
Mr. Ali Waqar	Member	Yes	Yes	Yes
Mr. Nadir Rahman	Member	Yes	Yes	Yes

(v) MEETINGS OF THE BOARD STRATEGY COMMITTEE

Following is the analysis of the attendance in the meetings of the Board Strategy Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On	
		09-Aug-23	16-Oct-23
Mr. Yousaf Hussain	Chairman	Yes	Yes
Syed Majid Ali	Member	Yes	Yes
Mr. Mian Salman Ali	Member	Yes	Yes
Mr. Nadir Rahman	Member	Yes	Yes
*Mr. Ehsan Zafar Pur	Member	N/A	N/A

*Mr. Ehsan Zafar Puri was appointed as director board strategy committee, effective from October 20, 2023.

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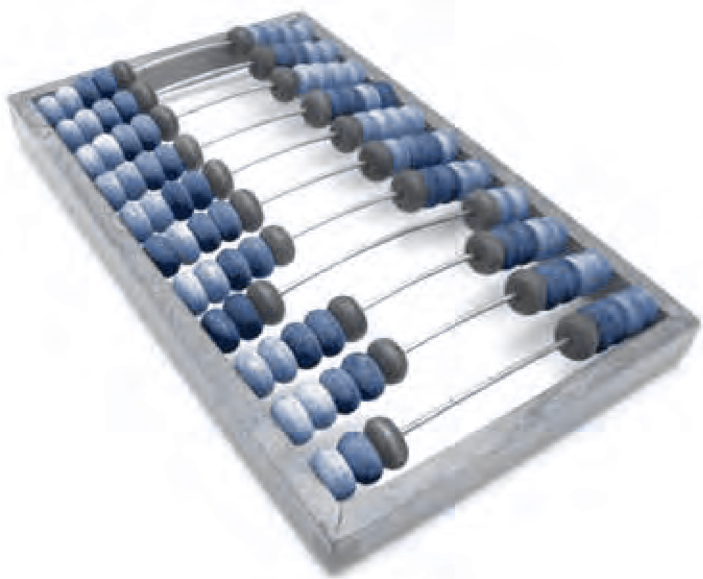
Financial Statements

For The Year Ended June 30, 2024



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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
Mr. Ehsan Zafar Puri, Director

Chief Financial Officer & Company Secretary
Mr. Salman Muslim

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

Board Strategy Committee
Mr. Yousaf Hussain, Chairman
Syed Majid Ali, Member
Mr. Mian Salman Ali, Member
Mr. Ehsan Zafar Puri, 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
Dubai Islamic Bank

MISSION AND VISION

To provide world class investment management and advisory services for the benefit of clientele looking to maximize their financial returns while minimizing risk.

To amplify our client-centricity by inspiring innovation, championing customer service, generating competitive returns, and honoring the utmost ethical and professional standards.

MISSION STATEMENT

Faysal Islamic 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

FUND MANAGER'S REPORT

ECONOMIC REVIEW

In 3QFY24, Pakistan's GDP experienced an YoY growth of 2.09%, with a marginal QoQ increase of 0.12%. The Services sector remained flat at 0.83%, offsetting gains in the Industrial and Agriculture sectors, which saw advances of 3.84% and 3.94%, respectively. Albeit Large-Scale Manufacturing Index growth was trivial at 1.47%, improvements in the small-scale sector supported overall industrial growth. Looking ahead, the country's growth rate is likely to be lower than anticipated in the 1HFY25, before gaining momentum in the 2HFY25 due to projected interest rate cuts that could stimulate industrial growth.

Pakistan's external account continued to exhibit improvement, with the Current Account Deficit (CAD) clocking in at ~USD 665mn during FY24, down from ~USD 3.3bn in SPLY. This steep reduction is primarily due to a 12% YoY increase in exports, reaching ~USD 31bn, and an 11% YoY rise in remittances, totaling ~USD 30.2bn. On a QoQ basis, the CAD was ~USD 0.07bn, supported by increased exports and remittances. The trade deficit also improved, decreasing by roughly 11% to USD 22bn in FY24 from USD 24.8bn in the SPLY, attributed to rising exports and declining imports.

The PKR appreciated by ~2.62% since Jun-23, closing 4QFY24 at PKR 278.34 against the USD. Foreign exchange reserves rose by about 10% QoQ to USD 14 bn, driven by strong inflows and roll-overs, including support from the IMF, GCC countries, and FDIs predominantly from China. The FX Reserves improved significantly from USD 9.1bn at the end of June 2023, enhancing the imports cover to above 1.5 months.

The average inflation clocked in at ~24% in FY24, down from ~29.4% in FY23. However, Core inflation rose to about 18.9% in FY24 from 17.8% in the SPLY. However, on QoQ basis, it dropped from 18.1% in 3QFY24 to 14.6% in 4QFY24. Despite higher fuel, power, and food inflation, the appreciation of the PKR and lower international commodity prices helped moderate inflation.

The Federal Board of Revenue (FBR) collected ~PKR 9,285bn in taxes during FY24, surpassing the target of PKR 9,252bn, and marking a 29% YoY increase from PKR 7,167bn in the SPLY. This growth was mainly on account of increased direct taxes and Petroleum Development Levy (PDL), while tax collection on imports remained subdued due to import compression.

Looking forward, the economic outlook for the upcoming quarters is optimistic, bolstered by the IMF program and anticipated rate cuts (a cumulative 250 bps in the last two Monetary Policy Committee meetings). The potential economic rebound FY25, a downward trend in inflation, and PKR stability are key factors supporting this outlook.

Equities review:

During FY24, the index surged by ~79% from 41,453 points at the end of Jun'23 to 78,445 points. Positive developments on the external front (IMF program success and reapproval, stable PKR, modest Fx reserves), as well as diminishing inflationary pressures and political stability among others, bolstered investor sentiment during the year.

During the FY24, Foreigners and Insurance drove the market with a net purchase of ~USD 152m and ~USD 126m. On the flipside, Banks/DFIs, Individuals, Mutual Funds and Others were net sellers to the tune of ~USD 141mn, ~USD 59mn, ~USD 47mn and ~USD 33m respectively.

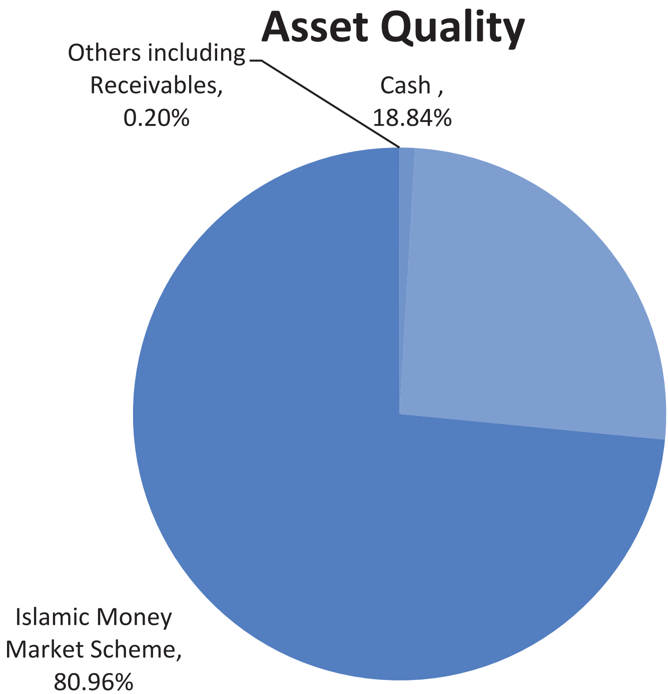
During FY24 the sectors which contributed positively to the index include Banks (13,262 points), Fertilizer (5,074 points), Oil & Gas Exploration Companies (4,300 points), Power Generation & Distribution (4,192 points), Cement (2,513 points) and Automobile Assembler (1,095 points). The sectors which dragged in the bourse in FY24 majorly include Technology & Communication (-52 points) and Textile Spinning (-17 points). The market experienced a sustained bull run in FY24, driven by improving macroeconomic indicators, rising corporate profitability, expectations of a rate cut in 2HFY24, and attractive market valuations.

MONEY MARKET REVIEW

For the majority of FY24, the SBP kept the policy rate steady at 22%. However, following a decline in CPI readings, the SBP revised down the policy rate by 150 basis points to 20.5%. During the year, SBP held 26 T-Bill and 10 PIB auctions raising a total of ~PKR 21.3tn through T-Bills and ~PKR 4.5tn through the PIB auctions. During the year, the yields depicted volatility, inching upwards and peaking in Sept'24, before gradually declining thereon. In the first T-bill auction of FY24, the State Bank of Pakistan raised ~PKR 597bn, with weighted average yields realized in the 3M / 6M / 12M tenors clocking in at ~22.75% / 22.96% / 22.99%, respectively. However, in the last auction of FY24 held in June'24, SBP held, the weighted average yields realized in the 3M / 6M / 12M fell to ~20.01% / 19.94% / 18.49%, respectively. The decline in yields since Sept'23 followed expectations of interest rate cuts, which materialized in June'24. A similar trend was witnessed during FY24 in the Islamic Money Market / Sukuk yields.

Fund Information	
Fund Type	Open Ended
Category	Shariah Compliant Fund of Funds - CPPI
Risk Profile	Medium
Launch Date	August 26, 2021
Custodian/Trustee	CDC
Auditor	A.F. Ferguson & Co.
Management Fee	1% on AUM or if investment made in CIS Underlying Fund fee will be applicable. (Actual Rate of Management Fee Charged is 1%)
Front end Load	Up to 3%
Contingent Load	For First Year 2% For Second Year 1%
Min Subscription	PKR 1,000
Pricing Mechanism	Forward
Benchmark*	Weighted average return of KMI 30 index and 6-months deposit rate of (Three)3 A rated Scheduled Islamic Banks or Islamic window of conventional banks
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 4:00 pm
AMC Rating	AM2++ (VIS) December 29, 2023
NAV per Unit (PKR)	105
Net Assets (PKR mn)	215
Total Expense Ratio (Annualized)	1.74%
Total Expense Ratio (Monthly)	2.50%

Fund Returns (% p.a)		
	FY24	**FY23**
YTD	10.15%	12.82%
Benchmark (YTD)	5.80%	5.36%



FUND PERFORMANCE

Faysal Shariah Capital Preservation Plan 8 churned an absolute return in FY24TD of 10.15% relative to its benchmark yield of 5.80%. The management remained invested in Islamic Money Market Scheme (80.96%) and Cash (18.84%). Fund management will allocate funds in different high-yielding avenues as we advance.

بسم الله الرحمن الرحيم

الحمد لله رب العالمين,والصلاة والسلام على خاتم النبيّين وسيد المرسلين,

وعلى آله واصحابه اجمعين.امّا بعد

Annual Report
of
Faysal Islamic Financial Planning Fund

August 22, 2024

By the blessing of ALLAH, the year ended 30 June, 2024 under analysis of **Faysal Islamic Financial Planning Fund (FIFPF)**. I, as the Shariah Advisor of the fund am issuing the report in accordance with the trust deed of the fund. The scope of the report is to express an opinion on the Shariah Compliance of the fund's activities.

In the capability of Shariah Advisor, I have set out criteria and guideline to be followed in ensuring Shariah Compliance in the each and every transaction.
It is the responsibility of the management of the fund to establish and maintain a system of internal control to ensure Shariah Compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the management company' personal and review of various documents prepared by the management company to comply with the prescribed criteria.

In the light of above, I hereby certify that:

- I have reviewed and approved the modes of investment of **FIFPF** in light of the Shariah guidelines.
- All the provisions of the scheme and investment made on account of **FIFPF** by **FAML** Fund Managers are Shariah Compliant and in accordance with the criteria established.

On the basis of information provided by the management, all operations of **Faysal Islamic Financial Planning Fund (FIFPF)**. for year ended 30 June 2024 have been in compliance with the Shariah Principles.

May Allah make us successful and accept efforts of the management company for developing of Islamic Finance System.

وصلى الله على حبيبه محمد صلى الله عليه وسلم

Farooqui

Abdul Zahid Farooqi
Shariah Advisor
Faysal Asset Management Limited

Mufti Abdul Zahid Farooq
Shariah Advisor
Faysal Asset Management Ltd

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

FAYSAL ISLAMIC FINANCIAL PLANNING FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of Faysal Islamic Financial Planning Fund (the Fund) are of the opinion that Faysal Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2024 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 26, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Faysal Islamic Financial Planning Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Faysal Islamic Financial Planning Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Net Asset Value** (Refer note 4 to the financial statements)	
	Balances with banks constitute the most significant component of the net asset value. Balances with banks of the Fund as at June 30, 2024 amounted Rs. 19.46 million. The existence and proper valuation of investments and existence of balances with banks for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: • Obtained independent confirmations for verifying the existence of the balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; and • Obtained bank reconciliation statements and tested reconciling items on a sample basis.

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Emphasis of Matter

We draw attention to note 1.5 of the financial statements, which indicates that all the plans in the Fund matured during the year ended June 30, 2024. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Shahbaz Akbar.**

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A. F. Ferguson & Co.
Chartered Accountants
Dated: September 27, 2024
Karachi
UDIN: AR2024100685q0wvd9nZ

STATEMENT OF ASSETS AND LIABILITIES

As at June 30, 2024

	Note	June 30, 2024						
		Faysal Sharia Capital Preservation Plan - III	Faysal Sharia Capital Preservation Plan - IV	Faysal Sharia Capital Preservation Plan - V	Faysal Sharia Capital Preservation Plan - VI	Faysal Sharia Capital Preservation Plan - VII	Faysal Sharia Capital Preservation Plan - VIII	Total
		(Rupees)						
Balances with banks	4	4,259,139	1,118,351	3,325,186	3,774,218	5,621,005	1,370,677	19,468,576
Investments	5	-	-	-	-	-	-	-
Preliminary expenses and floatation costs	6	-	-	-	-	-	-	-
Advance tax and profit receivable	7	-	-	-	-	-	-	-
Total assets		4,259,139	1,118,351	3,325,186	3,774,218	5,621,005	1,370,677	19,468,576
Liabilities								
Payable to Faysal Asset Management Limited - Management Company	8	-	-	-	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	9	-	-	-	-	-	-	-
Payable to the Securities and Exchange Commission of Pakistan	10	-	-	-	-	-	-	-
Payable against redemption of units		-	-	-	-	-	-	-
Accrued expenses and other liabilities	11	4,259,139	1,118,351	3,325,186	3,774,218	5,621,005	1,370,677	19,468,576
Total liabilities		4,259,139	1,118,351	3,325,186	3,774,218	5,621,005	1,370,677	19,468,576
Net assets		-	-	-	-	-	-	-
Unit holders' fund (as per statement attached)		-	-	-	-	-	-	-
Contingencies and commitments	12							
		(Number of units)						
Number of units in issue		-	-	-	-	-	-	
		(Rupees)						
Net asset value per unit		-	-	-	-	-	-	

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

STATEMENT OF ASSETS AND LIABILITIES

As at June 30, 2024

	Note	Faysal Sharia Capital Preservation Plan - III	Faysal Sharia Capital Preservation Plan - IV	Faysal Sharia Capital Preservation Plan - V	Faysal Sharia Capital Preservation Plan - VI	Faysal Sharia Capital Preservation Plan - VII	Faysal Sharia Capital Preservation Plan - VIII	Total
		June 30, 2023						
		(Rupees)						
Assets								
Balances with banks	4	3,725,536	3,930,934	7,982,792	95,901,514	150,706,800	5,249,058	267,496,634
Investments	5	-	-	-	-	201,196,564	2,060,961,617	2,262,158,181
Preliminary expenses and floatation costs	6	-	-	-	-	-	12,315	12,315
Advance tax and profit receivable	7	-	-	-	1,249,326	2,931,613	4,710,777	8,891,716
Total assets		3,725,536	3,930,934	7,982,792	97,150,840	354,834,977	2,070,933,767	2,538,558,846
Liabilities								
Payable to Faysal Asset Management Limited - Management Company	8	-	27,547	-	461,447	3,290,948	6,323,181	10,103,123
Payable to Central Depository Company of Pakistan Limited - Trustee	9	-	-	-	5,745	29,520	142,247	177,512
Payable to the Securities and Exchange Commission of Pakistan	10	6,394	10,594	58,194	114,950	356,341	527,293	1,073,766
Payable against redemption of units		-	-	-	-	202,382	-	202,382
Accrued Expenses and other liabilities	11	3,719,142	3,892,793	7,924,598	96,568,698	875,391	3,155,084	116,135,706
Total liabilities		3,725,536	3,930,934	7,982,792	97,150,840	4,754,582	10,147,805	127,692,489
Net assets		-	-	-	-	350,080,395	2,060,785,962	2,410,866,357
Unit holders' fund (as per statement attached)		-	-	-	-	350,080,395	2,060,785,962	2,410,866,357
Contingencies and commitments	12							
		(Number of units)						
Number of units in issue		-	-	-	-	3,590,639	21,619,675	
		(Rupees)						
Net asset value per unit		-	-	-	-	97.50	95.32	

The annexed notes from 1 to 27 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

INCOME STATEMENT

For The Year Ended June 30, 2024

	Note	For the year ended June 30, 2024		
		Faysal Sharia Capital Preservation Plan - VII	Faysal Sharia Capital Preservation Plan - VIII	Total
		--------------------------------(Rupees)--------------------------------		
Income				
Profit on balances with banks		4,497,053	27,111,604	31,608,657
Dividend income from units of open end mutual funds		9,889,032	-	9,889,032
Back-end load income		-	2,533,167	2,533,167
Realised gain on sale of investments - net		5,822,831	73,297,430	79,120,261
Total income		20,208,916	102,942,201	123,151,117
Expenses				
Remuneration of Faysal Asset Management Limited - Management Company	8.1	522,072	2,448,628	2,970,700
Sindh Sales Tax on remuneration of the Management Company	8.2	67,869	318,321	386,190
Allocated expenses	8.3	1,023,536	4,975,421	5,998,957
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	71,648	357,691	429,339
Sindh Sales Tax on remuneration of the Trustee	9.2	9,314	46,500	55,814
Fee of the Securities and Exchange Commission of Pakistan	10.1	20,471	99,554	120,025
Auditors' remuneration	13	143,632	319,771	463,403
Amortisation of preliminary expenses and floatation costs	6	-	12,315	12,315
Legal and professional charges		52,536	107,827	160,363
Shariah advisory fee		34,692	42,045	76,737
Printing charges		2,069	3,491	5,560
Bank charges		344	2,732	3,076
Total expenses		1,948,183	8,734,296	10,682,479
Net income for the year before taxation		18,260,733	94,207,905	112,468,638
Taxation	14	-	-	-
Net income for the year after taxation		18,260,733	94,207,905	112,468,638
Earnings per unit	3.15			
Allocation of net income for the year				
Net income for the year after taxation		18,260,733	94,207,905	112,468,638
Income already paid on units redeemed		(7,680,582)	(94,194,155)	(101,874,737)
		10,580,151	13,750	10,593,901
Accounting income available for distribution				
- Relating to capital gains		5,822,831	73,297,430	79,120,261
- Excluding capital gains / (losses)		4,757,320	(73,283,680)	(68,526,360)
		10,580,151	13,750	10,593,901

The annexed notes from 1 to 27 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

INCOME STATEMENT

For The Year Ended June 30, 2024

	Note	For the year ended June 30, 2023						
		Faysal Sharia Capital Preservation Plan - III	Faysal Sharia Capital Preservation Plan - IV	Faysal Sharia Capital Preservation Plan - V	Faysal Sharia Capital Preservation Plan - VI	Faysal Sharia Capital Preservation Plan - VII	Faysal Sharia Capital Preservation Plan - VIII	Total
		(Rupees)						
Income								
Profit on balances with banks		1,476,411	2,264,382	8,700,832	19,002,375	62,060,623	80,297,348	173,801,971
Dividend income from units of open end mutual funds		3,324,121	3,450,500	22,106,774	37,677,689	121,695,722	166,081,373	354,336,179
Back-end load income		-	20,705	305,832	375,325	3,847,637	11,908,304	16,457,803
Other income		220,785	152,585	103,180	-	-	-	476,550
Realised gain on sale of investments - net		-	1,407,654	5,587,487	11,139,234	16,046,453	115,239,052	149,419,880
		5,021,317	7,295,826	36,804,105	68,194,623	203,650,435	373,526,077	694,492,383
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.2	-	-	-	-	(1,551,286)	(24,202,085)	(25,753,371)
Total income		5,021,317	7,295,826	36,804,105	68,194,623	202,099,149	349,323,992	668,739,012
Expenses								
Remuneration of Faysal Asset Management Limited - Management Company	8.1	83,709	179,855	709,690	1,907,150	6,134,438	9,008,267	18,023,109
Sindh Sales Tax on remuneration of the Management Company	8.2	10,882	23,381	92,260	247,930	797,477	1,171,075	2,343,005
Allocated expenses	8.3	639,492	794,568	4,333,092	2,830,502	13,351,232	21,331,901	43,280,787
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	22,883	36,944	202,114	402,322	1,252,342	1,870,844	3,787,449
Sindh Sales Tax on remuneration of the Trustee	9.2	2,975	4,803	26,275	52,302	162,804	243,210	492,369
Fee of the Securities and Exchange Commission of Pakistan	10.1	6,396	10,696	59,897	114,950	356,366	532,898	1,081,203
Auditors' remuneration	13	-	-	62,302	72,838	73,015	73,269	281,424
Amortisation of preliminary expenses and floatation costs	6	-	5,481	24,627	41,439	67,168	83,448	222,163
Legal and professional charges		6,624	14,904	33,984	26,064	26,280	26,352	134,208
Fees and subscription			-	-	-	-	-	-
Shariah advisory fee		4,508	-	-	26,431	43,480	25,138	99,557
Printing charges		-	3,351	-	658	7,666	3,945	15,620
Bank charges		1,327	1,754	1,017	2,277	1,420	1,994	9,789
Total expenses		778,796	1,075,737	5,545,258	5,724,863	22,273,688	34,372,341	69,770,683
Net Income from operating activities		4,242,521	6,220,089	31,258,847	62,469,760	179,825,461	314,951,651	598,968,329
Net Income for the year before taxation		4,242,521	6,220,089	31,258,847	62,469,760	179,825,461	314,951,651	598,968,329
Taxation	14	-	-	-	-	-	-	-
Net Income for the year after taxation		4,242,521	6,220,089	31,258,847	62,469,760	179,825,461	314,951,651	598,968,328
Earnings per unit	3.15							
Allocation of net income for the year								
Net income for the year after taxation		4,242,521	6,220,089	31,258,847	62,469,760	179,825,461	314,951,651	598,968,329
Income already paid on units redeemed		(1,118,252)	(5,087,814)	(26,457,486)	(51,975,844)	(140,502,755)	(75,365,455)	(300,507,605)
		3,124,269	1,132,275	4,801,361	10,493,916	39,322,706	239,586,196	298,460,724
Accounting income available for distribution								
- Relating to capital gains		-	1,132,275	5,587,487	11,139,234	14,495,167	91,036,967	123,391,130
- Excluding capital gains		3,124,269	-	(786,126)	(645,318)	24,827,539	148,549,229	175,069,594
		3,124,269	1,132,275	4,801,361	10,493,916	39,322,706	239,586,196	298,460,724

The annexed notes from 1 to 27 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

STATEMENT OF COMPREHENSIVE INCOME
For The Year Ended June 30, 2024

	For the year ended June 30, 2024		
	Faysal Sharia Capital Preservation Plan - VII	Faysal Sharia Capital Preservation Plan - VIII	Total
	(Rupees)		
Net income for the year after taxation	18,260,733	94,207,905	112,468,638
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	18,260,733	94,207,905	112,468,638

The annexed notes from 1 to 27 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

STATEMENT OF COMPREHENSIVE INCOME

For The Year Ended June 30, 2024

	For the year ended June 30, 2023						
	Faysal Sharia Capital Preservation	Faysal Sharia Capital Preservation	Faysal Sharia Capital Preservation	Faysal Sharia Capital Preservation	Faysal Sharia Capital Preservation	Faysal Sharia Capital Preservation	Total
	(Rupees)						
Net Income for the year after taxation	4,242,521	6,220,089	31,258,847	62,469,760	179,825,461	314,951,651	598,968,329
Other comprehensive income for the year	-	-	-	-	-	-	-
Total comprehensive Income for the year	4,242,521	6,220,089	31,258,847	62,469,760	179,825,461	314,951,651	598,968,329

The annexed notes from 1 to 27 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
For The Year Ended June 30, 2024

	For the year ended June 30, 2024						
	Faysal Sharia Capital Preservation Plan - VII			Faysal Sharia Capital Preservation Plan - VIII			Total
	Capital value	Accumulated loss	Total	Capital value	Accumulated loss	Total	
	(Rupees)						
Net assets at the beginning of the year	448,002,237	(97,921,842)	350,080,395	2,247,719,419	(186,933,457)	2,060,785,962	2,410,866,357
Issuance of units:							
FSCPP VII: 1198 units							
FSCPP VIII: 403 units							
- Capital value (at net assets value at the beginning of the year)	116,805	-	116,805	38,414	-	38,414	155,219
- Element of income / (loss)	4,639	-	4,639	(32,954)	-	(32,954)	(28,315)
Total proceeds on issuance of units	121,444	-	121,444	5,460	-	5,460	126,904
Redemption / settlement of units:							
FSCPP VII: 3,591,836 units							
FSCPP VIII: 21,620,078 units							
- Capital value (at net assets value at the beginning of the year)	(350,204,010)	-	(350,204,010)	(2,060,825,835)	-	(2,060,825,835)	(2,411,029,845)
- Element of (loss) / income	(10,577,979)	(7,680,582)	(18,258,562)	20,663	(94,194,155)	(94,173,492)	(112,432,054)
Total payments on redemption of units	(360,781,989)	(7,680,582)	(368,462,572)	(2,060,805,172)	(94,194,155)	(2,154,999,327)	(2,523,461,899)
Total comprehensive income for the year	-	18,260,733	18,260,733	-	94,207,905	94,207,905	112,468,638
Net assets at the end of the year	87,341,692	(87,341,691)	-	186,919,707	(186,919,707)	-	-
Accumulated loss brought forward							
- Realised loss		(96,370,556)			(162,731,372)		
- Unrealised loss		(1,551,286)			(24,202,085)		
		(97,921,842)			(186,933,457)		
Accounting income available for distribution							
- Relating to capital gains		5,822,831			73,297,430		
- Excluding capital gains		4,757,320			(73,283,680)		
		10,580,151			13,750		
Accumulated loss carried forward		(87,341,691)			(186,919,707)		
Accumulated loss carried forward							
- Realised loss		(87,341,691)			(186,919,707)		
- Unrealised income		-			-		
		(87,341,691)			(186,919,707)		
			(Rupees)				
Net asset value per unit at beginning of the year			97.50			95.32	
Net asset value per unit at end of the year			-			-	

The annexed notes from 1 to 27 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

For The Year Ended June 30, 2024

	For the year ended June 30, 2023								
	Faysal Sharia Capital Preservation Plan - III			Faysal Sharia Capital Preservation Plan - IV			Faysal Sharia Capital Preservation Plan - V		
	Capital value	Undistri-buted income	Total	Capital value	Undistri-buted income	Total	Capital value	Undistri-buted income	Total
	(Rupees)								
Net assets at the beginning of the year	(22,247,352)	164,211,732	141,964,380	283,098,664	23,251,749	306,350,413	742,834,209	20,179,886	763,014,095
Issuance of units:									
FSCPP III: 3,223 units									
FSCPP IV: 17 units									
FSCPP V: Nil units									
- Capital value (at net assets value at the beginning of the year)	379,319	-	379,319	1,793	-	1,793	-	-	-
- Element of income	2,377	-	2,377	2	-	2	-	-	-
Total proceeds on issuance of units	381,696	-	381,696	1,795	-	1,795	-	-	-
Redemption / settlement of units:									
FSCPP III: 479,132 units									
FSCPP IV: 2,734,648 units									
FSCPP V: 7,005,602 units									
- Capital value (at net assets value at the beginning of the year)	(142,340,406)	-	(142,340,406)	(306,342,010)	-	(306,342,010)	(762,979,036)	-	(762,979,036)
- Element of loss	(3,129,939)	(1,118,252)	(4,248,191)	(1,142,473)	(5,087,814)	(6,230,287)	(4,836,420)	(26,457,486)	(31,293,906)
Total payments on redemption of units	(145,470,345)	(1,118,252)	(146,588,597)	(307,484,483)	(5,087,814)	(312,572,297)	(767,815,456)	(26,457,486)	(794,272,942)
Total comprehensive income for the year	-	4,242,521	4,242,521	-	6,220,089	6,220,089	-	31,258,847	31,258,847
Net assets at the end of the year	(167,336,001)	167,336,001	-	(24,384,024)	24,384,024	-	(24,981,247)	24,981,247	-
Undistributed income brought forward									
- Realised income		164,211,732			29,363,758			51,189,478	
- Unrealised loss		-			(6,112,009)			(31,009,592)	
		164,211,732			23,251,749			20,179,886	
Accounting income available for distribution									
- Relating to capital gains		-			1,132,275			5,587,487	
- Excluding capital gains		3,124,269			-			(786,126)	
		3,124,269			1,132,275			4,801,361	
Undistributed income carried forward		167,336,001			24,384,024			24,981,247	
Undistributed income carried forward									
- Realised income		167,336,001			24,384,024			24,981,247	
- Unrealised income		-			-			-	
		167,336,001			24,384,024			24,981,247	
			(Rupees)			(Rupees)			(Rupees)
Net asset value per unit at beginning of the year			121.15			113.16			109.16
Net asset value per unit at end of the year			-			-			-

The annexed notes from 1 to 27 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer   **Chief Executive Officer**   **Director**

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

For The Year Ended June 30, 2024

	For the year ended June 30, 2023								
	Faysal Sharia Capital Preservation Plan - III			Faysal Sharia Capital Preservation Plan - IV			Faysal Sharia Capital Preservation Plan - V		
	Capital value	Undistri-buted income	Total	Capital value	Undistri-buted income	Total	Capital value	Undistri-buted income	Total
	------------------------------- (Rupees) -------------------------------								
Net assets at the beginning of the year	(22,247,352)	164,211,732	141,964,380	283,098,664	23,251,749	306,350,413	742,834,209	20,179,886	763,014,095
Issuance of units:									
FSCPP III: 3,223 units									
FSCPP IV: 17 units									
FSCPP V: Nil units									
- Capital value (at net assets value at the beginning of the year)	379,319	-	379,319	1,793	-	1,793	-	-	-
- Element of income	2,377	-	2,377	2	-	2	-	-	-
Total proceeds on issuance of units	381,696	-	381,696	1,795	-	1,795	-	-	-
Redemption / settlement of units:									
FSCPP III: 479,132 units									
FSCPP IV: 2,734,648 units									
FSCPP V: 7,005,602 units									
- Capital value (at net assets value at the beginning of the year)	(142,340,406)	-	(142,340,406)	(306,342,010)	-	(306,342,010)	(762,979,036)	-	(762,979,036)
- Element of loss	(3,129,939)	(1,118,252)	(4,248,191)	(1,142,473)	(5,087,814)	(6,230,287)	(4,836,420)	(26,457,486)	(31,293,906)
Total payments on redemption of units	(145,470,345)	(1,118,252)	(146,588,597)	#########	(5,087,814)	(312,572,297)	(767,815,456)	(26,457,486)	(794,272,942)
Total comprehensive income for the year	-	4,242,521	4,242,521	-	6,220,089	6,220,089	-	31,258,847	31,258,847
Net assets at the end of the year	(167,336,001)	167,336,001	-	(24,384,024)	24,384,024	-	(24,981,247)	24,981,247	-
Undistributed income brought forward									
- Realised income		164,211,732			29,363,758			51,189,478	
- Unrealised loss		-			(6,112,009)			(31,009,592)	
		164,211,732			23,251,749			20,179,886	
Accounting income available for distribution									
- Relating to capital gains		-			1,132,275			5,587,487	
- Excluding capital gains		3,124,269			-			(786,126)	
		3,124,269			1,132,275			4,801,361	
Undistributed income carried forward		167,336,001			24,384,024			24,981,247	
Undistributed income carried forward									
- Realised income		167,336,001			24,384,024			24,981,247	
- Unrealised income		-			-			-	
		167,336,001			24,384,024			24,981,247	
			(Rupees)			(Rupees)			(Rupees)
Net asset value per unit at beginning of the year			121.15			113.16			109.16
Net asset value per unit at end of the year			-			-			-

The annexed notes from 1 to 27 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
For The Year Ended June 30, 2024

	For the year ended June 30, 2023									
	Faysal Sharia Capital Preservation Plan - VI			Faysal Sharia Capital Preservation Plan - VII			Faysal Sharia Capital Preservation Plan - VIII			Total
	Capital value	Accumulated loss	Total	Capital value	Accumulated loss	Total	Capital value	Accumulated loss	Total	
	(Rupees)									
Net assets at the beginning of the year	1,160,402,787	(12,232,555)	1,148,170,232	2,390,973,586	(101,819,630)	2,289,153,956	3,507,655,482	(207,122,057)	3,300,533,425	5,589,687,381
Issuance of units:										
FSCPP VI: 60,780 units										
FSCPP VII: 286,982 units										
FSCPP VIII: 1,889,676 units										
- Capital value (at net assets value at the beginning of the year)	6,016,004	-	6,016,004	27,682,284	-	27,682,284	178,347,621	-	178,347,621	206,029,905
- Element of income	27,351	-	27,351	158,494	-	158,494	1,096,015	-	1,096,015	1,254,509
Total proceeds on issuance of units	6,043,355	-	6,043,355	27,840,778	-	27,840,778	179,443,636	-	179,443,636	207,284,414
Redemption of units:										
FSCPP VI: 10,701,087 units										
FSCPP VII: 20,428,947 units										
FSCPP VIII: 15,239,765 units										
- Capital value (at net assets value at the beginning of the year)	(1,154,135,207)	-	(1,154,135,207)	(1,970,576,228)	-	(1,970,576,228)	(1,438,329,021)	-	(1,438,329,021)	(3,408,905,249)
- Element of loss	(2,845,885)	(51,975,844)	(54,821,729)	(235,899)	(140,502,755)	(140,738,654)	(1,050,678)	(75,365,455)	(76,416,133)	(217,154,787)
Total payments on redemption of units	(1,156,981,092)	(51,975,844)	(1,208,956,936)	(1,970,812,127)	(140,502,755)	(2,111,314,882)	(1,439,379,699)	(75,365,455)	(1,514,745,154)	(3,626,060,036)
Total comprehensive income for the year	-	62,469,760	62,469,760	-	179,825,461	179,825,461	-	314,951,651	314,951,651	494,777,112
Distribution during the year	-	(7,726,411)	(7,726,411)	-	(35,424,918)	(35,424,918)		(219,397,596)	(219,397,596)	(254,822,514)
Net assets at the end of the year	9,465,050	(9,465,050)	-	448,002,237	(97,921,842)	350,080,395	2,247,719,419	(186,933,457)	2,060,785,962	2,410,866,357
Accumulated loss brought forward										
- Realised income / (loss)		22,564,470			(30,075,739)			80,842,825		
- Unrealised loss		(34,797,025)			(71,743,891)			(287,964,882)		
		(12,232,555)			(101,819,630)			(207,122,057)		
Accounting income / (loss) available for distribution										
- Relating to capital gains		11,139,234			14,495,167			91,036,967		
- Excluding capital gains		(645,318)			24,827,539			148,549,229		
		10,493,916			39,322,706			239,586,196		
Distributions during the year		(7,726,411)			(35,424,918)			(219,397,596)		
Accumulated loss carried forward		(9,465,050)			(97,921,842)			(186,933,457)		
Accumulated loss carried forward										
- Realised loss		(9,465,050)			(96,370,556)			(162,731,372)		
- Unrealised loss		-			(1,551,286)			(24,202,085)		
		(9,465,050)			(97,921,842)			(186,933,457)		
			(Rupees)			(Rupees)				
Net asset value per unit at beginning of the year			105.12			101.82			-	
Net asset value per unit at end of the year			-			97.50			95.32	

The annexed notes from 1 to 27 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

CASH FLOW STATEMENT

For The Year Ended June 30, 2024

	Note	Faysal Sharia Capital Preservation Plan - III	Faysal Sharia Capital Preservation Plan - IV	Faysal Sharia Capital Preservation Plan - V	Faysal Sharia Capital Preservation Plan - VI	Faysal Sharia Capital Preservation Plan - VII	Faysal Sharia Capital Preservation Plan - VIII	Total
		For the year ended June 30, 2024						
		(Rupees)						
CASH FLOWS FROM OPERATING ACTIVITIES								
Net income for the year before taxation		-	-	-	-	18,260,733	94,207,905	112,468,638
Adjustments for:								
Amortisation of preliminary expenses and floatation costs	6	-	-	-	-	-	12,315	12,315
		-	-	-	-	18,260,733	94,220,220	112,480,953
Decrease in assets								
Investments		-	-	-	-	201,196,564	2,060,961,617	2,262,158,181
Profit and other receivable		-	-	-	1,249,326	2,931,613	4,710,777	8,891,716
		-	-	-	1,249,326	204,128,177	2,065,672,394	2,271,049,897
(Decrease) / Increase in liabilities								
Payable to Faysal Asset Management Limited - Management Company		-	(27,547)	-	(461,447)	(3,290,948)	(6,323,181)	(10,103,123)
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	(5,745)	(29,520)	(142,247)	(177,512)
Payable to the Securities and Exchange Commission of Pakistan		(6,394)	(10,594)	(58,194)	(114,950)	(356,341)	(527,293)	(1,073,766)
Accrued expenses and other liabilities		539,997	(2,774,442)	(4,599,412)	(92,794,480)	4,745,614	(1,784,407)	(96,667,130)
		533,603	(2,812,583)	(4,657,606)	(93,376,622)	1,068,805	(8,777,128)	(108,021,531)
Net cash generated from operating activities		533,603	(2,812,583)	(4,657,606)	(92,127,296)	223,457,715	2,151,115,486	2,275,509,319
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts against issuance and conversion of units - net of refund of capital		-	-	-	-	121,444	5,460	126,904
Payments made against redemption of units		-	-	-	-	(368,664,954)	(2,154,999,327)	(2,523,664,281)
Net cash used in from financing activities		-	-	-	-	(368,543,510)	(2,154,993,867)	(2,523,537,377)
Net increase / (decrease) in cash and cash equivalents during the year		533,603	(2,812,583)	(4,657,606)	(92,127,296)	(145,085,795)	(3,878,381)	(248,028,058)
Cash and cash equivalents at the beginning of the year		3,725,536	3,930,934	7,982,792	95,901,514	150,706,800	5,249,058	267,496,634
Cash and cash equivalents at the end of the year	4	4,259,139	1,118,351	3,325,186	3,774,218	5,621,005	1,370,677	19,468,576

The annexed notes from 1 to 27 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

CASH FLOW STATEMENT
For The Year Ended June 30, 2024

	Note	For the year ended June 30, 2023						
		Faysal Sharia Capital Preservation Plan - III	Faysal Sharia Capital Preservation Plan - IV	Faysal Sharia Capital Preservation Plan - V	Faysal Sharia Capital Preservation Plan - VI	Faysal Sharia Capital Preservation Plan - VII	Faysal Sharia Capital Preservation Plan - VIII	Total
		-----(Rupees)-----						
CASH FLOWS FROM OPERATING ACTIVITIES								
Net income for the year before taxation		4,242,521	6,220,089	31,258,847	62,469,760	179,825,461	314,951,651	598,968,329
Adjustments for:								
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.2	-	-	-	-	1,551,286	24,202,085	25,753,371
Amortisation of preliminary expenses and floatation costs	6	-	5,481	24,627	41,439	67,168	83,448	222,163
		4,242,521	6,225,570	31,283,474	62,511,199	181,443,915	339,237,184	624,943,863
Decrease / (increase) in assets								
Investments		121,714,122	277,927,998	719,657,656	1,120,160,754	2,063,770,781	1,189,953,261	5,493,184,572
Profit and other receivable		281,493	401,052	425,126	4,368,732	2,970,826	(4,193,231)	4,253,998
		121,995,615	278,329,050	720,082,782	1,124,529,486	2,066,741,607	1,185,760,030	5,497,438,570
(Decrease) / increase in liabilities								
Payable to Faysal Asset Management Limited - Management Company		(602,596)	(772,603)	(1,975,858)	(1,037,977)	91,554	2,319,911	(1,977,569)
Payable to Central Depository Company of Pakistan Limited - Trustee		(10,117)	(20,044)	(51,421)	(69,720)	(119,640)	(72,344)	(343,286)
Payable to the Securities and Exchange Commission of Pakistan		(178,766)	(60,925)	(112,819)	(147,335)	(188,511)	(60,663)	(749,019)
Accrued expenses and other liabilities		233,124	3,455,843	7,531,828	96,225,490	(1,001,151)	1,991,004	108,436,138
		(558,355)	2,602,271	5,391,730	94,970,458	(1,217,748)	4,177,908	105,366,264
Net cash generated from operating activities		125,679,781	287,156,891	756,757,986	1,282,011,143	2,246,967,774	1,529,174,378	6,227,747,953
CASH FLOWS FROM FINANCING ACTIVITIES								
Amounts received against issuance of units - net of refund of capital		381,696	1,795	-	6,043,355	27,840,778	179,443,636	213,711,260
Payments made against redemption of units		(146,588,597)	(312,572,297)	(794,272,942)	(1,208,956,936)	(2,111,112,500)	(1,514,745,154)	(6,088,248,426)
Dividends paid		-	-	-	(7,726,411)	(35,424,918)	(219,397,596)	(262,548,925)
Net cash used in from financing activities		(146,206,901)	(312,570,502)	(794,272,942)	(1,210,639,992)	(2,118,696,640)	(1,554,699,114)	(6,137,086,091)
Net (decrease) / increase in cash and cash equivalents during the year		(20,527,120)	(25,413,611)	(37,514,956)	71,371,151	128,271,134	(25,524,736)	90,661,862
Cash and cash equivalents at the beginning of the year		24,252,656	29,344,545	45,497,748	24,530,363	22,435,666	30,773,794	176,834,772
Cash and cash equivalents at the end of the year	4	3,725,536	3,930,934	7,982,792	95,901,514	150,706,800	5,249,058	267,496,634

The annexed notes from 1 to 27 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Faysal Islamic Financial Planning Fund (the Fund) is an open end mutual fund constituted under a trust deed 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 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).

The Fund has been categorised as an open end 'Shariah Compliant 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 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.

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.

1.2 Faysal Islamic Financial Planning Fund is an open-end 'Shariah Compliant Fund of Funds Scheme' that aims to generate competitive returns on investment as per the respective allocation plans by investing in Shariah compliant CIS in line with the risk tolerance, return and basic needs of the investor.

Faysal Sharia Capital Preservation Plan III (FSCPP-III)	Faysal Sharia Capital Preservation Plan-III is an Islamic plan under Faysal Islamic Financial Planning Fund which commenced its operations from March 31, 2020 with an objective to earn a potentially competitive return through dynamic asset allocation between Shariah Compliant income/Money market component, Shariah Complaint equity Collective Investment Scheme and Islamic banks deposit by using CPPI methodology, while aiming to providing capital preservation of the initial investment value at maturity of the plan based on the fund manager’s outlook on the assets' classes. Units have been subject to front end and back end / contingent load. The initial maturity of this plan was two years from the close of the subscription period (i.e. March 31, 2020), however, the SECP granted an extension of six months after the initial maturity of the plan and thus, the plan matured on September 30, 2022.
Faysal Sharia Capital Preservation Plan IV (FSCPP-IV)	Faysal Sharia Capital Preservation Plan-IV is an Islamic plan under Faysal Islamic Financial Planning Fund which commenced its operations from July 24, 2020 with an objective to earn a potentially competitive return through dynamic asset allocation between Shariah compliant sovereign income / money market component, Shariah complaint equity collective investment scheme and Islamic banks deposit by using CPPI methodology, while aiming to providing capital preservation of the initial investment value at maturity of the plan based on the fund manager’s outlook on the assets' classes. Units have been subject to front end and back end / contingent load. The initial maturity of this plan was two years from the close of the subscription period (i.e. July 24, 2020), however, the SECP granted an extension of six months after the initial maturity of the plan and thus, the plan matured on January 23, 2023.
Faysal Sharia Capital Preservation Plan V (FSCPP-V)	Faysal Sharia Capital Preservation Plan-V is an Islamic plan under Faysal Islamic Financial Planning Fund which commenced its operations from October 15, 2020 with an objective to earn a potentially competitive return through dynamic asset allocation between Shariah compliant sovereign income / money market component, Shariah complaint equity collective investment scheme and Islamic banks deposit by using CPPI methodology, while aiming to providing capital preservation of the initial investment value at maturity of the plan based on the fund manager’s outlook on the assets' classes. Units have been subject to front end and back end / contingent load. The initial maturity of this plan was two years from the close of the subscription period (i.e. October 15, 2020) however, the SECP an extension of six months after the initial maturity of the plan and thus, the plan matured on April 14, 2023.
Faysal Sharia Capital Preservation Plan VI (FSCPP-VI)	Faysal Sharia Capital Preservation Plan-VI is an Islamic plan under Faysal Islamic Financial Planning Fund which commenced its operations from December 29, 2020 with an objective to earn a potentially competitive return through dynamic asset allocation between Shariah compliant sovereign income / money market component, Shariah complaint equity collective investment scheme and Islamic banks deposit by using CPPI methodology, while aiming to providing capital preservation of the initial investment value at maturity of the plan based on the fund manager’s outlook on the assets' classes. Units have been subject to front end and back end / contingent load. The initial maturity of this plan was two years from the close of the subscription period (i.e. December 29, 2020), however, the SECP granted an extension of six months after the initial maturity of the plan, and thus, the plan matured on June 27, 2023.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

2

Faysal Sharia Capital Preservation Plan VII (FSCPP-VII)	Faysal Sharia Capital Preservation Plan-VI is an Islamic plan under Faysal Islamic Financial Planning Fund which commenced its operations from April 16, 2021 with an objective to earn a potentially competitive return through dynamic asset allocation between Shariah compliant sovereign income / money market component, Shariah compliant equity collective investment scheme and Islamic banks deposit by using CPPI methodology, while aiming to providing capital preservation of the initial investment value at maturity of the plan based on the fund manager's outlook on the assets classes. Units have been subject to front end and back end / contingent load. The initial maturity of this plan was two years from the close of the subscription period (i.e. April 16, 2021), however, the SECP granted an extension of six months after the initial maturity of the plan and thus, the plan matured on November 24, 2023.
Faysal Sharia Capital Preservation Plan VIII (FSCPP-VIII)	Faysal Sharia Capital Preservation Plan-VIII is an Islamic plan under Faysal Islamic Financial Planning Fund which commenced its operations from August 26, 2021 with an objective to earn a potentially competitive return through dynamic asset allocation between Shariah compliant sovereign income / money market component, Shariah compliant equity collective investment scheme and Islamic banks deposit by using CPPI methodology, while aiming to providing capital preservation of the initial investment value at maturity of the plan based on the fund manager's outlook on the assets classes. Units have been subject to front end and back end / contingent load. The initial maturity of this plan was two years from the close of the subscription period (i.e. August 26, 2021), however, the SECP granted an extension of six months after the initial maturity of the plan and thus, the plan matured on February 24, 2024.

1.3 The Management Company has been assigned a quality rating of 'AM2++' by VIS Credit Rating Company Limited dated December 29, 2023 (2023: 'AM2++' dated December 30, 2022) 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 During the year, Faysal Sharia Capital Preservation Plan VII, Faysal Sharia Capital Preservation Plan VIII (the Plans) have been matured by the Management Company per the provisions of the offering document. However, the duration of the Fund is perpetual. Since the Plans have ceased to operate and there are no plans operational in the Fund as at June 30, 2024, therefore, the Plans are no longer going concern. The management has continued to measure the Plans' assets and liabilities principally in accordance with the material accounting policy information 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 Plans 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
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust

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 Accounting 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 the published accounting and reporting standards that are effective in the current year

2.2.1 There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2023. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and have, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Fund which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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

2.3.1 There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements.

- Amendments IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

2.4 Critical accounting estimates and judgments

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying 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 current and future years.

The estimates and judgments that have a significant effect on these financial statements of the Fund relate to classification, 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 for investments classified as at fair value through profit or loss which are measured at their respective fair values.

2.6 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

3 Material Accounting Policy Information

The material 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, cheques in hand 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.

3.2.1 Classification and subsequent measurement

3.2.1.1 Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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All equity investments are required to be measured in the “Statement of Assets and Liabilities” at fair value, with gains and losses recognised in the “Income Statement”, except where an irrevocable election has been made at the time of initial recognition to measure the equity investments at FVOCI. The management considers its investment in equity securities being managed as a group of assets and hence has classified them as FVPL. Accordingly, the irrevocable option has not been considered.

The dividend income for equity securities classified under FVPL is recognised in the Income Statement.

Since all investments in equity instruments have been designated as FVPL, the subsequent movement in the fair value of equity securities is routed through the Income Statement.

3.2.2 Impairment (other than debt securities)

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 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.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

3.2.3 Subsequent measurement

Subsequent to initial recognition, financial assets are valued as follows:

a) 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.

3.2.4 Impairment (other than debt securities)

The Fund assesses on a forward looking basis the expected credit loss (ECL) associated with it's financial assets carried at amortised cost and 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.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

3.2.5 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.

3.2.6 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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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 Issue and redemption of units

Authorised Participants (APs) can purchase the units at the offer price and redeem at the redemption price at any of the authorised distribution offices during business hours.

The offer price shall be equal to the sum of:

- The Net Asset Value (NAV) as of the close of the previous business day (historical pricing); and
- Such amount as the Management Company may consider an appropriate provision for duties and charges.

Units of the Fund may be acquired or redeemed directly from the Fund only in Creation Units lot size or multiples thereof as mentioned in the Offering Document. Investors can sell the units at market prices on PSX which may be above or below actual NAV of the Fund.

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 period also includes portion of income already paid on units redeemed during the period.

Distributions declared subsequent to the period end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period 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 (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period.

As clarified by the SECP vide its letter no. SCD/AMCW/ETF/240/2020 dated March 2, 2020, element of income in case of Exchange Traded Funds shall be taken to Income Statement both at the time of issuance and redemption of units to the extent it pertains to the Income Statement.

3.10 Revenue recognition

- Gains / (losses) arising on sale of investments are included in Income Statement and are recognised on the date when
- Unrealised gains / (losses) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the year 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 the date of book closure of the investee company / institution declaring the dividend; and
- Profit on bank balances is recognised on an accrual basis.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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3.11 Expenses

All expenses chargeable to the Fund including remuneration of the management company and Trustee and annual fee of the SECP are recognised in the "Income Statement" on an accrual basis.

3.12 Preliminary expenses and floatation costs

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 2 years in accordance with the requirements set out in the trust deed of the Fund.

3.13 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.

3.14 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

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 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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.

3.15 Earnings per unit

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

Earnings per unit 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.

4 BALANCES WITH BANKS

	Note	June 30, 2024						
		FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
		(Rupees)						
Savings accounts	4.1	4,259,139	1,118,351	3,325,186	3,774,218	5,621,005	1,370,677	19,468,576

	Note	June 30, 2023						
		FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
		(Rupees)						
Savings accounts		3,725,536	3,930,934	7,982,792	95,901,514	150,706,800	5,249,058	267,496,634

4.1 Deposits in savings accounts include Rs. 4.25 million, 1.11 million, 3.32 million, 3.77 million, 5.62 million and 1.37 million (2023: Rs. 3.72 million, 3.93 million, 7.98 million, 95.90 million, 150.70 million and 5.24 million) maintained with Faysal Bank Limited for FSCP-III, FSCP-IV, FSCP-V, FSCP-VI, FSCP-VII, FSCP-VIII respectively, a related party, and carry profit at the rate of 20.00% (2023: 20.40%) per annum.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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5 INVESTMENTS

	Note	June 30, 2024 FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
		(Rupees)						
At fair value through profit or loss								
Investment in mutual funds	5.1	-	-	-	-	-	-	-

	Note	June 30, 2023 FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
		(Rupees)						
At fair value through profit or loss								
Investment in mutual funds	5.1	-	-	-	-	201,196,564	2,060,961,617	2,262,158,181

5.1 Investment in mutual funds

5.1.1 Faysal Sharia Capital Preservation Plan VII

Name of investee	As at July 1, 2023	Purchased / reinvested during the year	Redeemed during the year	As at June 30, 2024	As at June 30, 2024 Carrying value	Market value	unrealised diminution	Market value as a percentage of net assets	Market value as a percentage of total investments
	Number of units				(Rupees)			%	
Faysal Islamic Dedicated Equity Fund	1,932,121	4,048	1,936,169	-	-	-	-	-	-
Faysal Islamic Sovereign Plan - I	14,645,889	45,829,245	60,475,134	-	-	-	-	-	-
Al-Ameen Islamic Cash Fund	3,972,423	-	3,972,423	-	-	-	-	-	-
Faysal Halal Amdani Fund	-	48,832,991	48,832,991	-	-	-	-	-	-
Faysal Islamic Cash Fund	-	31,019,534	31,019,534	-	-	-	-	-	-
Pak Qatar Islamic Cash Plan	-	1,834,078	1,834,078	-	-	-	-	-	-
Total as at June 30, 2024					-	-	-	-	-
Total as at June 30, 2023					2,085,163,702	2,060,961,617	(24,202,085)	85.48	91.11

5.1.2 Faysal Sharia Capital Preservation Plan VIII

Name of investee	As at July 1, 2023	Purchased / reinvested during the year	Redeemed during the year	As at June 30, 2024	As at June 30, 2024 Carrying value	Market value	unrealised diminution	Market value as a percentage of net assets	Market value as a percentage of total investments
	Number of units				(Rupees)			%	
Faysal Islamic Dedicated Equity Fund	1,932,121	4,048	1,936,169	-	-	-	-	-	-
Faysal Islamic Sovereign Plan - I	14,645,889	45,829,245	60,475,134	-	-	-	-	-	-
Al-Ameen Islamic Cash Fund	3,972,423	-	3,972,423	-	-	-	-	-	-
Faysal Halal Amdani Fund	-	48,832,991	48,832,991	-	-	-	-	-	-
Faysal Islamic Cash Fund	-	31,019,534	31,019,534	-	-	-	-	-	-
Pak Qatar Islamic Cash Plan	-	1,834,078	1,834,078	-	-	-	-	-	-
Total as at June 30, 2024					-	-	-	-	-
Total as at June 30, 2023					2,085,163,702	2,060,961,617	(24,202,085)	85.48	91.11

5.2 Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net

	Note	June 30, 2024 FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
		(Rupees)						
Market value of investments	5.1	-	-	-	-	-	-	-
Less: carrying value of investments	5.1	-	-	-	-	-	-	-
		-	-	-	-	-	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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	Note	June 30, 2023						
		FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
		(Rupees)						
Market value of investments	5.1	-	-	-	-	201,196,564	2,060,961,617	2,262,158,181
Less: carrying value of investments	5.1	-	-	-	-	(202,747,850)	(2,085,163,702)	(2,287,911,552)
		-	-	-	-	(1,551,286)	(24,202,085)	(25,753,371)

6 PRELIMINARY EXPENSES AND FLOATATION COSTS

	Note	June 30, 2024						
		FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
		(Rupees)						
At the beginning of the year		-	-	-	-	-	12,315	12,315
Less: amortisation expense for the year	6.1	-	-	-	-	-	(12,315)	(12,315)
Closing balance		-	-	-	-	-	-	-

	Note	June 30, 2023						
		FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
		(Rupees)						
At the beginning of the year		-	5,481	24,627	41,439	67,168	95,763	234,478
Less: amortisation expense for the year	6.1	-	(5,481)	(24,627)	(41,439)	(67,168)	(83,448)	(222,163)
Closing balance		-	-	-	-	-	12,315	12,315

6.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are amortized over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the NBFC Regulations.

7 ADVANCE TAX AND PROFIT RECEIVABLE

	Note	June 30, 2024						
		FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
		(Rupees)						
Profit receivable on balances with banks		-	-	-	-	-	-	-
Advance tax	7.2	-	-	-	-	-	-	-
		-	-	-	-	-	-	-

	Note	June 30, 2023						
		FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
		(Rupees)						
Profit receivable on balances with banks		-	-	-	1,249,326	1,619,395	4,647,604	7,516,325
Advance tax	7.2	-	-	-	-	1,312,218	63,173	1,375,391
		-	-	-	1,249,326	2,931,613	4,710,777	8,891,716

7.1 This includes profit receivable amounting to Rs. Nil (2023: Rs. 1.24, 1.61 million, 4.64 million held with FSCPP-VI, FSCPP-VII, FSCPP-VIII respectively) on bank balance held with Faysal Bank Limited, a related party.

7.2 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, withholding tax on profit on balances with banks paid to the Fund has been deducted by various withholding agents based on the interpretation issued by 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 withholdee. The tax withheld on profit on balances with banks amounts to Rs. Nil for FSCPP-VII and FSCPP-VIII respectively and amount of Rs. 1.312 million and Rs. 0.063 million for FSCPP-VII and FSCPP-VIII was expensed out against advance tax recorded in previous years.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds 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. In 2016, the Board of the AMCs authorised all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, 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 profit received by the Fund on balances with banks has been shown as other receivable as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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8 PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

	Note	June 30, 2024						
		FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
		(Rupees)						
Remuneration of the Management Company	8.1	-	-	-	-	-	-	-
Sindh Sales Tax on remuneration of Management Company	8.2	-	-	-	-	-	-	-
Allocated expenses payable	8.3 & 8.4	-	-	-	-	-	-	-
		-	-	-	-	-	-	-

	Note	June 30, 2023						
		FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
		(Rupees)						
Remuneration of the Management Company	8.1	-	-	-	74,043	118,372	514,815	707,230
Sindh Sales Tax on remuneration of the Management Company	8.2	-	-	-	9,626	15,388	66,926	91,940
Allocated expenses payable	8.3 & 8.4	-	27,547	-	377,778	1,946,590	4,721,269	7,073,184
Sales load payable		-	-	-	-	1,210,598	1,020,171	2,230,769
		-	27,547	-	461,447	3,290,948	6,323,181	10,103,123

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% per annum of the average annual net assets of the Fund for the year ended June 30, 2024 for all the plans. However, no amount of remuneration is charged on that part of the 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.

8.2 During the year an amount of Rs. 0.386 million (2023: Rs. 2.343 million) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2023: 13%).

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).

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 (existing and to be launched) as it may decide. The Management Company has, therefore, charged allocated expenses keeping in view the overall return and the total expense ratio limit of the Fund as defined under the NBFC Regulations at the following rates:

Faysal Sharia Capital Preservation Plan - III

Nil (2023: 2%) of the average annual net assets for the year ended June 30, 2024.

Faysal Sharia Capital Preservation Plan - IV

Nil (2023: 1.5% to 2%) of the average annual net assets for the year ended June 30, 2024.

Faysal Sharia Capital Preservation Plan - V

Nil (2023: 1.5%) of the average annual net assets for the year ended June 30, 2024.

Faysal Sharia Capital Preservation Plan - VI

Nil (2023: 0.05% to 1.5%) of the average annual net assets for the year ended June 30, 2024.

Faysal Sharia Capital Preservation Plan - VII

0% to 1% (2023: 0.5% to 1.5%) of the average annual net assets for the year ended June 30, 2024.

Faysal Sharia Capital Preservation Plan - VIII

0% to 1% (2023: 0.25% to 0.75%) of the average annual net assets for the year ended June 30, 2024.

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8.4 During the year, the Securities and Exchange Commission of Pakistan (SECP) carried out onsite inspection of the Management Company and inspected, among other matters, the mechanism of chargeability of selling & marketing expenses and accounting & operational charges to the funds under its management. As a result of this inspection, SECP raised certain observations relating to the chargeability of such expenses by the Management Company to the funds under its management. The Board of Directors of the Management Company has responded to the observations highlighted by the SECP and the management is engaged with SECP in this regard. Accordingly, the impact of the SECP's observations on the financial statements, if any, is not determinable as at the reporting date.

9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

	Note	June 30, 2024						
		FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
		(Rupees)						
Trustee fee payable	9.1	-	-	-	-	-	-	-
Sindh Sales Tax on remuneration of the Trustee	9.2	-	-	-	-	-	-	-
		-	-	-	-	-	-	-

	Note	June 30, 2023						
		FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
		(Rupees)						
Trustee fee payable	9.1	-	-	-	5,084	26,124	125,882	157,090
Sindh Sales Tax on remuneration of the Trustee	9.2	-	-	-	661	3,396	16,365	20,422
		-	-	-	5,745	29,520	142,247	177,512

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 0.070% of average annual net assets of the Fund if it has the objective to invest in CISs being managed by Faysal Asset Management Limited and under the trusteeship of CDC. Otherwise, the below mentioned tariff structure shall be applied:

Net Assets (Rs.)	
up to Rs. 1,000 million	0.20% p.a. of Net Assets
from Rs. 1,000 million and above	Rs. 2.0 million plus 0.10% p.a. of Net Assets, on amount exceeding Rs. 1 billion

9.2 During the year, an amount of Rs. 0.386 million (2023: Rs. 0.492 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% (2023: 13%).

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

	Note	June 30, 2024						
		FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
		(Rupees)						
Fee payable	10.1	-	-	-	-	-	-	-

	Note	June 30, 2023						
		FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
		(Rupees)						
Fee payable	10.1	6,394	10,594	58,194	114,950	356,341	527,293	1,073,766

10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.02% (2023: 0.02%) of average annual net assets of the Fund.

11 ACCRUED EXPENSES AND OTHER LIABILITIES

	June 30, 2024						
	FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
	(Rupees)						
Auditors' remuneration payable	-	-	-	-	135,723	302,163	437,886
Legal and professional charges payable	-	-	-	-	42,812	87,868	130,680
Shariah advisory fee payable	-	-	-	-	21,359	25,885	47,244
Payable to Unit Holders	4,259,139	1,118,351	3,325,186	3,774,218	5,421,111	954,761	18,852,766
	4,259,139	1,118,351	3,325,186	3,774,218	5,621,005	1,370,677	19,468,576

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	June 30, 2023						
	FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
	(Rupees)						
Auditors' remuneration payable	75,000	107,522	-	147,319	173,911	32,267	536,019
Fees and subscription payable	-	-	-	-	40,288	3,421	43,709
Printing charges payable	4,000	5,966	-	-	6,591	2,999	19,556
Legal and professional charges payable	48,889	66,568	193,187	27,148	48,667	44,579	429,782
Shariah advisory fee payable	-	-	-	3,055	12,183	5,199	20,437
Withholding tax payable	-	-	-	-	-	57,355	57,355
Capital gain tax payable	-	-	-	36,358	193,511	82,098	311,967
Sales Load payable	150,000	-	-	-	400,240	2,927,166	3,474,976
Payable to Unit Holders	3,441,253	3,712,737	7,731,411	96,354,818	-	-	111,240,306
	3,719,142	3,892,793	7,924,598	96,568,698	875,391	3,155,084	116,134,107

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 and June 30, 2023.

13 AUDITORS' REMUNERATION

	For the year ended June 30, 2024						
	FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
	(Rupees)						
Annual audit fee	-	-	-	-	87,825	195,527	283,352
Half yearly review	-	-	-	-	37,640	83,798	121,438
Out of pocket expenses	-	-	-	-	7,528	16,760	24,287
	-	-	-	-	132,993	296,085	429,077
Sindh Sales Tax	-	-	-	-	10,639	23,687	34,326
	-	-	-	-	143,632	319,771	463,404

	For the year ended June 30, 2023						
	FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
	(Rupees)						
Annual audit fee	-	-	54,395	54,395	54,395	48,395	211,580
Half yearly review	-	-	6,087	13,823	13,823	8,531	42,264
Out of pocket expenses	-	-	1,820	4,620	4,797	16,343	27,580
	-	-	62,302	72,838	73,015	73,269	281,424

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 period 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 holder. Since the Management Company has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2024 to the unit holders in a manner as explained above, 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.

15 TOTAL EXPENSE RATIO

The total expense ratio (TER) as at June 30, 2024 are 1.92% and 1.71% (2023: 1.25% and 1.29%), which includes 0.10% and 0.09% (2023: 0.07% and 0.07%), representing government levies on the fund such as sales taxes, fee to the SECP fee, etc of FSCPP VII and FSCPP VIII respectively. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Shariah Compliant Fund of Funds 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, 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.

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16.2 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.

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

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

16.5 Allocated 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 year are as follows:

Transactions during the year ended June 30, 2024	For the year ended June 30, 2024						
	FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
	(Rupees)						
Faysal Asset Management Limited - Management Company							
Remuneration of the Management Company	-	-	-	-	522,072	2,448,628	2,970,700
Sindh Sales Tax on remuneration of the Management Company	-	-	-	-	67,869	318,321	386,190
Allocated expenses	-	-	-	-	1,023,536	4,975,421	5,998,957
Faysal Bank Limited (Group Company / Associated Company)							
Profit on balances with banks	-	-	-	-	4,497,053	27,111,604	31,608,657
Bank charges	-	-	-	-	344	2,732	3,076
Central Depository Company of Pakistan Limited - Trustee							
Remuneration of the Trustee	-	-	-	-	71,648	357,691	429,339
Sindh Sales Tax on remuneration of the Trustee	-	-	-	-	9,314	46,500	55,814
Faysal Halal Amdani Fund - fund managed by the Management Company							
Purchase of (FSCPP III: Nil units, FSCPP IV: Nil units, FSCPP V: Nil units, FSCPP VI: Nil units, FSCPP VII: 4,229,533 units, FSCPP VIII: 48,832,991 units)	-	-	-	-	440,016,047	5,090,775,600	5,530,791,647
Redemption of (FSCPP III: Nil units, FSCPP IV: Nil units, FSCPP V: Nil units, FSCPP VI: Nil units, FSCPP VII: 4,229,533 units, FSCPP VIII: 48,832,991 units)	-	-	-	-	440,016,047	5,090,775,600	5,530,791,647
Faysal Islamic Dedicated Equity Fund - fund managed by the Management Company							
Purchase of (FSCPP III: Nil units, FSCPP IV: Nil units, FSCPP V: Nil units, FSCPP VI: Nil units, FSCPP VII: Nil units, FSCPP VIII: 4,047 units)	-	-	-	-	-	423,555	423,555
Redemption of: (FSCPP III: NIL units, FSCPP IV: NIL units, FSCPP V: Nil units, FSCPP VI: Nil units, FSCPP VII: Nil units, FSCPP VIII: 1,936,169 units)	-	-	-	-	-	207,943,571	207,943,571
Faysal Islamic Cash Fund - fund managed by the Management Company							
Purchase of (FSCPP VII: 5,302,928 units, FSCPP VIII: 31,019,534 units)	-	-	-	-	530,292,810	3,101,953,352	3,632,246,162
Redemption of (FSCPP VII : 5,302,928 units and FSCPP VIII : 31,019,534 units)	-	-	-	-	530,292,810	3,101,953,352	3,632,246,162

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Transactions during the year ended June 30, 2024	For the year ended June 30, 2024						
	FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
	(Rupees)						
Faysal Islamic Sovereign Plan - I - fund managed by the Management Company							
Purchase of (FSCPP VII: 7,630,271 units, FSCPP VIII: 45,829,245 units)	-	-	-	-	771,102,438	4,670,000,000	5,441,102,438
Redemption of (FSCPP VII: 9,634,621 units, FSCPP VIII: 60,475,134 units)	-	-	-	-	980,204,488	6,182,415,523	7,162,620,011
Unit holders with 10% or more unit holding than 10% holding							
Units issued: 581,093 units in FSCPP VIII	-	-	-	-	-	60,090,858	60,090,858

Amounts / balances outstanding as at year end	June 30, 2024						
	FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
	(Rupees)						
Faysal Bank Limited							
Balance in savings accounts	4,259,139	1,118,351	3,325,186	3,774,218	5,621,005	1,370,677	19,468,576
Profit receivable on savings accounts	-	-	-	-	-	-	-

Transactions during the year ended June 30, 2023	June 30, 2023						
	FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
	(Rupees)						
Faysal Asset Management Limited - Management Company							
Remuneration of the Management Company	83,709	179,855	709,690	1,907,150	6,134,438	9,008,267	18,023,109
Sindh Sales Tax on remuneration of the Management Company	10,882	23,381	92,260	247,930	797,477	1,171,075	2,343,005
Allocated expenses	639,492	794,568	4,333,092	2,830,502	13,351,232	21,331,901	43,280,787
Faysal Bank Limited (Group Company / Associated Company)							
Profit on balances with banks	1,476,411	2,264,382	8,700,832	19,002,375	62,060,623	80,297,348	173,801,971
Bank charges	1,410	1,784	1,132	2,277	1,420	1,994	10,017
Central Depository Company of Pakistan Limited - Trustee							
Remuneration of the Trustee	22,883	36,944	202,114	402,322	1,252,342	1,870,844	3,787,449
Sindh Sales Tax on remuneration of the Trustee	2,975	4,803	26,275	52,302	162,804	243,210	492,369
Faysal Halal Amdani Fund - fund managed by the Management Company							
Purchase of (FSCPP III: Nil units, FSCPP IV: Nil units, FSCPP V: 12,513,529 units, FSCPP VI: 32,037,255 units, FSCPP VII: 125,081,013 units, FSCPP VIII: 278,160,353 units)	-	-	1,306,089,943	3,317,285,999	13,327,507,151	29,550,816,019	47,501,699,112
Redemption of (FSCPP III: Nil units, FSCPP IV: 748,872 units, FSCPP V: 13,564,914 units, FSCPP VI: 33,490,220 units, FSCPP VII: 125,829,843 units, FSCPP VIII: 302,290,871 units)	-	76,775,214	1,419,121,241	3,474,993,195	13,433,318,535	32,032,227,323	50,436,435,508

Transactions during the year ended June 30, 2023	June 30, 2023						
	FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
	(Rupees)						
Faysal Islamic Dedicated Equity Fund - fund managed by the Management Company							
Purchase of (FSCPP III: Nil units, FSCPP IV: Nil units, FSCPP V: 3,147,470 units, FSCPP VI: 6,647,138, units, FSCPP VII: 11,198,487 units, FSCPP VIII: 14,181,788 units)	-	-	305,000,000	665,000,000	1,110,000,000	1,415,000,000	3,495,000,000
Redemption of: (FSCPP III: NIL units, FSCPP IV: NIL units, FSCPP V: 4,219,506 units, FSCPP VI: 7,892,503 units, FSCPP VII: 14,866,655 units, FSCPP VIII: 21,577,408 units)	-	-	400,688,008	777,714,586	1,424,825,903	2,139,000,000	4,742,228,497

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Transactions during the year ended June 30, 2023	June 30, 2023						
	FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
	(Rupees)						
Faysal Islamic Cash Fund - fund managed by the Management Company							
Purchase of (FSCPP III: 2,033,243 units, FSCPP IV: 1,834,732 units, FSCPP V: 20,556,601 units, FSCPP VI: 63,983,378 units, FSCPP VII: 251,735,946 units, FSCPP VIII: 288,185,466 units)	203,325,250	183,473,194	2,055,660,136	6,398,337,773	25,174,903,686	28,818,625,596	62,834,325,636
Redemption of (FSCPP III: 3,250,384 units, FSCPP IV: 3,860,336 units, FSCPP V: 25,721,855 units, FSCPP VI: 72,592,158 units, FSCPP VII: 270,317,435 units FSCPP VIII: 288,185,466 units) FSCPP VI: 189,585,626 FSCPP VII : 414,201,475 units and FSCPP VIII :371,298,650 units)	325,039,372	386,033,633	2,572,185,457	7,259,215,772	27,033,052,530	28,818,625,596	66,394,152,361
Faysal Islamic Sovereign Plan - I - fund managed by the Management Company							
Purchase of (FSCPP VII: 35,626,092 units, FSCPP VIII: 57,027,065 units)	-	-	-	-	3,647,775,793	5,843,728,950	9,491,504,744
Redemption of (FSCPP VII: 33,621,742 units, FSCPP VIII: 42,381,177 units)	-	-	-	-	3,448,816,567	4,343,510,041	7,792,326,608
Unit holders with 10% or more unit holding than 10% holding							
Units issued: 24,190 units in FSCPP VII	-	-	-	-	-	2,345,489	2,345,489
Units redeemed: 152,398 units in FSCPP V	-	-	16,593,047	-	-	-	16,593,047

Amounts / balances outstanding as at year end June 30, 2023	June 30, 2023						
	FSCPP-III	FSCPP-IV	FSCPP-V	FSCPP-VI	FSCPP-VII	FSCPP-VIII	Total
	(Rupees)						
Faysal Asset Management Limited - Management Company							
Management remuneration payable	-	-	-	74,043	118,372	514,815	707,230
Sindh Sales Tax on remuneration of the Management Company	-	-	-	9,626	15,388	66,926	91,940
Allocated expenses payable	-	27,547	-	377,778	1,946,590	4,721,269	7,073,184
Sales Load Payable	-	-	-	-	1,210,598	1,020,171	2,230,769
Faysal Bank Limited							
Balance in savings accounts	3,725,536	3,930,934	7,982,792	95,901,514	150,706,800	5,249,058	155,955,858
Profit receivable on savings accounts	-	-	-	1,249,326	1,619,395	4,647,604	6,266,999
Central Depository Company of Pakistan Limited - Trustee							
Trustee fee payable	- -	-	-	5,084	26,124	125,882	157,090
Sindh Sales Tax on remuneration of the Trustee	- -	-	-	661	3,396	16,365	20,422
Faysal Islamic Sovereign Plan - I - fund managed by the Company							
Investment in units FSCPP-VII : 2,004,350 FSCPP-VIII : 14,645,889	-	-	-	-	195,424,125	1,396,046,139	1,591,470,264
Faysal Islamic Dedicated Equity Fund - fund managed by the Management Company							
Investment in units (FSCPP VIII: 1,932,121)	-	-	-	-	-	184,169,774	184,169,774
Unit holders with 10% or more unit holding than 10% holding							
Units in issue: 353,822 units in FSCPP VIII	-	-	-	-	-	34,497,645	34,497,645

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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18 FINANCIAL INSTRUMENTS BY CATEGORY

	June 30, 2024			June 30, 2023		
	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total
	---------------------------- Rupees ----------------------------			---------------------------- Rupees ----------------------------		
Financial assets						
Balances with banks	19,468,576	-	19,468,576	267,496,634	-	267,496,634
Investments	-	-	-	-	2,262,158,181	2,262,158,181
Profit receivable	-	-	-	7,516,325	-	7,516,325
	19,468,576	-	19,468,576	275,012,959	- 2,262,158,181	- 2,537,171,140
Financial liabilities						
Payable to Faysal Asset Management Limited - Management Company	-	-	-	10,106,340	-	10,106,340
Payable to Central Depository Company of Pakistan - Trustee	-	-	-	175,894	-	175,894
Payable against redemption of units	-	-	-	202,382	-	202,382
Accrued expenses and other liabilities	25,844,448	-	25,844,448	115,764,785	-	115,764,785
	25,844,448	-	25,844,448	126,249,401	-	126,249,401

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the Fund's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: profit rate risk, currency risk, and price risk.

(i) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2024, the Fund is exposed to such risk on its balances held with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Fund would have been higher / lower by Rs. 1.198 million (2023: Rs. 2.675 million).

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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	2024					
	Effective profit rate (%)	Exposed to profit rate risk: Up to three months	Exposed to profit rate risk: More than three months and up to one year	Exposed to profit rate risk: More than one year	Not exposed to yield / profit rate risk	Total
		Rupees				
Financial assets						
Balances with banks	20.00%	19,468,576	-	-	-	19,468,576
Investments		-	-	-	-	-
Profit receivable		-	-	-	-	-
		19,468,576	-	-	-	19,468,576
Financial liabilities						
Payable to Faysal Asset Management Limited - Management Company		-	-	-	-	-
Payable to Central Depository Company of Pakistan - Trustee		-	-	-	-	-
Payable against redemption of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	25,844,448	25,844,448
		-	-	-	25,844,448	25,844,448
On-balance sheet gap (a)		19,468,576	-	-	(25,844,448)	(6,375,872)
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a+b)		19,468,576	-	-		
Cumulative profit rate sensitivity gap		19,468,576	19,468,576	19,468,576		

	2023					
	Effective profit rate (%)	Exposed to profit rate risk: Up to three months	Exposed to profit rate risk: More than three months and up to one year	Exposed to profit rate risk: More than one year	Not exposed to yield / profit rate risk	Total
		Rupees				
Financial assets						
Balances with banks	20.40%	267,496,634	-	-	-	267,496,634
Investments		-	-	-	2,262,158,181	2,262,158,181
Profit receivable		-	-	-	7,516,325	7,516,325
		267,496,634	-	-	2,269,674,506	2,537,171,140
Financial liabilities						
Payable to Faysal Asset Management Limited - Management Company		-	-	-	10,106,340	10,106,340
Payable to Central Depository Company of Pakistan - Trustee		-	-	-	175,894	175,894
Payable against redemption of units		-	-	-	202,382	202,382
Accrued expenses and other liabilities		-	-	-	115,764,785	115,764,785
		-	-	-	126,249,401	126,249,401
		-	-	-		
On-balance sheet gap (a)		267,496,634	-	-	2,143,425,105	2,410,921,739
Off-balance sheet financial instruments		-	-	-	-	-
		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
		-	-	-	-	-
Total profit rate sensitivity gap (a+b)		267,496,634	-	-		
Cumulative profit rate sensitivity gap		267,496,634	267,496,634	267,496,634		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund has exposure to price risk arising from the Fund investments in open end mutual funds. The Fund manages its price risk arising from investments by diversifying its portfolio within the eligible limits prescribed in the Fund's Constitutive Documents, the NBFC Regulations and circulars issued by SECP from time to time.

As at June 30, 2024, the Fund does not hold any investments, which may expose the Fund to price risk.

19.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily settlement of equity securities and daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations the Fund can borrow in the short-term to ensure settlement the maximum limit of which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

	June 30, 2024						
	Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial instruments with no fixed maturity	Total
	Rupees						
Financial assets							
Balances with banks	19,468,576	-	-	-	-	-	19,468,576
Investments	-	-	-	-	-	-	-
Profit receivable	-	-	-	-	-	-	-
	19,468,576	-	-	-	-	-	19,468,576
Financial liabilities							
Payable to Faysal Asset Management Limited - Management Company	-	-	-	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-	-	-
Payable against redemption of units	-						-
Accrued expenses and other liabilities	25,844,448	-	-	-	-	-	25,844,448
	25,844,448	-	-	-	-	-	25,844,448
Net financial assets / (liabilities)	(6,375,872)	-	-	-	-	-	(6,375,872)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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	Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial instruments with no fixed maturity	Total
	June 30, 2023						
	Rupees						
Financial assets							
Balances with banks	267,496,634	-	-	-	-	-	267,496,634
Investments	-	-	-	-	-	2,262,158,181	2,262,158,181
Profit receivable	7,516,325	-	-	-	-	-	7,516,325
	275,012,959	-	-	-	-	2,262,158,181	2,537,171,140
Financial liabilities							
Payable to Faysal Asset Management Limited - Management Company	10,106,340	-	-	-	-	-	10,106,340
Payable to Central Depository Company of Pakistan Limited - Trustee	175,894	-	-	-	-	-	175,894
Payable against redemption of units	202,382						202,382
Accrued expenses and other liabilities	115,764,785	-	-	-	-	-	115,764,785
	126,249,401	-	-	-	-	-	126,249,401
Net financial assets / (liabilities)	148,763,558	-	-	-	-	2,262,158,181	2,410,921,739

19.3 Credit risk

19.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

	2024		2023	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	Rupees			
Balances with banks	19,468,576	19,468,576	267,496,634	267,496,634
Investments	-	-	2,262,158,181	-
Profit receivable	-	-	7,516,325	7,516,325
	19,468,576	19,468,576	2,537,171,140	275,012,959

19.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks and profit accrued thereon, cheques in hand, dividend receivable and receivable against sale of units and against investments. The credit rating profile of balances with banks is as follows:

	2024	2023
Bank balance by rating category	%	
AA	100%	100%

19.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties thereby any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2024 are unsecured and are not impaired.

20 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

19

Units of mutual funds are valued using the net asset value (NAV) announced by Mutual Fund Association of Pakistan (MUFAP). 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 June 30, 2024				As at June 30, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				(Rupees in '000)			
Financial assets 'at fair value through profit or loss'								
FSCPP-VIII	-	-	-	-	-	2,060,961,617	-	2,060,961,617
	-	-	-	-	-	2,060,961,617	-	2,060,961,617

	As at June 30, 2024				As at June 30, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)				(Rupees in '000)			
FSCPP-VII	-	-	-	-	-	201,196,564	-	201,196,564
	-	-	-	-	-	201,196,564	-	201,196,564

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unit holders' fund.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 19, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

22 UNIT HOLDING PATTERN OF THE FUND

FSCPP-VIII

Category	2024			2023		
	Number of unit holders	Number of units held	Percentage of total	Number of unit holders	Number of units held	Percentage of total
Individuals	-	-	-	103	3,435,033	95.67%
Retirement fund	-	-	-	3	155,606	4.33%
	-	-	-	106	3,590,639	100.00%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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FSCPP-VIII

Category	2024			2023		
	Number of unit holders	Number of units held	Percentage of total	Number of unit holders	Number of units held	Percentage of total
Individuals	-	-	-	405	20,740,167	95.93%
Corporate	-	-	-	4	879,508	4.07%
	-	-	-	409	21,619,675	100.00%

23 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Following are the details in respect of members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Mr. Nadir Rahman	Chief Executive Officer	BS (Economics)	Over 33 Years
Mr. Omer Bin Javaid	Deputy Chief Executive Officer	MBA	Over 25 Years
Mr. Muhammad Imran	Chief Investment Officer	MBA	Over 22 Years
Mr. Nafees Imtiaz Malik	Chief Operating Officer	MBA	Over 12 Years
Mr. Shahid Iqbal	Head of Fixed Income	B.Com	Over 32 Years
Mr. Salman Muslim	Chief Financial Officer and Company Secretary	FCA	Over 18 Years
Mr. Shoaib Danish	Equity Fund Specialist	MBA/CFA	Over 9 years
Mr. Mustajab Alam	Fund Manager	MBA Finance	Over 11 Years
Mr. Abdul Ghani Mianoor	Senior Analyst - Research	BSc	Over 5 years
Syed Eunas Viqar	Head of Internal Audit and Compliance	ACCA	Over 16 Years
Mr. Abdul Basit	Unit Head - Risk Management	MBA	Over 9 Years
Mr. Mohammed Qasim	Senior Manager Risk Management	MBA	Over 16 Years

* 'Mr. Nadir Rahman was appointed as the Chief Executive Officer with effect from May 23, 2023.

24 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other funds managed by the Fund manager
Syed Shahid Iqbal	Fund Manager	Bachelors in Commerce	Faysal Cash Fund, Faysal Islamic Savings Growth Fund, Faysal Islamic Asset Allocation Fund, Faysal Halal Amdani Fund, Faysal Islamic Cash Fund, Faysal Islamic Special Income Fund, Faysal Islamic Sovereign Fund, Faysal Islamic Financial Growth Fund, Faysal Islamic Mustakil Munafa Fund, Faysal Income & Growth Fund, Faysal Money Market Fund, Faysal Savings Growth Fund, Faysal Financial Sector Opportunity Fund, Faysal Financial Value Fund, Faysal MTS Fund, Faysal Government Securities Fund and Faysal Special Savings Fund

25 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and the attendance of its members are given below:

Name of directors	Designation	Attended meeting held on						
		July 12, 2023	August 18, 2023	October 20, 2023	December 12, 2023	January 5, 2024	Feburary 2, 2024	April 19, 2024
Mr. Yousaf Hussain	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Syed Majid Ali	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mian Salman Ali	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ali Waqar	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Samia Zuberi	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ehsen Zafar Puri*	Director	-	-	-	Yes	Yes	Yes	Yes
Mr. Nadir Rahman	Chief Executive Officer	Yes	Yes	Yes	Yes	Yes	Yes	Yes

* Mr Ehsen Zafar Puri has been appointed as Director from date effecting from October 20, 2023

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

26 GENERAL

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

26.2 Corresponding figures have been reclassified and rearranged in these financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these financial statements.

27 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 22, 2024 by the Board of Directors of the Management Company.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

Head Office
West wing, 7th Floor,Faysal House, ST-02,
Shahrah-e-Faisal,Karachi, Pakistan.

Karachi
U 92 21 111329725
F 92 21 38657800

Lahore
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Islamabad
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F 92 51 2275252

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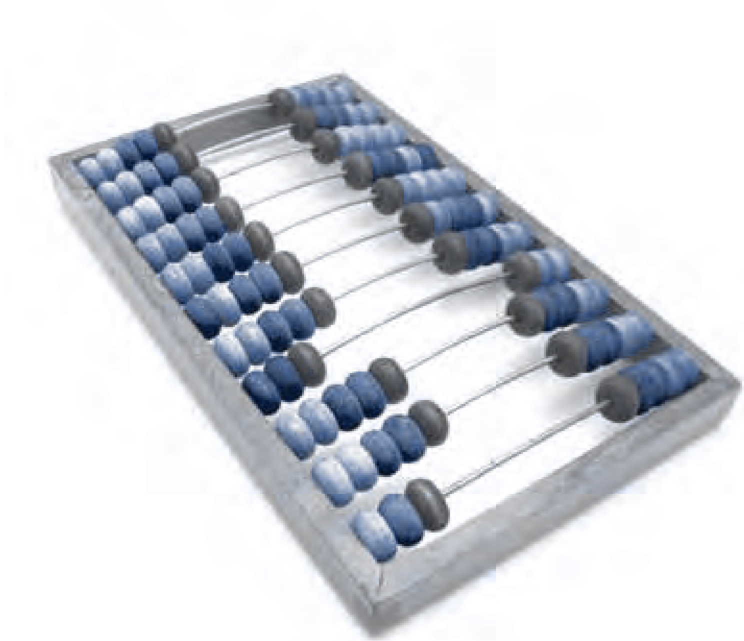
Faysal Sharia Planning Fund

Financial Statements

For The Year Ended June 30, 2024



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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
Mr. Ehsan Zafar Puri, Director

Chief Financial Officer & Company Secretary
Mr. Salman Muslim

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

Board Strategy Committee
Mr. Yousaf Hussain, Chairman
Syed Majid Ali, Member
Mr. Mian Salman Ali, Member
Mr. Ehsan Zafar Puri, 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 Sharia Planning Fund The “Faysal Sharia Capital Preservation Plan” is an Islamic Plan under “Faysal Sharia Planning Fund ” with an objective to earn a potentially competitive return through dynamic asset allocation between Islamic income/Money market. Islamic equity collective investment scheme and Islamic bank deposit by using CPPI methodology while aiming to providing capital preservation of the initial investment value at maturity of the plan based on the Fund Manger’s outlook on the assets classes.

FUND MANAGER'S REPORT

ECONOMIC REVIEW

In 3QFY24, Pakistan's GDP experienced an YoY growth of 2.09%, with a marginal QoQ increase of 0.12%. The Services sector remained flat at 0.83%, offsetting gains in the Industrial and Agriculture sectors, which saw advances of 3.84% and 3.94%, respectively. Albeit Large-Scale Manufacturing Index growth was trivial at 1.47%, improvements in the small-scale sector supported overall industrial growth. Looking ahead, the country's growth rate is likely to be lower than anticipated in the 1HFY25, before gaining momentum in the 2HFY25 due to projected interest rate cuts that could stimulate industrial growth.

Pakistan's external account continued to exhibit improvement, with the Current Account Deficit (CAD) clocking in at ~USD 665mn during FY24, down from ~USD 3.3bn in SPLY. This steep reduction is primarily due to a 12% YoY increase in exports, reaching ~USD 31bn, and an 11% YoY rise in remittances, totaling ~USD 30.2bn. On a QoQ basis, the CAD was ~USD 0.07bn, supported by increased exports and remittances. The trade deficit also improved, decreasing by roughly 11% to USD 22bn in FY24 from USD 24.8bn in the SPLY, attributed to rising exports and declining imports.

The PKR appreciated by ~2.62% since Jun-23, closing 4QFY24 at PKR 278.34 against the USD. Foreign exchange reserves rose by about 10% QoQ to USD 14 bn, driven by strong inflows and roll-overs, including support from the IMF, GCC countries, and FDIs predominantly from China. The FX Reserves improved significantly from USD 9.1bn at the end of June 2023, enhancing the imports cover to above 1.5 months.

The average inflation clocked in at ~24% in FY24, down from ~29.4% in FY23. However, Core inflation rose to about 18.9% in FY24 from 17.8% in the SPLY. However, on QoQ basis, it dropped from 18.1% in 3QFY24 to 14.6% in 4QFY24. Despite higher fuel, power, and food inflation, the appreciation of the PKR and lower international commodity prices helped moderate inflation.

The Federal Board of Revenue (FBR) collected ~PKR 9,285bn in taxes during FY24, surpassing the target of PKR 9,252bn, and marking a 29% YoY increase from PKR 7,167bn in the SPLY. This growth was mainly on account of increased direct taxes and Petroleum Development Levy (PDL), while tax collection on imports remained subdued due to import compression.

Looking forward, the economic outlook for the upcoming quarters is optimistic, bolstered by the IMF program and anticipated rate cuts (a cumulative 250 bps in the last two Monetary Policy Committee meetings). The potential economic rebound FY25, a downward trend in inflation, and PKR stability are key factors supporting this outlook.

Equities review:

During FY24, the index surged by ~79% from 41,453 points at the end of Jun'23 to 78,445 points. Positive developments on the external front (IMF program success and reapproval, stable PKR, modest Fx reserves), as well as diminishing inflationary pressures and political stability among others, bolstered investor sentiment during the year.

During the FY24, Foreigners and Insurance drove the market with a net purchase of ~USD 152m and ~USD 126m. On the flipside, Banks/DFIs, Individuals, Mutual Funds and Others were net sellers to the tune of ~USD 141mn, ~USD 59mn, ~USD 47mn and ~USD 33m respectively.

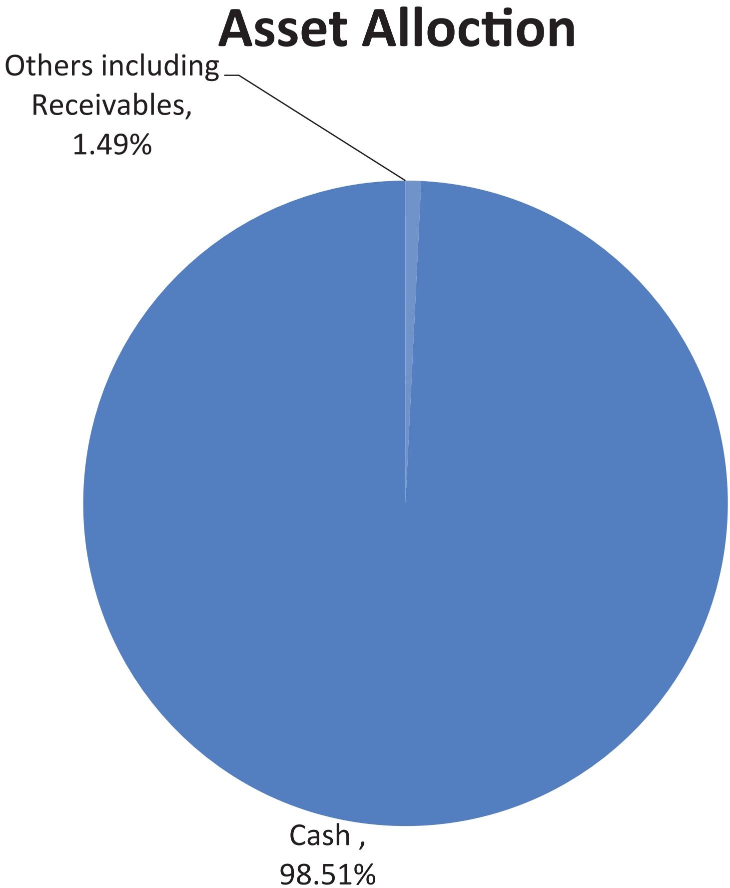
During FY24 the sectors which contributed positively to the index include Banks (13,262 points), Fertilizer (5,074 points), Oil & Gas Exploration Companies (4,300 points), Power Generation & Distribution (4,192 points), Cement (2,513 points) and Automobile Assembler (1,095 points). The sectors which dragged in the bourse in FY24 majorly include Technology & Communication (-52 points) and Textile Spinning (-17 points). The market experienced a sustained bull run in FY24, driven by improving macroeconomic indicators, rising corporate profitability, expectations of a rate cut in 2HFY24, and attractive market valuations.

MONEY MARKET REVIEW

For the majority of FY24, the SBP kept the policy rate steady at 22%. However, following a decline in CPI readings, the SBP revised down the policy rate by 150 basis points to 20.5%. During the year, SBP held 26 T-Bill and 10 PIB auctions raising a total of ~PKR 21.3tn through T-Bills and ~PKR 4.5tn through the PIB auctions. During the year, the yields depicted volatility, inching upwards and peaking in Sept'24, before gradually declining thereon. In the first T-bill auction of FY24, the State Bank of Pakistan raised ~PKR 597bn, with weighted average yields realized in the 3M / 6M / 12M tenors clocking in at ~22.75% / 22.96% / 22.99%, respectively. However, in the last auction of FY24 held in June'24, SBP held, the weighted average yields realized in the 3M / 6M / 12M fell to ~20.01% / 19.94% / 18.49%, respectively. The decline in yields since Sept'23 followed expectations of interest rate cuts, which materialized in June'24. A similar trend was witnessed during FY24 in the Islamic Money Market / Sukuk yields.

Fund Information	
Fund Type	Open Ended
Category	Shariah Compliant Fund of Funds - CPPI
Risk Profile	Medium
Launch Date	January 12, 2022
Trustee	CDC
Auditor	A.F. Ferguson & Co.
Management Fee	1% on AUM or if investment made in CIS Underlying Fund fee will be applicable. (Actual Rate of Management Fee Charged is 1%)
Selling and Marketing Expense	-
Front end Load	Up to 3%
Contingent Load	For First Year 2% For Second Year 1%
Min Subscription	PKR 1,000
Pricing Mechanism	Forward
Benchmark	Weighted average return of KMI 30 index and 6-months deposit rate of (Three)3 A rated Scheduled Islamic Banks or Islamic window of conventional banks
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 4:00 pm
AMC Rating	AM2++ (VIS) December 29, 2023
NAV per Unit (PKR)	110
Net Assets (PKR mn)	755
Total Expense Ratio (Annualized)	1.68%
Total Expense Ratio (Monthly)	2.13%

Fund Returns (% p.a)		
	FY24	FY23
YTD	12.36%	9.65%
Benchmark (YTD)	14.40%	4.71%



FUND PERFORMANCE

Faysal Shariah Capital Preservation Plan 9 yielded a return of 12.36% FY24TD, relative to its benchmark return of 14.40%. At the period's close, the exposure in Cash and Others stood at 98.51% and 1.49%, respectively. In the future, fund management will allocate funds to different high-yielding avenues.

بسم الله الرحمن الرحيم

الحمد لله رب العالمين,والصلاة والسلام على خاتم النبيّين وسيد المرسلين,

وعلى آله واصحابه أجمعين.أمّا بعد

Annual Report
of
Faysal Shariah Planning Fund

August 22, 2024

By the blessing of ALLAH, the year ended 30 June, 2024 under analysis of **Faysal Shariah Planning Fund (FSPF)**. I, as the Shariah Advisor of the fund am issuing the report in accordance with the trust deed of the fund. The scope of the report is to express an opinion on the Shariah Compliance of the fund's activities.

In the capability of Shariah Advisor, I have set out criteria and guideline to be followed in ensuring Shariah Compliance in the each and every transaction.
It is the responsibility of the management of the fund to establish and maintain a system of internal control to ensure Shariah Compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the management company' personal and review of various documents prepared by the management company to comply with the prescribed criteria.

In the light of above, I hereby certify that:

- I have reviewed and approved the modes of investment of **FSPF** in light of the Shariah guidelines.

- All the provisions of the scheme and investment made on account of **FSPF** by **FAML** Fund Managers are Shariah Compliant and in accordance with the criteria established.

On the basis of information provided by the management, all operations of **Faysal Shariah Planning Fund (FSPF)**. for year ended 30 June 2024 have been in compliance with the Shariah Principles.

May Allah make us successful and accept efforts of the management company for developing of Islamic Finance System.

وصلى الله على حبيبه محمد صلى الله عليه وسلم

Farooqi

Abdul Zahid Farooqi
Shariah Advisor
Faysal Asset Management Limited

Mufti Abdul Zahid Farooqi
Shariah Advisor
Faysal Asset Management Ltd

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED
Head Office:
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TRUSTEE REPORT TO THE UNIT HOLDERS

FAYSAL SHARIA PLANNING FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of Faysal Sharia Planning Fund (the Fund) are of the opinion that Faysal Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2024 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 26, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Faysal Sharia Planning Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Faysal Sharia Planning Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Net Asset Value** (Refer note 4 to the financial statements)	
	Balances with banks constitute the most significant component of the net asset value. balances with banks aggregated of the Fund as at June 30, 2024 amounted to Rs. 50.47 million. The existence of balances with banks for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: • Obtained independent confirmations for verifying the existence of balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; • Obtained bank reconciliation statements and tested reconciling items on a sample basis.

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Emphasis of Matter

We draw attention to note 1.7 of the financial statements, which indicates that the all plans in the Fund matured during the year ended June 30, 2024. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Shahbaz Akbar.**

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A. F. Ferguson & Co.
Chartered Accountants
Dated: September 27, 2024
Karachi
UDIN: AR202410068u8P3wIsAz

STATEMENT OF ASSETS AND LIABILITIES

As at June 30, 2024

	Note	June 30, 2024				June 30, 2023			
		Faysal Sharia Capital Preservation Plan - IX	Faysal Sharia Capital Preservation Plan - I	Faysal Sharia Capital Preservation Plan - II	Total	Faysal Sharia Capital Preservation Plan - IX	Faysal Sharia Capital Preservation Plan - I	Faysal Sharia Capital Preservation Plan - II	Total
		(Rupees)							
Assets									
Balances with banks	4	48,845,003	1,037,873	592,377	50,475,253	26,766,155	878,285	503,286	28,147,726
Investments	5	-	-	-	-	1,964,455,240	-	-	1,964,455,240
Profit receivable on balances with banks		-	-	-	-	15,035,061	-	-	15,035,061
Total assets		48,845,003	1,037,873	592,377	50,475,253	2,006,256,456	878,285	503,286	2,007,638,027
Liabilities									
Payable to Faysal Asset Management Limited - Management Company	6	51,072	-	-	51,072	12,070,774	-	-	12,070,774
Payable to Central Depository Company of Pakistan Limited - Trustee	7	-	-	-	-	140,599	-	-	140,599
Payable to the Securities and Exchange Commission of Pakistan	8	-	-	-	-	527,108	-	-	527,108
Accrued expenses and other liabilities	9	1,174,756	-	-	1,174,756	982,983	-	-	982,983
Payable to unit holders		47,619,175	1,037,873	592,377	49,249,425	-	878,285	503,286	1,381,571
Total liabilities		48,845,003	1,037,873	592,377	50,475,253	13,721,464	878,285	503,286	15,103,035
Net assets		-	-	-	-	1,992,534,992	-	-	1,992,534,992
Unit holders' fund (as per the statement attached)		-	-	-	-	1,992,534,992	-	-	1,992,534,992
Contingencies and commitments	10								
		(No of units)							
Number of units in issue		-	-	-		20,353,129	-	-	
		(Rupees)							
Net asset value per unit		-	-	-		97.90	-	-	

The annexed notes from 1 to 24 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	Chief Executive Officer	Director

INCOME STATEMENT
For The Year Ended June 30, 2024

	Note	For the year ended June 30, 2024 Faysal Sharia Capital Preservation Plan - IX	For the year ended June 30, 2023 Faysal Sharia Capital Preservation Plan - IX
		(Rupees)	(Rupees)
INCOME			
Profit on balances with banks		53,227,111	58,971,817
Dividend income from mutual funds		58,697,695	107,291,558
Back-end load income		5,070,640	13,552,217
Gain on sale of investments - net		121,603,517	116,879,138
Other income		92,879	-
		238,691,842	296,694,730
Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.2	-	23,321,730
Total income		238,691,842	320,016,460
EXPENSES			
Remuneration of Faysal Asset Management Limited - Management Company	6.1	4,819,333	7,260,193
Sindh Sales Tax on remuneration of the Management Company	6.2	626,513	943,825
Allocated expenses	6.3	10,881,537	54,944,518
Remuneration of Central Depository Company of Pakistan Limited - Trustee	7.1	748,432	1,852,451
Sindh Sales Tax on remuneration of the Trustee	7.2	97,296	240,819
Annual fees to the Securities and Exchange Commission of Pakistan	8.1	214,827	527,133
Auditors' remuneration	11	747,687	598,926
Legal and professional charges		366,946	156,950
Shariah advisor fee		-	181,549
Printing charges		-	27,154
Bank charges		5,278	1,953
Total operating expenses		18,507,849	66,735,471
Net income for the year before taxation		220,183,993	253,280,989
Taxation	12	-	-
Net income for the year after taxation		220,183,993	253,280,989
Earnings per unit	3.14		
Allocation of net income for the year			
Net income for the year after taxation		220,183,993	253,280,989
Income already paid on units redeemed		(220,183,993)	(75,725,652)
		-	177,555,337
Accounting income available for distribution			
- Relating to capital gains		-	140,200,868
- Excluding capital gains		-	37,354,469
		-	177,555,337

The annexed notes from 1 to 24 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

STATEMENT OF COMPREHENSIVE INCOME
For The Year Ended June 30, 2024

	For the year ended	
	June 30, 2024	June 30, 2023
	Faysal Sharia Capital Preservation Plan - IX	Faysal Sharia Capital Preservation Plan - IX
	(Rupees)	
Net income for the year before taxation	220,183,993	253,280,989
Other comprehensive income for the year / period	-	-
Total comprehensive income for the year	220,183,993	253,280,989

The annexed notes from 1 to 24 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
For The Year Ended June 30, 2024

	2024			2023		
	Capital value	Accumulated loss	Total	Capital value	Accumulated loss	Total
	(Rupees)			(Rupees)		
Net assets at the beginning of the year	2,060,439,469	(67,904,477)	1,992,534,992	2,991,528,086	(74,127,261)	2,917,400,825
Issuance of units:						
FSCPP - IX: Nil units (2023: 1,422,758 units)						
- Capital value (at ex-net asset per unit at the beginning of the year)	-	-	-	138,832,679	-	138,832,679
- Element of Income	-	-	-	258,232	-	258,232
Total proceeds on issuance of units	-	-	-	139,090,911	-	139,090,911
Redemption of units:						
FSCPP -IX : 20,353,129 units (2023: 10,967,201 units)						
- Capital value (at ex-net asset per unit at the beginning of the year)	(1,992,534,992)	-	(1,992,534,992)	(1,070,179,482)	-	(1,070,179,482)
- Element of loss	-	(220,183,993)	(220,183,993)	(47)	(75,725,652)	(75,725,699)
Total payments on redemption of units	(1,992,534,992)	(220,183,993)	(2,212,718,985)	(1,070,179,529)	(75,725,652)	(1,145,905,181)
Total comprehensive income for the year	-	220,183,993	220,183,993	-	253,280,989	253,280,989
Distribution of Rs. 7.75 per unit for the year ended June 30, 2023 declared on June 23, 2023	-	-	-	-	(146,750,540)	(146,750,540)
Distribution of Rs. 1.22 per unit for the year ended June 30, 2023 declared on June 27, 2023	-	-	-	-	(24,582,013)	(24,582,013)
Net assets at the end of the year	67,904,477	(67,904,477)	-	2,060,439,469	(67,904,477)	1,992,534,992
Accumulated loss brought forward						
- Realised loss / (income)		(91,226,207)			54,810,202	
- Unrealised income / (loss)		23,321,730			(128,937,463)	
		(67,904,477)			(74,127,261)	
Accounting income available for distribution						
- Relating to capital gains		-			140,200,868	
- Excluding capital gains		-			37,354,469	
		-			177,555,337	
Distribution during the year		-			(171,332,553)	
Accumulated loss carried forward		(67,904,477)		-	(67,904,477)	
Accumulated loss carried forward						
- Realised loss		(67,904,477)			(91,226,207)	
- Unrealised income		-			23,321,730	
		(67,904,477)			(67,904,477)	
			-- (Rupees) --			-- (Rupees) --
Net asset value per unit at the beginning of the year			97.90			97.58
Net asset value per unit at the end of the year			-			97.90

The annexed notes from 1 to 24 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

CASH FLOW STATEMENT
For The Year Ended June 30, 2024

	Note	For the year June 30, 2024				For the year ended June 30, 2023			
		Faysal Sharia Capital Preservation Plan - IX	Faysal Sharia Capital Preservation Plan - I	Faysal Sharia Capital Preservation Plan - II	Total	Faysal Sharia Capital Preservation Plan - IX	Faysal Sharia Capital Preservation Plan - I	Faysal Sharia Capital Preservation Plan - II	Total
		(Rupees)							
CASH FLOWS FROM OPERATING ACTIVITIES									
Net income for the year before taxation		220,183,993	-	-	220,183,993	253,280,989	-	-	253,280,989
Adjustments for:									
Unrealised appreciation on re-measurement of investments classified as 'financial asset at fair value through profit or loss' - net	5.2	-	-	-	-	(23,321,730)	-	-	(23,321,730)
		220,183,993	-	-	220,183,993	229,959,259	-	-	229,959,259
Decrease / (increase) in assets									
Investments - net		1,964,455,240	-	-	1,964,455,240	961,976,696	-	-	961,976,696
Profits and other receivables		15,035,061	-	-	15,035,061	(14,691,845)	-	-	(14,691,845)
		1,979,490,301	-	-	1,979,490,301	947,284,851	-	-	947,284,851
(Decrease) / increase in liabilities									
Payable to Faysal Asset Management Limited - Management Company		(12,019,702)	-	-	(12,019,702)	4,021,581	-	-	4,021,581
Payable to Central Depository Company of Pakistan Limited - Trustee		(140,599)	-	-	(140,599)	(50,248)	-	-	(50,248)
Payable to the Securities and Exchange Commission of Pakistan		(527,108)	-	-	(527,108)	227,689	-	-	227,689
Payable to unit holders		47,619,175	159,588	89,091	47,867,854	-	-	-	-
Accrued expenses and other liabilities		191,773	-	-	191,773	705,235	-	-	705,235
		35,123,539	159,588	89,091	35,372,218	4,904,257	-	-	4,904,257
Net cash generated from operating activities		2,234,797,833	159,588	89,091	2,235,046,512	1,182,148,367	-	-	1,182,148,367
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts against the issuance of units - net of refund of capital		-	-	-	-	139,090,912	-	-	139,090,912
Payments made against redemption of units		(2,212,718,985)	-	-	(2,212,718,985)	(1,145,905,181)	(153,196)	(227,011)	(1,146,285,388)
Dividends paid		-	-	-	-	(171,332,553)	-	-	(171,332,553)
Net cash used in financing activities		(2,212,718,985)	-	-	(2,212,718,985)	(1,178,146,822)	(153,196)	(227,011)	(1,178,527,029)
Net increase / (decrease) in cash and cash equivalents during the year		22,078,848	159,588	89,091	22,327,527	4,001,545	(153,196)	(227,011)	3,621,338
Cash and cash equivalents at the beginning of the year		26,766,155	878,285	503,286	28,147,726	22,764,610	1,031,481	730,297	24,526,388
Cash and cash equivalents at the end of the year	4	48,845,003	1,037,873	592,377	50,475,253	26,766,155	878,285	503,286	28,147,726

The annexed notes from 1 to 24 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Faysal Sharia Planning Fund (the Fund) is an open end Fund constituted under a trust deed executed under the Trust Act, 1882 entered into on December 20, 2017 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 Fund was registered under the Sindh Trust Act, 2020 on November 16, 2021.

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).

1.2 The Fund has been categorised as an open ended 'Shari'ah compliant fund of funds 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 under pre - IPO at a par value of Rs 100 per unit. The maturity of the Fund is perpetual and the Fund shall offer a maximum of six allocation plans.

1.3 The objective of the Fund is to earn a potentially high return through dynamic asset allocation between Shari'ah compliant dedicated equity and money market based collective investment schemes, while providing capital preservation of the initial investment value including sales load at completion of twenty four months and beyond.

Faysal Sharia Capital Preservation Plan - I (FSCPP)	Medium risk - high return through asset allocation Faysal Sharia Capital Preservation Plan under Faysal Sharia Planning Fund is a Sharia compliant plan which commenced its operations from July 9, 2019 with an objective to earn a potentially competitive return through dynamic asset allocation between Islamic income / money market, Islamic equity collective investment scheme and Islamic banks deposits by using CPPI methodology, while aiming to providing capital preservation of the initial investment value at maturity of the plan based on the fund manager's outlook on the assets' classes. The initial maturity of this plan was two years from the close of the subscription period (i.e. July 9, 2019). Units were subject to front end and back end / contingent load. The SECP vide its letter no. SCD/AMCW/FSPF/13/2021 dated July 12, 2021 gave approval for extension of maturity of the plan till January 10, 2022. Accordingly, the Fund matured on January 10, 2022.
Faysal Sharia Capital Preservation Plan- II (FSCPP-II)	Medium risk - high return through asset allocation Faysal Sharia Capital Preservation Plan - II under Faysal Sharia Planning Fund is a Sharia compliant plan which commenced its operations from September 27, 2019 with an objective to earn a potentially competitive return through dynamic asset allocation between Islamic income / money market, Islamic equity collective investment scheme and Islamic banks deposits by using CPPI methodology, while aiming to providing capital preservation of the initial investment value at maturity of the plan based on the fund manager's outlook on the assets' classes. The initial maturity of this plan was two years from the close of the subscription period (i.e. September 27, 2019). Units were subject to front end load and back end / contingent load.The SECP vide its letter no. SCD/AMCW/FSPF/88/2021 dated October 1, 2021 gave approval for extension of maturity of the plan till March 28, 2022. Accordingly, the Fund matured on March 28, 2022.
Faysal Sharia Capital Preservation Plan- IX (FSCPP-IX)	Medium risk - high return through asset allocation Faysal Sharia Capital Preservation Plan - IX under Faysal Sharia Planning Fund is a Shari'ah compliant plan which commenced its operations from January 7, 2022 with an objective to earn a potentially competitive return through dynamic asset allocation between Islamic income / money market, Islamic equity collective investment scheme and Islamic banks deposits by using CPPI methodology, while aiming to providing capital preservation of the initial investment value at maturity of the plan based on the fund manager's outlook on the assets' classes. The initial maturity of this plan was two years from the close of the subscription period (i.e. January 07, 2022). The SECP vide its letter no. SCD/AMCW/FSPF/383/2023 then granted an extension for a period of thirty days after which the plan till February 9, 2024. Accordingly, the Fund matured on February 9, 2024.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

1.4 The Management Company has been assigned a quality rating of 'AM2++' by VIS Credit Rating Company Limited dated December 29, 2023 (June 30, 2022: 'AM2++' dated December 30, 2022). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.5 FSCPP - I, FSCPP - II and FSCPP - IX had matured on January 10, 2022, March 28, 2022 and February 9, 2024 respectively as per the provisions of the offering document and SECP letter.

1.6 The title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund. The Fund's property comprises of different types of allocation plans which are accounted for and maintained separately in the books of accounts and collectively constitute the Fund's property.

1.7 During the year, Faysal Sharia Capital Preservation Plan - IX (the Plan) have been matured by the Management Company per the provisions of the offering document. However, the duration of the Fund is perpetual. Since the Plan have ceased to operate and there are no plans operational in the Fund as at June 30, 2024, therefore, the Plans are no longer going concern. The management has continued to measure the Plans' assets and liabilities principally in accordance with the material accounting policy information 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 Plans 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 Accounting Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act 2017, along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the requirements of IFRS Accounting 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 the 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 annual accounting period beginning on July 1, 2023. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and have, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Fund which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

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

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

2.4 Critical accounting estimates and judgments

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying 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 current and future years.

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 3.3 and 5).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments which have been classified as 'at fair value through profit or loss' and are measured 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 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The material 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.

3.2 Cash and cash equivalents

These comprise balances with banks in savings accounts and other short-term highly liquid investments with original maturities of three months or less.

3.3 Financial assets

3.3.1 Classification and subsequent measurement

3.3.1.1 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at 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.

3.3.1.2 Subsequent measurement

Subsequent to initial recognition, financial assets are valued as follows:

a) 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.

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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.

3.3.2 Impairment (other than debt securities)

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 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.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

3.3.3 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.

3.3.4 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.

3.3.5 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 risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

3.4 Financial liabilities

3.4.1 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.

3.4.2 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.

3.5 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.

3.6 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.

3.7 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 period end.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

3.8 Issue 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 at the close of the business day, plus the allowable sales load, provision of any duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company / distributors receive redemption applications during business hours on that date. The redemption price represents the NAV as on the close of the business day, less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

3.9 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 period 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.

3.10 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 (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV 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 NAV 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.

3.11 Revenue recognition

- Realised gains / (losses) arising on sale of investments are included in Income Statement and are recognised when the transaction takes place.

- Unrealised appreciation / (diminution) arising on re-measurement of securities classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the period in which they arise.

- Dividend income is recognised when the Fund's right to receive the same is established, i.e. on the date of commencement of book closure of the investee company / institution declaring the dividend.

- Back-end load income is recognised at the date at which the transaction takes place.

- Profit on balances with banks is recognised on an accrual basis.

3.12 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and fee to the SECP are recognised in the Income Statement on an accrual basis.

3.13 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These costs were being amortised over the period of two years in accordance with the requirements set out in the Trust Deed of the Fund.

3.14 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

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 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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.

3.15 Earnings per unit

Earnings per unit is calculated by dividing the net income of the year after taxation of the Fund by the weighted average number of units outstanding during the year.

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.

3.16 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistan 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 period end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

	Note	June 30, 2024			
		FSCPP- IX	FCPP- I	FCPP- II	Total
4 BALANCES WITH BANKS		(Rupees)			
Savings accounts	4.1	48,845,003	1,037,873	592,377	50,475,253

	Note	June 30, 2023			
		FSCPP- IX	FCPP- I	FCPP- II	Total
		(Rupees)			
Savings accounts	4.1	26,766,155	878,285	503,286	28,147,726

4.1 These balances have been held with Faysal Bank Limited, a related party. These carry profit at the rate of 20.00% (2023: 20.40%) per annum.

	Note	June 30, 2024	June 30, 2023
5 INVESTMENTS		FSCPP- IX	FSCPP- IX
		(Rupees)	
At fair value through profit or loss			
- Units of mutual funds	5.1	-	1,964,455,240

5.1 Units of mutual funds

5.1.1 Faysal Sharia Capital Preservation Plan - IX

Name of the investee fund	As at July 1, 2023	Purchased during the year	Redeemed during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised appreciation s at June 30, 2024	Percentage in relation to net assets of the Fund	Percentage in relation to total market value of investments
	Number of units				(Rupees)			%	
Faysal Halal Amdani Fund	-	100,224,103	100,224,103	-	-	-	-	-	-
Faysal Islamic Cash Fund	-	66,620,283	66,620,283	-	-	-	-	-	-
Faysal Islamic Dedicated Equity Fund	9,483,154	-	9,483,154	-	-	-	-	-	-
Faysal Islamic Sovereign Plan - I	5,010,873	140,890,562	145,901,435	-	-	-	-	-	-
Al-Ameen Islamic Cash Fund	5,213,806	-	5,213,806	-	-	-	-	-	-
Total as at June 30, 2024					-	-	-		
Total as at June 30, 2023					1,941,133,510	1,964,455,240	23,321,730		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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		Note	June 30, 2024 FSCPP- IX	June 30, 2023 FSCPP- IX
5.2	**Unrealised appreciation on re-measurement of investments classified at fair value through profit or loss - net**		----------- (Rupees)---------	
	Market value of investments	5.1	-	1,964,455,240
	Less: carrying value of investments	5.1	-	(1,941,133,510)
			-	23,321,730

		Note	June 30, 2024 FSCPP- IX	June 30, 2023 FSCPP- IX
6	**PAYABLE TO THE FAYSAL ASSET MANAGEMENT LIMITED - THE MANAGEMENT COMPANY**			
	Management fee payable	6.1	-	506,836
	Sindh Sales Tax on remuneration of the Management Company	6.2	-	65,889
	Allocated expenses payable	6.3	-	11,498,049
	Other payable		51,072	-
			51,072	12,070,774

6.1 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% (2023: 1%) per annum of the average net assets. 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.

6.2 During the year, an amount of Rs. 0.627 million (2023: Rs. 0.944 million) for FSCPP-IX was charged on account of sales tax on remuneration of the Management Company leveid thorugh the Sindh Sales Tax on Services Act, 2011 at the rate of 13% (2023: 13%).

6.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses for registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company based on its discretion has charged its expenses at the rate of 1% (2023: 3%) of the average net assets of the Fund during the year ended June 30, 2024.

		Note	June 30, 2024 FSCPP- IX	June 30, 2023 FSCPP- IX
7	**PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN - TRUSTEE**		----------- (Rupees)---------	
	Trustee fee payable	7.1	-	124,424
	Sindh Sales Tax on remuneration of the Trustee	7.2	-	16,175
			-	140,599

7.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.070% on investments in CIS being managed by Faysal Asset Management Limited and under the trusteeship of CDC. On average annual net assets of the fund other than investment mentioned above, the below mentioned tariff structure shall be applied:

Net Assets (Rs.)	Tariff
up to Rs 1,000 million	0.2% per annum of net assets
from Rs 1,000 million and above	Rs 2.0 million plus 0.10% per annum of net assets exceeding Rs 1,000 million.

7.2 During the year, an amount of Rs. 0.097 million (2023: Rs. 0.241 million) for FSCPP-IX was charged on account of sales tax at the rate of 13% (2023: 13%) on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011.

		Note	June 30, 2024 FSCPP- IX	June 30, 2023 FSCPP- IX
8	**PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**		----------- (Rupees)----------	
	Fee payable	8.1	-	527,108

8.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.02% (2023: 0.02%) of average annual net assets of the Fund.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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		June 30, 2024 FSCPP- IX	June 30, 2023 FSCPP- IX
9	**ACCRUED EXPENSES AND OTHER LIABILITIES**	----------- (Rupees)	---------
	Auditor's remuneration	570,188	462,453
	Withholding and capital gain tax payable	-	119,870
	Legal and professional charges	498,960	183,087
	Listing fee payable	-	9,000
	Printing charges payable	-	25,524
	Shariah advisor fee	105,608	183,049
		1,174,756	982,983

10 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 and June 30, 2023.

		For the year ended June 30, 2024 Faysal Sharia Capital Preservative Plan -IX	For the year ended June 30, 2023 Faysal Sharia Capital Preservative Plan -IX
11	**AUDITORS' REMUNERATION**	----------- (Rupees)	---------
	Annual audit fee	487,505	390,510
	Half yearly review fee	156,048	125,000
	Out of pocket expenses	48,750	39,051
		692,303	554,561
	Sindh Sales Tax	55,384	44,365
		747,687	598,926

12 TAXATION

The Fund's income is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent 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 percent 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. Since the Fund has matured during the year and distributed its income earned during the year, therefore no provision for taxation has been made in these financial statements.

13 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results from July 1, 2023 to February 9, 2024 is 1.63% (2023: 2.53%) which includes 0.09% (2023: 0.06%) representing government levies on the Fund such as sales taxes and fee to the SECP etc. The ratio is within prescribed limit of 2.5% under the NBFC Regulations for a collective investment scheme categorised as Fund of Funds Scheme.

14 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

14.1 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.

14.2 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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

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

14.5 Allocated expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

14.6 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:

Transactions during the year	For the year ended June 30, 2024	For the year ended June 30, 2023
	FSCPP- IX	FSCPP- IX
	----------- (Rupees)----------	
Faysal Asset Management Limited - Management Company		
Remuneration of the Management Company	4,819,333	7,260,193
Sindh Sales Tax on remuneration of the Management Company	626,513	943,825
Allocated expenses	10,881,537	54,944,518
Faysal Bank Limited - Group company		
Profit on balances with banks	53,227,111	58,971,817
Bank charges	5,278	1,953
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	748,432	1,852,451
Sindh Sales Tax on remuneration of the Trustee	97,296	240,819
Faysal Halal Amani Fund - fund managed by the Management Company		
Invested during the year (Rupees)	10,745,349,020	13,248,207,936
Invested during the year (Units)	100,224,103	122,974,042
Redeemed during the year (Rupees)	10,751,196,108	13,272,581,034
Redeemed during the year (Units)	100,224,103	122,974,042
Faysal Islamic Dedicated Equity Fund- fund managed by the Management Company		
Invested during the year (Rupees)	-	1,000,000,000
Invested during the year (Units)	-	10,134,612
Redeemed during the year (Rupees)	1,053,927,583	1,486,000,000
Redeemed during the year (Units)	9,483,154	14,928,419
Faysal Islamic Cash Fund - fund managed by the Management Company		
Invested during the year (Rupees)	6,662,028,301	33,537,139,694
Invested during the year (Units)	66,620,283	335,371,397
Redeemed during the year (Rupees)	6,662,028,301	35,144,187,363
Redeemed during the year (Units)	66,620,283	351,441,869
Faysal Islamic Sovereign Fund - fund managed by the Management Company		
Invested during the year (Rupees)	14,308,570,500	5,919,959,760
Invested during the year (Units)	140,890,562	57,441,264
Redeemed during the year (Rupees)	14,806,939,308	5,406,412,049
Redeemed during the year (Units)	145,901,435	52,430,391
Unit holders holding 10% or more units		
Dividend Paid (Rupees)	-	18,123,774
Dividend Reinvestment (Units)	-	185,388

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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Amounts / balances outstanding as at year end:	June 30, 2024				June 30, 2023			
	FSCPP- IX	FCPP- I	FCPP- II	Total	FSCPP- IX	FCPP- I	FCPP- II	Total
	---------- (Rupees) ----------							
Faysal Asset Management Limited (Management Company)								
Management fee payable	-	-	-	-	506,836	-	-	506,836
Sindh Sales Tax on remuneration of the Management Company	-	-	-	-	65,889	-	-	65,889
Allocated expenses payable	-	-	-	-	11,498,049	-	-	11,498,049
Other payable	51,072	-	-	51,072	-	-	-	-
Faysal Bank Limited (group company / associated company)								
Balance in saving accounts	48,845,003	1,037,873	592,377	50,475,253	26,766,155	878,285	503,286	28,147,726
Profit receivable on balances with banks	-	-	-	-	15,035,061	-	-	15,035,061
Central Depository Company of Pakistan Limited (Trustee)								
Trustee fee payable	-	-	-	-	124,424	-	-	124,424
Sindh Sales Tax on remuneration of the Trustee	-	-	-	-	16,175	-	-	16,175
Faysal Islamic Dedicated Equity Fund- fund managed by the Company								
Investment (Rupees)	-	-	-	-	936,082,178	-	-	936,082,178
Investment (Units)	-	-	-	-	9,483,154	-	-	9,483,154
Faysal Islamic Sovereign Fund - fund managed by the Management Company								
Investment (Rupees)	-	-	-	-	502,991,411	-	-	502,991,411
Investment (Units)	-	-	-	-	5,010,873	-	-	5,010,873
Unit holders holding 10% or more units								
Investment (Rupees)	-	-	-	-	248,748,238	-	-	248,748,238
Investment (Units)	-	-	-	-	2,540,840	-	-	2,540,840

15 FINANCIAL INSTRUMENTS BY CATEGORY

Faysal Capital Preservation Plan - IX

	As At June 30, 2024			As At June 30, 2023		
	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total
	---------- Rupees ----------			---------- Rupees ----------		
Financial assets						
Balances with banks	48,845,003	-	48,845,003	26,766,155	-	26,766,155
Investments	-	-	-	-	1,964,455,240	1,964,455,240
Profit receivable on balances with banks	-	-	-	15,035,061	-	15,035,061
	48,845,003	-	48,845,003	41,801,216	1,964,455,240	2,006,256,456
Financial liabilities						
Payable to Faysal Asset Management Limited - Management Company	51,072	-	51,072	12,070,774	-	12,070,774
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-	-
				140,599	-	140,599
Accrued expenses and other liabilities	1,174,756	-	1,174,756	863,113	-	863,113
Payable to unit holders	47,619,175	-	47,619,175	-	-	-
	48,845,003	-	48,845,003	13,074,486	-	13,074,486

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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Faysal Capital Preservative Plan - I

	As At June 30, 2024			As At June 30, 2023		
	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total
	------ Rupees ------			------ Rupees ------		
Financial assets						
Balances with banks	1,037,873	-	1,037,873	878,285	-	878,285
	1,037,873	-	1,037,873	878,285	-	878,285
Financial liabilities						
Payable to unit holders	1,037,873	-	1,037,873	878,285	-	878,285
	1,037,873	-	1,037,873	878,285	-	878,285

Faysal Capital Preservative Plan -II

	As At June 30, 2024			As At June 30, 2023		
	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total
	------ Rupees ------			------ Rupees ------		
Financial assets						
Balance with banks	592,377	-	592,377	503,286	-	503,286
	592,377	-	592,377	503,286	-	503,286
Financial liabilities						
Payable to unit holders	592,377	-	592,377	503,286	-	503,286
	592,377	-	592,377	503,286	-	503,286

16 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, Fund's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

16.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee and regulations laid down by the SECP.

Market risk comprises of three types of risks: Yield / profit rate risk, currency risk and price risk.

(i) Yield / profit rate risk

Yield / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As of June 30, 2024, the Fund's exposure to the risk of changes in market profit rates relates primarily to bank balances. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

The Fund's yield / profit rate risk arises from the balances in savings accounts. At June 30, 2024, if there had been increase / decrease of 100 basis points in interest rates, with all other variables held constant, net assets of the Fund for the year then ended would have been higher / lower by Rs. 0.505 million (2023: Rs. 0.281 million)

The composition of the Fund's investment portfolio, profit rates and the rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's yield / profit rate sensitivity related to financial assets and financial liabilities can be determined as follows:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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Faysal Sharia Capital Preservative Plan - IX

	As at June 30, 2024						As at June 30, 2023					
	Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total	Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
		Upto three months	More than three months and upto one year	More than one year				Upto three months	More than three months and upto one year	More than one year		
		(Rupees)						(Rupees)				
Financial assets												
Balances with banks	20.00%	48,845,003	-	-	-	48,845,003	20.40%	26,766,155	-	-	-	26,766,155
Investments		-	-	-	-	-		-	-	-	1,964,455,240	1,964,455,240
Profit receivable on balances with banks		-	-	-	-	-		-	-	-	15,035,061	15,035,061
		48,845,003	-	-	-	48,845,003		26,766,155	-	-	1,979,490,301	2,006,256,456
Financial liabilities												
Payable to Faysal Asset Management Limited - Management Company		-	-	-	51,072	51,072		-	-	-	12,070,774	12,070,774
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	-	-		-	-	-	140,599	140,599
Accrued expenses and other liabilities		-	-	-	1,174,756	1,174,756		-	-	-	863,113	863,113
Payable to unit holders		-	-	-	47,619,175	47,619,175		-	-	-	-	-
		-	-	-	48,845,003	48,845,003		-	-	-	13,074,486	13,074,486
On-balance sheet gap (a)		48,845,003	-	-	(48,845,003)	-		26,766,155	-	-	1,966,415,815	1,993,181,970
Off-balance sheet financial instruments		-	-	-	-	-		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-		-	-	-	-	-
Total profit rate sensitivity gap (a + b)		48,845,003	-	-				26,766,155	-	-		
Cumulative profit rate sensitivity gap		48,845,003	48,845,003	48,845,003				26,766,155	26,766,155	26,766,155		

Faysal Capital Preservative Plan - I

	As at June 30, 2024						As at June 30, 2023					
	Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total	Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
		Upto three months	More than three months and upto one year	More than one year				Upto three months	More than three months and upto one year	More than one year		
		(Rupees)						(Rupees)				
Financial assets												
Balances with banks	20.00%	1,037,873	-	-	-	1,037,873	20.40%	878,285	-	-	-	878,285
Financial liabilities												
Payable to unit holders		-	-	-	1,037,873	1,037,873		-	-	-	878,285	878,285
On-balance sheet gap (a)		1,037,873	-	-	(1,037,873)	-		878,285	-	-	(878,285)	-
Off-balance sheet financial instruments		-	-	-	-	-		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-		-	-	-	-	-
Total profit rate sensitivity gap (a + b)		1,037,873	-	-				878,285	-	-		
Cumulative profit rate sensitivity gap		1,037,873	1,037,873	1,037,873				878,285	878,285	878,285		

Faysal Capital Preservative Plan - II

	As at June 30, 2024						As at June 30, 2023					
	Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total	Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
		Upto three months	More than three months and upto one year	More than one year				Upto three months	More than three months and upto one year	More than one year		
		(Rupees)						(Rupees)				
Financial assets												
Balances with banks	20.00%	592,377	-	-	-	592,377	20.40%	503,286	-	-	-	503,286
Financial liabilities												
Payable to unit holders		-	-	-	592,377	592,377		-	-	-	503,286	503,286
On-balance sheet gap (a)		592,377	-	-	(592,377)	-		503,286	-	-	(503,286)	-
Off-balance sheet financial instruments		-	-	-	-	-		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-		-	-	-	-	-
Total profit rate sensitivity gap (a + b)		592,377	-	-				503,286	-	-		
Cumulative profit rate sensitivity gap		592,377	592,377	592,377				503,286	503,286	503,286		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund has no exposure to price risk as at June 30, 2024.

16.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement the maximum limit of which is fifteen percent of the net assets up to 90 days and would be secured by the assets of the Fund.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

Faysal Sharia Capital Preservative Plan - IX

	As at June 30, 2024							As at June 30, 2023						
	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
	------Rupees------							------Rupees------						
Financial assets														
Balances with banks	48,845,003	-	-	-	-	-	48,845,003	26,766,155	-	-	-	-	-	26,766,155
Investments	-	-	-	-	-	-	-	-	-	-	-	-	1,964,455,240	1,964,455,240
Profit receivable on balances with banks	-	-	-	-	-	-	-	15,035,061	-	-	-	-	-	15,035,061
	48,845,003	-	-	-	-	-	48,845,003	41,801,216	-	-	-	-	1,964,455,240	2,006,256,456
Financial liabilities														
Payable to Faysal Asset Management Limited - Management Company	51,072	-	-	-	-	-	51,072	12,070,774	-	-	-	-	-	12,070,774
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-	-	-	140,599	-	-	-	-	-	140,599
Accrued expenses and other liabilities	604,568	570,188	-	-	-	-	1,174,756	400,660	462,453	-	-	-	-	863,113
Payable to unit holders	47,619,175	-	-	-	-		47,619,175	-	-	-	-	-	-	-
	48,274,815	570,188	-	-	-	-	48,845,003	12,612,033	462,453	-	-	-	-	13,074,486
Net financial assets / (liabilities)	570,188	(570,188)	-	-	-	-	-	29,189,183	(462,453)	-	-	-	1,964,455,240	1,993,181,970

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

Faysal Capital Preservative Plan - I

	As at June 30, 2024							As at June 30, 2023						
	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
	----------Rupees----------							----------Rupees----------						
Financial assets														
Balances with banks	1,037,873	-	-	-	-	-	1,037,873	878,285	-	-	-	-	-	878,285
Financial liabilities														
Payable to unit holders	1,037,873	-	-	-	-		1,037,873	878,285	-	-	-	-	-	878,285
Net financial assets / (liabilities)	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Faysal Capital Preservative Plan - II

	As at June 30, 2024							As at June 30, 2023						
	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
	----------Rupees----------							----------Rupees----------						
Financial assets														
Balances with banks	592,377	-	-	-	-	-	592,377	503,286	-	-	-	-	-	503,286
Financial liabilities														
Payable to unit holders	592,377	-	-	-	-		592,377	503,286	-	-	-	-	-	503,286
Net financial assets / (liabilities)	-	-	-	-	-	-	-	-	-	-	-	-	-	-

16.3 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

Faysal Sharia Capital Preservative Plan - IX

	As at June 30, 2024		As at June 30, 2023	
	Balance as per the statement of assets and	Maximum exposure to credit risk	Balance as per the statement of assets and	Maximum exposure to credit risk
	-----------Rupees----------		-----------Rupees----------	
Balances with banks	48,845,003	48,845,003	26,766,155	26,766,155
Investments	-	-	1,964,455,240	-
Profit receivable on balances with banks	-	-	15,035,061	15,035,061
	48,845,003	48,845,003	2,006,256,456	41,801,216

Faysal Capital Preservative Plan - I

	As at June 30, 2024		As at June 30, 2023	
	Balance as per the statement of assets and	Maximum exposure to credit risk	Balance as per the statement of assets and	Maximum exposure to credit risk
	-----------Rupees----------		-----------Rupees----------	
Balances with banks	1,037,873	1,037,873	878,285	878,285
	1,037,873	1,037,873	878,285	878,285

Faysal Capital Preservative Plan - II

	As at June 30, 2024		As at June 30, 2023	
	Balance as per the statement of assets and	Maximum exposure to credit risk	Balance as per the statement of assets and	Maximum exposure to credit risk
	-----------Rupees----------		-----------Rupees----------	
Balances with banks	592,377	592,377	503,286	503,286
	592,377	592,377	503,286	503,286

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets. Investment in units of mutual funds, however, are not exposed to credit risk and have been excluded from the above analysis.

There is a possibility of default by participants or failure of the financial market / stock exchanges, the depositories, the settlements or clearing systems, etc. Settlement risk on units of mutual funds is considered minimal because of inherent controls established in the settlement process. The Fund's policy is to enter into financial contracts in accordance with internal risk management policies and instruments guidelines approved by the Investment Committee.

16.3.1 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its balances with banks and profit accrued thereon and against investments. The credit rating profile of balances with banks is as follows:

Ratings	June 30, 2024	June 30, 2023
	---%---	
Faysal Sharia Capital Preservative Plan - IX		
AA	100.00%	100.00%
Faysal Capital Preservative Plan - I		
AA	100.00%	100.00%
Faysal Capital Preservative Plan - II		
AA	100.00%	100.00%

16.3.2 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties thereby any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2024 and June 30, 2023 are unsecured and are not impaired.

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. 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.

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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Faysal Shariah Capital Preservation Plan - IX

	June 30, 2024			
	Level 1	Level 2	Level 3	Total
	----------------------Rupees----------------------------			
Financial assets at fair value through profit or loss				
- Units of mutual funds	-	-	-	-

	June 30, 2023			
	Level 1	Level 2	Level 3	Total
	----------------------Rupees----------------------------			
Financial assets at fair value through profit or loss				
- Units of mutual funds	-	1,964,455,240	-	1,964,455,240

18 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has complied with the requirements of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 16, the Fund endeavors to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

19 UNIT HOLDING PATTERN OF THE FUND

Category	2024			2023		
	FSCPP-IX					
	Number of unit holders	Number of unit held	Percentage of total	Number of unit holders	Number of unit held	Percentage of total
Individuals	-	-	-	405	20,025,029	98.39%
Other Corporates	-	-	-	2	317,649	1.56%
Retirement Fund	-	-	-	1	10,451	0.05%
	-	-	-	408	20,353,129	100%

20 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Name	Designation	Qualification	Overall experience
Mr. Nadir Rahman	Chief Executive Officer	BS (Economics)	Over 33 Years
Mr. Omer Bin Javaid	Deputy Chief Executive Officer	MBA	Over 25 Years
Mr. Muhammad Imran	Chief Investment Officer	MBA	Over 22 Years
Mr. Nafees Imtiaz Malik	Chief Operating Officer	MBA	Over 12 Years
Syed Shahid Iqbal	Head of Fixed Income	B.Com	Over 32 Years
Mr. Salman Muslim	Chief Operating Officer and Compnay Secratory	FCA	Over 18 Years
Mr. Shoaib Danish	Equity Fund Specialist	MBA, CFA	Over 9 Years
Mr. Mustajab Alam	Fund Manager	MBA Finance	Over 11 Years
Mr. Abdul Ghani Mianoor	Senior Reasearch Analyst	BSC	Over 5 Years
Syed Eunas Viqar	Head of Internal Audit and Compliance	ACCA	Over 16 Years
Mr. Abdul Basit	Unit Head - Risk Management	MBA	Over 9 Years
Mr. Mohammed Qasim	Senior Manager Risk Management	MBA	Over 16 Years

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

17

21 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other funds managed by the Fund manager
Syed Shahid Iqbal	Head of Fixed Income	B.Com	Faysal Money Market Fund, Faysal Income & Growth Fund, Faysal Savings Growth Fund, Faysal Islamic Savings Growth Fund, Faysal Financial Sector Opportunity Fund, Faysal Islamic Asset Allocation Fund, Faysal MTS Fund, Faysal Financial Planning Fund, Faysal Halal Amdani Fund, Faysal Financial Value Fund, Faysal Government Securities Fund, Faysal Islamic Financial Planning Fund, Faysal Islamic Cash Fund, Faysal Cash Fund, Faysal Special Savings Fund, Faysal Islamic Special Income Fund, Faysal Islamic Financial Planning Fund-II, Faysal Islamic Sovereign Fund, Faysal Islamic Financial Growth Fund, Faysal Islamic KPK Government Employees Pension Fund, Faysal Islamic Mustakil Munafa Fund

22 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Name of directors	Designation	Attended meeting held on						
		July 12, 2023	August, 18 2023	October 20, 2023	December 12, 2023	January 5, 2024	February 2, 2024	April 19, 2024
Mr. Yousaf Hussain	Chairman	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Syed Majid Ali	Vice Chairnan	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mian Salman Ali	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ali Waqar	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Samia Zuberi	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ehsen Zafar Puri *	Director	-	-	-	Yes	Yes	Yes	Yes
Mr. Nadir Rahman	Chief Executive Officer	Yes	Yes	Yes	Yes	Yes	Yes	Yes

* Mr. Ehsen Zafar Puri was appointed as director on the Board with effect from October 20, 2023.

23 GENERAL

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

24 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 22, 2024 by the Board of Directors of the Management Company.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

Head Office
West wing, 7th Floor,Faysal House, ST-02,
Shahrah-e-Faisal,Karachi, Pakistan.

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Islamabad
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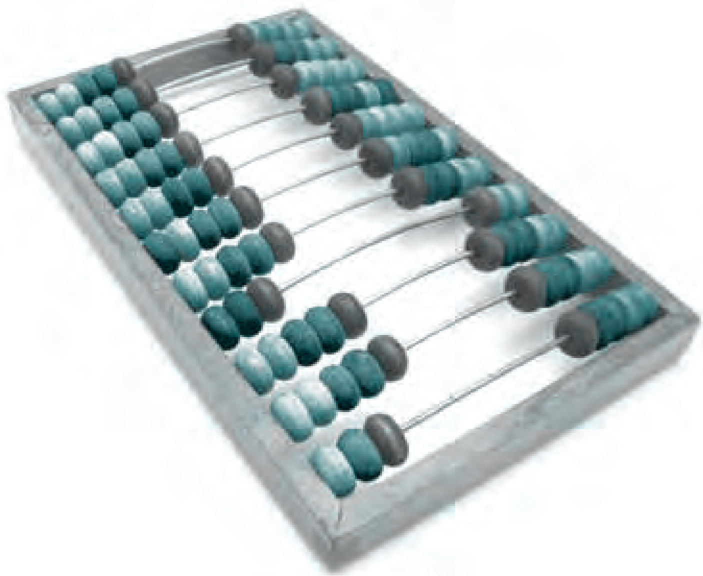
Financial Statements

For The Year Ended June 30, 2024



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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
Mr. Ehsan Zafar Puri, Director

Chief Financial Officer & Company Secretary
Mr. Salman Muslim

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

Board Strategy Committee
Mr. Yousaf Hussain, Chairman
Syed Majid Ali, Member
Mr. Mian Salman Ali, Member
Mr. Ehsan Zafar Puri, 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
Dubai Islamic Bank

MISSION AND VISION

To provide world class investment management and advisory services for the benefit of clientele looking to maximize their financial returns while minimizing risk.

To amplify our client-centricity by inspiring innovation, championing customer service, generating competitive returns, and honoring the utmost ethical and professional standards.

MISSION STATEMENT

Faysal Islamic Pension 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.

FUND MANAGER'S REPORT

ECONOMIC REVIEW

In 3QFY24, Pakistan's GDP experienced an YoY growth of 2.09%, with a marginal QoQ increase of 0.12%. The Services sector remained flat at 0.83%, offsetting gains in the Industrial and Agriculture sectors, which saw advances of 3.84% and 3.94%, respectively. Albeit Large-Scale Manufacturing Index growth was trivial at 1.47%, improvements in the small-scale sector supported overall industrial growth. Looking ahead, the country's growth rate is likely to be lower than anticipated in the 1HFY25, before gaining momentum in the 2HFY25 due to projected interest rate cuts that could stimulate industrial growth.

Pakistan's external account continued to exhibit improvement, with the Current Account Deficit (CAD) clocking in at ~USD 665mn during FY24, down from ~USD 3.3bn in SPLY. This steep reduction is primarily due to a 12% YoY increase in exports, reaching ~USD 31bn, and an 11% YoY rise in remittances, totaling ~USD 30.2bn. On a QoQ basis, the CAD was ~USD 0.07bn, supported by increased exports and remittances. The trade deficit also improved, decreasing by roughly 11% to USD 22bn in FY24 from USD 24.8bn in the SPLY, attributed to rising exports and declining imports.

The PKR appreciated by ~2.62% since Jun-23, closing 4QFY24 at PKR 278.34 against the USD. Foreign exchange reserves rose by about 10% QoQ to USD 14 bn, driven by strong inflows and roll-overs, including support from the IMF, GCC countries, and FDIs predominantly from China. The FX Reserves improved significantly from USD 9.1bn at the end of June 2023, enhancing the imports cover to above 1.5 months.

The average inflation clocked in at ~24% in FY24, down from ~29.4% in FY23. However, Core inflation rose to about 18.9% in FY24 from 17.8% in the SPLY. However, on QoQ basis, it dropped from 18.1% in 3QFY24 to 14.6% in 4QFY24. Despite higher fuel, power, and food inflation, the appreciation of the PKR and lower international commodity prices helped moderate inflation.

The Federal Board of Revenue (FBR) collected ~PKR 9,285bn in taxes during FY24, surpassing the target of PKR 9,252bn, and marking a 29% YoY increase from PKR 7,167bn in the SPLY. This growth was mainly on account of increased direct taxes and Petroleum Development Levy (PDL), while tax collection on imports remained subdued due to import compression.

Looking forward, the economic outlook for the upcoming quarters is optimistic, bolstered by the IMF program and anticipated rate cuts (a cumulative 250 bps in the last two Monetary Policy Committee meetings). The potential economic rebound FY25, a downward trend in inflation, and PKR stability are key factors supporting this outlook.

MONEY MARKET REVIEW

For the majority of FY24, the SBP kept the policy rate steady at 22%. However, following a decline in CPI readings, the SBP revised down the policy rate by 150 basis points to 20.5%. During the year, SBP held 26 T-Bill and 10 PIB auctions raising a total of ~PKR 21.3tn through T-Bills and ~PKR 4.5tn through the PIB auctions. During the year, the yields depicted volatility, inching upwards and peaking in Sept'24, before gradually declining thereon. In the first T-bill auction of FY24, the State Bank of Pakistan raised ~PKR 597bn, with weighted average yields realized in the 3M / 6M / 12M tenors clocking in at ~22.75% / 22.96% / 22.99%, respectively. However, in the last auction of FY24 held in June'24, SBP held, the weighted average yields realized in the 3M / 6M / 12M fell to ~20.01% / 19.94% / 18.49%, respectively. The decline in yields since Sept'23 followed expectations of interest rate cuts, which materialized in June'24. A similar trend was witnessed during FY24 in the Islamic Money Market / Sukuk yields.

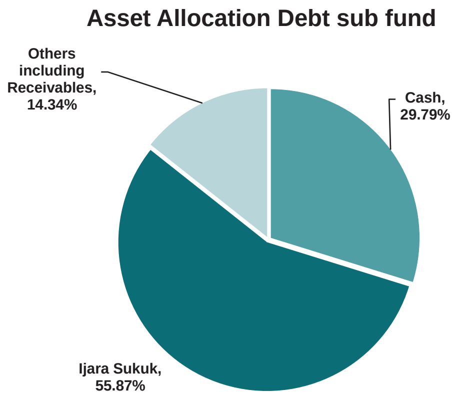
Fund Information	
Fund Type	Open Ended
Category	Shariah Compliant Voluntary Pension Scheme
Risk Profile	Low to High (As per Allocation Scheme)
Launch Date	October 5, 2021
Custodian/Trustee	CDC
Auditor	A.F. Ferguson & Co.
Management Fee Debt	Upto1.5% of Average Annual N.A. (Actual Rate of Management Fee Charged is 0.05%)
Management Fee Money market	Upto1.5% of Average Annual N.A. (Actual Rate of Management Fee Charged is 0.05%)
Management Fee Equity	Upto1.5% of Average Annual N.A. (Actual Rate of Management Fee Charged is 1.00%)
Selling and Marketing Expense	0.00%
Front/Back end Load	FEL up to 3% of NAV & BEL 0%
Min Subscription	Initial = Rs. 1,000/- Subsequent = Rs. 500/-
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	Mon - Thu 9:00 am - 3:30 pm, Fri 9:00 am - 4:30 pm
AMC Rating	AM2++ (VIS) December 29, 2023
NAV per Unit (PKR) Debt Sub fund	146.20
Net Assets (mn) Debt Sub fund	72
NAV per Unit (PKR) Equity Sub fund	173.47
Net Assets (mn) Equity Sub fund	58
NAV per Unit (PKR) Money market Sub fund	148.89
Net Assets (mn) Money market Sub fund	255
Total Expense Ratio Debt sub fund (Annualized)	1.06%
Total Expense Ratio Debt sub fund (Monthly)	0.95%
Total Expense Ratio Equity sub fund (Annualized)	4.12%
Total Expense Ratio Equity sub fund (Monthly)	4.56%
Total Expense Ratio Money Market sub fund (Annualized)	0.61%
Total Expense Ratio Money Market sub fund (Monthly)	0.45%

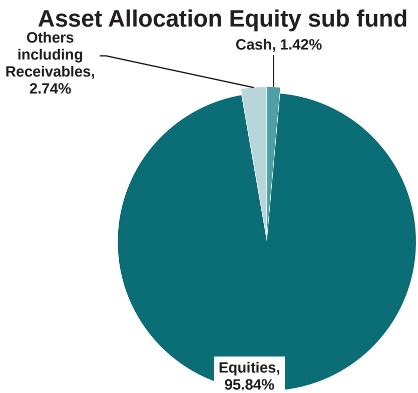
* weighted average of 6M KIBOR & percentage invested in equities

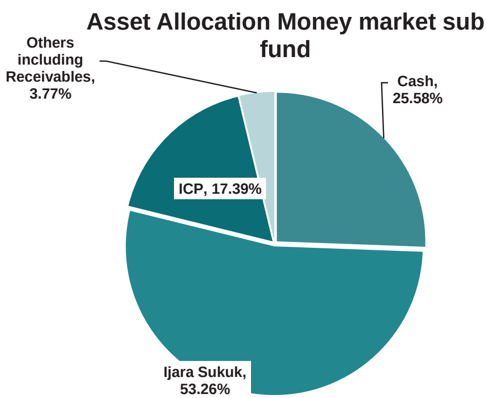
Fund Returns (% p.a) Debt sub fund		
	FY24	
FY24 to Date	20.73%	
Month on Month	17.87%	
1 Year Trailing	20.72%	
Since Inception	14.13%	

Fund Returns (% p.a) Equity sub fund		
	FY24	
FY24 to Date	89.64%	
Month on Month	1.15%	
1 year Trailing	89.65%	
Since Inception	73.47%	

Fund Returns (% p.a) Money market sub fund		
	FY24	
FY24 to Date	22.13%	
Month on Month	19.98%	
1 year Trailing	22.13%	
Since Inception	14.83%	


Asset Allocation Debt sub fund
Others including Receivables, 14.34%
Cash, 29.79%
Ijara Sukuk, 55.87%


Asset Allocation Equity sub fund
Others including Receivables, 2.74%
Cash, 1.42%
Equities, 95.84%


Asset Allocation Money market sub fund
Others including Receivables, 3.77%
Cash, 25.58%
ICP, 17.39%
Ijara Sukuk, 53.26%

FUND PERFORMANCE

In FY24, Faysal Islamic Pension Debt Sub Fund posted an annualized return of 20.73%. Faysal Islamic Pension Debt Sub Fund allocations stood in Ijara Sukuk (55.87%), Cash (29.79%) and Other Receivables (14.34%). Faysal Islamic Pension Money Market Debt Sub Fund posted an annualized return of 22.13%. Faysal Islamic Pension Money Market Sub Fund allocations stood in Ijara Sukuk (53.26%), Cash (25.58%), ICPs (17.39%) and Other Receivables (3.77%). Faysal Islamic Pension Equity Sub Fund posted an absolute return of 89.64%. Faysal Islamic Pension Equity Sub Fund remained 95.84% invested in Equities, 1.42% in Cash and 2.74% as Other Receivables.

بسم الله الرحمن الرحيم

الحمد لله رب العالمين,والصلاة والسلام على خاتم النبيّين وسيد المرسلين,

وعلى آله واصحابه أجمعين.أمّا بعد

Annual Report
of
Faysal Islamic Pension Fund

August 22, 2024

By the blessing of ALLAH, the year ended 30 June, 2024 under analysis of **Faysal Islamic Pension Fund (FIPF)**. I, as the Shariah Advisor of the fund am issuing the report in accordance with the trust deed of the fund. The scope of the report is to express an opinion on the Shariah Compliance of the fund's activities.

In the capability of Shariah Advisor, I have set out criteria and guideline to be followed in ensuring Shariah Compliance in the each and every transaction.
It is the responsibility of the management of the fund to establish and maintain a system of internal control to ensure Shariah Compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the management company' personal and review of various documents prepared by the management company to comply with the prescribed criteria.

In the light of above, I hereby certify that:

- I have reviewed and approved the modes of investment of **FIPF** in light of the Shariah guidelines.
- All the provisions of the scheme and investment made on account of **FIPF** by **FAML** Fund Managers are Shariah Compliant and in accordance with the criteria established.

On the basis of information provided by the management, all operations of **Faysal Islamic Pension Fund (FIPF)**. for year ended 30 June 2024 have been in compliance with the Shariah Principles.

May Allah make us successful and accept efforts of the management company for developing of Islamic Finance System.

وصلى الله على حبيبه محمد صلى الله عليه وسلم

Farooqi

Abdul Zahid Farooqi
Shariah Advisor
Faysal Asset Management Limited

Mufti Abdul Zahid Farooqi
Shariah Advisor
Faysal Asset Management Ltd

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TRUSTEE REPORT TO THE PARTICIPANTS

FAYSAL ISLAMIC PENSION FUND

Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Faysal Islamic Pension Fund (the Fund) are of the opinion that Faysal Asset Management Limited being the Pension Fund Manager has in all material respects managed the Fund during the year ended June 30, 2024 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, the management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 24, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Participants' Sub Funds of Faysal Islamic Pension Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Faysal Islamic Pension Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of participants' sub funds and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Net Asset Value** (Refer notes 5 and 6 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks of the Fund as at June 30, 2024 amounted to Rs. 88.74 million and investments aggregated to Rs. 279.69 million. The existence of balances with banks and existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: • Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; • Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and • Obtained bank reconciliation statements and tested reconciling items on a sample basis.

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A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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KARACHI LAHORE ISLAMABAD

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Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Pension Fund Manager for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Pension Fund Manager is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the Pension Fund Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the Pension Fund Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the Pension Fund Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Shahbaz Akbar**.

Afferguson&Co

A. F. Ferguson & Co.
Chartered Accountants
Dated: September 27, 2024
Karachi
UDIN: AR202410068zW60dZHGI

STATEMENT OF ASSETS AND LIABILITIES

As at June 30, 2024

	Note	June 30, 2024			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		---------- Rupees ----------			
Assets					
Balances with banks	5	832,777	21,698,513	66,206,598	88,737,888
Investments	6	56,151,527	40,691,000	182,852,000	279,694,527
Advances, deposits and other receivable	7	1,451,428	7,696,123	9,989,710	19,137,261
Preliminary expenses and floatation costs	8	36,081	36,834	36,269	109,184
Receivable against sale of units		118,000	2,918,057	554,768	3,590,825
Total assets		58,589,813	73,040,527	259,639,345	391,269,685
Liabilities					
Payable to Faysal Asset Management Limited - Pension Fund Manager	9	74,238	24,734	88,617	187,589
Payable to Central Depository Company of Pakistan Limited - Trustee	10	3,437	9,915	34,795	48,147
Payable to the Securities and Exchange Commission of Pakistan	11	17,745	23,093	62,190	103,028
Accrued expenses and other liabilities	12	598,019	617,737	1,231,214	2,446,970
Payable against redemption of units		24,991	700,988	2,971,798	3,697,777
Total liabilities		718,430	1,376,467	4,388,614	6,483,511
Net assets		57,871,383	71,664,060	255,250,731	384,786,174
Participants' sub-funds (as per statement attached)		57,871,383	71,664,060	255,250,731	384,786,174
Contingencies and commitments	13				
		---------- Number of units ----------			
Number of units in issue	16	333,610	490,183	1,714,415	
		---------- Rupees ----------			
Net asset value per unit		173.4702	146.1986	148.8850	

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer **Chief Executive Officer** **Director**

STATEMENT OF ASSETS AND LIABILITIES
As at June 30, 2024

	Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		June 30, 2023			
		---------- Rupees ----------			
Assets					
Balances with banks	5	629,301	16,152,091	16,310,915	33,092,307
Investments	6	26,341,300	29,948,000	75,012,500	131,301,800
Advances, deposits and other receivable	7	2,871,968	1,231,592	3,032,172	7,135,732
Preliminary expenses and floatation costs	8	57,309	58,062	57,497	172,868
Receivable against sale of units		996,400	1,245,500	3,238,539	5,480,439
Total assets		30,896,278	48,635,245	97,651,623	177,183,146
Liabilities					
Payable to Faysal Asset Management Limited - Pension Fund Manager	9	47,858	21,545	77,286	146,689
Payable to Central Depository Company of Pakistan Limited - Trustee	10	12,055	9,288	10,127	31,470
Payable to the Securities and Exchange Commission of Pakistan	11	9,465	13,177	18,158	40,800
Accrued expenses and other liabilities	12	1,284,355	209,781	211,705	1,705,841
Total liabilities		1,353,733	253,791	317,276	1,924,800
Net assets		29,542,545	48,381,454	97,334,347	175,258,346
Participants' sub-funds (as per statement attached)		29,542,545	48,381,454	97,334,347	175,258,346
Contingencies and commitments	13				
		---------- Number of units ----------			
Number of units in issue	16	322,956	399,726	798,842	
		---------- Rupees ----------			
Net asset value per unit		91.4800	121.0400	121.8400	

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer	**Chief Executive Officer**	**Director**

INCOME STATEMENT
For The Year Ended June 30, 2024

	Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		For the year ended June 30, 2024			
		Rupees			
Income					
Profit on balances with banks		301,600	2,962,714	9,086,740	12,351,054
Profit on GoP Ijarah sukuk certificates		-	8,022,523	18,217,651	26,240,174
Profit on sukuk certificates		-	-	3,249,956	3,249,956
Dividend income		2,941,535	-	-	2,941,535
Realised gain on sale of investments - net		14,634,545	-	660,711	15,295,256
Unrealised appreciation on re-measurement of 'investments classified as 'financial assets at fair value through profit or loss' - net	6.4	10,850,510	572,717	507,832	11,931,059
Total income		28,728,190	11,557,954	31,722,890	72,009,034
Operating expenses					
Remuneration of Faysal Asset Management Limited - Pension Fund Manager	9.1	444,252	28,899	77,768	550,919
Sindh sales tax on remuneration of the Pension Fund Manager	9.2	57,753	3,757	10,110	71,620
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	100,228	101,090	233,305	434,623
Sindh sales tax on remuneration of the Trustee	10.2	13,031	13,143	30,329	56,503
Annual fee to the Securities and Exchange Commission of Pakistan	11	17,770	23,119	62,215	103,104
Auditors' remuneration	18	262,364	262,364	262,364	787,092
Transaction charges		780,795	11,653	14,565	807,013
Legal and professional charges		87,205	97,026	87,205	271,436
Printing charges		3,294	3,294	2,182	8,770
Amortisation of preliminary expenses and floatation costs	8	21,228	21,228	21,228	63,684
Bank and settlement charges		7,633	9,091	117,159	133,883
Shariah advisory fee		37,675	37,675	37,675	113,025
Total operating expenses		1,833,228	612,339	956,105	3,401,672
Net income for the year before taxation		26,894,962	10,945,615	30,766,785	68,607,362
Taxation	14	-	-	-	-
Net income for the year after taxation		26,894,962	10,945,615	30,766,785	68,607,362
Earnings per unit	15				

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer **Chief Executive Officer** **Director**

INCOME STATEMENT

For The Year Ended June 30, 2024

	Note	For the year ended June 30, 2023 Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----------------	Rupees	----------------	
Income					
Profit on balances with banks		114,802	2,320,911	5,450,927	7,886,640
Profit on GoP Ijarah sukuk certificates		-	3,689,010	2,974,271	6,663,281
Dividend income		2,606,067	-	-	2,606,067
Realised gain on sale of investments - net		151,013	-	-	151,013
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	6.4	(2,969,167)	(20,776)	20,306	(2,969,637)
Total income		(97,285)	5,989,145	8,445,504	14,337,364
Operating expenses					
Remuneration of Faysal Asset Management Limited - Pension Fund Manager	9.1	293,085	-	-	293,085
Sindh sales tax on remuneration of the Pension Fund Manager	9.2	38,101	-	-	38,101
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	99,999	99,999	102,855	302,853
Sindh sales tax on remuneration of the Trustee	10.2	13,000	13,000	13,372	39,372
Annual fee to the Securities and Exchange Commission of Pakistan	11	11,938	15,699	20,734	48,371
Auditors' remuneration	18	159,058	159,058	159,058	477,174
Transaction charges		783,715	3,955	-	787,670
Legal and professional charges		114,772	114,772	114,772	344,316
Printing charges		2,925	2,960	2,920	8,805
Amortisation of preliminary expenses and floatation costs	8	21,170	21,170	21,170	63,510
Reimbursement of expenses from Pension Fund Manager		(135,000)	-	-	(135,000)
Bank and settlement charges		10,167	6,346	10,718	27,231
Shariah advisory fee		3,573	3,573	3,573	10,719
Total operating expenses		1,416,503	440,532	449,172	2,306,207
Net (loss) / income for the year before taxation		(1,513,788)	5,548,613	7,996,332	12,031,157
Taxation	14	-	-	-	-
Net (loss) / income for the year after taxation		(1,513,788)	5,548,613	7,996,332	12,031,157
Earnings per unit	15				

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer **Chief Executive Officer** **Director**

STATEMENT OF COMPREHENSIVE INCOME

For The Year Ended June 30, 2024

	For the year ended June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees			
Net income for the year after taxation	26,894,962	10,945,615	30,766,785	68,607,362
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	26,894,962	10,945,615	30,766,785	68,607,362

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer	Chief Executive Officer	Director

STATEMENT OF COMPREHENSIVE INCOME

For The Year Ended June 30, 2024

	For the year ended June 30, 2023			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees ----------			
Net (loss) / income for the year after taxation	(1,513,788)	5,548,613	7,996,332	12,031,157
Other comprehensive income for the year	-	-	-	-
Total comprehensive (loss) / income for the year	(1,513,788)	5,548,613	7,996,332	12,031,157

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer	Chief Executive Officer	Director

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS

For The Year Ended June 30, 2024

	For the year ended June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees ----------			
Net assets at the beginning of the year	29,542,545	48,381,454	97,334,347	175,258,346
Amount received on issuance of units	4,203,064	25,723,032	154,988,791	184,914,887
Amount paid on redemption of units	(2,769,188)	(13,386,041)	(27,839,192)	(43,994,421)
Gain on sale of investments - net	14,634,545	-	660,711	15,295,256
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	10,850,510	572,717	507,832	11,931,059
Other income - net	1,409,907	10,372,898	29,598,242	41,381,047
	26,894,962	10,945,615	30,766,785	68,607,362
Net assets at the end of the year	57,871,383	71,664,060	255,250,731	384,786,174

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer	**Chief Executive Officer**	**Director**

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS
For The Year Ended June 30, 2024

	For the year ended June 30, 2023			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees ----------			
Net assets at the beginning of the year	30,137,070	35,417,105	37,524,884	103,079,059
Amount received on issuance of units	3,132,400	11,950,831	60,747,038	75,830,269
Amount paid on redemption of units	(2,213,137)	(4,535,095)	(8,933,907)	(15,682,139)
Gain on sale of investments - net	151,013	-	-	151,013
Unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	(2,969,167)	(20,776)	20,306	(2,969,637)
Other income - net	1,304,366	5,569,389	7,976,026	14,849,781
	(1,513,788)	5,548,613	7,996,332	12,031,157
Net assets at the end of the year	29,542,545	48,381,454	97,334,347	175,258,346

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer	**Chief Executive Officer**	**Director**

CASH FLOW STATEMENT

For The Year Ended June 30, 2024

	Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		For the year ended June 30, 2024			
		------------ Rupees ------------			
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the year before taxation		26,894,962	10,945,615	30,766,785	68,607,362
Adjustments for:					
Amortisation of preliminary expenses and floatation costs	8	21,228	21,228	21,228	63,684
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	6.4	(10,850,510)	(572,717)	(507,832)	(11,931,059)
		16,065,680	10,394,126	30,280,181	56,739,987
(Increase) / decrease in assets					
Investments - net		(18,959,717)	(10,170,283)	(107,331,668)	(136,461,668)
Deposits, prepayments and other receivables		1,420,540	(6,464,531)	(6,957,538)	(12,001,529)
Receivable against sale of units		878,400	(1,672,557)	2,683,771	1,889,614
		(16,660,777)	(18,307,371)	(111,605,435)	(146,573,583)
Increase / (decrease) in liabilities					
Payable to Faysal Asset Management Company Limited - Pension Fund Manager		26,380	3,189	11,331	40,900
Payable to Central Depository Company of Pakistan Limited - Trustee		(8,618)	627	24,668	16,677
Payable to the Securities and Exchange Commission of Pakistan		8,280	9,916	44,032	62,228
Accrued expenses and other liabilities		(686,336)	407,956	1,019,509	741,129
Payable against redemption of units		24,991	700,988	2,971,798	3,697,777
		(635,303)	1,122,676	4,071,338	4,558,711
Net cash used in operating activities		(1,230,400)	(6,790,569)	(77,253,916)	(85,274,885)
CASH FLOWS FROM FINANCING ACTIVITIES					
Net receipts from issuance of units		4,203,064	25,723,032	154,988,791	184,914,887
Net payments on redemption of units		(2,769,188)	(13,386,041)	(27,839,192)	(43,994,421)
Net cash generated from financing activities		1,433,876	12,336,991	127,149,599	140,920,466
Net Increase in cash and cash equivalents		203,476	5,546,422	49,895,683	55,645,581
Cash and cash equivalents at the beginning of the year		629,301	16,152,091	16,310,915	33,092,307
Cash and cash equivalents at the end of the year	5	832,777	21,698,513	66,206,598	88,737,888

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer	Chief Executive Officer	Director

CASH FLOW STATEMENT

For The Year Ended June 30, 2024

	Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		For the year ended June 30, 2023			
		---------------------------------- Rupees			----------------------------------
CASH FLOWS FROM OPERATING ACTIVITIES					
Net (loss) / income for the year before taxation		(1,513,788)	5,548,613	7,996,332	12,031,157
Adjustments for:					
Amortisation of preliminary expenses and floatation costs	8	21,170	21,170	21,170	63,510
Unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	6.4	2,969,167	20,776	(20,306)	2,969,637
		1,476,549	5,590,559	7,997,196	15,064,304
Increase in assets					
Investments - net		(1,626,163)	(10,012,776)	(70,003,194)	(81,642,133)
Deposits, prepayments and other receivables		(175,321)	(682,153)	(2,549,411)	(3,406,885)
Receivable against sale of units		(996,400)	(1,245,500)	(3,238,539)	(5,480,439)
		(2,797,884)	(11,940,429)	(75,791,144)	(90,529,457)
(Decrease) / increase in liabilities					
Payable to Faysal Asset Management Company Limited - Pension Fund Manager		(94,377)	(97,205)	(39,426)	(231,008)
Payable to Central Depository Company of Pakistan Limited - Trustee		1,977	(680)	1,759	3,056
Payable to the Securities and Exchange Commission of Pakistan		2,122	5,684	10,509	18,315
Accrued expenses and other liabilities		928,671	44,901	44,571	1,018,143
		838,393	(47,300)	17,413	808,506
Net cash used in operating activities		(482,942)	(6,397,170)	(67,776,535)	(74,656,647)
CASH FLOWS FROM FINANCING ACTIVITIES					
Net receipts from issuance of units		3,132,400	11,950,831	60,747,038	75,830,269
Net payments on redemption of units		(2,213,137)	(4,535,095)	(8,933,907)	(15,682,139)
Net cash generated from financing activities		919,263	7,415,736	51,813,131	60,148,130
Net increase / (decrease) in cash and cash equivalents		436,321	1,018,566	(15,963,404)	(14,508,517)
Cash and cash equivalents at the beginning of the year		192,980	15,133,525	32,274,319	47,600,824
Cash and cash equivalents at the end of the year	5	629,301	16,152,091	16,310,915	33,092,307

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer **Chief Executive Officer** **Director**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Faysal Islamic Pension Fund (the Fund) has been established as a trust under the Sindh Trust Act, 2020 constituted 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 dated September 08, 2021 under the Voluntary Pension System Rules, 2005 (the VPS Rules). The Offering Document was approved by the SECP through its letter No. SCD/AMCW/PW/FAML/FIPF/56/2021 dated August 30, 2021.

The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the VPS Rules through a certificate of registration issued by the SECP. 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 VPS Rules and can be redeemed by surrendering them to the Fund. Further, as per the Offering Document, the Fund shall not distribute any income or dividend from the Fund whether in cash or otherwise from any of the Sub-Funds.

1.3 The objective of the Fund is to provide individuals with a portable, individualised, 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 are 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 29, 2023 (2023: 'AM2++' dated Decemeber 30, 2022). The rating reflects the Pension Fund Manager’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 Islamic Pension Fund - Equity Sub-Fund (Equity Sub-Fund), Faysal Islamic Pension Fund - Debt Sub-Fund (Debt Sub-Fund) and Faysal Islamic 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 Islamic 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. 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 (90) days calculated on daily basis. The Pension Fund Manager may make investment maximum up to five percent (5%) of net assets of the 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 the 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 fifteen percent (15%) of net assets of the Equity Sub-Fund or paid-up capital of that single company, whichever is lower. The Pension Fund Manager may invest up to thirty-five percent (35%) of net assets of Equity Sub-Fund or the index weight, whichever is higher, subject to maximum of forty percent (40%) of net assets of the 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 Islamic banks or Islamic windows of 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 ten percent (10%) of the net assets of the Equity Sub-Fund on monthly average basis.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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Faysal Islamic Pension Fund - Debt Sub-Fund

The Debt Sub-Fund shall consist of Shariah compliant government securities, placement in the Islamic banks or Islamic windows of commercial banks, money market placements, deposits, certificates of deposit, certificates of musharaka, term deposit receipts, Islamic commercial papers, sukuk certificates or any other Islamic mode of placement, 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 Shariah compliant government securities not exceeding ninety (90) days' maturity or deposit with scheduled placement in the Islamic banks or Islamic windows of commercial banks (excluding term deposit receipts) having not less than "A+" rating. Exposure to any single entity, excluding securities issued by the Federal Government, shall not exceed fifteen percent (15%) 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 fifteen percent (15%) 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 musharaka, certificates of investment, money market placements and other clean placements of funds of more than twenty five percent (25%) of net assets of the 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 Islamic 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 and 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 Islamic banks or Islamic windows of commercial banks having not less than "AA" rating. Exposure to any single entity, excluding securities issued by the Federal Government, shall not exceed fifteen percent (15%) 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 fifteen percent (15%) of net assets of the Money Market Sub-Fund or ten percent (10%) of size of the issue of that security. 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 musharaka, certificates of investment, money market placements and other clean placements of funds of more than twenty five percent (25%) of net assets of the 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 one year. Time to maturity of any asset in the portfolio of the Money Market Sub-Fund shall not exceed six (6) months, except Shariah compliant government securities (such as GoP Ijarah sukuks), where time to maturity may be up to five (5) years.

1.7 The Fund offers four (4) types of allocation schemes, as prescribed by the SECP under the 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.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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3 BASIS OF PREPARATION

3.1 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 Accounting Standards) issued by the International Accounting 'Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);

- 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), the Voluntary Pension System Rules, 2005 (the VPS Rules) 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, the VPS Rules and requirements of the Trust Deed differ from the IFRS Accounting 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, the VPS Rules and the requirements of the Trust Deed have been followed.

3.2 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 annual accounting period beginning on July 1, 2023. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and hence, therefore, not been disclosed in these financial statements except that during the year certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Fund which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

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

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 has not yet been adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and

- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

3.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the reported amounts of assets, liabilities, income and expenses. 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 the financial statements of the Fund relate to classification and valuation of financial assets (notes 4.2 and 6).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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3.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments which have been classified as 'at fair value through profit or loss' and are measured at fair values.

3.6 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material 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.

4.1 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.

4.2 Financial assets

4.2.1 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.

4.2.2 Classification and subsequent measurement

Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); or
- at fair value through profit or loss (FVPL)

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognized at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. Therefore the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the "Statement of Assets and Liabilities" at fair value, with gains and losses recognised in the "Income Statement", except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI. The management considers its investment in equity securities being managed as a group of assets and hence has classified them as FVPL. Accordingly, the irrevocable option has not been considered.

The dividend income for equity securities classified under FVPL is recognised in the Income Statement.

Since all investments in equity instruments have been designated as FVPL, the subsequent movement in the fair value of equity securities is routed through the Income Statement.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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4.2.3 Impairment (other than debt securities)

The fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost. 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.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

4.2.3.1 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has been placed on the Management Company's website as required under the SECP's circular.

4.2.4 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.

4.2.5 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 risks and rewards of ownership. Any gain or loss arising on derecognition of financial assets is taken to the Income Statement.

4.3 Financial liabilities

4.3.1 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 value and subsequently stated at amortised cost.

4.3.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss arising on derecognition of financial liabilities is taken to the Income Statement.

4.4 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.

4.5 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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4.6 Revenue recognition

- Gains / (losses) arising on sale of investments are included in Income Statement and are recognised on the date when the transaction takes place;

- Unrealised gains / (losses) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the period in which they arise;

- Dividend income is recognised when the Fund's right to receive the same is established, i.e. on the date of commencement of book closure of the investee company / institution declaring the dividend.

- Income on sukuk certificates and government securities is recognised on a time proportionate basis using the effective yield method, except for the securities which are classified as Non-Performing Asset under Circular No. 33 of 2012 issued by the SECP for which the profits are recorded on cash basis; and

- Profit on saving accounts with banks is recognised on an accrual basis.

4.7 Expenses

All expenses chargeable to the Fund including remuneration of the Pension Fund Manager and Trustee and fee of the SECP are recognised in the Income Statement on an accrual basis.

4.8 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.

4.9 Issue, allocation, reallocation and redemption of units

The prescribed application form, completed in all respects including payment (on realised basis), received by the Pension Fund Manager or distributor at its / their authorised branches during business hours on any dealing day from any participant shall be immediately credited to the individual pension account of the participant after deducting the front-end fee (sale charges) or takaful contributions, if any. Such amount in the individual pension account shall be used to purchase the units of Sub-Funds of the Fund as per the allocation scheme selected by the participant, at the net asset value notified by the Pension Fund Manager at the close of that dealing day for each Sub-Fund. Any form received after business hours will be transferred to the next dealing day. The front-end fee is payable to the distributors and the Pension Fund Manager.

The Pension Fund Manager shall make reallocation of the units between the Sub-Funds as per the VPS Rules and the Offering Document to ensure that the allocation of units of all the participants are according to the allocation schemes selected by the participants or where no selection has been made, according to the default allocation scheme.

At the date of retirement of the participant, all the units of the Sub-Funds of participant account shall be redeemed at the net asset value notified at close of the day of retirement and the amount due shall be credited to participant individual pension account in the lower volatility scheme where no option is selected by the participant offered by the Pension Fund Manager.

A participant can transfer his individual pension account with the Pension Fund Manager to another Pension Fund Manger or from one pension fund to another pension fund. Units shall be encashed at the net asset value of each Sub-Fund notified on the working day prior to the date of transfer.

4.10 Net asset value per unit

The net asset value (NAV) per unit for each Sub-Fund, as disclosed in the 'Statement of Assets and Liabilities' is calculated by dividing the net assets of the Sub-Fund by the number of units in issue of the respective Sub-Fund at the year end.

	Note	June 30, 2024				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
5 BALANCES WITH BANKS		Rupees				Rupees			
Savings accounts	5.1	832,777	21,698,513	66,206,598	88,737,888	629,301	16,152,091	16,310,915	33,092,307

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5.1 Deposits in savings accounts include Rs. 0.692 million, Rs. 14.470 million and Rs. 66.018 million (2023: Rs. 0.472 million, Rs. 14.353 million and Rs. 15.720 million) in the Equity Sub-Fund, the Debt Sub-Fund and the Money Market Sub-Fund respectively with Faysal Bank Limited, a related party, that carries profit at the rate of 20% (2023: 14.5% to 20.4%) per annum. Other savings accounts of the Fund carry profit at the rate of 18.5% (2023: 12.5% to 18.5%) per annum.

	Note	June 30, 2024				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
6 INVESTMENTS		---------- Rupees ----------				---------- Rupees ----------			
At fair value through profit or loss									
Listed equity securities	6.1	56,151,527	-	-	56,151,527	26,341,300	-	-	26,341,300
GoP Ijarah sukuk certificates	6.2	-	40,691,000	137,852,000	178,543,000	-	29,948,000	75,012,500	104,960,500
Short term sukuk certificates	6.3	-	-	45,000,000	45,000,000	-	-	-	-
		56,151,527	40,691,000	182,852,000	279,694,527	26,341,300	29,948,000	75,012,500	131,301,800

6.1 Listed equity securities - Equity Sub-Fund

Ordinary shares have a face value of Rs. 10 each unless stated otherwise.

Name of the investee company	As at July 1, 2023	Purchased during the year	Bonus / right shares received during the year	Sold during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised (diminution)/ appreciation as at June 30, 2024	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--------			----------%----------		
PROPERTY											
TPL Properties Limited	16,600	95,000	-	111,600	-	-	-	-	-	-	-
						-	-	-	-	-	-
AUTOMOBILE ASSEMBLER											
Honda Atlas Cars (Pakistan) Limited	-	3,000	-	3,000	-	-	-	-	-	-	-
Sazgar Engineering Works Limited	-	6,470	-	6,470	-	-	-	-	-	-	-
						-	-	-	-	-	-
AUTOMOBILE PARTS AND ACCESSORIES											
Exide Pakistan Limited *	-	1,300	-	-	1,300	566,800	766,103	199,303	1.36	1.32	-
Thal Limited *	-	3,400	-	800	2,600	918,666	1,256,684	338,018	2.24	2.17	-
Panther Tyres Limited	-	6,000	-	6,000	-	-	-	-	-	-	-
						1,485,466	2,022,787	537,321	3.60	3.49	-
CEMENT											
Cherat Cement Company Limited	-	9,340	-	9,340	-	-	-	-	-	-	-
Fauji Cement Company Limited *	75,500	192,600	-	80,000	188,100	3,434,586	4,309,371	874,785	7.67	7.45	-
Maple Leaf Cement Factory Limited *	32,375	72,230	-	45,205	59,400	2,129,142	2,257,200	128,058	4.02	3.90	-
Pioneer Cement Limited *	-	13,100	-	-	13,100	1,507,768	2,209,315	701,547	3.93	3.82	-
Lucky Cement Limited *	2,563	9,646	-	8,688	3,521	2,672,737	3,192,596	519,859	5.69	5.52	-
Attock Cement Pakistan Limited *	-	11,000	-	-	11,000	1,070,995	1,068,540	(2,455)	1.90	1.85	-
D.G. Khan Cement Company Limited *	-	6,200	-	-	6,200	468,096	559,674	91,578	1.00	0.97	-
						11,283,324	13,596,696	2,313,372	24.21	23.51	-
CHEMICAL											
Engro Polymer and Chemicals Limited *	-	44,208	-	31,608	12,600	560,701	565,992	5,291	1.01	0.98	-
Dynea Pakistan Limited *	-	2,800	-	-	2,800	519,543	631,456	111,913	1.12	1.09	-
Lotte Chemical Pakistan Limited	-	34,300	-	34,300	-	-	-	-	-	-	-
						1,080,244	1,197,448	117,204	2.13	2.07	
CABLES & ELECTRICAL GOODS											
Pak Elektron Limited	-	87,200	-	87,200	-	-	-	-	-	-	-
						-	-	-	-	-	-
COMMERCIAL BANKS											
Meezan Bank Limited *	29,530	42,385	-	53,365	18,550	3,276,927	4,440,685	1,163,758	7.91	7.67	-
Bank Islami Pakistan Limited	34,750	18,500	-	53,250	-	-	-	-	-	-	-
Faysal Bank Limited *	106,500	156,500	-	232,700	30,300	967,894	1,588,932	621,038	2.83	2.75	-
						4,244,821	6,029,617	1,784,796	10.74	10.42	-

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Name of the investee company	As at July 1, 2023	Purchased during the year	Bonus / right shares received during the year	Sold during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised (diminution)/ appreciation as at June 30, 2024	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 --------------------			----------------------%----------------------		
FERTILIZER											
Engro Corporation Limited *	4,340	12,273	-	9,413	7,200	2,259,198	2,395,512	136,314	4.27	4.14	-
Engro Fertilizers Limited *	8,500	15,200	-	7,928	15,772	1,351,908	2,621,622	1,269,714	4.67	4.53	-
Fauji Fertilizer Bin Qasim Limited	-	8,500	-	8,500	-	-	-	-	-	-	-
						3,611,106	5,017,134	1,406,028	8.94	8.67	-
FOODS AND PERSONAL CARE PRODUCTS											
The Organic Meat Company Limited *	14,888	116,500	3,600	126,488	8,500	303,406	299,115	(4,291)	0.53	0.52	-
						303,406	299,115	(4,291)	0.53	0.52	-
ENGINEERING											
Mughal Iron and Steel Industries Limited	4,000	-	-	4,000	-	-	-	-	-	-	-
International Industries Limited *	-	3,130	-	-	3,130	574,035	612,572	38,537	1.09	1.06	-
International Steels Limited	-	15,900	-	15,900	-	-	-	-	-	-	-
						574,035	612,572	38,537	1.09	1.06	-
OIL AND GAS EXPLORATION COMPANIES											
Oil and Gas Development Company Limited *	28,825	83,700	-	78,025	34,500	4,087,302	4,670,265	582,963	8.32	8.07	-
Pakistan Petroleum Limited *	25,000	81,140	-	67,750	38,390	3,772,110	4,495,853	723,743	8.01	7.77	-
Mari Petroleum Company Limited *	800	1,080	-	980	900	2,152,981	2,441,106	288,125	4.35	4.22	-
						10,012,393	11,607,224	1,594,831	20.68	20.06	-
OIL AND GAS MARKETING COMPANIES											
Pakistan State Oil Company Limited	7,465	26,275	-	33,740	-	-	-	-	-	-	-
Shell Pakistan Limited	-	3,400	-	3,400	-	-	-	-	-	-	-
Attock Petroleum Limited	-	2,500	-	2,500	-	-	-	-	-	-	-
						-	-	-	-	-	-
POWER GENERATION AND DISTRIBUTION											
The Hub Power Company Limited *	43,815	55,220	-	58,615	40,420	4,505,105	6,591,694	2,086,589	11.74	11.39	-
K-Electric Limited	124,000	-	-	124,000	-	-	-	-	-	-	-
Nishat Chunian Power Limited	70,000	145,150	-	215,150	-	-	-	-	-	-	-
Lalpir Power Limited	-	34,000	-	34,000	-	-	-	-	-	-	-
Nishat Power Limited	-	29,000	-	29,000	-	-	-	-	-	-	-
						4,505,105	6,591,694	2,086,589	11.74	11.39	-
GLASS AND CERAMICS											
Tariq Glass Industries Limited *	13,510	25,400	-	34,010	4,900	561,001	571,095	10,094	1.02	0.99	-
						561,001	571,095	10,094	1.02	0.99	-
PHARMACEUTICALS											
AGP Limited *	7,098	2,700	-	-	9,798	611,386	905,041	293,655	1.61	1.56	-
Citi Pharma Limited	4,830	45,000	-	49,830	-	-	-	-	-	-	-
Haleon Pakistan Limited *	2,200	2,400	-	1,000	3,600	682,076	1,070,532	388,456	1.91	1.85	-
Ferozsons Laboratories Limited *	-	1,100	-	-	1,100	245,250	274,351	29,101	0.49	0.47	-
Highnoon Laboratories Limited *	-	2,000	-	-	2,000	1,012,243	1,427,160	414,917	2.54	2.47	-
The Searle Company Limited *	-	32,300	-	23,000	9,300	570,941	531,216	(39,725)	0.95	0.92	-
						3,121,896	4,208,300	1,086,404	7.50	7.27	-
TEXTILE COMPOSITE											
Interloop Limited *	-	57,400	-	30,000	27,400	2,049,768	1,940,742	(109,026)	3.46	3.35	-
Nishat Mills Limited *	-	6,000	-	3,000	3,000	212,691	212,550	(141)	0.38	0.37	-
Nishat (Chunian) Limited	-	10,439	-	10,439	-	-	-	-	-	-	-
						2,262,459	2,153,292	(109,167)	3.84	3.72	-
TECHNOLOGY AND COMMUNICATION											
Avanceon Limited	13,127	10,000	-	23,127	-	-	-	-	-	-	-
Octopus Digital Limited	11,596	-	-	11,596	-	-	-	-	-	-	-
Systems Limited *	5,950	12,970	-	14,520	4,400	1,830,119	1,840,418	10,299	3.28	3.18	-
Air Link Communication Limited	-	47,000	-	47,000	-	-	-	-	-	-	-
						1,830,119	1,840,418	10,299	3.28	3.18	-
TRANSPORT											
Pakistan International Bulk Terminal Limited *	-	188,500	-	123,000	65,500	425,642	404,135	(21,507)	0.72	0.70	-
						425,642	404,135	(21,507)	0.72	0.70	-

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Name of the investee company	As at July 1, 2023	Purchased during the year	Bonus / right shares received during the year	Sold during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised (diminution)/ appreciation as at June 30, 2024	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 --------------------			-----------------------%-----------------------		
MISCELLANEOUS											
Pakistan Aluminium Beverage Cans Limited	-	6,700	-	6,700	-	-	-	-	-	-	-
						-	-	-	-	-	-
SYNTHETIC AND RAYON											
Image Pakistan Limited	-	34,000	-	34,000	-	-	-	-	-	-	-
						-	-	-	-	-	-
Total as at June 30, 2024						45,301,017	56,151,527	10,850,510	100.02	97.05	
Total as at June 30, 2023						29,310,467	26,341,300	(2,969,167)	46.92	45.52	

* Nil figures due to rounding off

6.1.1 All shares have a face value of Rs. 10 each except the shares of Thal Limited and Dynea Pakistan Limited having face value of Rs. Rs.5 and Rs. 5 each, respectively.

6.1.2 The below investments include shares having a market value (in aggregate) amounting to Rs. 2.620 million (June 30, 2023: Rs. 1.04 million) which 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 Securities and Exchange Commission of Pakistan. The details of shares which have been pledged are as follows:

Name of Security	June 30, 2024 Number of Shares	June 30, 2024 Market value	Name of Security	June 30, 2023 Number of Shares	June 30, 2023 Market value
		(Rupees)			(Rupees)
Engro Fertilizers Limited	10,000	1,662,200	Meezan Bank Limited	10,000	863,700
Meezan Bank Limited	4,000	957,560	Pakistan Petroleum Limited	3,000	177,420
Pakistan Petroleum Limited	3,000	351,330			
		2,619,760			1,041,120

6.2 GoP Ijarah sukuk certificates

6.2.1 Debt Sub-Fund

Name of the security	Profit payments / principal redemptions	Issue date	Maturity date	Profit rate	As at July 1,2023	Purchased during the year	Sold / Matured during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised appreciation / (diminution) as at June 30, 2024	Market value as a percentage of net assets	Market value as a percentage of total investments
					-------- Number of certificates --------				------------- Rupees -------------			------------- % -------------	
GoP Ijarah sukuk certificates - XXII - VRR	Semi-annually / At maturity	December 09, 2020	December 09, 2025	Weighted average 6-months T-Bills	200	-	-	200	19,965,798	20,150,000	184,202	28.12	49.52
GoP Ijarah sukuk certificates - XL - VRR	Semi-annually / At maturity	August 07, 2023	August 07, 2024	Weighted average 6-months T-Bills	-	50	50	-	-	-	-	-	-
GoP Ijarah sukuk certificates - XXX - VRR	Semi-annually / At maturity	April 04,2023	April 04, 2024	Weighted average 6-months T-Bills	100	-	100	-	-	-	-	-	-
GoP Ijarah sukuk certificates - VRR (PSX)	Semi-annually / At maturity	January 24,2024	January 24,2029	Weighted average 6-months T-Bills	-	3,000	-	3,000	14,735,643	15,030,000	294,357	20.97	36.94
GoP Ijarah sukuk certificates - VRR (PSX)	Semi-annually / At maturity	January 24,2024	January 24,2029	Weighted average 6-months T-Bills	-	700	-	700	3,445,508	3,507,000	61,492	4.89	8.62
GoP Ijarah sukuk certificates - VRR (PSX)	Semi-annually / At maturity	January 24,2024	January 24,2029	Weighted average 6-months T-Bills	-	400	-	400	1,971,334	2,004,000	32,666	2.80	4.92
Total as at June 30, 2024									40,118,283	40,691,000	572,717	56.78	100.00
Total as at June 30, 2023									29,968,776	29,948,000	(20,776)	61.90	100.00

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6.2.1.1 The nominal value of these sukuk certificates is Rs 100,000 each, however the nominal value of GoP ijarah sukuks listed on PSX is Rs 5,000 each.

6.2.2 Money Market Sub-Fund

GOP Ijarah Sukuk

Name of the security	Profit payments / principal redemptions	Issue date	Maturity date	Profit rate	As at July 1,2023	Purchased during the year	Sold during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised appreciation / (diminution) as at June 30, 2024	Market value as a percentage of net assets	Market value as a percentage of total investments
					-------- Number of certificates --------				------------ Rupees ------------			------------ % ------------	
GoP Ijarah sukuk certificates - XXII - VRR	Semi-annually / At maturity	December 09, 2020	December 09, 2025	Weighted average 6-months T-Bills	50	-	-	50	4,991,450	5,037,500	46,050	1.97	2.75
GoP Ijarah sukuk certificates - XXX - VRR	Semi-annually / At maturity	April 17, 2023	April 17, 2024	Weighted average 6-months T-Bills	450	-	450	-	-	-	-	-	-
GoP Ijarah sukuk certificates - XXXIII - VRR	Semi-annually / At maturity	June 26, 2023	June 26, 2024	Weighted average 6-months T-Bills	250	-	250	-	-	-	-	-	-
GoP Ijarah sukuk certificates - XL - VRR	Semi-annually / At maturity	August 07, 2023	August 07, 2024	Weighted average 6-months T-Bills	-	80	80	-	-	-	-	-	-
GoP Ijarah sukuk certificates - XLVI - FRR	Semi-annually / At maturity	October 09, 2023	October 09, 2024	22.49%	-	100	-	100	10,000,000	10,066,000	66,000	3.94	5.50
GoP Ijarah sukuk certificates - XLVI - FRR	Semi-annually / At maturity	October 09, 2023	October 09, 2024	22.49%	-	250	-	250	25,147,601	25,165,000	17,399	9.86	13.76
GoP Ijarah sukuk certificates - XLVIII - VRR	Semi-annually / At maturity	December 04, 2023	December 4, 2026	Weighted average 6-months T-Bills	-	250	-	250	25,000,000	24,955,000	(45,000)	9.78	13.65
GoP Ijarah sukuk certificates - - VRR (PSX)	Semi-annually / At maturity	January 24,2024	January 24,2029	Weighted average 6-months T-Bills	-	4,000	-	4,000	19,713,343	20,040,000	326,657	7.85	10.96
GoP Ijarah sukuk certificates - - VRR (PSX)	Semi-annually / At maturity	March 15, 2024	March 14, 2025	Weighted average 6-months T-Bills	-	9,000	-	9,000	39,715,422	39,735,000	19,578	15.57	21.73
GoP Ijarah sukuk certificates - - VRR (PSX)	Semi-annually / At maturity	May 24, 2024	May 23, 2025	Weighted average 6-months T-Bills	-	3,000	-	3,000	12,776,352	12,853,500	77,148	5.04	7.03
Total as at June 30, 2024									137,344,168	137,852,000	507,832	54.01	75.38
Total as at June 30, 2023									75,012,500	75,012,500	20,306	77.06	100.00

6.2.2.1 The nominal value of these sukuk certificates is Rs 100,000 each, however the nominal value of GoP ijarah sukuks listed on PSX is Rs 5,000 each.

6.3 Short Term sukuk

Name of the security	Maturity date	Profit Rate	As at July 1, 2023	Purchased during the year	Sold during the year	Sold during the year	As at June 30, 2024	Carrying value as at June 30,2024	Market value as at June 30, 2024	Unrealised appreciation as at June 30, 2024	Market value as a percentage of net assets	Market value as a percentage of total investments
			------------------ Face Value ------------------									
			---------------- Number of certificates ----------------					------------------- Rupees -------------------			------------ % ------------	
The Hub Power Company Limited-Sukuk Certificates(13Th Issue) (AA+, PACRA)	November 1, 2024	Kibor + 0.25%	-	20	-	-	20	20,000,000	20,000,000	-	7.84	10.94
Lucky Electric Power Company Limited - Short Term Sukuk XIX (AA, PACRA)	December 27, 2024	Kibor + 0.15%	-	25	-	-	25	25,000,000	25,000,000	-	9.79	13.67
Total as at June 30, 2024				45			45	45,000,000	45,000,000	-	17.63	24.61
Total as at June 30, 2023								-	-	-	-	-

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6.4 Unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net

	Note	June 30, 2024				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
		Rupees				Rupees			
Market value of investments	6.1 , 6.2 & 6.3	56,151,527	40,691,000	182,852,000	279,694,527	26,341,300	29,948,000	75,012,500	131,301,800
Less: carrying value of investments	6.1 , 6.2 & 6.3	45,301,017	40,118,283	182,344,168	267,763,468	29,310,467	29,968,776	74,992,194	134,271,437
		10,850,510	572,717	507,832	11,931,059	(2,969,167)	(20,776)	20,306	(2,969,637)

7 ADVANCES, DEPOSITS AND OTHER RECEIVABLE

	Note	Equity Sub-Fund 2024	Debt Sub-Fund 2024	Money Market Sub-Fund 2024	Total 2024	Equity Sub-Fund 2023	Debt Sub-Fund 2023	Money Market Sub-Fund 2023	Total 2023
Profit receivable on bank balances	7.1	162,546	1,023,298	3,937,816	5,123,660	51,319	296,710	673,434	1,021,463
Advance tax	7.2	-	112,488	26,121	138,609	-	112,488	26,121	138,609
Security deposit with Central depository Company of Pakistan Limited		100,000	100,000	100,000	300,000	100,000	100,000	100,000	300,000
Reimbursement from the Pension Fund Manager		135,000	-	-	135,000	135,000	-	-	135,000
Security deposit with NCCPL		1,000,000	-	-	1,000,000	2,500,000	-	-	2,500,000
Dividend receivable		52,449	-	-	52,449	85,649	-	-	85,649
Income receivable on GoP Ijara sukuk certificates		-	6,458,073	5,163,014	11,621,087	-	722,394	2,232,617	2,955,011
Income receivable from sukuk certificates		-	-	761,326	761,326	-	-	-	-
Other receivable		1,433	2,264	1,433	5,130	-	-	-	-
		1,451,428	7,696,123	9,989,710	19,137,261	2,871,968	1,231,592	3,032,172	7,135,732

7.1 These include profit receivable amounting to Rs. 0.157 million, Rs 0.705 million, Rs. 3.915 million (2023: Rs. 0.051 million, Rs. 0.283 million, Rs. 0.643 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.

7.2 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 prior year 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 withholdee. The tax withheld on profit on debt securities and profit on bank deposits amounts to an aggregate of Rs. 0.139 million (2023: Rs. 0.139 million).

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 profit on bank deposits and profit on debt has been shown as other receivable as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

8 PRELIMINARY EXPENSES AND FLOATATION COSTS

	Note	June 30, 2024				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
		Rupees				Rupees			
Preliminary expenses and floatation costs incurred		57,309	58,062	57,497	172,868	78,479	79,232	78,667	236,378
Less: amortisation during the year	8.1	21,228	21,228	21,228	63,684	21,170	21,170	21,170	63,510
		36,081	36,834	36,269	109,184	57,309	58,062	57,497	172,868

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8.1 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 years commencing from October 05, 2021 as per the requirements set out in the Trust Deed of the Fund and the VPS Rules.

9 PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - PENSION FUND MANAGER

	Note	June 30, 2024				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
		Rupees				Rupees			
Remuneration payable to the Pension Fund Manager	9.1	46,631	2,822	10,028	59,481	23,286	-	-	23,286
Sindh sales tax payable on remuneration of the Pension Fund Manager	9.2	6,062	367	1,303	7,732	3,027	-	-	3,027
Front end payable		-	-	55,741	55,741	-	-	55,741	55,741
Preliminary expenses and floatation costs payable		21,545	21,545	21,545	64,635	21,545	21,545	21,545	64,635
		74,238	24,734	88,617	187,589	47,858	21,545	77,286	146,689

9.1 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 year, the Pension Fund Manager has charged its remuneration at the following rates:

	For the year June 30, 2024				For the year June 30, 2023		
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	%				%		
From July 1, 2023 to June 30, 2024	1.00	0.50	0.50	From July 1, 2022 to June 30, 2023	1.00	-	-

The remuneration is payable to the Pension Fund Manager monthly in arrears.

9.2 During the year, an aggregate amount of Rs. 0.072 Million (2023 Rs 0.038 million was charged on account of sales tax on the management fee levied through the Sindh sales tax on Services Act, 2011 at the rate of 13% (2023: 13%).

10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

	Note	June 30, 2024				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
		Rupees				Rupees			
Trustee remuneration payable	10.1	3,038	8,773	30,791	42,602	10,668	8,219	8,962	27,849
Sindh sales tax payable on remuneration of the Trustee	10.2	399	1,142	4,004	5,545	1,387	1,069	1,165	3,621
		3,437	9,915	34,795	48,147	12,055	9,288	10,127	31,470

10.1 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

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10.2 During the year, an aggregate amount of Rs. 0.057 Million (2023: Rs. 0.039 million was charged on account of sales tax on remuneration of the Trustee levied through Sindh sales tax on Services Act, 2011 at the rate of 13% (2023: 13%).

11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

	Note	June 30, 2024				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
		Rupees				Rupees			
Fee payable	11.1	17,745	23,093	62,190	103,028	9,465	13,177	18,158	40,800

11.1 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%) (2023: 0.033%) of average annual net assets of the Fund, applicable to all Voluntary Pension Schemes.

12 ACCRUED EXPENSES AND OTHER LIABILITIES

	June 30, 2024				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
	Rupees				Rupees			
Auditors' remuneration payable	150,824	150,822	150,824	452,470	66,446	66,445	66,446	199,337
Brokerage fee payable	181,663	325	2,499	184,487	38,256	-	-	38,256
Payable against purchase of Investments	-	-	-	-	998,395	-	-	998,395
Legal and professional charges payable	204,542	222,697	212,875	640,114	133,030	141,363	141,363	415,756
Printing charges payable	-	-	-	-	1,935	1,973	1,933	5,841
Shariah advisory fee payable	37,675	37,675	37,675	113,025	-	-	-	-
Withholding tax payable	23,315	235	629	24,179	14,113	-	1,963	16,076
Other liabilities	-	205,983	826,712	1,032,695	32,180	-	-	32,180
	598,019	617,737	1,231,214	2,446,970	1,284,355	209,781	211,705	1,705,841

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 and as at June 30, 2023.

14 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.

15 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.

16 NUMBER OF UNITS IN ISSUE

	June 30, 2024				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
	Number of units in issue				Number of units in issue			
Total units in issue at the beginning of the year	322,956	399,726	798,842	1,521,524	312,424	337,309	356,981	1,006,714
Add: Issuance of units during the year	29,496	189,709	1,125,634	1,344,839	33,896	102,568	519,964	656,428
Less: Units redeemed during the year	18,842	99,252	210,061	328,155	23,364	40,151	78,103	141,618
Total units in issue at the end of the year	333,610	490,183	1,714,415	2,538,208	322,956	399,726	798,842	1,521,524

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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17 CONTRIBUTION TABLE

	June 30, 2024						June 30, 2023					
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
	Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
Corporate	24,175	3,374,132	139,860	19,253,265	1,041,956	143,724,049	33,896	3,132,400	102,568	11,950,831	488,589	57,055,637
Individuals	5,321	828,932	19,142	2,443,203	-	-	-	-	-	-	31,374	3,691,401
Associated company	-	-	30,707	4,026,564	83,678	11,264,742	-	-	-	-	-	-
	29,496	4,203,064	189,709	25,723,032	1,125,634	154,988,791	33,896	3,132,400	102,568	11,950,831	519,963	60,747,038

18 AUDITORS' REMUNERATION

	June 30, 2024				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
	Rupees				Rupees			
Audit fee	116,830	116,830	116,830	350,490	77,089	77,089	77,089	231,267
Review and other certifications	85,000	85,000	85,000	255,000	55,000	55,000	55,000	165,000
Out of pocket expenses	41,100	41,100	41,100	123,300	15,187	15,187	15,187	45,561
	242,930	242,930	242,930	728,790	147,276	147,276	147,276	441,828
Sales tax	19,434	19,434	19,434	58,302	11,782	11,782	11,782	35,346
	262,364	262,364	262,364	787,092	159,058	159,058	159,058	477,174

19 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

19.1 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 year end.

19.2 Transactions with connected persons / related parties 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 / related parties. The transactions with connected persons / related parties are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

19.3 Remuneration to the Pension Fund Manager of the Fund is determined in accordance with the provisions of the VPS Rules.

19.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the VPS Rules and the Trust Deed.

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

Transactions during the year	For the year ended June 30, 2024				For the period ended 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
	Rupees				Rupees			
Faysal Asset Management Company Limited - Pension Fund Manager								
Remuneration of the Pension Fund Manager	444,252	28,899	77,768	550,919	293,085	-	-	293,085
Sindh sales tax on remuneration of the Pension Fund Manager	57,753	3,757	10,110	71,620	38,101	-	-	38,101
Central Depository Company of Pakistan Limited - Trustee								
Remuneration of the Trustee	100,228	101,090	233,305	434,623	99,999	99,999	102,855	302,853
Sindh sales tax on remuneration of the Trustee	13,031	13,143	30,329	56,503	13,000	13,000	13,372	39,372
Settlement charges	24,259	10,961	10,396	45,616	9,770	3,955	3,955	17,680

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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Transactions during the year	For the year ended June 30, 2024				For the period ended 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
	Rupees				Rupees			
Faysal Bank Limited								
Profit on savings account	200,480	2,655,025	8,984,890	11,840,395	67,436	2,147,701	5,377,186	7,592,323
Bank charges	7,633	9,090	4,922	21,645	7,626	6,345	4,988	18,959
Key Management Personnel								
Mr. Nafees Imtiaz Malik								
Units issued: 4,463 units (2023: Nil units)	640,000	-	-	640,000	-	-	-	-
Units redeemed: 4,463 units (2023: Nil units)	636,417	-	-	636,417	-	-	-	-
Units issued: 15,159 (2023: Nil units)	-	2,080,000	-	2,080,000	-	-	-	-
Units redeemed: 15,159 units (2023: Nil units)	-	2,085,324	-	2,085,324	-	-	-	-
Units issued: 3,436 (2023: Nil units)	-	-	480,000	480,000	-	-	-	-
Units redeemed: 3,436 units (2023: Nil units)	-	-	480,930	480,930	-	-	-	-
Mr. Nadir Rahman								
Units issued: 106,133 units (2023: Nil units)	-	-	14,800,000	14,800,000	-	-	-	-
Mr. Salman Muslim								
Units issued: 20,094 units (2023: Nil units)	-	-	2,800,000	2,800,000	-	-	-	-
10% and Above								
Units Issued: 47,438 units (June 30, 2023: Nil units)	-	6,566,000	-	6,566,000	-	-	-	-

Balances outstanding as at year end	June 30, 2024				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
Faysal Asset Management Company Limited - Pension Fund Manager	Rupees				Rupees			
Remuneration payable to the Pension Fund Manager	46,631	2,822	10,028	59,481	23,286	-	-	23,286
Sindh sales tax payable on remuneration of the Pension Fund Manager	6,062	367	1,303	7,732	3,027	-	-	3,027
Outstanding 300,000 units (2023: 300,000 units)	52,041,060	-	-	52,041,060	27,442,620	-	-	27,442,620
Outstanding 300,000 units (2023: 300,000 units)	-	43,859,580	-	43,859,580	-	36,311,040	-	36,311,040
Outstanding 300,000 units (2023: 300,000 units)	-	-	44,665,500	44,665,500	-	-	36,553,290	36,553,290
Central Depository Company of Pakistan Limited - Trustee								
Trustee remuneration payable	3,038	8,773	30,791	42,602	10,668	8,219	8,962	27,849
Sindh sales tax payable on remuneration of the Trustee	399	1,142	4,004	5,545	1,387	1,069	1,165	3,621
Security deposit	100,000	100,000	100,000	300,000	100,000	100,000	100,000	300,000
Faysal Bank Limited								
Balance with bank	691,673	14,469,606	66,018,043	81,179,322	471,901	14,352,934	15,720,254	30,545,089
Profit receivable on savings account	156,538	705,463	3,915,356	4,777,357	51,082	283,279	642,590	976,951
Key Management Personnel								
Mr. Nadir Rahman								
Outstanding units: 106,133 unts (June 30, 2023: Nil units)	-	-	15,801,612	15,801,612	-	-	-	-
Mr. Salman Muslim								
Outstanding units: 20,094 unts (June 30, 2023: Nil units)	-	-	2,991,695	2,991,695	-	-	-	-
10% and Above								
Outstanding Units: 47,438 units (June 30, 2023: Nil units)	-	6,922,211	-	6,922,211	-	-	-	-

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19.6 Other balances due to / from related parties / connected persons are included in the respective notes to the financial statements.

20 FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	June 30, 2024									
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total
	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	
	---------- Rupees ----------									
Financial assets										
Balances with banks	832,777	-	832,777	21,698,513	-	21,698,513	66,206,598	-	66,206,598	88,737,888
Investments	-	56,151,527	56,151,527	-	40,691,000	40,691,000	-	182,852,000	182,852,000	279,694,527
Deposits and other receivable	1,451,428	-	1,451,428	7,583,635	-	7,583,635	9,963,589	-	9,963,589	18,998,652
Receivable against sale of units	118,000	-	118,000	2,918,057	-	2,918,057	554,768	-	554,768	3,590,825
	2,402,205	56,151,527	58,553,732	32,200,205	40,691,000	72,891,205	76,724,955	182,852,000	259,576,955	391,021,892
Financial liabilities										
Payable to Faysal Asset Management Limited - Pension Fund Manager	74,238	-	74,238	24,734	-	24,734	88,617	-	88,617	187,589
Payable to Central Depository Company of Pakistan Limited - Trustee	3,437	-	3,437	9,915	-	9,915	34,795	-	34,795	48,147
Payable against redemption of units	24,991	-	24,991	700,988	-	700,988	2,971,798	-	2,971,798	3,697,777
Accrued expenses and other liabilities	574,704	-	574,704	617,502	-	617,502	1,230,585	-	1,230,585	2,422,791
	677,370	-	677,370	1,353,139	-	1,353,139	4,325,795	-	4,325,795	6,356,304

Particulars	June 30, 2023									
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total
	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	
	---------- Rupees ----------									
Financial assets										
Balances with banks	629,301	-	629,301	16,152,091	-	16,152,091	16,310,915	-	16,310,915	33,092,307
Investments	-	26,341,300	26,341,300	-	29,948,000	29,948,000	-	75,012,500	75,012,500	131,301,800
Deposits and other receivable	2,871,968	-	2,871,968	1,119,104	-	1,119,104	3,006,051	-	3,006,051	6,997,123
Receivable against sale of units	996,400	-	996,400	1,245,500	-	1,245,500	3,238,539	-	3,238,539	5,480,439
	4,497,669	26,341,300	30,838,969	18,516,695	29,948,000	48,464,695	22,555,505	75,012,500	97,568,005	176,871,669
Financial liabilities										
Payable to Faysal Asset Management Limited - Pension Fund Manager	47,858	-	47,858	21,545	-	21,545	77,286	-	77,286	146,689
Payable to Central Depository Company of Pakistan Limited - Trustee	12,055	-	12,055	9,288	-	9,288	10,127	-	10,127	31,470
Payable against redemption of units	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	1,270,242	-	1,270,242	209,781	-	209,781	209,742	-	209,742	1,689,765
	1,330,155	-	1,330,155	240,614	-	240,614	297,155	-	297,155	1,867,924

21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of participants' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Pension Fund Manager, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Pension Fund Manager supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

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21.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Pension Fund Manager manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee and regulations laid down by the SECP.

Market risk comprises of three types of risk: currency risk, yield / profit rate risk and price risk.

(i) Yield / profit rate risk

Yield / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2024, the Fund is exposed to such risk on balances with banks and investments in GoP ijarah sukuk certificates and short term sukuks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds GoP ijarah sukuk certificates, balances with banks and short term sukuks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund would have been higher / lower by Rs. 0.01 million, Rs. 0.62 million and Rs. 2.14 million (2023: Rs. 0.01 million, Rs. 0.46 million and Rs. 0.91 million) respectively.

The composition of the Fund's investment portfolio, profit rates and the rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 and June 30, 2023 can be determined as follows:

Faysal Islamic Pension Fund - Equity Sub-Fund

	June 30, 2024						June 30, 2023					
	Effective profit / yield	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total	Effective profit / yield	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and up to one year	More than one year				Upto three months	More than three months and up to one year	More than one year		
		Rupees						Rupees				
Financial assets												
Balances with banks	18.50% - 20.00%	832,777	-	-	-	832,777	12.5% - 20.4%	629,301	-	-	-	629,301
Investments		-	-	-	56,151,527	56,151,527		-	-	-	26,341,300	26,341,300
Deposits and other receivable		-	-	-	1,451,428	1,451,428		-	-	-	2,871,968	2,871,968
Receivable against sale of units		-	-	-	118,000	118,000		-	-	-	996,400	996,400
		832,777	-	-	57,720,955	58,553,732		629,301	-	-	30,209,668	30,838,969
Financial liabilities												
Payable to Faysal Asset Management Limited - Pension Fund Manager		-	-	-	74,238	74,238		-	-	-	47,858	47,858
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	3,437	3,437		-	-	-	12,055	12,055
Payable against redemption of units		-	-	-	24,991	24,991		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	574,704	574,704		-	-	-	1,270,242	1,270,242
		-	-	-	677,370	677,370		-	-	-	1,330,155	1,330,155
On-balance sheet gap		832,777	-	-	57,043,585	57,876,362		629,301	-	-	28,879,513	29,508,814
Off-balance sheet financial instruments		-	-	-	-	-		-	-	-	-	-
Off-balance sheet gap		-	-	-	-	-		-	-	-	-	-
Total interest rate sensitivity gap		832,777	-	-				629,301	-	-		
Cumulative interest rate sensitivity gap		832,777	832,777	832,777				629,301	629,301	629,301		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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Faysal Islamic Pension Fund - Debt Sub-Fund

	June 30, 2024						June 30, 2023					
	Effective profit / yield	Exposed to yield / interest rate risk: Upto three months	Exposed to yield / interest rate risk: More than three months and up to one	Exposed to yield / interest rate risk: More than one year	Not exposed to yield / interest rate risk	Total	Effective profit / yield	Exposed to yield / interest rate risk: Upto three months	Exposed to yield / interest rate risk: More than three months and up to one	Exposed to yield / interest rate risk: More than one year	Not exposed to yield / interest rate risk	Total
		---- Rupees ----						---- Rupees ----				
Financial assets												
Balances with banks	18.50% - 20.00%	21,698,513	-	-	-	21,698,513	15.50%	16,152,091	-	-	-	16,152,091
Investments	20.76% - 23.71%	-	40,691,000	-	-	40,691,000	14.85%	-	29,948,000	-	-	29,948,000
Deposits and other receivable		-	-	-	7,583,635	7,583,635		-	-	-	1,119,104	1,119,104
Receivable against sale of units		-	-	-	2,918,057	2,918,057		-	-	-	1,245,500	1,245,500
		21,698,513	40,691,000	-	10,501,692	72,891,205		16,152,091	29,948,000	-	2,364,604	48,464,695
Financial liabilities												
Payable to Faysal Asset Management Limited - Pension Fund Manager		-	-	-	24,734	24,734		-	-	-	21,545	21,545
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	9,915	9,915		-	-	-	9,288	9,288
Payable against redemption of units		-	-	-	700,988	700,988		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	617,502	617,502		-	-	-	209,781	209,781
		-	-	-	1,353,139	1,353,139		-	-	-	240,614	240,614
On-balance sheet gap		21,698,513	40,691,000	-	9,148,553	71,538,066		16,152,091	29,948,000	-	2,123,990	48,224,081
Off-balance sheet financial instruments		-	-	-	-	-		-	-	-	-	-
Off-balance sheet gap		-	-	-	-	-		-	-	-	-	-
Total interest rate sensitivity gap		21,698,513	40,691,000	-				16,152,091	29,948,000	-		
Cumulative interest rate sensitivity gap		21,698,513	62,389,513	62,389,513				16,152,091	46,100,091	46,100,091		

Faysal Islamic Pension Fund - Money Market Sub-Fund

	June 30, 2024						June 30, 2023					
	Effective profit / yield	Exposed to yield / interest rate risk: Upto three months	Exposed to yield / interest rate risk: More than three months and up to one	Exposed to yield / interest rate risk: More than one year	Not exposed to yield / interest rate risk	Total	Effective profit / yield	Exposed to yield / interest rate risk: Upto three months	Exposed to yield / interest rate risk: More than three months and up to one	Exposed to yield / interest rate risk: More than one year	Not exposed to yield / interest rate risk	Total
		---- Rupees ----						---- Rupees ----				
Financial assets												
Balances with banks	18.50% - 20.00%	66,206,598	-	-	-	66,206,598	15.50%	16,310,915	-	-	-	16,310,915
Investments	20.65% - 23.71%	-	182,852,000	-	-	182,852,000	14.85%	-	75,012,500	-	-	75,012,500
Deposits and other receivable		-	-	-	9,963,589	9,963,589		-	-	-	3,006,051	3,006,051
Receivable against sale of units		-	-	-	554,768	554,768		-	-	-	3,238,539	3,238,539
		66,206,598	182,852,000	-	10,518,357	259,576,955		16,310,915	75,012,500	-	6,244,590	97,568,005
Financial liabilities												
Payable to Faysal Asset Management Limited - Pension Fund Manager		-	-	-	88,617	88,617		-	-	-	77,286	77,286
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	34,795	34,795		-	-	-	10,127	- 10,127
Payable against redemption of units		-	-	-	2,971,798	2,971,798		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	1,230,585	1,230,585		-	-	-	209,742	209,742
		-	-	-	4,325,795	4,325,795		-	-	-	297,155	297,155
On-balance sheet gap		66,206,598	182,852,000	-	6,192,562	255,251,160		16,310,915	75,012,500	-	5,947,435	97,270,850
Off-balance sheet financial instruments		-	-	-	-	-		-	-	-	-	-
Off-balance sheet gap		-	-	-	-	-		-	-	-	-	-
Total interest rate sensitivity gap		66,206,598	182,852,000	-				16,310,915	75,012,500	-		
Cumulative interest rate sensitivity gap		66,206,598	249,058,598	249,058,598				16,310,915	91,323,415	91,323,415		

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

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(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund is exposed to equity price risk on investments held by the Fund and classified as 'at fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the Trust Deed and the VPS Rules, 2005.

In case of 5% increase / decrease in KMI All Share Index on June 30, 2024, with all other variables held constant, the total comprehensive income / loss of the Equity Sub-Fund for the year would increase / decrease by Rs 2.808 million (2023: 1.384 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as financial assets at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KMI All Share Index having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI All Share Index is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI All Share Index.

21.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets either in short term instruments or in investments that are traded in an active market and can be readily disposed and are considered readily realisable in order to maintain liquidity.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year ended June 30, 2024.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

Faysal Islamic Pension Fund - Equity Sub-Fund

	June 30, 2024							June 30, 2023						
	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
	Rupees							Rupees						
Financial assets														
Balances with banks	832,777	-	-	-	-	-	832,777	629,301	-	-	-	-	-	629,301
Investments	-	-	-	-	-	56,151,527	56,151,527	-	-	-	-	-	26,341,300	26,341,300
Receivable against sale of units	118,000	-	-	-	-	-	118,000	996,400	-	-	-	-	-	996,400
Advances, deposits and other receivable	1,351,428	-	-	-	-	100,000	1,451,428	2,771,968	-	-	-	-	100,000	2,871,968
	2,302,205	-	-	-	-	56,251,527	58,553,732	4,397,669	-	-	-	-	26,441,300	30,838,969
Financial liabilities														
Payable to Faysal Asset Management Limited - Pension Fund Manager	74,238	-	-	-	-	-	74,238	47,858	-	-	-	-	-	47,858
Payable to Central Depository Company of Pakistan - Trustee	3,437	-	-	-	-	-	3,437	12,055	-	-	-	-	-	12,055
Payable against redemption of units	24,991	-	-	-	-	-	24,991	-	-	-	-	-	-	-
Accrued expenses and other liabilities	386,205	150,824	37,675	-	-	-	574,704	1,203,796	66,446	-	-	-	-	1,270,242
	488,871	150,824	37,675	-	-	-	677,370	382,703	66,446	-	-	-	-	1,330,155
Net financial assets / (liability)	1,813,334	(150,824)	(37,675)	-	-	56,251,527	57,876,362	4,014,966	(66,446)	-	-	-	26,441,300	29,508,814

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Faysal Islamic Pension Fund - Debt Sub-Fund

	June 30, 2024							June 30, 2023						
	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
	---------- Rupees ----------							---------- Rupees ----------						
Financial assets														
Balances with banks	21,698,513	-	-	-	-	-	21,698,513	16,152,091	-	-	-	-	-	16,152,091
Investments	-	-	-	40,691,000	-	-	40,691,000	-	-	-	29,948,000	-	-	29,948,000
Receivable against sale of units	2,918,057	-	-	-	-	-	2,918,057	1,245,500	-	-	-	-	-	1,245,500
Deposits and other receivable	7,483,635	-	-	-	-	100,000	7,583,635	1,019,104	-	-	-	-	100,000	1,119,104
	32,100,205	-	-	40,691,000	-	100,000	72,891,205	18,416,695	-	-	29,948,000	-	100,000	48,464,695
Financial liabilities														
Payable to Faysal Asset Management Limited - Pension Fund Manager	24,734	-	-	-	-	-	24,734	21,545	-	-	-	-	-	21,545
Payable to Central Depository Company of Pakistan - Trustee	9,915	-	-	-	-	-	9,915	9,288	-	-	-	-	-	9,288
Payable against redemption of units	700,988	-	-	-	-	-	700,988	-	-	-	-	-	-	-
Accrued expenses and other liabilities	429,005	150,822	37,675	-	-	-	617,502	143,336	66,445	-	-	-	-	209,781
	1,164,642	150,822	37,675	-	-	-	1,353,139	174,169	66,445	-	-	-	-	240,614
Net financial assets / (liability)	30,935,563	(150,822)	(37,675)	40,691,000	-	100,000	71,538,066	18,242,526	(66,445)	-	29,948,000	-	100,000	48,224,081

Faysal Islamic Pension Fund - Money Market Sub-Fund

	June 30, 2024							June 30, 2023						
	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
	---------- Rupees ----------							---------- Rupees ----------						
Financial assets														
Balances with banks	66,206,598	-	-	-	-	-	66,206,598	16,310,915	-	-	-	-	-	16,310,915
Investments	-	97,588,500	-	85,263,500	-	-	182,852,000	-	-	-	75,012,500	-	-	75,012,500
Receivable against sale of units	554,768	-	-	-	-	-	554,768	3,238,539	-	-	-	-	-	3,238,539
Deposits and other receivable	9,863,589	-	-	-	-	100,000	9,963,589	2,906,051	-	-	-	-	100,000	3,006,051
	76,624,955	97,588,500	-	85,263,500	-	100,000	259,576,955	22,455,505	-	-	75,012,500	-	100,000	97,568,005
Financial liabilities														
Payable to Faysal Asset Management Limited - Pension Fund Manager	88,617	-	-	-	-	-	88,617	77,286	-	-	-	-	-	77,286
Payable to Central Depository Company of Pakistan - Trustee	34,795	-	-	-	-	-	34,795	10,127	-	-	-	-	-	10,127
Payable against redemption of units	2,971,798	-	-	-	-	-	2,971,798	-	-	-	-	-	-	-
Accrued expenses and other liabilities	1,042,086	150,824	37,675	-	-	-	1,230,585	143,296	66,446	-	-	-	-	209,742
	4,137,296	150,824	37,675	-	-	-	4,325,795	230,709	66,446	-	-	-	-	297,155
Net financial assets / (liability)	72,487,659	97,437,676	(37,675)	85,263,500	-	100,000	255,251,160	22,224,796	(66,446)	-	75,012,500	-	100,000	97,270,850

21.3 Credit risk

21.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

	June 30, 2024 Equity Sub-Fund		June 30, 2024 Debt Sub-Fund		June 30, 2024 Money Market Sub-Fund		June 30, 2023 Equity Sub-Fund		June 30, 2023 Debt Sub-Fund		June 30, 2023 Money Market Sub-Fund	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	---------- Rupees ----------											
Balances with banks	832,777	832,777	21,698,513	21,698,513	66,206,598	66,206,598	629,301	629,301	16,152,091	16,152,091	16,310,915	16,310,915
Investments	56,151,527	-	40,691,000	-	182,852,000	45,000,000	26,341,300	-	29,948,000	-	75,012,500	-
Receivable against sale of units	118,000	118,000	2,918,057	2,918,057	554,768	554,768	996,400	996,400	1,245,500	1,245,500	3,238,539	3,238,539
Advances, deposits and other receivable	1,451,428	1,451,428	7,583,635	7,583,635	9,963,589	9,963,589	2,839,788	2,839,788	1,119,104	1,119,104	3,006,051	3,006,051
	58,553,732	2,402,205	72,891,205	32,200,205	259,576,955	121,724,955	30,806,789	4,465,489	48,464,695	18,516,695	97,568,005	22,555,505

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The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets other than investment in government securities and profit receivable on government securities, and equity investments are not exposed to credit risk and have been excluded from the above analysis.

21.3.2 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks and profit accrued thereon. The credit rating profile of balances with banks and profit accrued thereon is as follows:

Rating	June 30, 2024 % of financial assets exposed to credit risk			June 30, 2023 % of financial assets exposed to credit risk		
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	----------------% ----------------			----------------% ----------------		
Banks						
AA	100%	100%	100%	100%	100%	100%

22 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 June 30, 2024 and June 30, 2023, the Fund held the following financial instruments measured at fair value:

	June 30, 2024				June 30, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Equity Sub-Fund	----------------------- Rupees -----------------------				----------------------- Rupees -----------------------			
At fair value through profit or loss								
Listed equity securities	56,151,527	-	-	56,151,527	26,341,300	-	-	26,341,300
Debt Sub-Fund								
At fair value through profit or loss								
GoP Ijarah sukuk certificates	20,541,000	20,150,000	-	40,691,000	-	29,948,000	-	29,948,000

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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Money Market Sub-Fund	June 30, 2024				June 30, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	---------- Rupees ----------				---------- Rupees ----------			
At fair value through profit or loss								
Short term sukuks	-	45,000,000	-	45,000,000	-	-	-	-
GoP Ijarah sukuk certificates	72,628,500	65,223,500	-	137,852,000	-	75,012,500	-	75,012,500
Total	72,628,500	110,223,500	-	182,852,000	-	75,012,500	-	75,012,500

23 HIGHEST AND LOWEST ISSUE PRICE DURING THE PERIOD	June 30, 2024			June 30, 2023		
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	---------- Rupees ----------			---------- Rupees ----------		
Highest Price	174.6071	143.4704	170.0013	102.7845	121.0368	121.8443
Lowest Price	89.6379	119.878	121.6431	88.2196	104.9991	105.1172

24 PARTICIPANTS' SUB FUND RISK MANAGEMENT

The Participants' Fund is represented by redeemable units. These units are entitled to payment of a proportionate share, based on the Fund's net asset value per unit on the redemption date.

The Fund has no restrictions on the subscription and redemption of units. There is no specific capital requirement which is applicable to the Fund.

The Fund's objectives when managing funds received are to safeguard its ability to continue as a going concern so that it can continue to provide returns for participants and to maintain a strong base of asset under management.

In accordance with the risk management policies, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption. Since the participants of the Fund have invested with a long term objective, the possibility of a significant redemption pressure is limited, such liquidity being augmented by borrowing arrangements (which can be entered if necessary) or disposal of investments where necessary.

All units, including the core units, and fractions thereof represent an undivided share in the pertinent sub-funds of the fund and rank parri passu as their rights in the net assets and earning of the sub-fund are not tradable or transferable. Each participant has a beneficial interest in the sub-fund proportionate to the units held by such participant in such sub-fund.

25 LIST OF TOP BROKERS BY PERCENTAGE OF COMMISSION PAID

Equity Sub - Fund

Name of Broker	2024	2023
	Percentage of commission paid	
BMA Capital Management Limited	18.07%	12.62%
Standard Capital Securities (Private) Limited	13.79%	14.49%
Akik Capital (Private) Limited	12.59%	12.34%
Vector Securities (Private) Limited	10.81%	13.07%
DJM Securities (Private) Limited	11.18%	12.35%
Alfa Adhi Securities (Private) Limited	17.42%	14.63%
JS Global Capital Limited	12.16%	9.55%
Summit Capital (Private) Limited	3.98%	-
Darson Securities (Private) Limited	-	10.95%
	100.00%	100.00%

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Debt Sub - Fund

Name of Broker	2024	2023
	Percentage of commission paid	
Alfalah CLSA Securities (Private) Limited	100.00%	100.00%

Money Market Sub - Fund

Name of Broker	2024	2023
	Percentage of commission paid	
Icon Management (Private) Limited	23.53%	-
Alfalah CLSA Securities (Private) Limited	76.47%	-
	100.00%	-

26 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Name	Designation	Qualification	Overall experience
Mr. Nadir Rahman	Chief Executive Officer	BS (Economics)	Over 33 Years
Mr. Omer Bin Javaid	Deputy Chief Executive Officer	MBA	Over 25 Years
Mr. Muhammad Imran	Chief Investment Officer	MBA	Over 22 Years
Mr. Nafees Imtiaz Malik	Chief Operating Officer	MBA	Over 12 Years
Mr. Shahid Iqbal	Head of Fixed Income	B.Com	Over 32 Years
Mr. Salman Muslim	Chief Financial Officer and Company Secretary	FCA	Over 18 Years
Mr. Shoaib Danish	Equity Fund Specialist	MBA, CFA	Over 9 Years
Mr. Mustajab Alam	Fund Manager	MBA Finance	Over 11 Years
Mr. Abdul Ghani Mianoor	Senior Research Analyst	BSC	Over 5 Years
Syed Eunas Viqar	Head of Internal Audit and Compliance	ACCA	Over 16 Years
Mr. Abdul Basit	Unit Head - Risk Management	MBA	Over 9 Years
Mr. Mohammed Qasim	Senior Manager Risk Management	MBA	Over 16 Years

27 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other funds managed by the Fund manager
Mr. Shoaib Danish	Equity Fund Specialist	MBA, CFA	Faysal Islamic Dedicated Equity Fund, Faysal Islamic Stock Fund, Faysal Pension Fund, Faysal Islamic KPK Government Pension Fund, Faysal Asset Allocation Fund, Faysal Stock Fund.

28 MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Name of directors	Designation	Attended meeting held on						
		July 12, 2023	August 18, 2023	October 20, 2023	December 12, 2023	January 5, 2024	February 2, 2024	April 19, 2024
Mr. Yousaf Hussain	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Syed Majid Ali	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mian Salman Ali	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ali Waqar	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Samia Zuberi	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ehsen Zafar Puri*	Director	-	-	-	Yes	Yes	Yes	Yes
Mr. Nadir Rahman	Chief Executive Officer	Yes	Yes	Yes	Yes	Yes	Yes	Yes

* Mr. Ehsen Zafar Puri was apponted as a Director on the board with effect from October 20, 2023.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

24

29 GENERAL

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

30 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 22, 2024 by the Board of Directors of the Management Company.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer	**Chief Executive Officer**	**Director**

SUPPLEMENTARY NON FINANCIAL INFORMATION
DISCLOSURE REQUIREMENTS UNDER CLAUSE 6 - NOTES TO THE ACCOUNTS SUB CLAUSE (I)
AND CLAUSE 11 - PERFORMANCE TABLE OF THE 5TH SCHEDULE TO THE
NON BANKING FINANCE COMPANIES AND NOTIFIED ENTITIES REGULATIONS, 2008

	FIPF MONEY MARKET			FIPF EQUITY			FIPF DEBT SUB FUND		
	June 30, 2024 (Rupees)	June 30, 2023 (Rupees)	June 30, 2022 (Rupees)	June 30, 2024 (Rupees)	June 30, 2023 (Rupees)	June 30, 2022 (Rupees)	June 30, 2024 (Rupees)	June 30, 2023 (Rupees)	June 30, 2022 (Rupees)
(i) PERFORMANCE TABLE									
Net assets	255,250,731	97,334,347	37,520,000	57,871,383	29,542,545	30,140,000	71,664,060	48,381,454	35,420,000
Net assets value per unit	148.8850	121.8400	105.1200	173.4701	91.4800	96.4600	146.1985	121.0400	105.0000
Offer price per unit	153.9323	125.9749	-	179.3508	94.5765	0.0000	151.1547	125.1400	104.9418
Repurchase price per unit	148.8850	121.8443	-	173.4701	91.4754	0.0000	146.1985	121.0368	104.9418
Highest offer price per unit	153.9323	125.9749	104.8581	180.6797	102.4406	105.8774	172.332	125.1400	104.9418
Highest repurchase price per unit	148.8850	121.8443	104.8581	174.7554	102.4406	105.8774	178.1741	121.0368	104.9418
Lowest offer price per unit	-	-	-	-	0	0	-	0	0
Lowest repurchase price per unit	-	-	-	-	0	0	-	0	0
Total return:	22.13%	15.91%	6.75%	89.64%	15.91%	-3.65%	20.73%	15.27%	-3.65%
- capital growth	22.13%	15.91%	6.75%	89.64%	15.91%	-3.65%	20.73%	15.27%	-3.65%
- income distribution	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Average annual return: (Launch date: January 02, 2020)									
- one year	22.13%	15.91%	6.75%	89.64%	15.91%	-3.65%	20.73%	15.27%	-3.65%
- two years	19.02%	11.33%	6.75%	52.78%	6.13%	-3.65%	18.00%	5.81%	-3.65%
- three years	14.93%	11.33%	N/A	33.97%	6.13%	N/A	10.78%	5.81%	N/A
Four Years	14.93%			33.97%			10.78%		
Distribution per unit:									
- Interim distribution (% per unit) *									
- Final distribution (% per unit)									
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

The Fund's past performance is not necessarily indicative of future performance. Therefore, the unit prices and investment returns may go down, as well as up.

(ii) MEETINGS OF THE AUDIT COMMITTEE

Following is the analysis of the attendance in the meetings of the Audit Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On			
		17-Aug-23	19-Oct-23	01-Feb-24	18-Apr-24
Ms. Samia Zuberi	Chairperson	Yes	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes	Yes
Mr. Mian Salman Ali	Member	Yes	Yes	Yes	Yes

(iii) MEETINGS OF THE HUMAN REOUSRCE AND REMUNERATION COMMITTEE

Following is the analysis of the attendance in the meetings of the Human Resource and Remuneration Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On				
		08-Aug-23	17-Oct-23	08-Nov-23	01-Feb-24	06-May-24
Ms. Samia Zuberi	Chairperson	Yes	Yes	Yes	Yes	Yes
Mr. Yousaf Hussain	Member	Yes	Yes	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes	Yes	Yes
Mr. Ali Waqar	Member	Yes	Yes	Yes	Yes	Yes

(iv) MEETINGS OF THE BOARD RISK MANAGEMENT COMMITTEE

Following is the analysis of the attendance in the meetings of the Board Risk Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On		
		10-Aug-23	16-Oct-23	18-Apr-24
Mr. Mian Salman Ali	Chairman	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes
Mr. Ali Waqar	Member	Yes	Yes	Yes
Mr. Nadir Rahman	Member	Yes	Yes	Yes

(v) MEETINGS OF THE BOARD STRATEGY COMMITTEE

Following is the analysis of the attendance in the meetings of the Board Strategy Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On	
		09-Aug-23	16-Oct-23
Mr. Yousaf Hussain	Chairman	Yes	Yes
Syed Majid Ali	Member	Yes	Yes
Mr. Mian Salman Ali	Member	Yes	Yes
Mr. Nadir Rahman	Member	Yes	Yes
*Mr. Ehsan Zafar Puri	Member	N/A	N/A

*Mr. Ehsan Zafar Puri was appointed as director board strategy committee, effective from October 20, 2023.

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West wing, 7th Floor,Faysal House, ST-02,
Shahrah-e-Faisal,Karachi, Pakistan.

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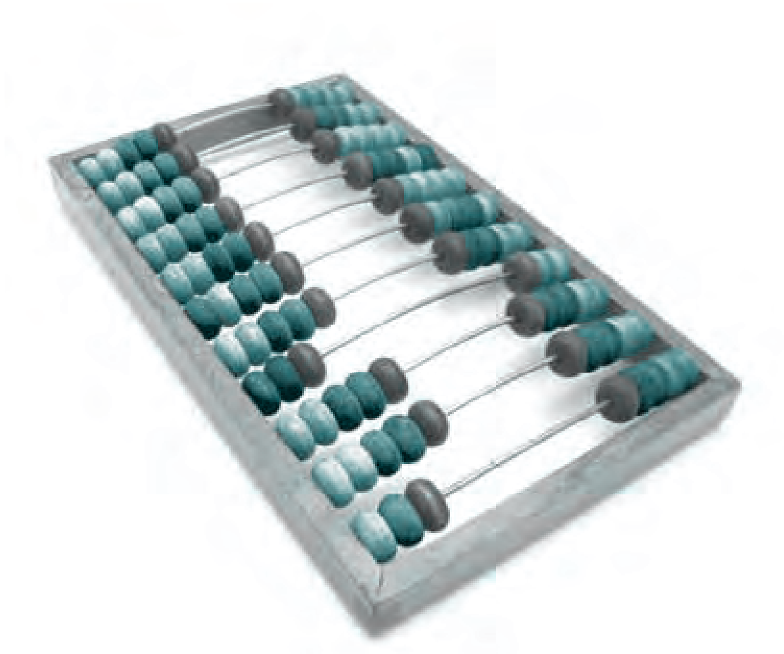
Faysal Islamic KPK Government Employees Pension Fund

Financial Statements

For The Year Ended June 30, 2024



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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
Mr. Ehsan Zafar Puri, Director

Chief Financial Officer & Company Secretary
Mr. Salman Muslim

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

Board Strategy Committee
Mr. Yousaf Hussain, Chairman
Syed Majid Ali, Member
Mr. Mian Salman Ali, Member
Mr. Ehsan Zafar Puri, 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

The objective of Faysal Islamic KPK Government Employees Pension Fund is to provide Employees with an individualized, funded (based on defined contribution) as well as flexible pension scheme which is managed by professional investment managers to assist them to plan and provide for their retirement. The design of the allocation scheme empowers the Employees to invest their pension savings as per their desired asset allocations.

FUND MANAGER'S REPORT

ECONOMIC REVIEW

In 3QFY24, Pakistan's GDP experienced an YoY growth of 2.09%, with a marginal QoQ increase of 0.12%. The Services sector remained flat at 0.83%, offsetting gains in the Industrial and Agriculture sectors, which saw advances of 3.84% and 3.94%, respectively. Albeit Large-Scale Manufacturing Index growth was trivial at 1.47%, improvements in the small-scale sector supported overall industrial growth. Looking ahead, the country's growth rate is likely to be lower than anticipated in the 1HFY25, before gaining momentum in the 2HFY25 due to projected interest rate cuts that could stimulate industrial growth.

Pakistan's external account continued to exhibit improvement, with the Current Account Deficit (CAD) clocking in at ~USD 665mn during FY24, down from ~USD 3.3bn in SPLY. This steep reduction is primarily due to a 12% YoY increase in exports, reaching ~USD 31bn, and an 11% YoY rise in remittances, totaling ~USD 30.2bn. On a QoQ basis, the CAD was ~USD 0.07bn, supported by increased exports and remittances. The trade deficit also improved, decreasing by roughly 11% to USD 22bn in FY24 from USD 24.8bn in the SPLY, attributed to rising exports and declining imports.

The PKR appreciated by ~2.62% since Jun-23, closing 4QFY24 at PKR 278.34 against the USD. Foreign exchange reserves rose by about 10% QoQ to USD 14 bn, driven by strong inflows and roll-overs, including support from the IMF, GCC countries, and FDIs predominantly from China. The FX Reserves improved significantly from USD 9.1bn at the end of June 2023, enhancing the imports cover to above 1.5 months.

The average inflation clocked in at ~24% in FY24, down from ~29.4% in FY23. However, Core inflation rose to about 18.9% in FY24 from 17.8% in the SPLY. However, on QoQ basis, it dropped from 18.1% in 3QFY24 to 14.6% in 4QFY24. Despite higher fuel, power, and food inflation, the appreciation of the PKR and lower international commodity prices helped moderate inflation.

The Federal Board of Revenue (FBR) collected ~PKR 9,285bn in taxes during FY24, surpassing the target of PKR 9,252bn, and marking a 29% YoY increase from PKR 7,167bn in the SPLY. This growth was mainly on account of increased direct taxes and Petroleum Development Levy (PDL), while tax collection on imports remained subdued due to import compression.

Looking forward, the economic outlook for the upcoming quarters is optimistic, bolstered by the IMF program and anticipated rate cuts (a cumulative 250 bps in the last two Monetary Policy Committee meetings). The potential economic rebound FY25, a downward trend in inflation, and PKR stability are key factors supporting this outlook.

MONEY MARKET REVIEW

For the majority of FY24, the SBP kept the policy rate steady at 22%. However, following a decline in CPI readings, the SBP revised down the policy rate by 150 basis points to 20.5%. During the year, SBP held 26 T-Bill and 10 PIB auctions raising a total of ~PKR 21.3tn through T-Bills and ~PKR 4.5tn through the PIB auctions. During the year, the yields depicted volatility, inching upwards and peaking in Sept'24, before gradually declining thereon. In the first T-bill auction of FY24, the State Bank of Pakistan raised ~PKR 597bn, with weighted average yields realized in the 3M / 6M / 12M tenors clocking in at ~22.75% / 22.96% / 22.99%, respectively. However, in the last auction of FY24 held in June'24, SBP held, the weighted average yields realized in the 3M / 6M / 12M fell to ~20.01% / 19.94% / 18.49%, respectively. The decline in yields since Sept'23 followed expectations of interest rate cuts, which materialized in June'24. A similar trend was witnessed during FY24 in the Islamic Money Market / Sukuk yields.

Fund Information	
Fund Type	Open Ended
Category	Shariah Compliant Voluntary Pension Scheme
Risk Profile	Low to High (As per Allocation Scheme)
Launch Date	December 20, 2023
Custodian/Trustee	CDC
Auditor	A.F. Ferguson & Co.
Management Fee Debt	Upto 1.5% of Average Annual N.A. (Actual Rate of Management Fee Charged is 0.75%)
Management Fee Money market	Upto 1.5% of Average Annual N.A. (Actual Rate of Management Fee Charged is 0.75%)
Management Fee Index Equity	Upto 1.75% of Average Annual N.A. (Actual Rate of Management Fee Charged is 1.75%)
Management Fee Equity	Upto 1.5% of Average Annual N.A. (Actual Rate of Management Fee Charged is 0.75%)
Selling and Marketing Expense	0.00%
Front/Back end Load	FEL up to 3% of NAV & BEL 0%
Min Subscription	Initial = Rs. 1,000/- Subsequent = Rs. 500/-
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	Mon - Thu 9:00 am - 3:30 pm, Fri 9:00 am - 4:30 pm
AMC Rating	AM2++ (VIS) December 29, 2023
NAV per Unit (PKR) Debt Sub fund	110.31
Net Assets (mn) Debt Sub fund	0.55
NAV per Unit (PKR) Equity Sub fund	110.01
Net Assets (mn) Equity Sub fund	0.55
NAV per Unit (PKR) Money market Sub fund	110
Net Assets (mn) Money market Sub fund	33.32
NAV per Unit (PKR) Index equity Sub fund	110.49
Net Assets (mn) Index equity Sub fund	0.55
Total Expense Ratio Debt sub fund (Annualized)	0.58%
Total Expense Ratio Debt sub fund (Monthly)	1.10%
Total Expense Ratio Equity sub fund (Annualized)	1.18%
Total Expense Ratio Equity sub fund (Monthly)	2.23%
Total Expense Ratio Money Market sub fund (Annualized)	0.57%
Total Expense Ratio Money Market sub fund (Monthly)	0.44%
Total Expense Ratio Index Equity sub fund (Annualized)	0.73%
Total Expense Ratio Index Equity sub fund (Monthly)	1.38%

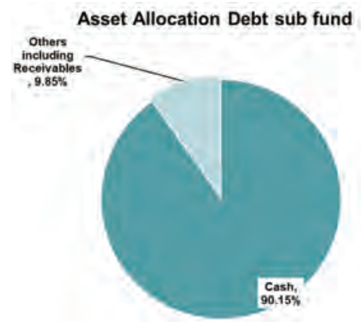
* weighted average of 6M KIBOR & percentage invested in equities

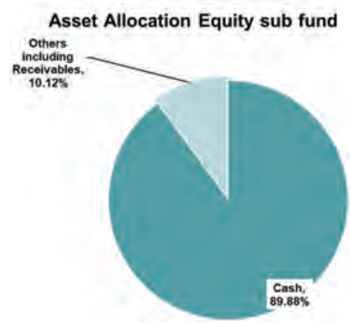
Fund Returns (% p.a) Debt sub fund		
	FY24	
FY24 to Date	19.50%	
Month on Month	18.51%	
1 Year Trailing	N/A	
Since Inception	19.50%	

Fund Returns (% p.a) Equity sub fund		
	FY24	
FY24 to Date	10.01%	
Month on Month	1.51%	
1 year Trailing	N/A	
Since Inception	10.01%	

Fund Returns (% p.a) Money market sub fund		
	FY24	
FY24 to Date	18.92%	
Month on Month	20.28%	
1 year Trailing	N/A	
Since Inception	18.92%	

Fund Returns (% p.a) Index Equity sub fund		
	FY24	
FY24 to Date	10.38%	
Month on Month	1.48%	
1 year Trailing	N/A	
Since Inception	10.38%	


Asset Allocation Debt sub fund
Others including Receivables , 9.85%
Cash, 90.15%


Asset Allocation Equity sub fund
Others including Receivables, 10.12%
Cash, 89.88%

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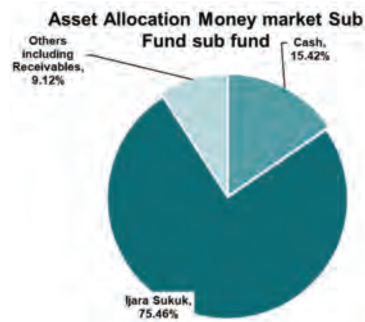
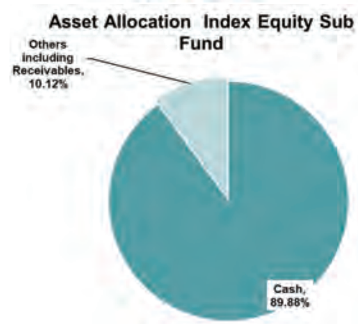

Asset Allocation Money market Sub Fund sub fund
Others including Receivables, 9.12%
Cash, 15.42%
Ijara Sukuk, 75.46%


Asset Allocation Index Equity Sub Fund
Others including Receivables, 10.12%
Cash, 89.88%

FUND PERFORMANCE

In FY24, Faysal Islamic KPK Government Pension Debt Sub Fund posted an annualized return of 19.50%. Faysal Islamic KPK Government Debt Sub Fund allocations stood in Cash (90.15%) and Other Receivables (9.85%). Faysal Islamic KPK Government Pension Money Market Sub Fund posted an annualized return of 18.92%. Faysal Islamic KPK Government Pension Money Market Sub Fund allocations stood in Ijara Sukuk (75.46), Cash (15.42%) and Other Receivables (9.12%). Faysal Islamic KPK Government Pension Equity Sub Fund posted an absolute return of 10.01%, with allocations in Cash (89.88%) and Other Receivables (10.12%). Faysal Islamic KPK Government Pension Index Equity Sub Fund posted an absolute return of 10.38%, with allocations in Cash (89.88%) and Other Receivables (10.12%).

بسم الله الرحمن الرحیم
الحمد لله رب العالمین,والصلاة والسلام علی خاتم النبیّین وسید المرسلین,
وعلی آله واصحابه أجمعین.أمّا بعد

Annual Report
of
Faysal Islamic KPK Government Employees Pension Fund

August 22, 2024

By the blessing of ALLAH, the year ended 30 June, 2024 under analysis of **Faysal Islamic KPK Government Employees Pension Fund (FIKPKGEPF).** I, as the Shariah Advisor of the fund am issuing the report in accordance with the trust deed of the fund. The scope of the report is to express an opinion on the Shariah Compliance of the fund's activities.

In the capability of Shariah Advisor, I have set out criteria and guideline to be followed in ensuring Shariah Compliance in the each and every transaction.
It is the responsibility of the management of the fund to establish and maintain a system of internal control to ensure Shariah Compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the management company' personal and review of various documents prepared by the management company to comply with the prescribed criteria.

In the light of above, I hereby certify that:

- I have reviewed and approved the modes of investment of **FIKPKGEPF** in light of the Shariah guidelines.
- All the provisions of the scheme and investment made on account of **FIKPKGEPF** by **FAML** Fund Managers are Shariah Compliant and in accordance with the criteria established.

On the basis of information provided by the management, all operations of **Faysal Islamic KPK Government Employees Pension Fund (FIKPKGEPF).** for year ended 30 June 2024 have been in compliance with the Shariah Principles.

May Allah make us successful and accept efforts of the management company for developing of Islamic Finance System.

وصلی الله علی حبیبه محمد صلی الله علیه وسلم

Farooqi

Abdul Zahid Farooqi
Shariah Advisor
Faysal Asset Management Limited

Mufti Abdul Zahid Farooqi
Shariah Advisor
Faysal Asset Management Ltd

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED
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TRUSTEE REPORT TO THE PARTICIPANTS

FAYSAL ISLAMIC KPK GOVERNMENT EMPLOYEES PENSION FUND

Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Faysal Islamic KPK Government Employees Pension Fund (the Fund) are of the opinion that Faysal Asset Management Limited being the Pension Fund Manager has in all material respects managed the Fund during the period from December 20, 2023 to June 30, 2024 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, the management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 24, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Participants of Faysal Islamic KPK Government Employees Pension Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Faysal Islamic KPK Government Employees Pension Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in participants' sub funds and cash flow statement for the from December 20, 2023 to June 30, 2024, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the period from December 20, 2023 to June 30, 2024 in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Net Asset Value** (Refer notes 4 and 5 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks of the Fund as at June 30, 2024 amounted to Rs. 6.67 million and investments aggregated to Rs. 25.16 million. The existence of balances with banks and existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: • Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; • Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and • Obtained bank reconciliation statements and tested reconciling items on a sample basis.

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KARACHI LAHORE ISLAMABAD

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Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Pension Fund Manager for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Pension Fund Manager is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the Pension Fund Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the Pension Fund Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the Pension Fund Manager, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Shahbaz Akbar**.

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A. F. Ferguson & Co.
Chartered Accountants
Dated: September 27, 2024
Karachi
UDIN: AR202410068Hif0WhmrN

STATEMENT OF ASSETS AND LIABILITIES

As at June 30, 2024

	Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Index Sub-Fund	Total
		June 30, 2024				
		Rupees				
Assets						
Balances with banks	4	500,000	517,473	5,155,634	500,000	6,673,107
Investments	5	-	-	25,165,000	-	25,165,000
Profit and other receivables	6	56,267	37,136	3,041,008	56,295	3,190,706
Total assets		556,267	554,609	33,361,642	556,295	35,028,813
Liabilities						
Payable to Faysal Asset Management Limited - Pension Fund Manager	7	5,506	2,356	18,358	3,141	29,361
Payable to Central Depository Company of Pakistan Limited - Trustee	8	-	-	4,590	-	4,590
Payable to the Securities and Exchange Commission of Pakistan	9	-	-	6,666	-	6,666
Accrued expenses and other liabilities	10	696	695	15,155	701	17,247
Total liabilities		6,202	3,051	44,769	3,842	57,864
Net assets		550,065	551,558	33,316,873	552,453	34,970,949
Participants' sub-funds (as per statement attached)		550,065	551,558	33,316,873	552,453	34,970,949
Contingencies and commitments	11					
		Number of units				
Number of units in issue	14	5,000	5,000	302,870	5,000	
		Rupees				
Net asset value per unit		110.0130	110.3115	110.0040	110.4907	

The annexed notes from 1 to 25 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer	**Chief Executive Officer**	**Director**

INCOME STATEMENT

For The Year Ended June 30, 2024

	Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Index Sub-Fund	Total
		For the period from December 20, 2023 to June 30, 2024				
		Rupees				
Income						
Profit on balances with banks		56,267	54,609	799,983	56,295	967,154
Profit on GoP ijarah sukuk certificates		-	-	2,634,103	-	2,634,103
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	5.2	-	-	(235,000)	-	(235,000)
Total income		56,267	54,609	3,199,086	56,295	3,366,257
Expenses						
Remuneration of Faysal Asset Management Limited - Pension Fund Manager	7.1	4,873	2,085	109,685	2,780	119,423
Sindh Sales Tax on remuneration of the Pension Fund Manager	7.2	633	271	14,259	361	15,524
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	-	-	25,001	-	25,001
Sindh Sales Tax on remuneration of the Trustee	8.2	-	-	3,250	-	3,250
Annual fee to the Securities and Exchange Commission of Pakistan	9.1	-	-	6,666	-	6,666
Transaction charges		-	-	1,130	-	1,130
Bank charges		-	-	600	-	600
Printing charges		-	-	12,561	-	12,561
Other expenses		696	695	7,070	701	9,162
Total expenses		6,202	3,051	180,222	3,842	193,317
Net income for the period before taxation		50,065	51,558	3,018,864	52,453	3,172,940
Taxation	12	-	-	-	-	-
Net income for the period after taxation		50,065	51,558	3,018,864	52,453	3,172,940
Earnings per unit	3.11					

The annexed notes from 1 to 25 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer	**Chief Executive Officer**	**Director**

STATEMENT OF COMPREHENSIVE INCOME

For The Year Ended June 30, 2024

	For the period from December 20, 2023 to June 30, 2024				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Index Sub-Fund	Total
	Rupees				
Net income for the period after taxation	50,065	51,558	3,018,864	52,453	3,172,940
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	50,065	51,558	3,018,864	52,453	3,172,940

The annexed notes from 1 to 25 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer	**Chief Executive Officer**	**Director**

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS
For The Year Ended June 30, 2024

	For the period from December 20, 2023 to June 30, 2024				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Index Sub-Fund	Total
	Rupees				
Net assets at the beginning of the period	-	-	-	-	-
Amount received on issuance of units	500,000	500,000	30,298,009	500,000	31,798,009
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	-	-	(235,000)	-	(235,000)
Other income - net	50,065	51,558	3,253,864	52,453	3,407,940
	50,065	51,558	3,018,864	52,453	3,172,940
Net assets at the end of the period	550,065	551,558	33,316,873	552,453	34,970,949

The annexed notes from 1 to 25 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer	**Chief Executive Officer**	**Director**

CASH FLOW STATEMENT

For The Year Ended June 30, 2024

	Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Index Sub-Fund	Total
		For the period from December 20, 2023 to June 30, 2024				
		---------- Rupees ----------				
CASH FLOWS FROM OPERATING ACTIVITIES						
Net income for the period before taxation		50,065	51,558	3,018,864	52,453	3,172,940
Adjustments for:						
Unrealised diminution on re-measurement of investments classified as financial assets at fair value through profit or loss' - net	5.2	-	-	(235,000)	-	(235,000)
		50,065	51,558	2,783,864	52,453	2,937,940
Increase in assets						
Profit and other receivables		(56,267)	(37,136)	(3,041,008)	(56,295)	(3,190,706)
Investments		-	-	(24,930,000)	-	(24,930,000)
		(56,267)	(37,136)	(27,971,008)	(56,295)	(28,120,706)
Increase in liabilities						
Payable to Faysal Asset Management Company Limited - Pension Fund Manager		5,506	2,356	18,358	3,141	29,361
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	4,590	-	4,590
Payable to the Securities and Exchange Commission of Pakistan		-	-	6,666	-	6,666
Accrued expenses and other liabilities		696	695	15,155	701	17,247
		6,202	3,051	44,769	3,842	57,864
Net cash generated from / (used in) operating activities		-	17,473	(25,142,375)	-	(25,124,902)
CASH FLOWS FROM FINANCING ACTIVITIES						
Net receipts from issuance of units		500,000	500,000	30,298,009	500,000	31,798,009
Net cash generated from financing activities		500,000	500,000	30,298,009	500,000	31,798,009
Net increase in cash and cash equivalents		500,000	517,473	5,155,634	500,000	6,673,107
Cash and cash equivalents at the beginning of the period		-	-	-	-	-
Cash and cash equivalents at the end of the period	4	500,000	517,473	5,155,634	500,000	6,673,107

The annexed notes from 1 to 25 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer	Chief Executive Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Faysal Islamic KPK Government Employees Pension Fund (the Fund) has been established as a trust under the Sindh Trust Act, 2020 constituted under a Trust Deed entered into on October 25, 2023 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 dated November 15, 2023 under the Voluntary Pension System Rules, 2005 (the VPS Rules). The Offering Document was approved by the SECP through its letter No. SCD/AMCW/FIKPKGEPF/2023/331 dated December 6, 2023.

The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the VPS Rules through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at 7th Floor, Faysal House, ST-02, Main Shahrah-e-Faisal, Karachi.

1.2 All Employees of KPK Government appointed / recruited under the Khyber Pakhtunkhwa Civil Servants (Amendment) Act, 2022 or an employee of the KPK Government, regularized as civil servant through any legal instrument, issued after coming into force of the Khyber Pakhtunkhwa Civil Servants (Amendment) Act, 2022 irrespective of the effective date of regularization shall be eligible to contribute to the Pension Fund.

1.3 The objective of the Fund is to provide employees with an individualised, 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 29, 2023. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

1.6 These are the first financial statements of the Fund for the period from December 20, 2023 to June 30, 2024.Therefore, no comparative figures have been included.

1.7 The Fund consists of four sub-funds namely, Faysal Islamic KPK Government Employees Pension Fund - Equity Sub-Fund (Equity Sub-Fund), Faysal Islamic KPK Government Employees Pension Fund - Debt Sub-Fund (Debt Sub-Fund), Faysal Islamic KPK Government Employees Pension Fund - Equity Index Sub-Fund (Equity Index Sub-Fund) and Faysal Islamic KPK Government Employees 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:

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. 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 (90) days calculated on daily basis. The Pension Fund Manager may make investment maximum up to five percent (5%) of net assets of the 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 the 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 fifteen percent (15%) of net assets of the Equity Sub-Fund or paid-up capital of that single company, whichever is lower. The Pension Fund Manager may invest up to thirty-five percent (35%) of net assets of Equity Sub-Fund or the index weight, whichever is higher, subject to maximum of forty percent (40%) of net assets of the 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 Islamic banks or Islamic windows of 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 ten percent (10%) of the net assets of the Equity Sub-Fund on monthly average basis. However, in line with the permission granted by the Commission, the Pension Fund Manager shall place the seed capital amount of equity sub fund in a separate bank account instead of compliance with the above requirements for first three years from the date of launch of the Pension Fund.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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Debt Sub-Fund

The Debt Sub-Fund shall consist of Shariah compliant government securities, placement in the Islamic banks or Islamic windows of commercial banks, money market placements, deposits, certificates of deposit, certificates of musharakah, term deposit receipts, Islamic commercial papers, sukuk certificates or any other Islamic mode of placement, 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 Shariah compliant government securities not exceeding ninety (90) days' maturity or deposit with scheduled placement in the Islamic banks or Islamic windows of commercial banks (excluding term deposit receipts) having not less than "A+" rating. Exposure to any single entity, excluding securities issued by the Federal Government, shall not exceed fifteen percent (15%) 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 fifteen percent (15%) 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 musharakah, certificates of investment, money market placements and other clean placements of funds of more than twenty five percent (25%) of net assets of the 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. The Investment limits of the Debt Sub-Fund are determined by the Commission. However, in line with the permission granted by the Commission, the Pension Fund Manager shall place the seed capital amount of debt sub- fund in a separate bank account instead of compliance with the above requirements for first three years from the date of launch of the 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 musharakah, or any other Islamic mode of placement, term deposit receipts, commercial papers and 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 Islamic banks or Islamic windows of commercial banks having not less than "AA" rating. Exposure to any single entity, excluding securities issued by the Federal Government, shall not exceed fifteen percent (15%) 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 fifteen percent (15%) of net assets of the Money Market Sub-Fund or ten percent (10%) of size of the issue of that security. 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 musharakah, certificates of investment, money market placements and other clean placements of funds of more than twenty five percent (25%) of net assets of the 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 one year. Time to maturity of any asset in the portfolio of the Money Market Sub-Fund shall not exceed six months, except Shariah compliant government securities (such as GoP Ijarah sukuks), where time to maturity may be up to five years.

Equity Index Sub-Fund

The Equity Index Sub-Fund shall provide investors an opportunity to track closely the performance of the KMI 30 Index by investing in companies of the Index in proportion to their weightages. The Index Sub-fund shall strive to remain fully invested in accordance with the stated index, however, under no circumstances shall it be invested less than 85% of its net assets in securities covered in the index or its subset during the year based on monthly average investment calculated on a daily basis. The un-invested amount shall be kept in cash and / or near cash instruments where near cash instruments include Shariah Compliant cash in bank accounts (excluding Shariah Compliant TDRs), and Shariah Compliant Government securities not exceeding 90 days maturity of Performance Benchmark of Index Sub - Fund shall be return of KMI 30 Index. Index Sub-fund may select an index (or a subset thereof) established by a recognized independent third party. Exposure to securities issued by entities of a single sector shall not exceed weight of sector in the index or its subset and Exposure to any security shall not exceed weight of security in the index or its subset. However, in line with the permission granted by the Commission, the Pension Fund Manager shall place the seed capital amount of equity index sub fund in a separate bank account instead of compliance with the above requirements for first three years from the date of launch of the Pension Fund.

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1.8 The Fund offers four (4) types of allocation schemes, as prescribed by the SECP under the 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.

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 as applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Accounting Standards) issued by the International Accounting 'Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Voluntary Pension System Rules, 2005 (the VPS Rules) and the requirements of the Trust Deed.

Where the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the VPS Rules and the requirements of the Trust Deed differ from the IFRS Accounting Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the VPS Rules and 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 period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2023. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and have, therefore, not been disclosed in these financial statements except that during the period certain amendments to IAS 1 'Presentation of Financial Statements' have become applicable to the Fund which require entities to disclose their material accounting policy information rather than their significant accounting policies. These amendments to IAS 1 have been introduced to help entities improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. These amendments have been incorporated in these financial statements with the primary impact that the material accounting policy information has been disclosed rather than the significant accounting policies.

2.3 Standards not yet effective:

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements.
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial

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 Company'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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

The estimates and judgments that have a significant effect on the 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 these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below.

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 and subsequent measurement

3.2.2.1 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost;
- at fair value through other comprehensive income "(FVOCI)"; or
- at fair value through profit or loss "(FVPL)"

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVPL. The Debt Sub-Fund and the Money Market Sub-Fund primarily invest in debt securities and their performance is measured on a fair value basis. Hence, the management has classified the debt securities invested through the Debt Sub-Fund and the Money Market Sub-Fund as FVPL.

3.2.2.2 Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the "Statement of Assets and Liabilities" at fair value, with gains and losses recognised in the "Income Statement", except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI. The management considers its investment in equity securities being managed as a group of assets and hence has classified them as FVPL. Accordingly, the irrevocable option has not been considered.

The dividend income for equity securities classified under FVPL is recognised in the Income Statement.

Since all investments in equity instruments have been designated as FVPL, the subsequent movement in the fair value of equity securities is routed through the "Income Statement".

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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3.2.3 Impairment (other than debt securities)

The fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost. 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.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

3.2.4 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Pension Fund Manager in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

As allowed by the SECP, the Pension Fund Manager may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Pension Fund Manager. The provisioning policy approved by the Board of Directors has been placed on the Pension Fund Manager's website as required under the SECP's circular.

3.2.5 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.

3.2.6 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 risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

3.3 Financial liabilities

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.

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 Revenue recognition

- Unrealised gains / (losses) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are recorded in the period in which these arise.

- Income on GoP Ijarah sukuk certificates is recognised on a time proportionate basis using the effective yield method, except for the securities which are classified as non-performing asset under Circular No. 33 of 2012 issued by the SECP for which the profits are recorded on cash basis.

- Profit on bank balances is recognised on an accrual basis.

3.7 Expenses

All expenses chargeable to the Fund including remuneration of the Pension Fund Manager, the Trustee and annual fee of the SECP are recognised in the Income Statement on an accrual basis.

3.8 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

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 of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

3.9 Issue, allocation, reallocation and redemption of units

The prescribed application form, completed in all respects including payment (on realised basis), received by the Pension Fund Manager or distributor at its / their authorised branches during business hours on any dealing day from any participant shall be immediately credited to the individual pension account of the participant after deducting the front-end fee (sale charges) or takaful contributions, if any. Such amount in the individual pension account shall be used to purchase the units of Sub-Funds of the Fund as per the allocation scheme selected by the participant, at the net asset value notified by the Pension Fund Manager at the close of that dealing day for each Sub-Fund. Any form received after business hours will be transferred to the next dealing day. The front-end fee is payable to the distributors and the Pension Fund Manager.

The Pension Fund Manager shall make reallocation of the units between the Sub-Funds as per the VPS Rules and the Offering Document to ensure that the allocation of units of all the participants are according to the allocation schemes

At the date of retirement of the participant, all the units of the Sub-Funds of participant account shall be redeemed at the net asset value notified at close of the day of retirement and the amount due shall be credited to participant individual pension account in the lower volatility scheme where no option is selected by the participant offered by the Pension Fund Manager.

A participant can transfer his individual pension account with the Pension Fund Manager to another Pension Fund Manger or from one pension fund to another pension fund. Units shall be encashed at the net asset value of each Sub-Fund notified on the working day prior to the date of transfer.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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3.10 Net asset value per unit

The net asset value (NAV) per unit for each Sub-Fund, as disclosed in the 'Statement of Assets and Liabilities' is calculated by dividing the net assets of the Sub-Fund by the number of units in issue of the respective Sub-Fund at the period end.

3.11 Earnings / (loss) per unit

Earnings / (loss) per unit is calculated by dividing the net profit / loss of the period after taxation of the Fund by the weighted average number of units outstanding during the period.

Earnings / (loss) per unit 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.

3.12 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 period end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

	Note	June 30, 2024				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Index Sub-Fund	Total
4 BALANCES WITH BANKS		Rupees				
Savings accounts	4.1	500,000	517,473	5,155,634	500,000	6,673,107

4.1 Deposits in savings accounts include Rs. 0.5 million, Rs. 0.5 million, Rs. 4.9 million and Rs 0.5 million in Equity Sub-Fund, Debt Sub-Fund, Money Market Sub-Fund and Equity Index Sub-Fund respectively with Faysal Bank Limited (a related party), that carries profit at the rate of 20.00% per annum. Other savings accounts of the Fund carries profit at the rate of 9.80% per annum.

	Note	June 30, 2024				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Index Sub-Fund	Total
5 INVESTMENTS		Rupees				
Investments - 'at fair value through profit or loss'						
GoP Ijarah sukuk certificates	5.1	-	-	25,165,000	-	25,165,000

Money Market Sub-Fund

5.1 GoP Ijarah sukuk certificates

Name of the security	Profit payments / principal redemptions	Issue date	Maturity date	Profit rate	As at July 1, 2023	Purchased during the year	Sold during the year	As at June 30, 2023	Carrying value as at June 30,2024	Market value as at June 30, 2024	Unrealised diminution as at June 30, 2024	Market value as a percentage of net assets	Market value as a percentage of total investments
					Number of certificates				Rupees			%	
GoP Ijarah sukuk certificates - XXXII - FRR (5.1.1)	Semi-annually / At maturity	October 9, 2023	October 9, 2024	22.49%	-	25,000,000	-	25,000,000	25,400,000	25,165,000	(235,000)	75.53%	100.00%
Balance as at June 30, 2024					**-**	**25,000,000**	**-**	**25,000,000**	**25,400,000**	**25,165,000**	**(235,000)**	**75.53%**	**100.00%**

5.1.1 The nominal value of these sukuk certificates is Rs 100,000 each.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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5.2 Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net

	Note	June 30, 2024				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Index Sub-Fund	Total
		Rupees				
Market value of investments	5.1	-	-	25,165,000	-	25,165,000
Less: carrying value of investments	5.1	-	-	25,400,000	-	25,400,000
		-	-	(235,000)	-	(235,000)

6 PROFIT AND OTHER RECEIVABLES

	Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Index Sub-Fund	Total
Profit receivable on GoP Ijarah sukuk certificates		-	-	1,989,056	-	1,989,056
Profit receivable on balances with banks	6.1	56,267	37,136	841,859	56,295	991,557
Advance tax	6.2	-	-	210,093	-	210,093
		56,267	37,136	3,041,008	56,295	3,190,706

6.1 These include profit receivable amounting to Rs. 0.039 million, Rs. 0.037 million, Rs. 0.401 million and Rs. 0.039 million for the Equity Sub-Fund, the Debt Sub-Fund, the Money Market Sub-Fund and the Equity Index Sub-Fund respectively on bank balances 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 150 and 151. However, withholding tax on profits on bank balances paid to of the Fund was deducted by withholding agent based on the interpretation issued by 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 withholdee. This represents tax withheld on profits on bank balances amounting to Rs. 0.210 million in aggregate.

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 profit on debt, has been shown as other receivable as at June 30, 2024 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

7 PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - PENSION FUND MANAGER

	Note	June 30, 2024				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Index Sub-Fund	Total
		Rupees				
Remuneration payable to the Pension Fund Manager	7.1	4,873	2,085	16,246	2,780	25,984
Sindh Sales Tax payable on remuneration of the Pension Fund Manager	7.2	633	271	2,112	361	3,377
		5,506	2,356	18,358	3,141	29,361

7.1 During the period, the Pension Fund Manager has charged its remuneration at the rate of 1.75% of daily net assets of the Equity Sub-Fund, 0.75% of daily net assets of the Debt Sub-Fund, ranging from 0.60% to 0.75% of daily net assets of the Money Market Sub-Fund and 1% of daily net assets of the Equity Index Sub-Fund.

7.2 During the period, an aggregate amount of Rs. 0.016 million was charged on account of sales tax on the management fee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 13%.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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	Note	June 30, 2024				
8 PAYABLE TO CENTRAL DEPOSITORY COMPANY DEPOSITORY COMPANY - TRUSTEE		**Equity Sub-Fund**	**Debt Sub-Fund**	**Money Market Sub-Fund**	**Equity Index Sub-Fund**	**Total**
		Rupees				
Remuneration payable	8.1	-	-	4,062	-	4,062
Sindh Sales Tax payable on remuneration of the Trustee	8.2	-	-	528	-	528
		-	-	4,590	-	4,590

8.1 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

8.2 During the period, an aggregate amount of Rs. 0.003 million was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 at the rate of 13%.

	June 30, 2024				
9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	**Equity Sub-Fund**	**Debt Sub-Fund**	**Money Market Sub-Fund**	**Equity Index Sub-Fund**	**Total**
	Rupees				
Annual fee payable	-	-	6,666	-	6,666

9.1 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.

	June 30, 2024				
10 ACCRUED EXPENSES AND OTHER LIABILITIES	**Equity Sub-Fund**	**Debt Sub-Fund**	**Money Market Sub-Fund**	**Equity Index Sub-Fund**	**Total**
	Rupees				
Printing charges payable	-	-	8,082	-	8,082
Other payables	696	695	7,073	701	9,165
	696	695	15,155	701	17,247

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024.

12 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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13 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Equity Sub-Fund as at June 30, 2024 is 1.18% which includes 0.12% representing government levies on the Fund such as sales taxes, annual fee to the SECP. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Equity Scheme'.

The Total Expense Ratio (TER) of the Debt Sub-Fund as at June 30, 2024 is 0.58% which includes 0.05% representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 1% prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Income Scheme'.

The Total Expense Ratio (TER) of the Money Market Sub-Fund as at June 30, 2024 is 0.57% which includes 0.08% representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 1% prescribed under the NBFC Regulations for a collective investment scheme categorised as a 'Money Market Scheme'.

The Total Expense Ratio (TER) of the Equity Index Sub-Fund as at June 30, 2024 is 0.73%% which includes 0.07% representing government levies on the Fund such as sales taxes, annual fee to the SECP. This ratio is within the maximum limit of 1.25% prescribed under the NBFC Regulations for a collective investment scheme categorised as an 'Equity Scheme'.

14 NUMBER OF UNITS IN ISSUE

	June 30, 2024				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Index Sub-Fund	Total
	Rupees				
Total units in issue at the beginning of the period	-	-	-	-	-
Add: issuance of units during the period	5,000	5,000	302,870	5,000	317,870
Total units in issue at the end of the period	5,000	5,000	302,870	5,000	317,870

15 CONTRIBUTION TABLE

	June 30, 2024							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Equity Index Sub-Fund	
	Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
Associated Companies	5,000	550,065	5,000	551,558	300,000	33,001,162	5,000	552,453
Individuals	-	-	-	-	2,870	315,711	-	-
	5,000	550,065	5,000	551,558	302,870	33,316,873	5,000	552,453

16 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

16.1 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.

16.2 Transactions with connected persons / related parties 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 / related parties. The transactions with connected persons / related parties are in the normal course of business, at contracted rates.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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16.3 Remuneration to the Pension Fund Manager of the Fund is determined in accordance with the provisions of the VPS Rules.

16.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the VPS Rules and the Trust Deed.

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

Transactions during the period	For the period from December 20, 2023 to June 30, 2024				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Index Sub-Fund	Total
	Rupees				
Faysal Asset Management Company Limited - Pension Fund Manager					
Remuneration of the Pension Fund Manager	4,873	2,085	109,685	2,780	119,423
Sindh Sales Tax on remuneration of the Pension Fund Manager	633	271	14,259	361	15,524
Units issued : 5,000 units - Equity Sub-Fund	500,000	-	-	-	500,000
Units issued : 5,000 units - Debt Sub-Fund	-	500,000	-	-	500,000
Units issued : 302,870 units - Money Market Sub-Fund	-	-	30,298,009	-	30,298,009
Units issued : 5,000 units - Equity Index Sub-Fund	-	-	-	500,000	500,000
Central Depository Company of Pakistan Limited - Trustee					
Remuneration of the Trustee	-	-	25,001	-	25,001
Sindh Sales Tax on remuneration of the Trustee	-	-	3,250	-	3,250
Faysal Bank Limited					
Profit on savings account	56,267	54,609	799,983	56,295	967,154

Balances outstanding as at period end	As at June 30, 2024				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Index Sub-Fund	Total
	Rupees				
Faysal Asset Management Company Limited - Pension Fund Manager					
Remuneration payable to the Pension Fund Manager	4,873	2,085	16,246	2,780	25,984
Sindh Sales Tax payable on remuneration of the Pension Fund Manager	633	271	2,112	361	3,377
Outstanding 5,000 units - Equity Sub-Fund	550,065	-	-	-	550,065
Outstanding 5,000 units - Debt Sub-Fund	-	551,558	-	-	551,558
Outstanding 302,870 units - Money Market Sub-Fund	-	-	33,316,873	-	33,316,873
Outstanding 5,000 units - Equity Index Sub-Fund	-	-	-	552,453	552,453
Central Depository Company of Pakistan Limited - Trustee					
Trustee remuneration payable	-	-	4,062	-	4,062
Sindh Sales Tax payable on remuneration of the Trustee	-	-	528	-	528
Faysal Bank Limited					
Balance with bank	500,000	500,000	4,899,500	500,000	6,399,500
Profit receivable on savings account	38,695	37,136	400,545	39,016	515,392

16.6 Other balances due to / from related parties / connected persons are included in the respective notes to the financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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17 FINANCIAL INSTRUMENTS BY CATEGORY

	2024												
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Equity Index Sub-Fund			Total
	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	
	Rupees												
Financial assets													
Balances with banks	500,000	-	500,000	517,473	-	517,473	5,155,634	-	5,155,634	500,000	-	500,000	6,673,107
Investments	-	-	-	-	-	-	-	25,165,000	25,165,000	-	-	-	25,165,000
Profit and other receivables	56,267	-	56,267	37,136	-	37,136	2,830,915	-	2,830,915	56,295	-	56,295	149,698
	556,267	-	556,267	554,609	-	554,609	7,986,549	25,165,000	33,151,549	556,295	-	556,295	31,987,805
Financial liabilities													
Payable to Faysal Asset Management Limited - Pension Fund Manager	5,506	-	5,506	2,356	-	2,356	18,358	-	18,358	3,141	-	3,141	29,361
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-	-	4,590	-	4,590	-	-	-	-
Accrued expenses and other liabilities	696	-	696	695	-	695	15,155	-	15,155	701	-	701	29,361
	6,202	-	6,202	3,051	-	3,051	38,103	-	38,103	3,842	-	3,842	58,722

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Pension Fund Manager, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Pension Fund Manager supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

18.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Pension Fund Manager manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risk: currency risk, interest rate risk and price risk.

(i) Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2024, the Fund is exposed to such risk on balances with banks and investments in sukuk certificates. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks and GoP Ijarah sukuk certificates which expose the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Equity Sub-Fund, the Debt Sub-Fund, the Money Market Sub-Fund and the Equity Index Sub-Fund would have been higher / lower by Rs. 5,000, Rs. 5,175, Rs. 303,206 and Rs. 5,000 respectively.

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Interest rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

Equity Sub-fund

	Effective interest rate (%)	Exposed to yield / interest rate risk: Upto three months	More than three months and up to one year	More than one year	Not exposed to yield / interest rate risk	Total
	2024					
		Rupees				
Financial assets						
Balances with banks	9.80% - 20.00%	500,000	-	-	-	500,000
Investments		-	-	-	-	-
Profit and other receivables		56,267	-	-	-	56,267
		556,267	-	-	-	556,267
Financial liabilities						
Payable to Faysal Asset Management Limited - Pension Fund Manager		5,506	-	-	-	5,506
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	-	-
Accrued expenses and other liabilities		696	-	-	-	696
		6,202	-	-	-	6,202
On-balance sheet gap (a)		550,065	-	-	-	550,065
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a + b)		550,065	-	-		
Cumulative interest rate sensitivity gap		550,065	550,065	550,065		

Debt Sub-Fund

	Effective interest rate (%)	Exposed to yield / interest rate risk: Upto three months	More than three months and up to one year	More than one year	Not exposed to yield / interest rate risk	Total
	2024					
		Rupees				
Financial assets						
Balances with banks	9.80% - 20.00%	517,473	-	-	-	517,473
Investments		-	-	-	-	-
Profit and other receivables		37,136	-	-	-	37,136
		554,609	-	-	-	554,609
Financial liabilities						
Payable to Faysal Asset Management Limited - Pension Fund Manager		2,356	-	-	-	2,356
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	-	-
Accrued expenses and other liabilities		695	-	-	-	695
		3,051	-	-	-	3,051
On-balance sheet gap (a)		551,558	-	-	-	551,558
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a + b)		551,558	-	-		
Cumulative interest rate sensitivity gap		551,558	551,558	551,558		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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Money Market Sub-Fund

	2024					
	Effective interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and up to one year	More than one year		
		Rupees				
Financial assets						
Balances with banks	9.80% - 20.00%	5,155,634	-	-	-	5,155,634
Investments	22.49%	-	25,165,000	-	-	25,165,000
Profit and other receivables		2,830,915	-	-	210,093	3,041,008
		7,986,549	25,165,000	-	210,093	33,361,642
Financial liabilities						
Payable to Faysal Asset Management Limited - Pension Fund Manager		18,358	-	-	-	18,358
Payable to Central Depository Company of Pakistan Limited - Trustee		4,590	-	-	-	4,590
Accrued expenses and other liabilities		15,155	-	-	-	15,155
		38,103	-	-	-	38,103
On-balance sheet gap (a)		7,948,446	25,165,000	-	210,093	33,323,539
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a + b)		7,948,446	25,165,000	-		
Cumulative interest rate sensitivity gap		7,948,446	33,113,446	33,113,446		

Equity Index Sub-Fund

	2024					
	Effective interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and up to one year	More than one year		
		Rupees				
Financial assets						
Balances with banks	9.80% - 20.00%	500,000	-	-	-	500,000
Investments		-	-	-	-	-
Profit and other receivables		56,295	-	-	-	56,295
		556,295	-	-	-	556,295
Financial liabilities						
Payable to Faysal Asset Management Limited - Pension Fund Manager		3,141	-	-	-	3,141
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	-	-
Accrued expenses and other liabilities		701	-	-	-	701
		3,842	-	-	-	3,842
On-balance sheet gap (a)		552,453	-	-	-	552,453
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a + b)		552,453	-	-		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

15

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Equity price risk is the risk of volatility in share prices resulting from their dependence on market sentiments, speculative activities, supply and demand for shares and liquidity in the market. The equity price risk exposure arises from the Fund's investment in equity securities. The Fund has no equity investments that are exposed to price risk as of June 30, 2024.

18.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets either in short term instruments or in investments that are traded in an active market and can be readily disposed and are considered readily realisable in order to maintain liquidity.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent (10%) of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the period.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

Equity Sub-Fund

	2024						
	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
	Rupees						
Financial assets							
Balances with banks	500,000	-	-	-	-	-	500,000
Investments	-	-	-	-	-	-	-
Profit and other receivables	56,267	-	-	-	-	-	56,267
	556,267	-	-	-	-	-	556,267
Financial liabilities							
Payable to Faysal Asset Management Limited - Pension Fund Manager	5,506	-	-	-	-	-	5,506
Payable to Central Depository Company of Pakistan - Trustee	-	-	-	-	-	-	-
Accrued expenses and other liabilities	696	-	-	-	-	-	696
	6,202	-	-	-	-	-	6,202
Net financial assets	550,065	-	-	-	-	-	550,065

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

16

Debt Sub-Fund

	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
	2024						
	Rupees						
Financial assets							
Balances with banks	517,473	-	-	-	-	-	517,473
Investments	-	-	-	-	-	-	-
Profit and other receivables	37,136	-	-	-	-	-	37,136
	554,609	-	-	-	-	-	554,609
Financial liabilities							
Payable to Faysal Asset Management Limited - Pension Fund Manager	2,356	-	-	-	-	-	2,356
Payable to Central Depository Company of Pakistan - Trustee	-	-	-	-	-	-	-
Accrued expenses and other liabilities	695	-	-	-	-	-	695
	3,051	-	-	-	-	-	3,051
Net financial assets	551,558	-	-	-	-	-	551,558

Money Market Sub-Fund

	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
	2024						
	Rupees						
Financial assets							
Balances with banks	5,155,634	-	-	-	-	-	5,155,634
Investments	-	-	25,165,000	-	-	-	25,165,000
Profit and other receivables	841,859	-	1,989,056	-	-	-	2,830,915
	5,997,493	-	27,154,056	-	-	-	33,151,549
Financial liabilities							
Payable to Faysal Asset Management Limited - Pension Fund Manager	18,358	-	-	-	-	-	18,358
Payable to Central Depository Company of Pakistan - Trustee	4,590	-	-	-	-	-	4,590
Accrued expenses and other liabilities	15,155	-	-	-	-	-	15,155
	38,103	-	-	-	-	-	38,103
Net financial assets	5,959,390	-	27,154,056	-	-	-	33,113,446

Equity Index Sub-Fund

	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
	2024						
	Rupees						
Financial assets							
Balances with banks	500,000	-	-	-	-	-	500,000
Investments	-	-	-	-	-	-	-
Profit and other receivables	56,295	-	-	-	-	-	56,295
	556,295	-	-	-	-	-	556,295
Financial liabilities							
Payable to Faysal Asset Management Limited - Pension Fund Manager	3,141	-	-	-	-	-	3,141
Payable to Central Depository Company of Pakistan - Trustee	-	-	-	-	-	-	-
Accrued expenses and other liabilities	701	-	-	-	-	-	701
	3,842	-	-	-	-	-	3,842
Net financial assets	552,453	-	-	-	-	-	552,453

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

18.3 Credit risk

18.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

	2024							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Equity Index Sub-Fund	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	Rupees							
Balances with banks	500,000	500,000	517,473	517,473	5,155,634	5,155,634	500,000	500,000
Investments	-	-	-	-	25,165,000	-	-	-
Profit and other receivables	56,267	56,267	37,136	37,136	3,041,008	1,051,952	56,295	56,295
	556,267	556,267	554,609	554,609	33,361,642	6,207,586	556,295	556,295

The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets other than investment in government securities and profit receivable on government securities.

18.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks and profit accrued thereon. The credit rating profile of bank balances and its accrued profit is as follows:

	2024			
	Financial assets exposed to credit risk			
Rating category	**Equity Sub-Fund**	**Debt Sub-Fund**	**Money Market Sub-Fund**	**Equity Index Sub-Fund**
	%			
Balances with banks and profit accrued thereon				
AA	96.84%	96.85%	15.89%	96.89%
A+	3.16%	3.15%	2.09%	3.11%

18.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2024 are unsecured and are not impaired.

19 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 June 30, 2024, the Fund held the following financial instruments measured at fair value.

Money Market Sub-Fund	**2024**			
	Level 1	**Level 2**	**Level 3**	**Total**
	----------------------------	**Rupees**	----------------------------	
At fair value through profit or loss				
GoP Ijarah sukuk certificates	-	25,165,000	-	-

20 PARTICIPANTS' SUB-FUND RISK MANAGEMENT

The Participants' Sub-Fund is represented by redeemable units. These units are entitled to payment of a proportionate share, based on the Fund's net asset value per unit on the redemption date.

The Fund has no restrictions on the subscription and redemption of units. There is no specific capital requirement which is applicable to the Fund.

The Fund's objectives when managing funds received are to safeguard its ability to continue as a going concern so that it can continue to provide returns for participants and to maintain a strong base of asset under management.

In accordance with the risk management policies, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption. Since the participants of the Fund have invested with a long term objective, the possibility of a significant redemption pressure is limited, such liquidity being augmented by borrowing arrangements (which can be entered if necessary) or disposal of investments where necessary.

All units, including the core units, and fractions thereof represent an undivided share in the pertinent sub-funds of the fund and rank parri passu as their rights in the net assets and earning of the sub-fund are not tradable or transferable. Each participant has a beneficial interest in the sub-fund proportionate to the units held by such participant in such sub-fund.

21 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Name	Designation	Qualification	Overall experience
Mr. Nadir Rahman	Chief Executive Officer	BS (Economics)	Over 33 Years
Mr. Omer Bin Javaid	Deputy Chief Executive Officer	MBA	Over 25 Years
Mr. Muhammad Imran	Chief Investment Officer	MBA	Over 22 Years
Mr. Nafees Imtiaz Malik	Chief Operating Officer	MBA	Over 12 Years
Mr. Shahid Iqbal	Head of Fixed Income	B.Com	Over 32 Years
Mr. Salman Muslim	Chief Operating Officer and Company Secretary	FCA	Over 18 Years
Mr. Shoaib Danish	Equity Fund Specialist	MBA, CFA	Over 9 Years
Mr. Mustajab Alam	Fund Manager	MBA Finance	Over 11 Years
Mr. Abdul Ghani Mianoor	Senior Research Analyst	BSC	Over 5 Years
Syed Eunas Viqar	Head of Internal Audit and Compliance	ACCA	Over 16 Years
Mr. Abdul Basit	Unit Head - Risk Management	MBA	Over 9 Years
Mr. Mohammed Qasim	Senior Manager Risk Management	MBA	Over 16 Years

22 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other funds managed by the Fund Manager
Mr. Shoaib Danish	Fund Manager	MBA, CFA	Faysal Islamic Stock Fund, Faysal Islamic Pension Fund, Faysal Islamic Dedicated Equity Fund, Faysal Asset Allocation Fund, Faysal Stock Fund, Faysal Pension Fund

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

23 MEETINGS OF BOARD OF DIRECTORS OF THE PENSION FUND MANAGER

Name of directors	Designation	Attended meeting held on						
		July 12, 2023	August 18, 2023	October 20, 2023	December 12, 2023	January 5, 2024	February 2, 2024	April 19, 2024
Mr. Yousaf Hussain	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Syed Majid Ali	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mian Salman Ali	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ali Waqar	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Samia Zuberi	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ehsen Zafar Puri*	Director	-	-	-	Yes	Yes	Yes	Yes
Mr. Nadir Rahman	Chief Executive Officer	Yes	Yes	Yes	Yes	Yes	Yes	Yes

* Mr. Ehsen Zafar Puri has been appointed as Director on the Board with effect from October 20, 2023.

24 GENERAL

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

25 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 22, 2024 by the Board of Directors of the Management Company.

For Faysal Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer	**Chief Executive Officer**	**Director**

SUPPLEMENTARY NON FINANCIAL INFORMATION
DISCLOSURE REQUIREMENTS UNDER CLAUSE 6 - NOTES TO THE ACCOUNTS SUB CLAUSE (I)
AND CLAUSE 11 - PERFORMANCE TABLE OF THE 5TH SCHEDULE TO THE
NON BANKING FINANCE COMPANIES AND NOTIFIED ENTITIES REGULATIONS, 2008

	FIKPK MONEY MARKET June 30, 2024 (Rupees)
(i) PERFORMANCE TABLE	
Net assets	33,316,873
Net assets value per unit	148.8850
Offer price per unit	110.0040
Repurchase price per unit	110.0040
Highest offer price per unit	111.3536
Highest repurchase price per unit	110.004
Lowest offer price per unit	-
Lowest repurchase price per unit	-
Total return:	18.92%
- capital growth	18.92%
- income distribution	0.00%
Average annual return:	
(Launch date: January 02, 2020)	
- one year	18.92%
- two years	18.92%
- three years	18.92%
Four Years	18.92%
Distribution per unit:	
- Interim distribution (% per unit) *	
- Final distribution (% per unit)	
	0.00%

The Fund's past performance is not necessarily indicative of future performance. Therefore, the unit prices and investment returns may go down, as well as up.

(ii) MEETINGS OF THE AUDIT COMMITTEE

Following is the analysis of the attendance in the meetings of the Audit Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On			
		17-Aug-23	19-Oct-23	01-Feb-24	18-Apr-24
Ms. Samia Zuberi	Chairperson	Yes	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes	Yes
Mr. Mian Salman Ali	Member	Yes	Yes	Yes	Yes

(iii) MEETINGS OF THE HUMAN REOUSRCE AND REMUNERATION COMMITTEE

Following is the analysis of the attendance in the meetings of the Human Resource and Remuneration Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On				
		08-Aug-23	17-Oct-23	08-Nov-23	01-Feb-24	06-May-24
Ms. Samia Zuberi	Chairperson	Yes	Yes	Yes	Yes	Yes
Mr. Yousaf Hussain	Member	Yes	Yes	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes	Yes	Yes
Mr. Ali Waqar	Member	Yes	Yes	Yes	Yes	Yes

(iv) MEETINGS OF THE BOARD RISK MANAGEMENT COMMITTEE

Following is the analysis of the attendance in the meetings of the Board Risk Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On		
		10-Aug-23	16-Oct-23	18-Apr-24
Mr. Mian Salman Ali	Chairman	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes
Mr. Ali Waqar	Member	Yes	Yes	Yes
Mr. Nadir Rahman	Member	Yes	Yes	Yes

(v) MEETINGS OF THE BOARD STRATEGY COMMITTEE

Following is the analysis of the attendance in the meetings of the Board Strategy Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On	
		09-Aug-23	16-Oct-23
Mr. Yousaf Hussain	Chairman	Yes	Yes
Syed Majid Ali	Member	Yes	Yes
Mr. Mian Salman Ali	Member	Yes	Yes
Mr. Nadir Rahman	Member	Yes	Yes
*Mr. Ehsan Zafar Puri	Member	N/A	N/A

*Mr. Ehsan Zafar Puri was appointed as director board strategy committee, effective from October 20, 2023.

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West wing, 7th Floor,Faysal House, ST-02,
Shahrah-e-Faisal,Karachi, Pakistan.

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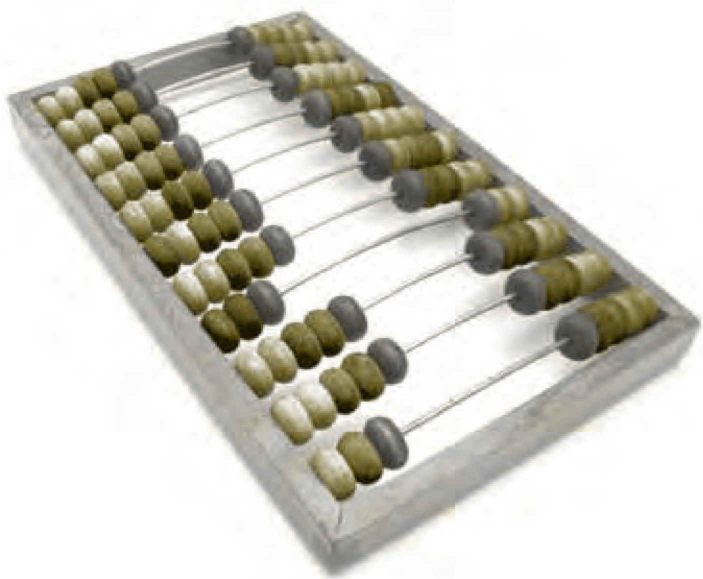
Faysal Islamic Mustakil Munafa Fund

Financial Statements
For The Year Ended June 30, 2024



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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
Mr. Ehsan Zafar Puri, Director

Chief Financial Officer & Company Secretary
Mr. Salman Muslim

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

Board Strategy Committee
Mr. Yousaf Hussain, Chairman
Syed Majid Ali, Member
Mr. Mian Salman Ali, Member
Mr. Ehsan Zafar Puri, 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

The investment objective of Faysal Islamic Mustakil Munafa Fund is to potentially provide attractive and or/ expected returns at maturity of the Investment Plan(s) under the Fund, by investing in Shariah Compliant Securities.

FUND MANAGER'S REPORT

ECONOMIC REVIEW

In 3QFY24, Pakistan's GDP experienced an YoY growth of 2.09%, with a marginal QoQ increase of 0.12%. The Services sector remained flat at 0.83%, offsetting gains in the Industrial and Agriculture sectors, which saw advances of 3.84% and 3.94%, respectively. Albeit Large-Scale Manufacturing Index growth was trivial at 1.47%, improvements in the small-scale sector supported overall industrial growth. Looking ahead, the country's growth rate is likely to be lower than anticipated in the 1HFY25, before gaining momentum in the 2HFY25 due to projected interest rate cuts that could stimulate industrial growth.

Pakistan's external account continued to exhibit improvement, with the Current Account Deficit (CAD) clocking in at ~USD 665mn during FY24, down from ~USD 3.3bn in SPLY. This steep reduction is primarily due to a 12% YoY increase in exports, reaching ~USD 31bn, and an 11% YoY rise in remittances, totaling ~USD 30.2bn. On a QoQ basis, the CAD was ~USD 0.07bn, supported by increased exports and remittances. The trade deficit also improved, decreasing by roughly 11% to USD 22bn in FY24 from USD 24.8bn in the SPLY, attributed to rising exports and declining imports.

The PKR appreciated by ~2.62% since Jun-23, closing 4QFY24 at PKR 278.34 against the USD. Foreign exchange reserves rose by about 10% QoQ to USD 14 bn, driven by strong inflows and roll-overs, including support from the IMF, GCC countries, and FDIs predominantly from China. The FX Reserves improved significantly from USD 9.1bn at the end of June 2023, enhancing the imports cover to above 1.5 months.

The average inflation clocked in at ~24% in FY24, down from ~29.4% in FY23. However, Core inflation rose to about 18.9% in FY24 from 17.8% in the SPLY. However, on QoQ basis, it dropped from 18.1% in 3QFY24 to 14.6% in 4QFY24. Despite higher fuel, power, and food inflation, the appreciation of the PKR and lower international commodity prices helped moderate inflation.

The Federal Board of Revenue (FBR) collected ~PKR 9,285bn in taxes during FY24, surpassing the target of PKR 9,252bn, and marking a 29% YoY increase from PKR 7,167bn in the SPLY. This growth was mainly on account of increased direct taxes and Petroleum Development Levy (PDL), while tax collection on imports remained subdued due to import compression.

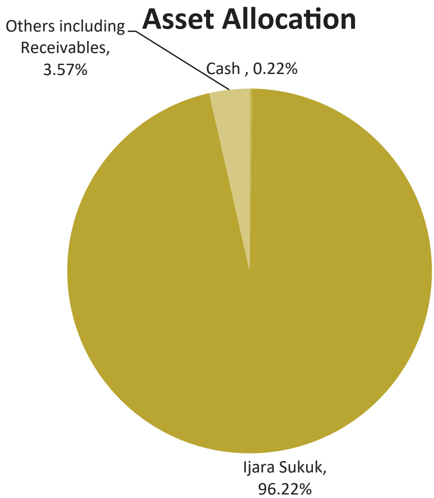
Looking forward, the economic outlook for the upcoming quarters is optimistic, bolstered by the IMF program and anticipated rate cuts (a cumulative 250 bps in the last two Monetary Policy Committee meetings). The potential economic rebound FY25, a downward trend in inflation, and PKR stability are key factors supporting this outlook.

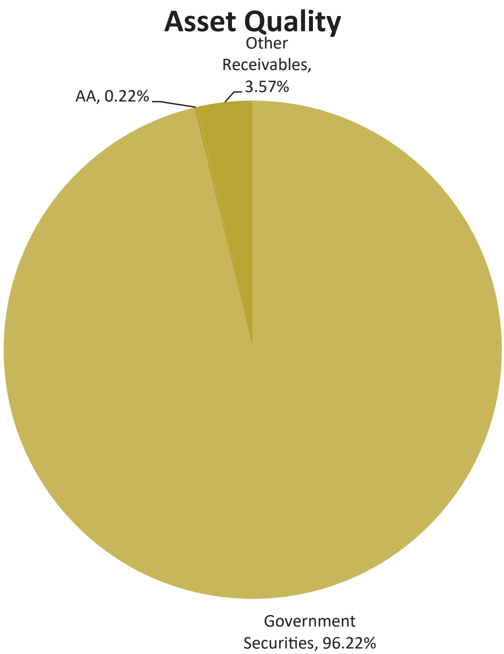
MONEY MARKET REVIEW

For the majority of FY24, the SBP kept the policy rate steady at 22%. However, following a decline in CPI readings, the SBP revised down the policy rate by 150 basis points to 20.5%. During the year, SBP held 26 T-Bill and 10 PIB auctions raising a total of ~PKR 21.3tn through T-Bills and ~PKR 4.5tn through the PIB auctions. During the year, the yields depicted volatility, inching upwards and peaking in Sept'24, before gradually declining thereon. In the first T-bill auction of FY24, the State Bank of Pakistan raised ~PKR 597bn, with weighted average yields realized in the 3M / 6M / 12M tenors clocking in at ~22.75% / 22.96% / 22.99%, respectively. However, in the last auction of FY24 held in June'24, SBP held, the weighted average yields realized in the 3M / 6M / 12M fell to ~20.01% / 19.94% / 18.49%, respectively. The decline in yields since Sept'23 followed expectations of interest rate cuts, which materialized in June'24. A similar trend was witnessed during FY24 in the Islamic Money Market / Sukuk yields.

Fund Information	
Fund Type	Open Ended
Category	Shariah Compliant Fixed Rate/ Return Scheme
Risk Profile	Moderate
Launch Date	May 15, 2024
Custodian/Trustee	CDC
Stability Rating	Not Rated
Auditor	A.F. Ferguson & Co.
Management Fee	Upto 2% of Average Annual N.A. (Actual Rate of Management Fee Charged is 0.13%)
Selling and Marketing Expense	0.00%
Front/Back-end Load	FEL up to 2% of NAV & BEL 0%
Min Subscription	PKR. 5,000
Benchmark*	Up to twelve months PKISRV rates based on the duration of the Plan
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 4:00 pm
AMC Rating	AM2++ (VIS) December 29, 2023
NAV per Unit (PKR)	100.11
Net Assets (mn)	3,135
Total Expense Ratio (Annualized)	0.05%
Total Expense Ratio (Monthly)	0.33%

Fund Returns (% p.a)		
	FY24	FY23
YTD	25.99%	-
Benchmark (YTD)	20.20%	-





FUND PERFORMANCE

Faysal Islamic Mustakil Munafa Fund (FIMMF-I) posted a FY24 return of 25.99% (annualized) against the Benchmark return of 20.20%. Most of the funds were held in Ijara Sukuk (96.22%). Allocations in Cash and Others stood at 0.22% and 3.57%, respectively.

FUND MANAGER'S REPORT

ECONOMIC REVIEW

In 3QFY24, Pakistan's GDP experienced an YoY growth of 2.09%, with a marginal QoQ increase of 0.12%. The Services sector remained flat at 0.83%, offsetting gains in the Industrial and Agriculture sectors, which saw advances of 3.84% and 3.94%, respectively. Albeit Large-Scale Manufacturing Index growth was trivial at 1.47%, improvements in the small-scale sector supported overall industrial growth. Looking ahead, the country's growth rate is likely to be lower than anticipated in the 1HFY25, before gaining momentum in the 2HFY25 due to projected interest rate cuts that could stimulate industrial growth.

Pakistan's external account continued to exhibit improvement, with the Current Account Deficit (CAD) clocking in at ~USD 665mn during FY24, down from ~USD 3.3bn in SPLY. This steep reduction is primarily due to a 12% YoY increase in exports, reaching ~USD 31bn, and an 11% YoY rise in remittances, totaling ~USD 30.2bn. On a QoQ basis, the CAD was ~USD 0.07bn, supported by increased exports and remittances. The trade deficit also improved, decreasing by roughly 11% to USD 22bn in FY24 from USD 24.8bn in the SPLY, attributed to rising exports and declining imports.

The PKR appreciated by ~2.62% since Jun-23, closing 4QFY24 at PKR 278.34 against the USD. Foreign exchange reserves rose by about 10% QoQ to USD 14 bn, driven by strong inflows and roll-overs, including support from the IMF, GCC countries, and FDIs predominantly from China. The FX Reserves improved significantly from USD 9.1bn at the end of June 2023, enhancing the imports cover to above 1.5 months.

The average inflation clocked in at ~24% in FY24, down from ~29.4% in FY23. However, Core inflation rose to about 18.9% in FY24 from 17.8% in the SPLY. However, on QoQ basis, it dropped from 18.1% in 3QFY24 to 14.6% in 4QFY24. Despite higher fuel, power, and food inflation, the appreciation of the PKR and lower international commodity prices helped moderate inflation.

The Federal Board of Revenue (FBR) collected ~PKR 9,285bn in taxes during FY24, surpassing the target of PKR 9,252bn, and marking a 29% YoY increase from PKR 7,167bn in the SPLY. This growth was mainly on account of increased direct taxes and Petroleum Development Levy (PDL), while tax collection on imports remained subdued due to import compression.

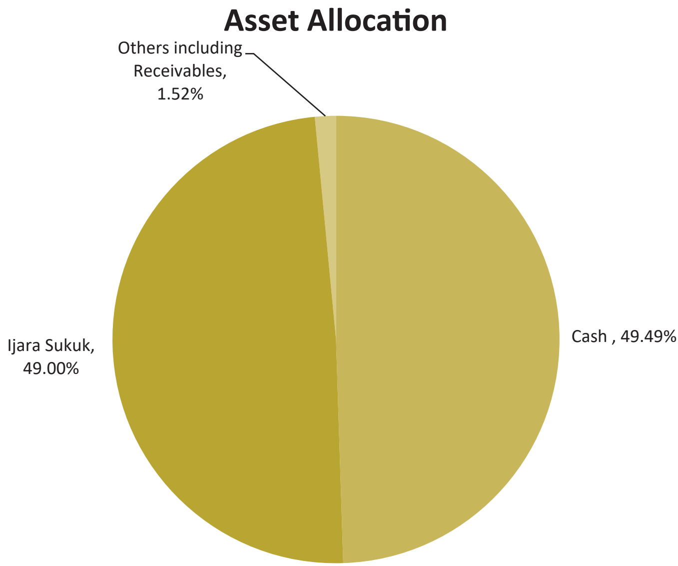
Looking forward, the economic outlook for the upcoming quarters is optimistic, bolstered by the IMF program and anticipated rate cuts (a cumulative 250 bps in the last two Monetary Policy Committee meetings). The potential economic rebound FY25, a downward trend in inflation, and PKR stability are key factors supporting this outlook.

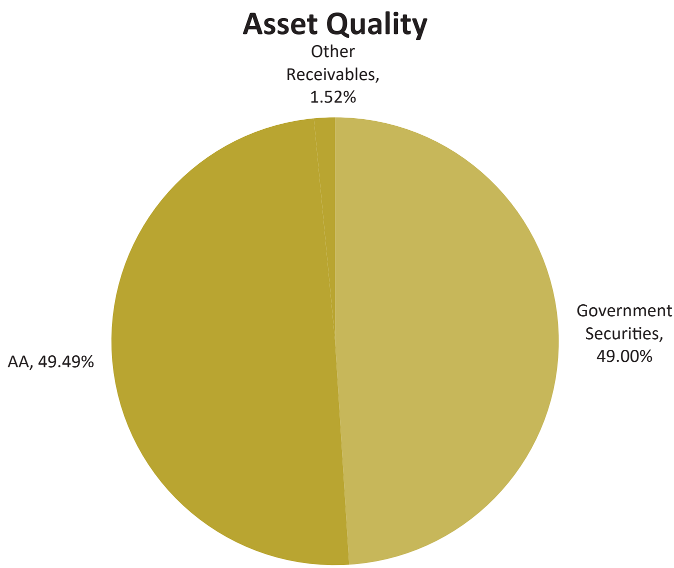
MONEY MARKET REVIEW

For the majority of FY24, the SBP kept the policy rate steady at 22%. However, following a decline in CPI readings, the SBP revised down the policy rate by 150 basis points to 20.5%. During the year, SBP held 26 T-Bill and 10 PIB auctions raising a total of ~PKR 21.3tn through T-Bills and ~PKR 4.5tn through the PIB auctions. During the year, the yields depicted volatility, inching upwards and peaking in Sept'24, before gradually declining thereon. In the first T-bill auction of FY24, the State Bank of Pakistan raised ~PKR 597bn, with weighted average yields realized in the 3M / 6M / 12M tenors clocking in at ~22.75% / 22.96% / 22.99%, respectively. However, in the last auction of FY24 held in June'24, SBP held, the weighted average yields realized in the 3M / 6M / 12M fell to ~20.01% / 19.94% / 18.49%, respectively. The decline in yields since Sept'23 followed expectations of interest rate cuts, which materialized in June'24. A similar trend was witnessed during FY24 in the Islamic Money Market / Sukuk yields.

Fund Information	
Fund Type	Open Ended
Category	Shariah Compliant Fixed Rate/ Return Scheme
Risk Profile	Moderate
Launch Date	June 7, 2024
Custodian/Trustee	CDC
Stability Rating	Not Rated
Auditor	A.F. Ferguson & Co.
Management Fee	Up to 2% of Average Annual N.A. (Actual Rate of Management Fee Charged is 0.71%)
Selling and Marketing Expense	0.00%
Front/Back-end Load	FEL up to 2% of NAV & BEL 0%
Min Subscription	PKR. 5,000
Benchmark*	Up to twelve months PKISRV rates based on the duration of the Plan
Pricing Mechanism	Forward
Dealing Days	Monday-Friday
Cut-Off Timing	9:00 am - 4:00 pm
AMC Rating	AM2++ (VIS) December 29, 2023
NAV per Unit (PKR)	101.33
Net Assets (mn)	3,131
Total Expense Ratio (Annualized)	0.17%
Total Expense Ratio (Monthly)	1.16%

Fund Returns (% p.a)		
	FY24	FY23
YTD	21.10%	-
Benchmark (YTD)	19.89%	-





FUND PERFORMANCE

Faysal Islamic Mustakil Munafa Fund (FIMMF-II) posted a FY24 return of 21.10% (annualized) against the Benchmark return of 19.89%. Funds were allocated in Cash (49.49%), Ijarah Sukuks (49%), and Others (1.52%). In the future, your fund will take exposure to other investment avenues, keeping in view the country's economic position.

بسم الله الرحمن الرحيم

الحمد لله رب العالمين,والصلاة والسلام على خاتم النبيّين وسيد المرسلين,

وعلى آله واصحابه أجمعين.أمّا بعد

Annual Report
of
Faysal Islamic Mustakil Munafa Fund

August 22, 2024

By the blessing of ALLAH, the year ended 30 June, 2024 under analysis of **Faysal Islamic Mustakil Munafa Fund (FIMMF).** I, as the Shariah Advisor of the fund am issuing the report in accordance with the trust deed of the fund. The scope of the report is to express an opinion on the Shariah Compliance of the fund's activities.

In the capability of Shariah Advisor, I have set out criteria and guideline to be followed in ensuring Shariah Compliance in the each and every transaction.
It is the responsibility of the management of the fund to establish and maintain a system of internal control to ensure Shariah Compliance with the Shariah guidelines. Our responsibility is to express an opinion, based on our review, to the extent where such compliance can be objectively verified. A review is limited primarily to inquiries of the management company' personal and review of various documents prepared by the management company to comply with the prescribed criteria.

In the light of above, I hereby certify that:

- I have reviewed and approved the modes of investment of **FIMMF** in light of the Shariah guidelines.
- All the provisions of the scheme and investment made on account of **FIMMF** by **FAML** Fund Managers are Shariah Compliant and in accordance with the criteria established.

On the basis of information provided by the management, all operations of **Faysal Islamic Mustakil Munafa Fund (FIMMF).** for year ended 30 June 2024 have been in compliance with the Shariah Principles.

May Allah make us successful and accept efforts of the management company for developing of Islamic Finance System.

وصلى الله على حبيبه محمد صلى الله عليه وسلم

Farooqi

Abdul Zahid Farooqi
Shariah Advisor
Faysal Asset Management Limited

Mufti Abdul Zahid Farooqi
Shariah Advisor
Faysal Asset Management Ltd

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
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URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

FAYSAL ISLAMIC MUSTAKIL MUNAFA FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of Faysal Islamic Mustakil Munafa Fund (the Fund) are of the opinion that Faysal Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the period from May 15, 2024 to June 30, 2024 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 24, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Faysal Islamic Mustakil Munafa Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Faysal Islamic Mustakil Munafa Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the period from May 15, 2024 to June 30, 2024, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2024, and of its financial performance and its cash flows for the period from May 15, 2024 to June 30, 2024 ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Net Asset Value** (Refer notes 4 and 5 to the financial statements)	
	Balances with banks and investments constitute the most significant component of the net asset value. Balances with banks of the Fund as at June 30, 2024 amounted to Rs. 1,559.08 million and investments aggregated to Rs. 4,567.83 million. The existence of balances with banks and existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2024 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: ▪ Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2024 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; ▪ Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and ▪ Obtained bank reconciliation statements and tested reconciling items on a sample basis.

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A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
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Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Shahbaz Akbar.**

Afferguson&co

A. F. Ferguson & Co.
Chartered Accountants
Dated: September 27, 2024
Karachi
UDIN: AR202410068dUOpxqeb4

STATEMENT OF ASSETS AND LIABILITIES

As at June 30, 2024

	Note	June 30, 2024 Faysal Islamic Mehdood Muddat Plan-I	Faysal Islamic Mehdood Muddat Plan-II	Total
		------(Rupees)------		
Assets				
Balances with banks	4	6,854,750	1,552,227,286	1,559,082,036
Investments	5	3,030,900,000	1,536,931,600	4,567,831,600
Profit and other receivables	6	111,837,893	47,572,113	159,410,006
Preliminary expenses and floatation costs	7	480,728	-	480,728
Total assets		3,150,073,371	3,136,730,999	6,286,804,370
Liabilities				
Payable to Faysal Asset Management Limited - Management Company	8	949,299	2,061,165	3,010,464
Payable to Central Depository Company of Pakistan Limited - Trustee	9	158,336	121,641	279,977
Payable to the Securities and Exchange Commission of Pakistan	10	191,048	146,797	337,845
Accrued expenses and other liabilities	11	14,235,776	3,839,179	18,074,955
Total liabilities		15,534,459	6,168,782	21,703,241
Net assets		3,134,538,912	3,130,562,217	6,265,101,129
Unit holders' fund (as per the statement attached)		3,134,538,912	3,130,562,217	6,265,101,129
Contingencies and commitments	12			
		------(Number of units)------		
Number of units in issue		31,310,967	30,894,857	
		------(Rupees)------		
Net asset value per unit		100.11	101.33	

The annexed notes from 1 to 27 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

INCOME STATEMENT
For The Year Ended June 30, 2024

	Note	For the period from May 15, 2024 to June 30, 2024 Faysal Islamic Mehdood Muddat Plan-I	For the period from June 07, 2024 to June 30, 2024 Faysal Islamic Mehdood Muddat Plan-II	Total
		(Rupees)		
Income				
Income from government securities		81,332,027	17,762,177	99,094,204
Profit on balances with banks		242,780	24,037,383	24,280,163
Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.2	19,528,763	1,699,048	21,227,811
Total Income		101,103,570	43,498,608	144,602,178
Expenses				
Remuneration of Faysal Asset Management Company Limited - Management Company	8.1	505,118	1,824,040	2,329,158
Sindh Sales Tax on remuneration of the Management Company	8.2	65,665	237,125	302,790
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	213,704	107,647	321,351
Sindh Sales Tax on remuneration of the Trustee	9.2	27,782	13,994	41,776
Annual fee to the Securities and Exchange Commission of Pakistan	10.1	291,414	146,797	438,211
Auditors' remuneration	13	92,260	29,068	121,328
Amortisation of preliminary expenses and floatation costs	7.1	69,322	-	69,322
Legal and professional charges		46,130	14,534	60,664
Printing charges		3,443	2,964	6,407
Bank charges		2,054	-	2,054
Total operating expenses		1,316,892	2,376,169	3,693,061
Net income for the period before taxation		99,786,678	41,122,439	140,909,117
Taxation	15	-	-	-
Net income for the period after taxation		99,786,678	41,122,439	140,909,117
Earnings per unit	16			
Allocation of net income for the year / period				
Net income for the year / period after taxation		99,786,678	41,122,439	140,909,117
Income already paid on units redeemed		-	(37,926,122)	(37,926,122)
		99,786,678	3,196,317	102,982,995
Accounting income available for distribution				
- Relating to capital gains		19,528,763	1,699,048	21,227,811
- Excluding capital gains		80,257,915	1,497,269	81,755,184
		99,786,678	3,196,317	102,982,995

The annexed notes from 1 to 27 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

STATEMENT OF COMPREHENSIVE INCOME

For The Year Ended June 30, 2024

	For the period from May 15, 2024 to June 30, 2024 Faysal Islamic Mehdood Muddat Plan-I	For the period from June 07, 2024 to June 30, 2024 Faysal Islamic Mehdood Muddat Plan-II	Total
	---(Rupees)---		
Net income for the period after taxation	99,786,678	41,122,439	140,909,117
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	99,786,678	41,122,439	140,909,117

The annexed notes from 1 to 27 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

For The Year Ended June 30, 2024

	For the period from May 15, 2024 to June 30, 2024			For the period from June 07, 2024 to June 30, 2024			Total
	Faysal Islamic Mustakil Munafa Fund Plan-I			Faysal Islamic Mustakil Munafa Fund Plan-II			
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	
	(Rupees)			(Rupees)			
Net assets at the beginning of the period	-	-	-	-	-	-	-
Issuance of 31,310,967 (FIMMP-I) & 61,827,181 (FIMMP-II) units							
- Capital value	3,131,096,702	-	3,131,096,702	6,182,718,107	-	6,182,718,107	9,313,814,809
- Element of income	-	-	-	37,880,184	-	37,880,184	37,880,184
Total proceeds on issuance of units	3,131,096,702	-	3,131,096,702	6,220,598,291	-	6,220,598,291	9,351,694,993
Redemption of Nil (FIMMP-I) & 30,932,324 (FIMMP-II) units							
- Capital value	-	-	-	(3,093,232,391)		(3,093,232,391)	(3,093,232,391)
- Element of loss	-	-	-	-	(37,926,122)	(37,926,122)	(37,926,122)
Total payments on redemption of units	-	-	-	(3,093,232,391)	(37,926,122)	(3,131,158,513)	(3,131,158,513)
Total comprehensive income for the period	-	99,786,678	99,786,678	-	41,122,439	41,122,439	140,909,117
Distribution of Rs. 0.4571 per unit declared on May 24, 2024	-	(13,937,911)	(13,937,911)	-	-	-	(13,937,911)
Distribution of Rs. 2.6921 per unit declared on June 28, 2024	-	(82,406,557)	(82,406,557)	-	-	-	(82,406,557)
Net income for the period less distribution	-	3,442,210	3,442,210	-	41,122,439	41,122,439	44,564,649
Net assets at the end of the period	3,131,096,702	3,442,210	3,134,538,912	3,127,365,900	3,196,317	3,130,562,217	6,265,101,129

	Plan-I Undistributed income	Plan-II Undistributed income
Accounting income available for distribution		
- Relating to capital gains	19,528,763	1,699,048
- Excluding capital gains	80,257,915	1,497,269
	99,786,678	3,196,317
Distributions made during the period	(96,344,468)	-
Undistributed income carried forward	3,442,210	3,196,317
Undistributed income carried forward		
- Realised income	3,442,210	1,699,048
- Unrealised income	-	1,497,269
	3,442,210	3,196,317
	(Rupees)	(Rupees)
Net asset value per unit at the beginning of the period	-	-
Net asset value per unit at the end of the period	100.11	101.33

The annexed notes from 1 to 27 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer **Chief Executive Officer** **Director**

CASH FLOW STATEMENT
For The Year Ended June 30, 2024

	Note	For the period from May 15, 2024 to June 30, 2024 Faysal Islamic Mehdood Muddat Plan-I	For the period from June 07, 2024 to June 30, 2024 Faysal Islamic Mehdood Muddat Plan-II	Total
		(Rupees)		
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the period before taxation		99,786,678	41,122,439	140,909,117
Adjustments for:				
Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.2	(19,528,763)	(1,699,048)	(21,227,811)
Amortisation of preliminary expenses and floatation costs	7.1	69,322	-	69,322
		80,327,237	39,423,391	119,750,628
Increase in assets				
Profit and other receivables		(111,837,893)	(47,572,113)	(159,410,006)
Investments		(3,011,371,237)	(1,535,232,552)	(4,546,603,789)
		(3,123,209,130)	(1,582,804,665)	(4,706,013,795)
Increase in liabilities				
Payable to Faysal Asset Management Limited - Management Company		399,249	2,061,165	2,460,414
Payable to Central Depository Company of Pakistan Limited - Trustee		158,336	121,641	279,977
Payable to the Securities and Exchange Commission of Pakistan		191,048	146,797	337,845
Accrued expenses and other liabilities		14,235,776	3,839,179	18,074,955
		14,984,409	6,168,782	21,153,191
Net cash used in operating activities		(3,027,897,484)	(1,537,212,492)	(4,565,109,976)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts against issuance and conversion of units		3,131,096,702	6,220,598,291	9,351,694,993
Payments made against redemption of units		-	(3,131,158,513)	(3,131,158,513)
Dividend paid		(96,344,468)	-	(96,344,468)
Net cash generated from financing activities		3,034,752,234	3,089,439,778	6,124,192,012
Net increase in cash and cash equivalents during the period		6,854,750	1,552,227,286	1,559,082,036
Cash and cash equivalents at the beginning of the period		-	-	-
Cash and cash equivalents at the end of the period	4	6,854,750	1,552,227,286	1,559,082,036

The annexed notes from 1 to 27 form an integral part of these financial statements.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer   **Chief Executive Officer**   **Director**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Faysal Islamic Mustakil Munafa Fund (the Fund) is an open end mutual fund constituted under a Trust Deed entered into on May 19, 2020 between Faysal Asset Management Limited as the Management Company ('the Management Company') and Central Depository Company of Pakistan Limited (CDC) as the Trustee and was approved by the Securities and Exchange Commission of Pakistan (SECP) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The Trust Deed has been re-registered under the Sindh Trusts Act, 2020 on November 16, 2021. The investment activities and administration of the Fund are managed by the Management Company.

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

1.2 The Fund is categorised as a 'Shariah Compliant Fixed Rate/ Return 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.

1.3 The Fund shall offer multiple allocation plans, however one allocation plan i.e. Faysal Islamic Mehdood Muddat Plan-I (FIMMP-I) and Faysal Islamic Mehdood Muddat Plan-II (FIMMP-II) have been offered by the Fund. The objective of the Fund is to provide competitive regular return with capital preservation on investments as per respective allocation plans by investing in authorised investable avenues in line with the risk tolerance of the investor. The objective of the Fund and the authorised avenues are more fully explained in the Fund's offering document. The duration of the Fund is perpetual, however, allocation plans may have a set time frame. During the period, the Fund offered the following plans:

a. Faysal Islamic Mehdood Muddat Plan - I (FIMMP - I): The initial maturity of this plan is twelve (12) months from the close of the subscription period.

b. Faysal Islamic Mehdood Muddat Plan - II (FIMMP - II): The initial maturity of this plan is twelve (12) months from the close of the subscription period.

1.4 VIS Credit Rating Company Limited has assigned the rating of "AM2++" to the Management Company as at December 29, 2023 (2023: "AM2++" dated December 31, 2022). The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

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

1.6 These are the first financial statements of the Fund. Therefore, no comparative figures have been presented.

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 Accounting Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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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 Accounting 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 the published accounting and reporting standards that are not yet effective:

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 is yet to be adopted in Pakistan. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements.

- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

2.3 Critical accounting estimates and judgments

The preparation of these financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying 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 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).

2.4 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below.

3.1 Cash and cash equivalents

These comprise balances with banks in savings and current accounts, cheques in hand 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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3.2.2 Classification and subsequent measurement

3.2.2.1 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as;

- at amortised cost
- at fair value through other comprehensive income (FVOCI)
- at fair value through profit or loss (FVPL)

based on the business model of the entity.

However, IFRS 9 requires securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

3.2.3 Impairment (other than debt securities)

The Fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost. 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.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

3.2.4 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the income statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, in accordance with the provisioning policy duly approved by the Board of Directors.

3.2.5 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.

3.2.6 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

3.3 Financial liabilities

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.

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 Issue 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 application during business hours of that day. The redemption price is equal to the 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 / period also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the period 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 assets 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 year. 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 will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. MUFAP, in consultation with the SECP, has specified the methodology of determination of income paid on units redeemed during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the period.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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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 re-measurement of investments classified as 'financial assets at fair value through profit or loss' are recorded in the year in which these arise.
- Profit on savings accounts is recognised on an accrual basis.
- Income on debt securities is recognized on a time proportionate basis using the effective yield method.

3.11 Expenses

All expenses including management fee and trustee fee are recognised in the income statement on an accrual basis.

3.12 Preliminary expenses and floatation costs

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 requirements set out in the trust deed of the Fund.

3.13 Foreign currency translation

Transactions denominated in foreign currencies are accounted for in Pakistan 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.

3.14 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 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Provided that, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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.

3.15 Earnings per unit

Earnings per unit is calculated by dividing the net income of the year / period after taxation of the Fund by the weighted average number of units outstanding during the year / period. The determination of earnings per unit is not practicable as disclosed in note 16.

	Note	June 30, 2024		
		FIMMP-I	FIMMP-II	Total
4 BALANCES WITH BANKS		----------(Rupees)----------		
Balances with banks in savings accounts	4.1	6,854,750	1,552,227,286	1,559,082,036

4.1 This represents balance maintained with Faysal Bank Limited, a related party, that carries profit at the rate of 20% per annum.

	Note	June 30, 2024		
		FIMMP-I	FIMMP-II	Total
5 INVESTMENTS		----------(Rupees)----------		
At fair value through profit or loss				
Government securities	5.1	3,030,900,000	1,536,931,600	4,567,831,600

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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5.1 Government securities

5.1.1 FIMMF-Faysal Islamic Mehdood Muddat Plan-I

Name of the security	Profit payments / principal redemption	Issue date	Maturity date	Profit rate	As at July 1, 2023	Purchased during the year	Sold / matured during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised appreciation as at June 30, 2024	Percentage in relation to Net assets of the Plan	Percentage in relation to Total market value of investment
					------------- Number of certificates -------------				-------------------(Rupees)-------------------			--------------- % ---------------	
GoP Ijarah Sukuk Certificates - XXIV - VRR	Semi-annually / at maturity	October 29, 2021	October 29, 2026	Weighted average 6 months T-Bills	-	30,000	-	30,000	3,011,371,237	3,030,900,000	19,528,763	96.69	100
Total as at June 30, 2024									3,011,371,237	3,030,900,000	19,528,763		

5.1.2 FIMMF-Faysal Islamic Mehdood Muddat Plan-II

Name of the security	Profit payments / principal redemption	Issue date	Maturity date	Profit rate	As at July 1, 2023	Purchased during the year	Sold / matured during the year	As at June 30, 2024	Carrying value as at June 30, 2024	Market value as at June 30, 2024	Unrealised appreciation / (dimunition) as at June 30, 2024	Percentage in relation to Net assets of the Plan	Percentage in relation to Total market value of investment
					------------- Number of certificates -------------				-------------------(Rupees)-------------------			--------------- % ---------------	
GoP Ijarah Sukuk Certificates - XLVIII - VRR	Semi-annually / at maturity	December 4, 2023	December 4, 2026	Weighted average 6 months T-Bills	-	10,380	-	10,380	998,200,619	999,900,000	1,699,381	31.94	65
GoP Ijarah Sukuk Certificates - XLIX - VRR	Semi-annually / at maturity	December 4, 2023	December 4, 2028	Weighted average 6 months T-Bills	-	5,000	-	5,000	537,031,933	537,031,600	(333)	17	35
Total as at June 30, 2024									1,535,232,552	1,536,931,600	1,699,048		

5.2 Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	**Note**	**June 30, 2024 FIMMP-I**	**FIMMP-II**	**Total**
		----------	(Rupees)	----------
Market value of investments	5.1	3,030,900,000	1,536,931,600	4,567,831,600
Less: carrying value of investments	5.1	(3,011,371,237)	(1,535,232,552)	(4,546,603,789)
		19,528,763	1,699,048	21,227,811

6 PROFIT AND OTHER RECEIVABLES

Profit receivable on bank balances	6.1	1,975,560	24,037,383	26,012,943
Profit receivable on government securities		109,862,333	23,534,730	133,397,063
		111,837,893	47,572,113	159,410,006

6.1 This represents the profit receivable on bank balance held with Faysal Bank Limited, a related party.

7 PRELIMINARY EXPENSES AND FLOATATION COSTS	**Note**	**June 30, 2024 FIMMP-I**	**FIMMP-II**	**Total**
		----------	(Rupees)	----------
Preliminary expenses and floatation costs incurred at the beginning of the period		550,050	-	550,050
Less: amortisation for the period		(69,322)	-	(69,322)
At the end of the period	7.1	480,728	-	480,728

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 the end of the initial offering period in accordance with the Trust Deed of the Fund and the NBFC Regulations, 2008.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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8 PAYABLE TO FAYSAL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	June 30, 2023 FIMMP-I	FIMMP-II	Total
		---(Rupees)---		
Management remuneration payable	8.1	331,194	1,824,040	2,155,234
Sindh Sales Tax on remuneration of the Management Company	8.2	43,055	237,125	280,180
Preliminary expenses and floatation costs		550,050	-	550,050
Other payable		25,000	-	25,000
		949,299	2,061,165	3,010,464

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 thershold, the Management Company has charged remuneration during the period ended June 30, 2024 at the following rates:

Faysal Islamic Mehdood Muddat Plan-I	Faysal Islamic Mehdood Muddat Plan-II
0.13% for FIMMF-I of the average annual net assets	0.17% to 1.14% of average annual net assets

8.2 During the period, an amount of Rs. 0.066 million and 0.237 million for FIMMF-I and FIMMF-II respectively and was charged on account of sales tax on remuneration of the Management Company levied through the Sindh Sales Tax on Services Act, 2011.

9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	June 30, 2024 FIMMP-I	FIMMP-II	Total
		---(Rupees)---		
Trustee fee payable	9.1	140,120	107,647	247,767
Sindh Sales Tax on remuneration of the Trustee	9.2	18,216	13,994	32,210
		158,336	121,641	279,977

9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.055% for FIMMF-I and FIMMF-II per annum of the average annual net assets of the Fund.

9.2 During the period, an amount of Rs. 0.028 million and 0.014 million for FIMMF-I and FIMMF-II respectively 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%.

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	June 30, 2024 FIMMP-I	FIMMP-II	Total
	---(Rupees)---		
Annual fee payable	191,048	146,797	337,845

10.1 In accordance with the NBFC Regulations 2008, 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% for FIMMF-I and FIMMF-II respectively of the average annual net assets of the Fund.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

11 ACCRUED EXPENSES AND OTHER LIABILITIES	June 30, 2024 FIMMP-I	FIMMP-II	Total
	---(Rupees)---		
Auditors' remuneration payable	92,260	29,068	121,328
Legal and professional charges payable	46,130	14,534	60,664
Printing charges payable	3,443	2,964	6,407
Withholding tax payable	12,360,984	-	12,360,984
Other charges payable	1,732,959	-	1,732,959
Capital gain tax payable	-	3,792,613	3,792,613
	14,235,776	3,839,179	18,074,955

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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12 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments outstanding as at June 30, 2024.

	For the period from May 15, 2024 to June 30, 2024 FIMMP-I	For the period from June 07, 2024 to June 30, 2024 FIMMP-II	Total
	------------(Rupees)------------		
13 AUDITORS' REMUNERATION			
Audit fee	80,591	25,391	105,982
Review and other certifications	-		-
Out of pocket	4,835	1,524	6,359
	85,426	26,915	112,341
Sales tax	6,834	2,153	8,987
	92,260	29,068	121,328

14 TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund as at June 30, 2024 is 0.05% and 0.17% for FIMMF-I and FIMMF-II respectively which includes 0.02% representing government levies on the Fund such as provision for 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 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 June 30, 2024 to the unit holders in the manner as explained above, 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.

16 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.

17 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

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, 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.

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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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

17.5 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 period and balances with them as at period end are as follows:

Transactions during the period:	For the period from May 15, 2024 to June 30, 2024	For the period from June 07, 2024 to June 30, 2024	Total
	FIMMP-I	FIMMP-II	
	--------(Rupees)--------		
Faysal Asset Management Limited - Management Company			
Remuneration of the Management Company	505,118	1,824,040	2,329,158
Sales Tax on remuneration of the Management	65,665	237,125	302,790
FIMMF-I: 30,806 Units	3,080,571	-	3,080,571
Faysal Bank Limited (Group / Associated company)			
Profit on bank balance	242,780	24,037,383	24,280,163
Bank charges	2,054	-	2,054
Central Depository Company of Pakistan Limited (the Trustee)			
Remuneration of the Trustee	213,704	107,647	321,351
Sindh sales tax on remuneration of the Trustee	27,782	13,994	41,776
Unit holders with more than 10% holding *			
Units issued - FIMMF-I : 31,280,161 units	3,128,016,132	-	3,128,016,132
Units issued - FIMMF-II: 15,699,324 units	-	1,579,551,026	1,579,551,026
Units redeemed - FIMMF-II :7,854,419	-	795,072,180	795,072,180

* This reflects the position of related party / connected persons status for the year ended June 30, 2024

Amounts / balances outstanding as at period end:	June 30, 2024		
	FIMMP-I	FIMMP-II	Total
	--------(Rupees)--------		
Faysal Asset Management Limited -the Management Company			
Management remuneration payable	331,194	1,824,040	2,155,234
Sindh Sales Tax on remuneration of the Management Company	43,055	237,125	280,180
Preliminary expenses and floatation cost payable	550,050	-	550,050
Other payables	25,000	-	25,000
Units outstanding - FIMMF-I: 30,806 units	3,083,956	-	3,083,956
Faysal Bank Limited - group company / associated company			
Balance with bank	6,854,750	1,552,227,286	1,559,082,036
Profit receivable on balance with bank	1,975,560	24,037,383	26,012,943
Central Depository Company of Pakistan Limited - the Trustee			
Trustee fee payable	140,120	107,647	247,767
Sindh Sales Tax on remuneration of the Trustee	18,216	13,994	32,210

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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Amounts / balances outstanding as at period end:	June 30, 2024		
	FIMMP-I	FIMMP-II	Total
	--------------------------------(Rupees)----------------------------		
Unit holders with more than 10% holding*			
Units outstanding - FIMMF-I: 31,280,161 units	3,131,453,821	-	3,131,453,821
Units outstanding - FIMMF-II: 7,844,905 units	-	794,924,235	794,924,235

*This reflects the position of related party / connected persons status as at June 30, 2024

18 FINANCIAL INSTRUMENTS BY CATEGORY

	June 30, 2024			June 30, 2024		
	FMMP-I			FMMP-II		
	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total
	---------------------------- Rupees ----------------------------					
Financial assets						
Balances with banks	6,854,750	-	6,854,750	1,552,227,286	-	1,552,227,286
Investments	-	3,030,900,000	3,030,900,000	-	1,536,931,600	1,536,931,600
Profit and other receivables	111,837,893	-	111,837,893	47,572,113	-	47,572,113
	118,692,643	3,030,900,000	3,149,592,643	1,599,799,399	1,536,931,600	3,136,730,999
Financial liabilities						
Payable to Faysal Asset Management Limited - Management Company	949,299	-	949,299	2,061,165	-	2,061,165
Payable to Central Depository Company of Pakistan Limited - Trustee	158,336	-	158,336	121,641	-	121,641
Accrued expenses and other liabilities	1,874,792	-	1,874,792	46,566	-	46,566
	2,982,427	-	2,982,427	2,229,372	-	2,229,372

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: profit rate risk, currency risk, and price risk.

(i) Profit rate risk

Yield / interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2024, the Fund is exposed to such risk on its balances held with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

The Fund holds balances with banks which expose the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the period and net assets of the Fund would have been higher / lower by Rs. 45.678 million.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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The Fund's yield / interest sensitivity related to financial assets and financial liabilities as at June 30, 2024 can be determined as follows:

	June 30, 2024					
	FIMMP-I					
	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Up to three months	More than three months and up to one year	More than one year		
	(%)	Rupees				
Financial assets						
Balances with banks	20.00%	6,854,750	-	-	-	6,854,750
Investments	21.22%	-	3,030,900,000	-	-	3,030,900,000
Profit and other receivables		-	-	-	111,837,893	111,837,893
		6,854,750	3,030,900,000	-	111,837,893	3,149,592,643
Financial liabilities						
Payable to Faysal Asset Management Limited - Management Company		-	-	-	949,299	949,299
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	158,336	158,336
Accrued expenses and other liabilities		-	-	-	1,874,792	1,874,792
		-	-	-	2,982,427	2,982,427
On-balance sheet gap (a)		6,854,750	3,030,900,000	-	108,855,466	3,146,610,216
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a+b)		6,854,750	3,030,900,000	-		
Cumulative interest rate sensitivity gap		6,854,750	3,037,754,750	3,037,754,750		

	June 30, 2024					
	FIMMP-II					
	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Up to three months	More than three months and up to one year	More than one year		
	(%)	Rupees				
Financial assets						
Balances with banks	20.00%	1,552,227,286	-	-	-	1,552,227,286
Investments	21.22 - 21.23%	-	1,536,931,600	-	-	1,536,931,600
Profit and other receivables		-	-	-	47,572,113	47,572,113
		1,552,227,286	1,536,931,600	-	47,572,113	3,136,730,999
Financial liabilities						
Payable to Faysal Asset Management Limited - Management Company		-	-	-	2,061,165	2,061,165
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	121,641	121,641
Payable against redemption of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	46,566	46,566
		-	-	-	2,229,372	2,229,372
On-balance sheet gap (a)		1,552,227,286	1,536,931,600	-	45,342,741	3,134,501,627
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a+b)		1,552,227,286	1,536,931,600	-		
Cumulative interest rate sensitivity gap		1,552,227,286	3,089,158,886	3,089,158,886		

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund does not have any investment that is exposed to price risk as at June 30, 2024.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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19.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement the maximum limit of which is fifteen percent of the net assets up to 90 days and would be secured by the assets of the Fund.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the period.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

FIMMF-I

	2024						
	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial instruments with no fixed maturity	Total
	Rupees						
Financial assets							
Balances with banks	6,854,750	-	-	-	-	-	6,854,750
Investments	-	-	-	3,030,900,000	-	-	3,030,900,000
Profit and other receivables	1,975,560	-	109,862,333	-	-	-	111,837,893
	8,830,310	-	109,862,333	3,030,900,000	-	-	3,149,592,643
Financial liabilities							
Payable to Faysal Asset Management Limited - Management Company	949,299	-	-	-	-	-	949,299
Payable to Central Depository Company of Pakistan Limited - Trustee	158,336	-	-	-	-	-	158,336
Payable against redemption of units	-	-	-	-	-	-	-
Accrued expenses and other liabilities	1,782,532	92,260	-	-	-	-	1,874,792
	2,890,167	92,260	-	-	-	-	2,982,427
Net financial assets	5,940,143	(92,260)	109,862,333	3,030,900,000	-	-	3,146,610,216

FIMMF-II

	2024						
	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial instruments with no fixed maturity	Total
	Rupees						
Financial assets							
Balances with banks	1,552,227,286	-	-	-	-	-	1,552,227,286
Investments	-	-	-	1,536,931,600	-	-	1,536,931,600
Profit and other receivables	24,037,383	-	23,534,730	-	-	-	47,572,113
	1,576,264,669	-	23,534,730	1,536,931,600	-	-	3,136,730,999
Financial liabilities							
Payable to Faysal Asset Management Limited - Management Company	2,061,165	-	-	-	-	-	2,061,165
Payable to Central Depository Company of Pakistan Limited - Trustee	121,641	-	-	-	-	-	121,641
Accrued expenses and other liabilities	17,498	29,068	-	-	-	-	46,566
	2,200,304	29,068	-	-	-	-	2,229,372
Net financial assets	1,574,064,365	(29,068)	23,534,730	1,536,931,600	-	-	3,134,501,627

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

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19.3 Credit risk

19.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. Credit risk arising on the debt instruments is mitigated by investing in rated instruments or instruments issued by rated counterparties of credit ratings of at least investment grade by the recognised rating agencies. The Fund receives a monthly rating update, against which investments are reviewed.

Credit risk arises from deposits with banks and financial instruments, profit receivable on balances with banks and credit exposure arising on investments. Credit risk arising on other financial assets is monitored through a regular analysis of financial position of brokers and other parties. For debt instrument settlement, Delivery versus Payment (DvP) mechanism applied by the Trustee of the Fund minimises the credit risk. In accordance with the risk management policy of the Fund, the investment committee monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

The table below analyses the Fund's maximum exposure to credit risk:

	FIMMP-I		FIMMP-II	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	------------------ Rupees ------------------		------------------ Rupees ------------------	
Balances with banks	6,854,750	6,854,750	1,552,227,286	1,552,227,286
Investments	3,030,900,000	-	1,536,931,600	-
Profit and other receivables	111,837,893	1,975,560	47,572,113	24,037,383
	3,149,592,643	8,830,310	3,136,730,999	1,576,264,669

The maximum exposure to credit risk before any credit enhancement as at June 30, 2024 is the carrying amount of the financial assets except for investments in government securities and profit receivable on government securities.

19.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks and profit accrued thereon. The credit rating profile of balances with banks is as follows:

	% of financial assets exposed to credit risk	
	FIMMP-I	FIMMP-II
	2024	2024
Rating	----------------%------------------	
AA	0.28%	50.25%

19.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties thereby any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2024 are unsecured and are not impaired.

20 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 at 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

20.1 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 June 30, 2024, the Fund holds the following financial instrument measured at fair value:

FIMMF-I	2024			
	Level 1	Level 2	Level 3	Total
Financial assets 'at fair value through profit or loss'	Rupees			
Government securities	-	3,030,900,000	-	3,030,900,000
	-	3,030,900,000	-	3,030,900,000

FIMMF-II	2024			
	Level 1	Level 2	Level 3	Total
Financial assets 'at fair value through profit or loss'	Rupees			
Government securities	-	1,536,931,600	-	1,536,931,600
	-	1,536,931,600	-	1,536,931,600

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 19, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

22 UNIT HOLDING PATTERN OF THE FUND

Category	Faysal Islamic Mehdood Muddat Plan-I			Faysal Islamic Mehdood Muddat Plan-II		
	2024			2024		
	Number of unit holders	Number of units held	Percentage of total	Number of unit holders	Number of units held	Percentage of total
Individual	-	-	-	7	30,894,857	100%
Other Corporate	1	31,280,161	99.90%	-	-	-
Associated companies	1	30,806	0.10%	-	-	-
Total	2	31,310,967	100%	7	30,894,857	100%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For The Year Ended June 30, 2024

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23 DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Name	Designation	Qualification	Overall experience
Mr. Nadir Rahman	Chief Executive Officer	BS (Economics)	Over 33 Years
Mr. Omer Bin Javaid	Deputy Chief Executive Officer	MBA	Over 25 Years
Mr. Muhammad Imran	Chief Investment Officer	MBA	Over 22 Years
Mr. Nafees Imtiaz Malik	Chief Operating Officer	MBA	Over 12 Years
Mr. Shahid Iqbal	Head of Fixed Income	B.Com	Over 32 Years
Mr. Salman Muslim	Chief Financial Officer and Company Secretary	FCA	Over 18 Years
Mr. Shoaib Danish	Equity Fund Specialist	MBA, CFA	Over 9 Years
Mr. Mustajab Alam	Fund Manager	MBA Finance	Over 11 Years
Mr. Abdul Ghani Mianoor	Senior Research Analyst	BSc	Over 5 Years
Syed Eunis Viqar	Head of Internal Audit and Compliance	ACCA	Over 16 Years
Mr. Abdul Basit	Unit Head - Risk Management	MBA	Over 9 Years
Mr. Muhammad Qasim	Senior Manager Risk Management	MBA	Over 16 Years

24 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other funds managed by the Fund manager
Mr. Syed Shahid Iqbal	Fund Manager	Bachelors in Commerce	Faysal Islamic Savings Growth Fund, Faysal Islamic Asset Allocation Fund, Faysal Halal Amdani Fund, Faysal Islamic Cash Fund, Faysal Islamic Special Income Fund, Faysal Islamic Financial Planning Fund II, Faysal Islamic Sovereign Fund, Faysal Islamic Financial Growth Fund, Faysal Income & Growth Fund, Faysal Money Market Fund, Faysal Savings Growth Fund, Faysal Financial Sector Opportunity Fund, Faysal MTS Fund, Faysal Financial Value Fund, Faysal Government Securities Fund and Faysal Special Savings Fund

25 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and the attendance of its members are given below:

Name of directors	Designation	Attended meeting held on						
		July 12, 2023	August 18, 2023	October 20, 2023	December 12, 2023	January 5, 2024	February 2, 2024	April 19, 2024
Mr. Yousaf Hussain	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Syed Majid Ali	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mian Salman Ali	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ali Waqar	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mrs. Samia Zuberi	Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ehsen Zafar Puri*	Director	-	-	-	Yes	Yes	Yes	Yes
Mr. Nadir Rahman	Chief Executive Officer	Yes	Yes	Yes	Yes	Yes	Yes	Yes

* Mr. Ehsen Zafar Puri was appointed as the Director with effect from October 20, 2023.

26 GENERAL

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Year Ended June 30, 2024

27 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 22, 2024 by the Board of Directors of the Management Company.

For Faysal Asset Management Limited
(Management Company)

Chief Financial Officer	**Chief Executive Officer**	**Director**

SUPPLEMENTARY NON FINANCIAL INFORMATION
DISCLOSURE REQUIREMENTS UNDER CLAUSE 6 - NOTES TO THE ACCOUNTS SUB CLAUSE (I) AND CLAUSE 11 - PERFORMANCE TABLE OF THE 5TH SCHEDULE TO THE NON BANKING FINANCE COMPANIES AND NOTIFIED ENTITIES REGULATIONS, 2008

(i) PERFORMANCE TABLE

	Mustakil Munafa-I June 30, 2024 (Rupees)	Mustakil Munafa-II June 30, 2024 (Rupees)
Net assets	3,134,538,912	3,130,562,217
Net assets value per unit	100.1099	101.3296
Offer price per unit	100.1099	101.3296
Repurchase price per unit	100.1099	101.3296
Highest offer price per unit	105.0513	101.3296
Highest repurchase price per unit	101.6068	101.3296
Lowest offer price per unit	100.0000	100.0000
Lowest repurchase price per unit	100.0000	100.0000
Total return:	25.99%	21.10%
- capital growth	22.84%	18.41%
- income distribution	3.15%	2.69%
Average annual return: (Launch date: May 15, 2024)		
- one year	25.99%	21.10%
Distribution per unit:		
- Interim distribution (% per unit) *	3.15%	2.69%
- Final distribution (% per unit)		
	3.15%	2.69%

(ii) MEETINGS OF THE AUDIT COMMITTEE

Following is the analysis of the attendance in the meetings of the Audit Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On			
		17-Aug-23	19-Oct-23	01-Feb-24	18-Apr-24
Ms. Samia Zuberi	Chairperson	Yes	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes	Yes
Mr. Mian Salman Ali	Member	Yes	Yes	Yes	Yes

(iii) MEETINGS OF THE HUMAN REOUSRCE AND REMUNERATION COMMITTEE

Following is the analysis of the attendance in the meetings of the Human Resource and Remuneration Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On				
		08-Aug-23	17-Oct-23	08-Nov-23	01-Feb-24	06-May-24
Ms. Samia Zuberi	Chairperson	Yes	Yes	Yes	Yes	Yes
Mr. Yousaf Hussain	Member	Yes	Yes	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes	Yes	Yes
Mr. Ali Waqar	Member	Yes	Yes	Yes	Yes	Yes

(iv) MEETINGS OF THE BOARD RISK MANAGEMENT COMMITTEE

Following is the analysis of the attendance in the meetings of the Board Risk Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On		
		10-Aug-23	16-Oct-23	18-Apr-24
Mr. Mian Salman Ali	Chairman	Yes	Yes	Yes
Syed Majid Ali	Member	Yes	Yes	Yes
Mr. Ali Waqar	Member	Yes	Yes	Yes
Mr. Nadir Rahman	Member	Yes	Yes	Yes

(v) MEETINGS OF THE BOARD STRATEGY COMMITTEE

Following is the analysis of the attendance in the meetings of the Board Strategy Committee of the Management Company during the year:

Name of Directors	Designation	Attended Meetings Held On	
		09-Aug-23	16-Oct-23
Mr. Yousaf Hussain	Chairman	Yes	Yes
Syed Majid Ali	Member	Yes	Yes
Mr. Mian Salman Ali	Member	Yes	Yes
Mr. Nadir Rahman	Member	Yes	Yes
*Mr. Ehsan Zafar Puri	Member	N/A	N/A

*Mr. Ehsan Zafar Puri was appointed as director board strategy committee, effective from October 20, 2023.

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