



Atlas Sovereign Fund

Atlas Money Market Fund

Atlas Income Fund

Atlas Stock Market Fund

THIRD QUARTER REPORT

31 MARCH 2019

(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.

CONTENTS

ORGANISATION	2
CHAIRMAN'S REVIEW	3
ATLAS SOVEREIGN FUND	
CORPORATE INFORMATION	6
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	7
CONDENSED INTERIM INCOME STATEMENT	8
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	9
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	10
CONDENSED INTERIM CASH FLOW STATEMENT	11
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT	12
ATLAS MONEY MARKET FUND	
CORPORATE INFORMATION	21
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	22
CONDENSED INTERIM INCOME STATEMENT	23
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	24
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	25
CONDENSED INTERIM CASH FLOW STATEMENT	26
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENT	27
ATLAS INCOME FUND	
CORPORATE INFORMATION	36
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	37
CONDENSED INTERIM INCOME STATEMENT	38
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	39
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	40
CONDENSED INTERIM CASH FLOW STATEMENT	41
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS	42
ATLAS STOCK MARKET FUND	
CORPORATE INFORMATION	56
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	57
CONDENSED INTERIM INCOME STATEMENT	58
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	59
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	60
CONDENSED INTERIM CASH FLOW STATEMENT	61
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS	62

Atlas Funds

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

Chief Executive Officer Mr. Muhammad Abdul Samad
(Executive Director)

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

Chairman	Mr. Frahim Ali Khan
Members	Mr. Ali H. Shirazi Mr. Muhammad Abdul Samad
Secretary	Ms Zainab Kazim

Investment Committee

Chairman	Mr. Muhammad 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. Muhammad 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. Muhammad Abdul Samad
Members	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

The Above information is as at 22 April 2019

Third Quarter Report 2018-19

CHAIRMAN'S REVIEWS

It is my pleasure to present to you the un-audited financial statements of Atlas Sovereign Fund (ASF), Atlas Money Market Fund (AMF), Atlas Income Fund (AIF) and Atlas Stock Market Fund (ASMF) for the nine months period ended March 31, 2019 of the FY 2018-19.

THE ECONOMY

During the period Jul - Feb FY19, current account deficit was recorded at US\$ 8.84 billion as compared to US\$ 11.42 billion in the same period last year. The decline in current account deficit was mainly due to decline in imports. During the period Jul -Mar FY19, total imports stood at US\$ 40.76 billion as compared to US\$ 44.28 billion in corresponding period of the previous year. Whereas, total exports stood at US\$ 17.08 billion as compared to US\$ 17.06 billion reported in the same period last year. The foreign exchange reserves of the country stood at US\$ 17.40 billion as on March 29, 2019 with SBP's share of US\$ 10.49 billion in the total liquid foreign exchange reserves. Workers' remittances for the period July-Mar FY19 stood at US\$ 16.10 billion, which was an increase of 8.74% YoY compared to the corresponding period last year. The CPI inflation for the month of March'19 was recorded at 9.4%. The SBP in its latest monetary policy statement dated March 29, 2019 has decided to increase the policy rate by 50 bps to 10.75 percent. This is a cumulative 500 bps increase in interest rates since January, 2018.

FUND OPERATIONS - ASF

The Net Asset Value per unit of ASF increased by 6.03% to Rs. 102.22 as on March 31, 2019, providing an annualized total return of 8.03%. The ASF's total exposure in Treasury Bills stood at 34.19%, 32.15% in PIBs and 32.75% in short term deposits with banks/ cash. ASF presents a good investment opportunity for investors to earn attractive returns with medium term investment horizon. The Net Assets of the Fund stood at Rs. 419.22 million, with 4.10 million units outstanding as of March 31, 2019.

The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Sovereign Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited on January 18, 2019 has approved an interim distribution of Rs. 4.00 per unit (4.00% on the face value of Rs. 100 per unit) for the period from July 01, 2018 to January 17, 2019.

FUND OPERATIONS - AMF

The Net Asset Value per unit of AMF increased by 6.20% to Rs. 504.85 as on March 31, 2019, thus providing an annualized total return of 8.26%. The AMF's total exposure was 99.14% in short term deposits with banks/cash. AMF presents a good investment opportunity for investors to earn attractive returns while maintaining high liquidity with low risk. The Net Assets of the Fund stood at Rs. 13.73 billion, with 27.19 million units outstanding as of March 31, 2019.

The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Money Market Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited has approved an interim distribution of Rs. 32.15 per unit (6.43% on the face value of Rs. 500 per unit) for the period from July 01, 2018 to April 12, 2019.

FUND OPERATIONS - AIF

The Net Asset Value per unit of AIF increased by 5.63% to Rs. 523.50 as on March 31, 2019, this works out to 7.50% on an annualized basis. AIF's current asset allocation is 6.60% in Treasury bills, 26.24% in Term Finance Certificates /Sukuk, 1.49% in Margin Trading System, 12.78% in PIBs and 51.85% in short term deposits with banks / cash. AIF presents a good investment opportunity for investors to earn attractive returns with medium term investment horizon. The Net Assets of the Fund stood at Rs. 3.66 billion with 7.00 million units outstanding as of March 31, 2019.

The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Income Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited on January 18, 2019 has approved an interim distribution of Rs.18.00 per unit (3.60% on the face value of Rs. 500 per unit) for the period from July 01, 2018 to January 17, 2019.

Atlas Funds

FUND OPERATIONS - ASMF

The Net Asset Value per unit of ASMF decreased by 6.48% to Rs. 580.62 as on March 31, 2019. The benchmark KSE-100 index decreased by 7.78% during the same period. The KSE-100 decreased from 41,910.90 points as on June 30, 2018 to 38,649.34 points as on March 31, 2019. ASMF's equity portfolio exposure was mainly in Commercial Banks, Oil & Gas Exploration, Fertilizers and Cement 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. 5.70 billion, with 9.82 million units outstanding as of March 31, 2019.

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.

Third Quarter Report 2018-19

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 - ASF

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

FUTURE OUTLOOK

The recent policy measures that mainly includes monetary tightening, exchange rate adjustments and incentives to increase exports would help in overcoming economic challenges. The significant decrease in the current account deficit driven by lower imports and gradual rise in exports on the back of export-friendly policies bode well in easing pressure on external account. Financial assistance package given by UAE and Saudi Arabia has supported foreign exchange reserves buildup. Moreover, Saudi Arabia has also pledged US\$ 20 billion worth of investments over medium term mainly in energy sector. On the fiscal side, policy measures to enhance revenue collections, reduce public sector development programme (PSDP) expenditure, curtailment of circular debt and rationalization of energy prices are imperative. To further improve external position sustainable foreign inflows from both private and official sources including CPEC are required.

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

ع تجھ کو اگر کچھ نہیں کہنا ہے مجھ کو ہی کچھ کہنے دو

ACKNOWLEDGEMENT

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

Karachi: 29 April 2019

Yusuf H. Shirazi
Chairman

ATLAS SOVEREIGN 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
Habib Bank Limited
Faysal Bank Limited
MCB Bank Limited
Zarai Taraqiati Bank Limited

Third Quarter Report 2018-19

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)

AS AT 31 MARCH 2019

		31 March 2019	30 June 2018
		Un-audited	Audited
	Note	-----Rupees-----	
ASSETS			
Bank balances	4	146,813,984	267,945,874
Investments	5	297,408,809	92,878,298
Profit receivable		3,555,449	232,155
Prepayment and other receivables		470,211	453,482
Deferred formation cost		64,821	260,000
Total assets		448,313,274	361,769,809
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	6	1,548,099	1,735,345
Payable to the Central Depository Company of Pakistan Limited - Trustee		68,096	49,789
Payable to the Securities and Exchange Commission of Pakistan		205,906	224,555
Payable against redemption of units		25,438,885	-
Accrued expenses and other liabilities	7	1,828,307	1,563,353
Total liabilities		29,089,293	3,573,042
NET ASSETS		419,223,981	358,196,767
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		419,223,981	358,196,767
CONTINGENCIES AND COMMITMENTS			
	9	-----Number of units-----	
NUMBER OF UNITS IN ISSUE		4,101,152	3,411,400
		-----Rupees-----	
NET ASSET VALUE PER UNIT		102.22	105.00

The annexed notes from 1 to 17 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 FUND

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2019

	Note	For the Nine Month Ended 31 March		For the Quarter Ended 31 March	
		2019	2018	2019	2018
-----Rupees-----					
INCOME					
Interest income	10	23,862,347	12,981,826	9,355,652	5,290,922
Capital (loss) / gain on sale of investments - net		(233,266)	(128,239)	107,389	(114,879)
Net unrealise appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		1,081,609	(1,218)	1,081,119	4,903
		848,343	(129,457)	1,188,508	(109,976)
Total income		24,710,690	12,852,369	10,544,160	5,180,946
EXPENSES					
Remuneration of Atlas Asset Management Limited Management Company	6.1	1,293,049	947,978	485,596	385,132
Sindh Sales Tax on remuneration of Management Company	6.2	168,096	123,237	63,127	50,067
Remuneration of Central Depository Company of Pakistan Limited - Trustee		430,689	315,987	161,538	128,372
Sindh Sales Tax on remuneration of Trustee		55,990	41,078	21,000	16,688
Annual fees to the Securities & Exchange Commission of Pakistan		205,906	157,993	71,331	64,186
Accounting and operational charges	8	271,176	112,723	91,742	85,586
Annual rating fee		236,002	205,282	67,428	67,552
Annual listing fee		19,143	19,143	6,287	6,147
Securities transaction cost		519	11,123	519	9,709
Auditors' remuneration		83,286	194,362	61,491	69,713
Printing charges		(1,757)	14,689	(2,893)	2,579
Legal and professional charges		84,254	102,920	28,080	41,669
Amortisation of formation cost		195,178	195,178	64,110	64,109
Bank charges		13,297	7,634	6,460	1,202
Provision for Sindh Workers' Welfare Fund	7.1	433,117	208,061	188,367	83,765
		3,487,945	2,657,388	1,314,183	1,076,476
Net income for the period before taxation		21,222,745	10,194,981	9,229,977	4,104,470
Taxation	12	-	-	-	-
Net income for the period after taxation		21,222,745	10,194,981	9,229,977	4,104,470
Earning per unit	13				
Allocation of net income for the period:					
Net income for the period after taxation		21,222,745	10,194,981	9,229,977	4,104,470
Income already paid on units redeemed		(4,217,829)	(75,928)	(1,032,955)	(53,840)
		17,004,916	10,119,053	8,197,022	4,050,630
Accounting income available for distribution:					
-Relating to capital gains		1,081,609	-	1,081,119	-
-Excluding capital gains		15,923,307	10,119,053	7,115,903	4,050,630
		17,004,916	10,119,053	8,197,022	4,050,630

The annexed notes from 1 to 17 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 2018-19

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2019

	For the Nine Months Ended 31 March		For the Quarter Ended 31 March	
	2019	2018	2019	2018
	-----Rupees-----			
Net income for the period after taxation	21,222,745	10,194,981	9,229,977	4,104,470
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	21,222,745	10,194,981	9,229,977	4,104,470

The annexed notes from 1 to 17 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 2018-19

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2019

	For the Nine Months Ended	
	31 March	
	2019	2018
Note	-----Rupees-----	
CASHFLOW FROM OPERATING ACTIVITIES		
Net income for the period after taxation	21,222,745	10,194,981
Adjustments for:		
Interest income	(23,862,347)	(12,981,826)
Capital loss on sale of investments - net	233,266	128,239
Net unrealize (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(1,081,609)	1,218
Amortization of formation cost	195,178	195,178
Provision for Sindh Workers' Welfare Fund	433,117	208,061
	(24,082,395)	(12,449,130)
Increase in assets		
Prepayment and other receivables	(16,728)	(8,357)
Decrease in liabilities		
Payable to Atlas Asset Management Limited - Management Company	(187,246)	(1,537,820)
Payable to the Central Depository Company of Pakistan Limited - Trustee	18,307	(197,295)
Payable to the Securities and Exchange Commission of Pakistan	(18,649)	(479,617)
Accrued expenses and other liabilities	(168,163)	(4,514,991)
	(355,751)	(6,729,723)
	(3,232,129)	(8,992,229)
Interest received	2,306,767	4,765,709
Investments made during the period	(2,012,137,040)	(2,067,017,656)
Investments sold / matured during the period	1,826,687,158	1,978,308,693
Net cash used in from operating activities	(186,375,244)	(92,935,483)
CASHFLOW FROM FINANCING ACTIVITIES		
Net receipt from issuance of units	308,325,171	118,679,892
Net payment against redemption of units	(216,785,989)	(12,622,635)
Refund of capital	(2,376,565)	(12,622,635)
Cash payout against distribution	(23,919,263)	(21,732,748)
Net cash generated from financing activities	65,243,354	71,701,874
Net decrease in cash and cash equivalents	(121,131,890)	(21,233,609)
Cash and cash equivalents at the beginning of the period	267,945,874	265,276,299
Cash and cash equivalents at the end of the period	146,813,984	244,042,690

The annexed notes from 1 to 17 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 FUND

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Sovereign 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 and Second Supplemental Trust Deeds dated 23 May 2017 and 3 September 2018 respectively, with the approval of the Securities and Exchange Commission of Pakistan (SECP). The Offering Document has been revised through the First, Second, Third, Fourth, Fifth, Sixth and Seventh Supplements dated 24 March 2015, 3 August 2015, 23 June 2016, 13 October 2016, 2 June 2017, 18 April 2018 and 20 August 2018 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 is categorised as an 'Income Scheme' effective from January 2, 2019 previously it was "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 (formerly Karachi Stock Exchange in which Lahore Stock Exchange and Islamabad Stock Exchange have amalgamated). 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. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.3 According to the amended Trust Deed, the objective of the Fund is to generate competitive returns by investing in Government Securities and Debt Instruments. The investment objectives and policies are more fully defined in Fund's Offering document.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2018: AM2+ (AM Two plus)] on 28 December 2018.
- Moreover, PACRA maintained the stability rating of the Fund at "AA (f)" [2018: "AA (f)"] on 17 April 2019.
- 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.
- 1.6 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 2019.

2 BASIS OF PREPARATION

2.1.1 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, provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984, 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), the requirements of the Trust Deed and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.1.2 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 2018.

Third Quarter Report 2018-19

2.2 Functional and presentation currency

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

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, 2018.

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 2018.

3.2 Change in accounting policy

3.2.1 IFRS 9 Financial Instruments

Effective from July 01, 2018, the fund has adopted IFRS 9: "Financial Instruments" which has replaced IAS 39: "Financial Instruments: Recognition and Measurement". The standard prescribes accounting and reporting requirements for recognition, classification, measurement and derecognition of financial assets and financial liabilities.

The IFRS 9 has replaced current categories of financial assets (Fair Value Through Profit or Loss (FVPL), Available For Sale (AFS), held-to-maturity and amortised cost) by the following classifications of Financial Assets:

- 1) Debt instruments at amortised cost
- 2) Debt instruments at Fair Value Through Other Comprehensive Income (FVOCI), with gains or losses recycled to profit or loss on derecognition
- 3) Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on derecognition
- 4) Financial assets at Fair Value through Profit or Loss

The accounting for financial liabilities remains largely the same as it was under IAS 39.

Under IFRS 9, the classification is based on two criteria, a) the entity's business model for managing the assets; and b) whether the instruments' contractual cashflows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion'). The assessment of the fund's business model was made as at the date of initial application i.e. 01 July 2018.

As a result of the above assessment, the management has concluded that all the investments in debt securities will continue to be classified at Fair Value Through Profit or Loss as such investments are managed on a fair value basis and are held for trading purposes in accordance with the objectives of the fund.

While the SECP vide its letter dated November 21, 2017, has deferred the applicability of requirements relating to impairment for debt securities on mutual funds till further instructions, the management has made an assessment of impairment under expected credit loss model of IFRS 9 for financial assets other than debt securities i.e. Bank balances and concluded that impact is not material to the condensed interim financial statements.

ATLAS SOVEREIGN FUND

3.2.2 New / Revised Standards, Interpretations and Amendments

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

Standard or Interpretation

IFRS 9	- Financial Instruments
IFRS 15	- Revenue from contracts with customers (Amendments)
IFRS 2	- Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)
IFRS 4	- Insurance Contracts - Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments)
IFRIC 22	- Foreign Currency Transactions and Advance Consideration

The adoption of the above amendments to accounting standards and interpretations did not have any effect on the condensed interim financial statements other than IFRS 9, the impact of which has been disclosed in Note 3.2.1.

	Note	31 March 2019 Un-audited	30 June 2018 Audited
		-----Rupees-----	
4 BANK BALANCES			
Cheques in hands	4.1	35,000,000	-
Balances with bank in: - saving accounts	4.2	111,813,984	267,945,874
		146,813,984	267,945,874

4.1 This denotes cheque received against issue of units which was deposited and cleared in the bank account subsequently on 01 April 2019 .

4.2 The rate of return on these balances range from 5.00% to 10.75% (30 June 2018: 4.00% to 7.35%) per annum.

	Note	31 March 2019 Un-audited	30 June 2018 Audited
		-----Rupees-----	
5 INVESTMENTS			
Government securities - at fair value through profit or loss			
Market Treasury Bills	5.1	153,283,531	92,878,298
Pakistan Investment Bonds	5.2	144,125,278	-
		297,408,809	92,878,298

5.1 Market Treasury Bills

Treasury bills	Face Value (Rupees)				Rupees		Percentage of	
	As at 01 July 2018	Acquired during the period	Sold / Matured during the period	As at 31 March 2019	Amortised Cost	Market Value	Total Investments	Net Assets
3 Months T-bills	93,000,000	1,881,000,000	1,819,000,000	155,000,000	153,341,228	153,283,531	51.54	37.00
	93,000,000	1,881,000,000	1,819,000,000	155,000,000	153,341,228	153,283,531	51.54	37.00

5.1.1 The cost of investments as on 31 March 2019 is Rs. 151,333,240 (30 June 2018: Rs.91,682,341).

5.1.2 These Market Treasury Bills carry purchase yields 10.55% (30 June 2018: 6.21% to 6.72%) per annum and will mature on 09 May 2019 (30 June 2018: 05 July 2018 and 30 August 2018).

Third Quarter Report 2018-19

5.2 Pakistan Investment Bonds

Pakistan Investment Bonds	Face Value (Rupees)			Rupees			Percentage of	
	As at 01 July 2018	Acquired during the period	Sold / Matured	As at 31 March 2019	Amortised Cost	Market Value	Total Investments	Net Assets
			during the period					
3 Years PIB	-	150,500,000	15,000,000	135,500,000	121,713,671	122,779,319	41.28	29.00
5 Years PIB	-	25,000,000	-	25,000,000	21,272,300	21,345,959	7.18	5.00
	-	175,500,000	15,000,000	160,500,000	142,985,971	144,125,278	48.46	34.00

5.2.1 The cost of investments as on 31 March 2019 is Rs. 142,985,972 (30 June 2018: Rs.Nil).

5.2.2 These Pakistan Investment Bonds carry purchase yields ranging from 11.8000% to 12.4500% per annum and 3 Years PIB will mature on 12 July 2021 and 5 Years PIB will mature on 12 July 2023.

	31 March 2019	30 June 2018
	Un-audited	Audited
Note	-----Rupees-----	

6 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - (RELATED PARTY)

Remuneration of the Management Company	6.1	194,305	132,163
Sindh Sales Tax payable on remuneration of the Management Company	6.2	156,540	148,464
Federal Excise Duty payable on remuneration of the Management Company	6.3	905,341	905,341
Formation cost payable		260,000	520,000
Accounting and operational charges payable	8	31,913	29,377
		1,548,099	735,345

6.1 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 in case 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% (2018: 0.45%) per annum of the average net assets for the period. The fee is payable to the Management Company monthly in arrears.

6.2 During the period, an amount of Rs. 168,096 (2018: Rs. 123,237) 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. 160,020 (2018: Rs. 244,410) has been paid to the Management Company which acts as a collecting agent.

6.3 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 Honorable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

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 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.

ATLAS SOVEREIGN FUND

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 2018: 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 2019 would have been higher by Re. 0.22 per unit (30 June 2018: Re. 0.27 per unit).

7 ACCRUED AND OTHER LIABILITIES		31 March	30 June
		2019	2018
		Un-audited	Audited
-----Rupees -----			
Auditors' remuneration payable		114,306	231,925
Printing charges payable		1,348	6,224
Transaction charges payable		1,204	1,204
Withholding tax payable		10,358	1,664
CGT payable		12,635	193
Annual rating fee payable		206,656	273,460
Dividend payable		10,985	10,985
Provision for Sindh Workers' Welfare Fund	7.1	1,470,815	1,037,698
		1,828,307	1,563,353

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. 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).

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.

In view of the above developments regarding the applicability of WWF and SWWF on CISs / mutual funds, MUFAP has recommended the following to all its members on 12 January 2017:

- based on legal opinion, the entire provision against WWF held by the CISs till 30 June 2015 should be reversed on 12 January 2017; and
- as a matter of abundant caution, the provision in respect of SWWF should be made with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from 21 May 2015) on 12 January 2017.

Accordingly, on 12 January 2017 the provision for WWF was reversed and the provision for SWWF was made for the period from 21 May 2015 to 12 January 2017. Thereafter, the provision is being made on a daily basis going forward.

The above decisions were communicated to the SECP and the Pakistan Stock Exchange Limited on 12 January 2017 and the SECP vide its letter dated 1 February 2017 has advised MUFAP that the adjustments relating to the above should be prospective and supported by adequate disclosures in the financial statements of the CISs/ 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 2019 would have been higher by Re. 0.36 per unit (30 June 2018: Re. 0.30 per unit).

Third Quarter Report 2018-19

8 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.

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 March 2019 and 30 June 2018.

10 INTEREST INCOME

	For the Nine Months Ended		For the Quarter Ended	
	31 March		31 March	
	2019	2018	2019	2018
	-----Rupees-----			
PLS saving and term deposit accounts	3,347,558	2,906,390	1,986,419	761,508
Market Treasury Bills	18,232,286	10,075,436	5,086,730	4,529,414
Pakistan Investment Bonds	2,282,503	-	2,282,503	-
	<u>23,862,347</u>	<u>12,981,826</u>	<u>9,355,652</u>	<u>5,290,922</u>

11 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 March 2019 is 1.27% (30 June 2018: 1.25%) which includes 0.32% (30 June 2018: 0.26%) 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.

12 TAXATION

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

13 EARNING PER UNIT

Earning 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.

14 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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.

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 and the Trust Deed.

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

ATLAS SOVEREIGN FUND

For the Nine Months Ended
31 March

14.1 Transactions for the period

Atlas Asset Management Limited (Management Company)

	2019 Un-audited	2018 Un-audited
Remuneration of the Management Company	1,293,049	947,978
Remuneration paid	1,230,907	1,880,084
Sindh Sales Tax on remuneration of the Management Company	168,096	123,237
Issue of 700,555 (2018: 3,206) units	70,356,195	320,588
Cash dividend	429,522	427,451

Central Depository Company of Pakistan Limited (Trustee)

Remuneration of the Trustee	430,689	315,987
Remuneration paid	414,487	490,585
Sindh Sales Tax on Remuneration of the Trustee	55,990	41,078

Cherat Cement Company Limited - Workers Profit Participation Fund

Issue of 45,342 (2018: 45,350) units	4,547,240	4,534,967
Cash dividend	6,062,987	6,046,623

Atlas Honda Limited (Group Company)

Issue of 8 (2018: 105) units	832	10,748
cash dividend	938	-

Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of group company)

Issue of 99,552 (2018: 105) units	10,000,000	-
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Atlas Foundation (Group Company)

Issue of 342,566 (2018: 105) units	35,000,000	-
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Atlas Insurance Limited (Group Company)

Issue of 247,746 (2018: Nil) units	25,000,000	-
Redemption 247,746 (2018: Nil) units	25,312,159	-

Shirazi Investments (Private) Limited (Group Company)

Issue of 125,810 (2018: 110,791) units	12,617,182	11,079,147
Cash dividend	14,843,744	14,772,196

Shirazi Investments (Private) Limited - Employees Provident Fund

Issue of 621,205 (2018: Nil) units	62,400,000	-
Redemption 510,248 (2018: Nil) units	51,780,000	-

Directors and their close family members and key management personnel of the Management Company

Issue of 16,003 (2018: 14,775) units	1,619,046	1,504,319
Redemption 2,702 (2018: 20,372) units	275,000	2,103,694
Cash dividend	105,217	171,466

Third Quarter Report 2018-19

	Un-audited 31 March 2019	Audited 30 June 2018
	-----Rupees-----	
14.2 Investments / outstanding balances as at period / year end		
Atlas Asset Management Limited (Management Company)		
Remuneration payable to the Management Company	194,305	132,163
Sindh Sales Tax payable on Remuneration of the Management Company	156,540	148,464
Federal Excise Duty payable on Remuneration of the Management Company	905,341	905,341
Accounting and operation charges payable	31,913	29,377
Formation cost payable	260,000	520,000
Outstanding 748,756 (30 June 2018: 48,201) units - at net asset value	76,537,791	5,061,082
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to the Trustee	60,263	44,061
Sindh Sales Tax payable on remuneration of the trustee	7,833	5,728
Atlas Honda Limited (Group Company)		
Outstanding 113 (30 June 2018: 105) units - at net asset value	11,587	11,031
Atlas Foundation (Group Company)		
Outstanding 342,566 (30 June 2018: Nil) units - at net asset value	35,017,128	-
Shirazi Investments (Private) Limited (Group Company)		
Outstanding 1,791,570 (30 June 2018: 1,665,759) units - at net asset value	183,134,262	174,904,743
Shirazi Investments (Private) Limited - Employees Provident Fund		
Outstanding 110,956 (30 June 2018: Nil) units - at net asset value	11,341,948	-
Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of group company)		
Outstanding 99,552 (30 June 2018: Nil) units - at net asset value	10,176,207	-
Cherat Cement Company Limited - Workers Profit Participation Fund (Unit Holder with more than 10% holding)		
Outstanding 727,178 (30 June 2018 : 681,836) units - at net asset value	74,332,176	71,592,806
Directors and their close family members and key management Personnel and executive of the Management Company		
Outstanding 25,752 (30 June 2018: 12,452) units - at net asset value	2,632,381	1,307,460
14.3 Other balances due to / from related parties / connected persons included in the respective notes to the condensed interim financial statements		

15 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.

ATLAS SOVEREIGN FUND

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 2019 and 30 June 2018, the Fund held the following instruments measured at fair values:

16 GENERAL

16.1 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.

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

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

17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 29 April 2019.

**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

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

Bawany & Partners

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Limited
MCB Bank Limited
Zarai Taraqati Bank Limited

Atlas Money Market Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)

AS AT 31 MARCH 2019

		31 March 2019 Un-audited	30 June 2018 Audited
	Note	-----Rupees-----	
Assets			
Cash and bank balances	4	14,006,190,870	13,224,116,066
Investments	5	-	-
Profit receivable on bank balances		117,849,481	5,027,146
Prepayment and other receivables		3,609,425	3,586,604
Total assets		14,127,649,776	13,232,729,816
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	6	31,292,246	30,963,521
Payable to Central Depository Company of Pakistan Limited - Trustee		1,078,739	1,035,151
Payable to the Securities and Exchange Commission of Pakistan		8,504,242	7,692,651
Payable against redemption of units		303,840,619	309,512
Unclaimed dividend		25,152	25,152
Accrued expenses and other liabilities	7	53,836,047	31,820,642
Total liabilities		398,577,045	71,846,629
NET ASSETS		13,729,072,731	13,160,883,187
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		13,729,072,731	13,160,883,187
CONTINGENCIES AND COMMITMENTS	8		
		-----Number of units-----	
NUMBER OF UNITS IN ISSUE		27,194,287	24,859,132
		-----Rupees-----	
NET ASSET VALUE PER UNIT		504.85	529.42

The annexed notes from 1 to 17 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 2018-19

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2019

	Note	For the Nine Months Ended 31 March		For the Quarter Ended 31 March	
		2019	2018	2019	2018
-----Rupees-----					
Income					
Profit on savings and term deposits		442,731,453	219,685,521	193,053,015	62,568,621
Income from government securities		585,516,389	193,462,666	170,115,104	113,748,737
Capital (loss) / gain on sale of investments - net		(15,210,539)	(590,244)	4,919,476	(625,357)
Net unrealised diminution on remeasurement of investments classified as financial assets at fair value through profit or loss'		-	(3,200)	-	(3,200)
		(15,210,539)	(593,444)	4,919,476	(628,557)
Total Income		1,013,037,303	412,554,743	368,087,595	175,688,801
Expenses					
Remuneration of Atlas Asset Management Limited - Management Company	6.1	51,025,453	29,726,909	15,800,532	12,722,676
Sindh Sales Tax on remuneration of the Management Company	6.2	6,633,309	3,864,498	2,054,069	1,653,948
Remuneration of the Central Depository Company of Pakistan Limited - Trustee		8,492,435	5,459,589	2,661,532	2,251,110
Sindh Sales Tax on remuneration of the Trustee		1,104,017	709,747	346,000	292,645
Annual fees to the Securities and Exchange Commission of Pakistan		8,504,242	4,954,485	2,633,421	2,120,446
Accounting and operational charges	9	11,338,990	6,480,289	3,511,230	2,789,997
Annual rating fee		303,220	266,868	87,658	87,658
Annual listing fee		16,907	19,142	4,052	6,287
Securities transaction cost		113,615	18,078	17,282	(49,841)
Auditors' remuneration		365,550	469,198	169,014	156,797
Printing charges		(54,745)	278,354	(129,647)	89,069
Legal and professional charges		83,433	102,920	28,080	51,460
Bank charges		126,784	73,280	49,133	26,056
Provision for Sindh Workers' Welfare Fund	7.1	18,499,682	7,202,628	6,817,105	3,069,810
		106,552,892	59,625,985	34,049,461	25,268,118
Net income for the period before taxation		906,484,411	352,928,758	334,038,134	150,420,683
Taxation	11	-	-	-	-
Net income for the period after taxation		906,484,411	352,928,758	334,038,134	150,420,683
Earning per unit	12				
Allocation of net income for the period:					
Net income for the period after taxation		906,484,411	352,928,758	334,038,134	150,420,683
Income already paid on units redeemed		(273,153,160)	(48,492,696)	(78,298,039)	(7,288,832)
		633,331,251	304,436,062	255,740,095	143,131,851
Accounting income available for distribution:					
- Relating to capital gains		-	-	-	(35,113)
- Excluding capital gains		633,331,251	304,436,062	255,740,095	143,166,964
		633,331,251	304,436,062	255,740,095	143,131,851

The annexed notes from 1 to 17 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 COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2019

	For the Nine Months Ended 31 March		For the Quarter Ended 31 March	
	2019	2018	2019	2018
	-----Rupees-----			
Net income for the period after taxation	906,484,411	352,928,758	334,038,134	150,420,683
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	906,484,411	352,928,758	334,038,134	150,420,683

The annexed notes from 1 to 17 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 2018-19

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2019

	31 March 2019		
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	12,754,057,197	-	12,754,057,197
Undistributed income brought forward			
- Realised income	-	406,825,990	406,825,990
- Unrealised income	-	-	-
Net assets at the beginning of the period (Units outstanding: 24,859,132) (Rs. 529.42 per unit)	12,754,057,197	406,825,990	13,160,883,187
Issue of 38,847,074 units	19,814,781,709	-	19,814,781,709
Redemption of 36,511,919 units	(18,488,416,693)	(273,153,160)	(18,488,416,693)
Total comprehensive income for the period	-	906,484,411	906,484,411
Refund of capital	(435,274,321)	-	(435,274,321)
Final Cash distribution for year the ended 30 June 2018 of Rs. 27 per unit for full year declared on 06 July 2018	-	(386,348,605)	(386,348,605)
First interim distribution of Rs. 20 per unit declared on 18 January 2019	-	(359,028,549)	(359,028,549)
Second interim distribution of Rs. 4.50 per unit declared on 15 February 2019	-	(106,637,844)	(106,637,844)
Third interim distribution of Rs. 3.75 per unit declared on 15 March 2019	-	(104,217,404)	(104,217,404)
Net assets at end of the period (Units outstanding: 27,194,287) (Rs. 504.85 per unit)	13,645,147,892	83,924,839	13,729,072,731
Undistributed income carried forward			
- Realised income	-	83,924,839	-
- Unrealised income	-	-	-
	-	83,924,839	-
	31 March 2018		
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	4,617,006,642	12,475,784	4,629,482,426
Undistributed income brought forward			
- Realised income	-	-	-
- Unrealised income	-	-	-
Net assets at the beginning of the period (Units outstanding: 9,224,702) (Rs. 501.86 per unit)	4,617,006,642	12,475,784	4,629,482,426
Issue of 24,157,500 units	12,387,499,465	-	12,387,499,465
Redemption of 7,241,537 units	(3,667,190,650)	(48,492,696)	(3,715,683,346)
Total comprehensive income for the period	-	352,928,758	352,928,758
Net assets at end of the period (Units outstanding: 26,140,663) (Rs. 522.34 per unit)	13,337,315,457	316,911,846	13,654,227,303
Undistributed income carried forward			
- Realised income	-	316,783,846	-
- Unrealised income	-	128,000	-
	-	316,911,846	-

The annexed notes from 1 to 17 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 2019

	For the Nine Months Ended 31 March	
	2019	2018
Note	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	633,331,251	352,928,758
Adjustments for:		
Profit on savings and term deposits	(442,731,453)	(219,685,521)
Income from government securities	(585,516,389)	(193,462,666)
Capital loss on sale of investments - net	15,210,539	590,244
Net unrealised diminution on remeasurement of investments classified as financial assets at fair value through profit or loss ¹	-	3,200
Provision for Sindh Workers' Welfare Fund	18,499,682	7,202,628
	(994,537,621)	(405,352,115)
(Increase) / decrease in assets		
Prepayment and other receivables	(22,821)	2,437,992
Increase / (decrease) in liabilities		
Payable to Atlas Asset Management Limited - Management Company	328,725	5,340,044
Payable to Central Depository Company of Pakistan Limited - Trustee	43,588	505,531
Payable to the Securities and Exchange Commission of Pakistan	811,591	1,075,736
Accrued expenses and other liabilities	3,515,723	(41,198,555)
	4,699,627	(34,277,244)
	(356,529,564)	(84,262,609)
Interest received	329,909,118	189,340,728
Investments made during the period	(90,746,780,747)	(35,653,120,318)
Investments sold / matured during the period	91,317,086,597	35,446,714,340
Net cash generated from / (used in) operating activities	543,685,404	(101,327,859)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	19,814,781,709	12,492,319,737
Net payments against redemption of units	(18,184,885,586)	(3,718,200,484)
Refund of capital	(435,274,321)	-
Cash distribution made during the period	(956,232,402)	-
Net cash generated from financing activities	238,389,400	8,774,119,253
Net increase in cash and cash equivalents	782,074,804	8,672,791,394
Cash and cash equivalents at the beginning of the period	13,224,116,066	4,591,434,541
Cash and cash equivalents at the end of the period	4 14,006,190,870	13,264,225,935

The annexed notes from 1 to 17 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 2018-19

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2019

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 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 (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 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 Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2018: AM2+ (AM Two Plus)] on 28 December 2018.
- Moreover, PACRA maintained the stability rating of the Fund at "AA (f)" [2018: "AA (f)"] on 17 April 2019.
- 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 financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Accounting Standards (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
 - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.
- 2.2 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 June 30, 2018.
- 2.3 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 March 31, 2019.

2.4 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.

Atlas Money Market 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 2018 except for changes in accounting policies as explained in note 3.2.

3.2 Effective from July 01, 2018, the fund has adopted IFRS 9: "Financial Instruments" which has replaced IAS 39: "Financial Instruments: Recognition and Measurement". The standard addresses recognition, classification, measurement and derecognition of financial assets and financial liabilities. The standard has also introduced a new impairment model for financial assets which requires recognition of impairment charge based on "expected credit losses" (ECL) approach rather than "incurred credit losses" approach, as previously given under IAS 39. However, the SECP vide its letter dated November 21, 2017, has deferred the applicability of requirements relating to impairment for debt securities on mutual funds till further instructions. Currently, the Asset Management Companies are required to continue to follow the requirements of Circular 33 of 2012 for impairment of debt securities.

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as (a) amortised cost or (b) at fair value through other comprehensive income ("FVOCI") or (c) at fair value through profit or loss (FVTPL) based on the business model of the entity. However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognized at FVTPL. Accordingly, the portfolio of investments previously held under held for trading category was reclassified to fair value through profit or loss (FV&PL).

There is no impact on the condensed interim income statement, condensed interim statement of comprehensive income and condensed interim cash flow statement.

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 2018.

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 2018.

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 2018 but are considered not to be relevant or do not have any significant effect on the Fund's operations, except for IFRS 9 "Financial Instruments" disclosed in note 3.2, 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

There are certain amended other standards and interpretations that are mandatory for accounting periods beginning on or after 1 July 2019 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.

Third Quarter Report 2018-19

4 CASH AND BANK BALANCES	Note	31 March 2019	30 June 2018
		Un-audited	Audited
		-----Rupees -----	
Balances with banks in savings accounts	4.1	13,996,397,370	13,200,471,066
Cheques in hand	4.2	9,793,500	23,645,000
		14,006,190,870	13,224,116,066

4.1 The rates of return on these accounts range between 5.00% and 10.95% (30 June 2018: 4.00% and 7.35%) per annum.

4.2 This denotes cheque received against issue of units which was deposited and cleared in the bank account subsequently on 02 April 2019 (30 June 2018: 04 July 2018).

5 INVESTMENTS	Note	31 March 2019	30 June 2018
		Un-audited	Audited
		-----Rupees -----	
At fair value through profit or loss - held for trading			
Investment in government securities - Market Treasury Bills	5.1	-	-

5.1 Market Treasury Bills - held-for-trading

Treasury Bills	Face Value (Rupees)			As at 31 March 2019 (Rupees)		Percentage of		
	As at 01 July 2018	Purchased during the period	Sold / Matured during the period	As at 31 March 2019	Amortised Cost	Market Value	Total Investments	Net Assets
3 Months	-	92,109,700,000	92,109,700,000	-	-	-	-	-
	-	92,109,700,000	92,109,700,000	-	-	-	-	-
Total as on 30 June 2018					-	-		

6 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)	Note	31 March 2019	30 June 2018
		Un-audited	Audited
		-----Rupees -----	
Remuneration of the Management Company	6.1	5,726,560	5,483,460
Sindh Sales Tax payable on remuneration of the Management Company	6.2	3,864,615	3,833,012
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	1,272,569	1,218,547
		31,292,246	30,963,521

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% (2018: 0.45%) per annum of the average net assets of the Fund during the nine months ended 31 March 2019. The fee is payable to the Management Company monthly in arrears.

6.2 During the period, an amount of Rs. 6,633,309 (2018: Rs. 3,864,498) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011 and , an amount of Rs. 6,601,706 (2018: Rs. 3,493,483) has been paid to the Management Company which acts as a collecting agent.

Atlas Money Market Fund

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 2018: 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 2019 would have been higher by Re. 0.75 (30 June 2018: Re. 0.82) per unit.

7 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	31 March	30 June
		2019	2018
		Un-audited	Audited
		-----Rupees -----	
Auditors' remuneration payable		461,146	461,455
Printing charges payable		47,635	226,417
Annual rating fee payable		266,869	355,499
Withholding tax payable		14,640,427	30,775
Capital gain tax payable		5,877,206	16,823,435
Other Payable		120,021	-
Provision for Sindh Workers' Welfare Fund	7.1	32,422,743	13,923,061
		53,836,047	31,820,642

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.

Third Quarter Report 2018-19

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 2019 would have been higher by Rs. 1.19 per unit (30 June 2018: Re 0.56 per unit).

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 March 2019 and 30 June 2018.

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.

10 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 March 2019 is 0.94% (30 June 2018: 0.65%) which includes 0.31% (30 June 2018: 0.25%) 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. The management intends to distribute at least 90% of the Fund's net accounting income available for distribution by the year end, as cash dividend, to the unit holders. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

12 EARNING PER UNIT

Earning 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.

Atlas Money 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:

13.1 Transactions for the period	For the Nine Months Ended	
	31 March	
	2019	2018
	Un-audited	Un-audited
	-----Rupees-----	
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	51,025,453	29,726,909
Remuneration paid	50,782,353	26,872,953
Sindh Sales Tax on Remuneration of the Management Company	6,633,309	3,864,498
Accounting and operational charges	11,338,990	6,480,289
Issue of 346,196 (2018: Nil) units	175,806,205	-
Redemption of 126,979 (2018: Nil) units	64,000,000	-
Dividend declared	6,524,724	-
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	8,492,435	5,459,589
Sindh Sales Tax on remuneration of the Trustee	1,104,017	709,747
Remuneration paid	8,453,862	5,012,217
Atlas Battery Limited (Group Company)		
Issue of 27,494 (2018: 1,750,090) units	13,813,617	895,968,814
Redemption of 560,022 (2018: 1,369,520) units	283,372,212	702,297,156
Dividend declared	14,378,242	-
Batool Benefit Trust		
Issue of 1,068 (2018: 10,706) units	537,107	5,500,000
Dividend declared	609,811	-
Atlas Fund of Funds (Fund under common management)		
Issue of 146,906 (2018: 34,016) units	73,950,000	17,100,000
Redemption of 109,542 (2018: Nil) units	56,093,477	-
Atlas Foundation (Group Company)		
Issue of 9,715 (2018: 10,906) units	4,884,847	5,600,000
Dividend declared	5,724,245	-
Atlas Honda Limited (Group Company)		
Issue of 1,431,310 (2018: 10,571,154) units	722,772,212	5,389,780,725
Redemption of 2,767,340 (2018: 985,571) units	1,400,000,000	500,000,000
Dividend declared	485,321,053	-
Atlas Insurance Limited (Group Company)		
Issue of 1,456,994 (2018: 314,490) units	746,845,493	162,000,000
Redemption of 1,456,994 (2018: Nil) units	745,317,462	-
Dividend declared	14,613,894	-
Honda Atlas Cars (Pakistan) limited (Group Company)		
Issue of 733,603 (2018: 964,581) units	373,967,042	500,000,000
Redemption of 3,687,488 (2018: Nil) units	1,900,000,000	-
Dividend declared	129,205,254	-
Atlas Honda Limited - Non-Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
Issue of 2,150 (2018: Nil) units	1,081,175	-
Dividend declared	1,081,175	-
Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
Issue of 10,233 (2018: 74,325) units	5,144,681	38,209,000
Redemption of 38,152 (2018: 6,766) units	19,300,000	3,500,000
Dividend declared	5,144,681	-

Third Quarter Report 2018-19

For the Nine Months Ended
31 March

2019 2018

Un-audited Un-audited
-----Rupees-----

13.1 Transactions for the period

Atlas Die Casting (Private) Limited (Group Company)

Issue of 778,638 (2018: Nil) units	393,963,672	-
Redemption of 625,190 (2018: 117,151) units	320,000,000	60,000,000
Dividend declared	4,239,792	-

Shirazi Investments (Private) Limited (Group Company)

Issue of 157,957 (2018: 347,202) units	79,417,402	180,000,000
Redemption of 664,654 (2018: Nil) units	340,000,000	-
Dividend declared	86,147,481	-

Fauji Fertilizer Company Limited (Unit Holder with more than 10% holding)

Issue of 15,171,418 (2017: Nil) units	7,722,466,525	-
Redemption of 10,016,928 (2017: Nil) units	5,186,932,117	-
Dividend declared	40,993,134	-

Shirazi Trading Company (Private) Limited - (Employee Provident Fund) (Retirement benefit plan of a Group Company)

Issue of 2,281 (2018: Nil) units	1,146,846	-
Redemption of 14,065 (2018: Nil) units	7,082,102	-
Dividend declared	1,152,026	-

Shirazi Investment (Private) Limited (Employee Provident Fund) (Retirement benefit plan of a Group Company)

Issue of 6,229 (2018: 57,409) units	3,132,126	29,567,000
Dividend declared	3,132,126	-

Atlas Honda Limited (Employee Provident Fund) (Retirement benefit plan of a Group Company)

Issue of 27,661 (2017: Nil) units	13,908,895	-
Dividend declared	13,908,895	-

Atlas Power Limited Staff Provident Fund (Retirement benefit plan of a Group Company)

Redemption of Nil (2018: 420) units	-	211,646
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Directors and their close family members and key management personnel of the Management Company 13.3

Issue of 172,723 (2018: 81,006) units	87,676,486	41,728,201
Redemption of 454,313 (2018: 397,714) units	233,277,606	206,161,598
Dividend declared	31,528,312	-

31 March 30 June
2019 2018

Un-audited Audited
-----Rupees-----

13.2 Balances outstanding as at period / year end

Atlas Asset Management Limited (Management Company)

Remuneration payable to the Management Company	5,726,560	5,483,460
Sindh Sales Tax payable on Remuneration of the Management Company	3,864,615	3,833,012
Federal Excise Duty payable on Remuneration of the Management Company	20,428,502	20,428,502
Accounting and operational charges payable	1,272,569	1,218,547
Outstanding 219,217 (30 June 2018: Nil) units - at net asset value	110,671,780	-

Central Depository Company of Pakistan Limited (Trustee)

Remuneration payable to the Trustee	954,636	916,063
Sindh Sales Tax payable on Remuneration of the trustee	124,103	119,088

Atlas Money Market Fund

13.2 Balances outstanding as at period / year end	31 March 2019	30 June 2018
	Un-audited	Audited
	-----Rupees-----	
Atlas Fund of Funds (Fund under common management)		
Outstanding 37,364 (30 June 2018: Nil) units - at net asset value	18,863,145	-
Atlas Foundation (Group Company)		
Outstanding 110,364 (30 June 2018: 100,649) units - at net asset value	55,717,268	53,285,796
Atlas Honda Limited (Group Company)		
Outstanding 8,249,552 (30 June 2018: 9,585,583) units - at net asset value	4,164,786,469	5,074,799,245
Atlas Honda Limited Employees Provident Fund (Retirement benefit plan of a Group Company)		
Outstanding 271,035 (30 June 2018: 243,374) units - at net asset value	136,832,028	128,847,159
Atlas Battery Limited (Group Company)		
Outstanding Nil (30 June 2018: 532,527) units - at net asset value	-	281,930,697
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Outstanding 23,961 (30 June 2018: 57,409) units - at net asset value	12,096,698	30,393,222
Shirazi Investments (Private) Limited (Group Company)		
Outstanding 1,162,931 (30 June 2018: 1,669,629) units - at net asset value	587,105,613	883,934,770
Honda Atlas Cars (Pakistan) Limited (Group Company)		
Outstanding 563,565 (30 June 2018: 3,517,450) units - at net asset value	284,515,632	1,862,208,294
Atlas Group of Companies Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
Outstanding 81,202 (30 June 2018: 109,121) units - at net asset value	40,995,055	57,770,882
Atlas Die Casting (Private) Limited (Group Company)		
Outstanding 153,448 (30 June 2018: Nil) units - at net asset value	77,468,386	-
Atlas Honda Limited Non Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
Outstanding 21,068 (30 June 2018: 18,918) units - at net asset value	10,636,311	10,015,626
Batools Benefit Trust (Trust having common Director / Trustee)		
Outstanding 11,774 (30 June 2018: 10,706) units - at net asset value	5,943,994	5,667,756
Shirazi Trading Company (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Outstanding 9,296 (30 June 2018: 21,081) units - at net asset value	4,693,317	11,160,565
Fauji Fertilizer Company Limited (Unit Holder with more than 10% holding)		
Outstanding 5,154,489 (30 June 2018: Nil) units - at net asset value	2,602,243,927	-
Directors and their close family members and key management personnel of the Management Company		
Outstanding 389,115 (30 June 2018: 670,704) units - at net asset value	196,444,466	355,084,285

13.3 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.

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.

Third Quarter Report 2018-19

Fair value hierarchy

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

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

As at 31 March 2019 and 30 June 2018, the Fund held the financial assets at fair value through profit or loss measured using the level 2 valuation technique.

15 NON-ADJUSTING EVENT AFTER THE REPORTING PERIOD

The Board of Directors of the Management Company authorised the Investment Committee to consider and approve the interim distribution of the Fund. The Investment Committee in the meeting held on 15 April 2019 approved an interim cash dividend of Rs.3.90 per unit on the face value of Rs. 500 each (i.e. 0.78%) amounting to Rs.102,633,744. The financial statement of the fund for the nine month ended 31 March 2019 do not include the effect of this distribution which will be accounted for in the financial statements of the fund for the year ending 30 June 2019.

16 GENERAL

- 16.1 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.
- 16.2 Figures have been rounded off to the nearest Rupee unless stated otherwise.
- 16.3 Units have been rounded off to the nearest decimal place.

17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 29 April 2019.

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

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
Faysal Bank Limited
Habib Bank Limited
JS Bank Limited
MCB Bank Limited
Zarai Taraqiati Bank Limited

Third Quarter Report 2018-19

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)

AS AT 31 MARCH 2019

		Un-audited 31 March 2019	Audited 30 June 2018
	Note	-----Rupees-----	
Assets			
Cash and Bank balances	4	1,942,214,301	4,566,844,339
Investments	5	1,708,821,964	1,720,155,737
Receivable against Margin Trading System		55,645,506	156,652,992
Interest / profit accrued	6	27,734,760	49,472,429
Deposits, prepayment and other receivables	7	11,768,551	11,140,036
Total assets		3,746,185,082	6,504,265,533
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	8	30,285,107	33,860,303
Payable to the Central Depository Company of Pakistan Limited - Trustee		419,643	686,415
Payable to the Securities and Exchange Commission of Pakistan		2,564,854	7,365,523
Payable against redemption of units		21,439,600	41,457,746
Unclaimed dividend		40,464	40,464
Accrued expenses and other liabilities	9	28,626,380	41,827,392
Total liabilities		83,376,048	125,237,843
NET ASSETS		3,662,809,034	6,379,027,690
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		3,662,809,034	6,736,307,690
CONTINGENCIES AND COMMITMENTS	10		
		-----Number of units-----	
NUMBER OF UNITS IN ISSUE		6,996,715	12,545,428
		-----Rupees-----	
NET ASSET VALUE PER UNIT		523.50	508.47

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 INCOME STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2019

	Note	For the Nine Months Ended 31 March		For the Quarter Ended 31 March	
		2019	2018	2019	2018
-----Rupees-----					
Income					
Interest income	11	303,629,783	488,799,739	98,379,727	139,453,898
Gain on spread transactions		-	317,530	-	-
Capital loss on sale of investments - net		(21,671,069)	(2,888,448)	(5,607,125)	(2,485,536)
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through loss or profit'		6,821,627	(22,584,702)	5,523,663	(8,874,732)
		(14,849,442)	(25,473,150)	(83,462)	(11,360,268)
Total income		288,780,341	463,644,119	98,296,265	128,093,630
Expenses					
Remuneration of Atlas Asset Management Limited - Management Company	8.1	27,358,446	62,063,461	7,387,625	17,564,841
Sindh Sales Tax on remuneration of the Management Company	8.2	3,556,598	8,068,250	960,391	2,283,429
Remuneration of Central Depository Company of Pakistan Limited - Trustee		3,509,620	6,631,649	994,525	1,931,444
Sindh Sales Tax on remuneration of the Trustee		456,251	862,114	129,289	251,087
Annual fees to the Securities and Exchange Commission of Pakistan		2,564,854	5,818,450	692,589	1,646,704
Accounting and operational charges	13	3,419,808	5,770,600	923,455	455,237
Auditors' remuneration		352,045	477,991	149,336	159,693
Annual rating fee		332,797	267,021	96,972	87,707
Annual listing fee		20,644	19,142	6,781	6,287
Securities transaction cost		3,495,973	2,896,406	349,524	1,036,301
Printing charges		(151,980)	381,854	(44,145)	65,907
Legal and professional charges		237,661	194,930	93,966	12,042
Bank charges		26,147	60,618	(27,320)	9,409
Provision for Sindh Workers' Welfare Fund		4,872,030	7,402,633	1,731,666	2,045,321
Total expenses		50,050,894	100,915,119	13,444,654	27,555,409
Net income for the period before taxation		238,729,447	362,729,000	84,851,611	100,538,221
Taxation	14	-	-	-	-
Net income for the period after taxation		238,729,447	362,729,000	84,851,611	100,538,221
Earnings per unit	15				
Allocation of net income for the period:					
Net income for the period after taxation		238,729,447	362,729,000	84,851,611	100,538,221
Income already paid on units redeemed		(39,829,316)	(83,323,337)	(6,129,815)	(23,844,145)
		198,900,131	279,405,663	78,721,796	76,694,076
Accounting income available for distribution:					
- Relating to capital gains		-	-	-	-
- Excluding capital gains		198,900,131	279,405,663	78,721,796	76,694,076
		198,900,131	279,405,663	78,721,796	76,694,076

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

Third Quarter Report 2018-19

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2019

	For the Nine Months Ended 31 March		For the Quarter Ended 31 March	
	2019	2018	2019	2018
	-----Rupees-----			
Net income for the period after taxation	238,729,447	362,729,000	84,851,611	100,538,221
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'	-	-	-	-
Total comprehensive income for the period	238,729,447	362,729,000	84,851,611	100,538,221

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) FOR THE NINE MONTHS ENDED 31 MARCH 2019

31 March 2019				
Capital value	Undistributed income	Unrealise diminution on remeasurement of investments classify as 'AFS'	Net assets	
-----Rupees-----				
Capital value	6,307,067,372	-	-	6,307,067,372
Undistributed income brought forward				
- Realised income	-	457,388,456	-	457,388,456
- Unrealised income	-	(28,148,138)	-	(28,148,138)
Net assets at the beginning of the period (Units outstanding: 12,545,428) (Rs. 536.95 per unit)	6,307,067,372	429,240,318	-	6,736,307,690
Issue of 1,256,823 units	648,349,214	-	-	648,349,214
Redemption of 6,805,536 units	(3,492,803,873)	(39,829,316)	-	(3,532,633,189)
Total comprehensive income for the period	-	238,729,447	-	238,729,447
Refund of capital	(10,045,973)	-	-	(10,045,973)
Cash distribution for year the ended 30 June 2018 at Rs. 24.00 per unit declared on 06 July 2018	-	(292,161,630)	-	(292,161,630)
First interim distribution of Rs. 18 per unit declared on 18 January 2019	-	(125,736,525)	-	(125,736,525)
Net assets at end of the period (Units outstanding: 6,996,715) (Rs. 523.50 per unit)	3,452,566,740	210,242,294	-	3,662,809,034
Undistributed income carried forward				
- Realised income	-	199,347,923	-	-
- Unrealised income	-	10,894,371	-	-
	-	210,242,294	-	-

31 March 2018				
Capital value	Undistributed income	Unrealise diminution on remeasurement of investments classify as 'AFS'	Net assets	
-----Rupees-----				
Capital value	12,424,066,564	-	(1,216,327)	12,422,850,237
Undistributed income brought forward				
- Realised income	-	99,100,360	-	99,100,360
- Unrealised income	-	28,976,066	-	28,976,066
Net assets at the beginning of the period (Units outstanding: 24,501,811) (Rs. 512.24 per unit)	12,424,066,564	128,076,426	(1,216,327)	12,550,926,663
Issue of 1,579,480 units	820,408,225	-	-	820,408,225
Redemption of 10,429,055 units	(5,345,174,346)	(83,323,337)	-	(5,428,497,683)
Total comprehensive 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 end of the period (Units outstanding: 15,652,236) [Rs. 524.61 per unit]	7,899,300,443	407,482,089	-	8,306,782,532
Undistributed income carried forward				
- Realised income	-	397,163,243	-	-
- Unrealised income	-	10,318,846	-	-
	-	407,482,089	-	-

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

Third Quarter Report 2018-19

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2019

	For the Nine Months Ended	
	31 March	
	2019	2018
Note	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	238,729,447	362,729,000
Adjustments for:		
Interest income	(303,629,783)	(488,799,739)
Capital loss on sale of investments - net	21,671,069	2,570,918
Net unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(6,821,627)	22,584,702
Provision for Sindh Workers' Welfare Fund	4,872,030	7,402,633
	(283,908,311)	(456,241,486)
Decrease in assets		
Receivable against Margin Trading System	101,007,486	(18,500,367)
Deposits, prepayment and other receivables	(628,515)	71,391,002
	100,378,971	52,890,635
Decrease in liabilities		
Payable to Atlas Asset Management Limited - Management Company	(3,575,196)	1,166,645
Payable to the Central Depository Company of Pakistan Limited - Trustee	(266,772)	(140,280)
Payable to the Securities and Exchange Commission of Pakistan	(4,800,669)	(1,092,834)
Accrued expenses and other liabilities	(18,073,042)	(91,297,492)
	(26,715,679)	(91,363,961)
	28,484,428	(131,985,812)
Interest received	190,446,136	343,165,274
Investments made during the period	(18,040,799,319)	(29,559,407,433)
Investment sold / redeemed / matured during the period	18,529,184,586	30,171,389,203
Net cash generated from operating activities	707,315,832	823,161,232
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	648,349,214	863,759,572
Net payments against redemption of units	(3,552,350,956)	(5,384,798,022)
Refund of capital	(10,045,973)	-
Cash distribution for the year ended 30 June 2018 at Rs. 24.00 per unit declared on 06 July 2018	(292,161,630)	-
First interim distribution of Rs. 18 per unit declared on 18 January 2019	(125,736,525)	-
Net cash used in financing activities	(3,331,945,870)	(4,521,038,450)
Net decrease in cash and cash equivalents	(2,624,630,038)	(3,697,877,218)
Cash and cash equivalents at the beginning of the period	4,566,844,339	9,679,898,539
Cash and cash equivalents at the end of the period	4	4
	1,942,214,301	5,982,021,321

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 THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2019

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. The Fund is listed on the Pakistan Stock Exchange Limited.
- 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) / sukus, 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 Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2017: AM2+ (AM Two plus)] on 28 December 2018.
- Furthermore, PACRA maintained the stability rating of "AA - (f)" (Double A minus) to the Fund [2017: "AA - (f)" (Double A minus)] on 17 April 2019.
- 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.
- 1.6 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at 31 March 2019.

2 BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 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, provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984, 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), the requirements of the Trust Deed and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.
- 2.1.2 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 2018.

2.2 Functional and presentation currency

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

Third Quarter Report 2018-19

3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES AND JUDGMENTS 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, 2018.

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 2018.

3.2 Change in accounting policy

3.2.1 IFRS 9 Financial Instruments

Effective from July 01, 2018, the fund has adopted IFRS 9: "Financial Instruments" which has replaced IAS 39: "Financial Instruments: Recognition and Measurement". The standard prescribes accounting and reporting requirements for recognition, classification, measurement and derecognition of financial assets and financial liabilities.

The IFRS 9 has replaced current categories of financial assets (Fair Value Through Profit or Loss (FVPL), Available For Sale (AFS), held-to-maturity and amortised cost) by the following classifications of Financial Assets:

- 1) Debt instruments at amortised cost
- 2) Debt instruments at Fair Value Through Other Comprehensive Income (FVOCI), with gains or losses recycled to profit or loss on derecognition
- 3) Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on derecognition
- 4) Financial assets at Fair Value through Profit or Loss

The accounting for financial liabilities remains largely the same as it was under IAS 39.

Under IFRS 9, the classification is based on two criteria, a) the entity's business model for managing the assets; and b) whether the instruments' contractual cashflows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion'). The assessment of the fund's business model was made as at the date of initial application i.e. 01 July 2018.

As a result of the above assessment, the management has concluded that all the investments in debt securities will continue to be classified at Fair Value Through Profit or Loss as such investments are managed on a fair value basis and are held for trading purposes in accordance with the objectives of the fund."

While the SECP vide its letter dated November 21, 2017, has deferred the applicability of requirements relating to impairment for debt securities on mutual funds till further instructions, the management has made an assessment of impairment under expected credit loss model of IFRS 9 for financial assets other than debt securities i.e. bank balances and security deposits concluded that impact is not material to the condensed interim financial statements.

3.2.2 New / Revised Standards, Interpretations and Amendments

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

Standard or Interpretation

- IFRS 9 - Financial Instruments
- IFRS 15 - Revenue from contracts with customers (Amendments)
- IFRS 2 - Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)
- IFRS 4 - Insurance Contracts - Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments)
- IAS 40 - Investment Property: Transfers of Investment Property (Amendments)
- IFRIC 22 - Foreign Currency Transactions and Advance Consideration

Atlas Income Fund

The adoption of the above amendments to accounting standards and interpretations did not have any effect on the condensed interim financial statements other than IFRS 9, the impact of which has been disclosed in Note 3.2.1.

4 CASH AND BANK BALANCES	Note	31 March 2019	30 June 2018
		Un-audited	Audited
		-----Rupees-----	
Balances with banks in:			
- Savings accounts	4.1	1,942,150,727	4,566,839,339
- Current account		5,000	5,000
Cheques in hand	4.2	58,574	-
		1,942,214,301	4,566,844,339

4.1 The rate of return on these accounts ranges between 5.00% and 10.95% (30 June 2018: 4.00% and 7.35%) per annum.

4.2 This denotes cheque received against issue of units which was deposited and cleared in the bank account subsequently on 01 April 2019.

5 INVESTMENTS	Note	31 March 2019	30 June 2018
		Un-audited	Audited
		-----Rupees-----	
At fair value through profit or loss - held for trading			
Term finance certificates - listed		527,300,253	1,091,496,304
Term finance certificates - unlisted	5.1 & 5.8	208,650,574	200,852,450
Sukuk certificates - listed	5.2 & 5.8	200,000,000	200,129,200
Sukuk certificates - unlisted	5.3 & 5.8	46,999,530	-
Government Securities - Market Treasury Bills	5.4 & 5.8	247,231,500	148,365,900
Government Securities - Pakistan Investment Bonds	5.5	478,640,106	-
Commercial Papers	5.6	-	79,311,883
	5.7		
		1,708,821,964	1,720,155,737

5.1 Term finance certificates - Listed

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

Name of the Investee Company	Number of certificates			Rupees		Market value as a Percentage of			
	As at 01 July 2018	Purchased during the period	Disposed / matured during the period	As at 31 March 2019	Carrying value 31 March 2019	Market value 31 March 2019	Total Investments	Net Assets	Total Issue Size
BANKS									
Bank Alfalah Limited - V	59,903	-	21,440	38,463	192,932,874	191,475,491	11.21	5.23	3.85
Habib Bank Limited Tier - II (face value of Rs. 100,000 per certificate)	7,500	-	4,555	2,945	290,469,693	289,506,484	16.94	7.90	2.95
Soneri Bank Limited	10,000	-	572	9,428	47,937,407	46,318,278	2.71	1.26	1.57
	77,403	-	26,567	50,836	531,339,974	527,300,253			
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 2019					531,339,974	527,300,253	30.86	14.40	
Total as at 30 June 2018					1,107,599,166	1,091,496,304			

Third Quarter Report 2018-19

5.1.1 The terms and conditions of listed term finance certificates outstanding as at 31 March 2019 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%

5.2 Term finance certificates - unlisted

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

Name of the Investee Company	Number of certificates				Rupees		Market value as a Percentage of		
	As at 01 July 2018	Purchased during the period	Disposed/ matured during the period	As at 31 March 2019	Carrying value 31 March 2019	Market value 31 March 2019	Total Investments	Net Assets	Total Issue Size
BANKS									
Askari Bank Limited - V	20,000	-	-	20,000	100,138,934	97,589,906	5.71	2.66	2.50
Bank AL Habib Limited	20,000	-	-	20,000	100,633,112	111,060,668	6.50	3.03	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 2019					200,772,046	208,650,574	12.21	5.70	
Total as at 30 June 2018					203,317,970	200,852,450			

5.2.1 The terms and conditions of unlisted term finance certificates outstanding as at 31 March 2019 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

5.3 Sukuk certificates - listed

(Certificates having a face value of Rs. 100,000 each unless stated otherwise)

Name of the Investee Company	Number of certificates				Rupees		Market value as a Percentage of		
	As at 01 July 2018	Purchased during the period	Disposed/ matured during the period	As at 31 March 2019	Carrying value 31 March 2019	Market value 31 March 2019	Total Investments	Net Assets	Total Issue Size
FERTILIZERS									
Dawood Hercules Corporation Limited Sukuk 2	2,000	-	-	2,000	200,129,200	200,000,000	11.70	5.46	3.33
Total as at 31 March 2019					200,129,200	200,000,000	11.70	5.46	
Total as at 30 June 2018					200,000,000	200,129,200			

5.3.1 The terms and conditions of sukuk certificates as at 31 March 2019 are as follows:

Name of the Investee Company	Tenure	Profit payments / principal redemptions	Maturity date	Rate of return	Rating
CHEMICALS					
Dawood Hercules Sukuk Tier - II	5 years	Quarterly	March 2023	3 month KIBOR + 1.00%	AA

Atlas Income Fund

5.4 Sukuk certificates - unlisted

(Certificates having a face value of Rs. 1,000,000 each unless stated otherwise)

Name of the Investee Company	Number of certificates				Rupees		Market value as a Percentage of		
	As at 01 July 2018	Purchased during the period	Disposed/ matured during the period	As at 31 March 2019	Carrying value as at 31 March 2019	Market value as at 31 March 2019	Total Investments	Net Assets	Total Issue Size
CHEMICALS									
Agritech Limited - Unlisted 5.7.1	4,060	-	-	4,060	-	-	-	-	-
BANKS									
Meezan Bank Limited Tier - II	352	-	300	52	47,705,000	46,999,530	2.75	1.28	0.74
Total as at 31 March 2019					47,705,000	46,999,530	2.75	1.28	
Total as at 30 June 2018					366,993,070	357,280,000			

5.4.1 The terms and conditions of sukuk certificates as at 31 March 2019 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	10 years	Semi-annually	Sept 2026	6 month KIBOR + 0.50%	AA-

5.5 Government Securities - Market Treasury Bills

Tenor	Face Value (Rupees)				Rupees		Market value as a Percentage of	
	As at 01 July 2018	Purchased during the period	Disposed/ matured during the period	As at 31 March 2019	Carrying value as at 31 March 2019	Market value as at 31 March 2019	Total Investments	Net Assets
3 months	150,000,000	17,804,000,000	17,704,000,000	250,000,000	247,324,748	247,231,500	14.47	6.75
Total as at 31 March 2019	150,000,000	17,804,000,000	17,704,000,000	250,000,000	247,324,748	247,231,500	14.47	6.75
Total as at 30 June 2018					148,361,785	148,365,900		

5.5.1 Market treasury bills carry purchase yield of 10.55% (30 June 2018: 6.75%) per annum and will mature to 09 May 2019 (30 June 2018: 30 August 2018). The cost of these investments as on 31 March 2019 is Rs. 244,086,250 (30 June 2018: Rs. 147,706,500).

5.5.2 These treasury bills amounting to Rs. 97,634,500 (face value: Rs. 100,000,000) [2018: Rs. 148,361,785 (face value: Rs. 150,000,000)] 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 and spread transactions respectively due to mature on 09 May 2019 (2018: 30 August 2018).

5.6 Government Securities - Pakistan Investment Bonds

Tenor	Face Value (Rupees)				Rupees		Market value as a Percentage of	
	As at 01 July 2018	Purchased during the period	Disposed/ matured during the period	As at 31 March 2019	Carrying value as at 31 March 2019	Market value as at 31 March 2019	Total Investments	Net Assets
3 Years	-	434,000,000	-	434,000,000	389,636,923	393,256,269	23.01	10.74
5 Years	-	100,000,000	-	100,000,000	85,092,400	85,383,838	5.00	2.33
Total as at 31 March 2019	-	534,000,000	-	534,000,000	474,729,323	478,640,106	28.01	13.07
Total as at 30 June 2018					-	-		

5.6.1 Pakistan Investment Bonds carry purchase yield of 11.80% to 12.45% (30 June 2018: Nil%) per annum and will mature on 12 Jul 2023. The cost of these investments as on 31 March 2019 is Rs. 474,729,323 (30 June 2018: Rs. Nil).

Third Quarter Report 2018-19

5.7 Commercial Papers

Name of the Investee Company	Number of Certificates (Rs.100,000 each)				Rupees		Market value as a Percentage of	
	As at 01 July 2018	Purchased during the period	Disposed/ matured during the period	As at 31 March 2019	Carrying value as at 31 March 2019	Market value as at 31 March 2019	Total Investments	Net Assets
	Crescent Steel & Allied Products Limited	800	-	800	-	-	-	-
Total as at 31 March 2019	800	-	800	-	-	-	0.00	0.00
Total as at 30 June 2018							80,000,000	79,311,883

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		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 2019			81,625,501	81,625,501	-	-	-
Total as at 30 June 2018			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 2018: Rs 81.63 million), has been made in accordance with the provisioning requirements specified by the SECP.

6 INTEREST / PROFIT ACCRUED

Interest / profit on:

	31 March 2019	30 June 2018
	Un-audited	Audited
-----Rupees-----		
Savings and term deposits	7,922,487	5,796,216
Margin Trading System	635,709	1,228,195
Term finance certificates	8,103,861	32,879,055
Pakistan Investment Bond	8,612,528	-
Sukuk certificates	2,460,175	9,568,963
	27,734,760	49,472,429

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
Prepaid annual listing fee	6,856	-
Prepaid annual fee to the NCCPL	-	124,209
Annual Fee Subscription (MTS)	187,630	-
Prepaid Legal & Professional Fees	337,037	-
Other receivables	8,387,028	8,165,827
	11,768,551	11,140,036

Atlas Income Fund

	Note	31 March 2019 Un-audited	30 June 2018 Audited
		-----Rupees-----	
8 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)			
Remuneration of the Management Company	8.1	2,533,391	5,382,172
Sindh Sales Tax payable on remuneration of the Management Company	8.2	3,852,039	4,222,380
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	316,706	672,780
		30,285,107	33,860,303

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% (2018: 0.80% 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. 3,556,598 (2018: Rs. 8,068,250) 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. 3,926,939 (2018: Rs. 8,013,997) 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 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 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 2019 would have been higher by Re. 3.37 per unit (30 June 2018: Re 1.88 per unit).

Third Quarter Report 2018-19

		31 March 2019	30 June 2018
	Note	Un-audited	Audited
		-----Rupees-----	
9 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		264,565	480,360
NCCPL charges payable		30,000	430,000
Printing charges payable		15,151	221,363
Brokerage payable		22,223	-
Annual rating fee payable		295,226	355,704
Withholding tax payable		32,259	40,288
Capital gain tax payable		34,246	17,315,711
Zakat payable		465	-
Other payables		410,592	334,343
Provision for Sindh Workers' Welfare Fund	9.1	27,521,653	22,649,623
		28,626,380	41,827,392

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).

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.

In view of the above developments regarding the applicability of WWF and SWWF on CISs / mutual funds, MUFAP has recommended the following to all its members on 12 January 2017:

- based on legal opinion, the entire provision against WWF held by the CISs till 30 June 2015 should be reversed on 12 January 2017; and
- as a matter of abundant caution, the provision in respect of SWWF should be made with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from 21 May 2015) on 12 January 2017.

Accordingly, on 12 January 2017 the provision for WWF was reversed and the provision for SWWF was made for the period from 21 May 2015 to 12 January 2017. Thereafter, the provision is being made on a daily basis going forward.

The above decisions were communicated to the SECP and the Pakistan Stock Exchange Limited on 12 January 2017 and the SECP vide its letter dated 1 February 2017 has advised MUFAP that the adjustments relating to the above should be prospective and supported by adequate disclosures in the financial statements of the CISs/ 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 2019 would have been higher by Re 3.93 per unit (30 June 2018: Rs 1.81 per unit).

Atlas Income Fund

10 CONTINGENCIES AND COMMITMENTS

10.1 There were no contingencies outstanding as at 31 March 2019 and 30 June 2018.

10.2 Commitments	31 March		30 June	
	2019		2018	
	Un-audited		Audited	
	-----Rupees-----			
Margin Trading System (MTS)				
Margin Trading System (MTS) transactions entered into by the Fund that have not been settled as at 31 March 2019				
Purchase of securities	-		41,442,656	
Total commitments	-		41,442,656	

11 INTEREST INCOME

11	Note	For the nine months ended		For the three months ended	
		31 March		31 March	
		2019	2018	2019	2018
		Un-audited		Un-audited	
		-----Rupees-----			
Interest on:					
Saving and term deposits		50,540,918	220,749,542	17,927,281	47,092,900
Margin Trading System		23,325,113	11,088,294	5,629,509	5,891,042
Term finance certificates	11.1	63,182,867	63,550,454	18,863,217	22,003,814
Sukuk certificates		24,376,337	29,009,489	6,577,922	10,532,310
Government Securities - Market Treasury Bills		134,233,199	160,900,209	42,098,566	52,557,599
Government Securities - Pakistan Investment Bond		7,283,232	-	7,283,232	-
Commercial Papers		688,117	3,501,751	-	1,376,233
		303,629,783	488,799,739	98,379,727	139,453,898

11.1 This includes mark-up received on non-performing term finance certificates amounting to Rs. 0.040 (2018: Rs. 0.194 million). Furthermore in accordance with the requirements specified by the SECP, mark-up on non-performing securities amounting to Rs. 65.11 million (2018: Rs. 56.90 million) based on outstanding principal has not been recognised during the period.

12 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 March 2019 is 1.47% (30 June 2018: 1.34%) which includes 0.34% (30 June 2018: 0.29%) 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.

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 net accounting income available for distribution for the year derived from sources other than capital gains, to the unitholders. The management intends to distribute at least 90% of the Fund's net accounting income available for distribution by the year end, as cash dividend, to the unit holders. Accordingly, no provision for taxation has been made in these condensed interim financial statements.

Third Quarter Report 2018-19

14.1 On October 26, 2018, a show cause notice under section 161 (1A) of the Income Tax Ordinance, 2001 was issued to the taxpayer vide bar code No.100000039261279 in respect of monitoring of withholding taxes paid/deducted under various sections of the Income Tax Ordinance, 2001 for tax year 2017. The Management Company provided all the relevant details and documents alongwith reconciliation under rule 44(4) of the Income Tax Rules, 2002 on November 1, 2018 and further appeared and discussed the case with the relevant officer on November 20, 2018.

Despite fulfilling all requirements of notice by the Management Company, FBR passed an order unilaterally and created tax demand amounting to Rs. 15,863,027. An Appeal through A.F Ferguson & Co. has been filed in Commissioner Inland Revenue - Appeals (CIR - Appeals). Arguments have already been presented in Appeals office and stay order has been granted against retrieval of tax demand while decision of appeal is awaited.

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:

	31 March	
	For the Nine Months Ended	
	2019	2018
	Un-audited	Un-audited
	-----Rupees-----	
16.1 Transactions during the period		
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	27,358,446	62,063,461
Remuneration paid	30,207,227	61,646,132
Sindh Sales Tax on remuneration of the Management Company	3,556,598	8,068,250
Accounting and operational charges	3,419,808	5,770,600
Issue of 8,196 (2018: Nil) units	4,206,392	-
Redemption of 31,123 (2018: Nil) units	16,000,000	-
Cash Dividend	4,948,696	-
Central Depository Company of Pakistan Limited (Trustee)		
Trustee fee	3,509,620	6,631,649
Sindh Sales Tax on remuneration of the Trustee	456,251	862,114
Trustee fee paid	3,770,702	6,588,790
Settlement charges	422,801	121,035
Sindh Sales Tax on settlement charges	54,964	15,735

Atlas Income Fund

	For the Nine Months Ended	
	31 March	
	2019	2018
	Un-audited	Un-audited
	-----Rupees-----	
Atlas Battery Limited (Group Company)		
Redemption of Nil (2018: 1,797,819) units	-	935,697,170
Atlas Foundation (Trust having common Director / Trustee)		
Issue of 43,560 (2018: Nil) units	22,357,606	-
Redemption of 32,857 (2018: 204,661) unit	17,000,000	106,000,000
Cash Dividend	26,231,171	-
Atlas Honda Limited (Group Company)		
Issue of 46,808 (2018: 137) units	24,013,211	71,618
Redemption of 971,836 (2018: 5,782,929) units	500,000,000	3,000,000,000
Cash Dividend	28,250,561	-
Atlas Insurance Limited		
Issue of 122,225 (2018: 38,692) units	63,696,101	20,000,000
Redemption of 122,225 (2018: Nil) units	64,051,559	-
Cash Dividend	713,234	-
Batool Benefit Trust (Trust having common Director / Trustee)		
Issue of 5,406 (2018: Nil) units	2,774,429	-
Redemption of 33,155 (2018: 21,371) units	17,211,923	11,147,969
Cash Dividend	3,264,034	-
Cherat Cement Company Limited - Employee Provident Fund		
Issue of Nil (2018: 3,288) units	-	1,721,259
Redemption of Nil (2018: 3,288) units	-	1,739,343
Honda Atlas Cars (Pakistan) Limited - Employee Provident Fund (Retirement Benefit Plan of a Group Company)		
Issue of 9,856 (2018: Nil) units	5,058,431	-
Cash Dividend	5,058,431	-
Atlas Honda Limited - Employee Provident Fund (Retirement Benefit Plan of a Group Company)		
Issue of 13,349 (2018: Nil) units	6,851,016	-
Redemption of 90,132 (2018: 66,049) units	47,000,000	35,000,000
Cash Dividend	6,851,016	-
Atlas Engineering Limited - Employee Provident Fund (Retirement Benefit Plan of a Group Company)		
Redemption of Nil (2018: 13,471) units	-	6,954,338
Atlas Honda Limited - Non-Management Staff Gratuity Fund (Retirement Benefit Plan of a Group Company)		
Issue of 2,121 (2018: Nil) units	1,088,457	-
Cash Dividend	1,088,457	-

Third Quarter Report 2018-19

		For the Nine Months Ended	
		31 March	
		2019	2018
		Un-audited	Un-audited
		-----Rupees-----	
16.1	Transactions during the period		
	Honda Atlas Cars (Pakistan) Limited - Employee Gratuity Fund		
	(Retirement Benefit Plan of a Group Company)		
	Issue of 2,395 (2018: Nil) units	1,229,031	-
	Cash Dividend	1,229,031	-
	Atlas Power Limited - Staff Provident Fund		
	(Retirement Benefit Plan of a Group Company)		
	Redemption of Nil (2018: 290) units	-	149,160
	Honda Atlas Power Product (Private) Limited		
	Issue of 19,366 (2018: Nil) units	10,000,000	-
	Redemption of 19,366 (2018: Nil) units	10,026,531	-
	Shirazi Trading Company (Private) Limited - Employees		
	Provident Fund (Retirement Benefit Plan of a Group Company)		
	Issue of 2,071 (2018: Nil) units	1,062,796	-
	Redemption of 26,878 (2018: Nil) units	13,969,960	-
	Cash Dividend	1,062,796	-
	Shirazi Investments (Private) Limited (Group Company)		
	Issue of 350,957 (2018: 866,093) units	180,115,381	450,000,000
	Redemption of 1,055,469 (2018: Nil) units	550,000,000	-
	Cash Dividend	210,812,951	-
	Shirazi Investments (Private) Limited - Employees		
	Provident Fund (Retirement Benefit Plan of a Group Company)		
	Issue of 2,223 (2018: 31,375) units	1,141,207	16,170,000
	Redemption of 28,861 (2018: 6,272) units	14,990,671	3,270,000
	Cash Dividend	1,141,207	-
	Atlas Group of Companies - Management Staff Gratuity Fund		
	(Retirement benefit plan of group company)		
	Issue of 1,449 (2018: 31,998) units	743,026	16,748,280
	Redemption of 32,408 (2018: 10,256) units	16,713,562	5,400,000
	Cash Dividend	743,026	-
	Atlas Die Casting (Private) Limited		
	Redemption of Nil (2018: 78,275) units	-	40,246,787
	Atlas Services Limited		
	Issue of 9,446 (2018: Nil) units	4,848,298	-
	Redemption of 1,882 (2018: Nil) units	1,000,000	-
	Cash Dividend	5,703,879	-
	Honda Atlas Cars (Pakistan) Limited		
	Issue of 140,888 (2018: Nil) units	72,268,392	-
	Redemption of 3,683,456 (2018: 78,275) units	1,912,135,049	-
	Cash Dividend	85,021,638	-
	Directors and their close family members and key management		
	personnel of the Management Company		
	Issue of 35,392 (2018: 4) units	18,264,530	2,104
	Redemption of 3,384 (2018: 178,799) units	1,750,000	93,252,966
	Cash Dividend	11,546,875	-

Atlas Income Fund

16.2 Balances as at period / year end	31 March 2019	30 June 2018
	Un-audited	Audited
	-----Rupees-----	
Atlas Asset Management Limited (Management Company)		
Remuneration payable to the Management Company	2,533,391	5,382,172
Sindh Sales Tax payable on remuneration of the Management Company	3,852,039	4,222,380
Federal Excise Duty payable on remuneration of the Management Company	23,582,971	23,582,971
Accounting and operational charges payable	316,706	672,780
Outstanding 92,924 (30 June 2018: 115,852) units - at net asset value	48,645,810	62,206,464
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to the Trustee	341,365	602,447
Sindh Sales Tax payable on remuneration of the trustee	44,378	78,318
Settlement charges payable	30,000	5,000
Sindh Sales Tax payable on Settlement Charges	3,900	650
Atlas Foundation (Trust having common Director / Trustee)		
Outstanding 638,584 (30 June 2018: 627,881) units - at net asset value	334,298,923	337,140,831
Atlas Services Limited (Group Company)		
Outstanding 141,888 (30 June 2018: Nil) units - at net asset value	74,278,438	-
Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of group company)		
Outstanding Nil (30 June 2018: 30,959) units - at net asset value	-	16,623,650
Atlas Honda Limited (Group Company)		
Outstanding 145,853 (30 June 2018: 1,070,881) units - at net asset value	76,354,161	575,009,585
Atlas Honda Limited - Non-management Staff Gratuity Fund (Retirement benefit plan of Group Company)		
Outstanding 27,527 (30 June 2018: 25,406) units - at net asset value	14,410,340	13,641,857
Atlas Honda Limited - Employees Provident Fund (Retirement benefit plan of Group Company)		
Outstanding 99,311 (30 June 2018: 176,094) units - at net asset value	51,989,403	94,553,568
Batool Benefit Trust (Trust having common Director / Trustee)		
Outstanding 59,824 (30 June 2018: 87,573) units - at net asset value	31,317,967	47,022,094
Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund (Retirement benefit plan of Group Company)		
Outstanding 31,082 (30 June 2018: 28,687) units - at net asset value	16,271,432	15,403,699
Honda Atlas Cars (Pakistan) Limited - Employees Provident Fund (Retirement benefit plan of Group Company)		
Outstanding 127,927 (30 June 2018: 118,071) units - at net asset value	66,969,763	63,398,358
Shirazi Investments (Private) Limited (Group company)		
Outstanding 4,674,730 (30 June 2018: 5,379,242) units - at net asset value	2,447,221,237	2,888,384,219
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement benefit plan of Group Company)		
Outstanding Nil (30 June 2018: 26,637) units - at net asset value	-	14,302,986
Honda Atlas Cars (Pakistan) Limited		
Outstanding Nil (30 June 2018: 3,542,568) units - at net asset value	-	1,902,182,029
Shirazi Trading Company (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Outstanding Nil (30 June 2018: 24,807) units - at net asset value	-	13,320,246
Directors and their close family members and key management personnel of the Management Company		
Outstanding 298,914 (30 June 2018: 266,205) units -at net asset value	156,115,002	142,939,040

Third Quarter Report 2018-19

16.3 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.

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).

	Note	Un-audited	Un-audited
		For the Nine Months Ended	
		31 March	
		2019	2018
		-----Rupees-----	
18 CASH AND CASH EQUIVALENTS			
Cash and bank balances	4	1,942,214,301	5,334,409,859
Treasury bills (with original maturity of three months)	5.5	247,231,500	647,611,462
		2,189,445,801	5,982,021,321

19 GENERAL

19.1 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.

19.2 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 29 April 2019.

**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

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
Faysal Bank Limited
Habib Bank Limited
MCB Bank Limited

Third Quarter Report 2018-19

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 MARCH 2019

		31 March 2019 Un-audited	30 June 2018 Audited
	Note	-----Rupees-----	
Assets			
Cash and bank balances	4	156,332,227	503,609,049
Investments	5	5,592,269,149	4,940,091,479
Dividend receivable		70,278,423	7,994,137
Profit receivable on bank balances		2,385,508	2,293,384
Receivable against sale of investments		-	1,483,060
Advances, deposits, prepayments and other receivables		13,530,082	22,135,195
Total assets		5,834,795,389	5,477,606,304
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	6	34,761,156	33,918,297
Payable to the Central Depository Company of Pakistan Limited - Trustee		649,525	606,080
Payable to the Securities and Exchange Commission of Pakistan		4,169,687	5,104,876
Payable against purchase of investments		23,539,964	18,082,010
Payable against redemption of units		26,601,912	3,578,132
Unclaimed dividend		401,733	401,733
Accrued expenses and other liabilities	7	40,289,830	40,583,180
Total liabilities		130,413,807	102,274,308
NET ASSETS		5,704,381,582	5,375,331,996
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		5,704,381,582	5,375,331,996
CONTINGENCIES AND COMMITMENTS	8		
		-----Number of units-----	
NUMBER OF UNITS IN ISSUE		9,824,711	8,657,936
		-----Rupees-----	
NET ASSET VALUE PER UNIT		580.62	620.86

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 Stock Market Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2019

	Note	For the Nine Months Ended 31 March		For the Quarter Ended 31 March	
		2019	2018	2019	2018
-----Rupees-----					
Income					
Profit on bank balances		24,107,397	24,716,207	7,756,849	9,383,797
Dividend income		214,774,319	217,217,349	71,708,567	68,541,884
Capital (loss) / gain on sale of investments - net		(152,012,401)	(318,962,818)	(41,995,595)	(49,884,643)
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(366,669,886)	252,388,811	365,794,866	679,008,575
		(518,682,287)	(66,574,007)	323,799,271	629,123,932
Total income		(279,800,571)	175,359,549	403,264,687	707,049,613
Expenses					
Remuneration of Atlas Asset Management Limited - Management Company	6.1	87,783,413	79,789,280	28,779,154	27,489,660
Sindh sales tax on remuneration of the Management Company	6.2	11,411,844	10,372,606	3,741,290	3,573,655
Remuneration of Central Depository Company of Pakistan Limited - Trustee		5,139,856	4,740,149	1,685,534	1,621,058
Sindh sales tax on remuneration of the trustee		668,181	616,219	219,119	210,737
Annual fee to the Securities and Exchange Commission of Pakistan		4,169,712	3,789,991	1,367,010	1,305,759
Accounting and operational charges	9	4,389,171	3,858,886	1,438,958	1,381,836
Auditors' remuneration		297,228	408,893	133,104	136,153
Annual listing fee		20,633	19,142	6,770	6,287
Securities transaction cost		7,270,521	7,563,214	2,128,655	2,235,027
Advertisement and marketing expense		-	78,119	-	15,000
Printing charges		(60,128)	193,153	(49,138)	41,130
Legal and professional charges		110,705	1,261,554	15,762	376,450
Bank charges		65,806	36,488	14,224	6,136
Provision for Sindh Workers' Welfare Fund		-	1,252,637	-	1,252,637
Total expenses		121,266,942	113,980,331	39,480,442	39,651,525
Net (loss) / income for the period before taxation		(401,067,512)	61,379,218	363,784,246	667,398,088
Taxation	11	-	-	-	-
Net (loss) / income for the period after taxation		(401,067,512)	61,379,218	363,784,246	667,398,088
Loss / Earnings per unit	12				
Allocation of net (loss) / income for the period					
Net income for the period after taxation		(401,067,512)	61,379,218	363,784,246	667,398,088
Income already paid on units redeemed		9,083,053	19,750,115	9,083,053	19,750,115
		(410,150,566)	41,629,103	354,701,192	647,647,973
Accounting income available for distribution:					
- Relating to capital gains		-	-	365,794,866	629,123,932
- Excluding capital gains		(410,150,566)	41,629,103	(11,093,674)	18,524,041
		(410,150,566)	41,629,103	354,701,192	647,647,973

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

Third Quarter Report 2018-19

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2019

	For the Nine Months Ended 31 March		For the Quarter Ended 31 March	
	2019	2018	2019	2018
	-----Rupees-----			
Net (loss) / income for the period after taxation	(401,067,512)	61,379,218	363,784,246	667,398,088
Other comprehensive income	-	-	-	-
Total comprehensive (loss) / income for the period	(401,067,512)	61,379,218	363,784,246	667,398,088

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

Third Quarter Report 2018-19

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED 31 MARCH 2019

	For the Nine Months Ended	
	31 March	
	2019	2018
Note	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (loss) / income for the period before taxation	(401,067,512)	61,379,218
Adjustment for:		
Profit on bank balances	(24,107,397)	(24,716,207)
Dividend income	(214,774,319)	(217,217,349)
Capital loss / (gain) on sale of investments - net	152,012,401	318,962,818
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	366,669,886	(252,388,811)
Provision for sindh workers' welfare fund	-	1,252,637
	279,800,571	(174,106,912)
Decrease (increase) in assets		
Receivable against sale of investments	1,483,060	(49,367,187)
Advances, deposits, prepayment and other receivables	8,605,113	1,092,982
	10,088,173	(48,274,205)
Increase / (decrease) in liabilities		
Payable to Atlas Asset Management Limited - Management Company	842,859	789,367
Payable to the Central Depository Company of Pakistan Limited - Trustee	43,445	(43,421)
Payable to the Securities and Exchange Commission of Pakistan	(935,189)	(1,292,939)
Payable against purchase of investments	5,457,954	(112,087,738)
Accrued expenses and other liabilities	(293,350)	(342,027)
	5,115,719	(112,976,758)
Profit received on bank balances	24,015,273	31,661,424
Dividend received	152,490,033	170,549,776
Investments made during the period	(3,908,843,528)	(3,691,495,624)
Investments sold during the period	2,737,983,572	3,622,922,525
Net cash used in operating activities	(1,100,417,700)	(140,340,556)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	1,674,098,586	1,672,288,542
Net payments against redemption of units	(920,957,708)	(1,572,345,470)
Cash payout against distribution	-	(124,345,017)
Net cash generated from / (used in) financing activities	753,140,878	(24,401,945)
Net decrease in cash and cash equivalents	(347,276,822)	(164,742,501)
Cash and cash equivalents at the beginning of the period	503,609,049	657,895,685
Cash and cash equivalents at the end of the period	4 156,332,227	493,153,184

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 Stock Market Fund

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

FOR THE NINE MONTHS ENDED 31 MARCH 2019

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, Tenth and Eleventh 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, 2 June 2017 and 25 May 2018 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. The Fund is listed on the Pakistan Stock Exchange Limited.
- 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 Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2018: AM2+ (AM Two plus)] on 28 December 2018.
- 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.
- 1.6 In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at 31 March 2019.

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, provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984, 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), the requirements of the Trust Deed and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.2 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 2018.

Third Quarter Report 2018-19

2.3 Functional and presentation currency

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

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, 2018.

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 2018.

3.2 Change in accounting policy

3.2.1 IFRS 9 Financial Instruments

Effective from July 01, 2018, the fund has adopted IFRS 9: "Financial Instruments" which has replaced IAS 39: "Financial Instruments: Recognition and Measurement". The standard prescribes accounting and reporting requirements for recognition, classification, measurement and derecognition of financial assets and financial liabilities.

The IFRS 9 has replaced current categories of financial assets (Fair Value Through Profit or Loss (FVPL), Available For Sale (AFS), held-to-maturity and amortised cost) by the following classifications of Financial Assets:

- 1) Debt instruments at amortised cost
- 2) Debt instruments at Fair Value Through Other Comprehensive Income (FVOCI), with gains or losses recycled to profit or loss on derecognition
- 3) Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on derecognition
- 4) Financial assets at Fair Value through Profit or Loss

The accounting for financial liabilities remains largely the same as it was under IAS 39."

Under IFRS 9, the classification is based on two criteria, a) the entity's business model for managing the assets; and b) whether the instruments' contractual cashflows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion'). The assessment of the fund's business model was made as at the date of initial application i.e. 01 July 2018. "

As a result of the above assessment, the management has concluded that all the investments in equity securities will continue to be classified at Fair Value Through Profit or Loss as such investments are managed on a fair value basis and are held for trading purposes in accordance with the objectives of the fund.

Furthermore, the management has made an assessment of impairment under expected credit loss model of IFRS 9 for bank balances and security deposits and concluded that the impact is not material to the condensed interim financial statements.

Atlas Stock Market Fund

3.2.2 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 period:

IFRS 9 - Financial Instruments

IFRS 15 - Revenue from contracts with customers (Amendments)

IFRS 2 - Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)

IFRS 4 - Insurance Contracts - Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments)

IFRIC 22 - Foreign Currency Transactions and Advance Consideration

The adoption of the above amendments to accounting standards and interpretations did not have any effect on the condensed interim financial statements other than IFRS 9, the impact of which has been disclosed in Note 3.2.1.

4	CASH AND BANK BALANCES	Note	31 March	30 June
			2019	2018
			Un-audited	Audited
			-----Rupees-----	
	Balances with banks			
	- in savings accounts	4.1	156,265,714	503,449,049
	- in current account		5,000	10,000
	Cheques in hand	4.2	61,513	150,000
			156,332,227	503,609,049

4.1 The rate of return on these accounts ranges between 8.25% and 10.90% (30 June 2018: 4.00% and 7.35%) per annum.

4.2 This denotes cheque received against issue of units which was deposited and cleared in the bank account subsequently on 01 April 2019 (30 June 2018: 03 July 2018).

5	INVESTMENTS	Note	31 March	30 June
			2019	2018
			Un-audited	Audited
			-----Rupees-----	
Financial assets at fair value through profit or loss account				
	- Listed equity securities	5.1	5,540,406,649	4,940,091,479
	Investment through book building for ordinary shares of - Interloop Limited (1,125,000 shares)		51,862,500	-
			5,592,269,149	4,940,091,479

Third Quarter Report 2018-19

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 otherwise

Name of Investee Company	Note	Number of shares				Rupees		Market value as a percentage of			
		As at 01 July 2018	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 31 March 2019	Average cost as at 31 March 2019	Market value as at 31 March 2019	Total Investments	Net assets	Paid up capital of the Investee Company
INVESTMENT COMPANIES											
Arif Habib Limited		446,500	-	94,000	4,700	535,800	27,236,500	21,421,282	0.39	0.38	0.81
							27,236,500	21,421,282	0.39	0.38	
COMMERCIAL BANKS											
Allied Bank Limited		500,000	90,000	-	590,000	-	-	-	-	-	-
Askari Bank Limited		2,464,500	1,733,000	-	4,197,500	-	-	-	-	-	-
Bank Alfalah Limited		4,897,000	1,792,500	640,000	634,000	6,695,500	323,834,896	315,157,185	5.69	5.52	0.38
Bank Al Habib Limited		1,769,500	2,580,200	-	345,000	4,004,700	304,023,768	343,042,602	6.19	6.01	0.36
Faysal Bank Limited		8,625	3,298,500	-	-	3,307,125	82,084,671	77,849,723	1.41	1.36	0.22
Habib Bank Limited		1,872,500	675,000	-	517,500	2,030,000	319,127,771	268,954,700	4.85	4.71	0.14
Habib Metropolitan Bank Limited		2,381,500	-	-	2,381,500	-	-	-	-	-	-
MCB Bank Limited		777,000	60,000	-	545,000	292,000	57,846,883	57,386,760	1.04	1.01	0.02
Mezan Bank Limited		1,330,000	1,154,500	172,850	2,099,500	557,850	51,610,620	55,255,043	1.00	0.97	0.05
National Bank Of Pakistan		750,000	1,350,000	-	435,500	1,664,500	81,657,499	66,679,870	1.20	1.17	0.08
The Bank Of Punjab		10,000,000	1,435,000	-	250,000	11,185,000	134,105,985	145,628,700	2.63	2.55	0.42
United Bank Limited	5.3	1,075,000	2,575,000	-	990,000	2,660,000	399,564,584	371,149,800	6.70	6.51	0.22
							1,753,856,677	1,701,104,383	30.70	29.82	
INSURANCE											
Adamjee Insurance Company Limited		742,500	-	-	742,500	-	-	-	-	-	-
EFU Life Assurance Limited		23,500	-	-	23,500	-	-	-	-	-	-
							-	-	-	-	-
TEXTILE SPINNING											
Gadoon Textile Mills Limited		50,000	70,000	-	111,300	8,700	2,216,154	2,088,000	0.04	0.04	0.03
							2,216,154	2,088,000	0.04	0.04	
TEXTILE COMPOSITE											
Gul Ahmed Textile Mills Limited		-	1,296,000	-	496,000	800,000	45,238,313	45,576,000	0.82	0.80	0.22
Kohinoor Textile Mills Limited		450,300	1,495,200	-	163,000	1,782,500	87,700,065	79,980,775	1.44	1.40	0.60
Nishat (Chunian) Limited		1,551,000	182,000	-	533,000	1,200,000	56,596,550	62,088,000	1.12	1.09	0.50
Nishat Mills Limited		710,900	308,000	-	268,900	750,000	105,348,087	100,957,500	1.82	1.77	0.21
							294,883,015	288,602,275	5.21	5.06	
CEMENT											
Attock Cement Pakistan Limited		-	316,600	28,000	14,500	330,100	40,197,255	29,428,415	0.53	0.52	0.24
Cherat Cement Company Limited		-	850,000	-	150,000	700,000	51,277,959	43,974,000	0.79	0.77	0.40
D.G. Khan Cement Company Limited		779,600	1,130,000	-	1,059,600	850,000	77,147,173	72,598,500	1.31	1.27	0.19
Kohat Cement Company Limited		-	64,300	19,290	83,500	90	8,690	7,725	0.00	0.00	0.00
Lucky Cement Limited		360,000	317,600	-	81,250	596,350	296,530,071	255,380,924	4.61	4.48	0.18
Maple Leaf Cement Factory Limited		350,000	1,150,000	-	1,500,000	-	-	-	-	-	-
Pioneer Cement Limited		415,000	250,000	-	665,000	-	-	-	-	-	-
							465,161,148	401,389,564	7.24	7.04	
REFINERY											
Attock Refinery Limited		-	100,000	-	100,000	-	-	-	-	-	-
Byco Petroleum Pakistan Limited		1,500,000	-	-	1,500,000	-	-	-	-	-	-
National Refinery Limited		30,000	125,000	-	80,000	75,000	12,497,313	12,618,750	0.23	0.22	0.09
							12,497,313	12,618,750	0.23	0.22	
POWER GENERATION & DISTRIBUTION											
K-Electric Limited (face value Rs. 3.5 per share)		4,750,000	2,250,000	-	-	7,000,000	39,900,245	39,130,000	0.71	0.69	0.03
Lalpur Power Limited		300,000	-	-	-	300,000	5,763,000	4,197,000	0.08	0.07	0.08
Nishat Chunian Power Limited		590,000	29,000	-	-	619,000	17,342,100	13,488,010	0.24	0.24	0.17
Pakgen Power Limited		3,400,000	-	-	-	3,400,000	65,552,000	51,884,000	0.94	0.91	0.91
The Hub Power Company Limited		2,075,000	1,422,000	-	85,000	3,412,000	308,551,053	250,201,960	4.52	4.39	0.29
							437,108,398	358,900,970	6.48	6.29	
OIL & GAS MARKETING COMPANIES											
Attock Petroleum Limited		-	108,000	-	108,000	-	-	-	-	-	-
Hascol Petroleum Limited		-	100,000	-	-	100,000	12,761,453	12,967,000	0.23	0.23	0.06
Pakistan State Oil Company Limited		604,000	325,000	93,160	494,200	527,960	133,008,470	114,134,393	2.06	2.00	0.13
Sui Northern Gas Pipelines Limited		900,200	300,000	-	575,000	625,200	62,699,179	46,958,772	0.85	0.82	0.10
							208,469,102	174,060,165	3.14	3.05	
OIL & GAS EXPLORATION COMPANIES											
Mari Petroleum Company Limited		155,000	45,140	20,014	8,700	211,454	291,635,994	263,310,979	4.75	4.62	0.17
Oil & Gas Development Company Limited		2,050,000	1,047,000	-	545,600	2,551,400	389,467,525	376,459,070	6.79	6.60	0.06
Pakistan Oilfields Limited		350,000	150,000	74,320	84,300	490,020	264,648,947	219,161,445	3.96	3.84	0.17
Pakistan Petroleum Limited	5.3	1,305,200	618,700	279,585	110,000	2,093,485	386,932,912	387,273,790	6.99	6.79	0.09
							1,332,685,378	1,246,205,284	22.49	21.85	
INDUSTRIAL ENGINEERING											
Amreli Steels Limited		-	1,061,500	-	1,061,500	-	-	-	-	-	-
International Industries Limited		331,500	724,100	-	297,900	757,700	128,650,171	94,030,570	1.70	1.65	0.63
International Steels Limited		-	327,500	-	327,500	-	-	-	-	-	-
Mughal Iron And Steel Industries Limited		215,225	125,000	-	335,500	4,725	259,726	184,559	0.00	0.00	0.00
							128,909,897	94,215,129	1.70	1.65	

Atlas Stock Market Fund

Name of Investee Company	Note	Number of shares					Rupees		Market value as a percentage of		
		As at 01 July 2018	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 31 March 2019	Average cost as at 31 March 2019	Market value as at 31 March 2019	Total Investments	Net assets	Paid up capital of the Investee Company
AUTOMOBILE ASSEMBLER											
Indus Motor Company Limited		19,000	-	-	19,000	-	-	-	-	-	-
AUTOMOBILE PARTS & ACCESSORIES											
Agriauto Industries Limited		70,000	82,900	-	152,900	-	-	-	-	-	-
Thal Limited		104,900	16,000	-	120,900	-	-	-	-	-	-
TRANSPORT											
Pakistan International Bulk Terminal Limited		2,000,000	-	-	2,000,000	-	-	-	-	-	-
TECHNOLOGY & COMMUNICATIONS											
Hum Network Limited		13,055,000	-	-	13,055,000	-	-	-	-	-	-
Netsol Technologies Limited		-	343,400	-	343,400	-	-	-	-	-	-
Pakistan Telecommunication Company Limited		-	244,500	-	244,500	-	-	-	-	-	-
Systems Limited		-	754,500	-	50,000	704,500	84,498,558	75,029,250	1.35	1.32	0.06
							84,498,558	75,029,250	1.35	1.32	
FERTILIZER											
Engro Fertilizers Limited		3,374,000	1,436,000	-	584,000	4,226,000	314,573,845	302,370,300	5.46	5.30	0.32
Engro Corporation Limited		1,000,000	259,900	-	187,900	1,072,000	334,151,958	350,790,560	6.33	6.15	0.20
Fauji Fertilizer Bin Qasim Limited	5.3	700,000	100,000	-	800,000	-	-	-	-	-	-
Fauji Fertilizer Company Limited		1,150,000	1,600,000	-	1,475,000	1,275,000	135,385,685	133,186,500	2.40	2.33	0.06
							784,111,488	786,347,360	14.19	13.78	
PHARMACEUTICALS											
Abbott Laboratories (Pakistan) Limited		-	45,000	-	-	45,000	29,484,960	28,688,850	0.52	0.50	0.05
AGP Limited		-	200,000	-	-	200,000	18,597,500	17,028,000	0.31	0.30	0.07
Ferozsons Laboratories Limited		-	142,000	-	-	142,000	29,153,982	27,765,260	0.50	0.49	0.47
Glaxosmithkline Pakistan Limited		-	220,000	-	-	220,000	28,506,720	31,587,600	0.57	0.55	0.19
The Searle Company Limited		70,360	348,000	54	70,000	348,414	84,904,795	82,514,780	1.49	1.45	0.16
							190,647,957	187,584,490	3.39	3.29	
CHEMICALS											
Descor Oxychem Limited		-	800,000	-	-	800,000	-	-	-	-	-
Engro Polymer & Chemicals Limited		-	2,950,000	-	1,469,500	1,480,500	56,963,472	53,771,760	0.97	0.94	0.16
Lotte Chemical Pakistan Limited		2,250,000	1,200,000	-	2,250,000	1,200,000	17,687,685	17,064,000	0.31	0.30	0.08
Sitara Peroxide Limited		-	476,500	-	-	476,500	-	-	-	-	-
							74,651,157	70,835,760	1.28	1.24	
PAPER & BOARD											
Cherat Packaging Limited		-	202,600	-	-	202,600	31,493,987	28,769,200	0.52	0.50	0.52
Packages Limited		89,450	-	-	-	89,450	-	-	-	-	-
							31,493,987	28,769,200	0.52	0.50	
LEATHER & TANNERIES											
Service Industries Limited		500	-	-	-	500	392,490	332,500	0.01	0.01	0.00
							392,490	332,500	0.01	0.01	
FOODS & PERSONAL CARE PRODUCTS											
Al Shaeer Corporation Limited		916,937	309,500	-	1,210,829	15,608	433,007	280,632	0.01	0.00	0.01
Engro Foods Limited		-	25,000	-	25,000	-	-	-	-	-	-
Marco Foods Limited		329	1,603,500	22,916	-	1,626,745	44,927,609	56,041,365	1.01	0.98	1.33
National Foods Limited		-	100,000	-	-	100,000	-	-	-	-	-
At-Tahur Limited		-	1,124,990	-	1,124,990	-	-	-	-	-	-
							45,360,616	56,321,997	1.02	0.99	
GLASS & CERAMICS											
Tariq Glass Industries Limited		-	341,500	-	-	341,500	32,896,699	34,580,290	0.62	0.61	0.46
							32,896,699	34,580,290	0.62	0.61	
Vanaspati & Allied Industries											
Unity Foods Limited		-	3,483,000	-	3,483,000	-	-	-	-	-	-
							5,907,076,334	5,540,406,649	100.00	97.13	

5.2 The cost of listed equity securities as at 31 March 2019 is Rs. 5,739,275,000 (30 June 2018: Rs. 4,911,177,095).

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:

	Number of shares		Market value (Rupees)	
	31 March 2019	30 June 2018	31 March 2019	30 June 2018
	Un-audited	Audited	Un-audited	Audited
Engro Fertilizers Limited	425,000	425,000	30,408,750	31,836,750
United Bank Limited	100,000	100,000	13,953,000	16,898,000
Pakistan Petroleum Limited	297,000	297,000	54,942,030	63,825,300
	822,000	822,000	99,303,780	112,560,050

Third Quarter Report 2018-19

6 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)	Note	31 March 2019	30 June 2018
		Un-audited	Audited
		-----Rupees-----	
Remuneration of the Management Company	6.1	9,737,392	9,023,232
Sindh Sales Tax payable on remuneration of the Management Company	6.2	4,234,907	4,142,066
Federal Excise Duty payable on remuneration of the Management Company	6.3	20,301,988	20,301,988
Accounting and operational charges reimbursable by the Fund	9	486,869	451,011
Sindh Sales Tax payable on accounting and operational charges		-	-
		34,761,156	33,918,297

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 receive a remuneration at the rate not exceeding 2% of the average annual net assets in case 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% (2018: 2%) per annum of the average net assets for the period. The fee is payable to the Management Company monthly in arrears.

6.2 During the period, an amount of Rs. 11,411,843 (2018: Rs. 10,372,606) 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. 11,319,002 (2018: Rs. 10,362,633) has been paid to the Management Company which acts as a collecting agent.

6.3 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 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 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 2019 would have been higher by Rs. 2.07 (30 June 2018: Rs 2.34) per unit.

7 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	31 March 2019	30 June 2018
		Un-audited	Audited
		-----Rupees-----	
Auditors' remuneration payable		237,557	410,274
Printing charges payable		19,053	128,793
NCCPL charges payable		30,000	30,000
Withholding and capital gain tax payable		196,067	108,442
Transaction charges payable		964,280	1,068,207
Zakat payable		3,516	1,931
Sales Load Payable		3,824	-
Provision for Sindh Workers' Welfare Fund	7.1	38,835,533	38,835,533
		40,289,830	40,583,180

Atlas Stock Market Fund

- 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. 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).

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.

In view of the above developments regarding the applicability of WWF and SWWF on CISs / mutual funds, MUFAP has recommended the following to all its members on 12 January 2017:

- based on legal opinion, the entire provision against WWF held by the CISs till 30 June 2015 should be reversed on 12 January 2017; and
- as a matter of abundant caution, the provision in respect of SWWF should be made with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from 21 May 2015) on 12 January 2017.

Accordingly, on 12 January 2017 the provision for WWF was reversed and the provision for SWWF was made for the period from 21 May 2015 to 12 January 2017. Thereafter, the provision is being made on a daily basis going forward.

The above decisions were communicated to the SECP and the Pakistan Stock Exchange Limited on 12 January 2017 and the SECP vide its letter dated 1 February 2017 has advised MUFAP that the adjustments relating to the above should be prospective and supported by adequate disclosures in the financial statements of the CISs/ 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 3.95 per unit (30 June 2018: Rs 4.49 per unit).

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 March 2019 and 30 June 2018.

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 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 March 2019 is 2.76% (30 June 2018: 2.78%) which includes 0.4% (30 June 2018: 0.41%) 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.

11 TAXATION

- 11.1 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 available for distribution for the year derived from sources other than capital gains to the unitholders.

Third Quarter Report 2018-19

12 EARNING PER UNIT

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

13 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.

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	
	2019	2018
	Un-audited	Un-audited
	----- Rupees-----	
13.1 Transactions during the period		
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	87,783,413	79,789,280
Sindh Sales Tax on remuneration of the Management Company	11,411,844	10,372,606
Remuneration paid	87,069,253	79,712,571
Accounting and operational charges	4,389,171	3,858,886
Issue of Nil (2018: 30,389) units	-	16,885,350
Redemption of Nil (2018: 25,139) units	-	15,000,000
Cash dividend declared	-	2,154,686
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	5,139,856	4,740,149
Sindh Sales Tax on remuneration of the Trustee	668,181	616,219
Remuneration paid	5,101,409	4,733,574
Settlement charges	272,938	265,135
Sindh Sales Tax on settlement charges	35,482	34,468
Atlas Battery Limited (Group Company)		
Issue of Nil (2018: 447) units	-	243,745
Redemption of 447 (2018: Nil) units	270,210	-
Atlas Foundation (Group Company)		
Issue of Nil (2018: 37,095) units	-	22,625,993
Redemption of Nil (2018: 53,809) 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 Nil (2018: 4,457) units	-	2,905,010
Redemption of Nil (2018: 90,834) units	-	50,366,164
Cash dividend declared	-	2,905,010

Atlas Stock Market Fund

13.1 Transactions during the period	For the nine months ended	
	31 March	
	2019	2018
	Un-audited	Un-audited
	----- Rupees-----	
Atlas Insurance Limited (Group Company)		
Issue of 158,175 (2018: 1,095,454) units	94,000,000	648,347,588
Redemption of 75,670 (2018: 1,231,340) units	46,375,116	737,307,736
Cash dividend declared	-	7,532,580
Atlas Honda Limited (Group Company)		
Issue of Nil (2018: 85,924) units	-	53,362,659
Redemption of 315,794 (2018: Nil) units	200,000,000	-
Cash dividend declared	-	3,843,039
Atlas Insurance Limited - Staff Provident Fund Trust (Retirement Benefit plan of a Group Company)		
Issue of (2018: 602) units	-	392,579
Redemption of 11,703 (2018: Nil) units	7,006,159	-
Cash dividend declared	-	392,579
Atlas Engineering Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Issue of (2018: 372) units	-	242,547
Redemption of 16,542 (2018: Nil) units	9,632,342	-
Cash dividend declared	-	242,547
Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund (Retirement Benefit plan of a Group Company)		
Issue of Nil (2018: 706) units	-	460,318
Cash dividend declared	-	460,318
Atlas Honda Limited - Non Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)		
Issue of Nil (2018: 490) units	-	319,514
Redemption of Nil (2018: Nil) units	-	-
Cash dividend declared	-	319,514
Atlas Honda Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Issue of Nil (2018: 2,385) units	-	1,554,551
Redemption of 8,225 (2018: Nil) units	5,000,000	-
Cash dividend declared	-	1,554,551
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Issue of Nil (2018: 11,520) units	-	6,772,885
Redemption of Nil (2018: 27,826) units	-	17,600,000
Cash dividend declared	-	572,885
Shirazi Investments (Private) Limited (Group Company)		
Issue of 730,632 (2018: 683,422) units	448,096,319	411,015,091
Cash dividend declared	-	46,874,390
Batool Benefit Trust (Trust having common Director / Trustee)		
Issue of Nil (2018: 21,663) units	-	12,473,183
Cash dividend declared	-	2,826,495
Directors and their close family members and key management personnel of the Management Company		
Issue 13,499 (2018: 50,062) units	8,221,108	30,924,653
Redemption of 91,273 (2018: 96,007) units	57,814,834	61,971,422
Cash dividend declared	-	12,899,301

Third Quarter Report 2018-19

31 March 2019 Un-audited	30 June 2018 Audited
-----Rupees-----	

13.2 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	9,737,392	9,023,232
Sindh Sales tax payable on remuneration of the Management Company	4,234,907	4,142,066
Federal Excise Duty payable on remuneration of the Management Company	20,301,988	20,301,988
Accounting and operational charges payable	486,869	451,011
Sindh Sales Tax payable on operational charges	-	-
Outstanding 148,895 (30 June 2018: 148,895) units - at net asset value	86,451,568	92,442,526

Central Depository Company of Pakistan Limited (Trustee)

Trustee fee payable	571,801	533,354
Sindh Sales tax payable on remuneration of trustee	74,334	69,336
Settlement charges payable	3,000	3,000
Sindh Sales tax payable on settlement charges	390	390

Atlas Battery Limited (Group Company)

Outstanding Nil (30 June 2018: 447) units - at net asset value	-	277,401
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Atlas Honda Limited (Group Company)

Outstanding 26,333 (30 June 2018: 342,126) units - at net asset value	15,289,200	212,411,317
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Atlas Insurance Limited (Group Company)

Outstanding 386,490 (30 June 2018: 303,985) units - at net asset value	224,403,996	188,731,143
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Atlas Insurance Limited - Staff Provident Fund Trust

(Retirement Benefit plan of a Group Company)

Outstanding Nil (30 June 2018: 11,703) units - at net asset value	-	7,265,800
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Atlas Foundation (Group Company)

Outstanding 869,076 (30 June 2018: 869,075) units - at net asset value	504,602,698	539,570,874
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Atlas Group of Companies Management Staff Gratuity Fund

(Retirement Benefit plan of a Group Company)

Outstanding 107,281 (30 June 2018: 107,280) units - at net asset value	62,289,461	66,606,023
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Atlas Honda Limited - Employees Provident Fund

(Retirement Benefit plan of a Group Company)

Outstanding 97,797 (2018: 106,022) units - at net asset value	56,782,928	65,824,207
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Atlas Honda Limited - Non Management Staff Gratuity Fund

(Retirement Benefit plan of a Group Company)

Outstanding 21,791 (30 June 2018: 21,791) units - at net asset value	12,652,369	13,529,158
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Atlas Engineering Limited - Employees Provident Fund

(Retirement Benefit plan of a Group Company)

Outstanding Nil (30 June 2018: 16,542) units - at net asset value	-	10,270,132
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Batools Benefit Trust (Trust having common Director / Trustee)

Outstanding 210,096 (30 June 2018: 210,096) units - at net asset value	121,985,879	130,439,309
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Atlas Stock Market Fund

	31 March 2019 Un-audited	30 June 2018 Audited
-----Rupees-----		
Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund (Retirement Benefit plan of a Group Company)		
Outstanding 31,394 (30 June 2018: 31,394) units - at net asset value	18,228,041	19,491,216
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Outstanding 21,886 (30 June 2018: 21,886) units - at net asset value	12,707,658	13,588,279
Shirazi Investments (Private) Limited (Group Company)		
Outstanding 4,539,013 (30 June 2018: 3,808,381) units - at net asset value	2,635,441,447	2,364,456,324
Directors and their close family members and key management personnel of the Management Company		
Outstanding 607,716 (30 June 2018: 685,490) units - at net asset value	352,852,304	425,593,242

- 13.3** 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.

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

As at 31 March 2019 and 30 June 2018, the Fund held the financial assets at fair value through profit or loss measured using the level 2 valuation technique.

Third Quarter Report 2018-19

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.

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

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 29 April 2019.

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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