



**Atlas Islamic Income Fund**

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**Atlas Islamic Stock Fund**

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**Atlas Islamic Fund of Funds**

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**Atlas Islamic Dedicated Stock Fund**

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**QUARTER REPORT**

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**30 SEPTEMBER 2019**

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**(UN-AUDITED)**



**Management Company**

**Atlas Asset Management**

**Rated AM2+ by PACRA  
(as of June 28, 2019)**



#### **Vision**

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

#### **Mission Statement**

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

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# Atlas Meraj

## ORGANISATION

### Management Company

Atlas Asset Management Limited

### Board of Directors of the Management Company

**Chairman** Mr. Frahim Ali Khan  
(*Non-Executive Director*)

**Directors** Mr. Tariq Amin  
(*Independent Director*)  
Ms Zehra Naqvi  
(*Independent Director*)  
Mr. Iftikhar H. Shirazi\*  
(*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  
Ms Zainab Kazim  
**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

\*Subject to SECP Approval  
The Above information is as at 30 October 2019

# First Quarter Report 2019-20

## CHAIRMAN'S REVIEWS

It is my pleasure to present you the un-audited financial statements of Atlas Islamic Income Fund (AIIF), Atlas Islamic Stock Fund (AISF), Atlas Islamic Dedicated Stock Fund (AIDSF) and Atlas Islamic Fund of Funds (AIFOF) for the three months period ended September 30, 2019 of FY 2019-20.

## THE ECONOMY

The external sector continued to show significant improvement in the Current Account Deficit specifically driven by contraction in Imports. Pakistan's Imports for Jul-Sep FY20 stood at US\$ 11.25 billion compared to US\$ 14.17 billion in same period last year while Exports for the period Jul-Sep FY20 stood at US\$ 5.52 billion as compared to US\$ 5.37 billion reported in the same period last year. During Jul-Sep FY20, the Current Account Deficit was recorded at US\$ 1.55 billion as compared to US\$ 4.29 billion in the same period last year. The reduction in Current Account Deficit together with foreign inflows provided support to Foreign Exchange Reserves, which as of September 27, 2019 stood at US\$ 15.00 billion with State Bank of Pakistan's share of US\$ 7.74 billion. Foreign Remittances for the period July-Sep FY20 stood at US\$ 5.48 billion, recording a decline of 1.43% against same period last year. Due to the impact of exchange rate depreciation, adjustments in utility prices and increase in food prices, CPI inflation for the period July- Sep FY20 averaged at 10.08%. During the quarter, the Federal Board of Revenue provisionally collected Rs. 960 billion tax revenue against a target of Rs. 1,071 billion registering a shortfall of 10.36%. The State Bank of Pakistan in its latest monetary policy announcement on September 16, 2019 decided to keep policy rate unchanged at 13.25%.

## FUND OPERATIONS - AIIF

The Net Asset Value per unit of Atlas Islamic Income Fund (AIIF) increased by 3.07% to Rs. 519.40 as on September 30, 2019, this works out to 12.18% on an annualized basis. The AIIF's total exposure in Sukuk was 13.79% and the remaining 86.21% in high yielding Shariah Compliant Bank Deposits/Others. The Net Assets of the Fund stood at Rs. 1.43 billion, with 2.76 million units outstanding as on September 30, 2019.

## FUND OPERATIONS - AISF

The Net Asset Value per unit of Atlas Islamic Stock Fund (AISF) decreased by 5.63% to Rs. 405.67 as on September 30, 2019. The benchmark KMI-30 index decreased by 5.48% during the same period. The KMI-30 index decreased from 54,118.51 points as on June 28, 2019 to 51,150.82 points as on September 30, 2019. AISF strategy will continue to focus on dividend plays and stocks which are trading at relatively cheap multiples with earnings growth prospects. AISF's equity portfolio exposure was mainly in Oil & Gas Exploration, Fertilizer, Islamic Commercial Banks and Power Generation & Distribution Companies. The Net Assets of the Fund stood at Rs. 1.18 billion, with 2.90 million units outstanding as on September 30, 2019.

## FUND OPERATIONS - AIDSF

The Net Asset Value per unit of Atlas Islamic Dedicated Stock Fund (AIDSF) decreased by 5.77% to Rs. 389.78 as on September 30, 2019. The benchmark KMI-30 index decreased by 5.48% during the same period. The KMI-30 index decreased from 54,118.51 points as on June 28, 2019 to 51,150.82 points as on September 30, 2019. AIDSF strategy will continue to focus on dividend plays and stocks which are trading at relatively cheap multiples with earnings growth prospects. AIDSF's equity portfolio exposure was mainly in Oil & Gas Exploration, Fertilizer, Islamic Commercial Banks and Cement Companies. The Net Assets of the Fund stood at Rs. 284.18 million, with 0.73 million units outstanding as on September 30, 2019.

## FUND OPERATIONS - AIFOF

The Net Asset Value of Atlas Aggressive Allocation Islamic Plan (AAAIP) decreased by 2.75% to Rs.431.69 as on September 30, 2019. AAAIP was 25.62% and 72.87% invested in AIIF and AIDSF respectively. The Net Asset Value of Atlas Moderate Allocation Islamic Plan (AMAIP) decreased by 0.94% to Rs.461.08 as on September 30, 2019. AMAIP was 45.34% and 52.37% invested in AIIF and AIDSF respectively. The Net Asset Value of Atlas Conservative Allocation Islamic Plan (ACAIP) increased by 1.22% to Rs. 501.38 as on September 30, 2019. ACAIP was 70.79% and 28.17% invested in AIIF and AIDSF respectively. The Net Asset Value of Atlas Islamic Capital Preservation Plan (AICPP) increased by 0.63% to Rs. 491.04 as on September 30, 2019. AICPP was 68.31% and 29.84% invested in AIIF and AIDSF respectively. The Net Assets of AIFOF stood at Rs. 748.54 million as on September 30, 2019.

# Atlas Meraj

## 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 (AMCs) 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 AMCs, 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.

### RATINGS

#### • ASSET MANAGER RATING

The Pakistan Credit Rating Agency (PACRA) 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.

# First Quarter Report 2019-20

## • FUND STABILITY RATING - AIIF

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 low exposure to risks.

## FUTURE OUTLOOK

Post induction of Pakistan into IMF's US\$ 6 billion program, macro-economic adjustments have been targeted including a free-float exchange rate regime, broadening of tax base and monetary tightening to stabilize the economy. Exchange rate adjustments have resulted in Real Effective Exchange Rate (REER) to come down at 92.7 in August-19 that helped in reducing Current Account Deficit to US\$ 1.55 billion during July-Sep 2019 compared to US\$ 4.29 billion in the same period last year. Provisional tax collection during the quarter was Rs. 960 billion that has increased by 15% compared to last year despite slowdown in the economy. On the external front, worker's remittances, lending commitments from multilateral institutions and IMF's extended fund facility will help in meeting Pakistan's financing needs. However, debt servicing by the government amid high interest rates will keep fiscal side under pressure despite improvements in tax collection. CPI inflation is likely to average between 11% - 12% for FY20. Going forward, government's focus towards Exports, commencement of China Pakistan Economic Corridor second phase and increased Public Sector Development Program outlay will be instrumental for increment in economic activity.

## SAD DEMISE OF THE FOUNDER AND CHAIRMAN OF ATLAS GROUP

On October 20, 2019, the Founder and Chairman of Atlas Group, Mr. Yusuf H. Shirazi, left for his heavenly abode. On behalf of the Board of Directors, I would like to place on record deep sorrow and grief on his passing away. He was a visionary with brilliant business acumen and will always be remembered as the most successful and leading first generation entrepreneur of Pakistan. He established leading companies and built organizations for social development. He founded various institutions that changed the lives of millions and shaped the course of Pakistan's industrial growth. He fostered several enduring foreign relationships and influenced all of us with his exemplary principles. Atlas Group's extended family and committed partners is a legacy of his values and work ethics. We are determined and committed to uphold and grow his rich legacy.

بڑی مشکل سے ہوتا ہے جن میں دیدہ و رپیدا

## 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 : 30 October 2019

**Frahim Ali Khan**  
Chairman

# Atlas Islamic Income Fund

## Corporate Information

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### **Trustee**

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

### **Shariah Advisor**

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Dr. Mufti Muhammad Wasih Fasih Butt

### **Auditors**

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EY Ford Rhodes  
Chartered Accountants

### **Legal Advisers**

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Mohsin Tayebaly & Co.

### **Bankers**

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Al-Baraka Bank (Pakistan) Limited  
Allied Bank Limited - Islamic Banking  
Askari Bank Limited - Islamic Banking  
Bank Al Habib Limited - Islamic Banking  
BankIslami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited - Islamic Banking  
Habib Bank Limited - Islamic Banking  
MCB Bank Limited - Islamic Banking  
Meezan Bank Limited  
Soneri Bank Limited - Islamic Banking



# First Quarter Report 2019-20

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 30 SEPTEMBER 2019

	Note	30 September 2019 Un-Audited -----Rupees-----	30 June 2019 Audited
<b>ASSETS</b>			
Cash and Bank balances	4	1,228,125,022	1,308,448,955
Investments	5	199,903,853	99,898,800
Markup accrued	6	21,517,512	15,086,559
Security deposit, prepayment and other receivables		599,529	578,941
<b>Total assets</b>		<b>1,450,145,916</b>	<b>1,424,013,255</b>
<b>LIABILITIES</b>			
Payable to Atlas Asset Management Limited - Management Company	7	2,540,969	2,465,344
Payable to Central Depository Company of Pakistan Limited - Trustee		104,712	180,998
Payable to the Securities and Exchange Commission of Pakistan		74,470	701,274
Payable against redemption of units		8,637,837	19,806,934
Dividend payable		62,457	390,184
Accrued expenses and other liabilities	8	6,402,471	8,242,302
<b>Total liabilities</b>		<b>17,822,916</b>	<b>31,787,036</b>
<b>NET ASSETS</b>		<b>1,432,323,000</b>	<b>1,392,226,219</b>
<b>UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)</b>		<b>1,432,323,000</b>	<b>1,392,226,219</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	9		
<b>NUMBER OF UNITS IN ISSUE</b>		<b>2,757,672</b>	<b>2,762,766</b>
<b>NET ASSET VALUE PER UNIT</b>		<b>519.40</b>	<b>503.92</b>

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

For Atlas Asset Management Limited  
(Management Company)

**Qurrat-ul-Ain Jafari**  
Chief Financial Officer

**Muhammad Abdul Samad**  
Chief Executive Officer

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Income Fund

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	2019 -----Rupees-----	2018
<b>Income</b>			
Markup income	11	47,899,772	14,214,508
Net unrealised appreciation / (diminution) on remeasurement of investments classified as 'financial assets at fair value through profit or loss'		310,653	(339,200)
<b>Total income</b>		<b>48,210,425</b>	<b>13,875,308</b>
<b>Expenses</b>			
Remuneration of Atlas Asset Management Limited - Management Company	7.1	1,117,039	607,877
Sindh Sales Tax on remuneration of the Management Company	7.2	145,215	79,024
Remuneration of Central Depository Company of Pakistan Limited - Trustee		279,260	344,464
Sindh Sales Tax on Remuneration of the Trustee		36,304	44,780
Annual fees - Securities and Exchange Commission of Pakistan		74,469	151,969
Accounting and operational charges	10	372,346	202,625
Auditors' remuneration		65,154	73,439
Securities transaction cost		29,426	1,695
Annual listing fee		6,912	6,932
Annual rating fee		75,490	77,697
Printing charges		10,900	25,199
Shariah Advisory Fee		45,000	42,915
Bank charges		20,984	7,185
Legal and professional charges		118,033	46,440
Provision for Sindh Workers' Welfare Fund		916,278	243,261
<b>Total expenses</b>		<b>3,312,810</b>	<b>1,955,502</b>
<b>Net income for the period before taxation</b>		<b>44,897,615</b>	<b>11,919,806</b>
<b>Taxation</b>	13	-	-
<b>Net income for the period after taxation</b>		<b>44,897,615</b>	<b>11,919,806</b>
<b>Earning per unit</b>	14		
<b>Allocation of net income for the period:</b>			
- Net income for the period after taxation		44,897,615	11,919,806
- Income already paid on units redeemed		(5,175,319)	(2,181,169)
		<b>39,722,296</b>	<b>9,738,637</b>
<b>Accounting income available for distribution:</b>			
- Relating to capital gains		310,653	-
- Excluding capital gains		39,411,643	9,738,637
		<b>39,722,296</b>	<b>9,738,637</b>

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

For Atlas Asset Management Limited  
(Management Company)

**Qurrat-ul-Ain Jafari**  
Chief Financial Officer

**Muhammad Abdul Samad**  
Chief Executive Officer

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

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## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	2019	2018
	-----Rupees-----	
Net income for the period after taxation	44,897,615	11,919,806
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<b>44,897,615</b>	<b>11,919,806</b>

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

For Atlas Asset Management Limited  
(Management Company)

**Qurrat-ul-Ain Jafari**  
Chief Financial Officer

**Muhammad Abdul Samad**  
Chief Executive Officer

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Income Fund

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019		
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	1,384,052,950	-	1,384,052,950
<b>Undistributed income brought forward</b>			
- Realised income	-	8,274,469	8,274,469
- Unrealised loss	-	(101,200)	(101,200)
<b>Net assets at the beginning of the period (Units outstanding: 2,762,766) (Rs. 503.92 per unit)</b>	<b>1,384,052,950</b>	<b>8,173,269</b>	<b>1,392,226,219</b>
Issue of 684,502 units	349,817,526	-	349,817,526
Redemption of 689,596 units	(349,443,041)	(5,175,319)	(354,618,360)
Total comprehensive income for the period	-	44,897,615	44,897,615
<b>Net assets at end of the period (Units outstanding: 2,757,672) (Rs. 519.40 per unit)</b>	<b>1,384,427,435</b>	<b>47,895,565</b>	<b>1,432,323,000</b>
<b>Undistributed income carried forward</b>			
- Realised income	-	52,931,155	-
- Unrealised loss	-	(5,035,590)	-
	<b>-</b>	<b>47,895,565</b>	<b>-</b>
	30 September 2018		
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	838,131,601	-	838,131,601
<b>Undistributed income brought forward</b>			
- Realised income	-	33,308,312	33,308,312
- Unrealised income	-	782,300	782,300
<b>Net assets at the beginning of the period (Units outstanding: 1,653,270) (Rs. 527.57 per unit)</b>	<b>838,131,601</b>	<b>34,090,612</b>	<b>872,222,213</b>
Issue of 312,437 units	157,953,381	-	157,953,381
Redemption of 634,160 units	(319,495,884)	(2,181,169)	(321,677,053)
Refund of Capital	(12,427,235)	-	(12,427,235)
Cash distribution for year ended 30 June 2018 at Rs. 24.50 per unit declared on 06 July 2018	-	(28,077,890)	(28,077,890)
Total comprehensive income for the period	-	11,919,806	11,919,806
<b>Net assets at end of the period (Units outstanding: 1,331,547) (Rs. 510.62 per unit)</b>	<b>664,161,863</b>	<b>15,751,359</b>	<b>679,913,222</b>
<b>Undistributed income carried forward</b>			
- Realised income	-	15,308,259	-
- Unrealised income	-	443,100	-
	<b>-</b>	<b>15,751,359</b>	<b>-</b>

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

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

**Qurrat-ul-Ain Jafari**  
Chief Financial Officer

**Muhammad Abdul Samad**  
Chief Executive Officer

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

# First Quarter Report 2019-20

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	For the Quarter Ended	
		30 September	
		2019	2018
		-----Rupees-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income for the period after taxation		44,897,615	11,919,806
<b>Adjustment for:</b>			
Markup income		(47,899,772)	(14,214,508)
Net unrealised (appreciation) / diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(310,653)	339,200
Provision for Sindh Workers' Welfare Fund		916,278	243,261
		<b>(47,294,147)</b>	<b>(13,632,047)</b>
<b>Increase in assets</b>			
Security deposit, prepayment and other receivables		(20,588)	(20,568)
<b>Decrease in liabilities</b>			
Payable to Atlas Asset Management Limited - Management Company		75,625	(55,032)
Payable to Central Depository Company of Pakistan Limited		(76,286)	(24,086)
Payable to the Securities and Exchange Commission of Pakistan		(626,804)	(735,579)
Dividend payable		(327,727)	-
Accrued expenses and other liabilities		(2,756,109)	(478,289)
		<b>(3,711,301)</b>	<b>(1,292,986)</b>
Markup received		41,468,819	11,750,321
Investments sold / matured during the period		5,000,000	-
<b>Net cash (used in) / generated from operating activities</b>		<b>(64,354,002)</b>	<b>8,724,526</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net receipts from issuance of units		349,817,526	157,953,381
Net payments against redemption of units		(365,787,457)	(322,171,081)
Refund of Capital		-	(12,427,235)
Cash payout against distribution		-	(28,077,890)
<b>Net cash used in financing activities</b>		<b>(15,969,931)</b>	<b>(204,722,825)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(80,323,933)</b>	<b>(195,998,299)</b>
Cash and cash equivalents at the beginning of the period		1,308,448,955	776,625,525
<b>Cash and cash equivalents at the end of the period</b>	4	<b>1,228,125,022</b>	<b>580,627,226</b>

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

For Atlas Asset Management Limited  
(Management Company)

**Qurrat-ul-Ain Jafari**  
Chief Financial Officer

**Muhammad Abdul Samad**  
Chief Executive Officer

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Income Fund

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

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Income Fund (the Fund) is an open ended Fund constituted under a trust deed entered into on 7 May 2008 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the trustee. The Trust Deed has been revised through the First, Second and third Supplemental Trust Deeds dated 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 and Seventh supplements dated 23 June 2010, 12 November 2010, 20 September 2013, 24 March 2015, 3 August 2015, 30 September 2016 and 02 June 2017 respectively with the approval of the SECP. The investment activities and administration of the Fund are managed by AAML whose registered office is situated at Ground Floor, Federation House, Shahrah-e-Firdousi, Clifton, Karachi.
- 1.2 The Fund has been categorised as a 'shariah compliant income scheme' by the Board of Directors of the Management Company pursuant to the provision contained in Circular 07 of 2009. 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 since 14 October 2008, 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 with a good and stable rate of current income consistent with long term preservation of capital in a Shariah Compliant manner. A secondary objective is to take advantage of opportunities to realise capital appreciation. The Fund shall seek to provide the investors with a rate of return consistent with a broadly diversified portfolio of long medium, and short term, high quality Islamic income instruments.
- 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 June 2019.

Moreover, PACRA maintained the stability rating of the Fund at "AA- (f)" [2018: "AA- (f)"] on 17 October 2019 subsequently to the balance sheet date.

- 1.5 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 STATEMENT OF COMPLIANCE

These condensed interim financial statements has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2019.

# First Quarter Report 2019-20

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 30 September 2019.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at 30 September 2019 have been extracted from the annual published audited financial statements of the Fund for the year ended 30 June 2019, whereas, the comparatives in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the unaudited condensed interim financial statements of the Fund for the Quarter ended 30 September 2018.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2019.

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

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2019.

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 2019.

4 CASH AND BANK BALANCES	Note	30 September 2019	30 June 2019
		Un-audited	Audited
		-----Rupees-----	
<b>In local currency</b>			
- Profit and loss sharing accounts	4.1	1,226,478,022	1,306,013,955
- Current account		5,000	5,000
- Cheques in hand	4.2	1,642,000	2,430,000
		<b>1,228,125,022</b>	<b>1,308,448,955</b>

4.1 The rate of return on these profit & loss sharing accounts ranges between 6.00% to 14.25% (30 June 2019: 6.00% to 13.00%) per annum.

4.2 The denotes cheques received against issuance of units which were deposited and cleared in the bank account subsequently on 02 October 2019.

5 INVESTMENTS	Note	30 September 2019	30 June 2019
		Un-audited	Audited
		-----Rupees-----	
<b>At fair value through profit or loss</b>			
Debt securities - Sukuk certificates (unlisted)	5.1	199,903,853	99,898,800
		<b>199,903,853</b>	<b>99,898,800</b>

# Atlas Islamic Income Fund

## 5.1 Debt securities - Sukuk certificates

Particulars	Note	Number of Certificates				Rupees			Percentage of	
		As at 01 July 2019	Acquired during the period	Disposed during the period	As at 30 September 2019	Carrying Value as at 30 September 2019	Market Value as at 30 September 2019	Unrealised appreciation as at 30 September 2019	Market Value as a percentage of total investments	Market Value as a percentage of net assets
<b>BANKS</b>										
Meezan Bank Limited (unlisted) (Face Value Rs. 1,000,000)	5.1.1	50	-	-	50	49,998,800	49,998,800	-	25.01	3.49
<b>Fertilizers</b>										
Dawood Hercules Corporation Limited Sukuk 1 (listed) (Face Value Rs. 90,000)	5.1.2	-	560	-	560	49,694,400	50,090,090	395,690	25.06	3.50
Dawood Hercules Corporation Limited Sukuk 2 (listed) (Face Value Rs. 100,000)	5.1.3	500	-	-	500	44,900,000	44,814,963	(85,037)	22.42	3.13
<b>Power Generation &amp; Distribution</b>										
The Hub Power Company Limited (Listed) (Face Value Rs. 100,000)	5.1.4	-	500	-	500	55,000,000	55,000,000	-	27.51	3.84
<b>Total - September 30, 2019</b>						<b>199,593,200</b>	<b>199,905,853</b>	<b>310,653</b>	<b>100.00</b>	<b>13.96</b>
<b>Total - June 30, 2019</b>						<b>100,782,300</b>	<b>99,898,800</b>	<b>(883,500)</b>	<b>100.00</b>	<b>7.18</b>

5.1.1 These certificates carry mark-up at the rate of 6 months KIBOR plus 0.50% (30 June 2019: 6 months KIBOR plus 0.50%) per annum, and are due to mature by 22 September 2026 (30 June 2019: 22 September 2026).

5.1.2 These certificates carry mark-up at the rate of 3 months KIBOR plus 1.00% per annum, and are due to mature by 16 November 2022.

5.1.3 These certificates carry mark-up at the rate of 3 months KIBOR plus 1.00% (30 June 2019: 3 months KIBOR plus 1.00%) per annum, and are due to mature by 01 March 2023 (30 June 2019: 01 March 2023).

5.1.4 These certificates carry mark-up at the rate of 3 months KIBOR plus 1.90% per annum, and are due to mature by 28 August 2023.

6 MARKUP ACCRUED	Note	30 September 2019	30 June 2019
		Un-audited	Audited
		-----Rupees-----	
Mark-up accrued on:			
- Profit and loss sharing accounts		18,422,351	12,603,754
- Sukuk certificates		3,095,161	2,482,805
		<b>21,517,512</b>	<b>15,086,559</b>
<b>7 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)</b>			
Remuneration of the Management Company	7.1	368,661	316,981
Sindh Sales Tax payable on remuneration of the Management Company	7.2	315,520	308,801
Federal Excise Duty payable on remuneration of the Management Company	7.3	1,733,901	1,733,901
Accounting and operational charges payable	10	122,887	105,661
		<b>2,540,969</b>	<b>2,465,344</b>



# First Quarter Report 2019-20

- 7.1 During the quarter ended 30 September 2019 the Management Company has charged its remuneration at the rate of 0.30% (30 June 2019: 0.30%) per annum of the average annual net assets of the Fund for the period. The fee is payable to the Management Company monthly in arrears.
- 7.2 During the period, an amount of Rs. 145,215 (2018: Rs.79,024) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 138,496 (2018: 83,914) has been paid to the Management Company which acts as the collecting agent.
- 7.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund were already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 7.2 above, the Management Company was of the view that further levy of FED was not justified.

On 4 September 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

During the 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 1.734 million (30 June 2019: Rs 1.734 million) is being retained in the 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 financial statements of the Fund, the net asset value of the Fund as at 30 September 2019 would have been higher by Re. 0.63 per unit (30 June 2019: Re. 0.63 per unit).

	<b>30 September 2019</b>	<b>30 June 2019</b>
	<b>Un-audited</b>	<b>Audited</b>
<b>Note</b>	<b>-----Rupees-----</b>	
<b>8 ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Auditors' remuneration payable	261,174	196,020
Printing charges payable	46,360	45,954
Payable to Shariah Advisor	45,000	45,000
Withholding tax payable	488,393	3,410,753
Provision for Sindh Workers' Welfare Fund	4,961,098	4,044,820
Annual rating fee payable	75,490	-
Transaction charges payable	25,200	-
Zakat payable	19,589	19,589
Other payable	480,167	480,166
	<b>6,402,471</b>	<b>8,242,302</b>

# Atlas Islamic Income Fund

8.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. 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 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 01 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 the financial statements of the Fund for the period from May 21, 2015 to September 30, 2019, the net asset value of the Fund as at September 30, 2019 would have been higher by Rs. 1.80 per unit (30 June 2019: Rs. 1.46 per unit).

## 9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2019 and 30 June 2019.

## 10 ACCOUNTING AND OPERATIONAL CHARGES

Uptil 19 June 2019 in accordance with Regulation 60 of the NBFC Regulations, the Management Company was entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.1% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 (I) /2019 dated 20 June 2019 has removed the maximum cap of 0.1%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from 20 June 2019.

However, the management continued to charge expenses at the rate of 0.1% of the average annual net assets of the Fund, being lower than actual expenses.

## 11 MARKUP INCOME

Mark-up income on:

- Profit and loss sharing accounts
- Sukuk certificates

For the Quarter Ended 30 September	
2019	2018
Un-audited	Un-audited
-----Rupees-----	
42,612,676	12,244,933
5,287,096	1,969,575
<b>47,899,772</b>	<b>14,214,508</b>

# First Quarter Report 2019-20

## 12 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2019 is 0.89% (30 June 2019: 0.97%) after netting off 0.32% (30 June 2019: 0.31%) 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 shariah compliant income scheme.

## 13 TAXATION

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

## 14 EARNINGS PER UNIT

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

## 15 TRANSACTIONS WITH CONNECTED PERSONS / CONNECTED PERSONS

15.1 <u>Details of transactions with related parties during the period are as follows:</u>	For the Quarter Ended	
	30 September	
	2019	2018
	Un-audited	Un-audited
	-----Rupees-----	
<b>Atlas Asset Management Limited (Management Company)</b>		
Remuneration of the Management Company	1,117,039	607,877
Remuneration paid to the Management Company	1,065,359	645,491
Sindh Sales Tax on remuneration of the Management Company	145,215	79,024
Accounting and operational charges	372,346	202,625
<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
Remuneration of the Trustee	279,260	344,464
Remuneration paid to the Trustee	346,770	365,779
Sindh Sales Tax on remuneration of the Trustee	36,304	44,780
Settlement charges	3,740	1,500
Sindh Sales Tax on settlement charges	486	195
<b>Atlas Honda Limited (Group Company)</b>		
Issue of Nil (2018: 1) units	-	675
Dividend declared	-	733
<b>Shirazi Investments (Private) Limited (Group Company)</b>		
Issue of 32 (2018: 4,716) units	16,628	2,372,638
Dividend declared	-	2,791,339
<b>Shirazi Trading Company (Private) Limited Employees Provident Fund (Retirement benefit plan of a Group Company)</b>		
Issue of Nil (2018: 1,042) units	-	524,024
Dividend declared	-	524,024

# Atlas Islamic Income Fund

		For the Quarter Ended 30 September	
		2019	2018
		Un-audited	Un-audited
Note		-----Rupees-----	
<b>Atlas Insurance Limited Window Takaful Operations</b>			
	Issue of 78,570 (2018: 1,338) units	40,000,000	673,226
	Dividend declared	-	792,031
<b>Honda Atlas Power Product (Pvt) Limited (Group Company)</b>			
	Issue of Nil (2018: 1,695) units	-	852,838
	Redemption of Nil (2018: 41,015) units	-	20,728,635
	Dividend declared	-	963,345
<b>Chevron Pakistan Lubricants (Private) Gratuity Fund (Unit Holder with more than 10% holding)</b>			
15.3	Issue of Nil (2018: 7,813) units	-	3,930,512
	Dividend declared	-	3,930,512
<b>Hamdard Laboratories (WAQF) Pakistan (Unit Holder with more than 10% holding)</b>			
15.3	Issue of Nil (2018: 5,447) units	-	2,740,009
	Dividend declared	-	3,223,540
<b>Atlas Islamic Capital Preservation Plan (Atlas Islamic Fund of Fund)</b>			
	Redemption of 34,163 (2018: Nil) units	17,700,000	-
<b>Atlas Aggressive Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>			
	Redemption of 13,208 (2018: Nil) units	6,800,000	-
<b>Atlas Moderate Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>			
	Redemption of 15,848 (2018: Nil) units	8,150,000	-
<b>Atlas Conservative Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>			
	Redemption of 16,881 (2018: Nil) units	8,700,000	-
<b>Directors and their close family members and key management personnel of the management company</b>			
	Issue of 393 (2018: 5,041) units	200,000	2,553,574
	Redemption of 392 (2018: 11,461) units	200,000	5,788,920
	Dividend declared	-	384,959
		<b>30 September 2019</b>	<b>30 June 2019</b>
		Un-audited	Audited
		-----Rupees-----	
<b>15.2</b>	<b>Details of balances with related parties as at the period as follows:</b>		
<b>Atlas Asset Management Limited (Management Company)</b>			
	Remuneration payable to the Management Company	368,661	316,981
	Sindh Sales Tax payable on Remuneration of the Management Company	315,520	308,801
	Federal Excise Duty payable on Remuneration of the Management Company	1,733,901	1,733,901
	Accounting and operational charges payable	122,887	105,661

# First Quarter Report 2019-20

	30 September 2019	30 June 2019
	Un-audited	Audited
	-----Rupees-----	
<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
Remuneration payable to the Trustee	92,165	159,675
Sindh Sales Tax payable on Remuneration of the trustee	11,982	20,758
Settlement charges payable	500	500
Sindh Sales Tax payable on settlement charges	65	65
<b>Atlas Honda Limited (Group Company)</b>		
Outstanding 33 (30 June 2019: 33) units - at net asset value	17,390	16,871
<b>Honda Atlas Power Product (Pvt) Limited (Group Company)</b>		
Outstanding 66 (30 June 2019: 66) units - at net asset value	34,214	33,194
<b>Shirazi Investments (Private) Limited (Group Company)</b>		
Outstanding 3,982 (30 June 2019: 3,950) units - at net asset value	2,068,162	1,990,351
<b>Atlas Insurance Limited Window Takaful Operations</b>		
Outstanding 78,570 (30 June 2019: Nil) units - at net asset value	40,809,271	-
<b>Atlas Aggressive Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>		
Outstanding 44,742 (30 June 2019: 57,950) units - at net asset value	23,239,023	29,202,014
<b>Atlas Islamic Capital Preservation Plan (Atlas Islamic Fund of Fund)</b>		
Outstanding 570,774 (30 June 2019: 604,937) units - at net asset value	296,460,073	304,840,054
<b>Atlas Moderate Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>		
Outstanding 90,477 (30 June 2019: 106,325) units - at net asset value	46,993,670	53,579,077
<b>Atlas Conservative Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>		
Outstanding 166,003 (30 June 2019: 182,884) units - at net asset value	86,222,074	92,159,042
<b>Directors and their close family members and key management personnel of the Management Company</b>		
Outstanding 4,775 (30 June 2019: 4,774) units - at net asset value	2,479,966	2,405,794

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

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

## 16 FAIR VALUE MEASUREMENT

Fair value is the amount for which an asset could be exchanged or a liability 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.

Fair value of government securities is determined by reference to the rates announced by Financial Market Association of Pakistan and fair value of corporate sukuks is determined on the basis of rates announced by MUFAP. The fair value of financial assets and liabilities of the Fund, other than government securities, approximates their carrying amount due to short term maturities of these instruments.

# Atlas Islamic Income Fund

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

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

## 17 GENERAL

Figures have been rounded off to the nearest Rupee.

## 18 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 30 October 2019.

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

**Qurrat-ul-Ain Jafari**  
Chief Financial Officer

**Muhammad Abdul Samad**  
Chief Executive Officer

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

## Atlas Islamic Stock Fund

### Corporate Information

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#### **Trustee**

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

#### **Shariah Advisor**

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Dr. Mufti Muhammad Wasih Fasih Butt

#### **Auditors**

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EY Ford Rhodes  
Chartered Accountants

#### **Legal Advisers**

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Mohsin Tayebaly & Co.

#### **Bankers**

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Al-Baraka Bank (Pakistan) Limited  
Bank Alfalah Limited - Islamic Banking  
Bank Al Habib Limited - Islamic Banking  
BankIslami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Habib Bank Limited - Islamic Banking

# Atlas Islamic Stock Fund

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 30 SEPTEMBER 2019

		30 September 2019	30 June 2019
		Un-audited	Audited
	Note	----- Rupees -----	----- Rupees -----
<b>ASSETS</b>			
Bank balances	4	26,908,880	156,269,884
Investments	5	1,160,204,308	1,193,804,060
Profit receivable on bank balances		743,108	1,045,961
Receivable against sale of investments		-	72,714,091
Dividend receivable		18,110,709	541,157
Security deposits, prepayment and other receivables		5,218,007	5,197,419
<b>Total assets</b>		<b>1,211,185,012</b>	<b>1,429,572,572</b>
<b>LIABILITIES</b>			
Payable to Atlas Asset Management Limited - Management Company	6	14,174,944	14,879,795
Payable to Central Depository Company of Pakistan Limited - Trustee		199,676	235,939
Payable to the Securities and Exchange Commission of Pakistan		56,266	1,563,199
Payable against redemption of units		3,995,596	190,404,182
Accrued expenses and other liabilities	7	17,627,464	17,495,849
<b>Total liabilities</b>		<b>36,053,946</b>	<b>224,578,964</b>
<b>NET ASSETS</b>		<b>1,175,131,066</b>	<b>1,204,993,608</b>
<b>UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)</b>		<b>1,175,131,066</b>	<b>1,204,993,608</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
<b>NUMBER OF UNITS IN ISSUE</b>	8	<b>2,896,740</b>	<b>2,803,109</b>
<b>NET ASSET VALUE PER UNIT</b>		<b>405.67</b>	<b>429.88</b>

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

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director



# First Quarter Report 2019-20

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	2019 ----- Rupees -----	2018 ----- Rupees -----
<b>INCOME</b>			
Profit on bank balances		1,825,976	3,858,724
Dividend income		18,726,350	20,357,635
Capital (loss) / gain on sale of investments - net		(3,469,254)	25,085,550
Net unrealized diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(76,396,456)	(18,854,286)
		<b>(79,865,710)</b>	<b>6,231,264</b>
		<b>(59,313,384)</b>	<b>30,447,623</b>
<b>EXPENSES</b>			
Remuneration of Atlas Asset Management Limited - Management Company	6.1	5,629,120	10,078,494
Sindh sales tax on remuneration of the Management Company	6.2	731,786	1,310,204
Remuneration of Central Depository Company of Pakistan Limited - Trustee		532,821	755,979
Sindh sales tax on remuneration of the Trustee		69,267	98,277
Annual fee - Securities and Exchange Commission of Pakistan		56,266	478,728
Accounting and operational charges	9	281,457	503,924
Shariah advisory fee		75,000	75,616
Auditors' remuneration		74,112	80,951
Securities transaction cost		295,872	781,513
Annual listing fee		6,912	6,780
Printing charges		10,000	62,338
Legal and professional charges		98,053	28,080
Bank charges		4,559	2,631
Provision for Sindh Workers Welfare Fund		-	323,682
		<b>7,865,225</b>	<b>14,587,197</b>
<b>Net (loss) / income for the period before taxation</b>		<b>(67,178,609)</b>	<b>15,860,426</b>
<b>Taxation</b>	11	-	-
<b>Net (loss) / income for the period after taxation</b>		<b>(67,178,609)</b>	<b>15,860,426</b>
<b>(Loss) / earning per unit</b>	12		
<b>Allocation of net income for the period:</b>			
- Net income for the period after taxation			15,860,426
- Income already paid on units redeemed			(14,760,581)
			<b>1,099,845</b>
<b>Accounting income available for distribution:</b>			
- Relating to capital gains			-
- Excluding capital gains			1,099,845
			<b>1,099,845</b>

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

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Stock Fund

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	2019	2018
	----- Rupees -----	
<b>Net (loss) / income for the period after taxation</b>	<b>(67,178,609)</b>	<b>15,860,426</b>
Other comprehensive income	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b><u>(67,178,609)</u></b>	<b><u>15,860,426</u></b>

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

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

# First Quarter Report 2019-20

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019		
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	982,676,383	-	982,676,383
<b>Undistributed income brought forward</b>			
- Realised income	-	429,780,302	429,780,302
- Unrealised loss	-	(207,463,077)	(207,463,077)
<b>Net assets at the beginning of the period (Units outstanding: 2,803,109) (Rs. 429.88 per unit)</b>	<b>982,676,383</b>	<b>222,317,225</b>	<b>1,204,993,608</b>
Issue of 273,898 units	108,535,176	-	108,535,176
Redemption of 180,267 units	(70,827,074)	-	(70,827,074)
Total comprehensive loss for the period	-	(67,178,609)	(67,178,609)
Shariah non-compliant income set-aside for charity	-	(392,035)	(392,035)
<b>Net assets at end of the period (Units outstanding: 2,896,740) (Rs. 405.67 per unit)</b>	<b>1,020,384,485</b>	<b>154,746,581</b>	<b>1,175,131,066</b>
<b>Undistributed income carried forward</b>			
- Realised income	-	429,650,179	-
- Unrealised loss	-	(274,903,598)	-
	<b>-</b>	<b>154,746,581</b>	<b>-</b>
	30 September 2018		
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	1,753,727,127	-	1,753,727,127
<b>Undistributed income brought forward</b>			
- Realised income	-	487,686,197	487,686,197
- Unrealised income	-	20,775,594	20,775,594
<b>Net assets at the beginning of the period (Units outstanding: 4,265,137) (Rs. 530.39 per unit)</b>	<b>1,753,727,127</b>	<b>508,461,791</b>	<b>2,262,188,918</b>
Issue of 425,073 units	222,716,391	-	222,716,391
Redemption of 1,188,292 units	(627,091,947)	(14,760,581)	(641,852,528)
Total comprehensive income for the period	-	15,860,426	15,860,426
Shariah non-compliant income set-aside for charity	-	(231,721)	(231,721)
<b>Net assets at end of the period (Units outstanding: 3,501,918) (Rs. 530.76 per unit)</b>	<b>1,349,351,571</b>	<b>509,329,915</b>	<b>1,858,681,486</b>
<b>Undistributed income carried forward</b>			
- Realised income	-	499,302,768	-
- Unrealised income	-	10,027,147	-
	<b>-</b>	<b>509,329,915</b>	<b>-</b>

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

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Stock Fund

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	2019 -----Rupees-----	2018
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net (loss) / income for the period after taxation		(67,178,609)	15,860,426
<b>Adjustments for:</b>			
Profit on bank balances		(1,825,976)	(3,858,724)
Dividend income		(18,726,350)	(20,357,635)
Capital losses / (gain) on sale of investments - net		3,469,254	(25,085,550)
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		76,396,456	18,854,286
Provision for Sindh Workers Welfare Fund		-	323,682
		<b>59,313,384</b>	<b>(30,123,941)</b>
<b>Decrease in assets</b>			
Receivable against sale of investments		72,714,091	-
Security deposits, prepayment and other receivables		(20,588)	3,680,598
		<b>72,693,503</b>	<b>3,680,598</b>
<b>Decrease in liabilities</b>			
Payable to Atlas Asset Management Limited - Management Company		(704,851)	(980,862)
Payable to Central Depository Company of Pakistan Limited - Trustee		(36,263)	(8,661)
Payable to the Securities and Exchange Commission of Pakistan		(1,506,933)	(1,830,927)
Payable against purchase of investments		-	(2,222,506)
Accrued expenses and other liabilities		(260,420)	325,171
		<b>(2,508,467)</b>	<b>(4,717,785)</b>
Profit received on bank balances		2,128,829	4,308,507
Dividend received		1,156,798	1,450,500
Investments made during the period		(105,100,214)	(257,892,383)
Investments sold during the period		58,834,256	630,584,389
<b>Net cash generated from operating activities</b>		<b>19,339,480</b>	<b>363,150,311</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Net receipts from issuance of units		108,535,176	222,716,391
Net payments against redemption of units		(257,235,660)	(642,008,708)
<b>Net cash used in from financing activities</b>		<b>(148,700,484)</b>	<b>(419,292,317)</b>
<b>Net decrease in cash and cash equivalents during the period</b>		<b>(129,361,004)</b>	<b>(56,142,006)</b>
Cash and cash equivalents at the beginning of the period		156,269,884	314,771,568
<b>Cash and cash equivalents at the end of the period</b>	4	<b>26,908,880</b>	<b>258,629,562</b>

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

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

# First Quarter Report 2019-20

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

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Stock Fund (the Fund) is an open-ended collective investment scheme constituted under a trust deed entered into on 12 September 2006 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has been revised through the First, Second, Third, Fourth and Fifth Supplemental Trust Deeds dated 29 October 2007, 6 March 2008, 4 December 2009, 23 June 2010 and 23 May 2017, respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). In addition, the Offering Document of the Fund was also revised through the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth and Tenth Supplements dated 29 October 2007, 6 March 2008, 4 December 2009, 23 June 2010, 20 September 2013, 24 March 2015, 29 September 2016, 2 June 2017, 25 May 2018 and 05 September 2019 respectively, with the approval of the SECP. The investment activities and administration of the Fund are managed by AAML whose registered office is situated at Ground Floor, Federation House, Shahrah-e-Firdousi, Clifton, Karachi.
- 1.2 The Fund has been categorised as a 'shariah compliant equity scheme' by the Board of Directors of the Management Company pursuant to the provision contained in Circular 07 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 from 15 January 2007 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 one window facility to investors to invest in diversified and professionally managed investment portfolio of shariah compliant securities such as equities, cash and/or near cash Shariah Compliant instruments including cash in bank accounts (excluding term deposit receipts) and Shariah Compliant government securities not exceeding 90 days' maturity. The investment objectives and policies are 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 June 2019.
- 1.5 The titles of the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

### 2 STATEMENT OF COMPLIANCE

These condensed interim financial statements has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2019.

# Atlas Islamic Stock Fund

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 this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 30 September 2019.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at 30 September 2019 have been extracted from the annual published audited financial statements of the Fund for the year ended 30 June 2019, whereas, the comparatives in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the unaudited condensed interim financial statements of the Fund for the Quarter ended 30 September 2018.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2019.

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

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2019.

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 2019.

4 BANK BALANCES	Note	30 September 2019	30 June 2019
		Un-audited	Audited
		-----Rupees-----	
<b>In local currency</b>			
- Profit and loss sharing accounts	4.1	26,770,332	155,671,677
- Current account		83,548	78,207
- Cheque in hand	4.2	55,000	520,000
		<b>26,908,880</b>	<b>156,269,884</b>

4.1 The rate of return on these profit and loss sharing accounts ranges between 6.00% to 12.70% (30 June 2019: 6.00% to 12.30%) per annum.

4.2 The denotes cheques received against issuance of units which were deposited and cleared in the bank account subsequently on 02 October 2019.

5 INVESTMENTS	Note	30 September 2019	30 June 2019
		Un-audited	Audited
		-----Rupees-----	
<b>At fair value through profit or loss</b>			
-Listed equity securities	5.1	1,160,204,308	1,193,804,060
		<b>1,160,204,308</b>	<b>1,193,804,060</b>

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## 5.1 Listed equity securities

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

Name of Investee Company	Number of Shares					Rupees		Percentage		
	As at 01 July 2019	Purchases during the period	Bonus / Right shares during the period	Sales during the period	As at 30 September 2019	Carrying value as at 30 September 2019	Market value as at 30 September 2019	Market Value as a percentage of total investments	Market Value as a percentage of net assets	Paid up capital of investee company

At fair value through profit or loss - Listed equity securities

### Inv. Bank/Inv. Companies/Securities Co.

Dawood Hercules Corporation Limited	200,000	-	-	-	200,000	22,248,000	24,200,000	2.09	2.06	0.04
	<b>200,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200,000</b>	<b>22,248,000</b>	<b>24,200,000</b>	<b>2.09</b>	<b>2.06</b>	

### BANKS

Bankislami Pakistan Limited	1,111,000	995,000	-	-	2,106,000	24,076,080	23,144,940	1.99	1.97	0.21
Bankislami Pakistan Limited - LoR	-	-	210,600	-	210,600	-	210,600	0.02	0.02	0.02
Meezan Bank Limited	1,530,692	75,000	-	-	1,605,692	139,002,615	115,674,052	9.97	9.84	0.12
	<b>2,641,692</b>	<b>1,070,000</b>	<b>210,600</b>	<b>-</b>	<b>3,922,292</b>	<b>163,078,695</b>	<b>139,029,592</b>	<b>11.98</b>	<b>11.83</b>	

### TEXTILE COMPOSITE

Interloop Limited	351,438	-	-	265,500	85,938	3,804,475	3,775,256	0.33	0.32	0.01
Kohinoor Textile Mills Limited	680,500	-	-	129,000	551,500	13,815,075	13,092,610	1.13	1.11	0.18
Nishat Mills Limited	80,000	35,000	-	-	115,000	10,213,170	9,660,000	0.83	0.82	0.03
	<b>1,111,938</b>	<b>35,000</b>	<b>-</b>	<b>394,500</b>	<b>752,438</b>	<b>27,832,720</b>	<b>26,527,866</b>	<b>2.29</b>	<b>2.25</b>	

### CEMENT

Attock Cement Pakistan Limited	143,900	-	-	-	143,900	10,275,899	10,232,729	0.88	0.87	0.10
Cheerat Cement Company Limited	215,000	-	-	-	215,000	6,656,400	6,058,700	0.52	0.52	0.12
D.G. Khan Cement Company Limited	239,000	46,000	-	-	285,000	15,602,050	13,776,900	1.19	1.17	0.07
Kohat Cement Company Limited	142,950	-	-	-	142,950	7,509,164	6,578,559	0.57	0.56	0.07
Lucky Cement Limited (See note 5.3)	184,900	-	-	-	184,900	70,348,903	63,259,837	5.45	5.38	0.06
	<b>925,750</b>	<b>46,000</b>	<b>-</b>	<b>-</b>	<b>971,750</b>	<b>110,392,416</b>	<b>99,906,725</b>	<b>8.61</b>	<b>8.50</b>	

### POWER GENERATION & DISTRIBUTION

K-Electric Limited (Face value Rs. 3.5)	3,200,000	-	-	-	3,200,000	14,048,000	11,360,000	0.98	0.97	0.01
The Hub Power Company Limited (See note 5.3)	1,328,280	-	-	50,000	1,278,280	100,664,550	90,438,310	7.80	7.70	0.10
	<b>4,528,280</b>	<b>-</b>	<b>-</b>	<b>50,000</b>	<b>4,478,280</b>	<b>114,712,550</b>	<b>101,798,310</b>	<b>8.78</b>	<b>8.67</b>	

### OIL & GAS MARKETING COMPANIES

Attock Petroleum Limited	50,400	5,500	-	-	55,900	15,950,758	17,217,200	1.48	1.47	0.06
Pakistan State Oil Company Limited (See note 5.3)	377,800	-	-	12,000	365,800	62,050,654	57,609,842	4.97	4.90	0.09
Sui Northern Gas Pipelines Limited	199,700	50,000	-	-	249,700	17,382,338	15,381,520	1.33	1.31	0.04
	<b>627,900</b>	<b>55,500</b>	<b>-</b>	<b>12,000</b>	<b>671,400</b>	<b>95,383,750</b>	<b>90,208,562</b>	<b>7.78</b>	<b>7.68</b>	

### OIL & GAS EXPLORATION COMPANIES

Mari Petroleum Company Limited	69,965	18,700	-	-	88,665	86,862,466	79,724,021	6.87	6.78	0.07
Oil & Gas Development Company Limited	1,131,000	-	-	1,131,000	1,131,000	148,715,190	139,146,930	11.99	11.84	0.03
Pakistan Oilfields Limited	183,700	16,000	-	-	199,700	80,439,141	75,866,030	6.54	6.46	0.07
Pakistan Petroleum Limited (See note 5.3)	702,725	26,000	-	-	728,725	104,718,472	99,128,462	8.54	8.44	0.03
	<b>2,087,390</b>	<b>60,700</b>	<b>-</b>	<b>-</b>	<b>2,148,090</b>	<b>420,735,269</b>	<b>393,865,443</b>	<b>33.94</b>	<b>33.52</b>	

### ENGINEERING

International Industries Limited	244,500	65,500	31,000	-	341,000	24,304,875	23,641,530	2.04	2.01	0.26
International Steels Limited	100,000	250,000	-	-	350,000	14,075,165	13,909,000	1.20	1.18	0.08
	<b>344,500</b>	<b>315,500</b>	<b>31,000</b>	<b>-</b>	<b>691,000</b>	<b>38,380,040</b>	<b>37,550,530</b>	<b>3.24</b>	<b>3.19</b>	

### TECHNOLOGY & COMMUNICATIONS

Systems Limited	226,200	-	-	226,200	-	-	-	-	-	-
	<b>226,200</b>	<b>-</b>	<b>-</b>	<b>226,200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### FERTILIZER

Engro Corporation Limited	456,000	-	-	52,700	403,300	107,116,480	107,636,737	9.28	9.16	0.07
Engro Fertilizers Limited	1,150,000	19,500	-	10,000	1,159,500	74,226,912	79,112,685	6.82	6.73	0.09
	<b>1,606,000</b>	<b>19,500</b>	<b>-</b>	<b>62,700</b>	<b>1,562,800</b>	<b>181,343,392</b>	<b>186,749,422</b>	<b>16.10</b>	<b>15.89</b>	

# Atlas Islamic Stock Fund

Name of Investee Company	Number of Shares					Rupees		Percentage		
	As at 01 July 2019	Purchases during the period	Bonus / Right shares during the period	Sales during the period	As at 30 September 2019	Carrying value as at 30 September 2019	Market value as at 30 September 2019	Market Value as a percentage of total investments	Market Value as a percentage of net assets	Paid up capital of investee company
<b>PHARMACEUTICALS</b>										
Abbott Laboratories (Pakistan) Limited	10,000	31,800	-	-	41,800	15,396,879	14,708,584	1.27	1.25	0.04
AGP Limited	61,000	-	-	17,000	44,000	3,015,320	2,842,400	0.24	0.24	0.02
Ferozsons Laboratories Limited	44,100	-	-	-	44,100	4,931,262	5,439,294	0.47	0.46	0.15
Glaxosmithkline Pakistan Limited	59,000	-	-	-	59,000	5,624,470	5,674,620	0.49	0.48	0.02
The Searle Company Limited	70,230	38,000	-	17,000	91,230	13,595,394	12,609,811	1.09	1.07	0.04
	<b>244,330</b>	<b>69,800</b>	<b>-</b>	<b>34,000</b>	<b>280,130</b>	<b>42,563,325</b>	<b>41,274,709</b>	<b>3.56</b>	<b>3.50</b>	
<b>CHEMICALS</b>										
Engro Polymer & Chemicals Limited	2,000	220,500	-	-	222,500	6,289,220	5,462,375	0.47	0.46	0.02
	<b>2,000</b>	<b>220,500</b>	<b>-</b>	<b>-</b>	<b>222,500</b>	<b>6,289,220</b>	<b>5,462,375</b>	<b>0.47</b>	<b>0.46</b>	
<b>PAPER &amp; BOARD</b>										
Cherat Packaging Limited	14,600	-	-	14,600	-	-	-	-	-	-
	<b>14,600</b>	<b>-</b>	<b>-</b>	<b>14,600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>LEATHER &amp; TANNERIES</b>										
Bata Pakistan Limited	-	11,300	-	-	11,300	13,559,500	13,560,000	1.15	1.15	0.15
	<b>-</b>	<b>11,300</b>	<b>-</b>	<b>-</b>	<b>11,300</b>	<b>13,559,500</b>	<b>13,560,000</b>	<b>1.15</b>	<b>1.15</b>	
<b>FOODS &amp; PERSONAL CARE PRODUCTS</b>										
Al Shaheer Corporation Limited	6,499	-	-	-	6,499	81,887	70,774	0.01	0.01	-
National Foods Limited (Face value Rs. 5)	900	-	-	900	-	-	-	-	-	-
	<b>7,399</b>	<b>-</b>	<b>-</b>	<b>900</b>	<b>6,499</b>	<b>81,887</b>	<b>70,774</b>	<b>0.01</b>	<b>0.01</b>	
Total as at 30 September 2019						<u>1,236,600,764</u>	<u>1,160,204,308</u>	<u>100.00</u>	<u>98.71</u>	
Total as at 30 June 2019						<u>1,426,864,317</u>	<u>1,193,804,060</u>			

- 5.2 The cost of listed equity securities as at 30 September 2019 is Rs. 1,435,107,906 (30 June 2019: Rs. 1,401,267,137).
- 5.3 The above investments include following shares which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with circular no. 11 dated 23 October 2007 issued by the SECP.

	Number of shares		Market value	
	30 September 2019	30 June 2019	30 September 2019	30 June 2019
	Un-audited	Audited	Un-audited	Audited
	----- Rupees -----			
Lucky Cement Limited	75,000	75,000	25,659,750	28,535,250
Pakistan Petroleum Limited	135,000	135,000	18,364,050	19,498,050
Pakistan State Oil Company Limited	110,000	110,000	17,323,900	18,659,300
The Hub Power Company Limited	200,000	200,000	14,150,000	15,750,000
	<b>520,000</b>	<b>520,000</b>	<b>75,497,700</b>	<b>82,442,600</b>



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		30 September 2019	30 June 2019
		Un-audited	Audited
6	PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)	Note	Rupees
	Remuneration of the Management Company	6.1	1,834,745
	Sindh Sales Tax payable on remuneration of the Management Company	6.2	1,795,077
	Federal Excise Duty payable on remuneration of the Management Company	6.3	10,453,385
	Accounting and operational charges payable	9	91,737
			<b>14,174,944</b>
			<b>14,879,795</b>

- 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 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. During the quarter ended 30 September 2019, the Management Company has charged its remuneration at the rate of 2% (30 June 2019: 2%) per annum of the average annual net assets of the Fund. The fee is payable to the Management Company monthly in arrears.
- 6.2 During the year, an amount of Rs. 731,786 (2018: Rs. 1,310,204) 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. 809,439 (2018: Rs. 1,418,265) has been paid to the Management Company which acts as the collecting agent.
- 6.3 The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 6.2 above, the Management Company is of the view that further levy of FED is not justified.

On 4 September 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

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 10.453 million (30 June 2019: Rs 10.453 million) is being retained in the 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 financial statements of the Fund, the net asset value of the Fund as at 30 September 2019 would have been higher by Rs 3.61 per unit (30 June 2019: Rs 3.73 per unit).

# Atlas Islamic Stock Fund

		30 September 2019	30 June 2019
		Un-audited	Audited
	Note	----- Rupees -----	-----
<b>7 ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Auditors' remuneration payable		286,869	212,760
Printing charges payable		80,040	80,403
Ranking fee payable		140,000	140,000
Charity payable	7.1	901,946	509,911
Transaction charges payable		92,783	381,863
Withholding and capital gain tax payable		275,319	333,678
Payable to Shariah Advisor		75,000	75,000
Provision for Sindh Workers' Welfare Fund	7.2	15,491,187	15,491,187
Zakat payable		1,063	1,063
Sale load Payable		13,273	-
Others		269,984	269,984
		<b>17,627,464</b>	<b>17,495,849</b>

7.1 The Shariah Advisor of the Fund, has certified an amount of Rs. 901,946 (30 June 2019: Rs. 1,361,154) against dividend income, as Shariah non-compliant income during the period, which has accordingly been marked to charity.

7.2 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 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, necessary adjustments in this respect were recorded in the books of the Fund on 12 January 2017 whereby the entire 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 for SWWF is being made by the Fund on a daily basis going forward.

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The above decisions were communicated to the SECP and the Pakistan Stock Exchange Limited on 12 January 2017 in response to which the SECP vide its letter dated 1 February 2017 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 financial statements of the Fund, the net asset value of the Fund as at 30 September 2019 would have been higher by Rs. 5.35 per unit (30 June 2019: Rs. 5.53 per unit)

## 8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2019 and as at 30 June 2019.

## 9 ACCOUNTING AND OPERATIONAL CHARGES

Uptil 19 June 2019 in accordance with Regulation 60 of the NBFC Regulations, the Management Company was entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.1% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 dated 20 June 2019 has removed the maximum cap of 0.1%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from 20 June 2019.

However, the management continued to charge expenses at the rate of 0.1% of the average annual net assets of the Fund, being lower than actual expenses.

## 10 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2019 is 2.80% (30 June 2019: 2.87%) which includes 0.33% (30 June 2019: 0.42%) representing government levies on the Fund such as 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

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.

## 12 LOSS 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 loss per unit is not practicable.

# Atlas Islamic Stock Fund

## 13 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

For the Quarter Ended 30 September	
2019	2018
Un-audited	Un-audited
-----Rupees-----	

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

<b>Atlas Asset Management Limited (Management Company)</b>		
Remuneration of the Management Company	5,629,120	10,078,494
Remuneration paid	6,226,453	10,909,734
Sindh sales tax on remuneration of the Management Company	731,786	1,310,204
Accounting and operational charges	281,457	503,924
Issue of 99 (2018: Nil) units	39,723	-
<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
Remuneration of the Trustee	532,821	755,979
Remuneration paid	562,913	797,541
Sindh sales tax on remuneration of the Trustee	69,267	98,277
Settlement charges	22,525	77,314
Sindh sales tax on settlement charges	2,928	10,050
<b>Atlas Battery Limited (Group company)</b>		
Redemption of Nil (2018: 871,997) units	-	471,388,683
<b>Atlas Group of Companies, Management Staff Gratuity Fund (Retirement benefit plan of group company)</b>		
Issue of 12,294 (2018: Nil) units	5,000,000	-
<b>Atlas Honda Limited (Group Company)</b>		
Issue of 534 (2018: Nil) units	214,321	-
<b>Atlas Insurance Limited (Group company)</b>		
Issue of Nil (2018: 67,992) units	-	34,000,000
<b>Atlas Insurance Limited Staff Provident Fund Trust (Retirement benefit plan of group company)</b>		
Redemption of Nil (2018: 11,314) units	-	5,743,918
<b>Sindh General Provident Investment Fund</b>		
Issue of 84,735 (2018: Nil) units	33,000,000	-
<b>Directors and their close family members and key management personnel of the Management Company</b>		
Issue of units 8,845 (2018: 9,568) units	3,563,529	4,874,185
Redemption of 6,874 (2018: 22,988) units	2,817,785	12,579,612

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13.2 Details of balances with related parties as at the period / year end are as follows:	Note	30 September	30 June
		2019	2019
		Un-audited	Audited
		-----Rupees-----	
<b>Atlas Asset Management Limited (Management Company)</b>			
Remuneration payable to the Management Company		1,834,745	2,432,078
Sindh Sales Tax payable on remuneration of the management company		1,795,077	1,872,730
Federal Excise Duty payable on remuneration of the Management Company		10,453,385	10,453,385
Accounting and operational charges payable		91,737	121,602
Outstanding 179 (30 June 2019: 80) units at net asset value		72,450	34,266
<b>Central Depository Company of Pakistan Limited (Trustee)</b>			
Remuneration payable to the Trustee		173,704	203,796
Sindh sales tax payable on remuneration of the Trustee		22,582	26,493
Settlement charges payable		3,000	5,000
Sindh sales tax payable on settlement charges		390	650
<b>Atlas Foundation (Group company)</b>			
Outstanding 103,650 (30 June 2019: 103,650) units - at net asset value		42,047,581	44,556,940
<b>Atlas Group of Companies, Management Staff Gratuity Fund (Retirement benefit plan of group company)</b>			
Outstanding 149,068 (30 June 2019: 136,774) units - at net asset value		60,472,325	58,796,279
<b>Atlas Honda Limited (Group Company)</b>			
Outstanding 175,943 (30 June 2019: 175,409) units - at net asset value		71,374,691	75,404,914
<b>Batools Benefit Trust (Trust having common Director / Trustee)</b>			
Outstanding 109,377 (30 June 2019: 109,377) units - at net asset value		44,370,954	47,018,970
<b>Atlas Honda Limited Employee Provident Fund (Retirement benefit plan of group company)</b>			
Outstanding 114,549 (30 June 2019: 114,549) units - at net asset value		46,469,048	49,242,276
<b>Shirazi Investments (Private) Limited -Employee Provident Fund</b>			
Outstanding 25,607 (30 June 2019: 25,607) units - at net asset value		10,387,961	11,007,904
<b>Sindh Province Pension Fund</b>			
Outstanding 444,287 (30 June 2019: Nil) units - at net asset value	13.4	180,233,713	-
<b>Sindh General Provident Investment Fund</b>			
Outstanding 301,279 (30 June 2019: Nil) units - at net asset value	13.4	122,219,787	-
<b>Directors and their close family members and key management personnel of the Management Company</b>			
Outstanding 145,352 (30 June 2019: 143,381) units - at net asset value		58,964,767	61,636,372

# Atlas Islamic Stock Fund

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.

13.4 Holding more than 10% in current reporting period

## 14 FAIR VALUE MEASUREMENTS

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

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

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

### Fair value hierarchy

Following hierarchy is used in determining and disclosing the fair value of the following financial instruments by valuation technique:

- Level 1: quoted prices in active markets for identical assets.
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The Fund recognises equity securities at fair value which is determined using the rate at which they are quoted on the Stock Exchange (level 1). Fair value of remaining financial assets is not significantly different from their carrying value.

## 15 GENERAL

Figures have been rounded off to the nearest Rupee.

## 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 30 October 2019.

For Atlas Asset Management Limited  
(Management Company)

**Qurrat-ul-Ain Jafari**  
Chief Financial Officer

**Muhammad Abdul Samad**  
Chief Executive Officer

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

## Atlas Islamic Fund of Funds

### Corporate Information

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#### **Trustee**

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

#### **Shariah Advisor**

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Dr. Mufti Muhammad Wasih Fasih Butt

#### **Auditors**

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EY Ford Rhodes  
Chartered Accountants

#### **Legal Advisers**

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Bawancy & Partners

#### **Bankers**

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Al-Baraka Bank (Pakistan) Limited  
Allied Bank Limited - Islamic Banking  
Bank Al Habib Limited - Islamic Banking  
BankIslami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited

# Atlas Islamic Fund of Funds

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 30 SEPTEMBER 2019

Note	30 September 2019 (Un Audited)					30 June 2019 (Audited)					
	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation	Total	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation	Total	
	Islamic Plan	Islamic Plan	Islamic Plan	Plan		Islamic Plan	Islamic Plan	Islamic Plan	Plan		
Rupees											
<b>ASSETS</b>											
Bank balances	4	1,097,330	2,109,693	968,074	7,546,569	11,721,666	1,216,018	1,268,212	2,021,345	7,825,894	12,331,469
Investments - net	5	89,330,530	101,271,708	120,537,772	425,955,788	737,095,798	91,821,576	102,133,006	118,967,823	423,128,705	736,051,110
Profit receivable on deposit with banks		45,493	49,725	72,790	239,596	407,604	28,826	29,473	39,541	235,529	333,369
Prepaid and other receivables		13,230	11,894	13,641	52,410	91,175	10,673	9,063	10,318	40,550	70,604
Deferred Formation cost	6	210,125	210,125	210,125	210,125	840,500	224,215	224,215	224,215	224,215	896,860
<b>Total assets</b>		<b>90,696,708</b>	<b>103,653,145</b>	<b>121,802,402</b>	<b>434,004,488</b>	<b>750,156,743</b>	<b>93,301,308</b>	<b>103,663,969</b>	<b>121,263,242</b>	<b>431,454,893</b>	<b>749,683,412</b>
<b>LIABILITIES</b>											
Payable to Atlas Asset Management Company - Management Company	7	288,459	290,040	292,765	328,848	1,200,112	289,269	290,209	293,107	328,355	1,200,940
Payable to the Central Depository Company of Pakistan Limited - Trustee		5,721	6,548	7,831	27,761	47,861	8,847	9,747	11,246	40,315	70,155
Payable to the Securities and Exchange Commission of Pakistan		4,432	5,036	6,018	21,414	36,900	46,308	49,506	54,200	141,709	291,723
Accrued expenses and other liabilities	8	40,506	43,815	77,528	172,425	334,274	32,520	35,311	37,080	82,617	187,528
<b>Total liabilities</b>		<b>339,118</b>	<b>345,439</b>	<b>384,142</b>	<b>550,448</b>	<b>1,619,147</b>	<b>376,944</b>	<b>384,773</b>	<b>395,633</b>	<b>592,996</b>	<b>1,750,346</b>
<b>NET ASSETS</b>		<b>90,357,590</b>	<b>103,307,706</b>	<b>121,418,260</b>	<b>433,454,040</b>	<b>748,537,596</b>	<b>92,924,364</b>	<b>103,279,196</b>	<b>120,867,609</b>	<b>430,861,897</b>	<b>747,933,066</b>
<b>UNIT HOLDER'S FUND (AS PER STATEMENT ATTACHED)</b>		<b>90,357,590</b>	<b>103,307,706</b>	<b>121,418,260</b>	<b>433,454,040</b>	<b>748,537,596</b>	<b>92,924,364</b>	<b>103,279,196</b>	<b>120,867,609</b>	<b>430,861,897</b>	<b>747,933,066</b>
<b>NUMBER OF UNITS IN ISSUE</b>		<b>209,313</b>	<b>224,054</b>	<b>242,167</b>	<b>882,721</b>		<b>209,341</b>	<b>221,897</b>	<b>244,021</b>	<b>882,926</b>	
<b>NET ASSET VALUE PER UNIT</b>		<b>431.69</b>	<b>461.08</b>	<b>501.38</b>	<b>491.04</b>		<b>443.89</b>	<b>465.44</b>	<b>495.32</b>	<b>487.99</b>	
<b>FACE VALUE PER UNIT</b>		<b>500.00</b>	<b>500.00</b>	<b>500.00</b>	<b>500.00</b>		<b>500.00</b>	<b>500.00</b>	<b>500.00</b>	<b>500.00</b>	
Contingencies and Commitments	9										

The annexed notes 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

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director



# First Quarter Report 2019-20

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2019

30 September 2019						
Note	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Total	
	-----Rupees-----					
<b>INCOME</b>						
Profit on deposits with banks	36,913	42,308	61,319	244,594	385,134	
Capital gain on sale of investments at fair value through income statement - net	148,365	168,766	198,367	494,684	1,010,182	
Net unrealised (diminution) / appreciation on re-measurement of investments 'classified as 'financial assets 'at fair value through profit or loss'	(2,639,412)	(1,030,064)	1,371,581	2,332,398	34,503	
<b>Total income</b>	<b>(2,454,134)</b>	<b>(818,990)</b>	<b>1,631,267</b>	<b>3,071,676</b>	<b>1,429,819</b>	
<b>EXPENDITURE</b>						
Payable to Atlas Asset Management Company '- Management Company	7.1	2,665	3,355	4,573	19,194	29,787
Sindh sales tax on remuneration of the Management Company	7.2	346	436	594	2,495	3,871
Accounting & Operational charges		22,281	25,301	30,211	107,191	184,984
Remuneration to the Central Depository Company of Pakistan Limited		15,597	17,711	21,148	75,034	129,490
Sindh sales tax on remuneration of the Trustee		2,028	2,302	2,749	9,754	16,833
Annual fee - Securities and Exchange Commission of Pakistan		4,456	5,060	6,042	21,438	36,996
Auditor's remuneration		6,508	7,391	8,827	31,318	54,044
Amortization of preliminary expenses and floatation costs		14,090	14,090	14,090	14,090	56,360
Annual Listing fee		861	966	1,121	3,982	6,930
Printing charges		2,570	2,500	2,585	2,500	10,155
Legal and Professional Charges		28,300	28,300	28,300	28,300	113,200
Shariah advisory fee		1,514	1,719	2,053	7,282	12,568
Bank charges		321	751	378	2,013	3,463
Provision for Sindh Workers' Welfare Fund	8.1	-	-	30,172	54,942	85,114
<b>Total expenses</b>		<b>101,537</b>	<b>109,882</b>	<b>152,843</b>	<b>379,533</b>	<b>743,795</b>
<b>Net (loss) / income for the period before taxation</b>		<b>(2,555,671)</b>	<b>(928,872)</b>	<b>1,478,424</b>	<b>2,692,143</b>	<b>686,024</b>
<b>Taxation</b>	11	-	-	-	-	-
<b>Net (loss) / income for the period after taxation</b>		<b>(2,555,671)</b>	<b>(928,872)</b>	<b>1,478,424</b>	<b>2,692,143</b>	<b>686,024</b>
<b>(Loss) / Earnings per unit</b>	12	<b>(12.21)</b>	<b>(4.15)</b>	<b>6.10</b>	<b>3.05</b>	
<b>Allocation of net (loss) for the period:</b>						
Net (loss) / income for the period after taxation			1,478,424	2,692,143		
Income already paid on units redeemed			(5,785)	-		
			<b>1,472,639</b>	<b>2,692,143</b>		
<b>Accounting income / loss available for distribution:</b>						
-Relating to capital gains			1,569,948	2,827,082		
-Excluding capital gains			(97,309)	(134,939)		
			<b>1,472,639</b>	<b>2,692,143</b>		

The annexed notes 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

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Fund of Funds

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019				
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Total
	-----Rupees-----				
Net (loss) / income for the period	(2,555,671)	(928,872)	1,478,424	2,692,143	686,024
Other Comprehensive income	-	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b>(2,555,671)</b>	<b>(928,872)</b>	<b>1,478,424</b>	<b>2,692,143</b>	<b>686,024</b>

The annexed notes 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

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

# First Quarter Report 2019-20

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019				Total
	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation	
	Islamic Plan	Islamic Plan	Islamic Plan	Plan	
	-----Rupees-----				
<b>Capital Value</b>	<b>104,540,396</b>	<b>110,899,450</b>	<b>122,090,277</b>	<b>445,401,742</b>	<b>782,931,865</b>
<b>Un distributed Income</b>					
- Realised income	2,080,513	3,831,669	6,563,967	13,706,840	26,182,989
- Unrealised loss	(13,696,545)	(11,451,923)	(7,786,635)	(28,246,685)	(61,181,788)
<b>Net assets at the beginning of the period</b>	<b>92,924,364</b>	<b>103,279,196</b>	<b>120,867,609</b>	<b>430,861,897</b>	<b>747,933,066</b>
(Units: AAAIP 209,341, AMAIP 221,897, ACAIP 244,021 & AICPP 882,926)					
<b>Issue of units</b>					
Capital value (at net assets value per unit at the beginning of period)					
Aggressive - units 9	4,045	-	-	-	4,045
Moderate - units 2,259	-	1,003,695	-	-	1,003,695
Conservative - units 1	-	-	214	-	214
Preservation - units Nil	-	-	-	-	-
<b>Total proceed on issuance of units</b>	<b>4,045</b>	<b>1,003,695</b>	<b>214</b>	<b>-</b>	<b>1,007,954</b>
<b>Redemption of units</b>					
Capital value (at net assets value per unit at the beginning of period)					
Aggressive - units 37	(15,148)	-	-	-	(15,148)
Moderate - units 102	-	(46,313)	-	-	(46,313)
Conservative - units 1,855	-	-	(922,202)	-	(922,202)
Preservation - units 205	-	-	-	(100,000)	(100,000)
<b>Amount paid out of Element of income</b>					
- Relating to Net Income for the period after taxation	-	-	(5,785)	-	(5,785)
	<b>(15,148)</b>	<b>(46,313)</b>	<b>(927,987)</b>	<b>(100,000)</b>	<b>(1,089,448)</b>
<b>Total Comprehensive (loss) / income for the period</b>	<b>(2,555,671)</b>	<b>(928,872)</b>	<b>1,478,424</b>	<b>2,692,143</b>	<b>686,024</b>
<b>Net assets at the end of the period</b>	<b>90,357,590</b>	<b>103,307,706</b>	<b>121,418,260</b>	<b>433,454,040</b>	<b>748,537,596</b>
(Units: AAAIP 209,313, AMAIP 224,054, ACAIP 242,167 & AICPP 882,721)					
<b>Capital Value</b>	<b>104,529,293</b>	<b>111,856,832</b>	<b>121,168,289</b>	<b>445,301,742</b>	<b>782,856,156</b>
<b>Un distributed Income</b>					
- Realised income	1,976,188	3,697,237	6,416,986	13,856,682	25,947,093
- Unrealised loss	(16,147,891)	(12,246,363)	(6,167,015)	(25,704,384)	(60,265,653)
<b>Net assets at the end of the period</b>	<b>90,357,590</b>	<b>103,307,706</b>	<b>121,418,260</b>	<b>433,454,040</b>	<b>748,537,596</b>
<b>Net assets value per unit at beginning of the period</b>	<b>443.89</b>	<b>465.44</b>	<b>495.32</b>	<b>487.99</b>	
<b>Net assets value per unit at end of the period</b>	<b>431.69</b>	<b>461.08</b>	<b>501.38</b>	<b>491.04</b>	

The annexed notes 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

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Fund of Funds

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2019

30 September 2019					
Note	Aggressive	Moderate	Conservative	Islamic	Total
	Allocation	Allocation	Allocation	Capital	
	Islamic	Islamic	Islamic	Preservation	
	Plan	Plan	Plan	Plan	
-----Rupees-----					
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Net (loss) / income for the period after taxation	(2,555,671)	(928,872)	1,478,424	2,692,143	686,024
<b>Adjustments for:</b>					
Profit on deposits with banks	(36,913)	(42,308)	(61,319)	(244,594)	(385,134)
Gain on sale of investments at fair value through income statement - net	(148,365)	(168,766)	(198,367)	(494,684)	(1,010,182)
Net unrealised diminution / (appreciation) on re-measurement of investments 'classified as 'financial assets 'at fair value through profit or loss	2,639,412	1,030,064	(1,371,581)	(2,332,398)	(34,503)
Provision for Sindh Workers' Welfare Fund	-	-	30,172	54,942	85,114
	<b>(101,537)</b>	<b>(109,882)</b>	<b>(122,671)</b>	<b>(324,591)</b>	<b>(658,681)</b>
<b>Decrease in assets</b>					
Prepaid and other receivables	(2,557)	(2,831)	(3,323)	(11,860)	(20,571)
Deferred Formation cost	14,090	14,090	14,090	14,090	56,360
	<b>11,533</b>	<b>11,259</b>	<b>10,767</b>	<b>2,230</b>	<b>35,789</b>
<b>Decrease in liabilities</b>					
Payable to Atlas Asset Management Company - Management Company	(810)	(169)	(342)	493	(828)
Payable to Central Depository Company of Pakistan Limited - Trustee	(3,126)	(3,199)	(3,415)	(12,554)	(22,294)
Payable to the Securities and Exchange Commission of Pakistan	(41,876)	(44,470)	(48,182)	(120,295)	(254,823)
Accrued expenses and other liabilities	7,986	8,504	10,276	34,866	61,632
	<b>(37,826)</b>	<b>(39,334)</b>	<b>(41,663)</b>	<b>(97,490)</b>	<b>(216,313)</b>
Interest received	20,246	22,056	28,070	240,526	310,898
Dividend received	-	-	-	-	-
Investments made during the period	(6,800,000)	(8,150,000)	(8,700,000)	(17,700,000)	(41,350,000)
Investments sold during the period	6,800,000	8,150,000	8,700,000	17,700,000	41,350,000
	<b>20,246</b>	<b>22,056</b>	<b>28,070</b>	<b>240,526</b>	<b>310,898</b>
<b>Net cash used in operating activities</b>	<b>(107,584)</b>	<b>(115,901)</b>	<b>(125,497)</b>	<b>(179,325)</b>	<b>(528,307)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Receipts against issuance of units	4,044	1,003,695	213	-	1,007,952
Payments against redemption of units	(15,148)	(46,313)	(927,987)	(100,000)	(1,089,448)
	(11,104)	957,382	(927,774)	(100,000)	(81,496)
<b>Net cash (used in) / generated from financing activities</b>	<b>(11,104)</b>	<b>957,382</b>	<b>(927,774)</b>	<b>(100,000)</b>	<b>(81,496)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(118,688)</b>	<b>841,481</b>	<b>(1,053,271)</b>	<b>(279,325)</b>	<b>(609,803)</b>
Cash and cash equivalents at the beginning of the period	1,216,018	1,268,212	2,021,345	7,825,894	12,331,469
<b>Cash and cash equivalents at the end of the period</b>	<b>1,097,330</b>	<b>2,109,693</b>	<b>968,074</b>	<b>7,546,569</b>	<b>11,721,666</b>

The annexed notes 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

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

# First Quarter Report 2019-20

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

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Fund of Funds (the Fund) is an open-ended Fund constituted under a trust deed entered into on 20 August 2018 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 supplements dated 05 September 2019 with the approval of the SECP. The investment activities and administration of the Fund are managed by AAML is situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.
- 1.2 The Fund is an open-ended Shariah compliant fund of funds and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered to public (IPO) on January 07, 2019. Subsequent to the Initial Public Offering, the offer of units of the Allocation Plans at the Initial Offer Price discontinued. The units of the Allocation Plans could then be purchased at their Offer Price and redeemed at the Redemption Price, which shall be calculated on the basis of Net Asset Value (NAV) of each Allocation Plan. The duration of the fund is perpetual, however, the allocation plans may have a set time frame. Each Allocation Plan will announce separate NAVs which will rank pari passu inter se according to the number of units of the respective Allocation Plans. Units are offered for public subscription on a continuous basis. However, term-based plans, may be offered for a limited subscription period.

The objective of the Fund is to generate return on investments as per the respective Allocation Plan by investing in Shariah complaint mutual funds in line with the risk tolerance of the investor. The Management Company has appointed Dr. Mufti Muhammad Wasie Fasih Butt as its Shariah Advisor to ensure that the activities of the Funds are in compliance with the principles of Shariah.

The investment objectives and policies of each allocation plan are as follows;

#### **Atlas Aggressive Allocation Islamic Plan (AAAIP)**

The "Aggressive Allocation Islamic Plan" is a Shariah Compliant Allocation Plan under the Atlas Islamic Fund of Funds and primarily aims to provide capital appreciation. It shall invest at least 65% and 25% of its net assets in Shariah Compliant Equity Funds and Islamic Income schemes, respectively, while the remaining portion is allocated to Shariah compliant bank deposits (excluding TDRs) in Islamic banks / Islamic windows of commercial banks and GOP Ijara Sukuk not exceeding 90 days remaining maturity. This Allocation Plan is suitable for Investors having a relatively higher risk tolerance and/or wish to save for long term.

#### **Atlas Moderate Allocation Islamic Plan (AMAIP)**

The "Moderate Allocation Islamic Plan" is a Shariah Compliant Allocation Plan under the Atlas Islamic Fund of Funds and primarily aims to provide a mix of capital appreciation and stable returns. It shall invest at least 45% and 45% of its net assets in Shariah Compliant Equity Funds and Islamic Income schemes, respectively, while the remaining portion is allocated to Shariah compliant bank deposits (excluding TDRs) in Islamic banks / Islamic windows of commercial banks and GOP Ijara Sukuk not exceeding 90 days remaining maturity. This Allocation Plan is suitable for Investors having a relatively moderate risk tolerance and/or wish to medium for long term.

#### **Atlas Conservative Allocation Islamic Plan (ACAIP)**

The "Conservative Allocation Islamic Plan" is a Shariah Compliant Allocation Plan under the Atlas Islamic Fund of Funds and primarily aims to provide stable returns. It shall invest at least 20% and 70% of its net assets in Shariah Compliant Equity Funds and Islamic Income schemes, respectively, while the remaining portion is allocated to Shariah compliant bank deposits (excluding TDRs) in Islamic banks / Islamic windows of commercial banks and GOP Ijara Sukuk not exceeding 90 days remaining maturity. This Allocation Plan is suitable for Investors having a relatively low risk tolerance and/or wish to save for short to medium term.

# Atlas Islamic Fund of Funds

## Atlas Islamic Capital Preservation Plan (AICPP)

The Atlas Islamic Capital Preservation Plan is a Shariah Compliant Allocation Plan under the Atlas Islamic Fund of Funds and primarily aims to earn a potentially high return through dynamic asset allocation between Shariah Compliant Equities, Shariah Compliant Income based Collective Investment Schemes and Shariah Compliant saving Accounts & Term Deposits, while aiming to provide capital preservation upon maturity of the allocation plan.

- 1.3 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 June 2019. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.4 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 STATEMENT OF COMPLIANCE

These condensed interim financial statements has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2019.

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 this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 30 September 2019.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at 30 September 2019 have been extracted from the annual published audited financial statements of the Fund for the year ended 30 June 2019.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2019.

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

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2019.

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 2019.

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## 4 BANK BALANCES

		30 September 2019 (Un Audited)				
		Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Total
In local currency	Note	-----Rupees-----				
Profit and loss sharing accounts	4.1	1,097,330	2,109,693	968,074	7,546,569	11,721,666
		<u>1,097,330</u>	<u>2,109,693</u>	<u>968,074</u>	<u>7,546,569</u>	<u>11,721,666</u>

		30 June 2019 (Audited)				
		Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Total
In local currency		-----Rupees-----				
Profit and loss sharing accounts	4.1	1,216,018	1,268,212	2,021,345	7,825,894	12,331,469
		<u>1,216,018</u>	<u>1,268,212</u>	<u>2,021,345</u>	<u>7,825,894</u>	<u>12,331,469</u>

4.1 The rate of return on these profit and loss sharing accounts ranges between 6.00% to 12.70% (30 June 2019: 4.00% to 12.30%) per annum.

## 5 INVESTMENTS

		30 September 2019 (Un Audited)				
		Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Total
At fair value through profit or loss	Note	-----Rupees-----				
Units of Mutual Funds - listed	5.1	89,330,530	101,271,708	120,537,772	425,955,788	737,095,798
		<u>89,330,530</u>	<u>101,271,708</u>	<u>120,537,772</u>	<u>425,955,788</u>	<u>737,095,798</u>

		30 June 2019 (Audited)				
		Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Total
At fair value through profit or loss	Note	-----Rupees-----				
Units of Mutual Funds - listed	5.1	91,821,576	102,133,006	118,967,823	423,128,705	736,051,110
		<u>91,821,576</u>	<u>102,133,006</u>	<u>118,967,823</u>	<u>423,128,705</u>	<u>736,051,110</u>

# Atlas Islamic Fund of Funds

## 5.1 At fair value through profit or loss - Listed equity securities.

### 5.1.1 Units of Mutual Funds

Name of the investee company	As at 01 July 2019	Purchases during the period	Sales during the period	As at 30 September 2019	Carrying Value as at 30 September 2019	Market Value as at 30 September 2019	Appreciation/ (diminution) as at 30 September 2019	Market Value as a % of net assets of Plan	Market Value as a % of total value of investments of Plan
	-----Number of shares-----				-----Rupees-----			-----%age-----	
<b>Aggressive Allocation Plan</b>									
Atlas Islamic Income Fund	57,950	-	13,208	44,742	22,532,993	23,239,023	706,030	25.72	26.01
Atlas Islamic Dedicated Stock Fund	151,414	18,147	-	169,561	69,436,948	66,091,507	(3,345,441)	73.14	73.99
	<b>209,364</b>	<b>18,147</b>	<b>13,208</b>	<b>214,303</b>	<b>91,969,942</b>	<b>89,330,530</b>	<b>(2,639,412)</b>	<b>98.86</b>	<b>100.00</b>
<b>Moderate Allocation Plan</b>									
Atlas Islamic Income Fund	106,325	-	15,848	90,477	45,565,946	46,993,670	1,427,724	45.49	46.40
Atlas Islamic Dedicated Stock Fund	117,448	21,805	-	139,253	56,735,827	54,278,038	(2,457,789)	52.54	53.60
	<b>223,773</b>	<b>21,805</b>	<b>15,848</b>	<b>229,730</b>	<b>102,301,772</b>	<b>101,271,708</b>	<b>(1,030,064)</b>	<b>98.03</b>	<b>100.00</b>
<b>Conservative Allocation Plan</b>									
Atlas Islamic Income Fund	182,885	-	16,881	166,003	83,602,543	86,222,074	2,619,531	71.01	71.53
Atlas Islamic Dedicated Stock Fund	64,938	23,100	-	88,039	35,563,647	34,315,698	(1,247,949)	28.26	28.47
	<b>247,823</b>	<b>23,100</b>	<b>16,881</b>	<b>254,042</b>	<b>119,166,191</b>	<b>120,537,772</b>	<b>1,371,581</b>	<b>99.27</b>	<b>100.00</b>
<b>Islamic Capital Preservation Plan</b>									
Atlas Islamic Income Fund	604,937	-	34,163	570,774	287,453,258	296,460,073	9,006,815	68.39	69.60
Atlas Islamic Dedicated Stock Fund	286,381	45,847	-	332,228	136,170,132	129,495,715	(6,674,417)	29.88	30.40
	<b>891,318</b>	<b>45,847</b>	<b>34,163</b>	<b>903,002</b>	<b>423,623,390</b>	<b>425,955,788</b>	<b>2,332,398</b>	<b>98.27</b>	<b>100.00</b>
Total as at 30 September 2019	<b>1,572,278</b>	<b>108,899</b>	<b>80,100</b>	<b>1,601,077</b>	<b>737,061,294</b>	<b>737,095,798</b>	<b>34,503</b>		
Total as at 30 June 2019	-	1,632,450	60,172	1,572,278	797,232,898	736,051,110	(61,181,788)		

## 6 DEFERRED FORMATION COST

		30 September 2019 (Un Audited)				
		Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Total
Note		-----Rupees-----				
	Opening balance	224,215	224,215	224,215	224,215	896,860
	Less: Amortization for the period	14,090	14,090	14,090	14,090	56,360
		<b>210,125</b>	<b>210,125</b>	<b>210,125</b>	<b>210,125</b>	<b>840,500</b>
		30 June 2019 (Audited)				
		Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Total
		-----Rupees-----				
	Opening balance	280,268	280,268	280,268	280,268	1,121,072
	Less: Amortization for the period	56,053	56,053	56,053	56,053	224,212
		<b>224,215</b>	<b>224,215</b>	<b>224,215</b>	<b>224,215</b>	<b>896,860</b>



# First Quarter Report 2019-20

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

## 7 PAYABLE TO THE ATLAS ASSET MANAGEMENT LIMITED - Management Company

		30 September 2019 (Un Audited)				
		Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital	
		Islamic Plan	Islamic Plan	Islamic Plan	Preservation Plan	Total
Note		-----Rupees-----				
Remuneration of the Management Company	7.1	848	1,321	1,397	6,220	9,786
Sindh Sales Tax on remuneration of the Management Company	7.2	110	172	182	809	1,273
Front and backend load payable to the Management Company		-	-	1,017	6,455	7,472
Preliminary expenses and floatation charges payable		280,268	280,268	280,268	280,268	1,121,072
Accounting and operational charges reimbursable by the Fund		7,233	8,279	9,901	35,096	60,509
		<b>288,459</b>	<b>290,040</b>	<b>292,765</b>	<b>328,848</b>	<b>1,200,112</b>

		30 June 2019 (Audited)				
		Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital	
		Islamic Plan	Islamic Plan	Islamic Plan	Preservation Plan	Total
Note		-----Rupees-----				
Remuneration of the Management Company	7.1	1,037	1,162	1,656	7,483	11,338
Sindh Sales Tax on remuneration of the Management Company	7.2	134	152	214	972	1,472
Front and backend load payable to the Management Company		-	-	1,016	3,955	4,971
Preliminary expenses and floatation charges payable		280,268	280,268	280,268	280,268	1,121,072
Accounting and operational charges reimbursable by the Fund		7,830	8,627	9,953	35,677	62,087
		<b>289,269</b>	<b>290,209</b>	<b>293,107</b>	<b>328,355</b>	<b>1,200,940</b>

7.1 In accordance with the provisions of the NBFC Regulations, No Management fee in case of investment is made in CIS of Atlas Asset Management Limited (AAML). However, the AAML shall charge a management fee of 1% of average annual net assets in case investment is made in Cash/ Near Cash instruments, savings and term deposits made with Islamic banks or Islamic banking windows of commercial banks.

7.2 During the period, an amount of Rs. 3,871 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. 4,070 has been paid to the Management Company which acts as a collecting agent.

## 8 ACCRUED EXPENSES AND OTHER LIABILITIES

		30 September 2019 (Un Audited)				
		Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital	
		Islamic Plan	Islamic Plan	Islamic Plan	Preservation Plan	Total
Note		-----Rupees-----				
Auditors' remuneration payable		34,011	36,544	40,141	95,946	206,642
Withholding and capital gain tax payable		133	693	147	8,893	9,866
Shariah advisory fee payable		1,922	2,106	2,369	6,170	12,567
Printing charges payable		4,440	4,472	4,699	6,474	20,085
Provision for Sindh Workers' Welfare Fund	8.1	-	-	30,172	54,942	85,114
		<b>40,506</b>	<b>43,815</b>	<b>77,528</b>	<b>172,425</b>	<b>334,274</b>

# Atlas Islamic Fund of Funds

30 June 2019 (Audited)

	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation	Total
	Islamic Plan	Islamic Plan	Islamic Plan	Plan	
Auditors' remuneration payable	27,503	29,153	31,314	64,627	152,597
Withholding and capital gain tax payable	302	1,126	261	4,116	5,805
Shariah advisory fee payable	1,960	2,113	2,336	6,088	12,497
Printing charges payable	2,755	2,919	3,169	7,786	16,629
	<b>32,520</b>	<b>35,311</b>	<b>37,080</b>	<b>82,617</b>	<b>187,528</b>

Note

Rupees

8.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was 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 had 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, 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 SWWF 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.

The net asset value of the Fund as at 30 September 2019 would have been higher by Re. 0.12 per unit, Re. 0.06 per unit for Conservative Allocation Islamic Plan and Islamic Capital Preservation Plan respectively.

## 9 CONTINGENCIES AND COMMITMENTS

There were no other contingencies and commitments outstanding as at September 30, 2019 and 30 June 2019.

## 10 TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund is as follows :

30 September 2019 (Un Audited)

	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation
	Islamic Plan	Islamic Plan	Islamic Plan	Plan
Total expense ratio	0.45	0.43	0.50	0.35
Government Levies and SECP Fee	0.03	0.03	0.03	0.03

30 June 2019 (Audited)

	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation
	Islamic Plan	Islamic Plan	Islamic Plan	Plan
Total expense ratio	0.35	0.34	0.32	0.23
Government Levies and SECP Fee	0.06	0.06	0.05	0.06

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## 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 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.

## 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 CONNECTED PERSONS / 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:

	30 September 2019 (Un Audited)				Total
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	
<b>13.1 Details of transaction with related parties during the period are as follows:</b>	-----Rupees-----				
<b>Atlas Asset Management Limited (Management Company)</b>					
Remuneration for the period	2,665	3,355	4,573	19,194	29,787
Sindh sales tax on remuneration of the Management Company	346	436	594	2,495	3,871
Remuneration paid	2,854	3,196	4,832	20,457	31,339
Formation cost	14,090	14,090	14,090	14,090	56,360
Accounting & operational charges	22,281	25,301	30,211	107,191	184,984
Issuance in amounts	4,045	3,695	-	-	7,740
Issue of units	9	8	-	-	17
<b>Central Depository Company of Pakistan Limited</b>					
Remuneration of the Trustee	15,597	17,711	21,148	75,034	129,490
Sindh Sales Tax on remuneration of the Trustee	2,028	2,302	2,749	9,754	16,833
Remuneration paid	18,364	20,542	24,171	86,144	149,221
<b>Atlas Islamic Dedicated Stock Fund</b>					
Purchase in Rupees	6,800,000	8,150,000	8,700,000	17,700,000	41,350,000
Purchase of units	18,147	21,805	23,100	45,847	108,899
<b>Atlas Islamic Income Fund</b>					
Redemption in Rupees	6,800,000	8,150,000	8,700,000	17,700,000	41,350,000
Redemption of units	13,208	15,848	16,881	34,163	80,100
<b>Directors and their close family members and key management personnel of the Management Company</b>					
Redemption in Rupees	2,998	-	-	-	2,998
Redemption of units	7	-	-	-	7

# Atlas Islamic Fund of Funds

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

	30 September 2019 (Un Audited)				
	Aggressive	Moderate	Conservative	Islamic	Total
	Allocation	Allocation	Allocation	Capital	
	Islamic	Islamic	Islamic	Preservation	
Plan	Plan	Plan	Plan		
-----Rupees-----					
<b>Atlas Asset Management Limited (Management Company)</b>					
Remuneration payable to the management company	848	1,321	1,397	6,220	9,786
Sindh Sales tax payable on remuneration of the Management Company	110	172	182	809	1,273
Front and backend load payable to the Management Company	-	-	1,017	6,455	7,472
Preliminary expenses and floatation charges payable	280,268	280,268	280,268	280,268	1,121,072
Accounting and operational charges payable	7,233	8,279	9,901	35,096	60,509
Outstanding amount - at net asset value	4,377,025	4,669,072	19,923,248	-	28,969,344
Outstanding units	10,139	10,126	39,737	-	60,002
<b>Central Depository Company of Pakistan Limited (Trustee)</b>					
Trustee fee payable	5,063	5,795	6,930	24,567	42,355
Sindh Sales tax payable on remuneration of trustee	658	753	901	3,194	5,506
<b>Shirazi Investments (Private) Limited - Group Company</b>					
Outstanding amount - at net asset value	85,508,593	91,971,952	100,095,016	194,583,028	472,158,589
Outstanding units	198,079	199,471	199,639	396,267	993,456
<b>Atlas Honda Limited - Group Company</b>					
Outstanding amount - at net asset value	-	-	-	194,583,028	194,583,028
Outstanding units	-	-	-	396,267	396,267
<b>Atlas Islamic Dedicated Stock Fund</b>					
Outstanding amount - at net asset value	66,091,507	54,278,037	34,315,689	129,495,715	284,180,948
Outstanding units	169,561	139,253	88,039	332,228	729,080
<b>Atlas Islamic Income Fund</b>					
Outstanding amount - at net asset value	23,239,023	46,993,670	86,222,074	296,460,073	452,914,841
Outstanding units	44,742	90,477	166,003	570,774	871,996
<b>Directors and their close family members and key management personnel of the Management Company</b>					
Outstanding amount - at net asset value	-	2,302,131	-	3,435,868	5,737,999
Outstanding units	-	4,993	-	6,997	11,990

	30 June 2019 (Audited)				
	Aggressive	Moderate	Conservative	Islamic	Total
	Allocation	Allocation	Allocation	Capital	
	Islamic	Islamic	Islamic	Preservation	
Plan	Plan	Plan	Plan		
-----Rupees-----					
<b>Atlas Asset Management Limited (Management Company)</b>					
Remuneration payable to the management company	1,037	1,162	1,656	7,483	11,338
Sindh Sales tax payable on remuneration of the Management Company	134	152	214	972	1,472
Front and backend load payable to the Management Company	-	-	1,016	3,955	4,971
Preliminary expenses and floatation charges payable	280,268	280,268	280,268	280,268	1,121,072
Accounting and operational charges payable	7,830	8,627	9,953	35,677	62,087
Outstanding amount - at net asset value	4,496,533	4,709,470	19,682,443	-	28,888,445
Outstanding units	10,130	10,118	39,737	-	59,985
<b>Central Depository Company of Pakistan Limited (Trustee)</b>					
Trustee fee payable	7,830	8,626	9,953	35,677	62,086
Sindh Sales tax payable on remuneration of trustee	1,017	1,121	1,293	4,638	8,069
<b>Shirazi Investments (Private) Limited - Group Company</b>					
Outstanding amount - at net asset value	87,925,153	92,841,644	98,885,203	193,374,413	473,026,414
Outstanding units	198,079	199,471	199,639	396,267	993,456

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30 June 2019 (Audited)

	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Total
-----Rupees-----					
<b>Atlas Honda Limited - Group Company</b>					
Outstanding amount - at net asset value	-	-	-	193,374,413	193,374,413
Outstanding units	-	-	-	396,267	396,267
<b>Atlas Islamic Dedicated Stock Fund</b>					
Outstanding amount - at net asset value	67,211,233	54,664,997	26,860,400	139,751,064	288,487,694
Outstanding units	151,414	117,448	64,938	286,381	620,181
<b>Atlas Islamic Income Fund</b>					
Outstanding amount - at net asset value	25,723,323	49,488,001	90,586,534	295,203,236	461,001,094
Outstanding units	57,950	106,325	182,885	604,937	952,097
<b>Directors and their close family members and key management personnel of the Management Company</b>					
Outstanding amount - at net asset value	3,018	2,323,900	-	3,414,527	5,741,445
Outstanding units	7	4,993	-	6,997	11,997

**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 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. 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 value of financial assets and liabilities traded in active markets (i.e. listed equity shares) are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

Financials assets which are tradeable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimate fair value of all other financial assets and liabilities is considered not significantly different from book value.

### 14.1 Fair value hierarchy

Following hierarchy is used in determining and disclosing the fair value on the following financial instruments by valuation technique:

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

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

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

Fair values of investments in units of mutual funds are determined based on redemption prices disclosed at the Mutual Funds Association of Pakistan (MUFAP) as at the close of the business days which is considered as Level 2 valuation. Fair value of remaining financial assets is not significantly different from their carrying value.

# Atlas Islamic Fund of Funds

## 15 GENERAL

Figures have been rounded off to the nearest Rupee.

## 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 30 October 2019.

For Atlas Asset Management Limited  
(Management Company)

**Qurrat-ul-Ain Jafari**  
Chief Financial Officer

**Muhammad Abdul Samad**  
Chief Executive Officer

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

## Atlas Islamic Dedicated Stock Fund

### Corporate Information

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#### **Trustee**

---

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

#### **Shariah Advisor**

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Dr. Mufti Muhammad Wasih Fasih Butt

#### **Auditors**

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EY Ford Rhodes  
Chartered Accountants

#### **Legal Advisers**

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Bawaney & Partners

#### **Bankers**

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Al-Baraka Bank (Pakistan) Limited  
BankIslami Pakistan Limited

# Atlas Islamic Dedicated Stock Fund

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 30 SEPTEMBER 2019

		30 September 2019	30 June 2019
	Note	Un-audited -----Rupees -----	Audited
<b>ASSETS</b>			
Bank balances	4	513,315	4,490,047
Investments	5	277,322,874	248,332,196
Receivable against sale of investments		516,250	932,900
Profit receivable on bank balances		53,737	21,465
Dividend receivable		4,109,810	431,875
Deferred formation cost		833,003	888,860
Advances, deposits, prepayment and other receivables		3,506,954	3,515,578
<b>Total assets</b>		<b>286,855,943</b>	<b>258,612,921</b>
<b>LIABILITIES</b>			
Payable to Atlas Asset Management Limited - Management Company	6	1,595,988	1,624,414
Payable to Central Depository Company of Pakistan Limited - Trustee		52,085	54,810
Payable to the Securities and Exchange Commission of Pakistan		12,282	104,474
Payable against purchase of investments		520,496	-
Accrued expenses and other liabilities	7	490,940	302,079
<b>Total liabilities</b>		<b>2,671,791</b>	<b>2,085,777</b>
<b>NET ASSETS</b>		<b>284,184,152</b>	<b>256,527,144</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>284,184,152</b>	<b>256,527,144</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	8		
		-----Number of units-----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>729,080</b>	<b>620,181</b>
		-----Rupees-----	
<b>NET ASSET VALUE PER UNIT</b>		<b>389.78</b>	<b>413.63</b>

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

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director



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## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	Note	2019 ---- Rupees ----
<b>INCOME</b>		
Profit on bank balances		139,151
Dividend income		4,191,835
Capital loss on sale of investments - net		(624,282)
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(15,138,906)
		<b>(15,763,188)</b>
<b>Total loss</b>		<b>(11,432,202)</b>
<b>EXPENSES</b>		
Remuneration of Atlas Asset Management Limited - Management Company	6.1	1,230,497
Sindh Sales Tax on remuneration of the Management Company	6.2	159,965
Remuneration of the Central Depository Company of Pakistan Limited - Trustee		123,049
Sindh Sales Tax on remuneration of the Trustee		15,996
Annual fee to the Securities and Exchange Commission of Pakistan		12,282
Accounting and operational charges		61,554
Shariah advisory fee		12,500
Auditors' remuneration		55,652
Annual listing fee		31,402
Securities transaction cost		290,407
Printing and postage charges		10,000
Legal and professional charges		113,200
Amortization of formation cost		55,857
Bank charges		2,958
<b>Total expenses</b>		<b>2,175,319</b>
<b>Net loss for the period before taxation</b>		<b>(13,607,521)</b>
<b>Taxation</b>	11	-
<b>Net loss for the period after taxation</b>		<b>(13,607,521)</b>
<b>Loss per unit</b>	12	

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

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Dedicated Stock Fund

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	2019 ---- Rupees ----
Net loss for the period after taxation	(13,607,521)
Other comprehensive (loss) / income	-
<b>Total comprehensive loss for the period</b>	<b><u><u>(13,607,521)</u></u></b>

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

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

# First Quarter Report 2019-20

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	30 September 2019		
	Capital value	Undistributed income	Total
	-----Rupees-----		
Capital value	308,793,987	-	308,793,987
<b>Undistributed income brought forward</b>			
- Realised loss	-	(3,739,329)	(3,739,329)
- Unrealised loss	-	(48,527,514)	(48,527,514)
<b>Net assets at the beginning of the period (Units outstanding: 620,181) (Rs. 413.63 per unit)</b>	<b>308,793,987</b>	<b>(52,266,843)</b>	<b>256,527,144</b>
Issue of 108,899 units	41,350,000	-	41,350,000
Redemption of Nil units	-	-	-
Total comprehensive loss for the period	-	(13,607,521)	(13,607,521)
Shariah non-compliant income set-aside for charity	-	(85,471)	(85,471)
<b>Net assets at end of the period (Units outstanding: 729,080) (Rs. 389.78 per unit)</b>	<b>350,143,987</b>	<b>(65,959,835)</b>	<b>284,184,152</b>
<b>Undistributed income carried forward</b>			
- Realised loss	-	(4,824,320)	-
- Unrealised loss	-	(61,135,515)	-
	-	<b>(65,959,835)</b>	-

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

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Dedicated Stock Fund

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2019

30 September 2019  
Un-audited  
Note ----- Rupees -----

### CASH FLOWS FROM OPERATING ACTIVITIES

Net loss for the period before taxation	(13,607,521)
<b>Adjustments for:</b>	
Mark-up on bank deposits with banks	(139,151)
Dividend income	(4,191,835)
Capital loss on sale of investments - net	624,282
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	15,138,906
Amortization of formation cost	55,857
	<b>11,488,059</b>
<b>Decrease in assets</b>	
Receivable against sale of investments	416,650
Advances, deposits, prepayment and other receivables	8,624
	<b>425,274</b>
<b>Increase in liabilities</b>	
Payable to Atlas Asset Management Limited - Management Company	(28,426)
Payable to the Central Depository Company of Pakistan Limited - Trustee	(2,725)
Payable to the Securities and Exchange Commission of Pakistan	(92,192)
Payable against purchase of investments	520,496
Accrued expenses and other liabilities	103,390
	<b>500,543</b>
Profit received on bank balances	106,879
Dividend received	513,900
Investments made during the period	(52,952,442)
Investments sold during the period	8,198,576
	<b>(44,133,087)</b>
<b>Net cash used in operating activities</b>	<b>(45,326,732)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Amount received on issue of units	41,350,000
Payment against redemption of units	-
<b>Net cash generated from financing activities</b>	<b>41,350,000</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(3,976,732)</b>
Cash and cash equivalents at the beginning of the period	4,490,047
<b>Cash and cash equivalents at the end of the period</b>	<b>513,315</b>

4

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

**Frahim Ali Khan**  
Chairman

**Tariq Amin**  
Director

# First Quarter Report 2019-20

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

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Dedicated Stock Fund (the Fund) is an open-ended shariah compliant scheme constituted under a trust deed entered into on 03 September 2018 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 and Second supplements date 8 August 2019 and 5 September 2019 respectively with the approval of SECP. The investment activities and administration of the Fund are managed by AAML whose registered office is situated at Ground Floor, Federation House, Shahrah-e-Firdousi, Clifton, Karachi. The Fund was authorised by the Securities and Exchange Commission of Pakistan as a unit trust scheme on 09 October 2018.
- 1.2 The Fund is an open-ended Shariah compliant fund and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered to public (IPO) on January 10, 2019. The units are transferable and can also be redeemed by surrendering to the Fund.
- 1.3 According to the Trust Deed, the principal activity of the Fund is to provide capital appreciation to investors schemes by investing in Shariah Compliant equity securities.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) on 28 June 2019.
- 1.5 The titles of the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

### 2 STATEMENT OF COMPLIANCE

These condensed interim financial statements has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2019.

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 this condensed interim financial statements give a

# Atlas Islamic Dedicated Stock Fund

true and fair view of the state of the Fund's affairs as at 30 September 2019.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at 30 September 2019 have been extracted from the annual published audited financial statements of the Fund for the year ended 30 June 2019.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2019.

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

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2019.

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 2019.

		30 September 2019 Un-audited	30 June 2019 Audited
	Note	-----Rupees-----	
<b>4 BANK BALANCES</b>			
Balances with banks in:			
- Profit and loss sharing accounts	4.1	513,315	4,490,047
		<u>513,315</u>	<u>4,490,047</u>

4.1 The rate of return on these profit and sharing accounts range between 11.50% to 12.70% (30 June 2019: 6.00% to 11.00%) per annum.

## 5 INVESTMENTS

### Financial assets at fair value through profit or loss account

- Listed equity securities	5.1	277,322,874	248,332,196
		<u>277,322,874</u>	<u>248,332,196</u>

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## 5.1 At fair value through profit or loss - Listed equity securities

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

Name of Investee Company	Note	Number of shares					Rupees		Percentage		
		As at 01 July 2019	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 30 September 2019	Carrying cost as at 30 September 2019	Market value as at 30 September 2019	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid up capital of the Investee Company
<b>Inv. Bank/Inv. Companies/Securities Co.</b>											
Dawood Hercules Corporation Limited		23,800	-	-	-	23,800	2,647,512	2,879,800	1.04	1.01	-
		<b>23,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,800</b>	<b>2,647,512</b>	<b>2,879,800</b>	<b>1.04</b>	<b>1.01</b>	
<b>Banks</b>											
BankIslami Pakistan Limited		241,000	240,000	-	-	481,000	5,533,700	5,286,190	1.91	1.86	0.05
BankIslami Pakistan Limited - Letter of Right		-	-	48,100	-	48,100	-	48,100	0.02	0.02	-
Mezzan Bank Limited		308,400	79,500	-	-	387,900	33,005,684	27,944,316	10.08	9.83	0.03
		<b>549,400</b>	<b>319,500</b>	<b>48,100</b>	<b>-</b>	<b>917,000</b>	<b>38,539,384</b>	<b>33,278,606</b>	<b>12.01</b>	<b>11.71</b>	
<b>Textile Composite</b>											
Interloop Limited		67,500	-	-	37,000	30,500	1,350,235	1,339,865	0.48	0.47	-
Kohinoor Textile Mills Limited		140,000	-	-	30,000	110,000	2,755,500	2,611,400	0.94	0.92	0.04
Nishat Mills Limited		26,100	37,000	-	-	63,100	5,187,377	5,300,400	1.91	1.87	0.02
		<b>233,600</b>	<b>37,000</b>	<b>-</b>	<b>67,000</b>	<b>203,600</b>	<b>9,293,112</b>	<b>9,251,665</b>	<b>3.33</b>	<b>3.26</b>	
<b>Cement</b>											
Attock Cement Pakistan Limited		21,600	-	-	-	21,600	1,542,456	1,535,976	0.55	0.54	0.02
Cheer Cement Company Limited		48,500	-	-	-	48,500	1,501,560	1,366,730	0.49	0.48	0.03
D.G. Khan Cement Company Limited		80,500	29,500	-	-	110,000	5,935,865	5,317,400	1.92	1.87	0.03
Lucky Cement Limited		37,900	8,000	-	-	45,900	17,183,949	15,703,767	5.66	5.53	0.01
Maple Leaf Cement Factory Limited		35,000	-	-	35,000	-	-	-	-	-	-
		<b>223,500</b>	<b>37,500</b>	<b>-</b>	<b>35,000</b>	<b>226,000</b>	<b>26,163,830</b>	<b>23,923,873</b>	<b>8.62</b>	<b>8.42</b>	
<b>Power Generation &amp; Distribution</b>											
K-Electric Limited (face value Rs. 3.5)		528,500	-	-	-	528,500	2,320,115	1,876,175	0.68	0.66	-
The Hub Power Company Limited		263,903	-	-	-	263,903	20,782,361	18,671,137	6.73	6.57	0.02
		<b>792,403</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>792,403</b>	<b>23,102,476</b>	<b>20,547,312</b>	<b>7.41</b>	<b>7.23</b>	
<b>Oil &amp; Gas Marketing Companies</b>											
Attock Petroleum Limited		14,400	4,000	-	-	18,400	5,294,229	5,667,200	2.04	1.99	0.02
Pakistan State Oil Company Limited		69,500	7,000	-	7,000	69,500	11,753,478	10,945,535	3.95	3.85	0.02
Sui Northern Gas Pipelines Limited		43,000	17,000	-	-	60,000	3,993,515	3,696,000	1.33	1.30	0.01
		<b>126,900</b>	<b>28,000</b>	<b>-</b>	<b>7,000</b>	<b>147,900</b>	<b>21,041,222</b>	<b>20,308,735</b>	<b>7.32</b>	<b>7.14</b>	
<b>Oil &amp; Gas Exploration Companies</b>											
Mair Petroleum Company Limited		13,280	7,600	-	-	20,880	20,108,309	18,774,461	6.77	6.61	0.02
Oil & Gas Development Company Limited	6.3	234,500	30,000	-	-	264,500	34,497,876	32,541,435	11.73	11.45	0.01
Pakistan Oilfields Limited		41,000	7,000	-	-	48,000	19,272,294	18,235,200	6.58	6.42	0.02
Pakistan Petroleum Limited	6.3	167,200	25,000	-	-	192,200	27,410,736	26,144,966	9.43	9.20	0.01
		<b>455,980</b>	<b>69,600</b>	<b>-</b>	<b>-</b>	<b>525,580</b>	<b>101,289,215</b>	<b>95,696,062</b>	<b>34.51</b>	<b>33.68</b>	
<b>Engineering</b>											
International Industries Limited		56,800	33,000	-	-	89,800	6,885,776	6,779,087	2.44	2.39	0.07
International Steels Limited		21,000	40,000	-	-	61,000	2,460,835	2,424,140	0.87	0.85	0.01
		<b>77,800</b>	<b>73,000</b>	<b>-</b>	<b>-</b>	<b>150,800</b>	<b>9,346,611</b>	<b>9,203,227</b>	<b>3.31</b>	<b>3.24</b>	
<b>Fertilizer</b>											
Engro Corporation Limited	6.3	95,420	17,500	-	13,900	99,020	26,323,231	26,427,448	9.53	9.30	0.02
Engro Fertilizers Limited		279,000	30,000	-	-	309,000	19,935,030	21,083,070	7.60	7.42	0.02
		<b>374,420</b>	<b>47,500</b>	<b>-</b>	<b>13,900</b>	<b>408,020</b>	<b>46,258,261</b>	<b>47,510,518</b>	<b>17.13</b>	<b>16.72</b>	
<b>Pharmaceuticals</b>											
Abbott Laboratories (Pakistan) Limited		-	7,200	-	-	7,200	2,412,000	2,533,536	0.91	0.89	0.01
AGP Limited		8,500	-	-	-	8,500	582,505	549,100	0.20	0.19	-
Ferozsons Laboratories Limited		14,000	-	-	-	14,000	1,565,480	1,726,760	0.62	0.61	0.05
Glaxosmithkline Pakistan Limited		12,500	-	-	-	12,500	1,191,625	1,202,250	0.43	0.42	-
The Searle Company Limited		25,000	5,000	-	2,000	28,000	4,115,871	3,870,160	1.40	1.36	0.01
		<b>60,000</b>	<b>12,200</b>	<b>-</b>	<b>2,000</b>	<b>70,200</b>	<b>9,867,481</b>	<b>9,881,806</b>	<b>3.56</b>	<b>3.47</b>	
<b>Chemicals</b>											
Engro Polymer & Chemicals Limited		50,000	25,000	-	-	75,000	1,912,676	1,841,250	0.67	0.65	0.01
		<b>50,000</b>	<b>25,000</b>	<b>-</b>	<b>-</b>	<b>75,000</b>	<b>1,912,676</b>	<b>1,841,250</b>	<b>0.67</b>	<b>0.65</b>	
<b>Paper &amp; Board</b>											
Cheerat Packaging Limited		5,400	-	-	5,400	-	-	-	-	-	-
		<b>5,400</b>	<b>-</b>	<b>-</b>	<b>5,400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Leather &amp; Tanneries</b>											
Bata Pakistan Limited		-	2,500	-	-	2,500	3,000,000	3,000,000	1.09	1.06	0.03
		<b>-</b>	<b>2,500</b>	<b>-</b>	<b>-</b>	<b>2,500</b>	<b>3,000,000</b>	<b>3,000,000</b>	<b>1.09</b>	<b>1.06</b>	
<b>Total as at 30 September 2019</b>						<b>292,461,780</b>	<b>277,322,874</b>	<b>100.00</b>	<b>97.59</b>		
<b>Total as at 30 June 2019</b>						<b>296,859,710</b>	<b>248,332,196</b>				

# Atlas Islamic Dedicated Stock Fund

5.2 The cost of listed equity securities as at 30 September 2019 is Rs. 338,458,389 (30 June 2019: 296,859,710).

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

	30 September 2019	30 June 2019	30 September 2019	30 June 2019
	Un-audited	Audited	Un-audited	Audited
	Number of shares		Market value (Rupees)	
Engro Corporation Limited	4,500	4,500	1,201,005	1,195,200
Oil & Gas Development Company Limited	50,000	50,000	6,151,500	6,574,500
Pakistan Petroleum Limited	30,000	30,000	4,080,900	4,332,900
	<b>84,500</b>	<b>84,500</b>	<b>11,433,405</b>	<b>12,102,600</b>

		30 September 2019	30 June 2019
		Un-audited	Audited
	Note	-----Rupees -----	
<b>6 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - (RELATED PARTY)</b>			
Remuneration of the Management Company	6.1	410,918	453,033
Sindh Sales Tax payable on remuneration of the Management Company	6.2	53,419	56,554
Formation cost payable		1,111,075	1,111,075
Accounting and operational charges	9	20,576	21,752
		<b>1,595,988</b>	<b>1,642,414</b>

6.1 During the quarter ended 30 September 2019 the Management Company has charged its remuneration at the rate of 2% (30 June 2019: 2%) per annum of the average annual net assets of the Fund for the period. The fee is payable to the Management Company monthly in arrears.

6.2 During the period, an amount of Rs. 159,965 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. 163,100 has been paid to the Management Company which acts as the collecting agent.

		30 September 2019	30 June 2019
		Un-audited	Audited
	Note	-----Rupees -----	
<b>7 ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Auditors' remuneration payable		190,651	134,999
Printing charges payable		13,514	5,959
Charity payable	7.1	176,421	90,950
Transaction charges payable		51,607	44,263
Withholding tax payable		46,247	13,408
Payable to Shariah Advisor		12,500	12,500
		<b>490,940</b>	<b>302,079</b>



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7.1 The Shariah Advisor of the Fund, has certified an amount of Rs.176,421 (30 June 2019: Rs. 108,857) against dividend income, as Shariah non-compliant income during the period, which has accordingly been marked to charity.

## 8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2019 and 30 June 2019.

## 9 ACCOUNTING AND OPERATIONAL CHARGES

Uptil 19 June 2019 in accordance with Regulation 60 of the NBFC Regulations, the Management Company was entitled to charge expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS) at the rate of 0.1% of the average annual net assets of the scheme or actual whichever is less. During the year, SECP vide SRO 639 (I) /2019 dated 20 June 2019 has removed the maximum cap of 0.1%. Accordingly, the Management Company can now charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from 20 June 2019.

However, the management continued to charge expenses at the rate of 0.1% of the average annual net assets of the Fund, being lower than actual expenses.

## 10 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2019 is 3.48% (30 June 2019: 1.67%) which includes 0.34% (30 June 2019: 0.25%) representing government levies on the Fund such as 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

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.

## 12 LOSS 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 loss 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 Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

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

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

# Atlas Islamic Dedicated Stock 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:

	30 September 2019 Un-audited ----- Rupees -----	
<b>13.1 Transactions during the period</b>		
<b>Atlas Asset Management Limited (Management Company)</b>		
Remuneration of the Management Company		1,230,497
Sindh Sales Tax on remuneration of the Management Company		159,965
Remuneration paid		1,272,612
Formation cost		55,857
Accounting and operational charges		61,554
<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
Remuneration of the Trustee		123,049
Sindh Sales Tax on remuneration of the Trustee		15,996
Remuneration paid		125,460
Settlement charges		1,713
Sindh sales tax on settlement charges		223
<b>Atlas Aggressive Allocation Islamic Plan</b>		
Issue of 18,147 units		6,800,000
<b>Atlas Moderate Allocation Islamic Plan</b>		
Issue of 21,805 units		8,150,000
<b>Atlas Conservative Allocation Islamic Plan</b>		
Issue of 23,100 units		8,700,000
<b>Atlas Islamic Capital Preservation Plan</b>		
Issue of 45,847 units		17,700,000
	<b>30 September 2019 Un-audited</b>	<b>30 June 2019 Audited</b>
	-----Rupees -----	
<b>13.2 Balances as at period / year end</b>		
<b>Atlas Asset Management Limited (Management Company)</b>		
Remuneration payable to the Management Company	410,918	453,033
Sindh Sales Tax payable on remuneration of the management company	53,419	56,554
Formation cost payable	1,111,075	1,111,075
Accounting and operational charges payable	20,576	21,752
<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
Remuneration payable to the Trustee	41,093	43,504
Sindh sales tax payable on remuneration of the Trustee	5,342	5,656
Settlement charges payable	5,000	5,000
Sindh sales tax payable on settlement charges	650	650
<b>Atlas Aggressive Allocation Islamic Plan</b>		
Outstanding 169,561 (30 June 2019: 151,414) units at net asset value	66,091,507	62,629,378
<b>Atlas Moderate Allocation Islamic Plan</b>		
Outstanding 139,253 (30 June 2019: 117,448) units at net asset value	54,278,037	48,579,954
<b>Atlas Conservative Allocation Islamic Plan</b>		
Outstanding 88,039 (30 June 2019: 64,938) units at net asset value	34,315,689	26,860,400
<b>Atlas Islamic Capital Preservation Plan</b>		
Outstanding 332,228 (30 June 2019: 286,381) units at net asset value	129,495,715	118,455,813

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**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 OF FINANCIAL INSTRUMENTS**

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

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

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

### **14.1 Fair value hierarchy**

Following hierarchy is used in determining and disclosing the fair value of the following financial instruments by valuation technique:

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

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

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

The Fund recognises equity securities at fair value which is determined using the rate at which they are quoted on Pakistan Stock Exchange Limited (Level 1). Fair value of remaining financial assets is not significantly different from their carrying value.

## **15 GENERAL**

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 30 October 2019.

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

**Qurrat-ul-Ain Jafari**  
Chief Financial Officer

**Muhammad Abdul Samad**  
Chief Executive Officer

**Frahim Ali Khan**  
Chairman








**Tariq Amin**  
Director



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