



Atlas Sovereign Liquid Fund

Atlas Money Market Fund

Atlas Income Fund

Atlas Stock Market Fund

THIRD QUARTER REPORT

31 March 2018

(UN-AUDITED)

Atlas
funds
Nurturing your investments



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. Tariq Amin
(Independent Director)

Ms Zehra Naqvi*
(Independent Director)

Mr. Frahim Ali Khan
(Non-Executive Director)

Mr. M. Habib-ur-Rahman
(Non-Executive Director)

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

Chief Executive Officer Mr. M. Abdul Samad

Company Secretary Ms Zainab Kazim

Board Committees

Audit Committee

Chairman Mr. Tariq Amin
Members Mr. Frahim Ali Khan
Mr. M. Habib-ur-Rahman

Secretary Mr. M. Uzair Uddin Siddiqui

Human Resource & Remuneration Committee

Chairperson Ms Zehra Naqvi*
Members Mr. Frahim Ali Khan
Mr. Ali H. Shirazi
Mr. M. Abdul Samad

Secretary Ms Zainab Kazim

Investment Committee

Chairman Mr. M. Abdul Samad
Members Mr. Ali H. Shirazi
Mr. Khalid Mahmood
Mr. Muhammad Umar Khan
Mr. Fawad Javaid
Secretary Mr. Faran ul Haq

Management Committee

Chairman Mr. M. Abdul Samad
Members Mr. Khalid Mahmood
Ms Qurrat-ul-Ain Jafari
Ms Mishaal H. Shirazi
Mr. Tariq Ahmed Siddiqui
Ms Ayesha Farooq

Secretary Mr. Muhammad Umar Khan

Risk Management Committee

Chairman Mr. M. Abdul Samad
Member Mr. Khalid Mahmood

Secretary Mr. Shaikh Owais Ahmed

Chief Financial Officer

Ms Qurrat-ul-Ain Jafari

Chief Internal Auditor

Mr. M. Uzair Uddin Siddiqui

Registered Office

Ground Floor, Federation House, Sharae Firdousi
Clifton, Karachi - 75600
Tel: (92-21) 111-MUTUAL (6-888-25)
(92-21) 35379501-04
Fax: (92-21) 35379280
Email: info@atlasfunds.com.pk
Website: www.atlasfunds.com.pk

* Subject to SECP Approval

The above information is as at 23 April 2018.

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 March 31, 2018 of the FY 2017-18.

THE ECONOMY

The economy is poised to achieve GDP growth rate target of 6% that would be eleven-year high while average CPI inflation is expected to remain below the target of 6%. CPI inflation for the period of July - March FY18 was recorded at 3.8% while Industrial sector has shown growth as improved utilization of existing capacity and additions in installed capacity has helped fulfill demand. During the period Jul-Feb FY18, the current account deficit was recorded at US\$ 10.83 billion as compared to US\$ 7.22 billion in the same period last year. The foreign exchange reserves of the country stood at US\$ 17.80 billion as on March 30, 2018 with SBP's share of US\$ 11.60 billion in the total liquid foreign exchange reserves. Foreign remittances for the period July-Mar FY18 stood at US\$ 14.61 billion, which was an increase of 3.55% YoY compared to the corresponding period last year. The SBP in its latest monetary policy statement decided to keep the policy rate unchanged at 6.0% after increasing it by 25bps in Jan-18, which was a change in monetary policy stance after a period of 20 months.

FUND OPERATIONS - ASLF

The Net Asset Value per unit of ASLF has increased by 3.70% to Rs.103.70 as on March 31, 2018, providing an annualized total return of 4.93%. The ASLF's total exposure in Treasury Bills stood at 27.67% and 71.98% 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.353.32 million, with 3.41 million units outstanding as of March 31, 2018.

FUND OPERATIONS - AMF

The Net Asset Value per unit of AMF has increased by 4.08% to Rs.522.34 as on March 31, 2018, thus providing an annualized total return of 5.44%. The AMF's total exposure was 96.80% in short term deposits with banks/cash and 2.91% in Treasury bills. 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.13.65 billion, with 26.14 million units outstanding as of March 31, 2018.

FUND OPERATIONS - AIF

The Net Asset Value per unit of AIF has increased by 3.61% to Rs.530.71 as on March 31, 2018, this works out to 4.80% on an annualized basis. AIF's current asset allocation is 7.69% in Treasury bills, 24.19% in Term Finance Certificates/Sukuk Certificates, 3.31% in Margin Trading System, 0.92% in Commercial Paper and remaining 63.31% in short term bank deposits/cash and others. AIF presents a good investment opportunity for investors to earn attractive returns while maintaining high liquidity. The Net Assets of the Fund stood at Rs.8.31 billion with 15.65 million units outstanding as of March 31, 2018.

FUND OPERATIONS - ASMF

The Net Asset Value per unit of ASMF has increased by 0.80% to Rs.657.00 as on March 31, 2018. The benchmark KSE-100 index has decreased by 2.16% during the same period. The KSE- 100 has decreased from 46,565.29 points as on June 30, 2017 to 45,560.30 points as on March 31, 2018. ASMF's equity portfolio exposure was mainly in Commercial Banks, Oil & Gas Exploration, Fertilizers, Cement, Power Generation & Distribution, Oil & Gas Marketing 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.5.66 billion, with 8.61 million units outstanding as of March 31, 2018.

FUND OPERATIONS - AGF

The Board of Directors of Atlas Asset Management Limited in its meeting held on October 26, 2017, decided to revoke the Atlas Gold Fund under clause 18.2 of the Trust Deed and clause 10.4 of the Offering Document of the Fund, subject to the process of revocation, as laid down in the Non- Banking Finance Companies and Notified Entities Regulations, 2008. Subsequently, Atlas Gold Fund has been revoked on November 3, 2017 and is no longer offered to investors. The Net Asset Value per unit during the period of Atlas Gold Fund has increased by 3.09% to Rs.105.43 till the final settlement date of November 29, 2017. An amount of Rs.210.29 million has been paid to investors against final settlement. However, there is a claim for refund of tax amounting to Rs.0.33 million and also there are provisions in the books for Federal Excise Duty and Sindh Workers' Welfare Fund amounting to Rs.2.19 million that has been made as an abundant precaution. Once these issues are resolved a further payment will be made to unit holders.

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MUTUAL FUND TAXATION

WORKER'S WELFARE FUND (WWF)

Against the decision of the Honorable Supreme Court of Pakistan (SCP) that declared the amendments made in the Finance Acts 2006 and 2008 pertaining to WWF as illegal citing that WWF was not in the nature of tax and could, therefore, not have been introduced through money bills, the Federal Board of Revenue (FBR) has filed a review petition in the SCP, which is pending for hearing. The Mutual Funds Association of Pakistan (MUFAP) consulted both legal and tax advisors who gave the opinion that the judgment has removed the very basis on which the demands were raised, therefore, there was no longer any liability against the mutual funds under the WWF Ordinance. Based on legal opinion, the entire provision against WWF held by the Mutual Funds and Voluntary Pension Funds till June 30, 2015 were reversed on January 12, 2017.

SINDH WORKER'S WELFARE FUND (SWWF)

As a consequence of the 18th amendment to the Constitution of Pakistan, Workers' Welfare Fund became a provincial subject. In May 2015 the Sindh Assembly passed the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) imposing SWWF on many entities, including financial institutions.

The Sindh Revenue Board (SRB) demanded the SWWF from mutual funds on the plea that mutual funds are defined as financial institution under The Financial Institutions (Recovery of Finances) Ordinance, 2001. MUFAP has collectively on behalf of asset management companies contested that mutual funds are not financial institutions or industrial establishments but were pass through investment vehicles and did not employ workers. Mutual funds are also not included in the definition of financial institutions in the Companies Act, 2017. MUFAP has taken up the matter with the Sindh Finance Division for resolution of the matter.

Although, based on legal opinion, SWWF is not applicable on mutual funds MUFAP has recommended that the provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015). Accordingly, the provision for SWWF is being made on a daily basis going forward.

FEDERAL EXCISE DUTY (FED)

The Finance Act, 2013 imposed Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMC's) with effect from June 13, 2013 and this was withdrawn on June 30, 2016. On September 04, 2013 a constitutional petition was filed in SHC jointly by various AMC's, challenging the levy of FED. In a separate petition the Honorable Sindh High Court declared that the FED was unconstitutional and cannot be charged where provinces are collecting sales tax. The Federation has filed an appeal in the Honorable Supreme Court of Pakistan. However, without prejudice, the mutual funds and pension funds have on prudent basis maintained the provision for FED till June 30, 2016.

WITHHOLDING TAX

With effect from July 01, 2015, FBR has required all entities whose income are exempt from income tax to obtain income tax exemption certificates from concerned Commissioner of Income Tax (CIT) by virtue of provision in section 159 of the Income Tax Ordinance, 2001 (Ordinance). So far Mutual Funds and approved pension funds were automatically allowed exemption from withholding tax by virtue of clause 47(B) of Part IV of the Second Schedule to Ordinance. The Company along with other AMCs filed a petition in the Honorable Sindh High Court against the new requirement of FBR. The Honorable Sindh High Court decided that the requirement of obtaining exemption certificate will apply to those entities as well whose income are otherwise exempt from tax. Thereafter, the company has filed a petition in the Supreme Court of Pakistan, on April 20, 2016 and the hearing is still pending. In the meanwhile mutual funds are obtaining exemption certificates from Commissioner of Income Tax. However, any tax withheld is refundable.

ACCOUNTING FOR ELEMENT OF INCOME

To maintain same rate of dividend (dividend equalization) the income contributed on units issued less income paid out on units redeemed (together referred as element of income) during a financial year is transferred to Income Statement. The balance in the Income Statement (of which element of income is a part) after setting off the expenses is distributed as dividend that is subjected to income tax at the applicable rate.

The SECP vide its statutory notification (S.R.O) no. 756(I)/2017 dated 03 August 2017, has amended the NBFC Regulations. The amendment has been done in consultation with the Institute of Chartered Accountants of Pakistan, keeping in view the International Financial Reporting Standards. According to the amendment the "element of income" contributed on units to be issued and paid out on redemption is defined as transaction of capital nature and its receipt and payment is to be taken to Unit Holders' Fund.

The net element of income that was till the close of last financial year recognized in the income statement as an equalization account will not be available for payment as dividend on units, contributing to element of income. Accordingly dividend amount will vary with the dates of issue of units. To maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on issue of units lying in Unit Holders' Fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution.

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SECP vide its e-mail dated March 21, 2018, addressed MUFAP, to inform that they have no objection on the proposed accounting treatment and disclosure of element of income in the financial statements. Final Element of Income Circular dated March 21, 2018 as circulated by MUFAP includes Accounting and Tax treatment for Element of Income and Capital Gains in the prices of units Issued less those in units redeemed.

RATINGS

• Asset Manager Rating

The Pakistan Credit Rating Agency Limited (PACRA) has maintained asset manager rating of Atlas Asset Management Limited (AAML) to "AM2+" (AM Two Plus). The rating denotes high quality as the asset manager meets high investment management industry standards and benchmarks with noted strengths in several of the rating factors.

• Fund Stability Rating - 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 risk.

FUTURE OUTLOOK

Pakistan's economic growth has continued its momentum due to better availability of energy, improved security situation and strong growth in industrial output as depicted from Large Scale Manufacturing (LSM) index. Inflation for FY18 till date is on the lower side and it is expected to remain below the target of 6.0 percent. However, higher international oil price translating into higher domestic petroleum prices and devaluation of Pak Rupee is likely to put pressure on inflation in coming months. Healthy credit expansion and infrastructure investment tied to economic corridor project China-Pakistan Economic Corridor (CPEC) are providing impetus for real economic activities. Exchange rate flexibility and active monetary management is going to help sustain growth momentum in medium term despite widening of current account deficit. Going forward, continuous external flow would be required to maintain the stable balance of payments position. The realization of investment inflows stemming from the CPEC and shifting focus towards making the exports competitive, would likely strengthen the external sector outlook.

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

ع خدا رحمت کندای عاشقان پاک طینات را

God, please have mercy on these lovers of clean intention

Aknowledgement

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 and his management team for their hard work, dedication and sincerity of purpose.

Karachi: 27 April 2018

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

EY Ford Rhodes
Chartered Accountants

Legal Advisers

Bawaney & Partners

Bankers

Allied Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Faysal Bank Limited
Habib Bank Limited
MCB Bank Limited
United Bank Limited
Zarai Taraqati Bank Limited

Atlas Sovereign Liquid Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT 31 MARCH 2018

		31 March 2018 Un-audited	30 June 2017 Audited
	Note	----- Rupees -----	
ASSETS			
Bank balances	4	256,665,325	265,276,299
Investments	5	98,654,942	-
Profit receivable on bank deposits		495,886	2,355,205
Prepayment and other receivables		461,839	453,482
Deffered formation cost	6	324,822	520,000
Total assets		356,602,814	268,604,986
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	7	1,738,891	3,276,711
Payable to the Central Depository Company of Pakistan Limited - Trustee		50,847	248,142
Payable to the Securities and Exchange Commission of Pakistan		157,993	637,610
Payable against redemption of units		5,526	8,300,408
Accrued expenses and other liabilities	8	1,325,566	5,632,496
Total liabilities		3,278,823	18,095,367
NET ASSETS		353,323,991	250,509,619
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		353,323,991	250,509,619
CONTINGENCIES AND COMMITMENTS	10		
		----- Number of units -----	
NUMBER OF UNITS IN ISSUE		3,407,186	2,287,658
		----- Rupees -----	
NET ASSET VALUE PER UNIT		103.70	109.50

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

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CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2018

	Note	For the Nine Months Ended		For the Quarter Ended	
		2018	2017	2018	2017
		Rupees			
INCOME					
Interest income	11	12,981,826	30,209,872	5,290,922	8,981,470
Capital (loss)/gain on sale of investments-net		(128,239)	(26,785)	(114,879)	2,859
Net unrealise (diminution)/appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(1,218)	(7,135)	4,903	10,927
		(129,457)	(33,920)	(109,976)	13,786
Element of (loss)/income and capital (losses)/gain included in prices of units sold less those in units redeemed - net		-	(1,350,875)	-	1,519,519
Total income		12,852,369	28,825,077	5,180,946	10,514,775
EXPENSES					
Remuneration of Atlas Asset Management Limited Management Company	7.1	947,978	2,285,071	385,132	678,253
Sindh Sales Tax on remuneration of Management Company	7.2	123,237	297,059	50,067	88,173
Remuneration of Central Depository Company of Pakistan Limited - Trustee		315,987	761,691	128,372	226,085
Sindh Sales Tax on remuneration of Trustee		41,078	99,020	16,688	29,391
Annual fees to the Securities & Exchange Commission of Pakistan		157,993	380,846	64,186	113,043
Accounting and operational charges	9	112,723	507,306	85,586	150,723
Sindh Sales Tax on accounting and operational charges		-	40,584	-	12,057
Annual rating fee		205,282	188,271	67,552	61,841
Annual listing fee		19,143	41,286	6,147	13,561
Securities transaction cost		11,123	20,915	9,709	5,033
Auditors' remuneration		194,362	196,993	69,713	69,713
Printing charges		14,689	38,370	2,579	5,995
Legal and professional charges		102,920	23,760	41,669	64,109
Amortisation of formation cost		195,178	195,178	64,109	23,760
Bank charges		7,634	20,578	1,202	5,280
Provision for Workers' Welfare Fund		-	(323,547)	-	(323,547)
Provision for Sindh Workers' Welfare Fund		208,061	775,890	83,765	775,890
		2,657,388	5,549,271	1,076,476	1,999,360
Net income for the period before taxation		10,194,981	23,275,806	4,104,470	8,515,415
Taxation	13	-	-	-	-
Net income for the period after taxation		10,194,981	23,275,806	4,104,470	8,515,415
Earnings per unit	14				
Allocation of net income for the period:					
Net income for the period after taxation		10,194,981	23,275,806	4,104,470	8,515,415
Income already paid on units redeemed		75,928	-	53,840	-
		10,119,053	23,275,806	4,050,630	8,515,415
Accounting income available for distribution:					
- Relating to capital gains		-	-	-	-
- Excluding capital gains		10,119,053	-	4,050,630	-
		10,119,053		4,050,630	

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

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Sovereign Liquid Fund

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2018

	For the Nine Months Ended 31 March		For the Quarter Ended 31 March	
	2018	2017	2018	2017
	----- Rupees -----			
Net income for the period after taxation	10,194,981	23,275,806	4,104,470	8,515,415
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	10,194,981	23,275,806	4,104,470	8,515,415

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

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CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2018

	31 March 2018			
	Capital Value	Undistributed Income	Unrealised (diminution)/ appreciation on re-measurement of investments classify as 'AFS'	Net Assets
Net assets at the beginning of the period Units outstanding: 2,287,658	228,274,827	22,234,792	-	250,509,619
Amount received on issuance of 1,161,936 units	118,679,892	-	-	118,679,892
Amount paid on redemption of 42,408 units	4,251,825	75,928	-	4,327,753
Element of loss and capital losses included in prices of units sold less those in units redeemed - net 3.2	-	-	-	-
Total comprehensive income for the period	-	10,194,981	-	10,194,981
Final cash dividend declared for the year ended 30 June 2017 at the rate of Rs. 9.50 per unit on 7 July 2017	-	21,732,748	-	21,732,748
Net assets at the end of the period Units outstanding: 3,407,186	342,702,894	10,621,097	-	353,323,991
Undistributed income brought forward				
- Realised income		22,234,792		
- Unrealised income		-		
		22,234,792		
Accounting income available for distribution				
- Relating to capital gains		-		
- Excluding capital gains		10,119,053		
		10,119,053		
Net income for the period after taxation		-		
Final cash dividend declared for the year ended 30 June 2017 at the rate of Rs. 9.50 per unit on 7 July 2017		(21,732,748)		
Undistributed income carried forward		10,621,097		
Undistributed income carried forward				
- Realised income		9,914,295		
- Unrealised income		706,802		
		10,621,097		
				(Rupees)
Net asset value per unit at beginning of the period				109.50
Net asset value per unit at end of the period				103.70

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Sovereign Liquid Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) Continued...

FOR THE NINE MONTHS ENDED 31 MARCH 2018

	31 March 2017			
	Capital Value	Undistributed Income	Unrealised (diminution)/ appreciation on re-measurement of investments classify as 'AFS'	Net Assets
Note	-----Rupees-----			
Net assets at the beginning of the period Units outstanding: 7,461,205	746,198,677	761,307	-	746,959,984
Amount received on issuance of 2,966,481 units	303,727,154	-	-	303,727,154
Amount paid on redemption of 4,131,986 units	421,756,769	-	-	421,756,769
Element of loss and capital losses included in prices of units sold less those in units redeemed - net	3.2 1,350,875	-	-	1,350,875
Total comprehensive income for the period	-	23,275,806	-	23,275,806
Net assets at the end of the period Units outstanding: 6,295,700	<u>629,519,937</u>	<u>24,037,113</u>	<u>-</u>	<u>653,557,050</u>
Undistributed income brought forward				
- Realised loss		(1,774,823)		
- Unrealised income		2,536,130		
		761,307		
Accounting income available for distribution				
- Relating to capital gains		-		
- Excluding capital gains		-		
		-		
Net income for the period after taxation		23,275,806		
Undistributed income carried forward		<u>24,037,113</u>		
Undistributed income carried forward				
- Realised income		21,673,723		
- Unrealised income		2,363,390		
		<u>24,037,113</u>		
				(Rupees)
Net asset value per unit at beginning of the period				<u>100.11</u>
Net asset value per unit at end of the period				<u>103.81</u>

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

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

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CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2018

	2018	2017
	Note ----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period after taxation	10,194,981	23,275,806
Adjustments for:		
Interest income	(12,981,826)	(30,209,872)
Capital loss on sale of investments - net	128,239	26,785
Net unrealize diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	1,218	7,135
Amortization of formation cost	195,178	195,178
Element of loss and capital losses included in prices of units sold less those in units redeemed - net	-	1,350,875
Provision for Workers' Welfare Fund	-	323,547
Provision for Sindh Workers' Welfare Fund	208,061	(775,890)
	(12,449,130)	(29,082,242)
Increase in assets		
Prepayment and other receivables	(8,357)	(98,903)
Decrease in liabilities		
Payable to Atlas Asset Management Limited - Management Company	(1,537,820)	(203,146)
Payable to the Central Depository Company of Pakistan Limited - Trustee	(197,295)	18,951
Payable to the Securities and Exchange Commission of Pakistan	(479,617)	(90,547)
Accrued expenses and other liabilities	(4,514,991)	(2,285,201)
	(6,729,723)	(2,559,943)
	(8,992,229)	(8,465,282)
Interest received	4,765,709	7,879,880
Investments made during the period	(2,067,017,656)	(3,568,528,711)
Investments sold/matured during the period	1,978,308,693	3,594,765,543
Net cash (used in)/generated from operating activities	(92,935,483)	25,651,430
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipt from issuance of units	118,679,892	303,727,154
Net payment against redemption of units	(12,622,635)	(421,756,769)
Cash payout against distribution	(21,732,748)	-
Net cash generated from/(used in) financing activities	84,324,509	(118,029,615)
Net decrease in cash and cash equivalents	(8,610,974)	(92,378,185)
Cash and cash equivalents at the beginning of the period	265,276,299	528,149,900
Cash and cash equivalents at the end of the period	4 256,665,325	435,771,715

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Sovereign Liquid Fund

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2018

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 Trust Deed has been revised through the First Supplemental Trust Deed dated 23 May 2017 and the offering document has been revised through First Supplement dated 24 March 2015, Second Supplement dated 3 August 2015, Third Supplement dated 23 June 2016, Fourth Supplement dated 13 October 2016 and Fifth Supplemental dated 2 June 2017 with the approval of the Securities and 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 The Fund is categorised as a 'money market scheme' by the Board of Directors pursuant to the provisions contained in Circular 7 of 2009 and is listed on Pakistan Stock Exchange Limited. The units of the Fund are being offered for public subscription on a continuous basis from 01 December 2014 and are transferable and redeemable by surrendering them to the Fund.
- 1.3 According to the Trust Deed, the objective of the Fund is to provide unit-holders competitive returns with low risk and high liquidity. The Fund aims to deliver this objective by investing primarily in short term Government securities, bank deposits (excluding TDRs), treasury bills, money market placements, deposits, certificates of deposits (CoDs), certificate of musharikas (CoMs), commercial papers and reverse repo with weighted average time to maturity of net assets not exceeding 90 days and in case of a single asset, maximum time to maturity of six months. The investment objectives and policies are more fully defined in Fund's Offering document.
- 1.4 The Pakistan Credit Agency Limited (PACRA) has assigned an asset manager rating of AM2+ (AM Two plus) to the Management Company on 22 December 2017 and has assigned a rating of "AA(+) (Double A) to the Fund on 12 July 2017.
- 1.5 Titles to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, 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 the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2017.

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 2018.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at 31 March 2018 have been extracted from the annual published audited financial statements of the Fund for the year ended 30 June 2017, whereas, the comparatives in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the unaudited condensed interim financial statements of the Fund for the nine months ended 31 March 2017.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND CHANGES THEREIN

Except for change in note 3.2, the accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2017.

The preparation of these condensed interim financial statements in accordance with the approved accounting standards requires the management to make estimates, judgments and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future period.

3.1 The financial risk management objectives and policies are consistent with those disclosed in the annual published financial statements of the Fund for the year ended 30 June 2017.

3.2 Change in accounting policy - element of income/(loss) and capital gains/(losses) included in prices of units issued less those in units redeemed

The SECP through its SRO no. 756(I)/2017 dated August 03, 2017 has made certain amendments in the NBFC Regulations. The notification includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in Regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. Furthermore, the revised regulations also require certain additional disclosures with respect to 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', whereas disclosure with respect to 'Distribution Statement' has been deleted in the revised regulations.

Previously, an equalisation account called the 'element of income/(loss) and capital gains/(losses) included in prices of units issued less those in units redeemed' was created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption. The net element of income/(loss) and capital gains/(losses) relating to units issued and redeemed during the accounting period which pertained to unrealised appreciation/(diminution) held in the Unit Holder's Fund was recorded in a separate account and any amount remaining in this reserve account at the end of the accounting period (whether gain or loss) was included in the amount available for distribution to the unitholders. The remaining portion of the net element of income/(loss) and capital gains/(losses) relating to units issued and redeemed during an accounting period was recognised in the Income Statement.

As required by IAS 8: 'Accounting Policies, Changes in Accounting Estimates and Errors', a change in accounting policy requires retrospective application as if that policy had always been applied. However, the Management Company has applied the above changes in accounting policy, including the additional disclosures requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', prospectively from July 1, 2017 as required by SECP vide its SRO no. 756(I)/2017 dated August 03, 2017. Accordingly, corresponding figures have not been restated. The 'Distribution Statement' for the comparative period has not been presented as it has been deleted as a result of the amendments made in the NBFC Regulations the aforementioned SRO issued by the SECP.

Had the element of income been recognised as per the previous accounting policy, the income of the Fund would have been higher by Rs.2,399 million. However, the change in accounting policy does not have any impact on the 'condensed interim Cash Flow Statement', the 'net assets attributable to the unit holders' and 'net asset value per unit' as shown in the 'condensed interim Statement of Assets and Liabilities' and 'Statement of Movement in Unit Holders' Fund'. The change has resulted in inclusion of certain additional disclosures/new presentation requirements in the 'condensed interim Income Statement' and 'condensed interim Statement of Movement in Unit Holders' Fund which have been incorporated in these statements.

Atlas Sovereign Liquid Fund

3.3 New/Revised Standards, Interpretations and Amendments

The Fund has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year:

IAS 7 Statement of Cash Flows - Disclosure Initiative - (Amendment)

IAS 12 Income Taxes - Recognition of Deferred Tax Assets for Unrealized losses (Amendments)

Improvements to Accounting Standards Issued by the IASB

IFRS 12 Disclosure of interests in Other Entities - Clarification of the scope of the disclosure Requirement

The adoption of the above amendments, improvements to accounting standards and interpretations did not have any effect on the financial statements.

		31 March 2018 Un-audited	30 June 2017 Audited
	Note	----- Rupees -----	----- Rupees -----
4. BANK BALANCES			
Balances with bank in:			
- saving accounts	4.1	256,665,325	265,276,299

4.1 The rate of return on these balances range from 6.65% to 6.90% (30 June 2017: 3.75% to 6.75%) per annum.

5. INVESTMENTS

At fair value through profit or loss - held for trading
Government securities - Market Treasury Bills

5.1	98,654,942	-
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5.1 Market Treasury Bills - held for trading

	Face value (Rupees)				Rupees		Percentage of	
	As at 01 July 2017	Acquired during the period	Sold/ Matured during the period	As at 31 March 2018	Amortised cost	Market Value	Total Investments	Net Assets
Treasury bills								
3 Months T-bills	-	1,884,200,000	1,785,200,000	99,000,000	98,656,160	98,654,942	100.00	28.00
6 Months T-bills	-	201,000,000	201,000,000	-	-	-	-	-
	-	2,085,200,000	1,986,200,000	99,000,000	98,656,160	98,654,942	100.00	28.00

5.2 The cost of investments as on 31 March 2018 is Rs. Rs.97,948,140 (30 June 2017: Rs. Nil).

5.3 These Market treasury bills carry purchase yields ranging from 6.0200% to 6.2144% per annum and will mature to April 2018. (30 June 2017: Nil per annum).

	31 March 2018 Un-audited	30 June 2017 Audited
	----- Rupees -----	----- Rupees -----
6. DEFERRED FORMATION COST		
Formation cost	520,000	780,000
Amortized formation cost	(195,178)	(260,000)
	324,822	520,000

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		31 March 2018	30 June 2017
	Note	Un-audited	Audited
		Rupees	
7. PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - (RELATED PARTY)			
Remuneration of the Management Company	7.1	135,001	1,067,107
Sindh Sales Tax payable on remuneration of the Management Company	7.2	148,831	270,004
Federal Excise Duty payable on remuneration of the Management Company	7.3	905,341	905,341
Formation cost payable		520,000	780,000
Accounting and operational charges payable		29,718	235,425
Sindh Sales Tax payable on Accounting and operational charges payable		-	18,834
		1,738,891	3,276,711

7.1 In accordance with the provisions of the NBFC Regulations, 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company is entitled to receive a remuneration at the rate not exceeding 1% of the average annual net assets incase of money market schemes. Previously, the Management Company was 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. Accordingly, the Management Company has charged its remuneration at the rate of 0.45% (2016: 0.45%) per annum of the average net assets for the period. The fee is payable to the Management Company monthly in arrears.

7.2 During the period, an amount of Rs.123,237 (2017: Rs.297,059) was charged on account of sales tax on remuneration of Management Company management fee levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs.244,410 (2017: Rs.292,176) has been paid to the Management Company which acts as a collecting agent.

7.3 The Finance Act, 2013 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 7.2 above, the Management Company was of the view that further levy of FED was 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.

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made for the period from 13 June 2013 till 30 June 2016 amounting to Rs.0.905 million (30 June 2017: Rs 0.905 million) is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained in the condensed interim financial statements, the net asset value of the Fund as at 31 March 2018 would have been higher by Re.0.27 per unit (30 June 2017: Re.0.40 per unit).

Atlas Sovereign Liquid Fund

		31 March 2018	30 June 2017
	Note	Un-audited ----- Rupees -----	Audited -----
8. ACCRUED AND OTHER LIABILITIES			
Auditors' remuneration payable		139,837	210,325
Printing charges payable		5,374	21,915
Transaction charges payable		5,430	1,227
Withholding tax payable		9,784	9,795
CGT payable		1,706	4,539,142
Annual rating fee payable		205,282	-
Dividend payable		10,985	10,985
Legal and professional charges payable		-	100,000
Provision for Sindh Workers' Welfare Fund	8.1	947,168	739,107
		1,325,566	5,632,496

8.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs.0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. However, it may be stated that under Companies Act, 2017 mutual funds are explicitly excluded from the definition of financial institution. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs/Mutual Funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/Mutual Funds, the MUFAP recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund, the net asset value of the Fund as at 31 March 2018 would have been higher by Re.0.28 per unit (30 June 2017: Re.0.32 per unit).

9. ACCOUNTING AND OPERATIONAL CHARGES

In accordance with the provisions of the NBFC Regulations, 2008 (amended vide S.R.O 1160(I)/2015 dated 25 November 2015), the Management Company of the Fund is entitled to reimbursement of fees and expenses in relation to registrar services, accounting, operation and valuation services related to the Fund upto a maximum of 0.1% of the average annual net assets of the Scheme or actual whichever is less. Accordingly, the Management Company has charged accounting and operational charges to the Fund in respect of the back office accounting function to an independent service provider.

10. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 March 2018 and 30 June 2017.

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11. INTEREST INCOME

	For the Nine Months Ended		For the Quarter Ended	
	31 March		31 March	
	2018	2017	2018	2017
	----- Rupees -----			
PLS saving and term deposit accounts	2,906,390	8,454,206	761,508	2,426,339
Government Securities - Market Treasury bills	10,075,436	21,755,666	4,529,414	6,555,131
	12,981,826	30,209,872	5,290,922	8,981,470

12. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 March 2018 is 1.24% (30 June 2017: 1.02%) which includes 0.24% (30 June 2017: 0.21%) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Money Market scheme.

13. TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. The management 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 in respect of taxation has been made in these condensed interim financial statements.

14. EARNINGS PER UNIT

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

15. TRANSACTIONS WITH RELATED PARTIES/CONNECTED PERSONS

15.1 Connected persons include Atlas Asset Management Limited being the Management Company, Central Depository Company Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund and directors and key management personnel of the Management Company.

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

15.3 Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC regulations and the Trust Deed.

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

Transactions for the period	For the Nine Months ended	
	31 March 2018	31 March 2017
	Un-audited	Un-audited
	----- Rupees -----	
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	947,978	2,285,071
Remuneration paid	1,880,084	2,233,100
Sindh Sales Tax on remuneration of the Management Company	123,237	297,059
Issue of 3,206 (2017: Nil) units	320,588	-
Redemption Nil (2017: 4,975) units	-	500,000
Cash dividend	427,451	-

Atlas Sovereign Liquid Fund

	Note	For the Nine Months ended	
		31 March 2018	31 March 2017
		Un-audited	Un-audited
		Rupees	
Transactions for the period (Continued...)			
Central Depository Company of Pakistan Limited (Trustee)			
Remuneration of the Trustee		315,987	761,691
Remuneration paid		490,585	744,368
Sindh Sales Tax on Remuneration of the Trustee		41,078	99,020
Cherat Cement Company Limited - Workers Profit Participation Fund			
Issue of 45,350 (2017: Nil) units		4,534,967	-
Cash dividend		6,046,623	-
Atlas Honda Limited (Group Company)			
Issue of 105 (2017: Nil) units		10,748	-
Redemption Nil (2017: 1,473,622) units		-	150,000,000
Shirazi Investments (Private) Limited (Group Company)			
Issue of 110,791 (2017: Nil) units		11,079,147	-
Cash dividend		14,772,196	-
Directors and their close family members and key management personnel of the Management Company 15.5			
Issue of 14,775 (2017: 44,135) units		1,504,319	4,500,000
Redemption 20,372 (2017: Nil) units		2,103,694	-
Cash dividend		171,466	-
		31 March 2018	30 June 2017
		Un-audited	Audited
		Rupees	
Investments/outstanding balances as at period/year end			
Atlas Asset Management Limited (Management Company)			
Remuneration payable to the Management Company		135,001	1,067,107
Sindh Sales Tax payable on remuneration of the Management Company		148,831	270,004
Federal Excise Duty payable on remuneration of the Management Company		905,341	905,341
Formation cost payable		520,000	780,000
Accounting and Operational Charges Payable		29,718	235,425
Sindh Sales Tax payable on Accounting and Operational Charges Payable		-	18,834
Outstanding 48,201 (30 June 2017: 44,995) units - at net asset value		4,998,421	4,926,941
Cherat Cement Company Limited - Workers Profit Participation Fund (Unit holders with more than 10% holding)			
Outstanding 681,836 (30 June 2017: 636,487) units - at net asset value		70,706,419	69,695,281
Atlas Honda Limited (Group Company)			
Issue of Units 105 (30 June 2017: Nil) units - at net asset value		10,895	-
Shirazi Investments (Private) Limited - (Group Company)			
Outstanding 1,665,759 (30 June 2017: 1,554,968) units - at net asset value		172,739,255	170,268,994
Directors and their close family members and key management personnel of the Management Company 15.5			
Outstanding 12,452 (30 June 2017: 17,095) units - at net asset value		1,291,230	1,871,911

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- 15.5** For the purpose of this disclosure, transactions by the Board of Directors, and key management personnel falling within the scope of "executive" under the Listing Companies (Code of Corporate Governance) Regulations, 2017 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 2017-18. However, as per SECP clarification vide letter no. SCD/RS/MUFAP/346/2018 dated April 18, 2018 that open-end collective Investment Schemes (CIS) as well as unlisted Asset Management Companies, managing such CISs, are exempted from the requirement of the new Listing Companies (Code of Corporate Governance) Regulations, 2017.
- 15.6** 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.

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value of government securities is determined by reference to the quotation obtained from the brokers on the Reuters page. The fair values of financial assets and liabilities of the Fund, other than government securities, approximate their carrying amount due to short-term maturities of these instruments.

Fair value hierarchy

The Fund uses the following hierarchy for disclosure of the fair value of financial instruments by valuation technique:

Level 1: quoted prices in active markets for identical assets.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at 31 March 2018, the Fund has investments in government securities (note 5) which are categorised 'as fair value through profit or loss' and carried at fair values measured using level 2 valuation technique.

17. GENERAL

17.1 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation. No significant rearrangements or reclassifications have been made in these condensed interim financial statements during the current period.

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

17.3 Units have been rounded off to the nearest decimal place.

18. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 27 April 2018.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Money Market Fund

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

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Faysal Bank Limited
Habib Bank Limited
MCB Bank Limited
United Bank Limited
Zarai Taraqati Bank Limited

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CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 MARCH 2018

		31 March 2018	30 June 2017
	Note	Un-audited ----- Rupees -----	Audited ----- Rupees -----
Assets			
Cash and bank balances	4	13,264,225,935	4,591,434,541
Investments	5	399,275,200	-
Receivable against issue of units		-	104,820,272
Profit receivable on bank balances		36,102,996	5,758,203
Prepayment and other receivables		3,594,962	6,032,954
Total assets		13,703,199,093	4,708,045,970
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	6	31,460,194	26,120,150
Payable to Central Depository Company of Pakistan Limited - Trustee		928,937	423,406
Payable to the Securities and Exchange Commission of Pakistan		4,954,485	3,878,749
Payable against redemption of units		786,055	3,303,193
Unclaimed dividend		25,152	25,152
Accrued expenses and other liabilities	7	10,816,967	44,812,894
Total liabilities		48,971,790	78,563,544
NET ASSETS		13,654,227,303	4,629,482,426
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		13,654,227,303	4,629,482,426
CONTINGENCIES AND COMMITMENTS	8	----- Number of units -----	
NUMBER OF UNITS IN ISSUE		26,140,663	9,224,702
NET ASSET VALUE PER UNIT		522.34	501.86

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Money Market Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2018

	Note	For the Nine Months ended		For the Quarter ended	
		31 March 2018	2017	31 March 2018	2017
Rupees					
Income					
Profit on savings and term deposits		219,685,521	103,862,941	62,568,621	42,294,250
Income from Government Securities		193,462,666	116,800,534	113,748,737	45,485,332
Capital loss on sale of investments - net		(590,244)	(1,231,631)	(625,357)	(313,415)
Net unrealised diminution on remeasurement of investments classified as 'financial assets at fair value through profit or loss'		(3,200)	(1,348)	(3,200)	(1,348)
		(593,444)	(1,232,979)	(628,557)	(314,763)
Element of income and capital gains included in prices of units issued less those in units redeemed - net		-	67,620,980	-	55,232,872
Total Income		412,554,743	287,051,476	175,688,801	142,697,691
Expenses					
Remuneration of Atlas Asset Management Limited - Management Company	6.1	29,726,909	16,253,930	12,722,676	6,480,712
Sindh Sales Tax on remuneration of the Management Company	6.2	3,864,498	2,113,011	1,653,948	842,493
Remuneration of the Central Depository Company of Pakistan Limited - Trustee		5,459,589	3,272,002	2,251,110	1,265,050
Sindh Sales Tax on remuneration of the Trustee		709,747	425,360	292,645	164,456
Annual fees to the Securities and Exchange Commission of Pakistan		4,954,485	2,708,989	2,120,446	1,080,119
Accounting and operational charges	9	6,480,289	3,552,113	2,789,997	1,440,158
Sindh Sales Tax on accounting and operational charges		-	284,169	-	115,213
Annual rating fee		266,868	244,753	87,658	80,398
Annual listing fee		19,142	41,287	6,287	13,562
Securities transaction cost		18,078	94,978	(49,841)	30,515
Auditors' remuneration		469,198	479,427	156,797	156,797
Printing charges		278,354	175,308	89,069	57,791
Legal and professional charges		102,920	482,662	51,460	482,662
Bank charges		73,280	48,741	26,056	14,469
Provision for Workers' Welfare Fund		-	(35,840,884)	-	(35,840,884)
Provision for Sindh Workers' Welfare Fund	7.1	7,202,628	6,958,290	3,069,810	6,958,290
		59,625,985	1,294,136	25,268,118	(16,658,199)
Net income for the period before taxation		352,928,758	285,757,340	150,420,683	159,355,890
Taxation	11	-	-	-	-
Net income for the period after taxation		352,928,758	285,757,340	150,420,683	159,355,890
Earnings per unit	12				
Allocation of net income for the period:					
Net income for the period after taxation		352,928,758	285,757,340	150,420,683	159,355,890
Income already paid on units redeemed		48,492,696	-	7,288,832	-
		304,436,062	285,757,340	143,131,851	159,355,890
Accounting income available for distribution:					
- Relating to capital gains		-		(35,113)	
- Excluding capital gains		304,436,062		143,166,964	
		304,436,062		143,131,851	

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited (Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

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CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2018

	<u>For the Nine Months ended</u>		<u>For the Quarter ended</u>	
	31 March		31 March	
	2018	2017	2018	2017
	----- Rupees -----			
Net income for the period after taxation	352,928,758	285,757,340	150,423,883	159,355,890
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	352,928,758	285,757,340	150,423,883	159,355,890

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Money Market Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2018

	31 March 2018			
	Capital Value	Undistributed Income	Unrealised (diminution)/ appreciation on re-measurement of investments classify as 'AFS'	Net Assets
Note	-----Rupees-----			
Net assets at the beginning of the period Units outstanding: 9,224,702	4,617,006,642	12,475,784	-	4,629,482,426
Amount received on issuance of 24,157,500 units	12,387,499,465	-	-	12,387,499,465
Amount paid on redemption of 7,241,537 units	3,667,190,650	48,492,696	-	3,715,683,346
Element of income and capital gains included in prices of units sold less those in units redeemed - net	3.2	-	-	-
Total comprehensive income for the period	-	352,928,758	-	352,928,758
Net assets at end of the period Units outstanding: 26,140,663	<u>13,337,315,457</u>	<u>316,911,846</u>	<u>-</u>	<u>13,654,227,303</u>
Undistributed income brought forward				
- Realised income		12,475,784		
- Unrealised income		-		
		<u>12,475,784</u>		
Accounting income available for distribution				
- Relating to capital gains		-		
- Excluding capital gains		304,436,062		
		<u>304,436,062</u>		
Net income for the period after taxation		-		
Undistributed income carried forward		<u>316,911,846</u>		
Undistributed income carried forward				
- Realised income		316,783,846		
- Unrealised income		128,000		
		<u>316,911,846</u>		
				(Rupees)
Net assets value per unit at beginning of the period				<u>501.86</u>
Net assets value per unit at end of the period				<u>522.34</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

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CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
(UN-AUDITED) Continued...
FOR THE NINE MONTHS ENDED 31 MARCH 2018

	31 March 2017			
	Capital Value	Undistributed Income	Unrealised (diminution)/ appreciation on re-measurement of investments classify as 'AFS'	Net Assets
Note	-----Rupees-----			
Net assets at the beginning of the period Units outstanding: 6,525,388	3,264,380,343	5,471,949	-	3,269,852,292
Amount received on issuance of 12,164,699 units	6,241,169,894	-	-	6,241,169,894
Amount paid on redemption of 6,357,975 units	3,263,799,523	-	-	3,263,799,523
Element of income and capital gains included in prices of units sold less those in units redeemed - net	3.2 (67,620,980)	-	-	(67,620,980)
Total comprehensive income for the period	-	285,757,340	-	285,757,340
Net assets at end of the period Units outstanding: 12,332,112	<u>6,174,129,734</u>	<u>291,229,289</u>	<u>-</u>	<u>6,465,359,023</u>
Undistributed income brought forward				
- Realised loss			(699,621)	
- Unrealised income			6,171,570	
			5,471,949	
Accounting income available for distribution				
- Relating to capital gains			-	
- Excluding capital gains			-	
			-	
Net income for the period after taxation		285,757,340		
Undistributed income carried forward		<u>291,229,289</u>		
Undistributed income carried forward				
- Realised income		291,110,092		
- Unrealised income		119,197		
		<u>291,229,289</u>		
				(Rupees)
Net assets value per unit at beginning of the period				<u>501.10</u>
Net assets value per unit at end of the period				<u>524.27</u>

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Money Market Fund

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2018

	2018	2017
	Note -----	Rupees -----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	352,928,758	285,757,340
Adjustments for:		
Profit on savings and term deposits	(219,685,521)	(103,862,941)
Income from government securities	(193,462,666)	(116,800,534)
Capital loss on sale of investments - net	590,244	1,231,631
Net unrealised diminution on remeasurement of investments classified as 'financial assets at fair value through profit or loss'	3,200	1,348
Element of income and capital gains included in prices of units sold less those in units redeemed - net	-	(67,620,980)
Provision for workers' welfare fund	-	35,840,884
Provision for Sindh Workers' Welfare Fund	7,202,628	(6,958,290)
	(405,352,115)	(258,168,882)
Decrease/(increase) in assets		
Prepayment and other receivables	2,437,992	(832,256)
Decrease in liabilities		
Payable to Atlas Asset Management Limited - Management Company	5,340,044	1,973,426
Payable to Central Depository Company of Pakistan Limited - Trustee	505,531	207,870
Payable to the Securities and Exchange Commission of Pakistan	1,075,736	(606,945)
Accrued expenses and other liabilities	(41,198,555)	(64,774,070)
	(34,277,244)	(63,199,719)
	(84,262,609)	(36,443,517)
Interest received	189,340,728	83,034,444
Investments made during the period	(35,653,120,318)	(22,537,488,365)
Investments sold/matured during the period	35,446,714,340	23,362,219,019
Net cash (used in)/generated from operating activities	(101,327,859)	871,321,581
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	12,492,319,737	6,241,169,894
Net payments against redemption of units	(3,718,200,484)	(3,263,799,523)
Net cash generated from financing activities	8,774,119,253	2,977,370,371
Net increase in cash and cash equivalents	8,672,791,394	3,848,691,952
Cash and cash equivalents at the beginning of the period	4,591,434,541	2,605,426,781
Cash and cash equivalents at the end of the period	4 13,264,225,935	6,454,118,733

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

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Tariq Amin
Director

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NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Money Market Fund (the Fund) is an open-ended Fund constituted under a trust deed entered into on 4 December 2009 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the trustee. The Trust Deed has been revised through the First Supplemental Trust Deed dated 23 May 2017 and the offering document of the Fund has been revised through the First, Second, Third and Fourth Supplements dated 24 March 2015, 3 August 2015, 30 September 2016 and 2 June 2017 respectively, with the approval of the Securities and Exchange Commission of Pakistan. The registered office of AAML is situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.
- 1.2 The Fund has been categorised as a 'money market scheme' by the Board of Directors pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs.500 per unit on 20 January 2010. Thereafter, the units are being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.
- 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, deposits with scheduled banks, certificates of deposit (CODs), certificates of Musharaka (COMs), 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 explained in the Fund's offering document.
- 1.4 The Pakistan Credit Agency Limited (PACRA) has upgraded the asset manager rating of the Management Company to AM2+ (AM Two plus) on 22 December 2017.
Moreover, PACRA has maintained a stability rating of the Fund at "AA(f)" on 12 July 2017.
- 1.5 The titles to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Act 2017, 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 the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2017.

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 2018.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at 31 March 2018 have been extracted from the annual published audited financial statements of the Fund for the year ended 30 June 2017, whereas, the comparatives in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the unaudited condensed interim financial statements of the Fund for the nine months ended 31 March 2017.

Atlas Money Market Fund

2.2 Functional and presentation currency

These condensed interim financial statements have been presented in Pak Rupees which is the functional and presentation currency of the Fund.

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES AND JUDGMENTS AND CHANGES THEREIN

- 3.1 The accounting policies applied in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published audited financial statements of the Fund for the year ended 30 June 2017 except for changes in accounting policies as explained in note 3.2.
- 3.2 The Securities and Exchange Commission of Pakistan through its SRO 756(I)/2017 dated August 3, 2017 has made certain amendments in the NBFC Regulations. The notification includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. Furthermore, the revised regulations also require certain additional disclosures with respect to 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', whereas disclosure with respect to 'Distribution Statement' has been deleted in the revised regulations.

Previously, an equalisation account called the 'element of income/(loss) and capital gains/(losses) included in prices of units issued less those in units redeemed' was created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption. The element was computed and recognised in the Income Statement to the extent that it was represented by the increase/decrease in net income/loss and capital gains/losses earned/incurred during the period.

As required by IAS 8: 'Accounting Policies, Changes in Accounting Estimates and Errors', a change in accounting policy requires retrospective application as if that policy had always been applied. However, the Management Company has applied the above changes in accounting policy, including the additional disclosures requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', prospectively from July 1, 2017 based on the clarification issued by the SECP. Accordingly, corresponding figures have not been restated. The 'Distribution Statement' for the comparative period has not been presented as it has been deleted as a result of the amendments made in the NBFC Regulations through the aforementioned SRO issued by the SECP.

Had the element of income been recognised as per the previous accounting policy, the income of the Fund would have been higher by Rs 182.37 million net of provision for SWWF in respect of element of income and consequently Net Asset Value would have been lower by Re 0.14 per unit. However, the change in accounting policy does not have any impact on the 'Cash flow Statement'. The change has resulted in inclusion of certain additional disclosures / new presentation requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund which have been incorporated in these statements.

- 3.3 The preparation of these condensed interim financial statements in conformity with approved accounting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in the application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future years if the revision affects both current and future periods.

The significant estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied in the financial statements of the Fund as at and for the year ended 30 June 2017.

The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended 30 June 2017.

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

There are certain amended standards and interpretations that are mandatory for accounting periods beginning on or after 1 July 2017 but are considered not to be relevant or do not have any significant effect on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

3.5 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The SECP has adopted IFRS 9: 'Financial Instruments' and IFRS 15: 'Revenue from Customers', which are applicable from 1 July 2018. The management is currently assessing the impacts of these standards on the Fund's future financial statements.

There are certain amended other standards and interpretations that are mandatory for accounting periods beginning on or after 1 July 2018 but are considered not to be relevant or will not have any significant effect on the Fund's operations and are, therefore, not detailed in these condensed interim financial statements.

		31 March 2018	30 June 2017
	Note	Un-audited	Audited
Rupees			
4. CASH AND BANK BALANCES			
Balances with banks in savings accounts	4.1	13,262,625,935	4,582,854,541
Cheques in hand	4.2	1,600,000	8,580,000
		13,264,225,935	4,591,434,541

4.1 The rates of return on these accounts range between 5.90% and 6.90% (30 June 2017: 3.75% and 6.75%) per annum.

4.2 This denotes cheque received against issue of units which was deposited and cleared in the bank account subsequently on 3 April 2018 (30 June 2017: 7 July 2017).

		31 March 2018	30 June 2017
	Note	Un-audited	Audited
Rupees			
5. INVESTMENTS			
At fair value through profit or loss - held for trading			
Investment in government securities - Market Treasury Bills	5.1	399,275,200	-

5.1 At fair value through profit or loss - held for trading

Investment in government securities - Market Treasury Bills

	Face value (Rupees)				As at 31 March 2018 (Rupees)		Percentage of	
	As at 01 July 2017	Purchased during the period	Sold/ Matured during the period	As at 31 March 2018	Amortised cost	Market Value	Total Investments	Net Assets
3 Months	-	34,188,300,000	33,788,300,000	400,000,000	399,278,200	399,275,200	100.00	2.92
6 Months	-	1,804,000,000	1,804,000,000	-	-	-	-	-
	-	35,992,300,000	35,592,300,000	400,000,000	399,278,400	399,275,200	100.00	2.92
Total as on 30 June 2017					-	-		

5.2 The cost of investments as on 31 March 2018 is Rs.399,147,200 (30 June 2017: Rs. Nil).

5.3 These Market Treasury Bills carry purchase yields of 6.00% (30 June 2017: Rs. Nil) per annum and will mature on 12 April 2018.

Atlas Money Market Fund

		31 March 2018	30 June 2017
	Note	Un-audited	Audited
		----- Rupees -----	-----
6. PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)			
Remuneration of the Management Company	6.1	4,732,270	1,878,314
Sindh Sales Tax payable on remuneration of the Management Company	6.2	3,735,358	3,364,343
Federal Excise Duty payable on remuneration of the Management Company	6.3	20,428,502	20,428,502
Accounting and operational charges reimbursable by the Fund	9	2,564,064	415,732
Sindh Sales Tax payable on accounting and operational charges		-	33,259
		31,460,194	26,120,150

6.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company is entitled to a remuneration equal to an amount not exceeding 1% of the average annual net assets in case of money market schemes. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 0.45% (2017: 0.45%) per annum of the average net assets of the Fund during the nine months ended 31 March 2018. The fee is payable to the Management Company monthly in arrears.

6.2 During the period, an amount of Rs. 3,864,498 (2017: Rs. 2,113,011) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011 and , an amount of Rs. 3,493,483 (2017: Rs. 1,981,645) has 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 was 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.

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

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs 20.429 million (30 June 2017: 20.429 million) is being retained in these condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 31 March 2018 would have been higher by Re 0.7815 (30 June 2017: Rs 2.2145) per unit.

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		31 March 2018	30 June 2017
	Note	Un-audited	Audited
		----- Rupees -----	
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		281,315	442,854
Printing charges payable		177,232	129,350
Annual rating fee payable		266,868	-
Payable to brokers		9,832	100,000
Withholding tax payable		21,552	8,460,024
Capital gain tax payable		151,385	32,959,157
Provision for Sindh Workers' Welfare Fund	7.1	9,908,783	2,706,155
Zakat payable		-	15,354
		10,816,967	44,812,894

7.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs/mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/ mutual funds, the MUFAP recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015).

In the repealed Companies Ordinance, 1984 and the now applicable Companies Act, 2017, mutual funds have not been included in the definition of "financial institutions". The MUFAP has held the view that SWWF is applicable on Asset Management Companies and not on mutual funds.

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund, the net asset value of the Fund as at 31 March 2018 would have been higher by Re.0.38 per unit (30 June 2017: Re.0.29 per unit).

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 March 2018 and 30 June 2017.

9. ACCOUNTING AND OPERATIONAL CHARGES

In accordance with the provisions of the NBFC Regulations, 2008 (amended vide S.R.O 1160(I)/2015 dated 25 November 2015), the Management Company of the Fund is entitled to reimbursement of fees and expenses in relation to registrar services, accounting, operation and valuation services related to the Fund upto a maximum of 0.1% of the average annual net assets of the Scheme or actual whichever is less.

Keeping in view the aforementioned provisions, the Management Company charged accounting and operational charges to the Fund in respect of the back office accounting function outsourced to ITMINDS Limited (a subsidiary of the Central Depository Company of Pakistan Limited, the Trustee and a connected person of the Fund). Periodic invoices are raised to the Fund for services allowed under the NBFC Regulations, 2008.

Atlas Money Market Fund

10. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 March 2018 is 0.88% (annualised rate being 0.92%) (30 June 2017: 0.88%) which includes 0.22% (30 June 2017: 0.21%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

11. TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the management intends to distribute the required minimum percentage of income earned by the Fund for the year ending 30 June 2018 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements during the nine months ended 31 March 2018.

12. EARNINGS PER UNIT

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

13. TRANSACTIONS WITH RELATED PARTIES/CONNECTED PERSONS

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

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

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

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

	For the Nine Months ended	
	31 March 2018	31 March 2017
	Un-audited	Un-audited
	----- Rupees -----	

13.1 Transactions for the period

Atlas Asset Management Limited (Management Company)

Remuneration of the Management Company	29,726,909	16,253,930
Remuneration paid	26,872,953	15,149,460
Sindh Sales Tax on Remuneration of the Management Company	3,864,498	2,113,011
Accounting and operational charges	6,480,289	3,552,113
Sindh Sales Tax on accounting and operational charges	-	284,169

Central Depository Company of Pakistan Limited (Trustee)

Remuneration of the Trustee	5,459,589	3,272,002
Sindh Sales Tax on remuneration of the Trustee	709,747	425,360
Remuneration paid	5,012,217	3,085,701

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	For the Nine Months ended	
	31 March 2018 Un-audited	31 March 2017 Un-audited
	----- Rupees -----	
13.1 Transactions for the period (Continued...)		
Atlas Battery Limited (Group Company)		
Issue of 1,750,090 units (2017: Nil) units	895,968,814	-
Redemption of 1,369,520 (2017: Nil) units	702,297,156	-
Batool Benefit Trust		
Issue of 10,706 units (2017: Nil) units	5,500,000	-
Atlas Fund of Funds (Fund under common management)		
Issue of 34,016 units (2017: 32,377) units	17,100,000	16,254,752
Atlas Foundation (Group Company)		
Issue of 10,906 units (2017: Nil) units	5,600,000	-
Atlas Hitec (Private) Limited (Group Company)		
Redemption of Nil (2017: 119,751) units	-	60,420,326
Atlas Honda Limited (Group Company)		
Issue of 10,571,154 (2017: 3,781,764) units	5,389,780,725	1,950,000,000
Redemption of 985,571 (2017: 2,051,514) units	500,000,000	1,050,000,000
Atlas Insurance Limited (Group Company)		
Issue of 314,490 (2017: 174,975) units	162,000,000	90,000,000
Redemption of Nil (2017: 173,213) units	-	90,000,000
Honda Atlas Cars (Pakistan) limited (Group Company)		
Issue of Nil 964,581 (2017: 1,957,238) units	500,000,000	1,000,000,000
Shirazi Investments (Private) Limited (Group Company)		
Issue of 347,202 units (2017: Nil) units	180,000,000	-
Atlas Honda Limited - Non-Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
Issue of Nil (2017: 5,927) units	-	3,000,000
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Issue of 57,409 (2017: 893) units	29,567,000	463,558
Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
Issue of 74,325 (2017: Nil) units	38,209,000	-
Redemption of 6,766 (2017: Nil) units	3,500,000	-
Cherat Cement Company Limited - Worker's Profit Participation Provident Fund (Retirement benefit plan of a Group Company)		
Issue of 98,641 (2017: Nil) units	50,000,000	-
Colgate-Palmolive (Pakistan) Limited (Unit Holder with more than 10% holding)		
Issue of Nil (2017: 397,955) units	-	200,000,000
Redemption of Nil (2017: 197,180) units	-	100,000,000
Atlas Die Casting (Private) Limited (Group Company)		
Redemption of 117,151 (2017: Nil) units	60,000,000	-

Atlas Money Market Fund

		For the Nine Months ended	
		31 March 2018	31 March 2017
		Un-audited	Un-audited
Note		----- Rupees -----	----- Rupees -----
13.1 Transactions for the period (Continued...)			
Atlas Power Limited Staff Provident Fund (Retirement benefit plan of a Group Company)			
	Redemption of 420 (2017: Nil) units	211,646	-
	Directors and their close family members and key management personnel of the Management Company		
13.4	Issue of 81,006 (2017: 1,936) units	41,728,201	1,000,000
	Redemption of 397,714 (2017: 21) units	206,161,598	10,800
		31 March 2018	30 June 2017
		Un-audited	Audited
		----- Rupees -----	----- Rupees -----
13.2 Balances outstanding as at period/year end			
Atlas Asset Management Limited (Management Company)			
	Remuneration payable to the Management Company	4,732,270	1,878,314
	Sindh Sales Tax payable on Remuneration of the Management Company	3,735,358	3,364,343
	Federal Excise Duty payable on Remuneration of the Management Company	20,428,502	20,428,502
	Accounting and operational charges payable	2,564,064	415,732
	Sindh Sales Tax payable on accounting and operational charges	-	33,259
Central Depository Company of Pakistan Limited (Trustee)			
	Remuneration payable to the Trustee	822,068	374,696
	Sindh Sales Tax payable on Remuneration of the trustee	106,869	48,710
Atlas Battery Limited (Group Company)			
	Outstanding 380,571 (30 June 2017: Nil) units - at net asset value	198,787,415	-
Atlas Fund of Funds (Fund under common management)			
	Outstanding 34,016 (30 June 2017: Nil) units - at net asset value	17,767,727	-
Atlas Insurance (Group Company)			
	Outstanding 314,490 (30 June 2017: Nil) units - at net asset value	164,270,525	-
Batool Benefit Trust (Group Company)			
	Outstanding 10,706 (30 June 2017: Nil) units - at net asset value	5,591,961	-
Atlas Foundation (Group Company)			
	Outstanding 100,649 (30 June 2017: 89,744) units - at net asset value	52,573,198	45,038,839
Atlas Honda Limited (Group Company)			
	Outstanding 9,585,583 (30 June 2017: Nil) units - at net asset value	5,006,933,319	-
Atlas Power Limited Staff Provident Fund (Retirement benefit plan of a Group Company)			
	Outstanding Nil (30 June 2017: 420) units - at net asset value	-	210,664

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	31 March 2018	30 June 2017
	Un-audited	Audited
Note	----- Rupees -----	-----
13.2 Balances outstanding as at period/year end (Continued...)		
Atlas Honda Limited Employees Provident Fund (Retirement benefit plan of a Group Company)		
Outstanding 243,374 (30 June 2017: 243,374) units - at net asset value	127,124,070	122,139,766
Atlas Die Casting (Private) Limited (Group Company)		
Outstanding 81,021 (30 June 2017: 198,172) units - at net asset value	42,320,681	99,454,710
Atlas Honda Limited Non Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
Outstanding 18,918 (30 June 2017: 18,918) units - at net asset value	9,881,686	9,494,243
Cherat Cement Company Limited - Worker's Profit Participation Fund (Employee benefit scheme of a Group Company)		
Outstanding 98,641 (30 June 2017: Nil) units - at net asset value	51,523,999	-
Honda Atlas Cars (Pakistan) Limited (Group Company)		
Outstanding 3,517,450 (30 June 2017: 2,552,869) units - at net asset value	1,837,304,749	1,281,182,956
Shirazi Trading Company (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Outstanding 21,081 (30 June 2017: 21,081) units - at net asset value	11,011,313	10,579,580
Shirazi Investments (Private) Limited (Group Company)		
Outstanding 347,202 (30 June 2017: Nil) units - at net asset value	181,357,560	-
Shirazi Investments (Private) Limited - Employee Provident Fund		
Outstanding 57,409 (30 June 2017: Nil) units - at net asset value	29,986,769	-
Colgate - Palmolive (Pakistan) Limited 13.3		
(previously a unit holder with more than 10% holding)		
(30 June 2017: Outstanding 1,596,233 units - at net asset value)	-	801,085,438
Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of group company)		
Outstanding 67,559 (30 June 2017: Nil) units - at net asset value	35,288,824	-
Mr. Amin Mohammad Lakhani		
(previously a unit holder with more than 10% holding)		
(30 June 2017: Outstanding 1,307,295 units - at net asset value) 13.3	-	656,079,133
Directors and their close family members and key management personnel of the Management Company 13.4		
Outstanding 1,085,101 (30 June 2017: 94,513) units - at net asset value	566,791,669	47,432,294

13.3 Holding being less than 10% in the reporting period, disclosure is not applicable.

13.4 For the purpose of this disclosure, transactions by the Board of Directors, and key management personnel falling within the scope of "executive" under the Listing Companies (Code of Corporate Governance) Regulations, 2017 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 2017-18. However, as per SECP clarification vide letter no. SCD/RS/MUFAP/346/2018 dated April 18, 2018 that open-end collective Investment Schemes (CIS) as well as unlisted Asset Management Companies, managing such CISs, are exempted from the requirement of the new Listing Companies (Code of Corporate Governance) Regulations, 2017.

13.5 Other balances due to/from related parties/connected persons included in the respective notes to the condensed interim financial statements.

Atlas Money Market Fund

14. FAIR VALUE MEASUREMENT

Fair value is the amount for which an asset could be exchanged, or liability can be settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the fair value estimates.

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

The fair values of government securities are determined by reference to the quotation obtained from the brokers on the Reuters page. The fair values of all other financial assets and liabilities of the Fund, approximate their carrying amounts due to short-term maturities of these instruments.

Fair value hierarchy

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

- Level 1: Quoted price (unadjusted) in an active market for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3: Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at 31 March 2018 and 30 June 2017, the Fund did not have any assets or liabilities that were measured at fair values using the aforementioned valuation techniques.

15. GENERAL

15.1 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation. No significant rearrangements or reclassifications have been made in these condensed interim financial statements during the current period except for the change in accounting policy disclosed in note 3.2 thereto.

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

15.3 Units have been rounded off to the nearest decimal place.

16. 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 2018.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

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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

EY Ford Rhodes
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Allied Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Faysal Bank Limited
Habib Bank Limited
JS Bank Limited
MCB Bank Limited
Zarai Taraqiati Bank Limited

Atlas Income Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 MARCH 2018

		31 March 2018 Un-audited	30 June 2017 Audited
	Note	----- Rupees -----	----- Rupees -----
Assets			
Cash and Bank balances	4	5,334,409,859	9,679,898,539
Investments	5	2,763,362,005	1,980,963,380
Receivable against sale of investments		-	606,306,265
Receivable against issue of units		-	43,351,347
Receivable against Margin Trading System		278,938,576	260,438,209
Interest/profit accrued	6	37,614,688	56,382,183
Deposits, prepayment and other receivables	7	11,210,723	82,601,725
Total assets		8,425,535,851	12,709,941,648
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	8	35,307,984	34,141,339
Payable to the Central Depository Company of Pakistan Limited - Trustee		748,131	888,411
Payable to the Securities and Exchange Commission of Pakistan		5,818,450	6,911,284
Payable against redemption of units		50,098,840	6,399,179
Unclaimed dividend		40,464	40,464
Accrued expenses and other liabilities	9	26,739,449	110,634,308
Total liabilities		118,753,318	159,014,985
NET ASSETS		8,306,782,533	12,550,926,663
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		8,306,782,533	12,550,926,663
CONTINGENCIES AND COMMITMENTS	10		
		----- Number of units -----	
NUMBER OF UNITS IN ISSUE		15,652,236	24,501,811
		----- Rupees -----	
NET ASSET VALUE PER UNIT		530.71	512.24

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

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

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CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2018

	Note	For the Nine Months ended		For the Quarter ended	
		31 March		31 March	
		2018	2017	2018	2017
		Rupees			
Income					
Interest income	11	488,799,739	456,267,662	139,453,898	145,602,097
Gain/(loss) on spread transactions		317,530	13,903,657	-	14,857,968
Capital loss on sale of investments - net		(2,888,448)	(27,068,223)	(2,485,536)	(124,156)
Net unrealised (diminution)/appreciation on re-measurement of investments classified as 'financial assets at fair value through loss or profit'		(22,584,702)	9,914,902	(8,874,732)	(9,423,576)
Net unrealised appreciation on re-measurement of future contracts		-	3,530,910	-	5,605,412
		(25,473,150)	(13,622,411)	(11,360,268)	(3,942,320)
Element of income and capital gains included in prices of units issued less those in units redeemed - net		-	27,755,740	-	35,286,258
Total income		463,644,119	484,304,648	127,776,100	191,804,003
Expenses					
Remuneration of Atlas Asset Management Limited - Management Company	8.1	62,063,461	53,944,081	17,564,841	18,563,016
Sindh Sales Tax on remuneration of the Management Company	8.2	8,068,250	7,012,731	2,283,429	2,413,193
Remuneration of Central Depository Company of Pakistan Limited - Trustee		6,631,649	5,988,525	1,931,444	2,018,784
Sindh Sales Tax on remuneration of the Trustee		862,114	778,508	251,087	262,442
Annual fees to the Securities and Exchange Commission of Pakistan		5,818,450	5,129,388	1,646,704	1,740,283
Accounting and operational charges	13	5,770,600	6,614,937	455,237	2,320,377
Sindh Sales Tax on accounting and operational charges		-	529,195	-	185,631
Auditors' remuneration		477,991	495,811	159,693	159,691
Annual rating fee		267,021	244,894	87,707	80,439
Annual listing fee		19,142	41,287	6,287	13,561
Securities transaction cost		2,896,406	17,766,520	1,036,301	7,879,566
Printing charges		381,854	322,556	65,907	87,752
Legal and professional charges		194,930	23,760	12,042	23,760
Bank charges		60,618	73,596	9,409	23,379
Provision for Workers' Welfare Fund		-	(18,852,977)	-	(18,852,977)
Provision for Sindh Workers' Welfare Fund		7,402,633	16,799,408	2,045,321	16,799,408
Total expenses		100,915,119	96,912,220	27,555,409	33,718,305
Net income for the period before taxation		362,729,000	387,392,428	100,220,691	158,085,698
Taxation	14	-	-	-	-
Net income for the period after taxation		362,729,000	387,392,428	100,220,691	158,085,698
Earnings per unit	15				
Allocation of net income for the period:					
Net income for the period after taxation		362,729,000	387,392,428	100,220,691	158,085,698
Income already paid on units redeemed		83,323,337	-	23,844,145	-
		279,405,663	387,392,428	76,376,546	158,085,698
Accounting income available for distribution:					
- Relating to capital gains		-	-	-	-
- Excluding capital gains		279,405,663	-	76,376,546	-
		279,405,663		76,376,546	

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

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Income Fund

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2018

	For the Nine Months ended		For the Quarter ended	
	31 March		31 March	
	2018	2017	2018	2017
	----- Rupees -----			
Net income for the period after taxation	362,729,000	387,392,428	100,220,691	158,085,698
Other comprehensive income for the period	-	-	-	-
Item that reclassified to Income Statement				
Net unrealised appreciation/(diminution) in the value of investment classified as 'available for sale'	-	-	-	(3,026)
Total comprehensive income for the period	362,729,000	387,392,428	100,220,691	158,082,672

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

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

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CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2018

	31 March 2018			
	Capital Value	Undistributed Income	Unrealised (diminution)/ appreciation on re-measurement of investments classified as 'AFS'	Net Assets
Note	----- Rupees -----			
Net assets at the beginning of the period Units outstanding: 24,501,811	12,424,066,564	128,076,426	(1,216,327)	12,550,926,663
Amount received on issuance of 1,579,480 units	820,408,225	-	-	820,408,225
Amount paid on redemption of 10,429,055 units	5,345,174,346	83,323,337	-	5,428,497,683
Element of income and capital income included in prices of units issued less those in units redeemed - net 3.2	-	-	-	-
Net income for the period	-	362,729,000	-	362,729,000
Net unrealised appreciation in the value of investment classified as 'available for sale'	-	-	1,216,327	1,216,327
Net assets at the end of the period Units outstanding: 15,652,236	7,899,300,444	407,482,089	-	8,306,782,533
Undistributed income brought forward				
- Realised income		99,100,360		
- Unrealised income		28,976,066		
		128,076,426		
Accounting income available for distribution				
- Relating to capital gains		-		
- Excluding capital gains		279,405,663		
		279,405,663		
Net income for the period after taxation		-		
Undistributed income carried forward		407,482,089		
Undistributed income carried forward				
- Realised income		397,163,243		
- Unrealised income		10,318,846		
		407,482,089		
				(Rupees)
Net asset value per unit at beginning of the period				512.24
Net asset value per unit at end of the period				524.61

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Income Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
(UN-AUDITED) Continued...
FOR THE NINE MONTHS ENDED 31 MARCH 2018

		31 March 2017			
		Capital Value	Undistributed Income	Unrealised (diminution)/ appreciation on re-measurement of investments classified as 'AFS'	Net Assets
Note	-----Rupees-----				
	Net assets at the beginning of the period Units outstanding: 15,273,112	7,705,893,998	103,767,799	(1,334,329)	7,808,327,468
	Amount received on issuance of 8,160,259 units	4,249,201,301	-	-	4,249,201,301
	Amount paid on redemption of 4,682,301 units	2,443,339,560	-	-	2,443,339,560
	Element of income and capital income included in prices of units issued less those in units redeemed - net	3.2 (27,755,740)	-	-	(27,755,740)
	Net income for the period	-	387,392,428	-	387,392,428
	Net unrealised appreciation in the value of investment classified as 'available for sale'	-	-	1,234,481	1,234,481
	Net assets at the end of the period Units outstanding: 18,751,070	<u>9,483,999,999</u>	<u>491,160,227</u>	<u>(99,848)</u>	<u>9,975,060,378</u>
	Undistributed income brought forward				
	- Realised income		50,518,522		
	- Unrealised income		53,249,277		
			<u>103,767,799</u>		
	Accounting income available for distribution				
	- Relating to capital gains		-		
	- Excluding capital gains		-		
			-		
	Net income for the period after taxation		387,392,428		
	Undistributed income carried forward		<u>491,160,227</u>		
	Undistributed income carried forward				
	- Realised income		463,853,372		
	- Unrealised income		27,306,855		
			<u>491,160,227</u>		
	Net asset value per unit at beginning of the period				<u>511.25</u>
	Net asset value per unit at end of the period				<u>531.97</u>

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

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CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2018

	2018	2017
Note	----- Rupees -----	-----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	362,729,000	387,392,428
Adjustments for:		
Interest income	(488,799,739)	(456,267,662)
Gain on spread transactions	-	(13,903,657)
Capital loss on sale of investments - net	2,570,918	27,068,223
Net unrealised diminution/(appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	22,584,702	(9,914,902)
Net unrealised appreciation on re-measurement of future contracts	-	(3,530,910)
Element of (income) and capital income included in prices of units issued less those in units redeemed - net	-	(27,755,740)
Provision for Workers' Welfare Fund	-	18,852,977
Provision for Sindh Workers' Welfare Fund	7,402,633	(16,799,408)
	(456,241,486)	(482,251,079)
Decrease/(increase) in assets		
Receivable against Margin Trading System	(18,500,367)	(375,854,183)
Deposits, prepayment and other receivables	71,391,002	(91,718,821)
	52,890,635	(467,573,004)
Decrease in liabilities		
Payable to Atlas Asset Management Limited - Management Company	1,166,645	5,122,943
Payable to the Central Depository Company of Pakistan Limited - Trustee	(140,280)	146,420
Payable to the Securities and Exchange Commission of Pakistan	(1,092,834)	(587,383)
Unclaimed dividend	-	-
Accrued expenses and other liabilities	(91,297,492)	(100,427,821)
	(91,363,961)	(95,745,841)
	(131,985,812)	(658,177,496)
Interest received	343,165,274	379,232,922
Investments made during the period	(29,559,407,433)	(26,914,928,457)
Investment sold/redeemed/matured during the period	30,171,389,203	27,893,626,841
Net cash generated from operating activities	823,161,232	699,753,810
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	863,759,572	4,249,811,670
Net payments against redemption of units	(5,384,798,022)	(2,441,966,280)
Net cash (used in)/generated from financing activities	(4,521,038,450)	1,807,845,390
Net (decrease)/increase in cash and cash equivalents	(3,697,877,218)	2,507,599,200
Cash and cash equivalents at the beginning of the period	9,679,898,539	3,151,610,471
Cash and cash equivalents at the end of the period	5,982,021,321	5,659,209,671

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Income Fund

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Income Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on 20 February 2003 between Atlas Asset Management Limited (AAML) as the Management Company and MCB Financial Services Limited (MCBFSL) as the Trustee. MCBFSL resigned on 11 June 2005 as the trustee and the Central Depository Company of Pakistan Limited (CDC) was appointed in its place with effect from that date. The Trust Deed has been revised through the Deed of Change of Trustee and the First, Second, Third, Fourth and Fifth Supplemental Trust Deeds dated 11 June 2005, 29 October 2007, 23 June 2010, 12 November 2010 and 23 May 2017 respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). Furthermore, the Offering Document of the Fund has been revised through the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth and Eleventh Supplements dated 21 June 2005, 29 October 2007, 29 February 2008, 23 June 2010, 12 November 2010, 14 October 2013, 24 March 2015, 3 August 2015, 13 April 2016, 29 September 2016 and 02 June 2017 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 The Fund has been categorised as an 'income scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs 500 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from 22 March 2004 and are transferable and redeemable by surrendering them to the Fund.
- 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 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 (COIs), money market placements, deposits, Certificates of Deposits (CODs), Certificates of Musharikas (COMs), Term Deposit Receipts (TDRs), commercial papers, reverse repos, term finance certificates (TFCs)/sukuks, transactions on Margin Trading System (MTS), spread transactions and any other instruments that may be allowed by the SECP. The investment objectives and policies are explained in the Fund's offering document.
- 1.4 The Pakistan Credit Agency Limited (PACRA) has upgraded the asset manager rating of the Management Company to AM2+ (AM Two plus) on 22 December 2017 and has assigned a rating of "AA-(f)" (Double A minus) to the Fund on 12 July 2017.
- 1.5 The titles to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Act 2017, 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 the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2017.

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 2018.

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The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at 31 March 2018 have been extracted from the annual published audited financial statements of the Fund for the year ended 30 June 2017, whereas, the comparatives in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the unaudited condensed interim financial statements of the Fund for the nine months ended 31 March 2017.

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES AND JUDGMENTS AND CHANGES THEREIN

Except for change in note 3.2 and 3.3, the accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2017.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in the application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future years if the revision affects both current and future periods.

3.1 The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended 30 June 2017.

3.2 Change in accounting policy - element of income/(loss) and capital gains/(losses) included in prices of units issued less those in units redeemed

The Securities and Exchange Commission of Pakistan through its SRO no. 756(I)/2017 dated August 03, 2017 has made certain amendments in the NBFC Regulations. The notification includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in Regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. Furthermore, the revised regulations also require certain additional disclosures with respect to 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', whereas disclosure with respect to 'Distribution Statement' has been deleted in the revised regulations.

Previously, an equalisation account called the 'element of income/(loss) and capital gains/(losses) included in prices of units issued less those in units redeemed' was created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption. The net element of income/(loss) and capital gains/(losses) relating to units issued and redeemed during the accounting period which pertained to unrealised appreciation/(diminution) held in the Unit Holder's Fund was recorded in a separate account and any amount remaining in this reserve account at the end of the accounting period (whether gain or loss) was included in the amount available for distribution to the unitholders. The remaining portion of the net element of income/(loss) and capital gains/(losses) relating to units issued and redeemed during an accounting period was recognised in the Income Statement.

As required by IAS 8: 'Accounting Policies, Changes in Accounting Estimates and Errors', a change in accounting policy requires retrospective application as if that policy had always been applied. However, the Management Company has applied the above changes in accounting policy, including the additional disclosures requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', prospectively from July 1, 2017 as required by SECP vide its SRO no. 756(I)/2017 dated August 03, 2017. Accordingly, corresponding figures have not been restated. The 'Distribution Statement' for the comparative period has not been presented as it has been deleted as a result of the amendments made in the NBFC Regulations the aforementioned SRO issued by the SECP.

Atlas Income Fund

Had the element of loss been recognised as per the previous accounting policy, the Income of the Fund would have been lower by Rs.74.98 million. However, the change in accounting policy does not have any impact on the 'condensed interim Cash Flow Statement', the 'net assets attributable to the unit holders' and 'net asset value per unit' as shown in the 'condensed interim Statement of Assets and Liabilities' and 'Statement of Movement in Unit Holders' Fund'. The change has resulted in inclusion of certain additional disclosures/new presentation requirements in the 'condensed interim Income Statement' and 'condensed interim Statement of Movement in Unit Holders' Fund which have been incorporated in these statements.

3.3 New/Revised Standards, Interpretations and Amendments

The Fund has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year:

IAS 7 Statement of Cash Flows - Disclosure Initiative - (Amendment)

IAS 12 Income Taxes - Recognition of Deferred Tax Assets for Unrealized losses (Amendments)

Improvements to Accounting Standards Issued by the IASB

IFRS 12 Disclosure of interests in Other Entities - Clarification of the scope of the disclosure Requirement

The adoption of the above amendments, improvements to accounting standards and interpretations did not have any effect on the financial statements.

	Note	31 March 2018 Un-audited	30 June 2017 Audited
		Rupees	
4. CASH AND BANK BALANCES			
Balances with banks in:			
- Savings accounts	4.1	5,334,329,859	9,678,966,289
- Current account	4.2	5,000	7,250
Cheques in hand		75,000	925,000
		5,334,409,859	9,679,898,539

4.1 The rate of return on these accounts ranges between 5.90% and 6.90% (30 June 2017: 3.75% and 6.75%) per annum.

4.2 This denotes cheque received against issue of units which was deposited and cleared in the bank account subsequently on 3 April 2018 (30 June 2017: 5 July 2017).

	Note	31 March 2018 Un-audited	30 June 2017 Audited
		Rupees	
5. INVESTMENTS			
Available-for-sale			
Quoted equity security	5.1	-	2,717,070
Equity Futures - listed			
Quoted equity security	5.2	-	-
At fair value through profit or loss - held for trading			
Term finance certificates - listed	5.3 & 5.8	1,094,820,666	1,000,413,868
Term finance certificates - unlisted	5.4 & 5.8	200,199,520	203,399,386
Sukuk certificates - unlisted	5.5 & 5.8	742,810,000	575,511,888
Government Securities - Market Treasury Bills	5.6	647,611,462	198,921,168
Commercial Papers	5.7	77,920,357	-
		2,763,362,005	1,978,246,310
		2,763,362,005	1,980,963,380

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5.1 Quoted equity security

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

Name of the Investee Company	Number of Shares					Rupees		Percentage		
	As at 01 July 2017	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 31 March 2018	Cost as at 31 March 2018	Market value as at 31 March 2018	Market value as a percentage of investments	Market value as a percentage of net assets	Paid up value of shares held as a percentage of paid-up capital of investee company
CHEMICAL										
Agritech Limited	302,569	-	-	302,569	-	-	-	-	-	-
Total as at 30 June 2017						2,329,782	2,717,070			

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 a 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 which have been sold during the current Financial Year 2017-18.

5.2 Equity futures - listed

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

Name of the Investee Company	Number of Shares					Rupees		Percentage		
	As at 01 July 2017	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 31 March 2018	Cost as at 31 March 2018	Market value as at 31 March 2018	Market value as a percentage of investments	Market value as a percentage of net assets	
At fair value through profit or loss - equity securities										
BANKS										
Bank Alfalah Limited	-	556,500	-	556,500	-	-	-	-	-	
The Bank of Punjab	-	94,500	-	94,500	-	-	-	-	-	
						-	-	-	-	
POWER GENERATION & DISTRIBUTION										
The Hub Power Company Limited	-	200,000	-	200,000	-	-	-	-	-	
						-	-	-	-	
OIL & GAS MARKETING COMPANIES										
Pakistan State Oil Company Limited	-	1,500	-	1,500	-	-	-	-	-	
						-	-	-	-	
TECHNOLOGY & COMMUNICATIONS										
Pakistan Telecommunication Company Limited	-	8,500	-	8,500	-	-	-	-	-	
						-	-	-	-	
FERTILIZER										
Engro Fertilizers Limited	-	4,000	-	4,000	-	-	-	-	-	
						-	-	-	-	
Total as at 31 March 2018						-	-	-	-	
Total as at 30 June 2017						-	-	-	-	

5.2.1 The cost of listed equity securities as at 31 March 2018 is Rs. Nil (30 June 2017: Rs Nil).

5.2.2 The movement in equity securities represents spread transactions entered into by the Fund. The Fund purchased equity securities in ready settlement market and sold them in future settlement market earning income on spread transactions due to difference in ready and future stock prices.

Atlas Income Fund

5.3 Term finance certificates - listed

(Certificates having a face value of Rs.5,000 each unless stated otherwise)

Name of the Investee Company	Note	Number of Shares			Rupees		Percentage			
		As at 01 July 2017	Purchases during the period	Disposed/ matured during the period	As at March 2018	Carrying value as at 31 March 2018	Market value as at 31 March 2018	Market value as a percentage of investments	Market value as a percentage of net assets	Investments as a percentage of total issue size
BANKS										
Bank Alfalah Limited - V		38,450	21,453	-	59,903	304,928,215	301,011,371	10.89	3.62	5.99
Habib Bank Limited Tier - II (face value of Rs.100,000 per certificate)		7,500	-	-	7,500	751,273,500	743,404,800	26.90	8.95	7.50
Soneri Bank Limited		10,000	-	-	10,000	51,397,451	50,404,495	1.82	0.61	1.67
		55,950	21,453	-	77,403	1,107,599,166	1,094,820,666			
TELECOMMUNICATION										
Telecard Limited	5.8.1	4,000	-	-	4,000	-	-	-	-	-
PERSONAL GOODS										
Azgard Nine Limited	5.8.1	5,000	-	-	5,000	-	-	-	-	-
Total as at 31 March 2018						1,107,599,166	1,094,820,666	39.62	13.18	
Total as at 30 June 2017						995,411,855	1,000,413,868			

5.3.1 The terms and conditions of listed term finance certificates outstanding as at 31 March 2018 are as follows:

Name of the Investee Company	Rating	Tenure	Profit payments/ principal redemptions	Maturity date	Rate of return
BANKS					
Bank Alfalah Limited - V	AA-	8 years	Semi-annually	Feb 2021	6 month KIBOR + 1.25%
Habib Bank Limited Tier - II	AAA	10 years	Semi-annually	Feb 2026	6 month KIBOR + 0.50%
Soneri Bank Limited	A+	8 years	Semi-annually	July 2023	6 month KIBOR + 1.35%
TELECOMMUNICATION					
Telecard Limited	NPA	15 years	Quarterly	Dec 2020	3 month KIBOR
PERSONAL GOODS					
Azgard Nine Limited	NPA	7 years	Semi-annually	Sept 2012	6 month KIBOR + 2.40%

5.4 Term finance certificates - unlisted

(Certificates having a face value of Rs.5,000 each unless stated otherwise)

Name of the Investee Company	Note	Number of Shares			Rupees		Percentage			
		As at 01 July 2017	Purchases during the period	Disposed/ matured during the period	As at 31 March 2018	Carrying value as at 31 March 2018	Market value as at 31 March 2018	Market value as a percentage of investments	Market value as a percentage of net assets	Investments as a percentage of total issue size
BANKS										
Askari Bank Limited - V		20,000	-	-	20,000	101,871,308	100,279,520	3.63	1.21	2.50
Bank AL Habib Limited		20,000	-	-	20,000	101,467,061	99,920,000	3.62	1.20	2.50
CHEMICALS										
Agritech Limited- I	5.8.1	2,000	-	-	2,000	-	-	-	-	-
Agritech Limited - II	5.8.1	8,000	-	-	8,000	-	-	-	-	-
Agritech Limited- IV	5.8.1	2,203	-	-	2,203	-	-	-	-	-
		12,203	-	-	12,203	-	-			
PERSONAL GOODS										
Azgard Nine Limited-V	5.8.1	1,075	-	-	1,075	-	-	-	-	-
Total as at 31 March 2018						203,338,369	200,199,520	7.25	2.41	
Total as at 30 June 2017						202,982,550	203,399,386			

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5.4.1 The terms and conditions of unlisted term finance certificates outstanding as at 31 March 2018 are as follows:

Name of the Investee Company	Rating	Tenure	Profit payments/ principal redemptions	Maturity date	Rate of return
BANKS					
Askari Bank Limited - V	AA-	10 years	Semi-annually	Sept 2024	6 month KIBOR + 1.20%
Bank AL Habib Limited	AA	10 years	Semi-annually	Mar 2026	6 month KIBOR + 0.75%
CHEMICALS					
Agritech Limited - I	NPA	7 years	Semi-annually	Nov 2014	6month KIBOR + 1.75%
Agritech Limited - II	NPA	7 years	Semi-annually	Jan 2015	6month KIBOR + 1.75%
Agritech Limited - IV	NPA	3.5 years	Semi-annually	Jan 2015	-
PERSONAL GOODS					
Azgard Nine Limited - V	NPA	5 years	Semi-annually	Mar 2017	Zero Coupon

5.5 Sukuk certificates - unlisted

(Certificates having a face value of Rs.5,000 each unless stated otherwise)

Name of the Investee Company	Note	Number of Shares			Rupees		Percentage			
		As at 01 July 2017	Purchases during the period	Disposed/ matured during the period	As at 31 March 2018	Carrying value as at 31 March 2018	Market value as at 31 March 2018	Market value as a percentage of investments	Market value as a percentage of net assets	Investments as a percentage of total issue size
CHEMICALS										
Agritech Limited	5.8.1	4,060	-	4,060	-	-	-	-	-	-
BANKS										
Meezan Bank Limited Tier - II (face value Rs.1,000,000 per certificate)		552	-	25	527	549,447,038	542,810,000	19.64	6.53	7.53
FERTILIZERS										
Dawood Hercules Corporation Limited Sukuk 2 (Face Value Rs. 100,000 per certificate)		-	2,000	-	2,000	200,000,000	200,000,000	7.24	2.41	3.33
Total as at 31 March 2018						<u>749,447,038</u>	<u>742,810,000</u>	<u>26.88</u>	<u>8.94</u>	
Total as at 30 June 2017						<u>552,000,000</u>	<u>575,511,888</u>			

5.5.1 The terms and conditions of sukuk certificates as at 31 March 2018 are as follows:

Name of the Investee Company	Tenure	Profit payments/ principal redemptions	Maturity date	Rate of return	Rating
CHEMICALS					
Agritech Limited	7 years	Semi-annually	Aug 2015	6 month KIBOR + 2.00%	NPA
Meezan Bank Limited Tier - II	7 years	Semi-annually	Sept 2026	6 month KIBOR + 0.50%	AA-
Dawood Hercules Sukuk Tier - II	5 years	Semi-annually	March 2023	6 month KIBOR + 1.00%	AA

Atlas Income Fund

	31 March 2018 Un-audited	30 June 2017 Audited
Note	-----	Rupees -----

5.6 Government securities

Market Treasury Bills	5.6.1	<u>647,611,462</u>	<u>413,945,275</u>
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5.6.1 Market Treasury Bills

Tenor	Face value (Rupees)				Rupees		Percentage	
	As at 01 July 2017	Purchased during the period	Disposed / Matured during the period	As at 31 March 2018	Carrying Value	Market Value	Market Value as a percentage of total Investment	Market Value as a percentage of net assets
3 months	200,000,000	23,674,410,000	23,224,410,000	650,000,000	647,641,777	647,611,462	23.44	7.80
6 months	-	6,384,400,000	6,384,400,000	-	-	-	-	-
Total as at 31 March 2018	<u>200,000,000</u>	<u>30,058,810,000</u>	<u>29,608,810,000</u>	<u>650,000,000</u>	<u>647,641,777</u>	<u>647,611,462</u>	<u>23.44</u>	<u>7.80</u>
Total as at 30 June 2017					<u>198,931,395</u>	<u>198,921,168</u>		

5.6.2 Market treasury bills carry purchase yield of 6.0000% to 6.2144% (30 June 2017: 5.99%) per annum and will mature to 10 May 2018 (30 June 2017: 3 August 2017). The cost of these investments as on 31 March 2018 is Rs.645,622,200 (30 June 2017: Rs.197,280,000).

5.6.3 These treasury bills have a face value of Rs.250,000,000 which have been pledged with the National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in respect of Margin Trading System (MTS) transactions (30 June 2017: face value of Rs.200,000,000 pledged in respect of MTS transactions).

	31 March 2018 Un-audited	30 June 2017 Audited
Note	-----	Rupees -----

5.7 Commercial Papers

Commercial Papers	5.7.1	<u>77,920,357</u>	<u>-</u>
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Name of the Investee Company	Face value (Rupees)				Rupees		Percentage	
	As at 01 July 2017	Purchased during the period	Disposed / Matured during the period	As at 31 March 2018	Carrying Value	Market Value	Market Value as a percentage of total Investment	Market Value as a percentage of net assets
Crescent Steel & Allied Products Limited	-	800	-	800	80,000,000	77,920,357	2.82	0.94
Total as at 31 March 2018	<u>-</u>	<u>800</u>	<u>-</u>	<u>800</u>	<u>80,000,000</u>	<u>77,920,357</u>	<u>2.82</u>	<u>0.94</u>
Total as at 30 June 2017					<u>-</u>	<u>-</u>		

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5.8 Particulars of non-compliant investments

5.8.1 The Securities and Exchange Commission of Pakistan (SECP), vide its circular No. 16 dated 07 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							
Azgard 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							
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	-	-	-
Azgard Nine Limited-V	5.8.3	Term finance certificate	5,375,000	5,375,000	-	-	-
			53,860,000	53,860,000	-	-	-
Unlisted							
Agritech Limited		Sukuk certificate	15,225,000	15,225,000	-	-	-
Total as at 31 March 2018			81,625,501	81,625,501	-	-	-
Total as at 30 June 2017			81,625,501	81,625,501			

5.8.2 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.81.63 million (30 June 2017: Rs.81.63 million), has been made in accordance with the provisioning requirements specified by the SECP.

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

31 March 2018 Un-audited	30 June 2017 Audited
----- Rupees -----	

6. INTEREST/PROFIT ACCRUED

Interest/profit on:

Savings and term deposits	18,493,662	12,929,201
Margin Trading System	1,432,439	2,498,039
Term finance certificates	13,183,469	28,740,771
Sukuk certificates	4,505,118	12,214,172
	37,614,688	56,382,183

Atlas Income Fund

		31 March 2018	30 June 2017
		Un-audited	Audited
	Note	----- Rupees -----	
7. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
Central Depository Company of Pakistan Limited (CDC)		100,000	100,000
National Clearing Company of Pakistan Limited (NCCPL)		2,750,000	2,750,000
Margin deposit against futures		-	71,613,580
Prepaid annual listing fee		8,358	-
Prepaid annual fee to the NCCPL		186,538	124,209
Other receivables	7.1	8,165,827	8,013,936
		11,210,723	82,601,725

7.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151. However, during the year ended 30 June 2016, withholding tax on profit on bank deposits and debt securities paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholders. The amount of tax withheld on profit on bank deposits and debt securities as at 31 March 2018 amounts to Rs.2.80 million and Rs.5.37 million respectively.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund on bank deposits and debt securities has been shown as other receivables as at 31 March 2018 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

		31 March 2018	30 June 2017
		Un-audited	Audited
	Note	----- Rupees -----	
8. PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)			
Remuneration of the Management Company	8.1	5,979,124	5,561,795
Sindh Sales Tax payable on remuneration of the Management Company	8.2	4,299,984	4,245,731
Federal Excise Duty payable on remuneration of the Management Company	8.3	23,582,971	23,582,971
Accounting and operational charges payable reimbursable by the Fund	13	1,445,905	695,224
Sindh Sales Tax payable on accounting and operational charges		-	55,618
		35,307,984	34,141,339

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- 8.1** In accordance with the provisions of the NBFC Regulations, 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company is entitled to receive a remuneration at the rate not exceeding 1.50% of the average annual net assets in case of income schemes. Previously, the Management Company was 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. Accordingly, the Management Company has charged its remuneration at the rate of 0.80% (2016: For the period from 1 July 2016 to 18 July 2016, the fee was charged by the Management Company at a rate of 0.60%) per annum of the average annual net assets of the Fund. The fee is payable to the Management Company monthly in arrears.
- 8.2** During the period, an amount of Rs. 8,068,250 (2017: Rs. 7,012,731) was charged on account of sales tax on remuneration of management company levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 8,013,997 (2017: Rs. 6,712,341) has been paid to the Management Company which acts as a collecting agent.
- 8.3** The Finance Act, 2013 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 were already subject to provincial sales tax on services levied by the Sindh Revenue Board (as explained in note 8.2 above) which is being charged to the Fund, the Management Company was of the view that further levy of FED was 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.

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

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made for the period from 13 June 2013 till 30 June 2016 amounting to Rs 23.583 million (30 June 2017: Rs 23.583 million) is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been recorded in the condensed interim financial statements of the Fund, the net asset value of the Fund as at 31 March 2018 would have been higher by Re. 1.51 per unit (30 June 2017: Re 0.96 per unit).

	31 March 2018	30 June 2017
	Un-audited	Audited
Note	-----	-----
	Rupees	

9. ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration payable	297,296	450,305
NCCPL charges payable	370,000	180,000
Printing charges payable	179,998	209,955
Brokerage payable	29,407	120,425
Sales tax payable	-	14,804
Legal and professional charges payable	-	100,000
Annual rating fee payable	267,021	-
Withholding tax payable	38,593	37,346,119
Capital gain tax payable	4,581,525	58,899,103
Zakat payable	-	8,221
Other payables	327,596	59,996
Provision for Sindh Workers' Welfare Fund	9.1 20,648,013	13,245,380
	26,739,449	110,634,308

Atlas Income Fund

9.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. However, it may be stated that under companies Act, 2017 mutual funds are explicitly excluded from the definition of financial institution. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs/mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/mutual funds, the MUFAP recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund, the net asset value of the Fund as at 31 March 2018 would have been higher by Rs.1.32 per unit (30 June 2017: Re.0.54 per unit).

10. CONTINGENCIES AND COMMITMENTS

10.1 There were no contingencies outstanding as at 31 March 2018 and 30 June 2017.

	31 March 2018	30 June 2017
	Un-audited	Audited
	Rupees	
10.2 Commitments		
Margin Trading System (MTS)		
Margin Trading System (MTS) transactions entered into by the Fund that have not been settled as at 31 March 2018		
Purchase of securities	30,693,560	281,674,516
Total commitments	30,693,560	281,674,516

Note	For the Nine Months ended		For the Quarter ended	
	31 March		31 March	
	2018	2017	2018	2017
	Rupees			

11. INTEREST INCOME

Interest on:

Saving and term deposits	220,749,542	67,745,742	47,092,900	27,180,307
Margin Trading System	11,088,294	88,757,157	5,891,042	28,675,476
Term finance certificates	63,550,454	52,478,390	22,003,814	20,324,184
Sukuk certificates	29,009,489	19,806,819	10,532,310	9,786,734
Government Securities - Market Treasury Bills	160,900,209	140,788,454	52,557,599	49,232,198
Government Securities - Pakistan Investment Bonds	-	86,691,100	-	10,403,198
Commercial Papers	3,501,751	-	1,376,233	-
	488,799,739	456,267,662	139,453,898	145,602,097

11.1 This includes mark-up received on non-performing term finance certificates amounting to Rs 0.194 million. Furthermore, in accordance with the requirements specified by the SECP, mark-up on non-performing securities amounting to Rs.56.90 million (2017: Rs.50.50 million) based on outstanding principal has not been recognised during the period.

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12. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 March 2018 is 1.28% (30 June 2017: 1.55%) which includes 0.26% (30 June 2017: 0.35%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

13. ACCOUNTING AND OPERATIONAL CHARGES

In accordance with the provisions of the NBFC Regulations, 2008 (amended vide S.R.O 1160(I) / 2015 dated 25 November 2015), the Management Company of the Fund is entitled to reimbursement of fees and expenses in relation to registrar services, accounting, operation and valuation services related to the Fund upto a maximum of 0.1% of the average annual net assets of the Scheme or actual whichever is less. Accordingly, the Management Company has charged accounting and operational charges to the Fund in respect of the back office accounting function to an independent service provider.

14. TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. 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 in respect of taxation has been made in these condensed interim financial statements.

15. EARNINGS PER UNIT

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

16. TRANSACTIONS WITH RELATED PARTIES/CONNECTED PERSONS

Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

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

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

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

	For the Nine Months ended	
	31 March 2018 Un-audited	31 March 2017 Un-audited
	----- Rupees -----	
16.1 Transactions during the period		
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	62,063,461	53,944,081
Remuneration paid	61,646,132	51,317,539
Sindh Sales Tax on remuneration of the Management Company	8,068,250	7,012,731
Accounting and operational charges	5,770,600	6,614,937
Sindh Sales Tax on accounting and operational charges	-	529,195
Issue of Nil (2017: 23,386) units	-	12,000,000

Atlas Income Fund

For the Nine Months ended	
31 March 2018	31 March 2017
Un-audited	Un-audited
----- Rupees -----	

16.1 Transactions during the period (Continued...)

Central Depository Company of Pakistan Limited (Trustee)

Trustee fee	6,631,649	5,988,525
Sindh Sales Tax on remuneration of the Trustee	862,114	778,508
Trustee fee paid	6,588,790	5,873,721
Settlement charges	121,035	1,597,572
Sindh Sales Tax on settlement charges	15,735	207,684

Atlas Battery Limited (Group Company)

Redemption of 1,797,819 (2017: 1,780,683) units	935,697,170	930,406,278
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Atlas Foundation (Trust having common Director/Trustee)

Issue of Nil (2017: 491,966) units	-	254,000,000
Redemption of 204,661 (2017: 145,916) unit	106,000,000	76,500,000

Atlas Honda Limited (Group Company)

Issue of 137 (2017: 958,213) units	71,618	499,022,538
Redemption of 5,782,929 (2017: 866,101) units	3,000,000,000	450,000,000

Atlas Insurance Limited

Issue of 38,692 (2017: 124,034) units	20,000,000	65,875,860
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Batool Benefit Trust (Trust having common Director/Trustee)

Redemption of 21,371 (2017: 24,200) units	11,147,969	12,628,000
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Cherat Cement Company Limited - Employee Provident Fund

Issue of 3,288 (2017: Nil) units	1,721,259	-
Redemption of 3,288 (2017: 183) units	1,739,343	96,243

Honda Atlas Cars (Pakistan) Limited-Employee Provident Fund (Retirement Benefit Plan of a Group Company)

Issue of Nil (2017: 38,885) units	-	20,000,000
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Atlas Honda Limited - Employee Provident Fund (Retirement Benefit Plan of a Group Company)

Redemption of 66,049 (2017: Nil) units	35,000,000	-
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Atlas Engineering Limited - Employee Provident Fund (Retirement Benefit Plan of a Group Company)

Redemption of 13,471 (2017: Nil) units	6,954,338	-
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Atlas Honda Limited - Non-Management Staff Gratuity Fund (Retirement Benefit Plan of a Group Company)

Issue of Nil (2017: 7,748) units	-	4,000,000
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Honda Atlas Cars (Pakistan) Limited - Employee Gratuity Fund (Retirement Benefit Plan of a Group Company)

Issue of Nil (2017: 19,443) units	-	10,000,000
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	For the Nine Months ended	
	31 March 2018	31 March 2017
	Un-audited	Un-audited
Note	----- Rupees -----	
16.1 Transactions during the period (Continued...)		
Atlas Power Limited - Staff Provident Fund (Retirement Benefit Plan of a Group Company)		
Redemption of 290 (2017: Nil) units	149,160	-
Shirazi Capital (Private) Limited (Group Company)		
Redemption of Nil (2017: 830,408) units	-	434,411,507
Shirazi Investments (Private) Limited (Group Company)		
Issue of 866,093 (2017: 830,408) units	450,000,000	434,411,507
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement Benefit Plan of a Group Company)		
Issue of 31,375 (2017: 11,404) units	16,170,000	6,045,000
Redemption of 6,272 (2017: 20,672) units	3,270,000	10,758,098
Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of group company)		
Issue of 31,998 (2017: 14,239) units	16,748,280	7,500,000
Redemption of 10,256 (2017: 23,285) units	5,400,000	12,200,000
Atlas Die Casting (Private) Limited		
Redemption of 78,275 (2017: Nil) units	40,246,787	-
Honda Atlas Cars (Pakistan) Limited		
Issue of Nil (2017: 1,944,390) units	-	1,000,000,000
Directors and their close family members and key management personnel of the Management Company 16.3		
Issue of 4 (2017: 95,935) units	2,104	49,199,834
Redemption of 178,799 (2017: 14,853) units	93,252,966	7,794,834
	31 March 2018	30 June 2017
	Un-audited	Audited
	----- Rupees -----	

16.2 Balances as at period/year end

Atlas Asset Management Limited (Management Company)

Remuneration payable to the Management Company	5,979,124	5,561,795
Sindh Sales Tax payable on remuneration of the Management Company	4,299,984	4,245,731
Federal Excise Duty payable on remuneration of the Management Company	23,582,971	23,582,971
Accounting and operational charges payable	1,445,905	695,224
Sindh Sales Tax payable on accounting and operational charges	-	55,618
Outstanding 115,852 (30 June 2017: 115,852) units - at net asset value	61,483,550	59,343,773

Central Depository Company of Pakistan Limited (Trustee)

Remuneration payable to the Trustee	659,063	616,204
Sindh Sales Tax payable on remuneration of the trustee	85,678	80,107
Settlement charges payable	3,000	170,000
Sindh Sales Tax payable on Settlement Charges	390	22,100

Atlas Income Fund

	31 March 2018 Un-audited	30 June 2017 Audited
16.2 Balances as at period/year end (Continued...)	----- Rupees -----	
Atlas Battery Limited (Group Company)		
Outstanding Nil (30 June 2017: 1,797,819) units - at net asset value	-	920,915,045
Atlas Engineering Limited - Employees Provident Fund (Retirement benefit plan of Group Company)		
Outstanding Nil (30 June 2017: 13,471) units - at net asset value	-	6,900,587
Atlas Die Casting (Private) Limited (Group Company)		
Outstanding Nil (30 June 2017: 78,275) units - at net asset value	-	40,095,716
Atlas Foundation (Trust having common Director/Trustee)		
Outstanding 829,302 (30 June 2017: 1,033,963) units - at net asset value	440,118,763	529,637,193
Atlas Services Limited (Group Company)		
Outstanding Nil (30 June 2017: 134,324) units - at net asset value	-	68,805,994
Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of group company)		
Outstanding 39,959 (30 June 2017: 9,218) units - at net asset value	16,430,463	4,721,768
Atlas Honda Limited (Group Company)		
Outstanding 3,865,912 (30 June 2017: 9,648,704) units - at net asset value	2,051,678,221	4,942,452,193
Atlas Honda Limited - Non-management Staff Gratuity Fund (Retirement benefit plan of Group Company)		
Outstanding 29,163 (30 June 2017: 29,163) units - at net asset value	15,477,310	14,938,662
Atlas Honda Limited - Employees Provident Fund (Retirement benefit plan of Group Company)		
Outstanding 176,094 (30 June 2017: 242,143) units - at net asset value	93,454,743	124,035,205
Atlas Powers Limited - Staff Provident Fund (Retirement benefit plan of Group Company)		
Outstanding Nil (30 June 2017: 290) units - at net asset value	-	148,488
Atlas Insurance Limited		
Outstanding 38,692 (30 June 2017: Nil) units - at net asset value	20,534,339	-
Batool Benefit Trust (Trust having common Director/Trustee)		
Outstanding 94,868 (30 June 2017: 116,239) units - at net asset value	50,347,556	59,542,199
Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund (Retirement benefit plan of Group Company)		
Outstanding 28,687 (30 June 2017: 28,687) units - at net asset value	15,224,690	14,694,833
Honda Atlas Cars (Pakistan) Limited - Employees Provident Fund (Retirement benefit plan of Group Company)		
Outstanding 118,071 (30 June 2017: 118,071) units - at net asset value	62,661,594	60,480,818
Shirazi Investments (Private) Limited (Group company)		
Outstanding 5,379,242 (30 June 2017: 4,513,149) units - at net asset value	2,854,817,747	2,311,815,560
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement benefit plan of Group Company)		
Outstanding 28,142 (30 June 2017: 3,039) units - at net asset value	14,935,339	1,556,554
Honda Atlas Cars (Pakistan) Limited		
Outstanding 3,542,568 (30 June 2017: 3,542,568) units - at net asset value	1,880,076,403	1,814,645,167

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	31 March 2018	30 June 2017
	Un-audited	Audited
Note	----- Rupees -----	
16.2 Balances as at period/year end (Continued...)		
Shirazi Trading Company (Private) Limited - Employees		
Provident Fund (Retirement benefit plan of a Group Company)		
Outstanding 24,807 (30 June 2017: 24,807) units - at net asset value	13,165,449	12,707,259
Directors and their close family members and key management personnel of the Management Company		
16.3		
Outstanding 252,782 (30 June 2017: 462,145) units -at net asset value	134,153,708	236,728,945

16.3 For the purpose of this disclosure, transactions by the Board of Directors, and key management personnel falling within the scope of "executive" under the Listing Companies (Code of Corporate Governance) Regulations, 2017 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 2017-18. However, as per SECP clarification vide letter no. SCD/RS/MUFAP/346/2018 dated April 18, 2018 that open-end collective Investment Schemes (CIS) as well as unlisted Asset Management Companies, managing such CISs, are exempted from the requirement of the new Listing Companies (Code of Corporate Governance) Regulations, 2017.

17. FAIR VALUE MEASUREMENT

Fair value is the amount for which an asset could be exchanged, or liability can be settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the fair value estimates.

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

The investments of the Fund in debt securities are valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities. In the determination of the rates MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The investments of the Fund in government securities are valued on the basis of rates announced by the Financial Markets Association of Pakistan. The investment of the Fund in equity securities is valued on the basis of rates quoted on Stock Exchange. The estimated fair values of all other financial assets and liabilities are considered not to be significantly different from carrying values.

Fair value hierarchy

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

- Level 1: Quoted price (unadjusted) in an active market for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Atlas Income Fund

As at 31 March 2018 and 30 June 2017, the Fund held the following instruments measured at fair values:

	Level 1	Level 2	Level 3
	----- Rupees -----		
As at 31 March 2018			
Available-for-sale financial assets	-	-	-
Financial assets at fair value through profit or loss	-	2,763,362,005	-
Term finance certificates - listed	-	1,094,820,666	-
Term finance certificates - unlisted	-	200,199,520	-
Sukuk certificates - unlisted	-	742,810,000	-
Government Securities - Market Treasury Bills	-	647,611,462	-
Commercial Papers	-	77,920,357	-
As at 30 June 2017			
Available-for-sale financial assets	2,717,070	-	-
Financial assets at fair value through profit or loss	-	1,978,246,310	-
Term finance certificates - listed	-	1,000,413,868	-
Term finance certificates - unlisted	-	203,399,386	-
Sukuk certificates - unlisted	-	575,511,888	-
Government Securities - Market Treasury Bills	-	198,921,168	-
Government Securities - Pakistan Investment Bonds	-	-	-
		For the Nine Months ended	
		31 March	31 March
		2018	2017
		Un-audited	Un-audited
	Note	----- Rupees -----	
18. CASH AND CASH EQUIVALENTS			
Cash and bank balances	4	5,334,409,859	4,915,187,929
Treasury bills (with original maturity of three months)	5.6	647,611,462	744,021,742
		5,982,021,321	5,659,209,671
19. GENERAL			
19.11	Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation. No significant rearrangements or reclassifications have been made in these condensed interim financial statements during the current period.		
19.12	Figures have been rounded off to the nearest Rupee unless otherwise stated.		
20. DATE OF AUTHORISATION FOR ISSUE			
These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 27 April 2018.			
For Atlas Asset Management Limited (Management Company)			
Qurrat-ul-Ain Jafari Chief Financial Officer	Muhammad Abdul Samad Chief Executive Officer	Yusuf H. Shirazi Chairman	Tariq Amin Director

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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

EY Ford Rhodes
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Bank Alfalah Limited
Bank Al-Habib Limited
Faysal Bank Limited
Habib Bank Limited
MCB Bank Limited

Atlas Stock Market Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 MARCH 2018

		31 March 2018	30 June 2017
	Note	Un-audited	Audited
		-----	-----
		Rupees	Rupees
Assets			
Cash and bank balances	4	493,153,184	657,895,685
Investments	5	5,143,996,190	5,141,997,098
Dividend receivable		47,113,771	446,198
Profit receivable on bank balances		3,057,184	10,002,401
Receivable against sale of investments		52,128,722	2,761,535
Receivable against issue of units		100,000	35,897,649
Advances, deposits, prepayments and other receivables	6	13,598,945	14,691,927
Total assets		5,753,147,996	5,863,692,493
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	7	35,305,063	34,515,696
Payable to the Central Depository Company of Pakistan Limited - Trustee		640,287	683,708
Payable to the Securities and Exchange Commission of Pakistan		3,789,991	5,082,930
Payable against purchase of investments		10,944,980	123,032,718
Payable against redemption of units		377,145	129,739,015
Unclaimed dividend		401,733	401,733
Accrued expenses and other liabilities	8	43,471,149	42,560,539
Total liabilities		94,930,348	336,016,339
NET ASSETS		5,658,217,648	5,527,676,154
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		5,658,217,648	5,527,676,154
CONTINGENCIES AND COMMITMENTS	9		
		-----	-----
		Number of units	Number of units
NUMBER OF UNITS IN ISSUE		8,612,146	8,289,668
		-----	-----
		Rupees	Rupees
NET ASSET VALUE PER UNIT		657.00	666.82

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Third Quarter Report 2017-18

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2018

	Note	For the Nine Months ended		For the Quarter ended	
		31 March		31 March	
		2018	2017	2018	2017
Income		Rupees			
Profit on bank balances		24,716,207	13,798,739	9,383,797	6,208,532
Dividend income		217,217,349	189,064,640	68,541,884	62,307,340
Capital (loss)/gain on sale of investments-net Net unrealised appreciation/(diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(318,962,818)	775,547,379	(49,884,643)	374,827,782
		252,388,811	584,442,474	679,008,575	(383,057,170)
		(66,574,007)	1,359,989,853	629,123,932	(8,229,388)
Element of income and capital gains included in prices of units issued less those in units redeemed - net		-	116,551,056	-	76,812,490
Total income		175,359,549	1,679,404,288	707,049,613	137,098,974
Expenses					
Remuneration of Atlas Asset Management Limited - Management Company	7.1	79,789,280	77,336,388	27,489,660	29,941,245
Sindh sales tax on remuneration of the Management Company	7.2	10,372,606	10,053,730	3,573,655	3,892,361
Remuneration of Central Depository Company of Pakistan Limited - Trustee		4,740,149	4,617,505	1,621,058	1,743,638
Sindh sales tax on remuneration of the trustee		616,219	600,276	210,737	226,673
Annual fee to the Securities and Exchange Commission of Pakistan		3,789,991	3,673,479	1,305,759	1,422,209
Accounting and operational charges	10	3,858,886	3,799,097	1,381,836	1,497,062
Sindh sales tax on accounting and operational charges		-	303,928	-	119,765
Auditors' remuneration		408,893	450,433	136,153	136,153
Annual listing fee		19,142	41,287	6,287	13,562
Securities transaction cost		7,563,214	12,078,564	2,235,027	4,248,790
Selling and marketing expense	11	78,119	-	15,000	-
Printing charges		193,153	187,348	41,130	60,270
Legal and professional charges		1,261,554	23,760	376,450	23,760
Bank charges		36,488	35,239	6,136	10,621
Provision for Workers' Welfare Fund		-	(34,031,289)	-	(34,031,289)
Provision for Sindh Workers' Welfare Fund		1,252,637	42,146,332	1,252,637	42,146,332
Total expenses		113,980,331	121,316,077	39,651,525	51,451,152
Net income for the period before taxation		61,379,218	1,558,088,211	667,398,088	85,647,822
Taxation	13	-	-	-	-
Net income for the period after taxation		61,379,218	1,558,088,211	667,398,088	85,647,822
Earnings per unit	14				
Allocation of net income for the period					
Net income for the period after taxation		61,379,218	1,558,088,211	667,398,088	85,647,822
Income already paid on units redeemed		19,750,115	-	19,750,115	-
		41,629,103	1,558,088,211	647,647,973	85,647,822
Accounting income available for distribution:					
- Relating to capital gains		-	-	629,123,932	-
- Excluding capital gains		41,629,103	-	18,524,041	-
		41,629,103	-	647,647,973	-

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

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Stock Market Fund

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2018

	For the Nine Months ended		For the Quarter ended	
	31 March		31 March	
	2018	2017	2018	2017
----- Rupees -----				
Net income for the period after taxation	61,379,218	1,558,088,211	667,398,088	85,647,822
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	61,379,218	1,558,088,211	667,398,088	85,647,822

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

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

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CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2018

	31 March 2018			
	Capital Value	Undistributed Income	Unrealised (diminution)/ appreciation on re-measurement of investments classify as 'AFS'	Net Assets
Note	----- Rupees -----			
Net assets at the beginning of the period Units outstanding: 8,289,668	3,773,086,121	1,754,590,033	-	5,527,676,154
Amount received on Issuance of 2,708,595 units	1,636,490,893	-	-	1,636,490,893
Amount paid on redemption of 2,386,117 units	1,423,233,485	19,750,115	-	1,442,983,600
Element of income and capital gains included in prices of units sold less those in units redeemed - net 3.2	-	-	-	-
Total comprehensive income for the period	-	61,379,218	-	61,379,218
Cash dividend declared for the year ended 30 June 2017 at the rate of Rs. 15 per unit declared on 7 July 2017	-	124,345,017	-	124,345,017
Net assets at the end of the period Units outstanding: 8,612,146	3,986,343,529	1,671,874,119	-	5,658,217,648
Undistributed income brought forward				
- Realised income		1,368,557,650		
- Unrealised income		386,032,383		
		1,754,590,033		
Accounting loss available				
- Relating to capital gains		-		
- Excluding capital gains		41,629,103		
		41,629,103		
Net income for the period after taxation		-		
Distribution for the period		(124,345,017)		
Undistributed income carried forward		1,671,874,119		
Undistributed income carried forward				
- Realised income		1,258,127,899		
- Unrealised income		413,746,220		
		1,671,874,119		
Net asset value per unit at beginning of the period				666.82
Net asset value per unit at end of the period				657.00

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Stock Market Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) Continued...

FOR THE NINE MONTHS ENDED 31 MARCH 2018

31 March 2017

	Capital Value	Undistributed Income	Unrealised (diminution)/ appreciation on re-measurement of investments classify as 'AFS'	Net Assets
Note	----- Rupees -----			
Net assets at the beginning of the period	3,618,558,792	398,629,142	-	4,017,187,934
Units outstanding: 7,979,640				
Amount received on Issuance of 3,095,460 units	1,901,204,263	-	-	1,901,204,263
Amount paid on redemption of 2,005,165 units	1,241,217,455	-	-	1,241,217,455
Element of income and capital gains included in prices of units sold less those in units redeemed - net	3.2 (116,551,056)	-	-	(116,551,056)
Total comprehensive income for the period	-	1,558,088,211	-	1,558,088,211
Cash dividend declared for the year ended 30 June 2016 at the rate of Rs. 5 per unit declared on 11 July 2016	-	39,898,200	-	39,898,200
Net assets at the end of the period	4,161,994,544	1,916,819,153	-	6,078,813,697
Units outstanding: 9,069,935				
Undistributed income brought forward				
- Realised income		196,526,335		
- Unrealised income		202,102,807		
		398,629,142		
Accounting loss available				
- Relating to capital gains		-		
- Excluding capital gains		-		
		-		
Net income for the period after taxation		1,558,088,211		
Distribution for the period		(39,898,200)		
Undistributed income carried forward		1,916,819,153		
Undistributed income carried forward				
- Realised income		1,244,363,760		
- Unrealised income		672,455,393		
		1,916,819,153		
				(Rupees)
Net asset value per unit at beginning of the period				503.43
Net asset value per unit at end of the period				670.22

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

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CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2018

	2018	2017
Note	----- Rupees -----	-----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	61,379,218	1,558,088,211
Adjustment for:		
Profit on bank balances	(24,716,207)	(13,798,739)
Dividend income	(217,217,349)	(189,064,640)
Capital loss/(gain) on sale of investments-net	318,962,818	(775,547,379)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(252,388,811)	(584,442,474)
Element of income and capital gains included in prices of units issued less those in units redeemed - net	-	(116,551,056)
Provision for workers' welfare fund	-	34,031,289
Provision for sindh workers' welfare fund	1,252,637	(42,146,332)
	(174,106,912)	1,687,519,331
(Increase)/decrease in assets		
Receivable against sale of investments	(49,367,187)	30,481,802
Advances, deposits, prepayment and other receivables	1,092,982	(882,464)
	(48,274,205)	29,599,338
(Decrease)/increase in liabilities		
Payable to Atlas Asset Management Limited - Management Company	789,367	5,233,890
Payable to the Central Depository Company of Pakistan Limited - Trustee	(43,421)	230,142
Payable to the Securities and Exchange Commission of Pakistan	(1,292,939)	312,100
Payable against purchase of investments	(112,087,738)	(16,516,818)
Accrued expenses and other liabilities	(342,027)	18,070,137
	(112,976,758)	7,329,451
Profit received on bank balances	31,661,424	11,763,253
Dividend received	170,549,776	153,022,749
Investments made during the period	(3,691,495,624)	(6,156,772,218)
Investments sold during the period	3,622,922,525	6,001,214,703
Net cash used in operating activities	(140,340,556)	(83,273,844)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	1,672,288,542	1,886,204,263
Net payments against redemption of units	(1,572,345,470)	(1,238,302,896)
Cash payout against distribution	(124,345,017)	(40,115,358)
Net cash (used in)/generated from financing activities	(24,401,945)	607,786,009
Net (decrease)/increase in cash and cash equivalents	(164,742,501)	524,512,165
Cash and cash equivalents at the beginning of the period	657,895,685	87,995,286
Cash and cash equivalents at the end of the period	493,153,184	612,507,451

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Stock Market Fund

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2018

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Stock Market Fund (the Fund) is an open ended Mutual Fund constituted under 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, Fifth and Sixth Supplemental Trust Deeds dated 21 June 2005, 24 July 2006, 29 October 2007, 6 March 2008, 4 December 2009 and 23 May 2017 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, Seventh, Eighth, Ninth and Tenth Supplements dated 21 June 2005, 24 July 2006, 29 October 2007, 6 March 2008, 4 December 2009, 14 October, 2013, 24 March 2015, 03 August 2015, 29 September 2016 and 2 June 2017 respectively, with the approval of the SECP. The registered office of AAML is situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.
- 1.2 The Fund has been categorised as an 'equity scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009. The Fund is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs. 500 per unit. Thereafter, the units are being offered to the public for subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.
- 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.
- 1.4 The Pakistan Credit Agency Limited (PACRA) has upgraded the asset manager rating of the Management Company to AM2+ (AM Two plus) on 22 December 2017.
- 1.5 Titles to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS FOR PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017, 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 the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2017.

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 2018.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at 31 March 2018 have been extracted from the annual published audited financial statements of the Fund for the year ended 30 June 2017, whereas, the comparatives in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the unaudited condensed interim financial statements of the Fund for the nine months ended 31 March 2017.

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3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES AND JUDGMENTS AND CHANGES THEREIN

Except for change in note 3.2 and 3.3, the accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended June 30, 2017.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in the application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future years if the revision affects both current and future periods.

3.1 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 2017.

3.2 Change in accounting policy - element of income/(loss) and capital gains/(losses) included in prices of units issued less those in units redeemed

The Securities and Exchange Commission of Pakistan through its SRO no. 756(I)/2017 dated August 03, 2017 has made certain amendments in the NBFC Regulations. The notification includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in Regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. Furthermore, the revised regulations also require certain additional disclosures with respect to 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', whereas disclosure with respect to 'Distribution Statement' has been deleted in the revised regulations.

Previously, an equalisation account called the 'element of income/(loss) and capital gains/(losses) included in prices of units issued less those in units redeemed' was created, in order to prevent the dilution of per unit income and distribution of income already paid out on redemption. The net element of income/(loss) and capital gains/(losses) relating to units issued and redeemed during the accounting period which pertained to unrealised appreciation/(diminution) held in the Unit Holder's Fund was recorded in a separate account and any amount remaining in this reserve account at the end of the accounting period (whether gain or loss) was included in the amount available for distribution to the unitholders. The remaining portion of the net element of income/(loss) and capital gains/(losses) relating to units issued and redeemed during an accounting period was recognised in the Income Statement.

As required by IAS 8: 'Accounting Policies, Changes in Accounting Estimates and Errors', a change in accounting policy requires retrospective application as if that policy had always been applied. However, the Management Company has applied the above changes in accounting policy, including the additional disclosures requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', prospectively from July 1, 2017 as required by SECP vide its SRO no. 756(I)/2017 dated August 03, 2017. Accordingly, corresponding figures have not been restated. The 'Distribution Statement' for the comparative period has not been presented as it has been deleted as a result of the amendments made in the NBFC Regulations the aforementioned SRO issued by the SECP.

Had the element of income been recognised as per the previous accounting policy, the income of the Fund would have been lower by Rs.16.85 million. However, the change in accounting policy does not have any impact on the 'condensed interim Cash Flow Statement', the 'net assets attributable to the unit holders' and 'net asset value per unit' as shown in the 'condensed interim Statement of Assets and Liabilities' and 'Statement of Movement in Unit Holders' Fund'. The change has resulted in inclusion of certain additional disclosures/new presentation requirements in the 'condensed interim Income Statement' and 'Statement of Movement in Unit Holders' Fund which have been incorporated in these statements.

Atlas Stock Market Fund

3.3 New/Revised Standards, Interpretations and Amendments

The Fund has adopted the following accounting standard and the amendments and interpretation of IFRSs which became effective for the current year:

IAS 7 Statement of Cash Flows - Disclosure Initiative - (Amendment)

IAS 12 Income Taxes - Recognition of Deferred Tax Assets for Unrealized losses (Amendments)

Improvements to Accounting Standards Issued by the IASB

IFRS 12 Disclosure of interests in Other Entities - Clarification of the scope of the disclosure Requirement

The adoption of the above amendments, improvements to accounting standards and interpretations did not have any effect on the financial statements.

	Note	31 March 2018 Un-audited	30 June 2017 Audited
Rupees -----			
4. CASH AND BANK BALANCES			
Balances with banks			
- in savings accounts	4.1	493,143,184	657,372,935
- in current account		10,000	22,750
Cheques in hand		-	500,000
		493,153,184	657,895,685

4.1 The rate of return on these accounts ranges between 6.00% and 6.65% (30 June 2017: 3.75% and 6.60%) per annum.

5. INVESTMENTS

At fair value through profit or loss - held for trading

- Investment in listed equity securities	5.1	5,143,996,190	5,141,997,098
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5.1 At fair value through profit or loss - Listed equity securities

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

Name of Investee Company	Number of shares					Rupees		Market value as a Percentage of		
	Note	As at 01 July 2017	Purchases during the period	Bonus/ right shares during the period	Sales during the period	As at 31 March 2018	Carrying Cost	Market Value	Total Investments	Net assets

5.1 Listed equity securities

INVESTMENT COMPANIES

Arif Habib Limited	550,000	-	-	103,500	446,500	35,903,065	22,262,490	0.43	0.39	0.81
						35,903,065	22,262,490	0.43	0.39	

COMMERCIAL BANKS

Allied Bank Limited	1,150,000	-	-	-	1,150,000	103,063,000	113,240,500	2.20	2.00	0.10	
Askari Bank Limited	500,000	3,164,500	-	-	3,664,500	75,498,935	83,990,340	1.63	1.48	0.29	
Bank Al Habib Limited	455,500	1,964,000	-	1,294,500	1,125,000	62,399,889	87,187,500	1.69	1.54	0.10	
Bank Alfalah Limited	7,181,000	936,500	-	3,617,500	4,500,000	179,919,613	237,735,000	4.62	4.20	0.28	
Faysal Bank Limited	-	1,314,500	83,625	1,314,500	83,625	1,665,620	2,206,028	0.04	0.04	0.01	
Habib Bank Limited	1,034,500	1,514,900	-	1,499,400	1,050,000	176,920,519	222,757,500	4.33	3.94	0.07	
Habib Metropolitan Bank Limited	-	3,750,000	-	-	3,750,000	147,025,355	160,912,500	3.13	2.84	0.36	
MCB Bank Limited	800,000	277,000	-	300,000	777,000	162,296,696	171,041,010	3.33	3.02	0.07	
Meezan Bank Limited	-	1,207,000	-	682,000	525,000	39,732,734	41,811,000	0.81	0.74	0.05	
The Bank of Punjab	-	10,625,000	-	1,620,000	9,005,000	85,810,507	88,969,400	1.73	1.57	0.34	
United Bank Limited	5.3	1,664,000	755,700	-	1,319,700	1,100,000	236,162,061	229,779,000	4.47	4.06	0.09
						1,270,494,928	1,439,629,778	27.99	25.44		

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Name of Investee Company	Note	Number of shares				Rupees		Market value as a Percentage of		
		As at 01 July 2017	Purchases during the period	Bonus/ right shares during the period	Sales during the period	As at 31 March 2018	Carrying Cost	Market Value	Total Investments	Net assets

5.1 Listed equity securities (Continued...)

INSURANCE

Adamjee Insurance Company Limited	485,000	257,500	-	-	742,500	47,832,005	43,065,000	0.84	0.76	0.21
EFU Life Assurance Limited	1,000	23,500	-	1,000	23,500	6,211,127	6,098,250	0.12	0.11	0.02
						54,043,132	49,163,250	0.96	0.87	

TEXTILE SPINNING

Gadoon Textile Mills Limited	-	50,000	-	-	50,000	11,435,747	11,889,000	0.23	0.21	0.18
						11,435,747	11,889,000	0.23	0.21	

TEXTILE COMPOSITE

Gul Ahmed Textile Mills Limited	19,500	164,000	-	183,500	-	-	-	-	-	-
Kohinoor Textile Mills Limited	-	590,000	-	384,200	205,800	12,466,866	14,478,030	0.28	0.26	0.07
Nishat (Chunian) Limited	1,900,000	1,872,000	-	2,571,000	1,201,000	62,095,955	62,127,730	1.21	1.10	0.50
Nishat Mills Limited	700,000	325,000	-	384,100	640,900	100,168,022	101,832,601	1.98	1.80	0.18
						174,730,843	178,438,361	3.47	3.15	

CEMENT

Cherat Cement Company Limited	250,000	-	-	250,000	-	-	-	-	-	-
D.G. Khan Cement Company Limited	520,000	503,900	-	120,000	903,900	154,829,436	147,435,129	2.87	2.61	0.21
Fauji Cement Company Limited	2,935,500	-	-	2,935,500	-	-	-	-	-	-
Kohat Cement Company Limited	538,000	262,000	-	771,000	29,000	6,164,672	4,654,210	0.09	0.08	0.02
Lucky Cement Limited	270,000	91,600	-	12,000	349,600	265,631,408	241,091,152	4.69	4.26	0.11
Pioneer Cement Limited	545,000	50,000	-	180,000	415,000	53,299,989	29,066,600	0.57	0.51	0.18
						479,925,505	422,247,091	8.21	7.46	

REFINERY

Attock Refinery Limited	-	100,000	-	100,000	-	-	-	-	-	-
National Refinery Limited	47,500	-	-	47,500	-	-	-	-	-	-

POWER GENERATION & DISTRIBUTION

K-Electric Limited										
(Face Value Of Rs.3.5 Per Share)	3,000,000	5,000,000	-	3,250,000	4,750,000	32,936,205	33,297,500	0.65	0.59	0.02
Lalpir Power Limited	-	300,000	-	-	300,000	6,600,000	6,372,000	0.12	0.11	0.08
Nishat Power Limited	2,781,000	560,500	-	3,341,500	-	-	-	-	-	-
Pakgen Power Limited	-	3,400,000	-	-	3,400,000	74,383,635	72,352,000	1.41	1.28	0.91
The Hub Power Company Limited	1,365,000	1,167,000	-	100,000	2,432,000	273,237,620	244,416,000	4.75	4.32	0.21
						387,157,460	356,437,500	6.93	6.30	

OIL & GAS MARKETING COMPANIES

Attock Petroleum Limited	-	9,950	-	9,950	-	-	-	-	-	-
Pakistan State Oil Company Limited	293,500	875,800	34,700	451,500	752,500	225,881,985	241,921,225	4.70	4.28	0.23
Sui Northern Gas Pipelines Limited	1,350,000	400,200	-	1,100,000	650,200	88,224,493	73,284,042	1.42	1.30	0.10
Sui Southern Gas Company Limited	675,000	150,000	-	825,000	-	-	-	-	-	-
						314,106,478	315,205,267	6.13	5.57	

Atlas Stock Market Fund

Name of Investee Company	Note	Number of shares				Rupees		Market value as a Percentage of		
		As at 01 July 2017	Purchases during the period	Bonus/ right shares during the period	Sales during the period	As at 31 March 2018	Carrying Cost	Market Value	Total Investments	Net assets

5.1 Listed equity securities (Continued...)

OIL & GAS EXPLORATION COMPANIES

Mari Petroleum Company Limited		150,150	23,500	-	18,650	155,000	243,053,222	229,486,800	4.46	4.06	0.14
Oil & Gas Development Company Limited		987,700	1,045,000	-	557,700	1,475,000	216,903,040	256,768,000	4.99	4.54	0.03
Pakistan Oilfields Limited		346,800	203,300	-	69,600	480,500	242,282,657	312,594,080	6.08	5.52	0.20
Pakistan Petroleum Limited	5.3	949,200	511,000	-	200,000	1,260,200	218,633,484	268,220,968	5.21	4.74	0.06
							920,872,403	1,067,069,848	20.74	18.86	

INDUSTRIAL ENGINEERING

International Industries Limited		434,500	292,700	-	367,200	360,000	114,235,398	102,384,000	1.99	1.81	0.30
International Steels Limited		200,000	735,100	-	835,100	100,000	11,999,605	11,591,000	0.23	0.20	0.02
Mughal Iron And Steel Industries Limited		5,225	210,000	-	-	215,225	16,061,399	15,797,515	0.31	0.28	0.09
							142,296,403	129,772,515	2.52	2.29	

AUTOMOBILE ASSEMBLER

Indus Motor Company Limited		61,480	-	-	31,660	29,820	53,485,152	51,953,895	1.01	0.92	0.04
Millat Tractors Limited		18,500	-	-	18,500	-	-	-	-	-	-
							53,485,152	51,953,895	1.01	0.92	

AUTOMOBILE PARTS & ACCESSORIES

Agriauto Industries Limited (Face Value Of Rs.5 Per Share)		-	70,200	-	200	70,000	22,678,681	22,050,000	0.43	0.39	0.24
Thal Limited (Face Value Of Rs.5 Per Share)		70,000	45,000	-	10,100	104,900	60,177,874	54,091,685	1.05	0.96	0.13
The General Tyre & Rubber Company Of Pakistan Limited		-	228,800	-	124,300	104,500	20,001,592	20,029,515	0.39	0.35	0.17
							102,858,147	96,171,200	1.87	1.70	

CABLES & ELECTRICAL GOODS

Pak Elektron Limited		550,000	950,000	-	1,500,000	-	-	-	-	-	-

TRANSPORT

Pakistan International Bulk Terminal Limited		-	2,000,000	-	-	2,000,000	43,570,020	35,840,000	0.70	0.63	0.13
							43,570,020	35,840,000	0.70	0.63	

TECHNOLOGY & COMMUNICATIONS

Hum Network Limited (Face Value Of Re.1 Per Share)		9,558,500	4,941,500	-	1,445,000	13,055,000	144,752,525	124,022,500	2.41	2.19	1.38
Pakistan Telecommunication Company Limited		-	500,000	-	500,000	-	-	-	-	-	-
Systems Limited		-	298,000	-	298,000	-	-	-	-	-	-
							144,752,525	124,022,500	2.41	2.19	

FERTILIZER

Dawood Hercules Corporation Limited		1,100	107,000	-	108,100	-	-	-	-	-	-
Engro Corporation Limited		700,000	690,000	-	625,000	765,000	224,757,233	236,882,250	4.61	4.19	0.15
Engro Fertilizers Limited	5.3	5,350,000	575,000	-	1,301,000	4,624,000	261,676,558	319,472,160	6.21	5.65	0.35
Fauji Fertilizer Bin Qasim Limited		-	500,000	-	500,000	-	-	-	-	-	-
Fauji Fertilizer Company Limited		1,300,000	2,601,500	-	2,601,500	1,300,000	111,682,740	122,265,000	2.38	2.16	0.06
							598,116,532	678,619,410	13.19	11.99	

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Name of Investee Company	Note	Number of shares				Rupees		Market value as a Percentage of		
		As at 01 July 2017	Purchases during the period	Bonus/ right shares during the period	Sales during the period	As at 31 March 2018	Carrying Cost	Market Value	Total Investments	Net assets
5.1 Listed equity securities (Continued...)										
PHARMACEUTICALS										
Abbott Laboratories (Pakistan) Limited		60,550	-	-	60,550	-	-	-	-	-
Ferozsons Laboratories Limited		-	50,000	-	50,000	-	-	-	-	-
Glaxosmithkline Pakistan Limited		245,000	-	-	245,000	-	-	-	-	-
The Searle Company Limited	5.4	300	93,700	60	-	94,060	30,890,211	33,072,437	0.64	0.58
							30,890,211	33,072,437	0.64	0.58
CHEMICALS										
Archroma Pakistan Limited		30,000	-	-	30,000	-	-	-	-	-
Engro Polymer & Chemicals Limited		2,000,000	2,050,000	-	4,050,000	-	-	-	-	-
ICI Pakistan Limited		-	15,000	-	15,000	-	-	-	-	-
Ittehad Chemicals Limited		-	300,000	-	300,000	-	-	-	-	-
Lotte Chemical Pakistan Limited		2,650,000	550,000	-	3,200,000	-	-	-	-	-
Sitara Chemical Industries Limited		40,000	-	-	40,000	-	-	-	-	-
							-	-	-	-
PAPER & BOARD										
Packages Limited		-	100,300	-	10,850	89,450	57,611,386	52,652,059	1.02	0.93
							57,611,386	52,652,059	1.02	0.93
LEATHER & TANNERIES										
Service Industries Limited		-	60	-	60	-	-	-	-	-
							-	-	-	-
FOODS & PERSONAL CARE PRODUCTS										
Al Shaheer Corporation Limited	5.4	16,937	900,000	-	-	916,937	26,878,888	28,076,611	0.55	0.50
Engro Foods Limited		-	212,900	-	212,900	-	-	-	-	-
Matco Foods Limited		-	1,884,329	-	1,884,000	329	8,554	12,979	0.00	0.00
Murree Brewery Company Limited		26,600	-	-	26,600	-	-	-	-	-
Nestle Pakistan Limited		5,500	-	-	5,500	-	-	-	-	-
Rafhan Maize Products Company Limited		6,200	-	-	-	6,200	42,470,000	51,460,000	1.00	0.91
							69,357,442	79,549,590	1.55	1.41
GLASS & CERAMICS										
Tariq Glass Industries Limited		-	147,600	-	147,600	-	-	-	-	-
							-	-	-	-
MISCELLANEOUS										
Tri-Pack Films Limited		-	12,500	-	12,500	-	-	-	-	-
							-	-	-	-
							4,891,607,379	5,143,996,190	100.00	90.91

5.2 The cost of listed equity securities as at 31 March 2018 is Rs.4,730,249,970 (30 June 2017: Rs.4,755,964,715).

Atlas Stock Market Fund

- 5.3 The above investments include following shares which have been pledged with the National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular no. 11 dated October 23, 2007 issued by the SECP:

Name of Investee Company	Number of shares		Market value	
	31 March 2018	30 June 2017	31 March 2018	30 June 2017
	Un-audited	Audited	Un-audited	Audited
	----- Rupees -----			
Engro Fertilizers Limited	425,000	425,000	29,363,250	23,477,000
United Bank Limited	100,000	100,000	20,889,000	23,552,000
Pakistan Petroleum Limited	297,000	297,000	63,213,480	43,997,580
	822,000	822,000	113,465,730	91,026,580

- 5.4 The investment in equity securities include the bonus shares having market value of Rs.1.13 million withheld by the investee companies, as issuance of bonus shares has been made taxable through Finance Act, 2014.

The management of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, have filed various petitions in Honorable Sindh High Court challenging the levy of withholding of income tax on Bonus shares received by mutual funds based on the principle that exemption is already given to mutual funds under clause 99 of Part I and clause 47B of Part IV of the Second Schedule of the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay orders while the matter is still pending adjudication.

Note	31 March 2018	30 June 2017
	Un-audited	Audited
	----- Rupees -----	

6. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Security deposits with:

- National Clearing Company of Pakistan Limited (NCCPL)		2,500,000	2,500,000
- Central Depository Company of Pakistan Limited (CDC)		100,000	100,000
Prepayments		88,750	1,181,732
Advances and other receivables	6.1	10,910,195	10,910,195
		13,598,945	14,691,927

- 6.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under sections 150 and 151. However, during the year ended 30 June 2017, several companies (including banks) deducted withholding tax on dividend and profit on bank deposits paid to the Fund based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholders. The amount of tax withheld during the year on dividend and profit on bank deposits aggregates to Rs.10.269 million (June 30, 2017: Rs.10.269 million) and Rs 0.641 million (June 30, 2017: Rs. 0.641 million) respectively.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted from dividend and profit received on bank deposits by the Fund has been shown as other receivables as at 31 March 2018 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

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		31 March 2018	30 June 2017
	Note	Un-audited	Audited
		Rupees -----	
7. PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)			
Remuneration of the Management Company	7.1	9,573,891	9,497,182
Sindh Sales Tax payable on remuneration of the Management Company	7.2	4,213,652	4,203,679
Federal Excise Duty payable on remuneration of the Management Company	7.3	20,301,988	20,301,988
Accounting and operational charges reimbursable by the Fund	10	1,215,532	474,859
Sindh Sales Tax payable on accounting and operational charges		-	37,988
		35,305,063	34,515,696

7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company is entitled to receive a remuneration at the rate not exceeding 2% of the average annual net assets incase of equity schemes. Previously, the Management Company was 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. Accordingly, the Management Company has charged its remuneration at the rate of 2% (2017: 2%) per annum of the average net assets for the period. The fee is payable to the Management Company monthly in arrears.

7.2 During the period, an amount of Rs. 10,372,606 (2017: Rs. 10,053,730) 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 of Rs. 10,362,633 (2017: Rs. 9,615,133) has been paid to the Management Company which acts as a collecting agent.

7.3 The Finance Act, 2013 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 7.2, the Management Company was of the view that further levy of FED was 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.

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made for the period from 13 June 2013 till 30 June 2016 amounting to Rs 20.302 million (30 June 2017: Rs 20.302 million) is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been recorded in the condensed interim financial statements of the Fund, the net asset value of the Fund as at 31 March 2018 would have been higher by Rs. 2.36 (30 June 2017: Rs 2.45) per unit.

Atlas Stock Market Fund

		31 March 2018 Un-audited	30 June 2017 Audited
	Note	Rupees	
8. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		261,809	395,901
Printing charges payable		96,893	130,091
NCCPL charges payable		30,000	69,500
Withholding and capital gain tax payable		1,582,104	1,546,594
Transaction charges payable		1,256,437	1,473,492
Legal and professional charges payable		-	100,000
Zakat payable		118,236	9,428
Selling and marketing fee payable		37,500	-
Provision for Sindh Workers' Welfare Fund	8.1	40,088,170	38,835,533
		43,471,149	42,560,539

8.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs.0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. However, it may be stated that under companies Act, 2017 mutual funds are explicitly excluded from the definition of financial institution. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs/mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/ mutual funds, the MUFAP recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in these condensed interim financial statements of the Fund, the net asset value of the Fund as at 31 March 2018 would have been higher by Rs.4.65 per unit (30 June 2017: Rs.4.68 per unit).

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 March 2018 and 30 June 2017.

10. ACCOUNTING AND OPERATIONAL CHARGES

In accordance with the provisions of the NBFC Regulations, 2008 (amended vide S.R.O 1160(I)/2015 dated 25 November 2015), the Management Company of the Fund is entitled to reimbursement of fees and expenses in relation to registrar services, accounting, operation and valuation services related to the Fund upto a maximum of 0.1% of the average annual net assets of the Scheme or actual whichever is less. Accordingly, the Management Company has charged accounting and operational charges to the Fund in respect of the back office accounting function to an independent service provider.

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11. SELLING AND MARKETING CHARGES

In connection with Regulation 60(3)(v) of the NBFC Regulations, SECP has issued Circular No.40 of 2016 dated December 30, 2016 (later amended vide Circular No. 05 of 2017 dated February 13, 2017) whereby it has prescribed certain conditions on Asset Management Companies (AMCs) for charging selling and marketing expenses to collective investment schemes (CISs). In accordance with the provisions contained in these circulars, selling and marketing expenses will be allowed initially for a period of three years (from 1 January 2017 till 31 December 2019) to be charged to open end equity, asset allocation and index funds upto a maximum of 0.4% per annum of net assets of the fund or actual expenses, whichever is less.

Keeping in view the aforementioned Circular provided by the SECP, the Board of Directors of the Management Company have approved the plan in April 2017, as required by the said circular and have approved selling and marketing expenses to be charged to the Fund.

The management has also carried out an exercise to identify expenses of the Management Company (on the basis of criteria mentioned in the above circular and approved plan) that can be charged to the Fund. However, the Board of Directors in its 89th BoD meeting held on February 28, 2018 approved the discontinuation of the said sales plan. Therefore, as the actual expenses incurred by the Management Company that are allowable to be allocated to the Fund till February 28, 2018 are lower than 0.4% per annum of net assets of the Fund. Accordingly, with effect from 1 July 2017 till February 28, 2018, the Management Company has charged expenses in the Fund on the actual basis being lower than the allowed limit.

12. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 March 2018 is 2.85% (30 June 2017: 3.63%) which includes 0.44% (30 June 2017: 1.10%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4% prescribed under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

13. TAXATION

13.1 The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. The management 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 in respect of taxation has been made in these condensed interim financial statements.

14. EARNINGS PER UNIT

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

15. TRANSACTIONS WITH CONNECTED PERSONS/OTHER RELATED PARTIES

Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

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

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

Atlas Stock Market Fund

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

For the Nine Months ended

	31 March 2018	31 March 2017
	Un-audited	Un-audited
	----- Rupees -----	

15.1 Transactions during the period

Atlas Asset Management Limited (Management Company)

Remuneration of the Management Company	79,789,280	77,336,388
Sindh Sales Tax on remuneration of the Management Company	10,372,606	10,053,730
Remuneration paid	79,712,571	73,458,359
Accounting and operational charges	3,858,886	3,799,097
Sindh Sales Tax on accounting and operational charges	-	303,928
Issue of 30,389 (2017: 1,514) units	16,885,350	754,525
Redemption of 25,139 (2017: 25,540) units	15,000,000	17,500,000
Cash dividend declared	2,154,686	-

Central Depository Company of Pakistan Limited (Trustee)

Remuneration of the Trustee	4,740,149	4,617,505
Sindh Sales Tax on remuneration of the Trustee	616,219	600,276
Remuneration paid	4,733,574	4,420,638
Settlement charges	265,135	498,525
Sindh Sales Tax on settlement charges	34,468	64,809

Atlas Battery Limited (Group Company)

Issue of 447 (2017: 182,652) units	243,745	102,163,165
Redemption of Nil (2017: 744,132) units	-	450,594,691

Atlas Foundation (Group Company)

Issue of 37,095 (2017: 261,129) units	22,625,993	139,810,975
Redemption of 53,809 (2017: Nil) units	35,000,000	-
Cash dividend declared	13,286,849	-

Atlas Group of Companies Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)

Issue of 4,457 (2017: 55,455) units	2,905,010	30,691,061
Redemption of 90,834 (2017: Nil) units	50,366,164	-
Cash dividend declared	2,905,010	-

Atlas Insurance Limited (Group Company)

Issue of 1,095,454 (2017: 697,877) units	648,347,588	415,751,342
Redemption of 1,231,340 (2017: 566,013) units	737,307,736	343,583,170
Cash dividend declared	7,532,580	-

Atlas Metals (Private) Limited (Group Company)

Issue of Nil (2017: 114) units	-	56,911
Redemption of Nil (2017: 12,761) Units	-	8,519,273

Atlas Honda Limited (Group Company)

Issue of 85,924 (2017: 1,977) units	53,362,659	985,375
Cash dividend declared	3,843,039	-

Third Quarter Report 2017-18

	For the Nine Months ended	
	31 March 2018 Un-audited Note	31 March 2017 Un-audited Rupees
15.1 Transactions during the period (Continued...)		
Atlas Insurance Limited - Staff Provident Fund Trust (Retirement Benefit plan of a Group Company)		
Issue of 602 (2017: 260) units	392,579	129,560
Cash dividend declared	392,579	-
Atlas Engineering Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Issue of 372 (2017: 161) units	242,547	80,046
Cash dividend declared	242,547	-
Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund (Retirement Benefit plan of a Group Company)		
Issue of 706 (2017: 18,585) units	460,318	10,060,513
Cash dividend declared	460,318	-
Atlas Honda Limited - Non Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)		
Issue of 490 (2017: 226) units	319,514	112,715
Redemption of Nil (2017: 1,468) units	-	1,000,000
Cash dividend declared	319,514	-
Atlas Honda Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Issue of 2,385 (2017: 22,987) units	1,554,551	15,403,249
Cash dividend declared	1,554,551	-
Shirazi Capital (Private) Limited (Group Company)		
Issue of Nil (2017: 5,457) units	-	2,719,838
Redemption of Nil (2017: 609,865) units	-	371,413,952
Shirazi Investments (Private) Limited-Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Issue of 11,520 (2017: 1,126) units	6,772,885	633,172
Redemption of 27,826 (2017: 5,125) units	17,600,000	3,544,520
Cash dividend declared	572,885	-
Shirazi Investments (Private) Limited (Group Company)		
Issue of 683,422 (2017: 632,369) units	411,015,091	382,630,608
Cash dividend declared	46,874,390	-
Batool Benefit Trust (Trust having common Director/Trustee)		
Issue of 21,663 (2017: 1,686) units	12,473,183	840,362
Cash dividend declared	2,826,495	-
National Clearing Company of Pakistan Limited		
Issue of 690 (2017: Nil) units	450,034	-
Cash dividend declared	514,324	-
Directors and their close family members and key management personnel of the Management Company 15.3		
Issue 50,062 (2017: 27,967) units	30,924,653	14,900,129
Redemption of 96,007 (2017: Nil) units	61,971,422	-
Cash dividend declared	12,899,301	-

Atlas Stock Market Fund

	31 March 2018	30 June 2017
	Un-audited	Audited
	----- Rupees -----	

15.2 Details of balances with related parties as at the period/year end are as follows:

Atlas Asset Management Limited (Management Company)

Remuneration payable to the Management Company	9,573,891	9,497,182
Sindh Sales tax payable on remuneration of the Management Company	4,213,652	4,203,679
Federal Excise Duty payable on remuneration of the Management Company	20,301,988	20,301,988
Accounting and operational charges payable	1,215,532	474,859
Sindh Sales Tax payable on operational charges	-	37,988
Outstanding 148,895 (30 June 2017: 143,646) units - at net asset value	97,824,188	95,785,846

Central Depository Company of Pakistan Limited (Trustee)

Trustee fee payable	563,626	557,051
Sindh Sales tax payable on remuneration of trustee	73,271	72,417
Settlement charges payable	3,000	48,000
Sindh Sales tax payable on settlement charges	390	6,240

Atlas Battery Limited (Group Company)

Outstanding 447 (30 June 2017: Nil) units - at net asset value	293,551	-
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Atlas Honda Limited (Group Company)

Outstanding 342,127 (30 June 2017: 256,203) units - at net asset value	224,777,118	170,841,037
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Atlas Insurance Limited (Group Company)

Outstanding 366,285 (30 June 2017: 502,172) units - at net asset value	240,649,473	334,858,311
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Atlas Insurance Limited - Staff Provident Fund Trust (Retirement Benefit plan of a Group Company)

Outstanding 26,774 (30 June 2017: 26,172) units - at net asset value	17,590,673	17,451,983
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Atlas Foundation (Group Company)

Outstanding 869,076 (30 June 2017: 885,790) units - at net asset value	570,982,696	590,662,463
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Atlas Group of Companies Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)

Outstanding 107,281 (30 June 2017: 193,667) units - at net asset value	70,483,579	129,141,242
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Atlas Honda Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)

Outstanding 106,022 (2016: 103,637) units - at net asset value	69,656,249	69,107,057
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Atlas Honda Limited - Non Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)

Outstanding 21,791 (30 June 2017: 21,301) units - at net asset value	14,316,776	14,203,897
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Atlas Engineering Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)

Outstanding 16,542 (30 June 2017: 16,170) units - at net asset value	10,868,021	10,782,334
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Batools Benefit Trust (Trust having common Director/Trustee)

Outstanding 210,096 (30 June 2017: 188,433) units - at net asset value	138,033,003	125,650,888
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Third Quarter Report 2017-18

	31 March 2018 Un-audited	30 June 2017 Audited
Note	----- Rupees -----	----- Rupees -----

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

Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund

(Retirement Benefit plan of a Group Company)

Outstanding 31,394 (30 June 2017: 30,688) units - at net asset value	20,625,922	20,463,301
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Shirazi Investments (Private) Limited - Employees Provident Fund

(Retirement Benefit plan of a Group Company)

Outstanding 21,886 (30 June 2017: 38,192) units - at net asset value	14,379,338	25,467,422
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Shirazi Investments (Private) Limited (Group Company)

Outstanding 3,808,381 (30 June 2017: 3,124,959) units - at net asset value	2,502,106,229	2,083,785,373
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National Clearing Company of Pakistan Limited

Outstanding 34,979 (30 June 2017: 3,124,959) units - at net asset value	22,980,998	22,864,098
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Directors and their close family members and key management personnel of the Management Company 15.3

Outstanding 636,324 (30 June 2017: 682,238) units - at net asset value	418,064,945	454,929,471
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15.3 For the purpose of this disclosure, transactions by the Board of Directors, and key management personnel falling within the scope of "executive" under the Listing Companies (Code of Corporate Governance) Regulations, 2017 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 2017-18. However, as per SECP clarification vide letter no. SCD/RS/MUFAP/346/2018 dated April 18, 2018 that open-end collective Investment Schemes (CIS) as well as unlisted Asset Management Companies, managing such CISs, are exempted from the requirement of the new Listing Companies (Code of Corporate Governance) Regulations, 2017.

16. FAIR VALUE MEASUREMENT

Fair value is the amount for which an asset could be exchanged, or liability can be settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and the fair value estimates.

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

The fair values of listed equity securities quoted on the stock exchange are valued at the closing prices determined by such exchange. The fair value of all other financial assets and financial liabilities of the Fund approximate their carrying amounts due to short-term maturities of these instruments.

Fair value hierarchy

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

- Level 1: Quoted price (unadjusted) in an active market for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at 31 March 2018 and 30 June 2017, the Fund had financial assets at fair value through profit or loss measured using the level 1 valuation technique.

Atlas Stock Market Fund

17. GENERAL

- 17.1 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation. No significant rearrangements or reclassifications have been made in these condensed interim financial statements during the current period.
- 17.2 Figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the quarters ended 31 March 2018 and 31 March 2017 have not been subjected to limited scope review by the statutory auditors of the Fund.
- 17.3 Figures have been rounded off to the nearest Rupee unless otherwise stated.

18. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 27 April 2018.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

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






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