

Atlas funds

Nurturing your investments

Atlas Sovereign Liquid Fund

Atlas Money Market Fund

Atlas Income Fund

Atlas Stock Market Fund

Atlas Gold Fund

THIRD QUARTER REPORT

31 March 2015

(UN-AUDITED)



Invest today
Prosper tomorrow



It Takes Skill to
Master the Game



Management Company

Atlas Asset Management

Rated AM2- by PACRA



Vision

To be a market leader in providing quality fund management services with customer satisfaction as our premier goal.

Mission Statement

We are committed to offering our investors the best possible risk adjusted returns on a diverse range of products, providing a stimulating and challenging environment for our employees, and committing to the highest ethical and fiduciary standards. We firmly believe that by placing the best interests of our clients first, we will also serve the best interest of our employees, our shareholders and the communities in which we operate.

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ORGANISATION

Management Company

Atlas Asset Management Limited

Board of Directors of the Management Company

Chairman Mr. Yusuf H. Shirazi
(Non-Executive Director)

Directors Mr. Azam Faruque
(Independent Director)

Mr. Shamshad Nabi
(Independent Director)

Mr. Frahim Ali Khan
(Non-Executive Director)

Mr. Ali H. Shirazi
(Non-Executive Director)

Mr. Arshad P. Rana
(Non-Executive Director)

Chief Executive Officer Mr. M. Habib-ur-Rahman
(Executive Director)

Company Secretary Ms Lilly R. Dossabhoy

Board Committees

Audit Committee

Chairman Mr. Azam Faruque
Members Mr. Shamshad Nabi
Mr. Frahim Ali Khan

Secretary Ms Qurrat-ul-Ain Jafari

Board Evaluation Committee

Chairman Mr. Azam Faruque
Members Mr. Shamshad Nabi
Mr. Ali H. Shirazi

Secretary Mr. M. Habib-ur-Rahman

Human Resource & Remuneration Committee

Chairman Mr. Frahim Ali Khan
Members Mr. Ali H. Shirazi
Mr. M. Habib-ur-Rahman

Secretary Mr. Muhammad Abdul Samad

Investment Committee

Chairman Mr. M. Habib-ur-Rahman
Members Mr. Ali H. Shirazi
Mr. Muhammad Abdul Samad
Mr. Khalid Mahmood
Mr. Muhammad Umar Khan
(Secretary)
Mr. Fawad Javaid
Mr. Faran ul Haq

Management Committee

Chairman Mr. M. Habib-ur-Rahman
Members Mr. Muhammad Abdul Samad
Ms Lilly R. Dossabhoy
Mr. Abbas Sajjad

Secretary Mr. Muhammad Umar Khan

Risk Management Committee

Chairman Mr. M. Habib-ur-Rahman
Members Mr. Muhammad Abdul Samad
Ms Zainab Hussain
(Secretary)
Mr. Syed Fahad Ali

Chief Internal Auditor

Ms Qurrat-ul-Ain Jafari

Registered Office

Ground Floor, Federation House, Sharae Firdousi
Clifton, Karachi - 75600

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Atlas Funds

CHAIRMAN'S REVIEW

It is my pleasure to present to you the un-audited financial statements of Atlas Sovereign Liquid Fund (ASLF), Atlas Money Market Fund (AMF), Atlas Income Fund (AIF), Atlas Stock Market Fund (ASMF) and Atlas Gold Fund (AGF) for the nine months/period ended 31 March 2015 of the FY 2014-15.

The Economy

During the period, July - March FY 2014-15, total exports stood at US\$17.94 billion as compared to US\$19.07 billion worth of exports reported in the same period last year. The foreign exchange reserves of the country stood at US\$16.2 billion as on March 2015 with SBP's share of US\$11.1 billion in the total liquid foreign exchange reserves. Foreign remittances for the period July - March FY 2014-15 stood at US\$13.33 billion, which was an increase of 15.03% YoY. CPI inflation for the period of July - March FY 2014-15 was recorded at 5.1%. The SBP slashed Discount Rate (DR) by 50bps in the March 2015 review to 8.0%, which is the third time in FY 2014-15 after 50bps cut in November 2014 and 100bps cut in January 2015 review. This shift towards expansionary policy has been made possible due to decline in inflation, which is a result of reduction in domestic oil prices and a trickle-down effect on other items.

Fund Operations - ASLF

The Net Asset Value per unit of Atlas Sovereign Liquid Fund increased by 2.39% to Rs.102.39 as on 31 March 2015, providing an annualized total return of 7.28%. The ASLF's total exposure in Treasury Bills stood at 66.34% with remaining in short term deposits with banks/ cash. ASLF presents a good investment opportunity for investors to earn attractive returns while maintaining high liquidity with low risk. The Net Assets of the Fund stood at Rs.338.39 million, with 3.31 million units outstanding as of 31 March 2015.

Fund Operations - AMF

The Net Asset Value per unit of Atlas Money Market Fund has increased by 6.46% to Rs.534.98 as on 31 March 2015, thus providing an annualized total return of 8.60%. The AMF's total exposure in Treasury Bills stood at 80.74% with remaining in short term deposits with banks / cash. AMF presents a good investment opportunity for investors to earn attractive returns while maintaining high liquidity with low risk. The Net Assets of the Fund stood at Rs.5.78 billion, with 10.81 million units outstanding as of 31 March 2015.

Fund Operations - AIF

The Net Asset Value per unit of Atlas Income Fund increased by 9.99% to Rs.554.20 as on 31 March 2015, this works out to 13.31% on an annualized basis. AIF's current asset allocation is 47.98% in Pakistan Investment Bonds, 35.61% in Treasury bills, 2.32% in TFCs / Sukuks 10.77% in Margin Trading System and remaining in bank deposits / others. AIF presents a good investment opportunity for investors to earn attractive returns and at the same time benefit from any gain as a result of reversal of provisions/income. The Net Assets of the Fund stood at Rs.5.96 billion with 10.76 million units outstanding as of 31 March 2015.

Fund Operations - ASMF

The Net Asset Value per unit of Atlas Stock Market Fund increased by 6.46% to Rs.469.58 as on 31 March 2015. The benchmark KSE-100 index has increased by 1.96% during the same period. The KSE - 100 has increased from 29,652.53 points as on 30 June 2014 to 30,233.87 points as on 31 March 2015. The ASMF's equity portfolio exposure was mainly in Commercial Banks, Fertilizer and Textile Composite sectors. ASMF's strategy will continue to focus on dividend plays and stocks which are trading at relatively cheap multiples with earning growth prospects. The Net Assets of the Fund stood at Rs.1.85 billion, with 3.95 million units outstanding as of 31 March 2015.

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Fund Operations - AGF

The Net Asset Value per unit of Atlas Gold Fund decreased by 4.55% to Rs.97.70 as on 31 March 2015. The benchmark has decreased by 5.34% during the same period. AGF's current asset allocation is 77.28% in Gold/Gold futures contracts and remaining in bank deposits/others. The Net Assets of the Fund stood at Rs.200.86 million, with 2.06 million units outstanding as of 31 March 2015.

RATINGS

• Asset Manager Rating

The Pakistan Credit Rating Agency Limited (PACRA) has maintained asset manager rating of Atlas Asset Management Limited (AAML) at "AM2-" (AM Two Minus). The rating reflects the Company's high investment management industry standards and benchmarks with noted strengths in several of the rating factors.

• Rating/Ranking - ASLF

PACRA has assigned a stability rating of "AA (f)" (Double A - Fund rating) to the Fund. The Fund's rating denotes a very strong capacity to manage relative stability in returns and very low exposure to risks.

• Fund Stability Rating - AMF

PACRA has assigned a stability rating of "AA (f)" (Double A - Fund rating) to the Fund. The Fund's rating denotes a very strong capacity to manage relative stability in returns and very low exposure to risks.

• Fund Stability Rating - AIF

PACRA has assigned a stability rating of "AA- (f)" (Double A Minus - Fund rating) to the Fund. The Fund's rating denotes a very strong capacity to manage relative stability in returns and very low exposure to risks.

• Star Ranking - ASMF

PACRA has assigned a "3 Star" for one year, "4 Star" for three years and "4 Star" for five years ranking to the Fund for FY 2014. The one year ranking is based on performance during the trailing twelve months period, the 3 years ranking is based on performance during the trailing thirty six months and the 5 years ranking is based on performance during the trailing sixty months period.

• Rating/Ranking - AGF

Rating/Ranking is in process.

Delegation of Back office Functions by Atlas Asset Management Limited

Atlas Asset Management Limited (AAML) has entered into a Service Level Agreement (SLA) with ITMinds Limited (a wholly owned subsidiary of Central Depository Company of Pakistan Limited) for the delegation of back-office functions on 11 March 2015. ITMinds Limited will provide back office services in relation to settlement, unit management operations, NAV calculation and financial statements. The objectives for delegation of functions is to achieve better efficiencies and focus more on core business activities. The Securities and Exchange Commission of Pakistan via Circular No. 24 of 2013 dated 6 December 2013 have prescribed the requirements for delegation of functions to a Service Provider in relation to Collective Investment Schemes (CIS). Subsequent to the signing of the agreement, all necessary amendments have been incorporated in the offering documents of ASLF, AMF, AIF, ASMF and AGF.

Atlas Funds

Future Outlook

Improved macro-economic outlook has been emanating from decline in CPI inflation, better foreign inflows and lower international oil prices. Large-scale Manufacturing is likely to gain traction due to recent cut in policy rate and low prices of raw materials that will boost the manufacturing sector. Credit off-take is likely to pick up with the realization of the impact of successive discount rate reductions. Thus, GDP growth rate is on course to surpass last year growth of 4.14%. With strong workers' remittances and slowing imports, current account deficit has shrunk in July - March period of FY 2014 - 15 as compared to same period last year. Nonetheless, with lower price impact in imports and multilateral inflows on track, the external sector outlook remains bullish. This is evident from stability in foreign exchange market and in an upward trajectory in foreign exchange reserves. Moreover, recent IMF inflows and HBL privatization proceeds will further support external account position. Structural reforms are required on fiscal side with efforts to broaden the tax base and reduce subsidies. Trade reforms, elimination of SROs and business friendly regulatory & administrative changes would also help improve business climate in the country. Improved macro-economic condition has thus opened a window of opportunity to gear up reforms to ensure improvements in the economy are sustainable.

The Funds are committed to prudent investment procedures and will continue to provide consistent long term returns to the investors.

لَيْسَ لِلْإِنْسَانِ إِلَّا مَا سَعَى
(انسان کو اتنا ہی ملے گا جتنی اس نے کوشش کی)

Acknowledgement

I would like to thank the Securities and Exchange Commission of Pakistan, the Board of Directors, and the Group Executive Committee for their help, support and guidance. I also thank the financial institutions and the unit holders for their help, support and the confidence reposed in the Fund and the Chief Executive Officer, Mr. M. Habib-ur-Rahman and his management team for their hard work, dedication, and sincerity of purpose.

Karachi: 27 April 2015

Yusuf H. Shirazi
Chairman

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Atlas Sovereign Liquid Fund

Corporate Information

Trustee

Central Depository Company of Pakistan Limited
99-B, Block 'B', S.M.C.H.S, Main Shahrah-e-Faisal
Karachi - 74400

Auditors

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Legal Advisers

Bawaney & Partners

Bankers

Bank Alfalah Limited

Atlas Sovereign Liquid Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT 31 MARCH 2015

	Note	31 March 2015 Un-audited Rupees
ASSETS		
Bank balances and term deposits	4	113,101,350
Investments	5	225,919,532
Interest accrued		225,927
Prepayments		148,201
Deffered formation cost	6	1,152,666
Total assets		340,547,676
LIABILITIES		
Payable to Atlas Asset Management Limited - Management Company	7	1,776,969
Payable to Central Depository Company of Pakistan Limited - Trustee	8	36,398
Payable to the Securities and Exchange Commission of Pakistan		42,661
Accrued and other liabilities	9	305,971
Total liabilities		2,161,999
NET ASSETS		338,385,677
UNIT HOLDERS' FUND		338,385,677
CONTINGENCIES AND COMMITMENTS	10	
NUMBER OF UNITS IN ISSUE		3,304,738
NET ASSET VALUE PER UNIT		102.39

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

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CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE PERIOD FROM 24 NOVEMBER 2014 TO 31 MARCH 2015

		For the Period from 24 November 2014 to 31 March 2015 Un-audited	For the Quarter Ended 31 March 2015 Un-audited
	Note	-----	Rupees -----
INCOME			
Interest income	11	5,241,953	4,059,446
Net gain on financial assets at fair value through profit and loss			
Net gain on sale of investments		79,172	79,176
Net unrealised gain on revaluation of investments		88,263	76,342
		167,435	155,518
Element of income and capital gain included in prices of units sold less those in units redeemed - net		3,936,203	3,931,948
		9,345,591	8,146,912
EXPENSES			
Remuneration of Atlas Asset Management Limited - Management Company	7.1	426,610	346,498
Sindh Sales Tax on Remuneration of the Management Company	7.2	74,230	60,290
Federal Excise Duty on Remuneration of the Management Company	7.3	68,258	55,440
Remuneration of Central Depository Company of Pakistan Limited - Trustee		85,321	69,299
Annual fees - Securities & Exchange Commission of Pakistan		42,661	34,647
Annual rating fee		131,466	103,847
Initial and annual listing fee		62,333	47,143
Brokerage		3,956	1,257
Auditors' remuneration		155,833	120,273
Printing charges		70,833	53,571
Amortisation of formation cost		147,334	111,429
Bank charges		3,409	906
Provision for Workers' Welfare Fund	9.1	161,467	142,846
		1,433,711	1,147,446
Net income for the period before taxation		7,911,880	6,999,466
Taxation		-	-
Net income for the period after taxation		7,911,880	6,999,466

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Sovereign Liquid Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE PERIOD FROM 24 NOVEMBER 2014 TO 31 MARCH 2015

	For the Period from 24 November 2014 to 31 March 2015 Un-audited	For the Quarter Ended 31 March 2015 Un-audited
	----- Rupees -----	
Net income for the period after taxation	7,911,880	6,999,466
Other comprehensive income	-	-
Total comprehensive income for the period	7,911,880	6,999,466

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

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CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED)
FOR THE PERIOD FROM 24 NOVEMBER 2014 TO 31 MARCH 2015

	Rupees
Net income for the period after taxation	7,911,880
Undistributed income carried forward	<u><u>7,911,880</u></u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Sovereign Liquid Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE PERIOD FROM 24 NOVEMBER 2014 TO 31 MARCH 2015

	Units	Rupees
Net assets at the beginning of the period	-	-
Issue of units	3,304,738	334,410,000
Element of income and capital gain included in prices of units sold less those in units redeemed - net	-	(3,936,203)
Net gain on financial assets at fair value through profit and loss		
Net gain on sale of investments	-	79,172
Net unrealised gain on revaluation of investments	-	88,263
Other net income for the period	-	7,744,445
Total comprehensive income for the period	-	7,911,880
Net assets at the end of the period [Rs.102.39 per unit]	<u>3,304,738</u>	<u>338,385,677</u>

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

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CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE PERIOD FROM 24 NOVEMBER 2014 TO 31 MARCH 2015

	Note	Rupees
Cash flows from operating activities		
Net income for the period after taxation		7,911,880
Adjustments for:		
Interest income		(5,241,953)
Net gain on sale of investments		(79,172)
Net unrealised gain on revaluation of investments		(88,263)
Amortization of formation cost		147,334
Element of income and capital gain included in prices of units sold less those in units redeemed - net		(3,936,203)
		(9,198,257)
Increase in assets		
Prepayments		(148,201)
Deffered formation cost		(1,300,000)
		(1,448,201)
Increase in liabilities		
Payable to Atlas Asset Management Limited - Management Company		1,776,969
Payable to Central Depository Company of Pakistan Limited - Trustee		36,398
Payable to the Securities and Exchange Commission of Pakistan		42,661
Accrued and other liabilities		305,971
		2,161,999
		(572,579)
Interest received		5,016,026
Investments made during the period		(674,534,975)
Investments sold during the period		448,782,878
Net cash used in operating activities		(221,308,650)
Cash flows from financing activities		
Proceeds from issue of units		334,410,000
Net cash generated from financing activities		334,410,000
Net increase in cash and cash equivalents		113,101,350
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period	4	113,101,350

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Sovereign Liquid Fund

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD FROM 24 NOVEMBER 2014 TO 31 MARCH 2015

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Sovereign Liquid Fund (the Fund) is an open ended Fund constituted by a trust deed entered into on 19 August 2014 between Atlas Asset Management Limited (AAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the trustee. The offering document has been revised through First Supplement dated 24 March 2015 with the approval of the Securities Exchange Commission of Pakistan (SECP). The investment activities and administration of the Fund are managed by AAML situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.
- 1.2 Units of the Fund have been offered for public subscription on a continuous basis from 1 December 2014, and are transferable and redeemable by surrendering them to the Fund. The Fund is listed on the Lahore Stock Exchange.
- 1.3 According to the trust deed, the objective of the Fund is to provide its investors competitive returns with low risk and high liquidity. The Fund aims to deliver this objective by investing primarily in Government securities, cash and near cash instruments which include cash in bank accounts (excluding TDRs), treasury bills, money market placements, deposits, certificates of deposit (CODs), certificate of musharakas (COM), commercial papers, and reverse repo; with a weighted average time to maturity of not more than 90 days, and in case of a single asset, maximum time to maturity of six months. The investment objectives and policy are more fully defined in the Fund's offering document.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting", the requirements of the Trust Deed, 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 directives issued by the SECP. In case where requirements differ, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

The condensed interim financial Statements do not include all the information and disclosures required in the annual financial statements.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 31 March 2015.

2.2 Critical accounting estimates and judgments

The preparation of financial statements requires 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 and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result 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.

The estimates and judgments that have a significant effect on the financial statements are in respect of the following:

	Note
Investments	3.1 & 5
Provisions	3.7
Element of income/loss and capital gains/losses in prices of units issued less those in units redeemed - net	3.8

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2.3 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments which are carried at fair value.

2.4 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the Fund's functional and presentation currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these condensed interim financial statements are set out below:

3.1 Investments

The investments of the Fund, upon initial recognition, are classified as investment at fair value through income statement or available-for-sale investment, as appropriate.

All investments, are initially measured at fair value plus, in the case of investments not at fair value through income statement, transaction costs that are directly attributable to acquisition.

All regular way purchases / sales of investments are recognised on the trade date, i.e. the date on which the Fund commits to purchase / sell the investment.

Investments at fair value through income statement

These include held-for-trading investments and such other investments that, upon initial recognition, are designated under this category. Investments are classified as held-for-trading if they are acquired for the purpose of selling in the near term. After initial measurement, such investments are carried at fair value and gains or losses on revaluation are recognised in the income statement.

Fair value of government securities is determined by reference to the quotations obtained from the PKRV rate sheet on the Reuters page.

Available-for-sale

Investments which are not classified in the preceding categories are classified as available-for-sale investments. After initial measurement, such investments are measured at fair value with unrealised gain or loss recognised directly in the statement of comprehensive income until the investment is derecognised or determined to be impaired at which time the cumulative gain or loss previously recognised in the statement of comprehensive income is taken to the income statement.

3.2 Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Subsequent to initial recognition financial assets classified as loans and receivables are carried at amortised cost using the effective interest method.

Gain or loss is also recognised in the income statement when financial assets carried at amortised cost are derecognised or impaired.

3.3 Derivatives

These are measured at fair value. Derivatives with positive fair values (unrealised gains) are included in other assets and derivatives with negative fair values (unrealised losses) are included in other liabilities in the statement of assets and liabilities. The resultant gains and losses are included in the income statement.

3.4 Issue and redemption of units

Units issued are recorded at the offer price, determined by the management company for the applications received by the distribution company / management company 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 distribution company and the management company.

Units redeemed are recorded at the redemption price applicable to units for which the distribution company / management company receives redemption applications during business hours of that day. The redemption price shall be 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.

Atlas Sovereign Liquid Fund

3.5 Revenue recognition

Interest income on government securities is recognised using effective interest method at the rate of return implicit in the instrument.

Interest income on bank balances, placements and deposits is recognised on an accrual basis.

Element of income/loss and capital gains/losses in prices of units issued less those in units redeemed is recognised when the units are issued and redeemed at the transaction date.

3.6 Expenses

All expenses chargeable to the Fund including remuneration of management company, trustee, and annual fee of the SECP are recognised in the income statement on an accrual basis.

3.7 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.

3.8 Element of income/loss and capital gains/losses in prices of units sold less those in units redeemed

To prevent the dilution of per unit income and distribution of income already paid out on redemption as dividend, an equalisation account called “element of income/loss and capital gains/losses in prices of units issued less those in units redeemed” (the element) is created.

Upon sale and redemption of units, the amount representing net income / loss and capital gains/losses accounted for in net asset value and included in the sale / redemption price is taken to the element account.

The element is computed to the extent that it is represented by the increase/decrease in net income/loss and capital gains/losses earned/incurred during the year.

3.9 Deferred formation cost

Formation cost refers to all the preliminary and floatation expenses of the Fund incurred upto the initial issue of units, to the extent allowable under the NBFC Regulations. These costs are being amortised over a period of five years commencing from January 2010, in accordance with the requirements of the NBFC Regulations. These expenses were paid off by the management company and are reimbursable to it by the Fund.

3.10 Taxation

The Fund is exempt from taxation under Clause 99 of the Part I of the 2nd Schedule of the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income excluding realised and unrealised capital gains for the year is distributed as cash dividend amongst the Fund's unit holders. The Fund intends to avail this exemption for current and future periods. Accordingly, no provision is made for current and deferred taxation in these financial statements.

3.11 Financial instruments

All financial assets and financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual rights to receive cash flows related to the asset expire. Financial liabilities are derecognised when they are extinguished, that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gain or loss on derecognition of the financial assets and financial liabilities is taken to income statement.

3.12 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are only offset and the net amount reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amount and the Fund intends to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

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3.13 Distribution to unit holders

Distribution to unit holders is recognised upon declaration and approval by the Board of Directors of the management company.

Distributions declared subsequent to the year 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.

3.14 Net asset value per unit

The net asset value per unit disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the period end.

3.15 Earnings per unit

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

3.16 Cash and cash equivalents

Cash and cash equivalents include deposits with banks and other short term highly liquid investments with original maturities of three months or less.

**31 March
2015
Un-audited
Rupees**

4. BANK BALANCES AND TERM DEPOSITS

In local currency

Profit and loss sharing accounts	4.1	13,101,350
Term deposit accounts	4.2	100,000,000
		<u>113,101,350</u>

4.1 The rate of return on these accounts is 7.70% per annum.

4.2 The rate of return on term deposit is 8.30% per annum. The deposit will mature by 24 April 2015.

5. INVESTMENTS - at fair value through income statement

Government Securities

Market Treasury Bills - Held for trading	5.1	<u>225,919,532</u>
--	-----	--------------------

5.1 Market Treasury Bills - Held for trading

	Face value (Rupees)			Rupees		Percentage of	
	Acquired during the period	Disposed during the period	At the end of the period	Amortized cost	Market Value	Total Investments	Net Assets
Treasury bills							
3 Months - T-bills	376,900,000	242,400,000	134,500,000	133,024,896	133,037,547	58.89	39.32
6 Months - T-bills	104,200,000	9,000,000	95,200,000	92,806,372	92,881,985	41.11	27.45
12 Months - T-bills	200,000,000	200,000,000	-	-	-	-	-
	<u>681,100,000</u>	<u>451,400,000</u>	<u>229,700,000</u>	<u>225,831,268</u>	<u>225,919,532</u>	<u>100.00</u>	<u>66.76</u>

5.2 The cost of investments as on 31 March 2015 is Rs.223,296,016.

5.3 These market treasury bills carry purchase yields ranging from 7.9002% to 9.6101% per annum and will mature between 2 April 2015 and 17 September 2015.

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	Note	31 March 2015 Un-audited Rupees
9. ACCRUED AND OTHER LIABILITIES		
Auditors' remuneration payable		87,908
Printing charges payable		55,033
Withholding tax payable		711
Payable to brokers		852
Provision for Workers' Welfare Fund	9.1	161,467
		<u>305,971</u>

9.1 The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes / Mutual Funds (CISs) / Pension Funds whose income exceeds Rs.0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a Constitutional Petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs / pension funds, which is pending adjudication.

In March 2013, a three member bench of the Sindh High Court in its judgment on various Constitutional Petitions challenging the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, held that WWF is a tax and consequently, the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through Finance Act, 2006 and 2008 respectively (Money Bills) do not suffer from any constitutional or legal infirmity. This judgment was in contrast to the July 2011 single member bench decision of the Honorable Lahore High Court which had held such amendments as unlawful and unconstitutional for the reason that they were made through the money bills.

In May 2014, the Honorable Peshawar High Court (PHC) has also held these amendments to be ultra vires as they lacked the essential mandate to be introduced and passed through the Money Bill under the constitution. For the CISs and Pension Funds, the issue of chargeability or otherwise of WWF levy to the CISs / Pension Funds is currently pending before the Honourable SHC.

In view of the pending decision of the SHC, the Management Company of the Fund, as a matter of abundant caution, has decided to maintain a provision for WWF amounting to Rs.161,467 in these condensed interim financial statements. Had the same not been made, the net asset value per unit of the Fund would have been higher by Re.0.05 per unit.

10. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 March 2015.

	For the period 24 November 2014 to 31 March 2015 Un-audited Rupees
11. INTEREST INCOME	
PLS saving and term deposit accounts	722,103
Government Securities - T-bills	4,519,850
	<u>5,241,953</u>

Atlas Sovereign Liquid Fund

For the period
24 November
2014
to 31 March
2015
Un-audited
Rupees

12. TRANSACTIONS WITH RELATED PARTIES/CONNECTED PERSONS

12.1 Transactions for the period:

Atlas Asset Management Limited (Management Company)

Remuneration charged	426,610
Remuneration paid	80,112
Sindh Sales Tax on remuneration of the Management Company	74,230
Federal Excise Duty on remuneration of the Management Company	68,258
Issue of 329,961 units	33,000,000

Central Depository Company of Pakistan Limited (Trustee)

Trustee fee charged	85,321
Trustee fee paid	48,923

Atlas Honda Limited (Group Company)

Issue of 1,960,784 units	200,000,000
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Shirazi Investments (Private) Limited (Group Company)

Issue of 1,000,000 units	100,000,000
--------------------------	-------------

Key Management Personnel of Management Company

Issue of 13,893 units	1,400,000
-----------------------	-----------

**31 March
2015
Un-audited
Rupees**

12.2 Details of balances with related parties as at the period end are as follows:

Atlas Asset Management Limited (Management Company)

Remuneration payable to the management company	346,498
Sindh Sales Tax payable on remuneration of the Management Company	62,213
Federal Excise Duty payable on remuneration of the Management Company	68,258
Payable in respect of formation cost	1,300,000
Outstanding 329,961 units - at net asset value	33,784,712

Central Depository Company of Pakistan Limited (Trustee)

Remuneration payable to the Trustee	36,398
-------------------------------------	--------

Atlas Honda Limited (Group Company)

Issue of 1,960,784 units	200,764,706
--------------------------	-------------

Shirazi Investments (Private) Limited (Group Company)

Outstanding 1,000,000 units - at net asset value	102,390,000
--	-------------

Key Management Personnel of Management Company

Outstanding 13,893 units - at net asset value	1,422,464
---	-----------

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- 12.3** For the purpose of this disclosure, transactions by the Board of Directors, and key management personnel falling within the scope of "executive" under the Code of Corporate Governance, 2012 are included herein. The term "executive" includes the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Company Secretary, Chief Internal Auditor, and executives of the Management Company of the Fund whose gross remuneration is Rs.4 million and above, as set by the Board of Directors of the Management Company for FY 2014-15.
- 12.4** The transactions with related parties/connected persons are in the normal course of business at contracted rates and terms determined in accordance with market rates.

13. GENERAL

- 13.1** Being the first financial statements of the Fund, there are no comparative figures to report.
- 13.2** Figures have been rounded off to the nearest Rupee.

14. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the management company on 27 April 2015.

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Money Market Fund

Corporate Information

Trustee

Central Depository Company of Pakistan Limited
99-B, Block 'B', S.M.C.H.S, Main Shahrah-e-Faisal
Karachi - 74400

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisers

Bawaney & Partners

Bankers

Bank Alfalah Limited
Faysal Bank Limited
Askari Bank Limited
United Bank Limited

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CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 MARCH 2015

		31 March 2015 Un-audited	30 June 2014 Audited
	Note	----- Rupees -----	----- Rupees -----
Assets			
Bank balances and term deposits	4	1,127,002,400	2,000,304,767
Investments	5	4,733,910,930	4,098,146,929
Interest accrued		2,288,666	5,943,939
Prepayment		10,000	-
Total assets		5,863,211,996	6,104,395,635
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	6	33,444,319	15,203,671
Payable to Central Depository Company of Pakistan Limited - Trustee		467,786	428,838
Annual fee payable to the Securities & Exchange Commission of Pakistan		3,715,824	4,675,297
Accrued and other liabilities	7	44,885,048	34,490,446
Total liabilities		82,512,977	54,798,252
NET ASSETS		5,780,699,019	6,049,597,383
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		5,780,699,019	6,049,597,383
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		10,805,394	12,038,054
NET ASSET VALUE PER UNIT		534.98	502.54

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Money Market Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2015

	Note	For the Nine Months ended		For the Quarter ended	
		31 March		31 March	
		2015	2014	2015	2014
		----- Rupees -----			
Income					
Interest income	9	478,906,051	424,492,168	144,642,576	173,451,781
Net gain/(loss) on financial assets at fair value through profit and loss					
Net gain/(loss) on maturity/sale of investments		4,343,136	(1,475,455)	3,182,476	(204,264)
Net unrealised gain/(loss) on remeasurement of investments		3,332,122	(1,416,264)	2,166,413	525,644
		7,675,258	(2,891,719)	5,348,889	321,380
Element of (loss)/income and capital (losses)/gains included in prices of units sold less those in units redeemed - net		(62,778,264)	6,959,974	(53,568,865)	750,811
		423,803,045	428,560,423	96,422,600	174,523,972
Expenses					
Remuneration of Atlas Asset Management Limited - Management Company		42,112,678	38,272,763	13,495,025	14,926,840
Sindh Sales Tax on Remuneration of the Management Company	6.1	7,327,606	7,103,425	2,348,134	2,770,422
Federal Excise Duty on Remuneration of the Management Company	6.2	6,738,028	6,123,642	2,159,203	2,388,294
Remuneration of Central Depository Company of Pakistan Limited - Trustee		4,278,841	3,940,020	1,375,668	1,502,003
Annual fees - Securities & Exchange Commission of Pakistan		3,715,824	3,377,006	1,190,739	1,317,073
Annual rating fee		181,500	169,117	60,500	59,117
Annual listing fee		30,000	30,000	10,000	10,000
Brokerage		216,308	248,893	132,340	69,357
Auditors' remuneration		1,308,797	419,929	154,906	137,983
Printing charges		105,000	221,816	35,000	63,750
Amortisation of formation cost		-	150,000	-	50,000
Bank charges		71,266	73,361	24,234	25,618
Provision for Workers' Welfare Fund	7.1	7,154,344	7,368,609	1,508,737	3,024,070
		73,240,192	67,498,581	22,494,486	26,344,527
Net income for the period before taxation		350,562,853	361,061,842	73,928,114	148,179,445
Taxation	10	-	-	-	-
Net income for the period after taxation		350,562,853	361,061,842	73,928,114	148,179,445

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

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CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2015

	<u>For the Nine Months ended</u>		<u>For the Quarter ended</u>	
	31 March		31 March	
	2015	2014	2015	2014
	----- Rupees -----			
Net income for the period after taxation	350,562,853	361,061,842	73,928,114	148,179,445
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive income for the period	350,562,853	361,061,842	73,928,114	148,179,445

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Money Market Fund

CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2015

	2015	2014
	----- Rupees -----	
Undistributed income brought forward [Includes unrealised gain on investments Rs.61,069,399] (2014: Unrealised gain on investments of Rs.49,574,300)	13,939,197	5,661,146
Net income for the period after taxation	350,562,853	361,061,842
Other comprehensive income	-	-
Total comprehensive income for the period	350,562,853	361,061,842
Interim distribution for the month ended 31 July 2014 - Nil (2014: Rs.3 per unit declared on 31 July 2013)		
- Nil bonus units (2014: 52,470)	-	(26,371,028)
- Cash payout against interim distribution	-	(175,909)
	-	(26,546,937)
Interim distribution for the month ended 31 August 2014 - Nil (2014: Rs.3 per unit declared on 30 August 2013)		
- Nil bonus units (2014: 54,844)	-	(27,566,801)
- Cash payout against interim distribution	-	(175,909)
	-	(27,742,710)
Interim distribution for the month ended 30 September 2014 - Nil (2014: Rs. 3 per unit declared on 27 September 2013)		
- Nil bonus units (2014: 59,279)	-	(29,782,672)
- Cash payout against interim distribution	-	(143,175)
	-	(29,925,847)
Interim distribution for the month ended 31 October 2014 - Nil (2014: Rs.3.25 per unit declared on 24 October 2013)		
- Nil bonus units (2014: 81,841)	-	(41,092,499)
- Cash payout against interim distribution	-	(155,106)
	-	(41,247,605)
Interim distribution for the month ended 30 November 2014 - Nil (2014: Rs.3.25 per unit declared on 29 November 2013)		
- Nil bonus units (2014: 79,851)	-	(40,119,591)
- Cash payout against interim distribution	-	(155,106)
	-	(40,274,697)
Interim distribution for the month ended 31 December 2014- Nil (2014: Rs.3.25 per unit declared on 27 December 2013)		
- Nil bonus units (2014: 84,723)	-	(42,565,045)
- Cash payout against interim distribution	-	(158,338)
	-	(42,723,383)
c/f	364,502,050	158,261,809

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CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED) (Continued...) FOR THE NINE MONTHS ENDED 31 MARCH 2015

	2015	2014
	----- Rupees -----	
b/f	364,502,050	158,261,809
Interim distribution for the month ended 31 January 2015 - Nil (2014: Rs. 3.50 per unit declared on 31 January 2014)		
- Nil bonus units (2014: 90,900)	-	(45,711,751)
- Cash payout against interim distribution	-	(150,523)
	-	(45,862,274)
Interim distribution for the month ended 28 February 2015 - Nil (2014: Rs. 3.25 per unit declared on 28 February 2014)		
- Nil bonus units (2014: 95,034)	-	(47,785,935)
- Cash payout against interim distribution	-	(113,342)
	-	(47,899,277)
Interim distribution for the month ended 31 March 2015 - Nil (2014: Rs. 3.50 per unit declared on 28 March 2014)		
- Nil bonus units (2014: 102,465)	-	(51,498,734)
- Cash payout against interim distribution	-	(110,255)
	-	(51,608,989)
Undistributed income carried forward	364,502,050	12,891,269
[Includes unrealised gain on investments Rs.78,632,398] (2014: Unrealised gain on investments of Rs.76,225,174)		

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Money Market Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2015

	31 March 2015		31 March 2014	
	Units	Rupees	Units	Rupees
Net assets at the beginning of the period [Rs.502.54 per unit (2014: 502.38 per unit)]	2,038,054	6,049,597,383	7,607,048	3,821,637,191
Issue of units	7,416,552	3,807,348,108	12,305,135	6,203,876,119
Redemption of units	(8,649,212)	(4,489,587,589)	(5,970,226)	(3,013,205,312)
	(1,232,660)	(682,239,481)	6,334,909	3,190,670,807
Element of (loss)/income and capital (losses)/gains included in prices of units sold less those in units redeemed - net	-	62,778,264	-	(6,959,974)
Net gain/(loss) on maturity/sale of investments	-	4,343,136	-	(1,475,455)
Net unrealised gain / (loss) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	-	3,332,122	-	(1,416,264)
Other net income for the period	-	342,887,595	-	363,953,561
Total comprehensive income for the period	-	350,562,853	-	361,061,842
Total interim distribution for the period ended 31 March 2015 (As per Distribution Statement)				
Issue of bonus units	-	-	701,407	-
Cash payout against distribution	-	-	-	(1,337,663)
Net assets at the end of the period [Rs.534.98 per unit (2013: Rs.502.96 per unit)]	10,805,394	5,780,699,019	14,643,364	7,365,072,203

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

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CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2015

	2015	2014
Note	-----	Rupees -----
Cash flows from operating activities		
Net income for the period after taxation	350,562,853	361,061,842
Adjustments for:		
Interest income	(478,906,051)	(424,492,168)
Net (gain)/loss on maturity/sale of investments	(4,343,136)	1,475,455
Net unrealised (gain)/loss on remeasurement of investments	(3,332,122)	1,416,264
Amortization of formation cost	-	150,000
Element of loss/(income) and capital losses/(gains) included in prices of units sold less those in units redeemed - net	62,778,264	(6,959,974)
	(423,803,045)	(428,410,423)
Increase in prepayment	(10,000)	(82,883)
Increase/(decrease) in liabilities		
Payable to Atlas Asset Management Limited - Management Company	18,240,648	9,627,432
Payable to Central Depository Company of Pakistan Limited - Trustee	38,948	249,558
Annual fee payable to the Securities & Exchange Commission of Pakistan	(959,473)	352,205
Accrued and other liabilities	10,394,602	7,269,571
	27,714,725	17,498,766
	(45,535,467)	(49,932,698)
Interest received	482,561,324	418,045,575
Investments made during the period	(23,194,751,397)	(25,693,971,537)
Investments sold/matured during the period	22,566,662,654	22,768,093,032
Net cash used in operating activities	(191,062,886)	(2,557,765,628)
Cash flows from financing activities		
Proceeds from issue of units	3,807,348,108	6,203,876,119
Payment on redemption of units	(4,489,587,589)	(3,013,205,312)
Cash payout against distribution	-	(1,337,663)
Net cash (used in)/generated from financing activities	(682,239,481)	3,189,333,144
Net (decrease)/increase in cash and cash equivalents	(873,302,367)	631,567,516
Cash and cash equivalents at the beginning of the period	2,000,304,767	103,676,820
Cash and cash equivalents at the end of the period	4 1,127,002,400	735,244,336

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Money Market Fund

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2015

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Money Market Fund (the Fund) is an open ended Fund constituted by a trust deed dated 4 December 2009 between Atlas Asset Management Limited (AAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the trustee. The offering document has been revised through First Supplement dated 24 March 2015 with the approval of the Securities Exchange Commission of Pakistan (SECP). The investment activities and administration of the Fund are managed by AAML situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.
- 1.2 Units of the Fund are offered for public subscription on a continuous basis since 20 January 2010, and are transferable and redeemable by surrendering them to the Fund. The Fund is listed on the Lahore Stock Exchange.
- 1.3 According to the trust deed, the objective of the Fund is to provide its investors competitive returns from a portfolio of low risk, short duration assets while maintaining high liquidity. The Fund aims to deliver this objective mainly by investing in Government securities, cash and near cash instruments which include cash in bank accounts, treasury bills, lending to deposit with scheduled banks, certificates of deposit (CODs), certificate of Musharaka (COM), commercial papers, and reverse repo; with a weighted average time to maturity of not more than 90 days, and in case of a single asset, maximum time to maturity of six months. The investment objectives and policy are more fully defined in the Fund's offering document.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting", the requirements of the Trust Deed, 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 directives issued by the SECP. In case where requirements differ, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the year ended 30 June 2014.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 31 March 2015.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2014.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2014.

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended 30 June 2014.

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	31 March 2015	30 June 2014
	Un-audited	Audited
Note	-----	-----
	Rupees	

4. BANK BALANCES AND TERM DEPOSITS

In PLS saving accounts	4.1	127,002,400	400,304,767
Term deposit account	4.2	1,000,000,000	1,600,000,000
		<u>1,127,002,400</u>	<u>2,000,304,767</u>

4.1 These carry rates of return ranging between 6.50% and 7.70% (30 June 2014: 6.50% and 9.2%) per annum.

4.2 The rates of return on term deposits is 8.30% (30 June 2014 : ranging between 10.25% and 10.50%) per annum. These deposits will mature by 24 April 2015 (30 June 2014: 24 July 2014).

	31 March 2015	30 June 2014
	Un-audited	Audited
Note	-----	-----
	Rupees	

5. INVESTMENTS - at fair value through income statement

Government securities

Market Treasury Bills - held-for-trading	5.1	<u>4,733,910,930</u>	<u>4,098,146,929</u>
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5.1 Market Treasury Bills

Treasury bills	Face value (Rupees)				Rupees		Percentage of	
	At the beginning of the period	Acquired during the period	Sold/ Matured during the period	At the end of the period	Amortised cost	Market Value	Total Investments	Net Assets
3 Months - T-bills	1,965,500,000	15,548,500,000	16,241,000,000	1,273,000,000	1,262,594,158	1,262,752,616	26.67	21.84
6 Months - T-bills	2,200,000,000	6,294,900,000	5,345,000,000	3,149,900,000	3,086,757,050	3,089,712,544	65.27	53.45
12 Months - T-bills	-	1,475,000,000	1,090,000,000	385,000,000	381,227,600	381,445,770	8.06	6.60
	<u>4,165,500,000</u>	<u>23,318,400,000</u>	<u>22,676,000,000</u>	<u>4,807,900,000</u>	<u>4,730,578,808</u>	<u>4,733,910,930</u>	<u>100.00</u>	<u>81.89</u>

5.2 The cost of investments as on 31 March 2015 is Rs.4,655,278,532 (30 June 2014: Rs.4,037,077,530).

5.3 These market treasury bills carry purchase yields ranging from 7.81% to 9.98% (30 June 2014: 9.90% to 9.99%) per annum and will mature between 2 April 2015 and 17 September 2015 (30 June 2014: 10 July 2014 and 16 October 2014).

	31 March 2015	30 June 2014
	Un-audited	Audited
Note	-----	-----
	Rupees	

6. PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - RELATED PARTY

Management fee		13,495,025	4,161,521
Sindh Sales Tax payable on Remuneration of the Management Company	6.1	4,438,588	2,069,472
Federal Excise Duty payable on Remuneration of the Management Company	6.2	15,510,706	8,772,678
Formation cost payable		-	200,000
		<u>33,444,319</u>	<u>15,203,671</u>

Atlas Money Market Fund

- 6.1 During the period, an amount of Rs.7,327,606 (31 March 2014: Rs.7,103,425) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs.4,958,490 (31 March 2014: Rs.5,213,530) has been paid to the Management Company which acts as a collecting agent.
- 6.2 The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 6.1 above, the Management Company is of the view that further levy of FED is not justified.

On 4 September 2013, a Constitutional Petition has been filed in Honorable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED. In this respect, the Hon'ble SHC has issued a stay order against recovery proceedings. The hearing of the petition is pending.

In view of the pending decision, as a matter of abundant caution, the Management Company of the Fund has charged FED to the Fund with effect from 13 June 2013. Had the same not been made, the net asset value per unit of the Fund would have been higher by Rs.1.44 (30 June 2014: Re.0.73) per unit.

	31 March 2015	30 June 2014
	Un-audited	Audited
Note	----- Rupees -----	

7. ACCRUED AND OTHER LIABILITIES

Auditors' remuneration payable	280,024	394,581
Printing charges payable	160,931	210,150
Payable to unit holders	9,545	3,509
Annual rating fee payable	181,500	-
Payable to brokers	33,055	36,555
Withholding tax payable	3,215,544	-
Zakat payable	4,454	-
Provision for Workers' Welfare Fund	7.1 40,999,995	33,845,651
	44,885,048	34,490,446

- 7.1 The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes/Mutual Funds (CISs)/Pension Funds whose income exceeds Rs. 0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a Constitutional Petition has been filed by certain CISs through their trustees in the Honorable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs / pension funds, which is pending adjudication. However, without prejudice to the above, the Management Company made a provision for WWF contribution in the annual financial statements since the financial year ended 30 June 2010.

During the year ended 30 June 2011, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) on 8 July 2010 which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However on 14 December 2010 the Ministry filed its response against the Constitutional Petition requesting the Court to dismiss the same. Show cause notices were then issued by Federal Board of Revenue (FBR) to several Mutual Funds (CISs) / Pension Funds for the collection of WWF including some of the mutual funds and pension funds managed by the AMC. In respect of such show cause notices, certain Mutual Funds (CISs) / Pension Funds have been granted stay by Honorable SHC on the basis of the pending Constitutional Petition as referred above. In FY 2013-14, during the course of income tax proceedings of the Fund for Tax Year 2012 as stated in note 10.2, the taxation officer levied a demand of Rs.16.31 million in respect of WWF. The Fund filed a petition in the Hon'ble SHC against the alleged levy of WWF, which has granted a stay against recovery proceedings.

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In March 2013, a three member bench of the Sindh High Court in its judgment on various Constitutional Petitions challenging the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, held that WWF is a tax and consequently, the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through Finance Act, 2006 and 2008 respectively (Money Bills) do not suffer from any constitutional or legal infirmity. This judgment was in contrast to the July 2011 single member bench decision of the Honorable Lahore High Court which had held such amendments as unlawful and unconstitutional for the reason that they were made through the money bills.

In a judgement of May 2014, the Honorable Peshawar High Court (PHC) has also held these amendments to be ultra vires as they lacked the essential mandate to be introduced and passed through the Money Bill under the constitution. For the CISs and Pension Funds, the issue of chargeability or otherwise of WWF levy to the CISs/Pension Funds is currently pending before the Honourable SHC.

In view of the pending decision of the SHC, the Management Company of the Fund, as a matter of abundant caution, has decided to continue to maintain the provision for WWF amounting to Rs.40,999,995 (30 June 2014: Rs.33,845,651) in these financial statements. Had the same not been made the net asset value per unit of the Fund would have been higher by Rs.3.79 (30 June 2014: Rs.2.81) per unit.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 March 2015.

<u>For the Nine Months ended</u>		<u>For the Quarter ended</u>	
31 March		31 March	
2015	2014	2015	2014
Un-audited	Un-audited	Un-audited	Un-audited
----- Rupees -----			

9. INTEREST INCOME

PLS saving and term deposit accounts	67,903,517	45,822,137	11,786,392	24,257,137
Government Securities - Market	411,002,534	378,670,031	132,856,184	149,194,644
Treasury bills	478,906,051	424,492,168	144,642,576	173,451,781

10. TAXATION

10.1 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% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed as cash dividend amongst the unit holders. Further, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income, other than unrealized capital gains to the unit holders. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. Accordingly, no provision has been made for taxation in these condensed interim financial statements.

10.2 During the year ended 30 June 2014, the Additional Commissioner Inland Revenue amended the return of income filed by the Fund in respect of Tax Years 2012 and 2013 under Section 120 of the Income Tax Ordinance, 2001. The tax assessing officer concluded that bonus issues declared by the Fund should not have been considered as distribution of the accounting income while claiming exemption available under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, as the Fund had not deducted withholding tax from bonus distributions. Consequently, the tax assessing officer raised demands aggregating to Rs.296.16 million (including Rs.16.31 million relating to Workers' Welfare Fund) on the Fund. Similar amendments were made to returns filed by several mutual funds in the industry.

Atlas Money Market Fund

This industry issue was examined by legal experts and tax advisors and there was unanimity of view that under the provisions of Clause 99 applicable upto 30 June 2014, the tax department's contentions were primarily erroneous and not tenable under the law. Subsequently, through the Finance Act, 2014, an amendment was made in Clause 99, whereby issuance of bonus units shall not be considered towards distribution of 90% of income, and only cash dividend shall be taken into consideration for computation of 90% distribution to claim exemption. Appropriate appellate and executive remedies were adopted to resolve the matter.

Subsequent to the year ended 30 June 2014, the Commissioner Inland Revenue - Appeals (CIR-Appeals) decided the matter in favour of the Fund and annulled the assessment orders. The tax assessing officer has filed an appeal in the Appellate Tribunal Inland Revenue against the order of the CIR - Appeals, the hearing of which is pending.

11. TRANSACTIONS WITH RELATED PARTIES/CONNECTED PERSONS

	For the Nine Months ended	
	31 March 2015	31 March 2014
	Un-audited	Un-audited
	----- Rupees -----	
11.1 Transactions for the period:		
Atlas Asset Management Limited (Management Company)		
Remuneration of the management company	42,112,678	38,272,763
Remuneration paid	32,779,174	35,924,481
Sindh Sales Tax on Remuneration of the Management Company	7,327,606	7,103,425
Federal Excise Duty on Remuneration of the Management Company	6,738,028	6,123,642
Issue of 30,397 (2014: 49,586) units	15,600,000	25,000,000
Redemption of 83,137 (2014: Nil) units	43,268,560	-
Bonus of Nil (2014: 1,024) units	-	514,543
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	4,278,841	3,940,020
Remuneration paid	4,239,893	3,690,462
Atlas Battery Limited (Group Company)		
Redemption of 362,394 (2014: 59,604) units	185,458,267	30,000,000
Bonus of Nil (2014: 25,349) units	-	12,739,326
Atlas Foundation (Trust having Common Director/Trustee)		
Issue of Nil (2014: 9,349) units	-	4,700,000
Redemption of 13,737 (2014: 9,934) units	7,250,000	5,000,000
Bonus of Nil (2014: 1,095) units	-	550,181
Atlas Fund of Funds (Fund under common management)		
Issue of 2,943 (2014: Nil) units	1,500,000	-
Redemption of 805 (2014: Nil) units	430,000	-
Atlas Hitec (Private) Limited (Group Company)		
Issue of Nil (2014: 336,165) units	-	169,000,000
Redemption of 197,514 (2014: Nil) units	100,226,699	-
Bonus of Nil (2014: 13,602) units	-	6,835,771
Atlas Honda Limited (Group Company)		
Issue of Nil (2014: 3,881,162) units	-	1,954,604,607
Redemption of 297,205 (2014: 497,167) units	150,000,000	250,000,000
Bonus of Nil (2014: 157,707) units	-	79,256,375
Atlas Insurance Limited (Group Company)		
Issue of 237,419 (2014: 543,093) units	124,800,000	273,500,000
Redemption of 84,000 (2014: 98,902) units	44,903,880	50,000,000
Bonus of Nil (2014: 13,114) units	-	6,592,148

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	For the Nine Months ended	
	31 March 2015	31 March 2014
	Un-audited	Un-audited
----- Rupees -----		
11.1 Transactions for the period (Continued....)		
Atlas Metals (Private) Limited (Group Company)		
Issue of Nil (2014: 29,739) units	-	15,000,000
Bonus of Nil (2014: 807) units	-	405,535
Batool Benefit Trust (Trust having common Director / Trustee)		
Issue of 9,507 (2014: Nil) units	5,000,000	-
Redemption of 9,507 (2014: 129) units	5,083,137	65,000
Bonus of Nil (2014: 64) units	-	32,322
Cherat Cement Company Limited (Company having common Director)		
Redemption of 302,515 (2014: Nil) units	155,542,797	-
Iftekhar Shirazi Family Trust (Trust having common Director/Trustee)		
Bonus of Nil (2014: 2,479) units	-	1,245,966
Shirazi Investments (Private) Limited (Group Company)		
Issue of 678,813 (2014: Nil) units	347,000,000	-
Redemption of 678,813 (2014: Nil) units	352,681,437	-
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Issue of 20,101 (2014: 9,359) units	10,165,000	4,715,000
Redemption of 10,016 (2014: 34,000) units	5,170,000	17,161,160
Bonus of Nil (2014: 937) units	-	470,864
Shirazi Trading Company (Private) Limited (Group Company)		
Issue of Nil (2014: 291,713) units	-	147,000,000
Redemption of Nil (2014: 291,878) units	-	147,314,282
Bonus of Nil (2014: 165) units	-	82,997
Pakistan Petroleum Limited (Unit Holder with more than 10% holding) 11.3		
Issue of 58,505 (2014: N/A) units	30,000,000	-
Redemption of 132,477 (2014: N/A) units	70,000,000	-
Key Management Personnel of Management Company 11.4		
Issue of 22,753 (2014: 29,886) units	11,529,155	15,046,244
Redemption of 59,638 (2014: 21,993) units	30,818,168	11,075,285
Bonus of Nil (2014: 5,694) units	-	2,861,581
	31 March 2015	30 June 2014
	Un-audited	Audited
	----- Rupees -----	

11.2 Investments/outstanding balances as at period/year end

Atlas Asset Management Limited (Management Company)		
Remuneration payable to the management company	13,495,025	4,161,521
Sindh Sales Tax payable on Remuneration of the Management Company	4,438,588	2,069,472
Federal Excise Duty payable on Remuneration of the Management Company	15,510,706	8,772,678
Payable in respect of formation cost	-	200,000
Outstanding Nil (30 June 2014: 52,739) units - at net asset value	-	26,503,693

Atlas Money Market Fund

	31 March 2015 Un-audited	30 June 2014 Audited
	Note -----	Rupees -----
11.2 Investments/outstanding balances as at period/year end (Continued...)		
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to the Trustee	467,786	428,838
Atlas Battery Limited (Group Company)		
Outstanding Nil (30 June 2014: 362,394) units - at net asset value	-	182,117,364
Atlas Foundation (Trust having Common Director/Trustee)		
Outstanding 30,398 (30 June 2014: 44,135) units - at net asset value	16,262,163	22,179,682
Atlas Fund of Funds (Fund under common management)		
Outstanding 26,518 (30 June 2014: 24,379) units - at net asset value	14,186,470	12,251,319
Atlas Hitec (Private) Limited (Group Company)		
Outstanding Nil (30 June 2014: 197,514) units - at net asset value	-	99,258,744
Atlas Honda Limited (Group Company)		
Outstanding 2,456,022 (30 June 2014: 2,753,227) units - at net asset value	1,313,922,671	1,383,606,727
Atlas Insurance Limited (Group Company)		
Outstanding 245,860 (30 June 2014: 92,441) units - at net asset value	131,530,138	46,455,096
Cherat Cement Company Limited (Company having common Director)		
Outstanding Nil (30 June 2014: 302,515) units - at net asset value	-	152,025,982
Iftikhar Shirazi Family Trust (Trust having common Director/Trustee)		
Outstanding 45,332 (30 June 2014: 45,332) units - at net asset value	24,251,857	22,781,278
Shirazi Investments (Private) Limited - Employees		
Provident Fund (Retirement benefit plan of a Group Company)		
Outstanding 10,085 (30 June 2014: Nil) units - at net asset value	5,395,338	-
Shirazi Trading Company (Private) Limited - Employees		
Provident Fund (Retirement benefit plan of a Group Company)		
Outstanding 18,662 (30 June 2014: 18,662) units - at net asset value	9,983,840	9,378,442
Pakistan Petroleum Limited (Unit Holder with more than 10% holding)		
Outstanding 1,200,425 (30 June 2014: 1,274,397) units - at net asset value	642,203,130	640,435,670
Mr. Amin Mohammad Lakhani		
(Unit Holder with more than 10% holding)	11.3	
Outstanding 1,089,343 (30 June 2014: N/A) units - at net asset value	582,776,954	-
<u>Key Management Personnel of Management Company</u>		
Outstanding 60,590 (30 June 2014: 97,475) units - at net asset value	32,414,314	48,985,257

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- 11.3 Holding being less than 10% in corresponding period, disclosure was not applicable.
- 11.4 For the purpose of this disclosure, transactions by the Board of Directors, and key management personnel falling within the scope of "executive" under the Code of Corporate Governance, 2012 are included herein. The term "executive" includes the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Company Secretary, Chief Internal Auditor, and executives of the Management Company of the Fund whose gross remuneration is Rs.4 million and above, as set by the Board of Directors of the Management Company for FY 2014-15.
- 11.5 The transactions with related parties/connected persons are in the normal course of business at contracted rates and terms determined in accordance with market rates.

12. GENERAL

Figures have been rounded off to the nearest Rupee.

13. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 27 April 2015.

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Income Fund

Corporate Information

Trustee

Central Depository Company of Pakistan Limited
99-B, Block 'B', S.M.C.H.S, Main Shahrah-e-Faisal
Karachi - 74400

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Bank Alfalah Limited
Faysal Bank Limited

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CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 MARCH 2015

		31 March 2015 Un-audited	30 June 2014 Audited
	Note	----- Rupees -----	-----
ASSETS			
Bank balances and term deposits	4	130,060,437	684,697,604
Investments	5	5,180,468,859	2,614,059,869
Receivable against Margin Trading System		648,971,883	540,089,401
Interest / profit accrued		68,843,395	86,381,636
Deposits and prepayments		524,383	452,055
Total assets		6,028,868,956	3,925,680,565
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	6	35,696,908	10,716,626
Payable to Central Depository Company of Pakistan Limited - Trustee		550,484	302,705
Payable to the Securities and Exchange Commission of Pakistan		2,728,894	1,752,768
Accrued and other liabilities	7	27,376,839	16,041,237
Total liabilities		66,353,125	28,813,336
NET ASSETS		5,962,515,831	3,896,867,229
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		5,962,515,831	3,896,867,229
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		10,758,861	7,734,075
NET ASSET VALUE PER UNIT		554.20	503.86

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Income Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2015

	Note	For the Nine Months ended		For the Quarter ended	
		31 March		31 March	
		2015	2014	2015	2014
		Rupees -----			
INCOME					
Interest/profit income	9	390,395,806	171,012,305	147,224,333	57,641,386
Capital gain on sale/maturity of investments - net		20,290,763	25,462	15,119,763	1,129,052
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		134,304,733	13,940,546	38,330,263	13,178,140
		154,595,496	13,966,008	53,450,026	14,307,192
Element of income/(loss) and capital gains/ (losses) included in prices of units issued less those in units redeemed - net		81,901,483	2,272,508	27,545,891	(726,369)
		626,892,785	187,250,821	228,220,250	71,222,209
EXPENSES					
Remuneration of Atlas Asset Management Limited - Management Company	6.1	45,481,545	25,156,524	17,870,041	8,250,786
Sindh sales tax on remuneration of the Management Company	6.2	7,913,788	4,669,051	3,109,387	1,531,346
Federal Excise Duty on remuneration of the Management Company	6.3	7,277,047	4,025,044	2,859,207	1,320,126
Remuneration of Central Depository Company of Pakistan Limited - Trustee		3,697,924	2,063,619	1,395,242	677,129
Annual fee - Securities and Exchange Commission of Pakistan		2,728,894	1,257,825	1,072,201	412,541
Auditors' remuneration		480,905	408,862	157,725	129,571
Annual rating fee		181,500	168,952	60,500	58,952
Annual listing fee		30,000	30,000	10,000	10,000
Securities transaction cost		5,457,200	4,009,968	2,053,177	1,390,240
Printing charges		105,000	221,814	35,000	63,750
Bank charges		44,782	26,331	13,211	7,842
Provision for Workers' Welfare Fund	7.1	11,069,884	2,904,257	3,991,691	1,147,399
		84,468,469	44,942,247	32,627,382	14,999,682
Net income for the period before taxation		542,424,316	142,308,574	195,592,868	56,222,527
Taxation	10	-	-	-	-
Net income for the period after taxation		542,424,316	142,308,574	195,592,868	56,222,527

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

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CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2015

	For the Nine Months ended		For the Quarter ended	
	31 March		31 March	
	2015	2014	2015	2014
	----- Rupees -----			
Net income for the period after taxation	542,424,316	142,308,574	195,592,868	56,222,527
Income that may be re-classified subsequently to Income Statement				
Net unrealised diminution in the value of investment classified as 'available for sale'	(844,168)	(42,360)	(75,643)	(372,160)
Total comprehensive income for the period	541,580,148	142,266,214	195,517,225	55,850,367

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Income Fund

CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2015

	31 March 2015 Un-audited	31 March 2014 Un-audited
	----- Rupees -----	
Undistributed income brought forward [Includes unrealised loss on investments of Rs.102,956,351] (2014: Unrealised loss on investments of Rs.112,252,294)	19,735,971	8,247,459
Net income for the period after taxation	542,424,316	142,308,574
Interim distribution for the quarter ended 30 September 2014 - Nil (2014: Rs. 9.50 per unit declared on 4 October 2013)		
- Bonus units	-	(43,315,484)
- Cash pay out against interim distribution	-	(51,528)
	-	(43,367,012)
Interim distribution for the quarter ended 31 December 2014 - Nil (2014: Rs.9.50 per unit declared on 7 January 2014)		
- Bonus units	-	(43,009,076)
- Cash payout against interim distribution	-	(51,528)
	-	(43,060,604)
Undistributed income carried forward [Includes unrealised gain on investments of Rs.51,290,666] (2014: Unrealised loss on investments of Rs.82,804,104)	562,160,287	64,128,417

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

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CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2015

	31 March 2015		31 March 2014	
	Units	Rupees	Units	Rupees
Net assets at the beginning of the period [Rs.503.86 (2014: Rs.503.72) per unit]	7,734,075	3,896,867,229	3,851,364	1,939,998,107
Issue of units	5,690,820	3,017,834,273	1,590,832	809,566,467
Redemption of units	(2,666,034)	(1,411,864,336)	(1,358,106)	(690,611,508)
	3,024,786	1,605,969,937	232,726	118,954,959
Element of income and capital gains included in prices of units issued less those in units redeemed - net	-	(81,901,483)	-	(2,272,508)
Interim distribution for the quarter ended 30 September 2014 - Nil (2014: Rs. 9.50 per unit declared on 4 October 2013)				
Issue of bonus units	-	-	85,925	-
Cash payout against distribution	-	-	-	(51,528)
Interim distribution for the quarter ended 31 December 2014 - Nil (2014: Rs. 9.50 per unit declared on 7 January 2014)				
Issue of bonus units	-	-	85,150	-
Cash pay out against distribution	-	-	-	(51,528)
Net unrealised diminution in the value of investment classified as 'available for sale'	-	(844,168)	-	(42,360)
Capital gain on sale/maturity of investments - net	-	20,290,763	-	25,462
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	-	134,304,733	-	13,940,546
Other net income for the period	-	387,828,820	-	128,342,566
Total comprehensive income for the period	-	541,580,148	-	142,266,214
Net assets at the end of the period [Rs.554.20 (2014: Rs.516.75) per unit]	10,758,861	5,962,515,831	4,255,165	2,198,843,716

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Income Fund

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2015

	2014	2013
Note	----- Rupees -----	-----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	542,424,316	142,308,574
Adjustments for:		
Interest/profit income	(390,395,806)	(171,012,305)
Capital gain on sale of investments - net	(20,290,763)	(25,462)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(134,304,733)	(13,940,546)
Element of income and capital gains included in prices of units issued less those in units redeemed - net	(81,901,483)	(2,272,508)
	(626,892,785)	(187,250,821)
(Increase)/decrease in assets		
Receivable against Margin Trading System	(108,882,482)	(57,923,225)
Deposits and prepayments	(72,328)	(145,377)
	(108,954,810)	(58,068,602)
Increase/(decrease) in liabilities		
Payable to Atlas Asset Management Limited - Management Company	24,980,282	5,058,123
Payable to Central Depository Company of Pakistan Limited - Trustee	247,779	29,122
Payable to the Securities and Exchange Commission of Pakistan	976,126	154,639
Accrued and other liabilities	11,335,602	2,830,567
	37,539,789	8,072,451
	(155,883,490)	(94,938,398)
Interest received	407,934,047	164,403,527
Investments made during the period	(7,205,005,311)	(7,147,527,194)
Investment sold/redeemed/matured during the period	4,792,347,650	7,057,399,087
Net cash used in operating activities	(2,160,607,104)	(20,662,978)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	3,017,834,273	809,566,467
Net payments against redemption of units	(1,411,864,336)	(690,611,508)
Cash pay out against interim distribution	-	(103,056)
Net cash generated from financing activities	1,605,969,937	118,851,903
Net (decrease)/increase in cash and cash equivalents during the period	(554,637,167)	98,188,925
Cash and cash equivalents at the beginning of the period	684,697,604	43,778,182
Cash and cash equivalents at the end of the period	4 130,060,437	141,967,107

The annexed notes from 1 to 13 form an integral part of these condensed interim financial statements.

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2015

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Atlas Income Fund (the Fund) is an open ended mutual fund constituted by a Trust Deed entered into on 20 February 2003 between Atlas Asset Management Limited (AAML) as the establisher and the management company and MCB Financial Services Limited (MCBFSL) as the trustee. MCBFSL resigned on 11 June 2005 as trustee and Central Depository Company of Pakistan Limited (CDC) was appointed as the trustee with effect from that date. The Trust Deed has been revised through the Deed of Change of Trustee and First Supplemental Trust Deed dated 11 June 2005, Second Supplemental Trust Deed dated 29 October 2007, Third Supplemental Trust Deed dated 23 June 2010 and the Fourth Supplemental Trust Deed dated 12 November 2010 with the approval of the Securities and Exchange Commission of Pakistan (SECP). Also, the Offering Document of the Fund has been revised through the First, Second, Third, Fourth, Fifth, Sixth and Seventh Supplements, dated 21 June 2005, 29 October 2007, 29 February 2008, 23 June 2010, 12 November 2010, 14 October 2013 and 24 March 2015 respectively, with the approval of the SECP. The investment activities and administration of the Fund are managed by Atlas Asset Management Limited situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.
- 1.2** Units of the Fund have been offered for public subscription on a continuous basis from 22 March 2004, and are transferable and redeemable by surrendering them to the Fund. The Fund is listed on Lahore Stock Exchange.
- 1.3** According to the trust deed, the objective of the Fund is to provide investors one window facility to invest in diversified portfolio offering good returns and consistent growth. The Fund aims to deliver this objective mainly by investing in Government securities, cash in bank accounts, Certificate of Investments (COI), money market placements, deposits, Certificates of deposits (COD), Certificates of Musharikas (COM), TDRs, commercial paper, reverse repo, term finance certificates (TFCs)/Sukuks, transactions on Margin Trading System (MTS), spread transactions and any other instruments that may be allowed by the Securities and Exchange Commission of Pakistan. The investment objectives and policies are more fully defined in the Fund's offering document.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting", the requirements of the Trust Deed, 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 directives issued by the SECP. In case where requirements differ, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the financial statements of the Fund for the year ended 30 June 2014.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 31 March 2015.

3. ACCOUNTING POLICIES

The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2014.

Atlas Income Fund

3. ACCOUNTING POLICIES (Continued...)

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the financial statements as at and for the year ended 30 June 2014.

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended 30 June 2014.

		31 March 2015	30 June 2014
	Note	Un-audited	Audited
		Rupees -----	
4. BANK BALANCES AND TERM DEPOSITS			
In local currency			
In profit and loss saving accounts	4.1	130,060,437	309,697,604
Term deposit accounts	4.2	-	375,000,000
		<u>130,060,437</u>	<u>684,697,604</u>

4.1 These carry rates of return ranging between 6.50% and 7.70% (30 June 2014: 6.50% and 9.20%) per annum.

5. INVESTMENTS

Available for sale

Quoted equity security	5.1	2,269,268	3,113,435
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At fair value through profit or loss - held for trading

Term finance certificates - listed	5.2 & 5.7	42,354,416	54,255,931
Term finance certificates - unlisted	5.3 & 5.7	47,747,050	48,020,000
Pre IPO Subscription of Soneri Bank Limited - 2nd Issue		50,000,000	-
Sukuk certificates - unlisted	5.4 & 5.7	-	-
Government Securities - Market Treasury Bills	5.5	2,146,042,802	1,003,697,006
Government Securities - Pakistan Investment Bonds	5.6	2,892,055,323	1,504,973,497
		<u>5,178,199,591</u>	<u>2,610,946,434</u>
		<u>5,180,468,859</u>	<u>2,614,059,869</u>

5.1 Quoted equity security

Ordinary shares have a face value of Rs.10 each unless stated otherwise.

	Number of shares				Rupees		Percentage of		
	At the beginning of the period	Acquired during the period	Sales during the period	At the end of the period	Carrying Cost	Market Value	Market Value as a percentage of Investment	Market Value as a percentage of net assets	Market Value as a percentage of paid-up capital of Investee company

CHEMICAL

Agritech Limited	302,569	-	-	302,569	3,933,397	2,269,268	0.04	0.04	0.06
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5.1.1 This represents shares allocated to the Fund as part of the settlement agreement finalised between Azgard Nine Limited and its creditors in FY 2012-13. As part of the settlement, 302,569 shares of Agritech Limited have been allocated to the Fund against its receivable balance of Rs.10.589 million from Azgard Nine Limited. The Fund's gross receivable against Azgard Nine Limited amounted to Rs.18.724 million out of which Rs.10.589 million has been settled as part of this agreement. The balance receivable amounting to Rs.8.135 million (market value Rs.7.871 million) remains fully provided.

5.2 Term finance certificates - listed

Note	Number of Certificates				Rupees		Percentage of	
	At the beginning of the period	Purchases during the period	Disposed/ matured during the period	At the end of the period	Carrying Cost	Market Value	Total Investments	Net assets
BANKS								
Bank Al Habib Limited - II	1,192	-	1,192	-	-	-	-	-
Bank Alfalah Limited - V	8,450	-	-	8,450	42,775,577	42,354,416	0.82	0.71
United Bank Limited - III	5,500	-	5,500	-	-	-	-	-
	15,142	-	6,692	8,450	42,775,577	42,354,416	0.82	0.71
FINANCIAL SERVICES								
Escort Investment Bank Limited	5,000	-	5,000	-	-	-	-	-
TELECOMMUNICATION								
Telecard Limited	5.7.1	4,000	-	-	4,000	-	-	-
PERSONAL GOODS								
Azgard Nine Limited	5.7.1	5,000	-	-	5,000	-	-	-
					42,775,577	42,354,416	0.82	0.71

5.3 Term finance certificates - Unlisted

Note	Number of Certificates				Rupees		Percentage of		
	At the beginning of the period	Purchases during the period	Disposed/ matured during the period	At the end of the period	Carrying Cost	Market Value	Total Investments	Net assets	
CHEMICALS									
Engro Fertilizers Limited		10,000	-	-	10,000	48,020,000	47,747,050	0.92	0.80
Agritech Limited- I	5.7.1	2,000	-	-	2,000	-	-	-	-
Agritech Limited - II	5.7.1	8,000	-	-	8,000	-	-	-	-
Agritech Limited- IV	5.7.1	2,203	-	-	2,203	-	-	-	-
		22,203	-	-	22,203	48,020,000	47,747,050	0.92	0.80
PERSONAL GOODS									
Azgard Nine Limited-V	5.7.1	1,075	-	-	1,075	-	-	-	-
MISCELLANEOUS									
Bunny's Limited	5.7.1	424	-	-	424	-	-	-	-
					48,020,000	47,747,050	0.92	0.80	

Atlas Income Fund

5.4 Sukuk certificates - Unlisted

	Note	Number of Certificates				Rupees		Percentage of	
		At the beginning of the period	Purchases during the period	Disposed/ matured during the period	At the end of the period	Carrying Cost	Market Value	Total Investments	Net assets
CHEMICALS									
Agritech Limited	5.7.1	4,060	-	-	4,060	-	-	-	-

	Note	31 March 2015 Un-audited	30 June 2014 Audited
		Rupees	

5.5 Government Securities

Market Treasury Bills	5.5.1	2,146,042,802	1,003,697,006
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5.5.1 Market Treasury Bills

	Face value (Rupees)				Rupees		Percentage of	
	At the beginning of the period	Purchased during the period	Disposed/ Matured during the period	At the end of the period	Carrying Value	Market Value	Total Investments	Net Assets
3 months - T Bills	720,500,000	3,753,500,000	3,136,500,000	1,337,500,000	1,325,384,629	1,325,533,500	25.59	22.23
6 months - T Bills	300,000,000	600,000,000	600,000,000	300,000,000	293,441,058	293,642,450	5.67	4.92
12 months - T Bills	-	978,000,000	425,000,000	553,000,000	525,224,115	526,866,852	10.17	8.84
	1,020,500,000	5,331,500,000	4,161,500,000	2,190,500,000	2,144,049,802	2,146,042,802	41.43	35.99

5.5.2 The cost of investments as on 31 March 2015 is Rs.2,121,216,824 (30 June 2014: Rs. 1,000,295,004).

5.5.3 These Market Treasury Bills carry purchase yields ranging from 7.90% to 9.10% (30 June 2014: 9.40% to 9.99%) per annum and will mature between 2 April 2015 and 18 February 2016 (30 June 2014: 10 July 2014 and 18 September 2014).

5.5.4 The above investments includes treasury bill which has been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades amounting to Rs.148,579,200 (face value: Rs.150,000,000) [30 June 2014: Rs.147,394,800 (face value: Rs.150,000,000)] maturing on 14 May 2015 (30 June 2014: 18 September 2014).

	Note	31 March 2015 Un-audited	30 June 2014 Audited
		Rupees	

5.6 Government Securities

Pakistan Investment Bonds	5.6.1	2,892,055,323	1,504,973,497
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5.6.1 Pakistan Investment Bonds (PIBs)

	Face value (Rupees)				Rupees		Percentage of	
	At the beginning of the period	Purchased during the period	Disposed / Matured during the period	At the end of the period	Carrying Value	Market Value	Total Investments	Net Assets
3 Year - PIBs	1,426,000,000	1,753,500,000	615,000,000	2,564,500,000	2,559,868,498	2,677,979,486	51.69	44.91
5 Year - PIBs	100,000,000	52,900,000	-	152,900,000	150,382,066	164,233,229	3.17	2.75
10 Year - PIBs	-	49,000,000	-	49,000,000	49,173,901	49,842,608	0.96	0.84
	1,526,000,000	1,855,400,000	615,000,000	2,766,400,000	2,759,424,465	2,892,055,323	55.83	48.50

5.6.2 The cost of investments as on 31 March 2015 is Rs.2,758,093,598 (30 June 2014: Rs.1,503,129,260).

5.6.3 These Pakistan Investment Bonds carry purchase yields ranging from 9.60% to 11.50% (30 June 2014: 11.25% to 11.50%) per annum and will mature between 19 July 2015 and 18 July 2018.

5.7 Particulars of non-compliant investments

5.7.1 The Securities and Exchange Commission of Pakistan (SECP), vide its circular No. 16 dated 7 July 2010, prescribed certain disclosures for the schemes holding investments that are non-compliant either with the minimum investment criteria specified for the category assigned to such schemes or with the investment requirement of their constitutive documents. The following are the details of non-compliant investments:

Non-compliant investment	Note	Type of Investment	Value before provision	Provision held	Net carrying value	Percentage of	
						Net assets	Gross assets
----- Rupees -----							
Listed - Term finance certificates							
Azzard Nine Limited		Term finance certificate	7,871,511	7,871,511	-	-	-
Telecard Limited		Term finance certificate	4,668,990	4,668,990	-	-	-
			12,540,501	12,540,501	-	-	-
Unlisted - Term finance certificates							
Agritech Limited-I		Term finance certificate	7,494,000	7,494,000	-	-	-
Agritech Limited-II		Term finance certificate	29,976,000	29,976,000	-	-	-
Agritech Limited-IV		Term finance certificate	11,015,000	11,015,000	-	-	-
Azzard Nine Limited-V	5.7.3	Term finance certificate	5,375,000	5,375,000	-	-	-
Bunny's Limited		Term finance certificate	1,590,000	1,590,000	-	-	-
			55,450,000	55,450,000	-	-	-
Unlisted - Sukuk							
Agritech Limited		Sukuk certificate	15,225,000	15,225,000	-	-	-
			83,215,501	83,215,501	-	-	-

5.7.2 The securities stated above have been classified as non-performing as per the requirements of SECP's Circular 1 of 2009 read with SECP's Circular 33 of 2012 dated 24 October 2012, and an aggregate provision of Rs.83.22 million (30 June 2014: Rs.83.50 million), has been made in accordance with the provisioning requirements of the above mentioned circulars.

5.7.3 During the FY 2012-13, the Fund received zero coupon term finance certificates of Azzard Nine Limited having face value of Rs. 5,375,000. These TFCs were received against outstanding mark up of Azzard Nine Limited's TFC, payable as of 31 March 2012.

Atlas Income Fund

		31 March 2015	30 June 2014
	Note	Un-audited	Audited
		Rupees	
6. PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Remuneration of the Management Company	6.1	17,870,040	3,395,575
Sindh Sales Tax payable on remuneration of the Management Company	6.2	4,706,926	1,478,156
Federal Excise Duty payable on remuneration of the Management Company	6.3	13,119,942	5,842,895
		35,696,908	10,716,626

- 6.1** In accordance with the provisions of the NBFC Regulations, the Management Company is entitled to receive a remuneration during the first five years of the Fund, at the rate not exceeding 3% of the average annual net assets of the Fund and thereafter at the rate of 2% of such assets. For the current period the Management Company has charged its remuneration at the rate of 1.25% per annum of the average net assets for the period. Previously the Management Company charged its remuneration at the rate of 1.50% per annum of the average net assets for the period.
- 6.2** During the period, an amount of Rs.7,913,788 (31 March 2014: Rs.4,669,051) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs.4,685,018 (31 March 2014: Rs.3,971,378) has already been paid to the Management Company which acts as a collecting agent.
- 6.3** The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 6.2 above, the Management Company is of the view that further levy of FED is not justified.

On 4 September 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED. In this respect, the Honourable SHC has issued a stay order against recovery proceedings. The hearing of the petition is pending.

As a matter of abundant caution, the Management Company of the Fund has made a provision for FED in the books of account of the Fund with effect from 13 June 2013. Had the same not been made, the net asset value per unit of the Fund would have been higher by Rs.1.22 (30 June 2014: Re.0.75) per unit.

		31 March 2015	30 June 2014
	Note	Un-audited	Audited
		Rupees	
7. ACCRUED AND OTHER LIABILITIES			
Auditors' remuneration payable		280,165	357,120
NCCPL charges payable		32,608	20,000
Printing charges payable		160,931	210,150
Payable to unit holders against redemption of units		16,560	16,560
Brokerage payable		44,763	15,794
Rating fee payable		181,500	-
Withholding tax payable		169,054	239
Provision for Workers' Welfare Fund	7.1	26,491,258	15,421,374
		27,376,839	16,041,237

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- 7.1 The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes (CISs)/mutual funds/pension funds whose income exceeds Rs.0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a Constitutional Petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs/pension funds, which is pending adjudication. However, without prejudice to the above, the Management Company made a provision for WWF contribution in the annual financial statements since the financial year ended 30 June 2010.

During the year ended 30 June 2011, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) on 8 July 2010 which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However on 14 December 2010 the Ministry filed its response against the Constitutional Petition requesting the Court to dismiss the same. Show cause notices were then issued by the Federal Board of Revenue (FBR) to several mutual funds (CISs)/pension funds for the collection of WWF including the Fund and the pension funds managed by the AMC. In respect of such show cause notices, certain mutual funds (CISs) / pension funds including the Fund have been granted stay by the Honourable SHC on the basis of the pending Constitutional Petition as referred above.

In March 2013, a three member bench of the Sindh High Court in its judgement on various Constitutional Petitions challenging the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, held that WWF is a tax and consequently, the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through the Finance Act, 2006 and 2008 respectively (Money Bills) do not suffer from any constitutional or legal infirmity. This judgement was in contrast to the July 2011 single member bench decision of the Honourable Lahore High Court which had held such amendments as unlawful and unconstitutional for the reason that they were made through the money bills.

In a judgement of May 2014, the Peshawar High Court (PHC) has also held these amendments to be ultra vires as they lacked the essential mandate to be introduced and passed through the Money Bill under the constitution. For the CISs and pension funds, the issue of chargeability or otherwise of WWF levy to the CISs/pension funds is currently pending before the Honourable SHC.

In view of the pending decision, the Management Company of the Fund, as a matter of abundant caution, has decided to continue to maintain the provision in respect of WWF which amounts to Rs.26,491,258 (30 June 2014: Rs.15,421,374) in these condensed interim financial statements. Had the same not been made, the net asset value per unit of the Fund would have been higher by Rs. 2.46 (30 June 2014: Rs. 1.99) per unit.

8. CONTINGENCIES AND COMMITMENTS

- 8.1 There were no contingencies outstanding as at 31 March 2015 and as at 30 June 2014.

31 March 2015	30 June 2014
Un-audited	Audited
----- Rupees -----	

8.2 Commitments

Margin Trading System (MTS) transactions entered into by the Fund in respect of which the purchase transactions have not been settled as at period / year end

34,394,333

240,859,058

Atlas Income Fund

	For the Nine Months ended		For the Quarter ended	
	31 March		31 March	
	2015	2014	2015	2014
Note	Un-audited	Un-audited	Un-audited	Un-audited
----- Rupees -----				
9. INTEREST/PROFIT INCOME				
Interest/profit on:				
Profit and loss sharing accounts and term deposits	11,569,862	12,378,121	2,971,471	4,512,036
Income from Margin Trading System	66,027,560	42,314,885	22,583,691	14,569,399
Term finance certificates 9.1	8,263,408	14,376,366	2,564,744	2,887,978
Government Securities - Market Treasury Bills	98,273,250	95,960,399	40,777,267	31,107,247
Government Securities - Pakistan Investment Bonds	206,261,726	5,982,534	78,327,160	4,564,726
	390,395,806	171,012,305	147,224,333	57,641,386

9.1 Mark-up on non performing securities amounting to Rs.40.19 million (2014: Rs.29.47 million) based on outstanding principal has not been recognised, in accordance with the requirements specified by SECP.

10. 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% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed as cash dividend amongst the unit holders. Further, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income, other than unrealized capital gains to the unit holders. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. Accordingly, no provision has been made for taxation in these condensed interim financial statements.

11. TRANSACTIONS WITH RELATED PARTIES/CONNECTED PERSONS

	For the Nine Months ended	
	31 March 2015	31 March 2014
	Un-audited	Un-audited
Note	----- Rupees -----	
11.1 Transactions for the period:		
Atlas Asset Management Limited (Management Company)		
Remuneration charged	45,481,545	25,156,524
Remuneration paid	31,007,080	24,821,118
Sindh Sales Tax on remuneration of the Management Company	7,913,788	4,669,051
Federal Excise Duty on remuneration of the Management Company	7,277,047	4,025,044
Issue of 84,134 (2014: 167,347) units	43,500,000	85,500,000
Redemption of 104,629 (2014: 202,749) units	55,000,000	103,000,000
Bonus of Nil (2014: 6,562) units	-	3,310,921
Central Depository Company of Pakistan Limited (Trustee)		
Trustee fee	3,697,924	2,063,619
Trustee fee paid	3,471,201	2,042,287
Settlement charges	644,929	503,815

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11. TRANSACTIONS WITH RELATED PARTIES/CONNECTED PERSONS (Continued...)

	For the Nine Months ended	
	31 March 2015	31 March 2014
	Un-audited	Un-audited
Note	----- Rupees -----	-----
11.1 Transactions for the period:		
Atlas Battery Limited (Group Company)		
Issue of Nil (2014: 9,791)	-	5,000,000
Redemption of 232,472 (2014: Nil) units	120,000,000	-
Bonus of Nil (2014: 23,339) units	-	11,777,056
Atlas Foundation (Trust having common Director/Trustee)		
Issue of 259,666 (2014: 133,342) units	134,500,000	67,400,000
Redemption of Nil (2014: 80,534) units	-	40,800,000
Bonus of Nil (2014: 4,481) units	-	2,262,155
Atlas Honda Limited (Group company)		
Issue of 1,389,848 (2014: 588,838) units	742,480,641	300,000,000
Redemption of 365,370 (2014: 392,426) units	200,000,000	200,000,000
Bonus of Nil (2014: 64,810) units	-	32,700,267
Atlas Insurance Limited (Group company)		
Issue of 524,656 (2014: 306,972) units	280,300,000	156,200,000
Redemption of 452,244 (2014: 314,762) units	241,484,150	160,000,000
Bonus of Nil (2014: 23,050) units	-	11,632,993
Atlas Metals (Private) Limited (Group Company)		
Redemption of 9,812 (2014: Nil) units	5,000,000	-
Aamir Shirazi Family Trust (Trust having common Director/Trustee)		
Issue of Nil (2014: 41,758) units	-	21,200,000
Redemption of 44,438 (2014: Nil) units	23,136,271	-
Bonus of Nil (2014: 785) units	-	396,699
Batool Benefit Trust (Trust having common Director/Trustee)		
Issue of 35,818 (2014: Nil) units	19,350,000	-
Redemption of 8,372 (2014: 37,285) units	4,348,697	18,850,000
Bonus of Nil (2014: 4,185) units	-	2,111,899
Cherat Cement Company Limited (Company having common Directorship)		
Issue of 620,657 (2014: Nil) units	330,218,707	-
Iftikhar Shirazi Family Trust (Trust having common Director/Trustee)		
Bonus of Nil (2014: 15) units	-	7,480
Shirazi Capital (Private) Limited (Group company)		
Redemption of 32,870 (2013: Nil) units	17,540,000	-

Atlas Income Fund

11. TRANSACTIONS WITH RELATED PARTIES/CONNECTED PERSONS (Continued...)

	For the Nine Months ended	
	31 March 2015 Un-audited	31 March 2014 Un-audited
Note	-----	Rupees -----
11.1 Transactions for the period:		
Shirazi Investments (Private) Limited (Group company)		
Issue of 1,369,708 (2014: Nil) units	721,350,000	-
Redemption of 295,291 (2014: Nil) units	157,000,000	-
Shirazi Investments (Private) Limited - Employees		
Provident Fund (Retirement Benefit Plan of a Group Company)		
Issue of 4,145 (2014: Nil) units	2,250,000	-
Shirazi Trading Company (Private) Limited - Employees		
Provident Fund (Retirement Benefit Plan of a Group Company)		
Issue of 10,870 (2014: Nil) units	6,000,000	-
Key Management Personnel of the Management Company 11.3		
Issue of 11,532 (2014: 56,830) units	6,000,000	28,967,775
Redemption of 141,178 (2014: 11,772) units	73,823,699	6,019,474
Bonus of Nil (2014: 7,831) units	-	3,951,588
	31 March 2015 Un-audited	30 June 2014 Audited
	-----	Rupees -----

11.2 Details of balances with related parties as at the period end are as follows:

Atlas Asset Management Limited (Management Company)		
Remuneration payable to the management company	17,870,040	3,395,575
Sindh Sales Tax payable on remuneration of the Management Company	4,706,926	1,478,156
Federal Excise Duty payable on remuneration of the Management Company	13,119,942	5,842,895
Outstanding 78,863 (30 June 2014: 99,358) units - at net asset value	43,705,755	50,062,511
Central Depository Company of Pakistan Limited (Trustee)		
Trustee fee payable	489,002	262,279
Settlement charges payable	61,482	40,426
Security deposit	100,000	100,000
Atlas Battery Limited (Group Company)		
Outstanding 538,867 (30 June 2014: 771,339) units - at net asset value	298,640,249	388,647,078

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	31 March 2015 Un-audited Note -----	30 June 2014 Audited Rupees -----
11.2 Details of balances with related parties as at the period end (Continued...)		
Atlas Foundation (Trust having common Director/Trustee)		
Outstanding 441,169 (30 June 2014: 181,503) units - at net asset value	244,495,988	91,452,201
Atlas Hitec (Private) Limited (Group Company)		
Outstanding 159,290 (30 June 2014: 159,290) units - at net asset value	88,278,279	80,259,642
Atlas Honda Limited (Group Company)		
Outstanding 2,916,041 (30 June 2014: 1,891,564) units - at net asset value	1,616,070,030	953,083,249
Atlas Insurance Limited (Group Company)		
Outstanding 628,441 (30 June 2014: 556,029) units - at net asset value	348,281,771	280,160,841
Atlas Metals (Private) Limited (Group Company)		
Outstanding 21,186 (30 June 2014: 30,998) units - at net asset value	11,741,065	15,618,554
Aamir Shirazi Family Trust (Trust having common Director/Trustee)		
Outstanding Nil (30 June 2014: 44,438) units - at net asset value	-	22,390,599
Batool Benefit Trust (Trust having common Director/Trustee)		
Outstanding 140,700 (30 June 2014: 113,254) units - at net asset value	77,976,121	57,064,395
Cherat Cement Company Limited (Company having common Directorship)		
Outstanding 620,657 (30 June 2014: Nil) units - at net asset value	343,967,886	-
Iftikhar Shirazi Family Trust (Trust having common Director / Trustee)		
Outstanding 423 (30 June 2014: 423) units - at net asset value	234,351	213,064
Shirazi Capital (Private) Limited (Group Company)		
Outstanding 119,603 (30 June 2014: 152,473) units - at net asset value	66,283,719	76,825,000
Shirazi Investments (Private) Limited (Group company)		
Outstanding 2,892,626 (30 June 2014: 1,818,208) units - at net asset value	1,603,093,078	916,122,434
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement Benefit Plan of a Group company)		
Outstanding - 4,145 (30 June 2014: Nil) units - at net asset value	2,297,073	-
Shirazi Trading Company (Private) Limited - Employees Provident Fund (Retirement Benefit Plan of a Group Company)		
Outstanding 21,853 (30 June 2014: 10,983) units - at net asset value	12,110,837	5,533,828
<u>Key Management Personnel of the Management Company</u> 11.3		
Outstanding 216,666 (30 June 2014: 346,312) units -at net asset value	120,076,113	174,492,849

11.3 For the purpose of this disclosure, transactions by the Board of Directors, and key management personnel falling within the scope of "executive" under the Code of Corporate Governance, 2012 are included herein. The term "executive" includes the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Company Secretary, Chief Internal Auditor, and executives of the Management Company of the Fund whose gross remuneration is Rs.4 million and above, as set by the Board of Directors of the Management Company for FY 2014-15.

11.4 The transactions with related parties / connected persons are in the normal course of business at contracted rates and terms determined in accordance with market rates.

Atlas Income Fund

12. GENERAL

Figures have been rounded off to the nearest Rupee.

13. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 27 April 2015.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

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Atlas Stock Market Fund

Corporate Information

Trustee

Central Depository Company of Pakistan Limited
99-B, Block 'B', S.M.C.H.S, Main Shahrah-e-Faisal
Karachi - 74400

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Bank Alfalah Limited
Faysal Bank Limited

Atlas Stock Market Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT 31 MARCH 2015

		31 March 2015 Un-audited	30 June 2014 Audited
	Note	----- Rupees -----	-----
ASSETS			
Bank balances	4	90,668,841	37,211,150
Investments	5	1,831,885,964	961,117,365
Dividend receivable		31,099,800	1,083,750
Profit receivable on bank balances		157,036	907,806
Receivable against sale of securities		11,563,876	98,514,235
Deposits, prepayments and other receivables		2,656,677	11,539,777
Total assets		1,968,032,194	1,110,374,083
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	6	18,900,612	6,357,100
Payable to Central Depository Company of Pakistan Limited - Trustee		287,913	191,082
Payable to the Securities and Exchange Commission of Pakistan		1,032,635	1,046,017
Payable against purchase of securities		68,056,360	29,244,093
Accrued expenses and other liabilities	7	26,079,647	23,819,185
Total liabilities		114,357,167	60,657,477
NET ASSETS		1,853,675,027	1,049,716,606
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,853,675,027	1,049,716,606
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		3,947,559	2,379,851
NET ASSET VALUE PER UNIT		469.58	441.08

The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

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CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2015

	For the Nine Months ended		For the Quarter ended	
	31 March		31 March	
	2015	2014	2015	2014
Note	----- Rupees -----			
INCOME				
Profit on bank balances	4,666,258	15,416,092	754,886	5,141,107
Dividend income	66,161,750	49,512,375	38,172,600	22,169,500
Capital gain on sale of investments - net	142,677,737	129,082,954	93,890,257	43,442,873
Net unrealised (diminution)/ appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss'	(128,502,219)	66,118,465	(206,645,553)	(7,685,724)
	14,175,518	195,201,419	(112,755,296)	35,757,149
Element of income/(loss) and capital gains/(losses) included in prices of units issued less those in units redeemed - net	67,677,372	(13,072,357)	51,066,737	(7,698,860)
	152,680,898	247,057,529	(22,761,073)	55,368,896
EXPENSES				
Remuneration of Atlas Asset Management Limited - Management Company	21,739,592	16,579,240	9,227,553	5,482,391
Sindh Sales Tax on remuneration of the Management Company 6.1	3,782,689	3,077,107	1,605,594	1,017,532
Federal Excise Duty on remuneration of the Management Company 6.2	3,478,335	2,652,678	1,476,409	877,182
Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,837,662	1,579,643	707,948	520,696
Annual fee - Securities and Exchange Commission of Pakistan	1,032,635	787,512	438,310	260,412
Auditors' remuneration	968,022	326,625	134,500	112,688
Annual listing fee	30,000	30,000	10,000	10,000
Annual rating fee	95,700	75,000	31,900	25,000
Securities transaction cost	4,818,627	3,503,571	2,357,962	1,355,259
Printing charges	105,000	221,816	35,000	63,750
Bank charges	23,289	15,476	6,683	4,351
Provision for Workers' Welfare Fund 7.1	2,295,387	4,364,177	(775,859)	912,792
	40,206,938	33,212,845	15,256,000	10,642,053
Net income/(loss) for the period before taxation	112,473,960	213,844,684	(38,017,073)	44,726,843
Taxation 9	-	-	-	-
Net income/(loss) for the period after taxation	112,473,960	213,844,684	(38,017,073)	44,726,843

The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Stock Market Fund

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2015

	For the Nine Months ended		For the Quarter ended	
	31 March 2015	2014	31 March 2015	2014
	----- Rupees -----			
Net income/(loss) for the period after taxation	112,473,960	213,844,684	(38,017,073)	44,726,843
Other comprehensive income	-	-	-	-
Total comprehensive income/(loss) for the period	112,473,960	213,844,684	(38,017,073)	44,726,843

The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

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CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2015

	2015	2014
	----- Rupees -----	
(Accumulated losses)/undistributed income brought forward [Includes unrealised gain on investments of Rs.101,382,674] (2013: Includes unrealised gain on investments of Rs.98,859,951)	(35,146,783)	118,074,859
Final distribution for the year ended 30 June 2013 at the rate of Rs.125 per unit declared on 4 July 2013		
- Issue of bonus units	-	(245,811,990)
- Cash payout against distribution	-	(1,842,331)
	-	(247,654,321)
Net income for the period after taxation	112,473,960	213,844,684
Undistributed income carried forward [Includes unrealised loss on investments of Rs.(72,888,845)] (2014: Includes unrealised gain on investments of Rs.93,415,515)	77,327,177	84,265,222

The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Stock Market Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2015

	31 March 2015		31 March 2014	
	Units	Rupees	Units	Rupees
Net assets at beginning of the period [Rs.441.08 (2014: Rs.522.77) per unit]	2,379,851	1,049,716,606	1,981,235	1,035,727,038
Issue of units	2,253,968	1,089,310,248	532,278	248,611,379
Redemption of units	(686,260)	(330,148,415)	(808,144)	(371,414,781)
	1,567,708	759,161,833	(275,866)	(122,803,402)
Element of (income)/loss and capital (gains)/losses included in prices of units issued less those in units redeemed - net	-	(67,677,372)	-	13,072,357
Final distribution for the year ended 30 June 2013 at the rate of Rs.125 per unit declared on 4 July 2013				
- Issue of bonus units	-	-	617,975	-
- Cash payout against final distribution	-	-	-	(1,842,331)
Capital gain on sale of investments - net	-	142,677,737	-	129,082,954
Net unrealised (diminution)/appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	-	(128,502,219)	-	66,118,465
Other net income for the period	-	98,298,442	-	18,643,265
Total comprehensive income for the period	-	112,473,960	-	213,844,684
Net assets at the end of the period [Rs.469.58 (2014: Rs.489.81) per unit]	3,947,559	1,853,675,027	2,323,344	1,137,998,346

The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

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CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2015

	2015	2014
Note	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	112,473,960	213,844,684
Adjustments:		
Profit on bank balances	(4,666,258)	(15,416,092)
Dividend income	(66,161,750)	(49,512,375)
Capital gain on sale of investments - net	(142,677,737)	(129,082,954)
Net unrealised diminution/(appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	128,502,219	(66,118,465)
Element of (income)/loss and capital (gains)/losses included in prices of units issued less those in units redeemed - net	(67,677,372)	13,072,357
	(152,680,898)	(247,057,529)
	(40,206,938)	(33,212,845)
Decrease/(increase) in assets		
Receivable against sale of securities	86,950,359	26,393,744
Deposits, prepayments and other receivables	8,883,100	(35,000)
	95,833,459	26,358,744
Increase/(decrease) in liabilities		
Payable to Atlas Asset Management Limited - Management Company	12,543,512	3,179,391
Payable to Central Depository Company of Pakistan Limited - Trustee	96,831	4,057
Payable to the Securities and Exchange Commission of Pakistan	(13,382)	(65,038)
Payable against purchase of securities	38,812,267	(22,513,301)
Accrued expenses and other liabilities	2,260,462	4,372,863
	53,699,690	(15,022,028)
Profit received on bank balances	5,417,028	14,605,591
Dividend received	36,145,700	33,137,875
Investments made during the period	(2,645,633,289)	(1,651,154,111)
Investments sold during the period	1,789,040,208	1,876,817,045
Net cash (used in)/generated from operating activities	(705,704,142)	251,530,271
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	1,089,310,248	248,611,379
Net payments against redemption of units	(330,148,415)	(371,414,781)
Cash payout against distribution	-	(1,842,331)
Net cash generated from/(used in) financing activities	759,161,833	(124,645,733)
Net increase in cash and cash equivalents during the period	53,457,691	126,884,538
Cash and cash equivalents at the beginning of the period	37,211,150	59,156,287
Cash and cash equivalents at the end of the period 4	90,668,841	186,040,825

The annexed notes from 1 to 12 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Stock Market Fund

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2015

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Stock Market Fund (the Fund) is an open ended mutual Fund constituted by a trust deed entered into on 29 May 2004 between Atlas Asset Management Limited (AAML) as the management company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has been revised through the First, Second, Third, Fourth, and Fifth Supplemental Trust Deeds dated 21 June 2005, 24 July 2006, 29 October 2007, 6 March 2008, and 4 December 2009 respectively, with the approval of the Securities and Exchange Commission of Pakistan (SECP). The Offering Document has been revised through the First, Second, Third, Fourth, Fifth, Sixth and Seventh Supplements dated 21 June 2005, 24 July 2006, 29 October 2007, 6 March 2008, 4 December 2009, 14 October, 2013 and 24 March 2015 respectively, with the approval of the SECP. The investment activities and administration of the Fund are managed by AAML situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.
- 1.2 Units of the Fund are offered for public subscription on a continuous basis since 23 November 2004 and are transferable and redeemable by surrendering them to the Fund. The Fund is listed on the Lahore Stock Exchange.
- 1.3 According to the trust deed, the objective of the Fund is to provide investors one window facility to invest in a diversified portfolio of equity securities offering consistent returns and growth. The Fund aims to deliver this objective mainly by investing in equity securities of companies that are paying regular dividend, have growth prospects or are actively traded. Any amounts which have not been invested in equity securities may be invested in liquid instruments including bank deposits (excluding TDRs) and treasury bills not exceeding 90 days maturity. The investment objectives and policies are more fully defined in the Fund's Offering Document.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting", the requirements of the Trust Deed, 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 directives issued by the SECP. In case where requirements differ, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

The condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the financial statements of the Fund for the year ended 30 June 2014.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 31 March 2015.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2014.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the financial statements as at and for the year ended 30 June 2014.

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended 30 June 2014.

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	31 March 2015	30 June 2014
	Un-audited	Audited
Note	-----	Rupees -----

4. BANK BALANCES

In local currency

In Profit and loss sharing accounts	4.1	90,668,841	37,211,150
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4.1 The rate of return on these profit and loss sharing accounts ranges between 6.50% to 7.70% (30 June 2014: 6.50% to 9.20%) per annum.

5. INVESTMENTS

At fair value through profit or loss

- Listed equity securities - Held for trading	5.1	1,831,885,964	961,117,365
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5.1 Listed equity securities

Shares of listed companies- fully paid ordinary shares with a face value of Rs 10 each unless stated other wise.

	Number of shares				Rupees		Percentage of			
	As at 01 July 2014	Purchases during the period	Bonus during the period	Sales during the period	As at 31 March 2015	Carrying Cost	Market Value	Market Value as a percentage of total Investments	Market Value as a percentage of net assets	Market Value as a percentage of paid up capital of investee company held
Oil and Gas										
Allied Bank Limited	-	376,200	-	225,800	150,400	17,383,803	14,229,344	0.78	0.77	0.01
Askari Commercial Bank Limited	-	200,000	-	-	200,000	3,539,915	3,478,000	0.19	0.19	0.02
Bank Alfalah Limited	3,000,000	2,225,000	-	3,725,000	1,500,000	42,814,764	38,445,000	2.10	2.07	0.09
Bank Al Habib Limited	2,000,000	1,512,500	-	592,500	2,920,000	135,912,855	125,793,600	6.87	6.79	0.26
Faysal Bank Limited	-	1,529,000	-	1,529,000	-	-	-	-	-	-
Habib Bank Limited	75,000	135,000	-	53,000	157,000	30,998,136	27,925,590	1.52	1.51	0.01
Habib Metropolitan Bank Limited	1,000,000	870,500	-	1,370,500	500,000	14,519,960	14,520,000	0.79	0.78	0.05
JS Bank Limited	2,000,000	-	-	2,000,000	-	-	-	-	-	-
National Bank of Pakistan	-	300,000	-	300,000	-	-	-	-	-	-
MCB Bank Limited	-	241,300	-	166,300	75,000	19,491,850	18,489,750	1.01	1.00	0.01
Silkbank Limited	1,000,000	-	-	1,000,000	-	-	-	-	-	-
Soneri Bank Limited	-	19,000	-	-	19,000	250,800	213,750	0.01	0.01	0.002
United Bank Limited	400,000	1,295,000	-	545,000	1,150,000	194,767,908	177,019,500	9.66	9.54	0.09
	9,475,000	8,703,500	-	11,507,100	6,671,400	459,679,991	420,114,534	22.93	22.66	
Insurance										
Adamjee Insurance Company Limited	300,000	1,100,000	-	200,000	1,200,000	54,940,571	47,976,000	2.62	2.59	0.34
Century Insurance Company Limited	-	514,500	-	49,500	465,000	11,713,472	9,453,450	0.52	0.51	1.02
Pakistan Reinsurance Company Limited	36,500	1,121,500	-	306,500	851,500	25,037,966	23,859,030	1.30	1.29	0.28
	336,500	2,736,000	-	556,000	2,516,500	91,692,009	81,288,480	4.44	4.39	

Atlas Stock Market Fund

Number of shares					Rupees		Percentage of		
As at 01 July 2014	Purchases during the period	Bonus shares during the period	Sales during the period	As at 31 March 2015	Carrying Cost	Market Value	Market Value as a percentage of total Investments	Market Value as a percentage of net assets	Market Value as a percentage of paid up capital of investee company held

5.1 Listed equity securities (Continued...)

Textile Composite

Kohinoor Textile Mills

Limited	-	1,334,000	-	500,000	834,000	42,483,670	35,153,100	1.92	1.90	0.34
Nishat (Chunian) Limited	-	2,835,000	-	1,035,000	1,800,000	77,855,424	68,310,000	3.73	3.69	0.90
Nishat Mills Limited	300,000	1,350,000	-	375,000	1,275,000	148,345,534	130,279,500	7.11	7.02	0.36
	300,000	5,519,000	-	1,910,000	3,909,000	268,684,628	233,742,600	12.76	12.61	

Cement

Attock Cement Pakistan

Limited	150,000	251,200	-	150,300	250,900	52,814,597	45,400,355	2.48	2.45	0.22
D G Khan Cement Company Limited	500,000	556,000	-	406,000	650,000	61,989,833	72,670,000	3.97	3.92	0.15
Fauji Cement Company Limited	500,000	1,000,000	-	1,100,000	400,000	10,015,549	11,388,000	0.62	0.61	0.03
Kohat Cement Company Limited	-	75,000	-	75,000	-	-	-	-	-	-
Lafarge Pakistan Cement Limited	500,000	200,000	-	700,000	-	-	-	-	-	-
Lucky Cement Limited	75,000	171,000	-	40,000	206,000	91,021,302	91,863,640	5.01	4.96	0.06
Maple Leaf Cement Factory Limited	-	100,000	-	100,000	-	-	-	-	-	-
Pioneer Cement Limited	-	58,500	-	58,500	-	-	-	-	-	-
	1,725,000	2,411,700	-	2,629,800	1,506,900	215,841,281	221,321,995	12.08	11.94	

Refinery

Attock Refinery Limited

National Refinery Limited	-	10,000	-	10,000	-	-	-	-	-	-
	-	50,000	-	50,000	-	-	-	-	-	-
	-	60,000	-	60,000	-	-	-	-	-	-

Power Generation & Distribution

Altern Energy Limited	-	500,000	-	500,000	-	-	-	-	-	-
Lalpir Power Limited	700,000	1,200,000	-	1,100,000	800,000	16,599,897	23,896,000	1.30	1.29	0.21
Nishat Chunian Power Limited	300,000	-	-	300,000	-	-	-	-	-	-
Pakgen Power Limited	-	3,124,500	-	1,733,000	1,391,500	32,697,618	38,822,850	2.12	2.09	0.37
The Hub Power Company Limited	1,300,000	878,000	-	1,528,000	650,000	45,199,790	55,497,000	3.03	3.00	0.06
	2,300,000	5,702,500	-	5,161,000	2,841,500	94,497,305	118,215,850	6.45	6.38	

Oil and Gas Marketing Companies

Attock Petroleum Limited	-	168,800	-	29,250	139,550	75,976,929	72,559,023	3.96	3.91	0.17
Hascol Petroleum Limited	-	290,000	-	290,000	-	-	-	-	-	-
Pakistan State Oil Company Limited	150,000	352,100	-	62,100	440,000	162,810,970	151,536,000	8.27	8.18	0.16
Sui Northern Gas Pipelines Limited	1,000,000	-	-	1,000,000	-	-	-	-	-	-
	1,150,000	810,900	-	1,381,350	579,550	238,787,899	224,095,023	12.23	12.09	

Oil and Gas Exploration Companies

Mari Petroleum Company Limited	15,000	-	3,000	17,850	150	46,679	77,382	0.004	0.004	0.0001
Oil and Gas Development Company Limited	300,000	430,300	-	380,300	350,000	80,622,477	63,535,500	3.47	3.43	0.01
Pakistan Oilfields Limited	100,000	279,000	-	154,000	225,000	98,549,540	73,453,500	4.01	3.96	0.10
Pakistan Petroleum Limited	300,000	535,400	-	235,400	600,000	121,774,924	92,802,000	5.07	5.01	0.03
	715,000	1,244,700	3,000	787,550	1,175,150	300,993,620	229,868,382	12.55	12.40	

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Number of shares					Rupees		Percentage of		
As at 01 July 2014	Purchases during the period	Bonus shares during the period	Sales during the period	As at 31 March 2015	Carrying Cost	Market Value	Market Value as a percentage of total Investments	Market Value as a percentage of net assets	Market Value as a percentage of paid up capital of investee company held

5.1 Listed equity securities (Continued...)

Engineering

International Industries

Limited	-	100,000	-	100,000	-	-	-	-	-	-
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Automobile Assembler

Pak Suzuki Motor

Company Limited	-	25,000	-	25,000	-	-	-	-	-	-
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Cable and Electrical Goods

Pak Elektron Limited	-	1,000,000	-	600,000	400,000	20,736,670	17,776,000	0.97	0.96	0.10
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Technology and Communication

Hum Network Limited (Face value Re.1/- per share)

	-	1,510,000	-	1,510,000	-	-	-	-	-	-
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Pakistan Telecommunication

Company Limited	450,000	1,205,000	-	1,655,000	-	-	-	-	-	-
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450,000	2,715,000	-	3,165,000	-	-	-	-	-	-	-
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Fertilizers

Dawood Hercules

Corporation Limited	-	150,000	-	150,000	-	-	-	-	-	-
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Engro Corporation

Limited	200,000	766,500	-	326,500	640,000	148,204,027	164,416,000	8.98	8.87	0.12
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Engro Fertilizers Limited

	200,000	900,000	-	380,000	720,000	60,091,853	55,540,800	3.03	3.00	0.05
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Fatima Fertilizer

Company Limited	800,000	1,000,000	-	800,000	1,000,000	33,456,605	38,560,000	2.10	2.08	0.05
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Fauji Fertilizer Bin

Qasim Limited	-	1,600,000	-	1,200,000	400,000	18,227,769	18,592,000	1.02	1.00	0.04
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Fauji Fertilizer Company

Limited	73,800	1,155,900	-	1,229,700	-	-	-	-	-	-
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1,273,800	5,572,400	-	4,086,200	2,760,000	259,980,254	277,108,800	15.13	14.95		
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Pharmaceuticals

Sanofi Aventis Pakistan

Limited	5,100	500	-	5,600	-	-	-	-	-	-
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The Searle Company

Limited	50,000	50,000	-	100,000	-	-	-	-	-	-
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55,100	50,500	-	105,600	-	-	-	-	-	-	-
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Chemicals

Biafo Industries Limited

	28,500	8,200	-	36,700	-	-	-	-	-	-
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Paper and Board

Cherat Packaging Limited

	-	25,000	-	12,000	13,000	2,853,780	2,192,840	0.12	0.12	0.05
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Packages Limited

	-	5,500	-	5,500	-	-	-	-	-	-
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Security Papers Limited

	-	42,500	-	-	42,500	3,325,870	2,927,400	0.16	0.16	0.07
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-	73,000	-	17,500	55,500	6,179,650	5,120,240	0.28	0.28		
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Atlas Stock Market Fund

Number of shares					Rupees		Percentage of		
As at 01 July 2014	Purchases during the period	Bonus shares during the period	Sales during the period	As at 31 March 2015	Carrying Cost	Market Value	Market Value as a percentage of total Investments	Market Value as a percentage of net assets	Market Value as a percentage of paid up capital of investee company held

5.1 Listed equity securities (Continued...)

Leather and Tanneries

Service Industries Limited	-	6,700	-	6,700	-	-	-	-	-
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Food and Personal Care Products

IBL HealthCare Limited	-	10,000	-	10,000	-	-	-	-	-
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Miscellaneous

Synthetic Product

Enterprises Limited	-	330,000	-	330,000	-	-	-	-	-
Tri-Pack Films Limited	-	26,000	-	8,000	18,000	3,314,876	3,234,060	0.18	0.16
	-	356,000	-	338,000	18,000	3,314,876	3,234,060	0.18	0.16

Total as at 31 March 2015

1,960,388,183 1,831,885,964 100.00 98.82

Total as at 30 June 2014

882,361,952 961,117,365

5.2 The cost of listed equity securities as at 31 March 2015 is Rs.1,904,774,809 (30 June 2014: Rs.859,734,691).

5.3 The above investments include the following shares which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades:

	Number of shares		Market value	
	31 March 2015	30 June 2014	31 March 2015	30 June 2014
	Un-audited	Audited	Un-audited	Audited
----- Rupees -----				
Bank Alfalah limited	500,000	1,500,000	12,815,000	41,250,000
Bank Al Habib Limited	125,000	125,000	5,385,000	5,622,500
The Hub Power Company Limited	200,000	200,000	17,076,000	11,748,000
Pakistan Oilfields Limited	65,000	100,000	21,219,900	57,430,000
Pakistan Petroleum limited	147,000	147,000	22,736,490	32,977,980
			79,232,390	149,028,480

6. PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

		31 March 2015	30 June 2014
	Note	Un-audited	Audited
----- Rupees -----			
Remuneration of the Management Company		9,227,553	1,782,982
Sindh sales tax payable on remuneration of the Management Company	6.1	2,497,447	876,841
Federal Excise Duty payable on remuneration of the Management Company	6.2	7,175,612	3,697,277
		18,900,612	6,357,100

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- 6.1 During the period, an amount of Rs.3,782,689 (31 March 2014: Rs.3,077,107) was charged on account of sales tax on remuneration of the Management Company levied through the Sindh Sales Tax on Services Act, 2011 and an amount of Rs.2,162,083 (31 March 2014: Rs.2,638,570) has been paid to the Management Company which acts as a collecting agent.
- 6.2 The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 6.1 above, the Management Company is of the view that the further levy of FED is not justified.

On 4 September 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various Asset Management Companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED. In this respect, the Honourable SHC has issued a stay order against recovery proceedings. The hearing of the petition is pending.

As a matter of abundant caution, the Management Company of the Fund has made a provision for FED in the books of account of the Fund with effect from 13 June 2013. Had the same not been made, the net asset value per unit of the Fund would have been higher by Rs.1.82 (30 June 2014: Rs.1.55) per unit.

	31 March 2015	30 June 2014
	Un-audited	Audited
Note	Rupees	
7. ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration payable	251,455	325,016
Printing charges payable	160,931	210,150
NCCPL charges payable	59,789	38,359
Withholding tax payable	107,874	66,380
Zakat payable	10,790	13,864
Payable to unit holders against redemption of units	273,810	245,805
Provision for Workers' Welfare Fund	7.1 25,214,998	22,919,611
	26,079,647	23,819,185

- 7.1 The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes (CISs)/mutual funds/pension funds whose income exceeds Rs.0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a Constitutional Petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs/pension funds, which is pending adjudication. However, without prejudice to the above, the Management Company has been providing for WWF contribution since the financial year ended 30 June 2010.

During the year ended 30 June 2011, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) on 8 July 2010 which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However, on 14 December 2010 the Ministry filed its response against the Constitutional Petition requesting the Court to dismiss the same. Show cause notices were then issued by the Federal Board of Revenue (FBR) to several mutual funds (CISs)/pension funds for the collection of WWF including some of the mutual funds and pension funds managed by the AMC. In respect of such show cause notices, certain mutual funds (CISs)/pension funds have been granted stay by the Honourable SHC on the basis of the pending Constitutional Petition as referred to above. In FY 2013-14, during the course of income tax proceedings of the Fund for TY 2012 as stated in note 9.2 below, the taxation officer levied a demand of Rs.2.653 million in respect of WWF. The Fund filed a petition in the Honourable SHC against the alleged levy of WWF, which has granted a stay against recovery proceedings.

Atlas Stock Market Fund

- 7.1 In March 2013, a three member bench of the Sindh High Court in its judgment on various Constitutional Petitions challenging the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008, held that WWF is a tax and consequently, the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through the Finance Act, 2006 and 2008 respectively (Money Bills) do not suffer from any constitutional or legal infirmity. This judgment was in contrast to the July 2011 single member bench decision of the Honourable Lahore High Court which had held such amendments as unlawful and unconstitutional for the reason that they were made through the money bills.

In a judgement of May 2014, the Peshawar High Court (PHC) has also held these amendments to be ultra vires as they lacked the essential mandate to be introduced and passed through the Money Bill under the constitution. For the CISs and pension funds, the issue of chargeability or otherwise of WWF levy to the CISs / pension funds is currently pending before the Honourable SHC.

In view of the pending decision, the Management Company of the Fund, as a matter of abundant caution, has continued to maintain the provision for WWF amounting to Rs.25,214,998 (30 June 2014: Rs.22,919,611) in these condensed interim financial statements. Had the same not been made, the net asset value per unit of the Fund would have been higher by Rs.6.39 (30 June 2014: Rs.9.63) per unit.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 March 2015 and as at 30 June 2014.

9. TAXATION

- 9.1 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% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed as cash dividend amongst the unit holders. Further, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income, other than unrealized capital gains to the unit holders. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. Accordingly, no provision has been made for taxation in these condensed interim financial statements.

- 9.2 During the year ended 30 June 2014, the Additional Commissioner Inland Revenue amended the return of income filed by the Fund in respect of Tax Year 2012 under Section 120 of the Income Tax Ordinance, 2001. The tax assessing officer concluded that bonus issues declared by the Fund should not have been considered as distribution of the accounting income while claiming exemption available under the Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 as the Fund had not deducted withholding tax from bonus distributions. Consequently, the tax assessing officer raised demand amounting to Rs.48.146 million (including Rs.2.653 million relating to Workers' Welfare Fund) on the Fund. Similar amendments were made to returns filed by several mutual funds in the industry.

This industry issue was examined by legal experts and tax advisors and there was unanimity of view that under the provisions of Clause 99 applicable upto 30 June 2014, the tax department's contentions were primarily erroneous and not tenable under the law. Subsequently, through the Finance Act, 2014, an amendment was made in Clause 99, whereby issuance of bonus units shall not be considered towards distribution of 90% of income, and only cash dividend shall be taken into consideration for computation of 90% distribution to claim exemption. Appropriate appellate and executive remedies were adopted to resolve the matter.

Subsequent to the year ended 30 June 2014, the Commissioner Inland Revenue - Appeals (CIR - Appeals) decided the matter in favour of the Fund and annulled the assessment order. The Fund has filed an appeal in the Appellate Tribunal Inland Revenue (ATIR) against the order of the CIR - Appeals maintaining the levy of WWF, which is pending. The tax assessing officer has also filed an appeal in the ATIR against the order of the CIR - Appeals, which is pending.

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	For the Nine Months ended	
	31 March 2015	31 March 2014
Note	Un-audited Rupees	Un-audited Rupees

10. TRANSACTIONS WITH CONNECTED PERSONS/OTHER RELATED PARTIES

10.1 Details of transactions with related parties during the period are as follows:

Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	21,739,592	16,579,240
Remuneration paid	14,295,021	16,491,064
Sindh Sales Tax on remuneration of the Management Company	3,782,689	3,077,107
Federal Excise Duty on remuneration of the Management Company	3,478,335	2,652,678
Sales load	-	245
Issue of 97,496 (2014: Nil) units	44,421,133	-
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	1,837,662	1,579,643
Remuneration paid	1,763,133	1,572,493
Settlement charges	176,216	141,853
Atlas Battery Limited (Group Company)		
Issue of 11,782 (2014: Nil) units	5,000,000	-
Bonus Nil (2014: 39,984) units	-	15,904,349
Redemption of Nil (2014: 5,409) units	-	2,500,000
Atlas Foundation Limited (Trust having common Director/Trustee)		
Issue of 19,226 (2014: Nil) units	10,000,000	-
Atlas Insurance Limited (Group Company)		
Issue of 512,207 (2014: 233,070) units	246,900,000	108,500,000
Bonus Nil (2014: 74,751) units	-	29,734,001
Redemption of 300,000 (2014: 248,000) units	141,735,715	114,127,270
Atlas Metals (Private) Limited (Group Company)		
Issue of 11,616 (2014: Nil) units	4,999,657	-
Batools Benefit Trust (Trust having common Director/Trustee)		
Issue of 68,147 (2014: Nil) units	34,224,176	-
Bonus Nil (2014: 8,866) units	-	3,526,640
Iftikhar Shirazi Family Trust (Trust having common Director/Trustee)		
Bonus Nil (2014: 8,090) units	-	3,218,205
Shirazi Capital (Private) Limited (Group Company)		
Issue of 58,172 (2014: Nil) units	26,200,000	-
Shirazi Investments (Private) Limited (Group Company)		
Issue of 832,603 (2014: Nil) units	410,458,280	-
Key Management Personnel of the Management Company 10.3		
Issue 56,548 (2014: 5,607) units	25,799,343	2,487,024
Bonus Nil (2014: 46,604) units	-	18,537,787
Redemption of 49,919 (2014: 3,541) units	25,000,000	1,570,522

Atlas Stock Market Fund

	31 March 2015	30 June 2014
	Un-audited	Audited
	----- Rupees -----	

10.2 Details of balances with related parties as at the period end are as follows:

Atlas Asset Management Limited (Management Company)		
Remuneration payable to the management company	9,227,553	1,782,982
Sindh Sales tax payable on remuneration of the Management Company	2,497,447	876,841
Federal Excise Duty payable on remuneration of the Management Company	7,175,612	3,697,277
Outstanding 97,496 (2014: Nil) units at net asset value	45,782,162	-
Central Depository Company of Pakistan Limited (Trustee)		
Trustee fee payable	245,870	171,341
Settlement charges payable	42,043	19,741
Security deposit	100,000	100,000
Atlas Battery Limited (Group Company)		
Outstanding 201,609 (2014: 189,827) units at net asset value	94,671,343	83,728,742
Atlas Foundation Limited (Trust having common Director/Trustee)		
Outstanding 19,226 (2014: Nil) units at net asset value	9,028,128	-
Atlas Insurance Limited (Group Company)		
Outstanding 561,446 (2014: 349,239) units at net asset value	263,643,872	154,042,185
Atlas Metals (Private) Limited (Group Company)		
Outstanding 11,616 (2014: Nil) units at net asset value	5,454,530	-
Batools Benefit Trust (Trust having common Director/Trustee)		
Outstanding 111,646 (2014: 43,499) units at net asset value	52,426,908	19,186,655
Iftikhar Shirazi Family Trust (Trust having common Director/Trustee)		
Outstanding 39,695 (2014: 39,695) units at net asset value	18,639,922	17,508,617
Shirazi Capital (Private) Limited (Group Company)		
Outstanding 58,172 (2014: Nil) units at net asset value	27,316,317	-
Shirazi Investments (Private) Limited (Group Company)		
Outstanding 832,603 (2014: Nil) units at net asset value	390,973,927	-
NBP - Employees Pension Fund (Unit holder with more than 10% holding) *		
Bonus Nil (2014: 106,372) units	-	43,892,545
Outstanding N/A (2014: 302,698) units at the year end	-	133,514,216
Key Management Personnel of the Management Company 10.3		
Outstanding 236,601 (2014: 229,972) units at net asset value	111,103,018	101,436,185

* Current period figures have not been presented as the entity is not classified as a connected person of the Fund as at 31 March 2015 on account of having less than 10% of the unit holding of the Fund.

10.3 For the purpose of this disclosure, transactions by the Board of Directors, and key management personnel falling within the scope of "executive" under the Code of Corporate Governance, 2012 are included herein. The term "executive" includes the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Company Secretary, Chief Internal Auditor, and executives of the Management Company of the Fund whose annual gross remuneration is Rs.4 million and above, as set by the Board of Directors of the Management Company for FY 2014-15.

10.4 The transactions with related parties/connected persons are in the normal course of business at contracted rates and terms determined in accordance with market rates.

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11. GENERAL

11.1 Figures have been rounded off to the nearest Rupee.

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

12. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the management company on 27 April 2015.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Gold Fund

Corporate Information

Trustee

Central Depository Company of Pakistan Limited
99-B, Block 'B', S.M.C.H.S, Main Shahrah-e-Faisal
Karachi - 74400

Auditors

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Legal Advisers

Bawaney & Partners

Bankers

Bank Alfalah Limited

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CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 MARCH 2015

		31 March 2015 Un-audited	30 June 2014 Audited
	Note	----- Rupees -----	-----
ASSETS			
Bank balances	4	35,694,052	138,529,807
Investments	5	149,502,300	-
Financial assets at fair value through profit or loss	6	2,526,072	3,512,609
Interest accrued		339,722	1,052,877
Deferred formation cost		776,425	955,600
Margin deposits with Pakistan Mercantile Exchange Limited against future contracts		15,614,923	24,755,727
Prepayments		7,500	-
Total assets		204,460,994	168,806,620
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	7	2,835,878	2,084,151
Payable to Central Depository Company of Pakistan Limited - trustee		28,853	29,026
Annual fee payable to the Securities & Exchange Commission of Pakistan		113,875	159,635
Accrued and other liabilities	8	610,452	874,551
Dividend payable		8,940	-
Total liabilities		3,597,998	3,147,363
NET ASSETS		200,862,996	165,659,257
UNIT HOLDERS' FUND		200,862,996	165,659,257
CONTINGENCIES AND COMMITMENTS	9		
NUMBER OF UNITS IN ISSUE		2,055,835	1,561,249
NET ASSET VALUE PER UNIT		97.70	106.11

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Gold Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2015

	For the Nine Months ended 31 March 2015	For the period from 26 June 2013 to 31 March 2014	For the Quarter ended 31 March 2015	For the Quarter ended 31 March 2014
Note	Rupees			
Income				
Interest income 10	13,531,726	14,086,089	4,184,317	5,328,688
Net (loss)/gain on investments and derivatives				
Net realised gain/(loss) on sale of government securities	2,524	(7,695)	-	-
Realised (loss)/gain on gold contracts	(21,140,919)	2,214,713	(5,332,606)	15,517,515
Net unrealised gain/(loss) on government securities	3,550	(17,400)	3,550	(17,400)
Net unrealised gain/(loss) on future contracts of gold 6.1	2,526,072	(6,577,991)	5,135,458	(1,378,261)
	(18,608,773)	(4,388,373)	(193,598)	14,121,854
Element of income/(loss) and capital gains/(losses) included in prices of units issued less those in units redeemed - net	141,898	(855,170)	(21,022)	(396,480)
	(4,935,149)	8,842,546	3,969,697	19,054,062
Expenses				
Remuneration of Atlas Asset Management Limited - Management Company	2,277,429	2,382,132	755,363	850,321
Sindh Sales Tax on remuneration of the Management Company 7.1	396,273	442,124	131,433	157,820
Federal Excise Duty on remuneration of the Management Company 7.2	364,389	381,141	120,858	136,051
Remuneration of Central Depository Company of Pakistan Limited - Trustee	258,116	269,974	85,608	96,370
Annual fee - Securities and Exchange Commission of Pakistan	113,875	119,113	37,770	42,518
Auditors' remuneration	248,750	230,795	81,250	80,510
Annual listing fee	22,500	77,418	7,500	27,006
Annual rating Fee	87,000	-	29,000	-
Printing charges	105,000	188,510	35,000	65,759
Securities transaction cost	570,814	407,384	197,993	179,182
Amortisation of formation cost	179,175	176,609	59,725	61,608
Bank charges	8,916	14,595	1,458	4,482
Provision for Workers' Welfare Fund 8.1	-	83,055	-	83,055
	4,632,237	4,772,850	1,542,958	1,784,682
Net (loss)/income for the period before taxation	(9,567,386)	4,069,696	2,426,739	17,269,380
Taxation 11	-	-	-	-
Net (loss)/income for the period after taxation	(9,567,386)	4,069,696	2,426,739	17,269,380

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

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CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2015

	For the Nine Months ended 31 March 2015	For the period from 26 June 2013 to 31 March 2014	For the Quarter ended 31 March 2015	For the Quarter ended 31 March 2014
Note	Rupees			
Net (loss)/income for the period after taxation	(9,567,386)	4,069,696	2,426,739	17,269,380
Other comprehensive income	-	-	-	-
Total comprehensive (loss)/income for the period	(9,567,386)	4,069,696	2,426,739	17,269,380

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Gold Fund

CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2015

	For the Nine Months ended 31 March 2015	For the period from 26 June 2013 to 31 March 2014
	----- Rupees -----	
Undistributed income brought forward (Includes net unrealised gain on future contracts of gold Rs.3,512,609)	9,534,345	-
Cash dividend for the period ended 30 June 2014 at the rate of Rs.3.75 per unit declared on 7 July 2014 (2014: Nil)	(5,854,684)	-
Net (loss)/income for the period after taxation	(9,567,386)	4,069,696
Accumulated (loss)/income carried forward [Includes unrealised gain on future contracts of gold Rs.2,529,622 (2014: Unrealised loss on future contracts of gold Rs.6,595,391)]	(5,887,725)	4,069,696

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

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CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2015

	For the Nine Months ended 31 March 2015		For the period from 26 June 2013 to 31 March 2014	
	Units	Rupees	Units	Rupees
Net assets at the beginning of the period (Rs.106.11 per unit)	1,561,249	165,659,257	-	-
Issue of units	543,901	55,762,290	2,561,625	255,576,036
Redemption of units	(49,315)	(4,994,583)	(394,602)	(39,728,890)
	494,586	50,767,707	2,167,023	215,847,146
Element of (income)/loss and capital (gains)/losses included in prices of units issued less those in units redeemed - net	-	(141,898)	-	855,170
Cash dividend for the period ended 30 June 2014 at the rate of Rs.3.75 per unit declared on 7 July 2014 (2013: Nil)	-	(5,854,684)	-	-
Net gain/(loss) on sale of government securities	-	2,524	-	(7,695)
Realized (loss)/gain on gold contracts	-	(21,140,919)	-	2,214,713
Net unrealised gain/(loss) on government securities	-	3,550	-	(17,400)
Net unrealised gain/(loss) on future contracts of gold	-	2,526,072	-	(6,577,991)
Net other income for the period	-	9,041,387	-	8,458,069
Total comprehensive (loss)/income for the period	-	(9,567,386)	-	4,069,696
Net assets at the end of the period [Rs.97.70 (2014: Rs.101.88 per unit)]	2,055,835	200,862,996	2,167,023	220,772,012

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Gold Fund

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2015

	For the Nine Months ended 31 March 2015	For the period from 26 June 2013 to 31 March 2014
	----- Rupees -----	
Cash flows from operating activities		
Net loss/income for the period after taxation	(9,567,386)	4,069,696
Adjustments:		
Interest income	(13,531,726)	(14,086,089)
Net (gain)/loss on sale of government securities	(2,524)	7,695
Realised loss/(gain) on gold contracts	21,140,919	(2,214,713)
Net unrealised (gain)/loss on government securities	(3,550)	17,400
Net unrealised (gain)/loss on future contracts of gold	(2,526,072)	6,577,991
Amortization of formation cost	179,175	176,609
Element of (income)/loss and capital (gains)/losses included in prices of units issued less those in units redeemed - net	(141,898)	855,170
	5,114,324	(8,665,937)
	(4,453,062)	(4,596,241)
Decrease/(increase) in assets		
Deferred formation cost	-	(1,194,500)
Margin deposits with Pakistan Mercantile Exchange Limited against future contracts	9,140,804	(25,291,275)
Prepayments	(7,500)	(27,307)
	9,133,304	(26,513,082)
Increase/(decrease) in liabilities		
Payable to Atlas Asset Management Limited - Management Company	751,727	1,975,321
Payable to Central Depository Company of Pakistan Limited - trustee	(173)	33,090
Annual fee payable to the Securities and Exchange Commission of Pakistan	(45,760)	119,113
Accrued and other liabilities	(264,099)	396,931
	441,695	2,524,455
Interest received	14,244,881	13,441,449
Investments made during the period	(934,190,926)	(1,263,409,215)
Investments sold/matured during the period	767,066,390	1,137,171,963
Net cash used in operating activities	(147,757,718)	(141,380,671)
Cash flows from financing activities		
Proceeds from issue of units	55,762,290	255,576,036
Payment on redemption of units	(4,994,583)	(39,728,890)
Dividend paid	(5,845,744)	-
Net cash generated from financing activities	44,921,963	215,847,146
Net (decrease)/increase in cash and cash equivalents during the period	(102,835,755)	74,466,475
Cash and cash equivalents at the beginning of the period	138,529,807	-
Cash and cash equivalents at the end of the period	4	74,466,475

The annexed notes from 1 to 14 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2015

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Atlas Gold Fund (the Fund) is an open ended Fund constituted by a trust deed entered into on 6 May 2013 between Atlas Asset Management Limited (AAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the trustee. The Trust Deed has been amended through the First Supplemental Trust deed dated 13 May 2014, with the approval of the Securities and Exchange Commission of Pakistan (SECP). The Offering Document of the Fund has been amended through the First and Second Supplements dated 13 May 2014 and 24 March 2015 respectively, with the approval of the SECP. The investment activities and administration of the Fund are managed by AAML situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.
- 1.2** Units of the Fund are offered for public subscription on a continuous basis since 15 July 2013, and are transferable and redeemable by surrendering them to the Fund. The Fund is listed on the Lahore Stock Exchange.
- 1.3** According to the Trust Deed, the objective of the Fund is to provide investors with capital appreciation through investment in gold or gold futures contracts traded on the Commodity Exchange. The Fund aims to deliver this objective mainly by investing at least 70% of the net assets in gold or gold futures contracts during the year based on quarterly average investments calculated on daily basis. The remaining net assets of the Fund shall be invested in cash and near cash instruments which includes cash in bank accounts (excluding TDR), and treasury bills not exceeding 90 days maturity. At least 10% of the net assets of the Fund shall remain invested in cash and near cash instruments at all times. The investment objectives and policy are more fully defined in the Fund's offering document.

2 BASIS OF PREPARATION

STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting", the requirements of the Trust Deed, 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 directives issued by the SECP. In case where requirements differ, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

The condensed interim financial Statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the period ended 30 June 2014.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 31 March 2015.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the period ended 30 June 2014.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the period ended 30 June 2014.

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the period ended 30 June 2014.

Atlas Gold Fund

		31 March 2015	30 June 2014
		Un-audited	Audited
	Note	----- Rupees -----	----- Rupees -----

4. BANK BALANCES

In PLS saving account	4.1	<u>35,694,052</u>	<u>138,529,807</u>
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4.1 The rate of return on the account is 7.70% (30 June 2014: 9.20%) per annum.

5. INVESTMENTS - at fair value through income statement

Government securities

Market Treasury Bills - held-for-trading	5.1	<u>149,502,300</u>	<u>-</u>
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5.1 Market Treasury Bills - held for trading

Treasury bills	Face value (Rupees)			Rupees		Percentage of	
	Acquired during the period	Sold/ Matured during the period	At the end of the period	Amortized cost	Market Value	Total Investments	Net Assets
3 Months - T bills	195,000,000	195,000,000	-	-	-	-	-
6 Months - T bills	440,000,000	440,000,000	-	-	-	-	-
12 Months - T bills	300,000,000	150,000,000	150,000,000	149,498,750	149,502,300	100.00	74.43
	<u>935,000,000</u>	<u>785,000,000</u>	<u>150,000,000</u>	<u>149,498,750</u>	<u>149,502,300</u>	<u>100.00</u>	<u>74.43</u>

5.2 The cost of investment as on 31 March 2015 is Rs.149,498,750 (30 June 2014: Rs.Nil).

5.3 This market treasury bill carries purchase yields ranging of 8.1806% per annum and will mature on 16 April 2015.

		31 March 2015	30 June 2014
		Un-audited	Audited
	Note	----- Rupees -----	----- Rupees -----

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

Held-for-trading - derivative financial instruments

- Future Gold Contracts	6.1	<u>2,526,072</u>	<u>3,512,609</u>
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6.1 This represents net fair value of gold futures contracts entered into by the Fund at the Pakistan Mercantile Exchange Limited. The details of the outstanding contracts are given in the table below:

Commodity Contracts	Maturity Date	Quantity - ounces	Value of Gold in futures market US \$	Value of Gold in futures market equivalent Pak Rupees	Market Value as a Percentage of net assets
Gold 10 oz - May 2015	27 April 2015	1,310	1,549,992	158,006,184	78.66
Liabilities against gold futures at contracted rates			USD\$ 1,525,212	155,480,112	
Unrealised gain on future contracts of gold				<u>2,526,072</u>	

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		31 March 2015	30 June 2014
	Note	Un-audited	Audited
		Rupees	
7. PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - RELATED PARTY			
Management fee		755,363	256,110
Formation cost payable		955,600	1,194,500
Sindh Sales Tax payable on remuneration of the Management Company	7.1	249,696	122,711
Federal Excise Duty payable on remuneration of the Management Company	7.2	875,219	510,830
		2,835,878	2,084,151

7.1 During the period, an amount of Rs.396,273 (31 March 2014: Rs.442,124) was charged on account of sales tax on remuneration of the Management Company levied through Sindh Sales Tax on Services Act, 2011, and an amount Rs.269,288 (31 March 2014 : Rs.319,413) has been paid to the Management Company which acts as a collecting agent.

7.2 The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 7.1 above, the Management Company is of the view that further levy of FED is not justified.

On 4 September 2013, a Constitutional Petition has been filed in Honorable Sindh High Court (SHC) jointly by various Asset Management Companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED. In this respect, the Hon'ble SHC has issued a stay order against recovery proceedings. The hearing of the petition is pending.

In view of the pending decision, as a matter of abundant caution, the Management Company of the Fund has made a provision for FED in the books of account of the Fund. Had the same not been made, the net asset value per unit of the Fund would have been higher by Re.0.43 (30 June 2014: Re.0.33) per unit.

		31 March 2015	30 June 2014
	Note	Un-audited	Audited
		Rupees	
8. ACCRUED AND OTHER LIABILITIES			
Auditors' remuneration payable		161,100	229,700
Printing charges payable		160,931	210,150
Withholding tax payable		2,851	240,123
Rating fee payable		87,000	-
Brokerage payable		3,992	-
Provision for Workers' Welfare Fund	8.1	194,578	194,578
		610,452	874,551

Atlas Gold Fund

8.1 The Finance Act 2008 introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance). As a result of this amendment it may be construed that all Collective Investment Schemes/Mutual Funds (CISs)/Pension Funds whose income exceeds Rs.0.5 million in a tax year, have been brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever is higher. In this regard, a Constitutional Petition has been filed by certain CISs through their trustees in the Honourable High Court of Sindh (SHC), challenging the applicability of WWF to the CISs/pension funds, which is pending adjudication.

During the year ended 30 June 2011, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) on 8 July 2010 which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However, in on 14 December 2010 the Ministry filed its response against the Constitutional Petition requesting the Court to dismiss the same. Show cause notices were then issued by Federal Board of Revenue (FBR) to several Mutual Funds (CISs) / Pension Funds for the collection of WWF including some of the mutual funds and pension funds managed by the AMC. In respect of such show cause notices, certain Mutual Funds (CISs) / Pension Funds have been granted stay by Honourable SHC on the basis of the pending Constitutional Petition as referred above.

In March 2013, a three member bench of the Sindh High Court in its judgment on various Constitutional Petitions challenging the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006 and the Finance Act, 2008, held that WWF is a tax and consequently, the amendments introduced in the Workers' Welfare Fund Ordinance, 1971 through Finance Act, 2006 and 2008 respectively (Money Bills) do not suffer from any constitutional or legal infirmity. This judgment was in contrast to the July 2011 single member bench decision of the Honourable Lahore High Court which had held such amendments as unlawful and unconstitutional for the reason that they were made through the money bills.

In a judgement of May 2014, the Honourable Peshawar High Court (PHC) has also held these amendments to be ultra vires as they lacked the essential mandate to be introduced and passed through the Money Bill under the constitution. For the CISs and Pension Funds, the issue of chargeability or otherwise of WWF levy to the CISs / Pension Funds is currently pending before the Honourable SHC.

In view of the pending decision, the Management Company of the Fund, as a matter of abundant caution, has decided to maintain a provision in respect of WWF. However, due to loss during the nine months ended 31 March 2015, no provision was necessitated. The aggregate provision for WWF amounts to Rs.194,578 (30 June 2014: Rs.194,578). Had the same not been made, the net asset value per unit of the Fund would have been higher by Re.0.09 per unit (30 June 2014: Re.0.12) per unit.

9. CONTINGENCIES AND COMMITMENTS

9.1 There were no contingencies outstanding as at 31 March 2015.

	31 March 2015	30 June 2014
	Un-audited	Audited
	----- Rupees -----	
9.2 COMMITMENTS		
Purchase of:		
Ounce Gold Contracts US \$ 1,549,992		
(30 June 2014 : US \$ 1,367,634)	158,006,184	135,122,239

9.2.1 This represents the investment in future gold contracts with settlement date of 27 April 2015 (30 June 2014: 28 July 2014).

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	For the Nine Months ended 31 March 2015 Un-audited	For the period from 26 June 2013 to 31 March 2014 Un-audited	For the Quarter ended 31 March 2015 Un-audited	For the Quarter ended 31 March 2014 Un-audited
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----- Rupees -----

10. INTEREST INCOME

Profit on PLS savings account and deposits	7,096,875	6,481,574	1,233,617	1,780,128
Government Securities - Market Treasury bills	6,434,851	7,604,515	2,950,700	3,548,560
	13,531,726	14,086,089	4,184,317	5,328,688

11. 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% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed as cash dividend amongst the unit holders. Further, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income, other than unrealized capital gains to the unit holders. The management intends to distribute at least 90% of the Fund's net accounting income earned by the year end, as cash dividend, to the unit holders. Accordingly, no provision has been made for taxation in these condensed interim financial statements.

	For the Nine Months ended 31 March 2015 Un-audited	For the period from 26 June 2013 to 31 March 2014 Un-audited
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----- Rupees -----

12. TRANSACTIONS WITH RELATED PARTIES/CONNECTED PERSONS

12.1 Details of transaction with related parties during the period are as follows:

Atlas Asset Management Limited (Management Company)

Remuneration of the Management Company	2,277,429	2,382,132
Remuneration paid	1,778,176	2,090,152
Sindh Sales Tax on Remuneration of the Management Company	396,273	442,124
Federal Excise Duty on Remuneration of the Management Company	364,389	381,141
Formation cost paid	238,900	-

Central Depository Company of Pakistan Limited (Trustee)

Remuneration of the Trustee	258,116	269,974
Remuneration paid	258,289	236,884

Atlas Battery Limited (Group Company)

Issue of 13,748 (2014: 500,339) units	1,407,204	50,033,904
Cash Dividend	1,876,271	-

Atlas Gold Fund

	For the Nine Months ended 31 March 2015 Un-audited	For the period from 26 June 2013 to 31 March 2014 Un-audited
Note	-----	Rupees -----

12.1 Details of transaction with related parties during the period are as follows: (Continued...)

Atlas Foundation (Trust having common Director/Trustee)		
Issue of 4,124 (2014: 150,102) units	422,161	15,010,171
Cash Dividend	562,881	-
Atlas Honda Limited (Group Company)		
Issue of 486,522 (2014: 499,800) units	49,970,710	50,000,000
Atlas Insurance Limited (Group Company)		
Issue of 2,793 (2014: 101,637) units	285,854	10,000,000
Cash Dividend	381,138	-
Batools Benefit Trust (Trust having common Director/Trustee)		
Issue of 4,124 (2014: 150,102) units	422,161	15,010,171
Cash Dividend	562,881	-
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Issue of Nil (2014: 13,895) units	-	1,395,642
Atlas Group of Companies, Management Staff Gratuity Fund (Unit holder with more than 10% holding)		
Issue of 11,621 (2014: 317,215) units	1,189,556	31,721,495
Cash Dividend	1,189,556	-
<u>Key Management Personnel of Management Company</u> 12.3		
Issue of 1,645 (2014: 53,382) units	168,423	5,355,199
Cash Dividend	187,137	-
Redemption of Nil (2014: 3,479) units	-	368,095
	31 March 2015 Un-audited	30 June 2014 Audited
	-----	Rupees -----

12.2 Details of balances with related parties as at the period end are as follows:

Atlas Asset Management Limited (Management Company)		
Remuneration payable to the management company	755,363	256,110
Formation cost payable	955,600	1,194,500
Sindh sales tax payable on remuneration of the Management Company	249,696	122,711
Federal Excise Duty payable on remuneration of the Management Company	875,219	510,830

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	31 March 2015	30 June 2014
Note	Un-audited Rupees	Audited -----

12.2 Details of balances with related parties as at the period end are as follows: (Continued...)

Central Depository Company of Pakistan Limited (Trustee)		
Trustee fee payable	28,853	29,026
Atlas Battery Limited (Group Company)		
Outstanding 514,087 (30 June 2014: 500,339) units - at net asset value	50,226,264	53,090,976
Atlas Foundation (Trust having common Director/Trustee)		
Outstanding 154,226 (30 June 2014: 150,102) units - at net asset value	15,067,879	15,927,293
Atlas Honda Limited (Group Company)		
Outstanding 486,522 (30 June 2014: Nil) units - at net asset value	47,533,233	-
Atlas Insurance Limited (Group Company)		
Outstanding 104,430 (30 June 2014: 101,637) units - at net asset value	10,202,764	10,784,690
Batools Benefit Trust (Trust having common Director/Trustee)		
Outstanding 154,226 (30 June 2014: 150,102) units - at net asset value	15,067,879	15,927,293
Atlas Group of Companies, Management Staff Gratuity Fund (Unit holder with more than 10% holding)		
Outstanding 328,836 (30 June 2014: 317,215) units - at net asset value	32,127,302	33,659,679
<u>Key Management Personnel of Management Company</u> 12.3		
Outstanding 51,549 (30 June 2014: 49,903) units - at net asset value	5,036,289	5,295,218

12.3 For the purpose of this disclosure, transactions by the Board of Directors, and key management personnel falling within the scope of "executive" under the Code of Corporate Governance, 2012 are included herein. The term "executive" includes the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer & Company Secretary, Chief Internal Auditor, and executives of the Management Company of the Fund whose gross remuneration is Rs.4 million and above, as set by the Board of Directors of the Management Company for FY 2014-15.

12.4 The transactions with related parties/connected persons are in the normal course of business at contracted rates and terms determined in accordance with market rates.

Atlas Gold Fund

13. GENERAL

Figures have been rounded off to the nearest Rupee.

14. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the management company on 27 April 2015.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Head Office

Ground Floor, Federation House, Sharae Firdousi,
Clifton, Karachi-75600. Ph: (92-21) 35379501- 04
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