



Atlas Islamic Income Fund

Atlas Islamic Stock Fund

ANNUAL REPORT

30 June 2018



Managed By

Atlas Asset Management

Rated AM2+ by PACRA



MANAGING TO THE CORE!

Even the most seemingly diminutive of creatures, hold for us an education. They exhibit qualities of organization that are indeed inspirational. Planning, teamwork and controlling are attributes of a successful and solid organizational structure. At Atlas Funds these elements form the core of our institution.



Company Profile

Atlas Asset Management Limited (AAML), an Atlas Group Company, was incorporated on 20 August 2002 as an unlisted public limited company and is registered with the Securities and Exchange Commission of Pakistan as an asset management company for managing open-ended funds and closed-end funds. AAML is also a licensed pension fund manager to manage voluntary pension funds.

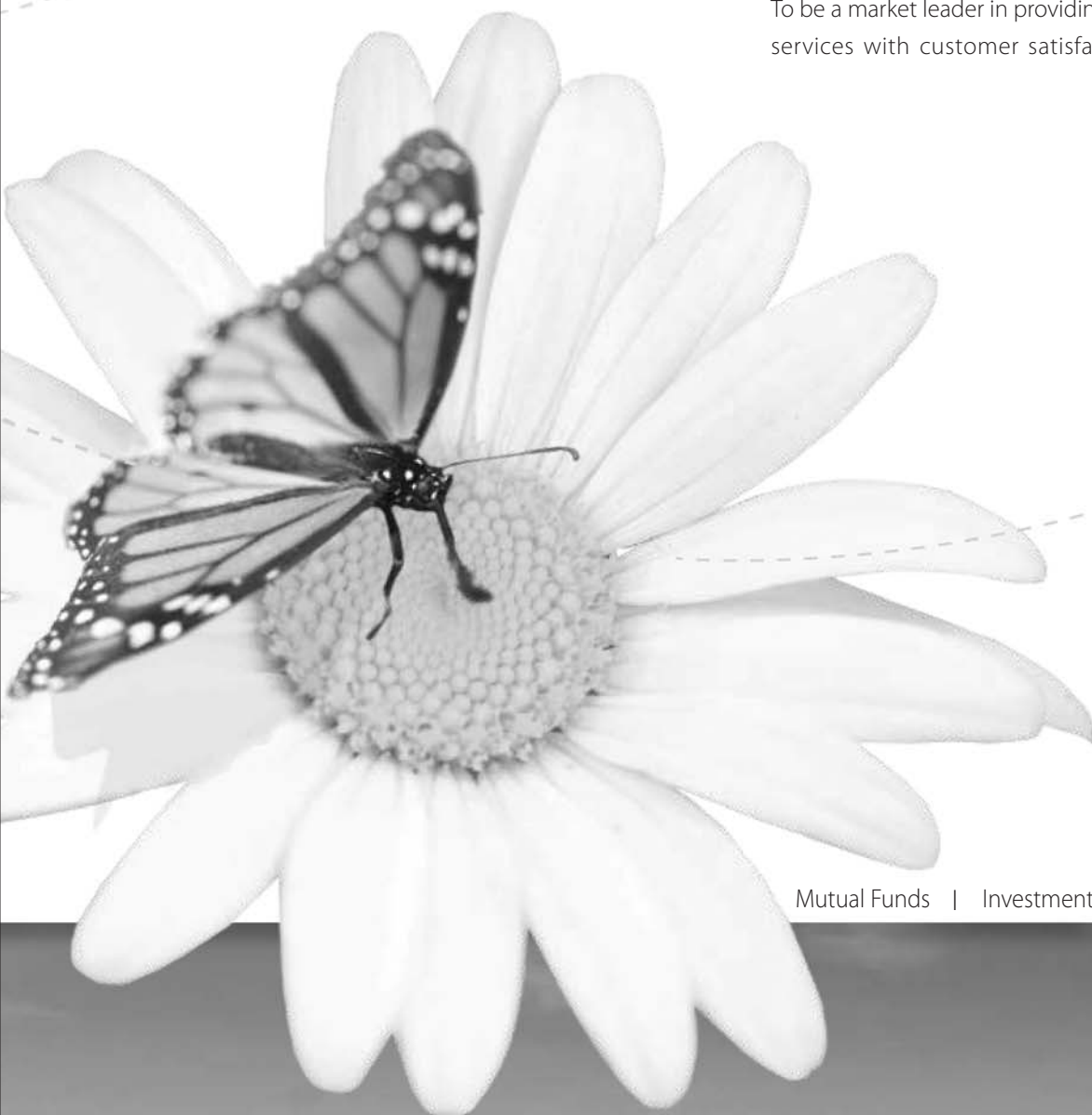
AAML is a wholly owned subsidiary of Shirazi Investments (Pvt.) Limited (SIL). As the parent company, SIL sponsors Atlas Group projects. Atlas Group is a diversified group dealing in engineering, financial services, power generation, real estate & trading.

AAML strives to be a market leader in providing quality fund management services with customer satisfaction as its aim, and is consistently committed to offering its investors the best possible risk adjusted returns on a diverse range of products, meeting not only the customers' current requirements but also exceeding their future expectations. With its strong emphasis on systems and controls, quality human resource and backing of Atlas Group, AAML enjoys a distinct advantage.



Vision

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



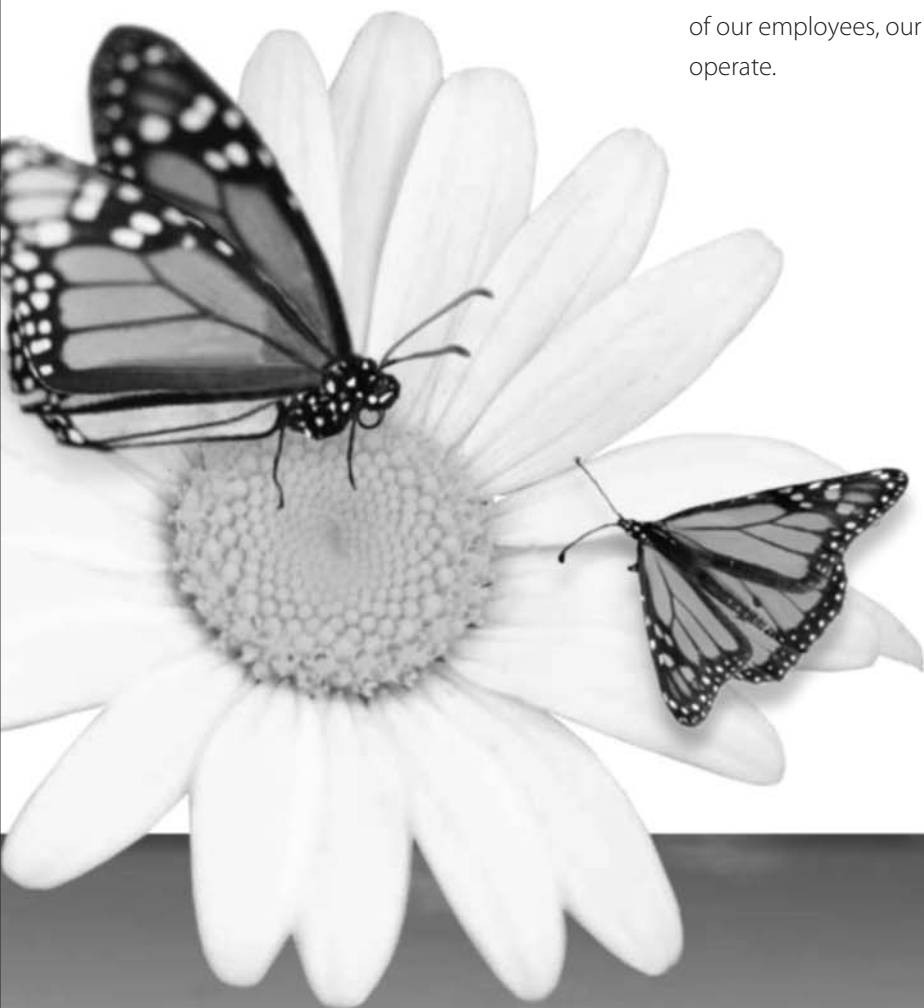
Mutual Funds | Investment Plans | Pension Funds

Creativity

The ability to creatively inspire innovation and the will to foster positive social and environmental change

Mission

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.



Growth | Returns | Tax Savings

Team Work

Giving unparalleled service, creating long-term, win-win relationships and focusing on executional excellence



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Diversity

Understanding the social, cultural and financial diversity in our country and coming up with innovative plans to cater distinctive needs

Organisation

Management Company

Atlas Asset Management Limited

Board of Directors of the Management Company

Chairman	Mr. Yusuf H. Shirazi (Non-Executive Director)
Directors	Mr. Tariq Amin (Independent Director) Ms Zehra Naqvi (Independent Director) Mr. Frahim Ali Khan (Non-Executive Director) Mr. Ali H. Shirazi (Non-Executive Director) Mr. M. Habib-ur-Rahman (Non-Executive Director)

Chief Executive Officer Mr. M. 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. M. Abdul Samad
Secretary	Ms Zainab Kazim

Investment Committee

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

Management Committee

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

Risk Management Committee

Chairman	Mr. Muhammad Abdul Samad
Members	Mr. Khalid Mahmood
Secretary	Mr. Shaikh Owais Ahmed

Chief Financial Officer

Ms Qurrat-ul-Ain Jafari

Chief Internal Auditor

Mr. M. Uzair Uddin Siddiqui

Registered Office

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

The above information is as at 17 September 2018.

Board of Directors of the Management Company

Mr. Yusuf H. Shirazi

Chairman

Mr. Shirazi is a Law graduate (LLB) with BA (Hons.) and JD (Diploma in Journalism) from Punjab University and AMP Harvard. He served in the financial services of the Central Superior Services of Pakistan for eight years where he authored 50 reports as to how the businesses are carried and tax assessed. He was an instructor in the Finance Services Academy on Law and Accounts. He is the author of seven books including "Aid or Trade" adjudged by the Writers Guild as the best book of the year and continues to be a columnist, particularly on matters - socio - politico - economic.

Mr. Shirazi is the Chairman of Atlas Group, which, among others, has joint ventures with GS Yuasa International, Honda, and MAN to name a few. Mr. Shirazi has been the President of Karachi Chamber of Commerce and Industry for two terms. He has been the founder member of Karachi Stock Exchange, Lahore Stock Exchange and International Chamber of Commerce and Industry. He has been on the Board of Harvard Business School Alumni Association and is the Founder President of Harvard Club of Pakistan and Harvard Business School Club of Pakistan. He has been a visiting faculty member at National Defense University, Navy War College and National School of Public Policy. He has been on the Board of Governors of LUMS, GIK and FC College (Chartered University) and Pakistan Institute of Management. Previously, he also served, among others, on the Board of Fauji Foundation Institute of Management and Computer Sciences (FFIMCS) and Institute of Space Technology - Space & Upper Atmosphere Research Commission (SUPARCO).

Mr. Shirazi has been awarded Sitara-e-Eisaar and Sitara-e-Imtiaz the top Civilian Awards. Sitara-e-Imtiaz conferred by the Government of Pakistan recognizes individuals who have made an "especially meritorious contribution to the security or national interests of Pakistan, world peace, cultural or other significant public endeavors". Sitara-e-Eisaar Award is in recognition of CSR activities in Pakistan. A distinguished Formanite Award for outstanding achievements as an entrepreneur was awarded by Forman Christian College - University Lahore.

The Government of Japan also acknowledged Mr. Shirazi's contributions to promote economic relationship between the two countries by conferring the Japanese National Award

Mr. Fahim Ali Khan

Director

Mr. Fahim Ali Khan has over 50 years of experience in General Management, Finance, Investment and Taxation. He graduated in Commerce from the Karachi University in 1965 and also obtained a degree in law from the same University. He has also attended the Senior Managers' Program from Harvard University, USA, Financial Management from Stanford University, USA, and General Management Program from Insead University, France. He joined the Atlas Group in 1967 and has served in different senior positions. Currently, his other directorships include Atlas Insurance Limited, Atlas Engineering Limited, Atlas Power Limited, Shirazi Trading Company (Pvt.) Limited, Atlas Hi-Tech Limited, Atlas Autos (Pvt.) Limited, Atlas Metals (Pvt.) Limited and Atlas Foundation. Earlier, he has also served on the Boards of Atlas Honda Limited and Atlas Battery Limited, and has been the CEO of Shirazi Investments (Pvt.) Limited, Shirazi Trading Company (Pvt.) Limited, and former Atlas Investment Bank Limited.

Mr. M. Habib-ur-Rahman

Director

Mr. M. Habib-ur-Rahman is an FCA from the Institute of Chartered Accountants in England & Wales and has attended management level programme (PMD) from Harvard Business School, USA. He has been a founding member and past Chairman / Director of the Mutual Funds Association of Pakistan. He played an instrumental role in setting up the first open-end mutual fund in the private sector in Pakistan. He has been Securities and Exchange Commission of Pakistan (SECP) nominee on the Board of Karachi Stock Exchange in 2000, 2001, & 2003, and has also been a member of SECP Advisory Group on Capital Markets, member of the SECP Enquiry Committee (appointed in 2001) on management of Exposure Rules by KSE / LSE and member of the SECP Enquiry Committee (appointed in 2013) on 2008 financial crisis. He was the Chief Executive Officer of Atlas Asset Management Limited from March 2004 till March 2018.

Mr. Tariq Amin

Independent Director

Mr. Tariq Amin is the Chairman of Orkila Pakistan (Private) Limited, a leading company dealing in chemicals. He is also on the Boards of Pakistan Gum and Chemicals Limited, the Salim Habib Education Foundation and the Education City. He has varied experience both in private and public sectors. He is a law graduate from the University of Karachi. He also holds a Masters degree in English from the University of Karachi and a Post Graduate Diploma in Development Administration from the University of Leeds. Mr. Amin has been past Chairman of the Privatization Commission, Sindh. He has also been President of the Overseas Investors Chambers of Commerce & Industry (OICCI) and also the Chairman of SITE Association of Industry for four years. Mr. Amin was conferred the civil award of Chevalier De L'ordre National Du Merite by the Government of France 2001.

Mr. Ali H. Shirazi

Director

Mr. Ali H. Shirazi graduated with a BA from Yale University, U.S.A. in 2000 and thereafter completed his Masters in Law from Bristol University, U.K. in 2005. He has worked with the Bank of Tokyo-Mitsubishi in New York as well as American Honda in Torrance, California. He is the Chief Executive Officer at Atlas Battery Limited and is a member of the Group Executive Committee, responsible for Group's financial services. He is on the Board of Atlas Asset Management Limited, Atlas Engineering Limited, Atlas Insurance Limited, Atlas Metals (Private) Limited, Pakistan Society of Training and Development (Vice President), YPO (Young Professional Organization), National Management Foundation (sponsoring body of LUMS) and Techlogix International Limited. He is a 'Certified Director' from the Pakistan Institute of Corporate Governance.

Board of Directors of the Management Company

Ms. Zehra Naqvi
Independent Director

Ms. Zehra Naqvi was the Chief Executive Officer of Chubb Insurance Pakistan, (a wholly owned subsidiary of Chubb INA International Holdings Limited, Delaware, USA) from September 2005 to September 2017. She has over 35 years of work experience in the insurance sector. Prior to joining Chubb, she worked with Royal Exchange Assurance, a branch of Guardian Royal Exchange, UK and Adamjee Insurance Company in Pakistan. Ms. Naqvi holds a B.Sc. Degree, and an MBA Degree from the Institute of Business Administration, Karachi University. She is a Chartered Insurer from the Chartered Insurance Institute, UK and is a Certified Director from Institute of Chartered Accountants of Pakistan. She presently serves as a Non-executive Director on the Board of Chubb Insurance Pakistan Limited and as an Independent Director on the Board of Abbott Laboratories Pakistan Limited. She has served as an elected Member of the Executive Committee of the Insurance Association of Pakistan and of the Executive Committee of The American Business Council.

Mr. M. Abdul Samad
Chief Executive Officer

Mr. Muhammad Abdul Samad has a vast experience of local investment management industry. He joined Atlas Asset Management Limited (AAML) in November 2005, and has held C-suite positions for over a decade, including the Chief Investment Officer and Chief Operating Officer positions. He attended Advanced Management Program at INSEAD, on nomination by the Atlas Group. In more than twelve years of his association with AAML, he has actively been involved in new business initiatives, marketing, human resource, and risk management & compliance areas. Mr. Samad was instrumental in the outsourcing of back office functions at AAML. He has also contributed to industry related issues at association level, and was a member of technical committee on retirement schemes. Prior to joining AAML, Mr. Samad spearheaded the research function at National Investment Trust Limited, and was also a part of various merger, acquisition and corporate governance related matters beside research. He has a significant Board experience, where he has served as a director on the board of nineteen listed companies, including Atlas Battery Limited, Lucky Cement, Berger Paints, Mirpurkhas Sugar, amongst others. Currently he is serving as a Director on the Board of MUFAP also.



Give your
SAVINGS the
ATLAS ASSET
BENEFIT!

Growth | Returns | Tax Savings

Chairman's Review

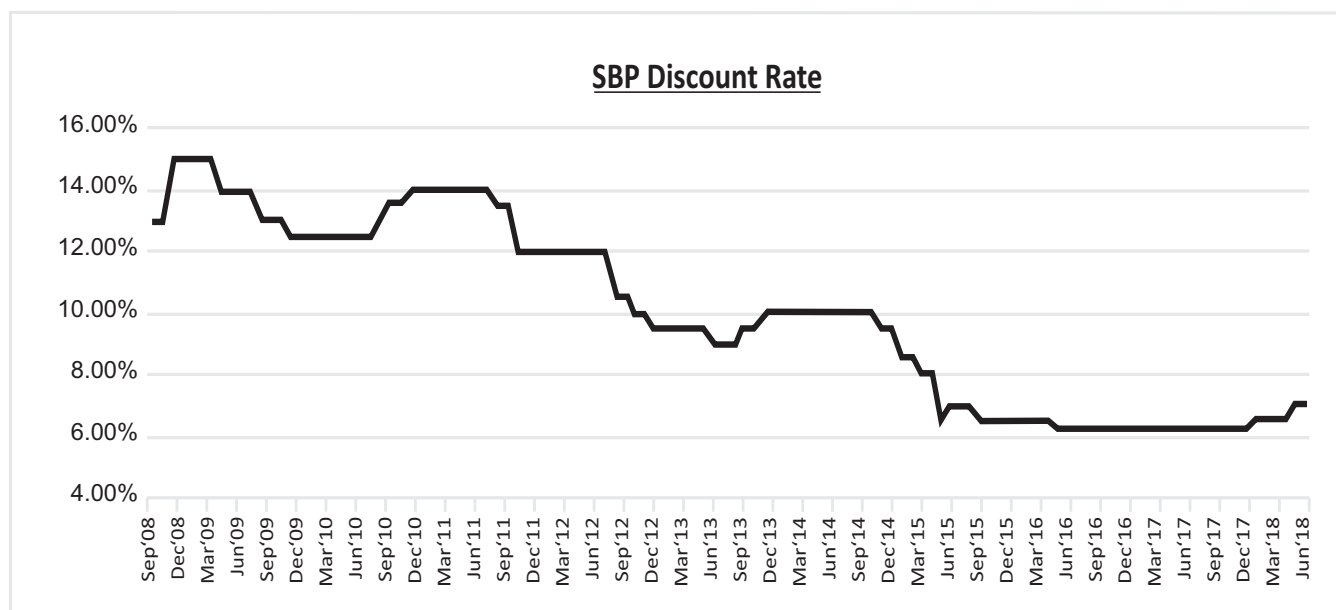
It is my pleasure to present to you the Annual Reports of Atlas Islamic Income Fund (AIIF) and Atlas Islamic Stock Fund (AISF) for the financial year ended June 30, 2018.

THE ECONOMY

The economy registered a GDP growth rate of 5.80% in FY18 that is a 13-year high, which was 5.40% in FY2016-17. Industrial sector has shown growth on the back of rise in large-scale manufacturing (LSM increased by 6.00% YoY during July 2017 to May 2018), coupled with a recovery in mining activities and continued surge in construction activities. Average Consumer Price Index (CPI) inflation was below the target of 6.00% standing at 3.92% for the year. During FY2017-18, the current account deficit was recorded at US\$ 17.99 billion as compared to US\$ 12.62 billion in the same period last year. The foreign exchange reserves of the country stood at US\$ 16.4 billion as on June 29, 2018 with SBP's share of US\$ 9.79 billion in the total liquid foreign exchange reserves. Foreign remittances for FY18 stood at US\$ 19.62 billion, which was an increase of 1.4% YoY compared to the corresponding period last year despite the decline in new labor proceeding abroad. The SBP in its latest monetary policy statement as on July 14, 2018 decided to increase policy rate by 100bps to 7.5% which is a cumulative increase of 175 bps since January, 2018.

THE MONEY MARKET

The Consumer Price Index (CPI) on average was recorded at 3.92% during financial year 2017-18, as compared to 4.16% for the financial year 2016-17. The YoY uptick in inflation was due to global revival of international crude oil prices, along with rise in domestic demand due to pick up of economic activities. The government passed on the increase of fuel prices to domestic consumer, however, stable food prices offset the impact of the rise in petroleum rates.

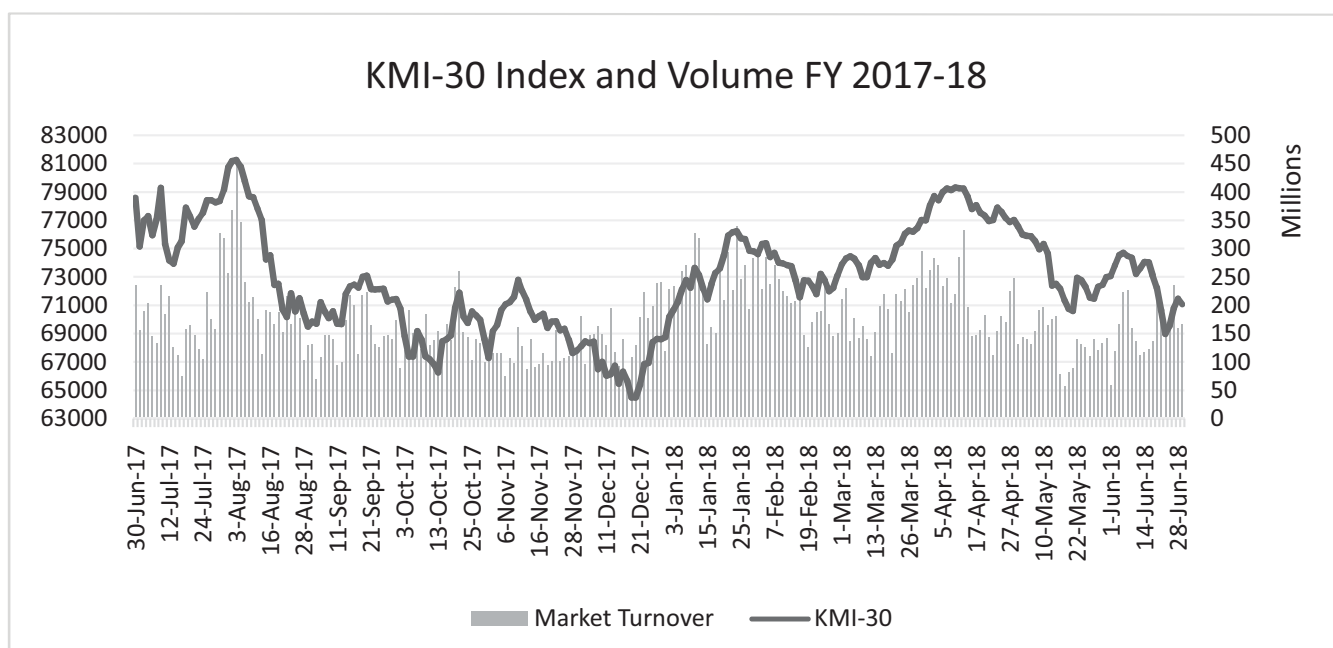


The growth in money supply (M2) witnessed an increase of 9.71% during 2017-18, which is Rs. 1,416.3 billion against the expansion of 13.69% (Rs. 1,756.0 billion) in the comparable period last year. Net Foreign Assets (NFA) declined by Rs. 472.8 billion during nine months 2017-18 as against the net contraction of Rs. 284.8 billion in the comparable period of fiscal year 2016-17. This is mainly due to high financing needs for current account deficit and foreign debt servicing payments. Net Domestic Asset (NDA) of banking system grew by 8.9% or Rs. 1,243.7 billion during nine months 2017-18 as against an increase of 8.8% or Rs. 1,040.9 billion during the corresponding period last year. Overall NDA of the banking sector remained balanced due to steady demand for private sector and Public Sector Enterprises (PSEs) credit and increase in government borrowing from the banking sector. Credit to private sector was Rs. 469.2 billion during nine months 2017-18 as against credit of Rs. 438.6 billion during the corresponding period last year due to favorable macroeconomic indicators, accommodative monetary policy and historic low policy rate especially during early periods of the fiscal year.

During the year, the cautious monetary policy was centered on consolidating the gains from historic-low policy rate at 5.75 percent till January, FY18 and striking a balance between subdued inflation and emerging pressures on external accounts. The SBP changed the monetary policy stance in January 2018 by 25 bps to 6 percent to anchor expected rise in inflation in view of reversal of international oil and commodities prices and to address domestic demand pressure as well as exchange rate movement. In March 2018, the Monetary Policy Committee decided to maintain policy rate at 6.0 percent for the next two months to see impact of policy. However, The Central Bank increased the policy rate by 50bps to 6.50% under its monetary policy statement announced on May 25, 2018. The central bank's decision was based on (i) rising international oil prices which may translate into inflationary pressures going forward (ii) elevated aggregate demand which has kept imports high offsetting the impact of growth in exports worsening the current account deficit and (iii) a lack of foreign inflows amidst absence of triggers. Pakistan's foreign exchange reserves have decreased to US\$ 16.4 billion at June end 2018 compared to US\$ 21.4 billion at June end 2017. The level of foreign exchange reserves declined on the back of widening current account deficit not being fully offset by financial inflows despite growth in export earnings and remittance inflows.

THE STOCK MARKET

The KMI-30 index decreased from 78,598.22 points as on June 30, 2017 to 71,060.34 points as on June 30, 2018, decreasing by 9.59%. The average volumes during the year decreased by 56% to 175 million shares from 399 million shares traded last year. Net Foreign portfolio outflow during the year was recorded at US\$289 million compared to outflow of US\$652 million last year. On the local front Insurance Companies, and Companies were the most active participants investing US\$204 million and US\$100 million during the period. Broker Proprietary Trading Accounts, Mutual Funds and Banks/DFIs, on the other hand, reduced their exposure in the equity market by US\$44 million, US\$35 million and US\$10 million, respectively.



During the period the sectors that outperformed the market were Oil and Gas Exploration, Fertilizer, Chemical, Textile Spinning and Banks that posted 20.2%, 3.4%, 0.5%, -7.1% and -9.8% returns, respectively. Oil & Gas Exploration sector outperformed the market due to increase in international crude oil prices by 54% during the year and 16% devaluation of PKR against US\$ that will bode well for the profitability of E&P companies. Fertilizer sector increased on improving fundamentals as Urea inventory glut subsided and price of Urea was increased by Rs.200/bag, partly to offset the impact of withdrawn cash subsidy (Rs.100/bag), on tighter Urea market. Sectors that remained subdued were Cement, Refinery, Engineering, Automobile Assemblers, Power Generation & Distribution, Textiles Composite, Oil and Gas Marketing and Pharmaceuticals posting -41.9%, -39.8%, -31.7%, -30.1%, -20.3%, -19.0%, -15.8% and -14.8% returns, respectively. Cement sector underperformed due to rise in international coal price that increased by 26% YoY and lower local retention prices of cement. Refineries declined on reduced demand for Furnace oil (FO) as government shifts its focus to generate electricity from FO based power plants to LNG and Coal based power plants. Pharmaceutical declined on depreciation of PKR against US\$ which will make procurement expensive for the companies as majority of the raw material is imported.

Four new listing on the stock exchange during FY 2017-18 were Habib Metro Modaraba, Orient Rental Modaraba, Matco Foods Limited and AGP Limited. The amounts raised through IPO/Offer for Sale of Habib Metro Modaraba, Orient Rental Modaraba, Matco Foods Limited and AGP Limited were Rs. 90 million, Rs. 150 million, Rs. 758 million and Rs. 2,800 million respectively.

As on June 30, 2018 the market capitalization of Habib Metro Modaraba, Orient Rental Modaraba, Matco Foods Limited and AGP Limited were Rs. 300 million, Rs. 769 million, Rs. 4,381 million and Rs. 24,861 million, respectively. Four new companies were listed on the stock exchange during FY2016-17, namely, TPL Properties Ltd, Loads Ltd, Roshan Packages Ltd and Pakistan Stock Exchange Limited. The amounts raised through IPO by TPL Properties Ltd, Loads Ltd, Roshan Packages Ltd and Pakistan Stock Exchange Limited were Rs. 697 million, Rs. 1,700 million, Rs. 2,803 million and Rs. 4,488 million.

Overall the measures taken in the fiscal budget announced by the government bodes well for the corporate sector. The government in the budget reduced corporate tax rate for non-banking companies where corporate tax rate will be reduced by 1% every year reaching 25% in tax year 2023 from 30% in tax year 2018. Super tax will be abolished in phased manner where it will be reduced by 1% every year. Government also abolished withholding tax of 5% on issuance of bonus shares. Tax on undistributed profits is reduced from 7.5 % to 5% where the condition of distributing 40% of after tax profits was reduced to 20%.

MUTUAL FUND TAXATION

FINANCE ACT - 2018:

Following amendments related to mutual fund industry were introduced in the Income Tax Ordinance, 2001 through Finance Act 2018, whereby:

- The existing limit on investment of Rs.1,500,000 in securities or insurance premium has being increased to Rs.2,000,000.
- The rate of income tax on dividend for companies having filer status from Money Market Mutual Funds, income fund, REIT scheme or any other fund (other than stock fund) was reduced from 25% to 15%.

WORKER'S WELFARE FUND (WWF)

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

SINDH WORKER'S WELFARE FUND (SWWF)

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

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

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

FEDERAL EXCISE DUTY (FED)

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

WITHHOLDING TAX

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

ACCOUNTING FOR ELEMENT OF INCOME

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

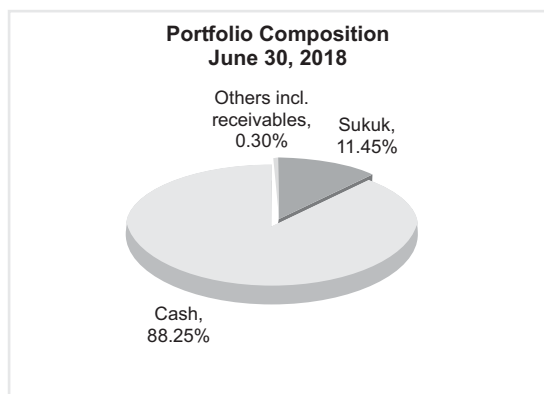
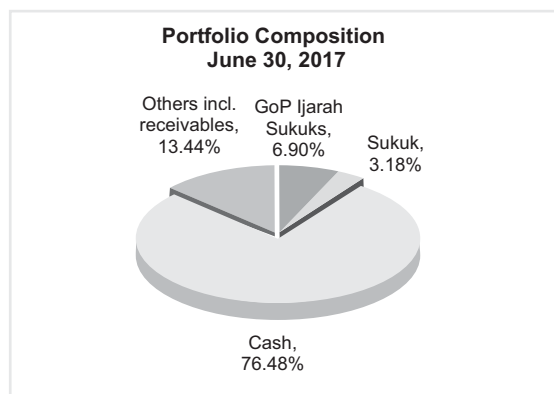
The SECP vide its statutory notification (S.R.O) no. 756(I) / 2017 dated August 03, 2017 has amended the NBFC Regulations. The amendment has been done in consultation with the Institute of Chartered Accountants of Pakistan, keeping in view the International Financial Reporting Standards. According to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

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

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

FUND OPERATIONS - AIIF

The Net Asset Value per unit of Atlas Islamic Income Fund increased by 4.92% to Rs 527.57 as on June 30, 2018. The benchmark average six months profit rate of three- A rated scheduled Islamic Banks as selected by MUFAP stood at 2.44% for the period under review. The AIIF's total Exposure in Corporate Sukuk 11.45% and deposit with high yielding Shariah compliant bank was 88.25%. The Net Assets of the Fund stood at Rs 872.22 million, with 1.65 million units outstanding as of June 30, 2018.

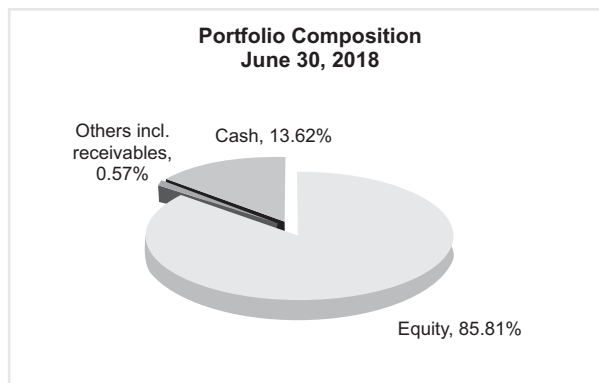
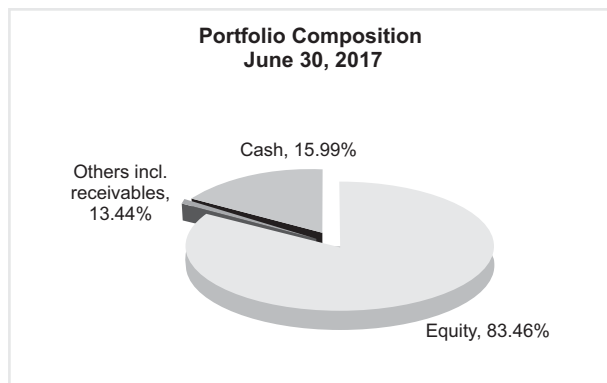


The Board of Directors of Atlas Asset Management Limited, the Management Company of Atlas Islamic Income Fund has approved a final cash dividend of Rs. 24.50 per unit for full year (4.90% on the face value of Rs. 500 per unit).

The Fund has made provision against SWWF, which up till June 30, 2018 amounted to Rs. 2,426,648 (Rs.1.47 per unit). The Scheme has also held provision for FED liability that amounted to Rs. 1,733,901 up till June 30, 2016. (Rs.1.05 per unit as on June 30, 2018)

FUND OPERATIONS - AISF

The Net Asset Value per unit of Atlas Islamic Stock Fund decreased by 7.88% to Rs. 530.39 as on June 30, 2018. The benchmark KMI-30 index decreased by 9.59% during the same period. The KMI-30 index decreased from 78,598.22 points as on June 30, 2017 to 71,060.34 points as on June 30, 2018. The major outperformers for the index were PPL, POL, EFERT, OGDC, APL and EPCL as they contributed approximately 7,271 points to the index. Decline in share price of LUCK, DGKC, PAEL, HUBC, MLCF, FCCL, SNGP, HCAR, DAWH and PIOC led index to shed 12,192 points. The AISF's equity portfolio exposure was mainly in Oil & Gas Exploration, Fertilizer and Cement sectors. The Net Assets of the Fund stood at Rs. 2.26 billion, with 4.27 million units outstanding as of June 30, 2018.



The Fund has made provision against SWWF, which up till June 30, 2018 amounted to Rs. 15,491,187 (Rs. 3.63 per unit). The Scheme has also held provision for FED liability that amounted to Rs. 10,453,385 up till June 30, 2016. (Rs.2.45 per unit as on June 30, 2018)

RATINGS

• ASSET MANAGER RATING

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

• FUND STABILITY RATING - AIIF

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

FUTURE OUTLOOK

In recent years Pakistan's economy has continued its growth momentum due to better availability of energy, improving security situation and low international commodity prices. Economic activity has been strong as there is growth in industrial output as depicted in LSM index led by improvement in energy supply, infrastructure investment tied to economic corridor project CPEC, and higher credit offtake. However, slowdown in real sector growth may be witnessed next year as shortage of water is likely to constrain agriculture production, and manufacturing sector may show slowdown owing to high base-effect and on-going monetary tightening that could reduce demand. Moreover, higher domestic petroleum prices due to rising international oil prices and devaluation of Pak Rupee is likely to put pressure on inflation in coming months. Going forward, exchange rate flexibility and active monetary management is going to help arrest widening current account deficit while helping sustain growth momentum in medium term without posing a risk to economic stability. Going forward, continuous external flow would be required to maintain the stable balance of payments position. Shifting focus towards making the exports competitive through devaluation of currency and rebates, would strengthen the external sector outlook over medium to long term.

خدا جب دیتا ہے تو چھڑ پھاڑ کے دیتا ہے

When god decides to give you something he overwhelms you

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

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

Karachi: 06 September 2018

Yusuf H. Shirazi
Chairman

Directors' Report

The Board of Directors of Atlas Asset Management Limited, the Management Company of Atlas Islamic Income Fund (AIIF) and Atlas Islamic Stock Fund (AISF) take pleasure in presenting the Annual Reports along with the audited financial statements and Auditors' Reports thereon of AIIF and AISF for the year ended 30 June 2018.

EARNINGS PER UNIT, NET ASSETS AND SALES/REDEMPTIONS SUMMARY

Earnings per unit, return, net assets, and summary of sales / redemption of units of the AIIF and AISF for the year ended 30 June 2018 and 30 June 2017 are as follows:

	AIIF		AISF	
	2018	2017	2018	2017
Earnings/ (loss) per unit - Rupees	34.21	11.82	(43.18)	138.51
Return	4.92%	5.97%	(7.88)%	29.25%
Net assets - Rupees million	872.22	1,614.26	2, 262.19	2,478.90
Sales - Rupees million	1,507.75	5,022.64	1,764.59	2,079.60
Sales - in units	2,926,830	9,768,199	3,283,010	3,527,505
Redemptions - Rupees million	2,306.35	4,025.46	1,653.46	1,480.14
Redemptions - in units	4,483,984	7,671,713	3,076,551	2,456,321
Units outstanding at year end	1,653,270	3,210,424	8,657,936	4,058,678

INCOME DISTRIBUTION - AIIF

The Board of Directors of AAML, the Management Company of AIIF, in their meeting held on July 06, 2018 announced the distribution per unit for the financial year ended June 30, 2018 of Rs. 24.50 per unit (for full year), 4.90% on the face value of Rs. 500 per unit (2017: interim cash dividend of Rs. 28.50 per unit, 5.70% on the face value of Rs. 500 per unit).

INCOME DISTRIBUTION - AISF

The Board of Directors of AAML, the Management Company of AISF, in their meeting held on July 06, 2018 announced NIL distribution per unit (for full year) for the financial year ended June 30, 2018 (2017: Rs. 35 per unit, 7% on the face value of Rs. 500 per unit) as the Fund suffered a loss when reduced by realized and unrealized capital gains.

CHAIRMAN'S REVIEW

The review included in the Annual Report of AIIF and AISF deals inter alia with the performance of these Funds for the year and future prospects. The directors endorse the contents of the review.

CORPORATE GOVERNANCE

The Company strongly believes in following the highest standards of Corporate Governance, ethics, and good business practices, which are an integral part of the Atlas Group Culture. The Code of Conduct of the Company, approved in July 2012, defines the obligations and responsibilities of all - the Board members, the employees, and the Company towards the various stakeholders, each other, and the society as a whole. The Code of Conduct is available on the Company's website.

With regards to SECP letter No. SCD/RS/MUFAP/346/2018 dated April 18, 2018 addressed to MUFAP, whereby open ended collective investment schemes as well as unlisted asset management companies, managing such collective investment schemes, are exempted from the requirement of the new Listing Companies (Code of Corporate Governance) Regulations, 2017.

STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors states for AIIF and AISF that:

- The financial statements, prepared by the Management Company of these funds present fairly their state of affairs, the results of operations, comprehensive income for the year, cash flows, and movement in Unit Holders' Funds.
- Proper books of account of these Funds have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of the financial statements and any departure therefrom has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There is no doubt about the Funds' ability to continue as a going concern.
- Statutory payments, taxes, levies properly disclosed in the Financial Statements.
- Summaries of key financial data/ performance tables of AIIF and AISF are annexed on pages 23 and 60 respectively, of the Annual Report.
- The statement as to the value of investments of provident fund is not applicable in the case of these funds as these relate to retirement benefits to the employees of the Management Company, and are not chargeable to these Funds.
- The pattern of unit holdings is appended as notes 25 and 23 respectively to the financial statements of AIIF and AISF.

CHANGE OF CHIEF EXECUTIVE OFFICER

The Board of Directors of AAML, in its 89th Board Meeting held on February 28, 2018 had accepted the resignation of Mr. M. Habib -ur-Rahman, and appointed Mr. Muhammad Abdul Samad as the Chief Executive Officer.

Mr. Muhammad Abdul Samad, took charge from the outgoing Chief Executive Officer, Mr. M. Habib -ur-Rahman, as the Chief Executive Officer of AAML w.e.f. March 19, 2018.

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY AND COMMITTEES THEREOF

The Board of Directors of the Management Company comprises of one executive and six non-executive directors. The Board of Directors of AAML include: Mr. Yusuf H. Shirazi, Chairman, Mr. Fahim Ali Khan, Director, Mr. M. Habib-ur-Rahman, Director, Mr. Tariq Amin, Independent Director, Mr. Ali H. Shirazi, Director, Ms Zehra Naqvi, Independent Director and Mr. Muhammad Abdul Samad, Chief Executive Officer.

There were two casual vacancies in the Board during the year, which were filled in with the approval of the Securities and Exchange Commission of Pakistan, as required by the NBFC Regulations, 2008.

Six Board Meetings were held and attended during FY 2017-18. The particulars of the dates of meetings, and the directors attending, as required under the NBFC Regulations, 2008, are appended as note 29 and 27 respectively to the financial statements of AIIF and AISF.

Committees of the Board comprise the Audit Committee, the Human Resource & Remuneration Committee, and the Investment Committee (which includes executive management personnel as required under the NBFC Regulations, 2008). Board Evaluation Committee was dissolved vide Circular Resolution no.138 passed by the Board dated March 22, 2018. These meetings were attended by the Directors as per the following details:

Audit Committee (AC) - four AC meetings were held during the year, and attended as follows:

Serial no.	Name of Director	Status	Meetings attended
1	Mr. Tariq Amin	Independent Director	4
2	Mr. Shamshad Nabi*	Independent Director	3
3	Mr. Frahim Ali Khan	Non-Executive Director	4
4	Mr. M. Habib -ur-Rahman**	Non-Executive Director	1

* Resigned w.e.f. March 22, 2018

** Member w.e.f. March 22, 2018

Human Resource & Remuneration Committee (HR& RC) - four meetings were held during the year and attended as follows:

Serial no.	Name of Director	Status	Meetings attended
1	Mr. Frahim Ali Khan	Non-Executive Director	4
2	Mr. Ali H. Shirazi	Non-Executive Director	4
3	Mr. M. Habib-ur-Rahman	Ex- Chief Executive Officer	2
4	Mr. M. Abdul Samad	Chief Executive Officer	2

Investment Committee - thirty four meetings were held during the year and attended as follows:

Serial no.	Name of Director	Status	Meetings attended
1	Mr. Ali H. Shirazi	Non-Executive Director	6
2	Mr. M. Habib-ur-Rahman	Ex-Chief Executive Officer	21
3	Mr. M. Abdul Samad	Chief Executive Officer	34
4	Mr. Khalid Mahmood (executive management)	Chief Investment Officer - Member IC	30
5	Mr. M. Umar Khan (executive management)	Fund Manager - Member IC	31
6	Mr. Fawad Javaid (executive management)	Fund Manager - Member IC	33
7	Mr. Faran-ul-Haq (executive management)	Fund Manager -Secretary IC	34

APPOINTMET OF SHARIAH ADVISOR

The Board accepted the resignation of Mr. Yahya Asim, outgoing Shariah Advisor, and approved appointment of Shariah Advisor, Mr. Dr. Mufti Wasie Fasih, of AIIF and AISF, vide Circular Resolution dated April 11, 2018.

CORPORATE SOCIAL RESPONSIBILITIES (CSR) & DONATIONS

As per the CSR / Donations Policy of the Company approved by the Board, each year, the Company makes a contribution of 1% of the Management Company after tax profit to donations. In addition, the Shariah Compliant Atlas Islamic Stock Fund and Atlas Islamic Income Fund, as per their Constitutive documents, are required to purify their Shariah Non-Compliant (Haram) income from the Fund. Such income, in accordance with the certification by the Shariah Advisor of these funds, is also donated to charitable institutions approved by the Shariah Advisor, on quarterly basis.

TRANSACTIONS WITH RELATED PARTIES/CONNECTED PERSONS

The connected persons have made no transactions in the Fund's units during the year except as disclosed in notes 21 and 19 respectively, to the financial statements of AIIF and AISF.

RATINGS UPDATE

ASSET MANAGER RATING

The Pakistan Credit Rating Agency Limited (PACRA) has maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2017: AM2+ (AM Two Plus)] on 30 June 2018. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

FUND STABILITY RATING - AIIF

PACRA has maintained the stability rating of the AIIF at "AA - (f)" (Double A Minus: fund rating) on 29 May 2018. The Fund's rating denotes a very strong capacity to manage relative stability in returns and very low exposure to risks.

AUDITORS

The Audit Committee of the Board of Directors, in their meeting held on 03 September 2018, recommended the appointment of M/s EY Ford Rhodes, Chartered Accountants, Karachi, being eligible as auditors of Atlas Islamic Income Fund and Atlas Islamic Stock Fund, for the financial year ending 30 June 2019.

ACKNOWLEDGEMENT

The Board of Directors of the Management Company thanks the Securities and Exchange Commission of Pakistan for their valuable support, assistance and guidance. The Board also thanks the employees of the Management Company and the Trustee, for their dedication and hard work, and the Unit Holders, for their confidence in the Management Company.

For and on behalf of the Board

Muhammad Abdul Samad
Chief Executive Officer

Frahim Ali Khan
Director

Karachi: 06 September 2018

Atlas Islamic Income Fund

Corporate Information

Trustee

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

Shariah Advisor

Dr. Mufti Muhammad Wasih Fasih Butt

Auditors

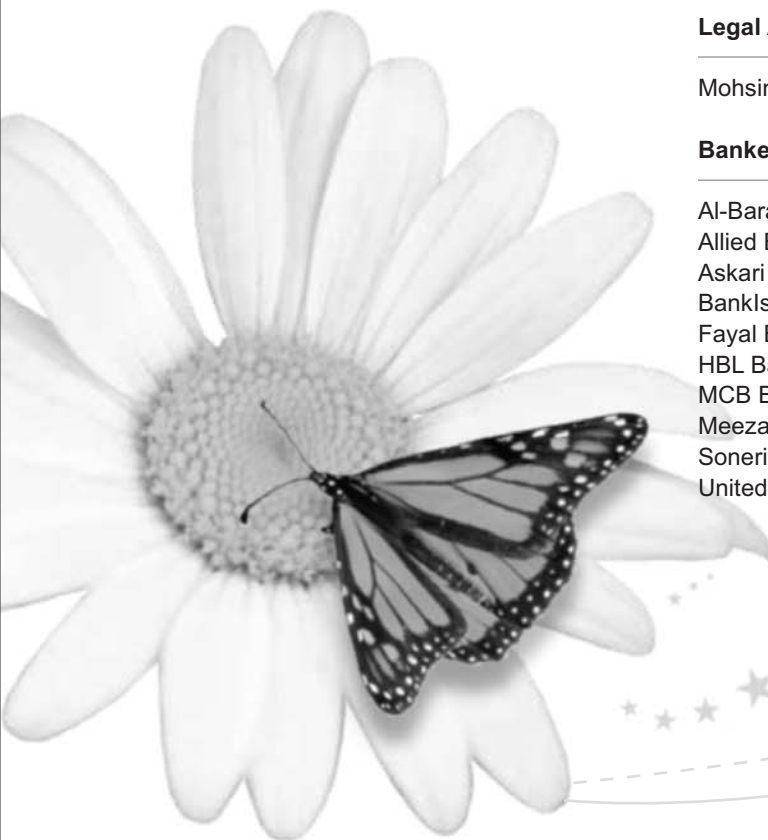
A. F. Ferguson & Co.
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Al-Baraka Bank (Pakistan) Limited
Allied Bank Limited - Islamic Banking
Askari Bank Limited - Islamic Banking
BankIslami Pakistan Limited
Fayal Bank Limited - Islamic Banking
HBL Bank Limited - Islamic Banking
MCB Bank Limited - Islamic Banking
Meezan Bank Limited
Soneri Bank Limited - Islamic Banking
United Bank Limited - Islamic Banking

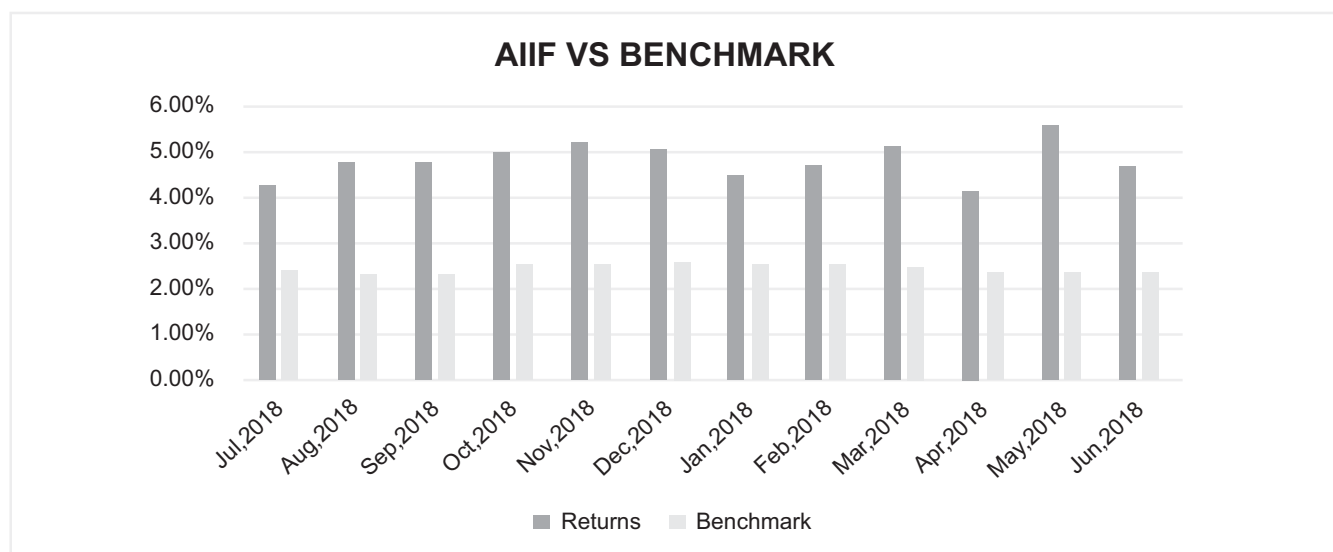


Fund Manager's Report

Atlas Islamic Income Fund (AIIF) is an Open-ended Shariah Compliant Income Fund. The Fund's primary objective 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 realize 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.

The Fund's strategy is based on the conviction that economic environment drives long term performance and that active management of credit risk can produce consistently superior results. Fundamental and market analysis are used to identify overall portfolio, bond market sectors, yield curve and credit positioning to provide high and sustainable rates of return. The fund employs strategies such as overall portfolio duration and yield curve positioning to deal with market and reinvestment risks.

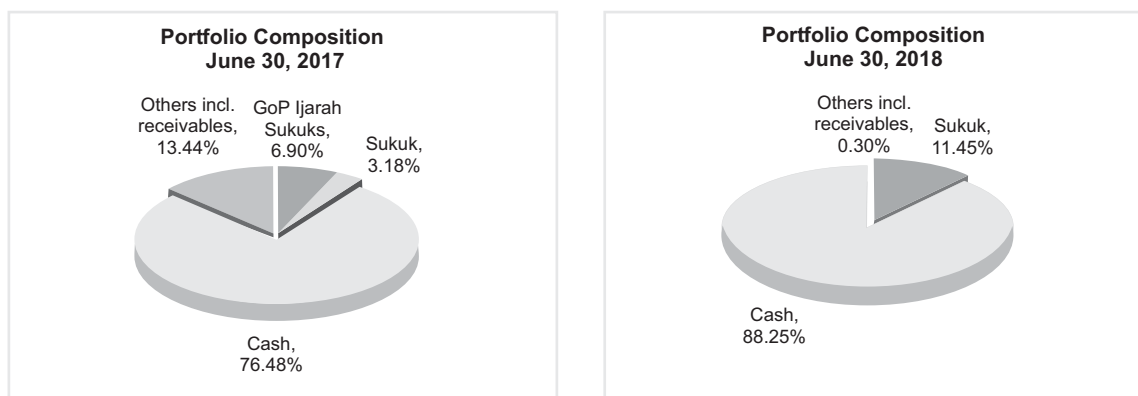
Atlas Islamic Income Fund benchmark is Six (6) months average deposit rates of three (3) -A rated scheduled Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP.



The Consumer Price Index (CPI) on average was recorded at 3.92% during financial year 2017-18, as compared to 4.16% for the financial year 2016-17. The YoY uptick in inflation was due to global revival of international crude oil prices, along with rise in domestic demand due to pick up of economic activities. The government passed on the increase of fuel prices to domestic consumer, however, stable food prices offset the impact of the rise in petroleum rates.

During the year, the cautious monetary policy was centered on consolidating the gains from historic-low policy rate at 5.75 percent till January, FY18 and striking a balance between subdued inflation and emerging pressures on external accounts. The SBP changed the monetary policy stance in January 2018 by 25 bps to 6 percent to anchor expected rise in inflation in view of reversal of international oil and commodities prices and to address domestic demand pressure as well as exchange rate movement. In March 2018, the Monetary Policy Committee decided to maintain policy rate at 6.0 percent for the next two months to see impact of policy. However, The Central Bank increased the policy rate by 50bps to 6.50% under its monetary policy statement announced on May 25, 2018. The central bank's decision was based on (i) rising international oil prices which may translate into inflationary pressures going forward (ii) elevated aggregate demand which has kept imports high offsetting the impact of growth in exports worsening the current account deficit and (iii) a lack of foreign inflows amidst absence of triggers. Pakistan's foreign exchange reserves have decreased to US\$ 16.4 billion at June end 2018 compared to US\$ 21.4 billion at June end 2017. The level of foreign exchange reserves declined on the back of widening current account deficit not being fully offset by financial inflows despite growth in export earnings and remittance inflows.

The Net Asset Value per unit of Atlas Islamic Income Fund increased by 4.92% to Rs 527.57 as on June 30, 2018. The benchmark average six months profit rate of three- A rated scheduled Islamic Banks as selected by MUFAP stood at 2.44% for the period under review. The AIIF's total Exposure in Corporate Sukuk 11.45% and deposit with high yielding Shariah compliant bank was 88.25%. The Net Assets of the Fund stood at Rs 872.22 million, with 1.65 million units outstanding as of June 30, 2018.



The Board of Directors of Atlas Asset Management Limited, the Management Company of Atlas Islamic Income Fund has approved a final cash dividend of Rs 24.50 per unit for full year (4.90% on the face value of Rs. 500 per unit).

The Administrative Plans:

The Management Company is offering investment plans that allow investors focused combination investment strategic in Atlas Islamic Income fund (AIIF) and Atlas Islamic Stock Fund (AISF). The investment plans were offered from September 2008, and the returns are as under:

Administrative Plans	Proportionate investment in		Return (period ended)			
	AIIF	AISF	2014-15	2015-16	2016-17	2017-18
Atlas Bachat Islamic Plan	85%	15%	9.3%	5.1%	9.5%	3.0%
Atlas Bachat Balanced Islamic Plan	50%	50%	14.3%	5.4%	17.6%	-1.5%
Atlas Bachat Growth Islamic Plan	15%	85%	19.3%	5.6%	25.8%	-6.0%

Breakdown of Unit holding by size:

Type of investor	No. of Investors	Amount of Investment (Rs.)	Percentage
Individuals	373	206,530,425	23.68%
Insurance Companies*	11	139,974,895	16.05%
Others	5	144,735,833	16.59%
Banks/ DFIs	1	52,174,077	5.98%
Associated Companies/ Directors	4	81,575,214	9.35%
Retirement Funds	8	164,463,728	18.86%
Public Limited Companies	1	82,768,041	9.49%
Total	403	872,222,213	100.00%

The Fund has made provision against SWWF, which up till June 30, 2018 amounted to Rs. 2,426,648 (Rs.1.47 per unit).The Scheme has also held provision for FED liability that amounted to Rs. 1,733,901 up till June 30, 2016. (Rs.1.05 per unit as on June 30, 2018)

The Total Expense Ratio (TER) of the Fund is 0.88% including Government levy, SWWF and SECP Fee of 0.23%.

During the year under review, the Investment Committee held 34 meetings to review investment of the Fund and the Risk Committee held 22 meetings to review risk management.

Karachi: 06 September 2018

Fawad Javaid
Fund Manager

Performance Since Inception

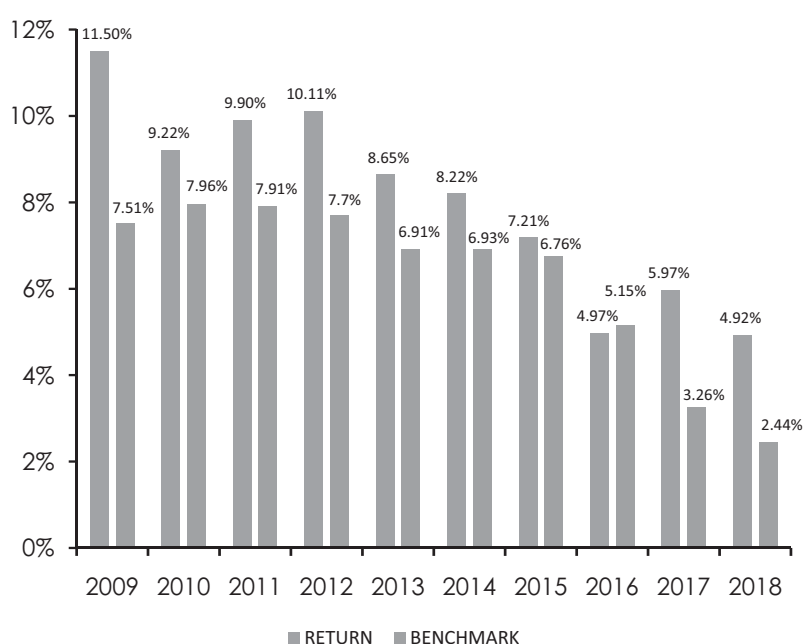
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009*
Net Assets (Rs. In '000)	872,222	1,614,259	558,553	424,447	520,674	526,078	462,315	379,805	346,658	255,864
Number of units in issue	1,653,270	3,210,424	1,113,938	846,460	1,030,979	1,047,317	920,985	738,995	679,312	494,203
Net assets value per unit (Rs.)	527.57	502.82	501.42	501.44	505.03	502.31	501.98	513.95	510.31	517.73
Net income (Rs. in '000)	56,557	37,946	24,901	15,341	39,438	46,785	42,878	31,269	26,824	15,215
Earnings per unit (Rs.)	34.21	11.82	22.35	18.12	38.25	44.67	46.56	42.31	39.49	30.79
Annual return of the fund (%)	4.92	5.97	4.97	7.21	8.22	8.65	10.11	9.90	9.22	11.50
Offer Price ** (Rs.)	527.57	502.82	501.42	501.44	505.03	507.14	506.92	519.09	515.41	522.91
Redemption Price ** (Rs.)	527.57	502.82	501.42	501.44	505.03	502.12	501.90	513.95	510.31	517.73
Highest offer price per unit (Rs.)	527.41	529.96	526.20	540.54	516.35	523.39	522.42	519.09	521.78	543.87
Lowest offer price per unit (Rs.)	503.00	502.10	501.09	501.34	503.08	507.04	506.61	506.42	505.97	506.92
Highest repurchase price per unit (Rs.)	527.41	529.96	526.20	540.54	515.50	518.21	517.25	513.95	518.14	538.49
Lowest repurchase price per unit (Rs.)	503.00	502.10	501.09	501.34	502.92	502.02	501.59	501.41	500.96	506.92
Weighted average portfolio (No. of days) (Rs.)	273.60	144.89	505.79	89.31	151.13	305.85	504.34	311.01	10.96	13.44

*Period from 16 August 2008 to 30 June 2009 (Date of Launch: 14 October 2008)

** Relates to announced prices.

Note: Past performance of the funds is not indicative of future performance, and the unit price and investment return may go down, as well as up.

Yearly Performance (Annualized)

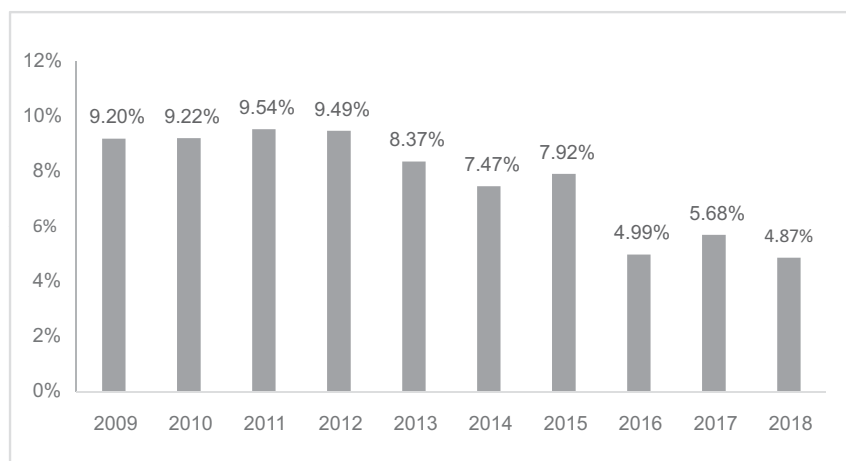


Distribution History

Distribution Detail:	2018	2017	2016	2015
Interim Distribution - Cash Divided	-	28.50	25	40
Interim Distribution as a % of Opening Ex-NAV of units	-	5.68	4.99	7.92
Distribution date	-	20-Jun-17	24-Jun-16	29-Jun-15
Final Distribution - Cash Divided for full year	24.50	-	-	-
Final Distribution as a % of Opening Ex-NAV of units	4.87	-	-	-
Distribution date	6-Jul-18	-	-	-

	2014	2013	2012	2011	2010	2009
Interim distribution (Bonus)	9.00	12.00	12.50	11.00	12.50	-
Interim distribution as a % of opening Ex - NAV of units	1.79	2.39	2.50	2.20	2.49	-
Date of distribution - Interim	04 October 2013	05 October 2012	07 October 2011	12 October 2010	27 October 2009	-
Interim distribution (Bonus)	9.00	10.50	11.50	11.25	12.50	-
Interim distribution as a % of opening Ex - NAV of units	1.79	2.09	2.30	2.25	2.49	-
Date of distribution - Interim	07 January 2014	04 January 2013	06 January 2012	11 January 2011	21 January 2010	-
Interim distribution (Bonus)	9.00	8.75	11.50	12.00	11.25	30.00
Interim distribution as a % of opening Ex - NAV of units	1.79	1.74	2.30	2.40	2.24	6.00
Date of distribution - Interim	4 April 2014	5 April 2013	6 April 2012	7 April 2011	6 April 2010	24 April 2009
Interim distribution Rs.	10.50	10.75	12.00	-	-	-
Interim distribution as a % of opening Ex - NAV of units	2.09	2.14	2.40	-	-	-
Date of distribution - Interim	18 June 2014	27 June 2013	27 June 2012	-	-	-
Final Distribution (Bonus)	-	-	-	13.50	10.00	16.00
Final distribution as a % of opening Ex - NAV of units	-	-	-	2.70	1.99	3.20
Date of distribution - Final	-	-	-	7 July 2011	8 July 2010	3 July 2009

Payout History (% on Opening NAV)



TRUSTEE REPORT TO THE UNIT HOLDERS

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

We, Central Depository Company of Pakistan Limited, being the Trustee of Atlas Islamic Income Fund (the Fund) are of the opinion that Atlas Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2018 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Karachi: 11 September 2018

Aftab Ahmed Diwan
Chief Executive Officer
Central Depository Company of Pakistan Limited

REVIEW REPORT OF THE SHARIAH ADVISOR

As the Shariah Advisor of the Atlas Islamic Income Fund, I am issuing this report in accordance with clause 10.2.6 (e) of the Trust Deed of the Fund. The scope of the report is to express an opinion on the Shariah compliance of the Fund's activities.

It is the responsibility of Atlas Asset Management Limited (AAML), the management company of the Fund, to establish and maintain a system of internal controls to ensure compliance with the Shariah guidelines. As Shariah Advisor, my responsibility is to express an opinion based on my review of the representations made by the management, to the extent where such compliance can be objectively verified.

As part of my mandate as the Shariah Advisor to the Fund, I have reviewed the following, during the year:

- The modes of investment of Fund's property and its compliance with Shariah guidelines.
- The process of deployment of Fund's property and its compliance with Shariah guidelines.
- The process of purification of income and its compliance with Shariah guidelines.

In light of the above scope, I hereby certify that all the provisions of the scheme and investments made by Atlas Islamic Income Fund for the year ended 30 June 2018 are in compliance with the Shariah principles.

Karachi: 30 June 2018

Dr. Mufti Muhammad Wasie Fasih Butt
Shariah Advisor

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Atlas Islamic Income Fund Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Atlas Islamic Income Fund** (the Fund), which comprise the statement of assets and liabilities as at June 30, 2018, and the income statement, statement of comprehensive income, statement of movement in unit holders' funds and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2018, and of its financial performance, its cash flows and transactions for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matters

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

Following are the key audit matters:

S. No	Key Audit Matter	How the matter was addressed in our audit
1	Amendments to NBFC Regulations, 2008 (Refer note 3.6 to the annexed financial statements) The Securities and Exchange Commission of Pakistan through its notification [SRO 756(I)/2017] dated August 3, 2017 made certain amendments in the Non-Banking Finance Companies and Notified Entities Regulations, 2008. . The impacts of these amendments have been incorporated in the financial statements of the Fund for the year ended June 30, 2018. These amendments mainly includes changes with respect to recognition, measurement and presentation of "element of income", addition of certain disclosures with respect to 'Income Statement' (relating to allocation of net income for the year) and 'Statement of Movement in Unit Holders' Fund'. The Fund has changed its accounting policy during the current year in respect of accounting for "element of income" consequent to the issuance of the above mentioned notification. The change in accounting policy has been applied prospectively from July 1, 2017 based on the clarification issued by the SECP. With this change in accounting policy the element of income which was previously recognized as part of the income for the year	<p>We understood the requirements of the SECP notification and made inquiries from the management in respect of their methodology for implementing the changes with respect to recording of element of income.</p> <p>We performed walkthrough tests for ensuring compliance with the revised requirements and in this respect obtained reports of distribution of income and refund of capital by the Fund.</p> <p>We verified transactions on a test basis with the underlying records of the reports provided by the management to assess their compliance with the revised regulations. We recalculated the profit available for distribution taking into account amount already distributed at the time of redemption.</p> <p>We verified the accuracy of the management report for allocation of distributable amount between "distribution out of income" and "refund of capital". This included testing the parameters of the report.</p> <p>We verified disclosures relating to change in accounting policy to ensure that these are in compliance with the applicable accounting and reporting framework.</p>

S. No	Key Audit Matter	How the matter was addressed in our audit
	<p>in the Income Statement is now considered as a "capital contribution" and taken to the Statement of Movement in Unit Holders' Fund. Element of income is explained in note 3.6.</p> <p>The SECP notification also stipulates that the accounting income available for distribution as appearing in the "Income Statement" excludes income already paid on units redeemed during the year. Accordingly, the net amount appearing on the "Income Statement" after deducting the income already paid on units redeemed is to be considered as the distributable amount.</p> <p>In order to avail tax exemption, the Fund has to distribute 90 percent of its accounting income (excluding realised and unrealised capital gains). However, at the time of distribution of income, the element of income contributed on issue of units recognized in the equity during the year is required to be refunded on the units in the same proportion in which income is distributed from the Income Statement i.e after taking into account the amount of income already paid on units redeemed. Management has developed a system for carrying out the calculations for such distributions.</p> <p>These calculations are important from the point of view of ensuring compliance with the applicable requirements. The above matters are significant accounting and regulatory developments / events for the mutual fund industry affecting the financial statements for the current year and therefore we considered these developments as key audit matter.</p>	<p>We understood the requirements of the SECP notification and made inquiries from the management in respect of their methodology for implementing the changes with respect to recording of element of income.</p> <p>We performed walkthrough tests for ensuring compliance with the revised requirements and in this respect obtained reports of distribution of income and refund of capital by the Fund.</p> <p>We verified transactions on a test basis with the underlying records of the reports provided by the management to assess their compliance with the revised regulations. We recalculated the profit available for distribution taking into account amount already distributed at the time of redemption.</p> <p>We verified the accuracy of the management report for allocation of distributable amount between "distribution out of income" and "refund of capital". This included testing the parameters of the report.</p> <p>We verified disclosures relating to change in accounting policy to ensure that these are in compliance with the applicable accounting and reporting framework.</p>
2	Net Asset Value	
	<p>(Refer notes 4 and 5 to the financial statements)</p> <p>The investments and balances with banks constitute the most significant component of the net asset value. The investments of the Fund as at June 30, 2018 amounted to Rs 776.63 million and balances with banks aggregated to Rs 100.78 million.</p> <p>The proper valuation of investments and balances with banks for the determination of NAV of the Fund as at June 30, 2018 was considered a high risk area and therefore we considered this as a key audit matter.</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> • Tested the design and operating effectiveness of the key controls for valuation of investments; • Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2018 and reconciled it with the books and records of the Fund; • Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and • Obtained bank reconciliation statements and tested reconciling items on a sample basis.

Other Information

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of directors of the management company is responsible for overseeing the Fund's financial reporting process.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirement

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

The engagement partner on the audit resulting in this independent auditor's report is Salman Hussain.

Karachi: 14 September 2018

A. F. Ferguson & Co.
Chartered Accountants

Engagement Partner: Salman Hussain

STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 JUNE 2018

	Note	2018	2017
		-----Rupees-----	
ASSETS			
Cash and bank balances	4	776,625,525	1,254,506,788
Investments	5	100,782,300	165,338,600
Receivable against issue of units	6	-	209,743,186
Markup accrued	7	2,041,069	10,064,434
Security deposit and other recievables	8	578,941	578,941
Total assets		880,027,835	1,640,231,949
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	9	2,319,042	2,689,688
Payable to Central Depository Company of Pakistan Limited - Trustee	10	139,523	220,817
Payable to the Securities and Exchange Commission of Pakistan	11	887,548	1,292,731
Payable against redemption of units	12	514,117	3,712,000
Dividend payable		62,457	62,457
Accrued expenses and other liabilities	13	3,882,935	17,995,081
Total liabilities		7,805,622	25,972,774
NET ASSETS		872,222,213	1,614,259,175
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		872,222,213	1,614,259,175
CONTINGENCIES AND COMMITMENTS	14		
NUMBER OF UNITS IN ISSUE		1,653,270	3,210,424
NET ASSET VALUE PER UNIT		527.57	502.82

The annexed notes from 1 to 34 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
		-----Rupees-----	
Income			
Markup income	15	69,703,815	95,527,345
Capital (loss) / gain on / sale of investments - net		(1,409,700)	2,126,235
Net unrealised (diminution) / appreciation on remeasurement of investments classified as 'financial assets at fair value through profit or loss'		(1,347,400)	3,461,700
		(2,757,100)	5,587,935
Element of loss and capital losses included in prices of units issued less those in units redeemed - net		-	(54,037,293)
Total income		66,946,715	47,077,987
Expenses			
Remuneration of Atlas Asset Management Limited - Management Company	9.1	3,550,194	5,170,855
Sindh Sales Tax on remuneration of the Management Company	9.2	461,525	672,211
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	1,823,891	2,175,016
Sindh Sales Tax on remuneration of the Trustee	10.2	237,106	282,752
Annual fees - Securities and Exchange Commission of Pakistan	11	887,548	1,292,731
Accounting and operational charges	16	1,164,812	1,581,144
Sindh Sales Tax on accounting and operational charges		-	126,492
Auditors' remuneration	17	290,699	237,360
Securities transaction cost		19,323	44,341
Annual listing fee and SECP supervisory fee		27,500	55,000
Annual rating fee		298,320	298,320
Printing charges		131,915	37,787
Shariah advisory fee		174,375	174,791
Bank charges		23,567	31,272
Legal and professional charges		144,930	123,760
Reversal of provision for Workers' Welfare Fund		-	(4,443,900)
Provision for Sindh Workers' Welfare Fund	13.1	1,154,220	1,272,428
Total expenses		10,389,925	9,132,360
Net income for the year before taxation		56,556,790	37,945,627
Taxation	19	-	-
Net income for the year after taxation		56,556,790	37,945,627
Earning per unit	20		
Allocation of net income for the period:			
- Net income for the period after taxation		56,556,790	
- Income already paid on units redeemed		(28,183,809)	
		28,372,981	
Accounting income available for distribution:			
- Relating to capital gains		-	
- Excluding capital gains		28,372,981	
		28,372,981	

The annexed notes from 1 to 34 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	-----Rupees-----	
Net income for the year after taxation	56,556,790	37,945,627
Other comprehensive income	-	-
Total comprehensive income for the year	56,556,790	37,945,627

The annexed notes from 1 to 34 form an integral part of these financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE YEAR ENDED 30 JUNE 2018

Note	30 June 2018		
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	1,608,541,544	-	1,608,541,544
Undistributed income brought forward			
- Realised income	-	2,042,031	2,042,031
- Unrealised income	-	3,675,600	3,675,600
Net assets at the beginning of the period (Units outstanding: 3,210,424) (Rs. 502.82 per unit)	1,608,541,544	5,717,631	1,614,259,175
Issue of 2,926,830 units (2017: 9,768,199 units)	1,507,752,598	-	1,507,752,598
Redemption of 4,483,984 units (2017: 7,671,713 units)	(2,278,162,541)	(28,183,809)	(2,306,346,350)
Total comprehensive income for the period	-	56,556,790	56,556,790
Net assets at end of the period (Units outstanding: 1,653,270) (Rs. 527.57 per unit)	838,131,601	34,090,612	872,222,213
Undistributed income carried forward			
- Realised income	-	33,308,312	-
- Unrealised income	-	782,300	-
	-	34,090,612	-
		Note	June 30, 2017
Capital Value			557,321,508
Undistributed income brought forward			
- Realised loss			(354,236)
- Unrealised income			1,585,940
Net assets at the beginning of the year (Units outstanding: 1,113,938) (Rs. 501.42 per unit)			558,553,212
Issuance of 9,768,199 units			5,022,639,187
Redemption of 7,671,713 units			(4,025,456,444)
			1,555,735,955
Element of income and capital gains included in prices of units issued less those in units redeemed - net	3.6		54,037,293
Other net income for the year			32,357,692
Unrealised appreciation in the value of investments (net)			2,126,235
Capital gain on sale of investments - net			3,461,700
Total comprehensive income for the year			37,945,627
Cash distribution of Rs. 28.5 per unit declared on 20 June 2017			(33,459,700)
Net assets at end of the year (Units outstanding: 3,210,424) (Rs. 502.82 per unit)			1,614,259,175
Undistributed income carried forward			
- Realised income			2,042,031
- Unrealised income			3,675,600
			5,717,631

The annexed notes from 1 to 34 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2018

Note	2018	2017
	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	56,556,790	37,945,627
Adjustment for:		
Mark-up income	(69,703,815)	(95,527,345)
Capital loss / (gain) on sale of investments - net	1,409,700	(2,126,235)
Net unrealised diminution / (appreciation) on remeasurement of investments classified as 'financial assets at fair value through profit or loss'	1,347,400	(3,461,700)
Element of loss and capital losses included in price of units less those in units redeemed - net	-	54,037,293
Reversal of provision for Workers' Welfare Fund	-	(4,443,900)
Provision for Sindh Workers' Welfare Fund	1,154,220	1,272,428
	(65,792,495)	(50,249,459)
Increase in assets		
Security deposit and other receivables	-	(375,641)
(Decrease) / Increase in liabilities		
Payable to Atlas Asset Management Limited - Management Company	(370,646)	480,064
Payable to Central Depository Company of Pakistan Limited - Trustee	(81,294)	130,211
Annual fee payable to the Securities and Exchange Commission of Pakistan	(405,183)	916,877
Dividend payable	-	955
Accrued and other liabilities	(15,266,366)	12,269,153
	(16,123,489)	13,797,260
Taxation	-	-
Markup received	77,727,180	88,761,489
Investments made during the year	(50,000,000)	(50,000,000)
Investments sold / matured during the year	111,799,200	236,043,275
Net cash generated from operating activities	114,167,186	275,922,551
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	1,717,495,784	4,813,154,099
Net payments against redemption of units	(2,309,544,233)	(4,021,764,444)
Cash payout against distribution	-	(33,459,700)
Net cash (used in) / generated from financing activities	(592,048,449)	757,929,955
Net (decrease) / increase in cash and cash equivalents	(477,881,263)	1,033,852,506
Cash and cash equivalents at the beginning of the year	1,254,506,788	220,654,282
Cash and cash equivalents at the end of the year	776,625,525	1,254,506,788

4

The annexed notes from 1 to 34 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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 2 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 Titles to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

2 BASIS OF PREPERATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

2.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

The following standards, interpretations and amendments with respect to accounting and reporting standards were effective during the current year:

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Standard, interpretation or amendment	Effective date (accounting periods beginning on or after)
- Amendment to IAS 7, 'Cashflow statements', regarding the disclosure initiative.	01 January 2017
- Annual improvements 2014-2016 IFRS 12, 'Disclosure of interests in other entities'.	01 January 2017

The adoption of the above amendments and improvements to accounting and reporting standards and interpretations did not have any effect on the financial statements of the Fund for the year ended 30 June 2017.

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

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

Further, the following new standards have been notified by the SECP for the purpose of applicability in Pakistan:

Standard, interpretation or amendment	Effective date (accounting periods beginning on or after)
- IFRS 9 - Financial Instruments	01 July 2018
- IFRS 15 - Revenue from Contracts with Customers	01 July 2018
- IFRS 16 - Leases	01 January 2019

Management expects to apply these standards as in the year in which they become effective. These standards may impact the financial statements of the Fund on adoption.

Further SECP vide its letter dated November 21, 2017 accepted the request of Mutual Funds Association of Pakistan (MUFAP) for relaxation from the applicability of provisions relating to impairment under IFRS 9 "Financial Instruments" on the mutual funds. Management also expects that changes in classification and measurement requirements of IFRS 9 will not have a significant impact on the financial statements of the Fund.

2.4 Critical accounting estimates and judgements

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

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (as disclosed in notes 3.2 and 5 to these financial statements).

2.5 Accounting convention

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

2.6 Functional and presentation currency

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

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years except for the changes in accounting policies as explained in note 3.6.1 below.

3.1 Cash and cash equivalents

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

3.2 Investments

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

All investments are initially measured at fair value. In the case of investments classified as available for sale, transaction cost directly related to the acquisition is also added to the fair value of investment on initial recognition.

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

Investments are categorised as follows:

Investments at fair value through profit or loss

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

Available-for-sale

Investments which are not classified as 'at fair value through profit or loss' are classified as available-for-sale investments. After initial measurement, such investments are measured at fair value with unrealised gain or loss recognised directly in the statement of comprehensive income until the investment is derecognised or determined to be impaired at which time the cumulative gain or loss previously recognised in the statement of comprehensive income is taken to the income statement. These are intended to be held for an indefinite period of time which may be sold in response to the needs for liquidity or change in price.

3.3 Loans and receivables

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

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

Gains or losses are also recognised in the income statement when financial assets carried at amortised cost are derecognised or are impaired.

3.4 Derivatives

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

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

3.5 Issue and redemption of units

Units issued are recorded at the offer price, determined by the management company for the application received by the management company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the distribution company and the management company as processing fee.

Units redeemed are recorded at the redemption price applicable to units for which the distribution company / management company / distributors receives redemption application during business hours of that day. The redemption price shall be equal to NAV as of the close of the business day, less an amount as the management company may consider to be an appropriate provision of duties and charges.

3.6 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

The Securities and Exchange Commission of Pakistan through its SRO 756(I)/2017 dated August 3, 2017 has made certain amendments in the NBFC Regulations. The notification includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. MUFAP, in consultation with the SECP, has specified methodology of determination of income paid on units redeemed during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. Furthermore, the revised regulations also require certain additional disclosures with respect to 'Income Statement' (relating to allocation of net income for the year) and 'Statement of Movement in Unit Holders' Fund', whereas disclosure with respect to 'Distribution Statement' has been deleted in the revised regulations.

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

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

Had the element of loss been recognised as per the previous accounting policy, the income of the Fund would have been lower by Rs 15.626 million net off charge for SWWF with immaterial effect on the 'net assets attributable to the unit holders' and NAV per unit of the Fund as disclosed in the 'Statement of Assets and Liabilities' and 'Statement of Movement in Unit Holders' Fund' respectively. However, the change in accounting policy does not have any impact

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

on the 'Cash Flow Statement'. The change has resulted in inclusion of certain additional disclosures / new presentation requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund which have been incorporated in these statements.

3.7 Revenue recognition

- Markup income on Government Securities is recognised using effective markup method at the rate of return implicit in the instrument.
- Income on bank balances and deposits is recognised on an accrual basis.
- Gain or loss on sale of Shariah compliant debt securities and derivatives is accounted for in the year in which it arises.

3.8 Expenses

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

3.9 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.10 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 ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders. The Fund intends to distribute such income by the year end in order to avail this tax exemption. Accordingly, no provision has been made for current and deferred taxation in these financial statements.

3.11 Financial instruments

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

3.12 Offsetting of financial assets and liabilities

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

3.13 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Distribution Committee of the Board of Directors of the Management Company under the powers delegated to them by the Board of Directors of the Management Company or declaration and approval by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.14 Net asset value per unit

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

3.15 Earnings per unit

Earnings / (loss) per unit is calculated by dividing the net income of the year before taxation of the Fund by the weighted average number of units outstanding during the year.

4 CASH AND BANK BALANCES	Note	2018 -----Rupees-----	2017
In local currency			
- Profit and loss sharing accounts	4.1	774,435,525	1,245,001,788
- Current account		5,000	5,000
- Cheques in hand	4.2	2,185,000	9,500,000
		776,625,525	1,254,506,788

4.1 The rate of return on these profit and loss sharing accounts ranges between 3.00% to 6.50% (30 June 2017: 2.00% to 5.95%) per annum.

4.2 This denotes cheque received against issue of units which was deposited and cleared in the bank account subsequent to the year end by 4 July 2018.

5 INVESTMENTS	Note	2018 -----Rupees-----	2017
At fair value through profit or loss - held for trading			
Government securities - Government of Pakistan (GoP) ijarah sukuks	5.1	-	113,208,900
Debt securities - sukuk certificates (unlisted)	5.2	100,782,300	52,129,700
		100,782,300	165,338,600

5.1 Government securities - Government of Pakistan (GoP) ijarah sukuks

Script	As at 01 July 2017	Acquired during the year	Disposed during the year	As at 30 June 2018	Carrying value as at 30 June 2018	Market value as at 30 June 2018	Unrealised appreciation as at 30 June 2018	Total Investment	Net Assets
	----- Face Value - Rupees -----				----- Rupees -----			----- age% -----	
Government of Pakistan Ijarah Sukuks	111,000,000	-	111,000,000	-	-	-	-	-	-
Total - 30 June 2018	111,000,000	-	111,000,000	-	-	-	-	-	-
Total - 30 June 2017					111,876,900	113,208,900	1,332,000	68.47%	7.01%

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

5.1.1 Investments in GoP ijarah sukuks carried mark-up at the rate of Nil (30 June 2017: 5.51%) per annum and were due to mature on 18 December 2018. As at 30 June 2018, the cost of these investments amounted to Rs. Nil (30 June 2017: Rs 111,663,000).

5.2 Debt securities - sukuk certificates (unlisted)

Particulars	Note	As at 01 July 2017	Acquired during the period	Disposed during the period	As at 30 June 2018	Carrying value as at 30 June 2018	Market value as at 30 June 2018	Unrealised appreciation (diminution) as at 30 June 2018	Market value as a percentage of total investments	Market value as a percentage of net assets	Investments as a percentage of total issue size
			----- Number of certificates -----			----- Rupees -----			----- age % -----		
BANKS											
Meezan Bank Limited (Face Value Rs. 1,000,000)	5.2.1	50	-	-	50	52,129,700	50,750,000	(1,379,700)	50.36%	5.82%	0.71%
Fertilizers											
Dawood Hercules Corporation Limited Sukuk 2 (Face Value Rs. 100,000)	5.2.2	-	500	-	500	50,000,000	50,032,300	32,300	49.64%	5.74%	0.83%
Total - June 30, 2018						102,129,700	100,782,300	(1,347,400)	100.00%	11.55%	
Total - June 30, 2017						50,000,000	52,129,700	2,129,700	31.53%	3.23%	

5.2.1 These certificates carry mark-up at the rate of 6 months KIBOR plus 0.50% per annum, and are due to mature by 22 September 2026 and are, currently, rated AA- by JCR-VIS Credit Rating Company Limited. As at 30 June 2018, the cost of these investments amounted to Rs. 100,000,000 (30 June 2017: Rs. 50,000,000).

5.2.2 These certificates carry mark-up at the rate of 3 months KIBOR plus 1.00%, and are due to mature by 28 February 2023. The certificates are currently, rated AA by Pakistan Credit Rating Agency (PACRA). As at June 30, 2018, the cost of these investments amounted to Rs. 50,000,000 (30 June 2017: Nil).

6 RECEIVABLE AGAINST ISSUE OF UNITS

This represents receivable against units issued to the unit holders based on their request for transfer of units from Atlas Islamic Stock Fund and Atlas Sovereign Liquidity Fund managed by the Management Company of the Fund.

		2018	2017
7	MARKUP ACCRUED	Note	Rupees
	Mark-up accrued on:		
	- Profit and loss sharing accounts		538,8098,740,209
	- Government of Pakistan (GoP) ijarah sukuks		-217,869
	- Sukuk certificates		1,502,2601,106,356
			2,041,06910,064,434
8	SECURITY DEPOSIT AND OTHER RECEIVABLES		
	Deposit with Central Depository Company of Pakistan Limited		100,000100,000
	Withholding tax receivable	8.1	478,941478,941
			578,941578,941

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

- 8.1 As per Clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under sections 150 and 151. However, several Companies (including banks) deducted withholding tax on dividend and profit on bank deposits paid to the Fund based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT) /2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced by the withholder.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favor of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the cumulative amount of withholding tax deducted from profit on bank deposits by the Funds has been shown as other receivable as at 30 June 2018 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

9 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - RELATED PARTY	Note	2018	2017
		-----Rupees-----	
Management fee	9.1	217,009	461,858
Sindh Sales Tax payable on remuneration of the Management Company	9.2	295,805	327,636
Federal Excise Duty payable on remuneration of the Management Company	9.3	1,733,901	1,733,901
Accounting and operational charges payable	16	72,327	150,123
Sindh Sales Tax payable on Operational Charges		-	16,170
		2,319,042	2,689,688

- 9.1 During the year ended 30 June, 2018 the Management Company has charged its remuneration at the rate of 0.30% (2017: 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.
- 9.2 During the year, an amount of Rs. 461,525 (2017: Rs. 672,211) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 493,356 (2017:Rs.631,678) has been paid to the Management Company which acts as the collecting agent.
- 9.3 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 9.2 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.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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 2017: 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 June 2018 would have been higher by Rs 1.05 per unit (30 June 2017: Rs 0.54 per unit).

10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN - TRUSTEE - RELATED PARTY	Note	2018	2017
		-----Rupees-----	
Trustee fee payable	10.1	122,972	194,913
Sindh Sales Tax payable on trustee fee	10.2	15,986	25,339
Settlement charges payable		500	500
Sindh Sales Tax payable on settlement charges		65	65
		139,523	220,817

10.1 The trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed as follows:

On net assets:	
- up to Rs.1,000 million	Rs.0.6 million or 0.17% per annum of Net Assets, whichever is higher
- Rs.1,000 million to Rs.5,000 million	Rs.1.7 million plus 0.085% per annum of Net Assets exceeding Rs.1,000 million
- exceeding Rs.5,000 million	Rs.5.1 million plus 0.07% per annum of Net Assets exceeding Rs.5,000 million

10.2 During the year, an amount of Rs. 237,106 (2017: Rs. 282,752) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 246,459 (2017: Rs 319,148) was paid to the Trustee which acts as a collecting agent.

11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2018	2017
		----- Rupees -----	
Annual fee payable	11.1	887,548	1,292,731

11.1 In accordance with the NBFC Regulations 2008, the Fund is required to pay Securities and Exchange Commission of Pakistan an amount equal to 0.075% of average annual net assets of the Fund as annual fee.

12 PAYABLE AGAINST REDEMPTION OF UNITS

This represents payable against units redeemed to the unit holder based on their request for cash payout, managed by the Management Company.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018	2017
		-----Rupees-----	
13 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		230,076	174,413
Printing charges payable		73,257	101,260
Payable to shariah advisor		47,585	45,711
Withholding tax payable		329,616	15,732,191
Fund rating fee payable		298,320	100,000
Zakat payable		-	92,875
Other payable		477,433	476,203
Provision for Sindh Workers' Welfare Fund	13.1	2,426,648	1,272,428
		3,882,935	17,995,081

13.1 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.

Had the provision for SWWF not been recorded in the financial statements of the Fund for the period from May 21, 2015 to June 30, 2018, the net asset value of the Fund as at June 30, 2018 would have been higher by Rs. 1.47 per unit (2017: Re 0.40 per unit).

14 CONTINGENCIES AND COMMITMENTS

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

	2018	2017
	-----Rupees-----	
15 MARKUP INCOME		
Mark-up income on:		
- Profit and loss sharing accounts	63,564,660	83,126,409
- Government of Pakistan (GoP) ijarah sukuks	1,491,566	9,781,607
- Sukuk certificates	4,647,589	2,619,329
	69,703,815	95,527,345

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

16 ACCOUNTING AND OPERATIONAL CHARGES

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

Keeping in view the aforementioned provisions, the Management Company charged accounting and operational charges to the Fund.

17 AUDITORS' REMUNERATION

	2018	2017
	-----Rupees-----	
Audit fee	100,000	100,000
Half yearly review of financial statements	50,000	50,000
Other Certifications	42,000	42,000
Income Certification	50,000	-
Sindh Sales Tax on services	19,360	15,360
Out of pocket expenses	29,339	30,000
	290,699	237,360

18 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 June 2018 is 0.65% (2017: 0.53%) after netting off 0.23% (2017: 0.21%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a shariah compliant income scheme.

19 TAXATION

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

20 EARNINGS PER UNIT

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

21 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

- 21.2** Transactions with connected persons essentially comprise sale and repurchase of units, fee on account of managing the affairs of the Fund, sales load and other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 21.3** 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.
- 21.4** The details of transactions carried out by the Fund with connected persons and balances with them at the year end are as follows:

	2018	2017
	-----Rupees-----	
Atlas Asset Management Limited (Management Company)		
Remuneration of the management company	3,550,194	5,170,855
Remuneration paid	3,795,043	4,848,372
Sindh Sales Tax on remuneration of the Management Company	461,525	672,211
Accounting and operational charges	1,164,812	1,581,144
Sindh Sales Tax on accounting and operational charges	-	126,492
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	1,823,891	2,175,016
Sindh sales tax on remuneration of the Trustee	237,106	282,752
Remuneration paid to the Trustee	1,895,832	2,059,082
Settlement charges	6,000	6,000
Sindh sales tax on settlement charges	780	780
Atlas Battery Limited		
Issue of Nil (2017: 4,174,602) units	-	2,151,771,453
Redemption of 1,193,786 (2017: 2,980,816) units	608,987,971	1,574,325,458
Outstanding Nil (2017: 1,193,786) units - at net asset value	-	600,259,505
Atlas Honda Limited (Group Company)		
Issue of 30 (2017: 2,525,638) units	15,400	1,295,587,038
Redemption of Nil (2017: 2,525,638) units	-	1,323,395,227
Outstanding 30 (2017: Nil) units - at net asset value	15,794	-
Atlas Power Limited Staff Provident Fund (Retirement benefit plan of group company)		
Issue of Nil (2017: 19) units	-	9,655
Redemption of 358 (2017: nil) units	180,655	-
Cash dividend	-	9,655
Outstanding Nil (2017: 358) units - at net asset value	-	180,007
Honda Atlas Power Product (Pvt) Limited		
Issue of 39,320 (2017: 76,668) units	20,000,000	40,000,000
Redemption of 79,624 (2017: 76,668) units	40,222,948	40,566,577
Outstanding 39,320 (2017: 79,624) units - at net asset value	20,744,161	-
Shirazi Capital (Private) Limited (Group Company)		
Redemption of Nil (2017: 109,280) units	-	56,327,298

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 -----Rupees-----	2017
Shirazi Investments (Private) Limited (Group Company)			
Issue of Nil (2017: 113,932) units		-	58,663,159
Cash dividend		-	3,114,481
Outstanding 113,932 (2017: 113,932) units - at net asset value		60,107,217	57,287,395
Shirazi Trading Company (Private) Limited Employees Provident Fund (Retirement benefit plan of a Group Company)			
Issue of Nil (2017: 1,149) units		-	576,837
Cash dividend		-	576,837
Outstanding 21,389 (2017: 21,389) units - at net asset value		11,284,054	10,754,682
Atlas Insurance Limited Window Takaful Operations			
Issue of Nil (2017: 31,008) units		-	16,662,791
Cash dividend		-	883,721
Outstanding 32,328 (2017: 32,328) units - at net asset value		17,055,172	16,255,059
Chevron Pakistan Lubricants (Private) Limited Gratuity Fund (Unit Holder with more than 10% holding)	21.5		
Issue of Nil (2017: 8,617) units		-	4,326,642
Cash dividend		-	4,326,642
Outstanding Nil (2017: 160,429) units - at net asset value		-	80,666,951
Hamdard Laboratories (Waqf) Pakistan (Unit Holder with more than 10% holding)	21.5		
Issue of Nil (2017: 5,373) units		-	2,697,536
Cash dividend		-	3,596,715
Outstanding Nil (2017: 131,574) units - at net asset value		-	66,157,561
Directors and their close family members and key management personnel of the Management Company			
Issue of 37,190 (2017: 18,510) units		19,062,443	9,505,528
Redemption of 40,193 (2017: 17,878) units		20,729,539	9,138,000
Cash dividend		-	624,439
Outstanding 15,713 (2017: 15,733) units - at net asset value		8,289,495	7,910,773

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

21.6 Other balances due from / to related parties / connected persons are included in the respective notes to the financial statements.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

22 FINANCIAL INSTRUMENTS BY CATEGORY

As at June 30, 2018			
Loans and receivables	Financial assets 'at fair value through profit or loss'	Available for sale	Total
(Rupees)			
Financial assets			
Cash and Bank balances	776,625,525	-	776,625,525
Investments	-	100,782,300	100,782,300
Markup accrued	2,041,069	-	2,041,069
	778,666,594	-	879,448,894

As at June 30, 2018			
	Liabilities at fair value through profit or loss	Other financial liabilities	Total
(Rupees)			
Financial liabilities			
Payable to Atlas Asset Management Limited - Management Company	-	2,319,042	2,319,042
Payable to Central Depository Company of Pakistan Limited - Trustee	-	139,523	139,523
Payable against redemption of units	-	514,117	514,117
Unclaimed dividend	-	62,457	62,457
Accrued expenses and other liabilities	-	1,126,671	1,126,671
	-	4,161,810	4,161,810

As at June 30, 2017			
Loans and receivables	Financial assets 'at fair value through profit or loss'	Available for sale	Total
(Rupees)			
Financial assets			
Cash and Bank balances	1,254,506,788	-	1,254,506,788
Investments	-	165,338,600	165,338,600
Receivable against sale of units	209,743,186	-	209,743,186
Markup accrued	10,064,434	-	10,064,434
	1,474,314,408	-	1,639,653,008

As at June 30, 2017			
	Liabilities at fair value through profit or loss	Other financial liabilities	Total
(Rupees)			
Financial liabilities			
Payable to Atlas Asset Management Limited - Management Company	-	2,689,688	2,689,688
Payable to Central Depository Company of Pakistan Limited - Trustee	-	220,817	220,817
Payable against redemption of units	-	3,712,000	3,712,000
Unclaimed Dividend	-	62,457	62,457
Accrued expenses and other liabilities	-	897,587	897,587
	-	7,582,549	7,582,549

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

23.2 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as profit rates, foreign exchange rates and equity prices.

(i) Profit rate risk

Profit rate risk is the risk that the Fund's income will fluctuate due to changes in the market profit rates. As of 30 June 2018, the Fund is exposed to such risk in respect of bank balances, GOP Ijarah Sukuks and corporate Sukuk securities. The investment committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks and investment in corporate sukuks which exposes the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in market interest rates as at June 30, 2018, with all other variables held constant, the net income for the year and net assets would have been higher / lower by Rs. 8,752,178 (2017: Rs.14,103,404).

b) Sensitivity analysis for fixed rate instruments

Presently, the Fund does not hold any fixed rate instrument that may expose the Fund to profit rate risk.

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2018 is not necessarily indicative of the impact on the Fund's net assets of the future movements in profit rates.

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

The fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2018 can be determined as follows:

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

----- As at June 30, 2018 -----					
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
Percentage	----- (Rupees) -----				
Financial Assets					
Cash and Bank balances	3.00-6.50	774,435,525	-	2,190,000	776,625,525
Investments	6.95-7.80	-	100,782,300	-	100,782,300
Markup accrued		-	-	2,041,069	2,041,069
		774,435,525	-	4,231,069	879,448,894
Financial Liabilities					
Payable to Atlas Asset Management Limited - Management Company		-	-	2,319,042	2,319,042
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	139,523	139,523
Payable against redemption of units		-	-	514,117	514,117
Unclaimed dividend		-	-	62,457	62,457
Accrued expenses and other liabilities		-	-	1,126,671	1,126,671
		-	-	4,161,810	4,161,810
On-balance sheet gap (a)		774,435,525	-	69,259	875,287,084
Off-balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total interest rate sensitivity gap (a + b)		774,435,525	-	100,782,300	
Cumulative interest rate sensitivity gap		774,435,525	774,435,525	875,217,825	

----- As at June 30, 2017 -----					
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
Percentage	----- (Rupees) -----				
Financial Assets					
Cash and Bank balances	2.0-5.95	1,245,001,788	-	9,505,000	1,254,506,788
Investments	5.51-6.62	-	165,338,600	-	165,338,600
Receiveable against sale of units		-	-	209,743,186	209,743,186
Markup accrued		-	-	10,064,434	10,064,434
		1,245,001,788	-	229,312,620	1,639,653,008
Financial Liabilities					
Payable to Atlas Asset Management Limited - Management Company		-	-	2,689,688	2,689,688
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	220,817	220,817
Payable against redemption of units		-	-	3,712,000	3,712,000
Unclaimed Dividend		-	-	62,457	62,457
Accrued expenses and other liabilities		-	-	897,587	897,587
		-	-	7,582,549	7,582,549
On-balance sheet gap (a)		1,245,001,788	-	221,730,071	1,632,070,459
Off-balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total interest rate sensitivity gap (a + b)		1,245,001,788	165,338,600		
Cumulative interest rate sensitivity gap		1,245,001,788	1,245,001,788	1,410,340,388	

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

(ii) Foreign currency risk

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

(iii) Equity price risk

Equity price risk is the risk that the fair value of equity instruments decreases as a result of changes in the level of equity indices and the value of individual stocks. The Fund does not have any investment in equity securities as of 30 June 2018.

23.3 Liquidity risk

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

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is therefore to invest a majority of its assets in short term instruments in order to maintain liquidity.

The Fund can borrow in the short term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, no borrowing was required to be obtained by the Fund during the current year.

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

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

2018	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Total
	----- Rupees -----				
Assets					
Cash and bank balances	776,625,525	-	-	-	776,625,525
Investments	-	-	-	100,782,300	100,782,300
Markup accrued	538,809	1,502,260	-	-	2,041,069
	777,164,334	1,502,260	-	100,782,300	879,448,894
Liabilities					
Payable to Atlas Asset Management Limited - Management Company	2,319,042	-	-	-	2,319,042
Payable to Central Depository Company of Pakistan Limited - Trustee	139,523	-	-	-	139,523
Payable against redemption of units	514,117	-	-	-	514,117
Unclaimed dividend	62,457	-	-	-	62,457
Accrued expenses and other liabilities	775,753	-	350,918	-	1,126,671
	3,810,892	-	350,918	-	4,161,810
Net assets / (liabilities)	773,353,442	1,502,260	(350,918)	100,782,300	875,287,084

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

2017	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Total
	Rupees				
Assets					
Cash and bank balances	1,254,506,788	-	-	-	1,254,506,788
Investments	-	-	-	165,338,600	165,338,600
Receivable against sale of units	209,743,186	-	-	-	209,743,186
Markup accrued	8,740,209	1,106,356	217,869	-	10,064,434
	1,472,990,183	1,106,356	217,869	165,338,600	1,639,653,008
Liabilities					
Payable to Atlas Asset Management Limited - Management Company	2,689,688	-	-	-	2,689,688
Payable to Central Depository Company of Pakistan Limited - Trustee	220,817	-	-	-	220,817
Payable against redemption of units	3,712,000	-	-	-	3,712,000
Dividend payable	62,457	-	-	-	62,457
Accrued expenses and other liabilities	576,203	-	321,384	-	897,587
	7,261,165	-	321,384	-	7,582,549
Net assets / (liabilities)	1,465,729,018	1,106,356	(103,515)	165,338,600	1,632,070,459

23.4 Credit risk

Credit risk represents the risk of a loss if counterparties fail to perform as contracted and arises principally from bank balances, investments, profit receivable and deposit and other receivable.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets.

	2018		2017	
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
	Rupees			
Bank balances	776,625,525	776,625,525	1,254,506,788	1,254,506,788
Investments	100,782,300	100,782,300	165,338,600	165,338,600
Receivable against issue of units	-	-	209,743,186	209,743,186
Markup accrued	2,041,069	2,041,069	10,064,434	10,064,434
	879,448,894	879,448,894	1,639,653,008	1,639,653,008

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

23.4.1 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks ,investment in GOP Ijarah Sukuks and corporate Sukuks. The credit rating profile of above mentioned is as follows:

Rating of amount placed with banks, investment in GOP Ijarah Sukuks and corporate Sukuk certificates

	% of financial assets	
	2018	2017
GOP Ijarah Sukuks (Government Guaranteed)	-	7.99
Sukuk Certificates	11.52	3.75
AAA	-	1.45
AA+	-	22.63
AA	78.15	35.77
AA-	-	11.00
A+	6.80	9.68
A	3.53	7.73
	100.00	100.00

The maximum exposure to credit risk before any credit enhancement as at 30 June 2018 is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

23.5 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. 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.

23.6 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: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at 30 June 2018, the Fund has investments 'at fair value through profit or loss' measured using level 2 valuation technique. Particulars regarding their cost and market value are given in note 5.2

24 UNIT HOLDERS FUND RISK MANAGEMENT

The Fund's objective when managing unit holders' funds is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders, to maintain a strong base of assets to meet unexpected losses or opportunities and to ensure reasonable safety of capital. The Fund manages its investment portfolio and other assets by monitoring return on net assets and makes adjustments to it in the light of changes in markets' conditions. The capital structure depends on the issuance and redemption of units.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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

In accordance with the risk management policies as stated in note 23, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

25 UNIT HOLDING PATTERN OF THE FUND

Category	2018			2017		
	Number of unit holders	Rupees	% of total	Number of unit holders	Rupees	% of total
Individuals	373	206,530,425	23.68%	283	185,141,179	11.47%
Insurance Companies	11	139,974,895	16.05%	9	299,649,963	18.56%
Others	5	144,735,833	16.59%	8	257,354,531	15.94%
Banks/ DFIs	1	52,174,077	5.98%	1	49,725,871	3.08%
Associated Companies/ Directors	4	81,575,214	9.35%	4	699,348,854	43.32%
Retirement Funds	8	164,463,728	18.86%	6	123,038,777	7.63%
Public Limited Companies	1	82,768,041	9.49%	-	-	-
	403	872,222,213	100.00%	311	1,614,259,175	100.00%

26 LIST OF TOP BROKERS BY PERCENTAGE OF COMMISSION PAID

Name of brokers	2018	2017
	Percentage of commission paid %	
Invest Capital Markets Limited	100	-
JS Global Capital Limited	-	76
Next Capital Limited	-	24
	100.00	100.00

27 THE MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Mr. M. Abdul Samad	Chief Executive Officer	MBA, M.Com	18 Years
Mr. Ali H. Shirazi	Director	Masters in Law	14.5 years
Mr. Khalid Mehmood	Chief Investment Officer	MBA - Finance	14 Years
Mr. Muhammad Umar Khan	Fund Manager	MSc - Finance	10 Years
Mr. Fawad Javaid	Fund Manager	CMA	10 Years
Mr. Faran-ul-Haq	Fund Manager	B.A, CFA	7 Years

28 NAME AND QUALIFICATION OF FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Mr. Fawad Javaid	Fund Manager	CMA	Atlas Money Market Fund Atlas Sovereign Liquid Fund

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

29 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The details of dates of Board meetings of the management company of the Fund, and the attendance of the Board members are given below:

Name of Directors	Meeting held on					
	07 July 2017	30 August 2017	26 October 2017	28 February 2018	27 April 2018	20 June 2018
Mr. Yusuf H. Shirazi	P	P	P	P	L	P
Mr. Tariq Amin	P	P	P	P	P	P
Mr. Shamshad Nabi (Resigned w.e.f. Mar. 22,2018)	L	P	P	P	N/A	N/A
Mr. Fahim Ali Khan	L	P	P	P	P	P
Mr. Ali H. Shirazi	L	P	P	P	P	P
Mr. Arshad P. Rana (Resigned w.e.f. Mar. 19,2018)	P*	P*	P*	P	N/A	N/A
Mr. M. Habib-ur-Rahman	P	P	P	P	P	P
Ms Zehra Naqvi (w.e.f.Apr. 26, 2018)	N/A	N/A	N/A	N/A	N/A	P**
Mr. M. Abdul Samad (Appointed CEO w.e.f. Mar. 19, 2018)	N/A	N/A	N/A	N/A	P**	P
Ms Qurrat-ul-ain Jafari (Chief Financial Officer)	P	P	P	P	P	P
Ms Zainab Kazim (Appointed Co.Sec. w.e.f. Jan. 31, 2018)	N/A	N/A	N/A	P**	P	P
* Attended through teleconference call.						
** Joined						
P Present						
L Leave of absence						

30 RATING OF THE FUND AND THE MANAGEMENT COMPANY

The Pakistan Credit Rating Agency Limited (PACRA) has upgraded the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2017: AM2+ (AM Two Plus)] on 30 June 2018. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

Moreover, PACRA has maintained the stability rating of the Fund at "AA- (f)" [2017: "AA- (f)"] on 29 May 2018.

31 NON ADJUSTING EVENT AFTER THE REPORTING PERIOD

The board of directors of Management Company in the meeting held on 06 July 2018, approved a final cash dividend of Rs. 24.5 per unit (for full year) on the face value of Rs. 500 each (i.e 4.9%) amounting to Rs. 28,077,890. The financial statement of the fund for the year ended 30 June 2018 do not include the effect of this distribution which will be accounted for in the financial statements of the fund for the year ending 30 June 2019.

32 CORRESPONDING FIGURES

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

33 GENERAL

The figures have been rounded off to the nearest Rupee.

34 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the management company on 06 September 2018.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Islamic Stock Fund

Corporate Information

Trustee

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

Shariah Advisor

Dr. Mufti Muhammad Wasih Fasih Butt

Auditors

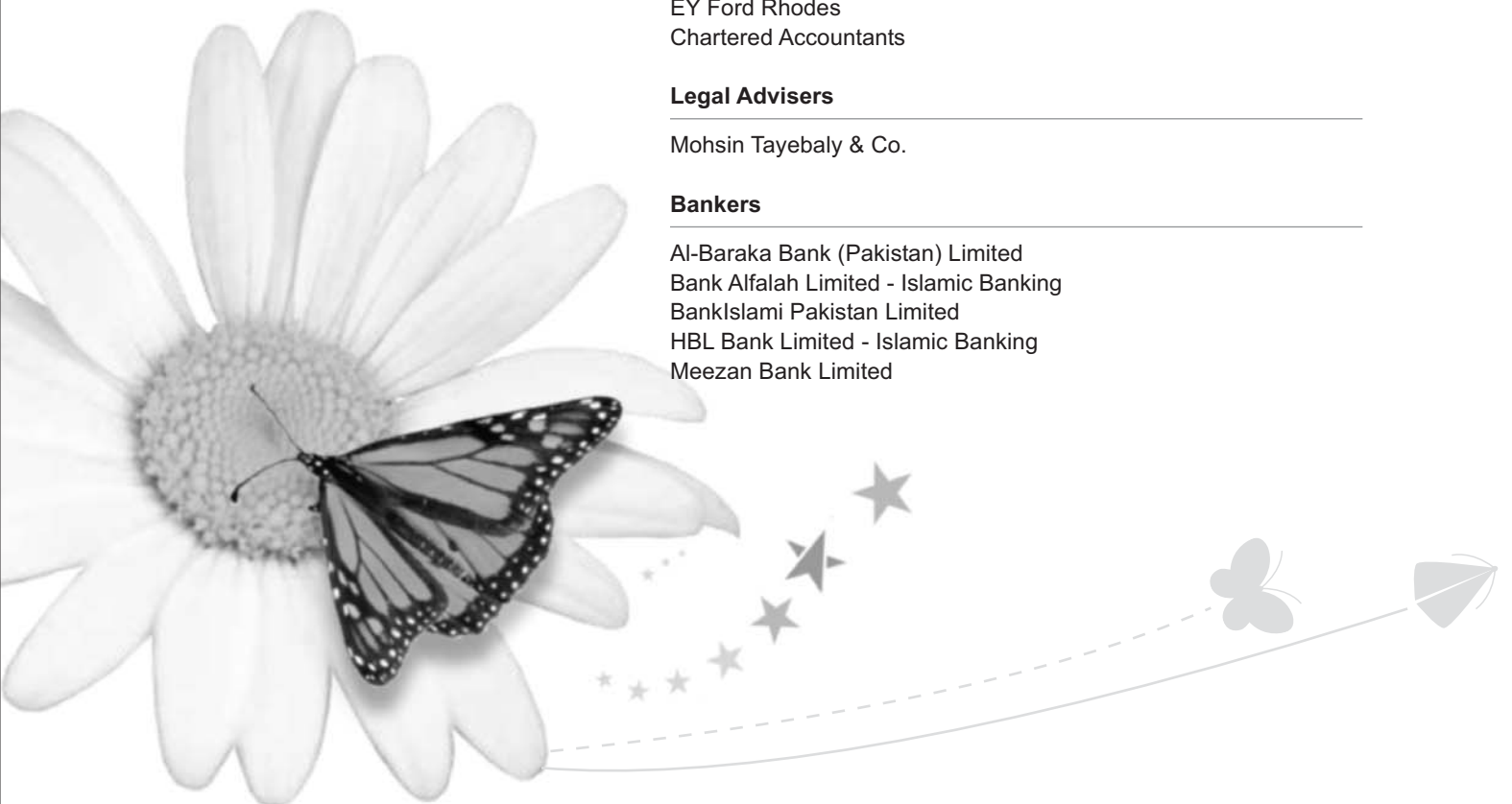
EY Ford Rhodes
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Al-Baraka Bank (Pakistan) Limited
Bank Alfalah Limited - Islamic Banking
BankIslami Pakistan Limited
HBL Bank Limited - Islamic Banking
Meezan Bank Limited



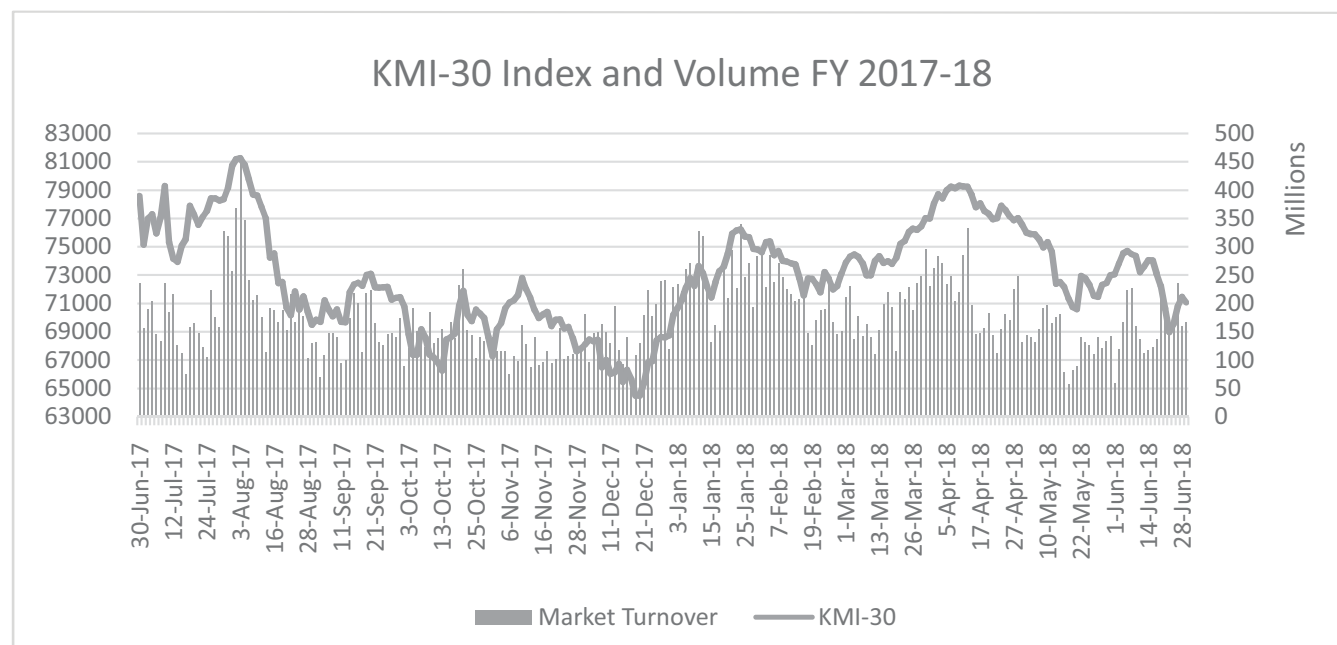
Fund Manager's Report

Atlas Islamic Stock Fund (AISF) is an open-ended equity fund. The objective of AISF is to maximize Unit Holders returns on their Investments while at all times observing prudent Investment practices, the highest professional standards, all applicable laws and the Shariah Code. The Fund's strategy revolves around Shariah Compliance while making investments in stocks with attractive fundamentals and a potential to outperform the market to generate high returns. The Fund observes the investment limitations as set out by the Shariah code, according to the guidance of the Shariah Advisors and emphasizes on medium to long term investment views, by making investment decisions based upon fundamental analysis. The Fund makes use of portfolio management skills for sector and stock selection in order to efficiently manage the fund's portfolio.

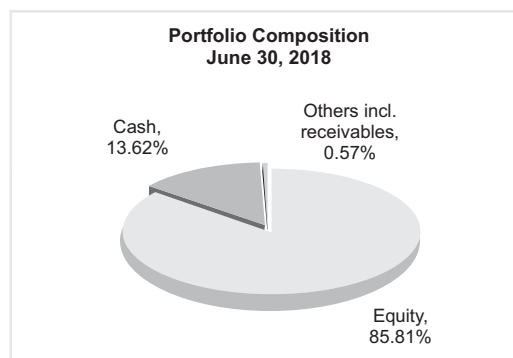
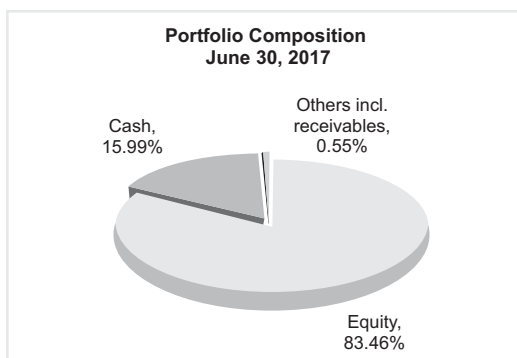
KMI - 30 Index serves as the performance benchmark of Atlas Islamic Stock Fund.

The KMI-30 index decreased from 78,598.22 points as on June 30, 2017 to 71,060.34 points as on June 30, 2018, decreasing by 9.59%. The average volumes during the year decreased by 56% to 175 million shares from 399 million shares traded last year. Net Foreign portfolio outflow during the year was recorded at US\$ 289 million compared to outflow of US\$ 652 million last year. On the local front Insurance Companies, and Companies were the most active participants investing US\$ 204 million and US\$100 million during the period. Broker Proprietary Trading Accounts, Mutual Funds and Banks/DFIs, on the other hand, reduced their exposure in the equity market by US\$ 44 million, US\$ 35 million and US\$ 10 million, respectively.

During the period the sectors that outperformed the market were Oil and Gas Exploration, Fertilizer, Chemical, Textile Spinning and Banks that posted 20.2%, 3.4%, 0.5%, -7.1% and -9.8% returns, respectively.



The Net Asset Value per unit of Atlas Islamic Stock Fund decreased by 7.88% to Rs. 530.39 as on June 30, 2018. The benchmark KMI-30 index decreased by 9.59% during the same period. The major outperformers for the index were PPL, POL, EFERT, OGDG, APL and EPCL as they contributed approximately 7,271 points to the index. Decline in share price of LUCK, DGKC, PAEL, HUBC, MLCF, FCCL, SNGP, HCAR, DAWH and PIOC led index to shed 12,192 points. The AISF's equity portfolio exposure was mainly in Oil & Gas Exploration, Fertilizer and Cement sectors. The Net Assets of the Fund stood at Rs 2.26 billion, with 4.27 million units outstanding as of June 30, 2018.



The Administrative Plans:

The management company is offering investment plans that allow investors focused combination investment strategic in Atlas Islamic Income fund (AIIF) and Atlas Islamic Stock Fund (AISF). The investment plans were offered from September 2008, and the returns are as under:

Administrative Plans	Proportionate investment in		Return (period ended)			
	AIIF	AISF	2014-15	2015-16	2016-16	2017-18
Atlas Bachat Islamic Plan	85%	15%	9.3%	5.1%	9.5%	3.0%
Atlas Bachat Balanced Islamic Plan	50%	50%	14.3%	5.4%	17.6%	-1.5%
Atlas Bachat Growth Islamic Plan	15%	85%	19.3%	5.6%	25.8%	-6.0%

Breakdown of Unit holding by size:

Type of investor	No. of Investors	Amount of Investment (Rs.)	Percentage
Individuals	554	201,712,086	8.92%
Retirement Funds	13	325,712,489	14.40%
Associated Companies/ Directors	9	1,233,718,814	54.53%
Others	7	190,865,822	8.44%
Insurance Companies	8	310,179,707	13.71%
Total	591	2,262,188,918	100.00%

The Fund has made provision against SWWF, which up till June 30, 2018 amounted to Rs. 15,491,187 (Rs. 3.63 per unit). The Scheme has also held provision for FED liability that amounted to Rs. 10,453,385 up till June 30, 2016. (Rs.2.45 per unit as on June 30, 2018)

The Total Expense Ratio (TER) of the Fund is 2.79% including Government levy, SWWF and SECP Fee of 0.4%.

During the year under review, the Investment Committee held 34 meetings to review investment of the Fund and the Risk Committee held 22 meetings to review risk management.

Faran-UI-Haq
Fund Manager

Karachi: 06 September 2018

Supplementary Non Financial Information as required under clause 38 A (g) of NBFC and NE Regulations, 2008

Summary of actual proxies voted by Atlas Islamic Stock Fund

	Resolution	For	Against	Abstain
Number	189	189	-	N/A
(%)	100%	100%	-	-

Note: The Proxy voting policy of the Atlas Islamic Stock Fund (AISF) is available on the website of Atlas Asset Management Limited and detailed information regarding actual proxies voted by the Company in respect of the Fund is also available without charge, upon request, to all unit holders.

Performance Since Inception

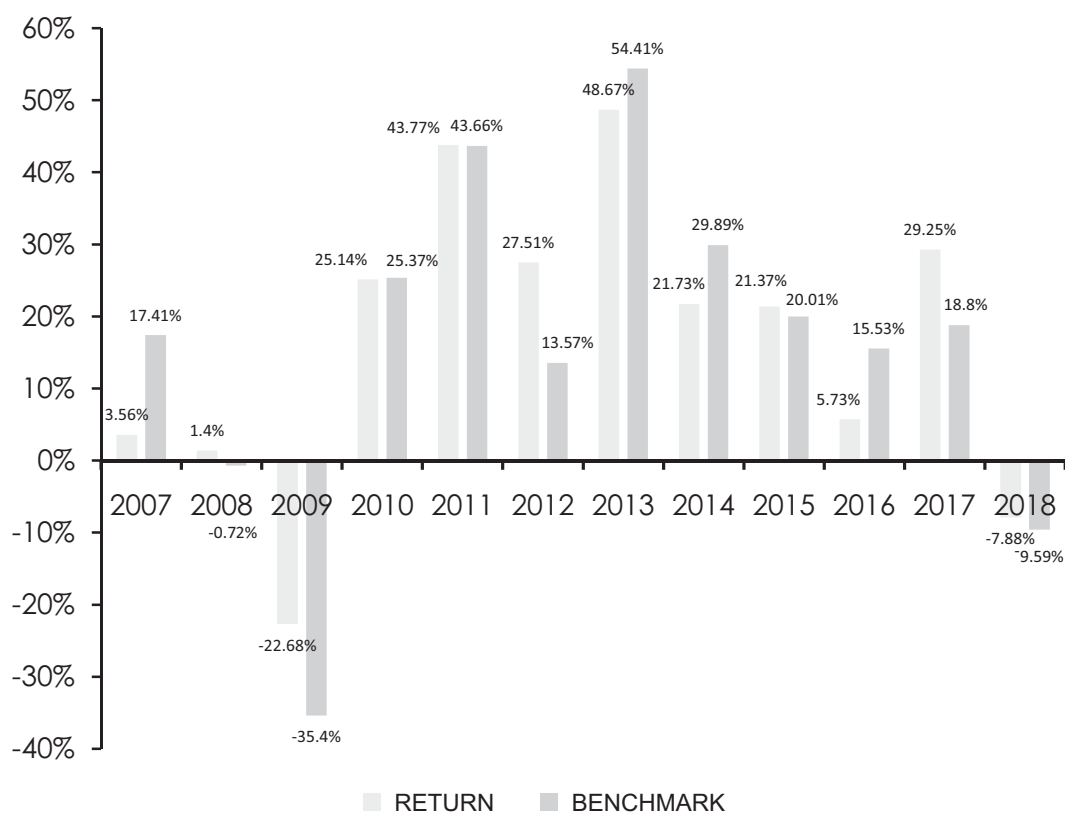
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007*
Net Assets (Rs. in '000)	2,262,189	2,478,898	1,411,789	1,415,763	809,364	974,606	510,953	318,777	252,773	417,775	597,788	512,580
Number of units in issue	4,265,137	4,058,678	2,987,494	2,854,233	1,980,470	2,015,536	1,317,773	779,243	521,664	1,078,902	1,172,525	989,930
Net assets value per unit (Rs.)	530.39	610.77	472.57	496.02	408.67	483.55	387.74	409.09	484.55	387.22	509.83	517.79
Net (loss) / income (Rs. in '000)	(184,177)	562,154	80,049	250,274	137,439	320	110,717	97,396	114,084	(122,217)	9,319	17,489
Earnings per unit (Rs.)	(43.18)	138.51	26.79	87.69	69.40	158.69	84.02	124.99	218.69	(113.28)	7.95	17.67
Annual return of the fund (%)	(7.88)	29.25	5.73	21.37	21.73	48.67	27.51	43.77	25.14	(22.68)	1.40	3.56
Offer Price ** (Rs.)	530.39	610.77	472.57	496.02	408.67	488.45	391.64	413.18	489.40	391.09	514.93	522.97
Redemption Price ** (Rs.)	530.39	610.77	472.57	496.02	408.67	476.36	381.94	402.95	477.28	381.41	502.18	510.03
Distribution (Rs.)	-	35.00	-	50.00	45.00	110.00	62.50	105.00	200.00	-	9.00	15.00
Distribution as a % of Opening Ex- NAV of units	-	7.41	-	12.23	12.05	33.82	20.55	36.90	51.65	-	1.79	3.00
Date of Distribution	-	-	-	7-Jul-15	24-Jun-14	4-Jul-13	5-Jul-12	7-Jul-11	8-Jul-10	-	4-Jul-08	20-Jul-07
Highest offer price per unit (Rs.)	595.15	677.62	488.05	507.30	453.25	513.39	405.82	423.05	562.83	488.69	603.50	525.33
Lowest offer price per unit (Rs.)	484.26	493.88	390.34	388.08	381.62	340.83	288.51	293.27	409.30	238.43	464.43	508.46
Highest redemption price per unit (after applicable back-end load) (Rs.)	595.15	677.62	488.05	507.30	453.25	500.69	392.85	412.58	548.90	476.59	588.56	512.33
Lowest redemption price per unit (after applicable back-end load) (Rs.)	484.26	493.88	390.34	388.08	381.62	332.40	281.37	286.01	399.17	232.53	452.93	495.88

*Period from 17 October 2006 to 30 June 2007 Date of Launch: January 15, 2007

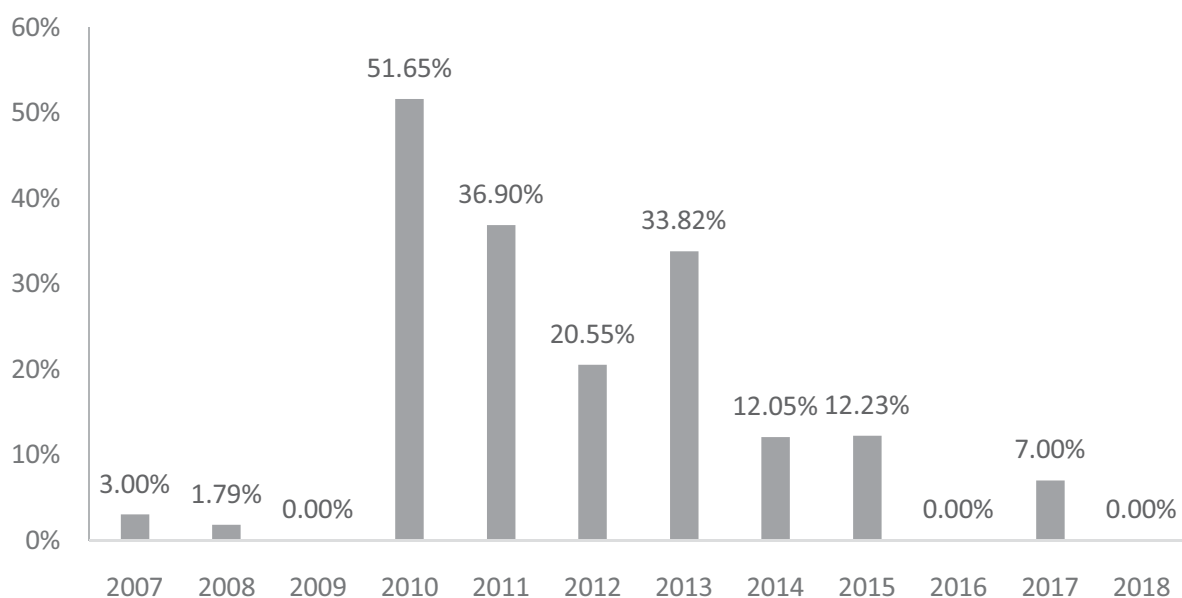
** Relates to announced prices.

Note: Past performance of the funds is not indicative of future performance, and the unit price and investment return may go down, as well as up.

Yearly Performance



Payout History (% on opening Ex-NAV)



TRUSTEE REPORT TO THE UNIT HOLDERS

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

We, Central Depository Company of Pakistan Limited, being the Trustee of Atlas Islamic Stock Fund (the Fund) are of the opinion that Atlas Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2018 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Karachi: 11 September 2018

Aftab Ahmed Diwan
Chief Executive Officer
Central Depository Company of Pakistan Limited

REVIEW REPORT OF THE SHARIAH ADVISOR

As the Shariah Advisor of the Atlas Islamic Stock Fund (AISF), I am issuing this report in accordance with clause 2.3.4 (V) of the Trust Deed of the Fund. The scope of the report is to express an opinion on the Shariah compliance of the Fund's activities.

It is the responsibility of Atlas Asset Management Limited (AAML), the management company of the Fund, to establish and maintain a system of internal controls to ensure compliance with the Shariah guidelines. As Shariah Advisor, my responsibility is to express an opinion, based on my review of the representations made by the management, to the extent where such compliance can be objectively verified.

For screening investment in equities, I have advised a criteria on the basis of the following: (i) nature of business, (ii) interest bearing debt in relation to the total assets, (iii) illiquid assets in relation to the total assets, (iv) investment in non-Shariah compliant activities to total assets and income from non-compliant investments to gross revenues, and (v) net liquid assets per share vs share price.

As part of my mandate as the Shariah Advisor to the Fund, I have reviewed the following, during the year:

- The modes of investment of Fund's property and its compliance with Shariah guidelines.
- The process of deployment of Fund's property and its compliance with Shariah guidelines.
- The process of purification of income and its compliance with Shariah guidelines.

In light of the above scope, I hereby certify that all the provisions of the scheme and investments made by the Fund for the year ended 30 June 2018 are in compliance with the Shariah principles.

There are investments made by AISF where investee companies have earned a part of their income from non-compliant sources (e.g. interest income). In such cases, the Management Company, in consultation with me, the Shariah Advisor of the Fund, have determined the Haram portion of the income of the Fund and marked to charity in order to purify the whole income.

Karachi: 30 June 2018

Dr. Mufti Muhammad Wasie Fasih Butt
Shariah Advisor

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Atlas Islamic Income Fund Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Atlas Islamic Stock Fund** (the Fund), which comprise the statement of financial position as at June 30, 2018, and the statement of income, comprehensive income, cash flows and movement in unit holders' fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, or give a true and fair view of the financial position of the Fund as at June 30, 2018, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matters

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

Following are the key audit matters:

Key Audit Matter	How the matter was addressed in our audit
1. Existence and valuation of equity investment	
As disclosed in note 5 to the accompanying financial statements of the Fund for the year ended 30 June 2018, the investments held by the Fund comprised of listed shares which represent 87.55% of the total assets of the Fund as at the year end.	We understood the requirements of the SECP notification and made inquiries from the management in respect of their methodology for implementing the changes with respect to recording of element of income.
In view of the significance of investments in relation to the total assets and the Net Asset Value (NAV) of the Fund, we have considered the existence and valuation of such investments as a key audit matter.	We performed walkthrough tests for ensuring compliance with the revised requirements and in this respect obtained reports of distribution of income and refund of capital by the Fund.
	We verified on a test basis transactions with the underlying records of the reports provided by the management. We recalculated the amount available for distribution taking into account amount already distributed at the time of redemption.
	We verified the accuracy of the management report for allocation of distributable amount between "distribution out of income" and "refund of capital". This included testing the parameters of the report.

Key Audit Matter	How the matter was addressed in our audit
	We verified disclosures relating to change in accounting policy to ensure that these are in compliance with the applicable accounting and reporting framework.
2. Amendments to the NBFC Regulations, 2008	
<p>As disclosed in note 3.8 to the accompanying financial statements of the Fund for the year ended 30 June 2018, the Securities and Exchange Commission of Pakistan through its SRO no. 756(I)/2017 dated 03 August 2017 made certain amendments in the Non-Banking Finance Companies and Notified Entities Regulation, 2008 (the NBFC Regulations).</p> <p>These amendments are considered significant to our audit because application of the said amendments resulted in change in accounting policy relating to presentation "element of income / loss" in the financial statements and certain additional disclosures with respect to 'Income Statement' and 'Statement of Movement in Unit Holders' Fund' (the Statements).</p>	<ul style="list-style-type: none"> - Reconciliations and re-performance of investment valuations on the basis of quoted market prices at the Pakistan Stock Exchange Limited as at 30 June 2018. - We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and the applicability of disclosures in this regard. - We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment portfolio in accordance with the requirements of the Regulations.

Other Information

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Other matter

The financial statements of the Fund for the year ended 30 June 2017, were audited by another auditor who expressed an unmodified opinion on those statements on 13 September 2017.

The engagement partner on the audit resulting in this independent auditor's report is Arslan Khalid.

EY Ford Rhodes
Chartered Accountants

Karachi: 6 September 2018

Engagement Partner: Arslan Khalid

STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 JUNE 2018

	Note	2018 -----Rupees-----	2017
ASSETS			
Bank balances	4	314,771,568	442,628,274
Investments	5	1,980,443,244	2,310,721,597
Profit receivable on bank balances		1,936,254	2,078,198
Dividend receivable		1,469,784	8,034,160
Advance, security deposits and other receivable	6	9,222,419	5,197,419
Total assets		2,307,843,269	2,768,659,648
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	7	16,514,520	17,686,027
Payable to Central Depository Company of Pakistan Limited - Trustee	8	311,948	378,232
Payable to the Securities and Exchange Commission of Pakistan	9	2,309,630	2,184,540
Payable against purchase of investments		9,043,890	32,143,394
Payable against redemption of units	10	174,067	219,844,446
Accrued expenses and other liabilities	11	17,300,296	17,524,253
Total liabilities		45,654,351	289,760,892
NET ASSETS		2,262,188,918	2,478,898,756
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		2,262,188,918	2,478,898,756
CONTINGENCIES AND COMMITMENTS	12		
NUMBER OF UNITS IN ISSUE		4,265,137	4,058,678
NET ASSET VALUE PER UNIT		530.39	610.77

The annexed notes from 1 to 32 form an integral part of these financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 -----Rupees-----	2017
INCOME			
Profit on bank balances		21,180,036	13,855,981
Dividend income		111,158,890	91,144,325
Capital (loss) / gain on sale of investments - net		(154,666,593)	247,778,066
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(94,012,535)	176,579,916
		(248,679,128)	424,357,982
Element of income and capital gains included in prices of units issued less those in units redeemed - net	3.8	-	93,256,667
Total Income		(116,340,202)	622,614,955
EXPENSES			
Remuneration of Atlas Asset Management Limited - Management Company	7.1	48,623,772	45,990,386
Sindh sales tax on remuneration of the Management Company	7.2	6,321,090	5,978,750
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	3,428,357	3,302,260
Sindh sales tax on remuneration of the Trustee		445,687	429,294
Annual fee - Securities and Exchange Commission of Pakistan	9	2,309,630	2,184,540
Accounting and operational charges	13	2,403,047	2,264,390
Sindh Sales Tax on accounting and operational charges		-	181,151
Shariah advisory fee		334,287	345,401
Auditors' remuneration	16	302,000	309,920
Securities transaction cost		3,232,454	4,592,648
Annual listing fee and SECP supervisory fee		27,500	55,000
Advertisement and Marketing		43,653	-
Printing charges		258,373	125,897
Legal and professional charges		76,826	123,760
Bank charges		30,340	101,564
Reversal of provision for Workers' Welfare Fund	11.2	-	(21,015,392)
Provision for Sindh Workers' Welfare Fund	11.2	-	15,491,188
Total Expenses		67,837,016	60,460,757
Net (loss) / income for the year before taxation		(184,177,218)	562,154,198
Taxation	17	-	-
Net (loss) / income for the year after taxation		(184,177,218)	562,154,198
Loss / earning per unit	18		

The annexed notes from 1 to 32 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	-----Rupees-----	
Net (loss) / income for the year after taxation	(184,177,218)	562,154,198
Other comprehensive (loss) / income	-	-
Total comprehensive (loss) / income for the year	(184,177,218)	562,154,198

The annexed notes from 1 to 32 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE YEAR ENDED 30 JUNE 2018

	30 June 2018		
	Capital Value	Undistributed income	Net Assets
Note	-----Rupees-----		
Capital value	1,642,603,322	-	1,642,603,322
Undistributed income brought forward			
- Realised income	-	608,077,116	608,077,116
- Unrealised income	-	228,218,318	228,218,318
Net assets at end of the year (Unit outstanding: 4,058,678) (Rs. 610.77 per unit)	1,642,603,322	836,295,434	2,478,898,756
Issuance of 3,283,010 units	1,764,585,177	-	1,764,585,177
Redemption of 3,076,551 units	1,653,461,372	-	1,653,461,372
Total comprehensive loss for the year	-	(184,177,218)	(184,177,218)
Shariah non-compliant income set-aside for charity	-	(1,602,704)	(1,602,704)
Cash dividend declared for the year ended 30 June 2017 @ Rs. 35 per unit declared on 7 July 2017	-	(142,053,721)	(142,053,721)
Net assets at end of the year (Unit outstanding: 8,657,936) (Rs. 620.86 per unit)	1,753,727,127	508,461,791	2,262,188,918
Undistributed income carried forward			
- Realised income	-	487,686,197	-
- Unrealised income	-	20,775,594	-
	-	508,461,791	-

	Note	June 30, 2017 --- (Rupees) ---
Capital value		1,136,394,219
Undistributed income brought forward		
- Realised income		186,509,132
- Unrealised income		88,885,893
		275,395,025
Net assets at beginning of the year (Unit outstanding: 2,987,494) (Rs. 472.57 per unit)		1,411,789,244
Issue of 3,527,505 units		2,079,603,184
Redemption of 2,456,321 units		(1,480,137,414)
		599,465,770
Element of income and capital gains included in prices of units sold less those in units redeemed transferred to income statement - net	3.8	(93,256,667)
Other income (net of expenses) for the year		137,796,216
Capital gain on sale of investments - net		247,778,066
Net unrealised appreciation on remeasurement of investments classified as 'financial assets at fair value through profit or loss' - net		176,579,916
Total Comprehensive income for the year		562,154,198
Shariah non-compliant income set-aside for charity		(1,253,789)
Net assets at end of the year (Unit outstanding: 4,058,678) (Rs. 610.77 per unit)		2,478,898,756
Undistributed income carried forward		
- Realised income		608,077,116
- Unrealised income		228,218,318
		836,295,434

The annexed notes from 1 to 32 form an integral part of these financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 -----Rupees-----	2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (loss) / income for the year after taxation		(184,177,218)	562,154,198
Adjustments for:			
Profit on bank balances		(21,180,036)	(13,855,981)
Dividend income		(111,158,890)	(91,144,325)
Capital loss / (gain) on sale of investments - net		154,666,593	(247,778,066)
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		94,012,535	(176,579,916)
Element of income and capital gains included in prices of units issued less those in units redeemed - net		-	(93,256,667)
Reversal of provision for Workers' Welfare Fund		-	(21,015,392)
Provision for Sindh Workers' Welfare Fund		-	15,491,188
		116,340,202	(628,139,159)
Increase in assets			
Security deposits and other receivable		(4,025,000)	(122,589)
(Decrease) / increase in liabilities			
Payable to Atlas Asset Management Limited - Management Company		(1,171,507)	2,828,032
Payable to Central Depository Company of Pakistan Limited - Trustee		(66,284)	133,474
Payable to the Securities and Exchange Commission of Pakistan		125,090	922,336
Payable against purchase of investments		(23,099,504)	32,143,394
Accrued and other liabilities		(1,826,661)	(756,383)
		(26,038,866)	35,270,853
Profit received on bank balances		21,321,980	12,174,126
Dividend received		117,723,266	84,595,465
Investments made during the year		(1,582,141,536)	(2,608,813,137)
Investments sold during the year		1,663,740,761	2,089,612,012
Net cash generated from / (used in) operating activities		122,743,589	(453,268,231)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		1,764,585,177	2,079,828,184
Net payments against redemption of units		(1,873,131,751)	(1,260,785,948)
Dividend paid		(142,053,721)	-
Net cash (used in) / generated from financing activities		(250,600,295)	819,042,236
Net (decrease) / increase in cash and cash equivalents during the year		(127,856,706)	365,774,005
Cash and cash equivalents at the beginning of the year		442,628,274	76,854,269
Cash and cash equivalents at the end of the year	4	314,771,568	442,628,274

The annexed notes from 1 to 32 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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 and Ninth 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 and 25 May 2018 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 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 BASIS OF PREPERATION

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of directives issued under the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRSs, the provisions of and directives issued under the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

New Standards, Interpretations and Amendments

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Standard

IAS 7 Statement of Cash Flows - Disclosure Initiative - (Amendment)
IAS 12 Income Taxes – Recognition of Deferred Tax Assets for Unrealized losses (Amendments)

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

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

2.2.1 The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard, interpretation or amendment	Effective date (accounting periods beginning on or after)
- IFRS 2: Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)	01 January 2018
- IFRS 4 Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts - (Amendments)	01 January 2018
- IFRS 9 - Financial Instruments	01 July 2018
- IFRS 9 - Prepayment Features with Negative Compensation - (Amendments)	01 January 2019
- IFRS 10 Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalized
- IFRS 15 - Revenue from Contracts with Customers	01 July 2018
- IFRS 16 - Leases	01 January 2019
- IAS 19 - Plan Amendment, Curtailment or Settlement (Amendments)	01 January 2019
- IAS 28 - Long-term Interests in Associates and Joint Ventures - (Amendments)	01 January 2019
- IAS 40 Investment Property: Transfers of Investment Property (Amendments)	01 January 2018
- IFRIC 22 Foreign Currency Transactions and Advance Consideration	01 January 2018
- IFRIC 23 Uncertainty over Income Tax Treatments	01 January 2019

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application. However, the Fund is currently evaluating the requirements of IFRS-9 and potential impact on the financial statements of the Fund.

2.3 Critical accounting estimates and judgements

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

The areas involving a degree of judgment or complexity, or areas where estimates and assumptions are significant to the financial statements are as follow:

- Classification and valuation of investments (note 3.1.1, 3.1.4 and 5)
- Impairment of financial assets (note 3.1.5)
- Taxation (note 3.11 and 18)
- Provisions (note 3.5 and 12.2)

2.4 Accounting convention

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

2.5 Functional and presentation currency

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out as below. These policies have been applied consistently to all years except for the changes in accounting policies as explained in the note 3.9 below.

3.1 Financial assets

3.1.1 Classification

The Fund classifies its financial assets in the following categories: Financial assets at fair value through profit or loss, loans and receivables and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

a) Financial assets at fair value through profit or loss

These include held-for-trading investments and such other investments that, upon initial recognition, are designated under this category. Investments are classified as at fair value through profit or loss if they are acquired for the purpose of selling in the near term.

b) Loans and receivables

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

c) Available-for-sale

Available for sale financial assets are those non-derivative financial assets that are designated as available for sale or are not classified as (a) financial assets at fair value through profit or loss or (b) loans and receivables. These are intended to be held for an indefinite period of time which may be sold in response to the needs for liquidity or change in price.

3.1.2 Regular way contracts

All regular way purchases / sales of investments are recognised on the trade date, i.e. the date on which the Fund commits to purchase / sell the investment. Regular way purchases / sales of investments require delivery of securities within two days after transaction date as per the stock exchange regulations.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

3.1.3 Initial recognition and measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement.

3.1.4 Subsequent measurement

a) Equity securities

Subsequent to initial recognition, financial investment in equity securities is valued on the basis of closing quoted market prices available at the stock exchange.

Net gains and losses arising on such revaluation is taken to the income statement for securities carried at fair value through profit or loss.

Net gains and losses arising from changes in fair value of available for sale financial assets are taken to other comprehensive income until these are derecognised. At this time, the cumulative gain or loss, previously recognised in other comprehensive income, is shown as part of net income for the year.

b) Loans and receivables

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

Gains and losses are also recognised in the income statement when financial assets carried at amortised cost are derecognised or impaired.

3.1.5 Impairment

The Fund assesses at each reporting date whether there is objective evidence that the financial asset or a group of financial assets is impaired. In case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered, among other indicators, as an indicator that the securities are impaired. If any such evidence exists for available for sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in other comprehensive income is reclassified to 'income statement'. Impairment losses recognised on equity instruments are not reversed through the income statement.

For financial assets classified as 'loans and receivables', a provision for impairment is established when there is objective evidence that the Fund will not be able to collect all amounts due according to the original terms. The amount of provision is determined based on the provisioning criteria specified by the SECP.

3.1.6 Offsetting of financial assets and liabilities

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

3.1.7 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. They are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

3.2 Cash and cash equivalents

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

3.3 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

3.4 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement. Presently, the Fund does not have any derivative instrument.

3.5 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.6 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / Distributors as processing fee.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company receives redemption application during business hours of that day. The redemption price shall be equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges as processing fee.

3.7 Distribution to unit holders

Distribution to unit holders is recognised upon declaring and approval by the Distribution Committee of the Board of Directors of the Management Company under powers delegated to them by the Board of Directors of the Management Company or declaration and approval by the Board of Director of the Management Company.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.8 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

The SECP through its SRO no. 756(I)/2017 dated August 03, 2017 has made certain amendments in the NBFC Regulations with respect to the accounting treatment and disclosure requirements as summarized below:

(a) The notification includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in Regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

(b) The revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund.

(c) The regulations also require certain additional disclosures with respect to 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', whereas disclosure with respect to 'Distribution Statement' has been deleted in the revised regulations.

Previously, the net element of income / (loss) and capital gains / (losses) relating to units issued and redeemed during an accounting year was recognised in the Income Statement.

The above changes resulted in a change in accounting policy with respect to the presentation element of income / (loss) and capital gains / (loss). As required by IAS 8: 'Accounting Policies, Changes in Accounting Estimates and Errors', a change in accounting policy requires retrospective application as if that policy had always been applied. However, the Management Company has applied the above changes in accounting policy, including the additional disclosures requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund', prospectively from July 1, 2017 as required by SECP vide its SRO no. 756(I)/2017 dated August 03, 2017. Accordingly, corresponding figures have not been restated.

Had the element of income been recognised as per the previous accounting policy, the income of the Fund would have been higher by Rs. 7.75 million. However, the change in accounting policy does not have any impact on the 'Cash Flow Statement', the 'net assets attributable to the unit holders' and 'net asset value per unit' as shown in the 'Statement of Assets and Liabilities' and 'Statement of Movement in Unit Holders' Fund'. The change has resulted in inclusion of certain additional disclosures / new presentation requirements in the 'Income Statement' and 'Statement of Movement in Unit Holders' Fund' which have been incorporated in these statements.

Additionally, the revised regulations required that for the purpose of maintaining the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution.

The income paid on redemption of units during the year will be considered as distribution of income during the year and therefore, will be deducted from the net income to arrive at the income available for distribution to the unit holders at the end of the year. MUFAP, in consultation with the SECP, has specified the methodology of determination of income paid on units redeemed during the year which has been followed by the Fund.

3.9 Revenue recognition

- Gains or losses on sale of investments are included in the Income Statement in the year in which it arises.
- Dividend income is recognised when the right to receive the dividend is established.
- Interest income on bank balances, placements and deposits is recognised on an accrual basis.
- Unrealised appreciation / (diminution) in the value of investments classified as 'financial assets at fair value through profit or loss' are included in the Income Statement in the period in which they arise.
- Element of income / loss and capital gains / losses in prices of units issued less those in units redeemed is recognised when the units are issued and redeemed at the transaction date.

3.10 Expenses

All expenses chargeable to the Fund including remuneration of Management Company and Trustee and annual fee of the SECP are recognised in the income statement on an accrual basis.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

3.11 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 ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders. The Fund intends to distribute such income at the year end in order to avail this tax exemption. Accordingly, no provision is made for current and deferred taxation in these financial statements.

3.12 Net asset value per unit

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

3.13 Earnings per unit

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

4 BANK BALANCES	Note	2018	2017
		-----Rupees-----	
In local currency			
- Profit and loss sharing accounts	4.1	313,141,170	442,218,003
- Current account		36,398	250,271
- Cheque in hand	4.2	1,594,000	160,000
		314,771,568	442,628,274
4.1	The rate of return on these profit and loss sharing accounts ranges between 3.00% to 6.50% (30 June 2017: 2.00% to 5.60%) per annum.		
4.2	This denotes cheque received against issue of units which was deposited and cleared in the bank account subsequent to the year end on 10 July 2018.		

5 INVESTMENTS	Note	2018	2017
		-----Rupees-----	
At fair value through profit or loss			
- Listed equity securities	5.1	1,980,443,244	2,310,721,597
		1,980,443,244	2,310,721,597

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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	As at 01 July 2017	Purchases during the year	Bonus / Right shares during the year	Sales during the year	As at 30 June 2018	Carrying Cost	Market Value	Market Value as a Percentage of total investments	Market Value as a percentage of net assets	Percentage of Paid up capital of investee company held
	-----Number of shares-----					-----Rupees-----		----- Percentage -----		
At fair value through profit or loss - equity securities										
Meezan Bank Limited	634,500	1,473,000	35,490	215,000	1,927,990	145,900,910	157,555,343	7.96	6.96	0.18
	634,500	1,473,000	35,490	215,000	1,927,990	145,900,910	157,555,343	7.96	6.96	0.18
TEXTILE COMPOSITE										
Kohinoor Textile Mills Limited	-	556,800	-	156,800	400,000	23,833,351	21,996,000	1.11	0.97	0.13
Nishat Mills Limited	480,000	305,000	-	235,000	550,000	85,642,115	77,506,000	3.91	3.43	0.16
	480,000	861,800	-	391,800	950,000	109,475,466	99,502,000	5.02	4.40	0.29
WOOLLEN										
Bannu Woollen Mills Limited	-	24,500	-	24,500	-	-	-	-	-	-
	-	24,500	-	24,500	-	-	-	-	-	-
CEMENT										
Attock Cement Pakistan Limited	-	100,300	-	-	100,300	15,899,371	13,488,344	0.68	0.60	0.09
Cherat Cement Company Limited	175,000	-	-	175,000	-	-	-	-	-	-
D.G. Khan Cement Company Limited	280,000	754,500	-	419,500	615,000	92,242,403	70,411,350	3.56	3.11	0.14
Fauji Cement Company Limited	2,400,000	-	-	2,400,000	-	-	-	-	-	-
Kohat Cement Company Limited	289,200	211,600	-	435,800	65,000	13,817,123	7,999,550	0.40	0.35	0.04
Lucky Cement Limited (see note 5.3)	185,000	113,200	-	83,200	215,000	150,235,616	109,204,950	5.51	4.83	0.07
Maple Leaf Cement Factory Limited	-	175,000	-	-	175,000	9,043,890	8,879,500	0.45	0.39	0.03
Pioneer Cement Limited	522,500	25,000	-	247,500	300,000	38,738,972	14,058,000	0.71	0.62	0.13
	3,851,700	1,379,600	-	3,761,000	1,470,300	319,977,375	224,041,694	11.31	9.90	0.50
REFINERY										
Attock Refinery Limited	-	50,000	-	50,000	-	-	-	-	-	-
National Refinery Limited	30,000	25,000	-	30,000	25,000	10,485,807	11,075,250	0.56	0.49	0.03
	30,000	75,000	-	80,000	25,000	10,485,807	11,075,250	0.56	0.49	0.03
POWER GENERATION & DISTRIBUTION										
K-Electric Limited (face value 3.5)	4,000,000	2,100,000	-	3,100,000	3,000,000	20,699,645	17,040,000	0.86	0.75	0.01
Lalpir Power Limited	-	150,000	-	38,000	112,000	2,464,045	2,151,520	0.11	0.10	0.03
Pakgen Power Limited	-	1,500,000	-	-	1,500,000	33,044,698	28,920,000	1.46	1.28	0.40
The Hub Power Company Limited (see note 5.3)	1,200,000	612,900	-	512,750	1,300,150	145,833,999	119,821,824	6.05	5.30	0.11
	5,200,000	4,362,900	-	3,650,750	5,912,150	202,042,387	167,933,344	8.48	7.42	0.55
OIL & GAS MARKETING COMPANIES										
Attock Petroleum Limited	105,100	43,250	-	72,500	75,850	44,937,064	44,750,742	2.26	1.98	0.09
Pakistan State Oil Company Limited (see note 5.3 & 5.4)	235,000	-	34,000	105,000	164,000	52,937,832	52,202,840	2.64	2.31	0.05
Sui Northern Gas Pipelines Limited	650,000	451,700	-	630,000	471,700	57,002,807	47,273,774	2.39	2.09	0.07
Sui Southern Gas Company Limited	400,000	75,000	-	475,000	-	-	-	-	-	-
	1,390,100	569,950	34,000	1,282,500	711,550	154,877,703	144,227,356	7.28	6.38	0.21
OIL & GAS EXPLORATION COMPANIES										
Mari Petroleum Company Limited	94,510	13,900	-	33,400	75,010	117,466,254	112,978,562	5.70	4.99	0.07
Oil & Gas Development Company Limited	775,500	965,200	-	375,700	1,365,000	207,283,770	212,421,300	10.73	9.39	0.03
Pakistan Oilfields Limited	190,100	118,500	-	144,600	164,000	80,066,189	110,173,560	5.56	4.87	0.07
Pakistan Petroleum Limited (see note 5.3)	760,000	350,000	-	322,500	787,500	136,879,431	169,233,750	8.55	7.48	0.04
	1,820,110	1,447,600	-	876,200	2,391,510	541,695,644	604,807,172	30.54	26.74	0.21
ENGINEERING										
International Industries Limited	215,000	143,500	-	193,500	165,000	52,456,002	38,327,850	1.94	1.69	0.14
International Steels Limited	100,000	552,000	-	652,000	-	-	-	-	-	-
Mughal Iron And Steel Industries Limited	-	105,000	-	-	105,000	7,831,404	6,449,100	0.33	0.29	0.04
	315,000	800,500	-	845,500	270,000	60,287,406	44,776,950	2.26	1.98	0.18
AUTOMOBILE ASSEMBLER										
Atlas Honda Limited	30,000	-	-	9,500	20,500	12,382,615	10,455,000	0.53	0.46	0.02
Millat Tractors Limited	12,500	-	-	-	12,500	17,180,500	14,850,750	0.75	0.66	0.03
Pak Suzuki Motor Company Limited	27,000	-	-	27,000	-	-	-	-	-	-
	69,500	-	-	36,500	33,000	29,563,115	25,305,750	1.28	1.12	0.05

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Name of Investee Company	As at 01 July 2017	Purchases during the year	Bonus / Right shares during the year	Sales during the year	As at 30 June 2018	Carrying Cost	Market Value	Market Value as a Percentage of total investments	Market Value as a percentage of net assets	Percentage of Paid up capital of investee company held
<div>-----Number of shares-----<div>Rupees-----Percentage-----</div></div>										
At fair value through profit or loss - equity securities										
AUTOMOBILE PARTS & ACCESSORIES										
Agriauto Industries Limited (face value Rs. 5)	80,000	-	-	1,000	79,000	34,120,100	23,305,000	1.18	1.03	0.27
Thal Limited (face value Rs. 5)	55,000	14,000	-	69,000	-	-	-	-	-	-
The General Tyre & Rubber Company of Pakistan Limited	-	130,000	-	130,000	-	-	-	-	-	-
	135,000	144,000	-	200,000	79,000	34,120,100	23,305,000	1.18	1.03	0.27
CABLES & ELECTRICAL GOODS										
Pak Elektron Limited	425,000	925,000	-	745,000	605,000	37,770,979	21,453,300	1.08	0.95	0.12
Pakistan Cables Limited	2,000	-	-	2,000	-	-	-	-	-	-
	427,000	925,000	-	747,000	605,000	37,770,979	21,453,300	1.08	0.95	0.12
TECHNOLOGY & COMMUNICATIONS										
Pakistan Telecommunication Company Limited	1,500,000	81,500	-	1,581,500	-	-	-	-	-	-
Systems Limited	-	143,000	-	-	143,000	13,678,260	14,474,460	0.73	0.64	0.13
	1,500,000	224,500	-	1,581,500	143,000	13,678,260	14,474,460	0.73	0.64	0.13
FERTILIZER										
Dawood Hercules Corporation Limited	400,000	46,900	-	196,100	250,800	33,528,793	27,783,624	1.40	1.23	0.05
Engro Corporation Limited	440,000	605,000	-	450,000	595,000	176,597,744	186,746,700	9.43	8.26	0.11
Engro Fertilizers Limited	3,000,000	300,000	-	1,400,000	1,900,000	108,909,120	142,329,000	7.19	6.29	0.14
	3,840,000	951,900	-	2,046,100	2,745,800	319,035,657	356,859,324	18.02	15.77	0.30
PHARMACEUTICALS										
Abbott Laboratories (Pakistan) Limited	34,050	-	-	34,050	-	-	-	-	-	-
Ferozsons Laboratories Limited	-	25,000	-	25,000	-	-	-	-	-	-
Glaxosmithkline Pakistan Limited	145,000	-	-	144,800	200	39,384	33,200	0.00	0.00	-
The Searle Company Limited (see note 5.4)	250	45,000	50	13,300	32,000	10,475,077	10,864,000	0.55	0.48	0.02
	179,300	70,000	50	217,150	32,200	10,514,461	10,897,200	0.55	0.48	0.02
CHEMICALS										
Archroma Pakistan Limited	12,500	-	-	12,100	400	285,116	202,000	0.01	0.01	-
Dynea Pakistan Limited	-	22,500	-	22,500	-	-	-	-	-	-
Engro Polymer & Chemicals Limited	1,125,000	1,408,500	-	2,533,500	-	-	-	-	-	-
ICI Pakistan Limited	-	8,000	-	8,000	-	-	-	-	-	-
Ittehad Chemicals Limited	-	150,000	-	150,000	-	-	-	-	-	-
Lotte Chemical Pakistan Limited	1,500,000	1,700,000	-	2,000,000	1,200,000	14,171,775	14,352,000	0.72	0.63	0.08
Sitara Chemical Industries Limited	30,000	-	-	30,000	-	-	-	-	-	-
	2,667,500	3,289,000	-	4,756,100	1,200,400	14,456,891	14,554,000	0.73	0.64	0.08
PAPER & BOARD										
Packages Limited	-	55,000	-	5,000	50,000	31,824,942	24,486,000	1.24	1.08	0.06
	-	55,000	-	5,000	50,000	31,824,942	24,486,000	1.24	1.08	0.06
LEATHER & TANNERIES										
Service Industries Limited	-	27,020	-	650	26,370	23,342,650	20,699,923	1.05	0.92	0.22
	-	27,020	-	650	26,370	23,342,650	20,699,923	1.05	0.92	0.22
FOODS & PERSONAL CARE PRODUCTS										
Al Shaheer Corporation Limited (see note 5.4)	6,713	525,000	-	-	531,713	15,406,026	14,489,178	0.73	0.64	0.37
Engro Foods Limited	-	170,000	-	170,000	-	-	-	-	-	-
	6,713	695,000	-	170,000	531,713	15,406,026	14,489,178	0.73	0.64	0.37
GLASS & CERAMICS										
Ghani Glass Limited	-	100,000	-	100,000	-	-	-	-	-	-
Shabbir Tiles & Ceramics Limited	-	600,000	-	600,000	-	-	-	-	-	-
Tariq Glass Industries Limited	700	175,000	-	175,700	-	-	-	-	-	-
	700	875,000	-	875,700	-	-	-	-	-	-
MISCELLANEOUS										
Tri-Pack Films Limited	-	12,000	-	12,000	-	-	-	-	-	-
	-	12,000	-	12,000	-	-	-	-	-	-
Total as at 30 June 2018						2,074,455,779	1,980,443,244	100.00	87.55	
Total as at 30 June 2017						2,134,141,681	2,310,721,597			

5.2 The cost of listed equity securities as at 30 June 2018 is Rs. 1,959,667,650 (2017: Rs. 2,082,503,279).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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

	Number of shares		Market value	
	2018	2017	2018	2017
			----- Rupees -----	
The Hub Power Company Limited	200,000	200,000	18,432,000	23,486,000
Pakistan Petroleum Company Limited	135,000	135,000	29,011,500	19,998,900
Pakistan State Oil Company Limited	110,000	110,000	35,014,100	42,608,500
Lucky Cement Limited	75,000	75,000	38,094,750	62,719,500
			120,552,350	148,812,900

- 5.4 The investment in equity securities include the bonus shares having market value of Rs. 0.69 million withheld by the investee companies, as issuance of bonus shares has been made taxable through Finance Act, 2014.

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

The Honorable Supreme Court in its decision dated June 27, 2018 in a case held that the suits which are already pending or shall be filed in future, must only be maintained / entertained on the condition that a minimum of 50% of the tax calculated by the tax authorities is deposited with the authorities. In pursuance of said Supreme Court order, SHC issued notices of hearing for cases of tax related matters and held that Plaintiffs are directed to deposit 50% of amount claimed by the tax department, if the deposits are not made within time, the suits stand dismissed as not maintainable. MUFAP discussed this matter with the lawyer alongwith members of the AMC's, and it was agreed that 50% of the said tax withheld amount must have to be deposited, in order of saving our remaining 50% withheld tax amount. The lawyer vide its letters dated August 16, 2018 has directed share registrars to deposit 50% of tax withheld in FBR accounts, in respect of all bonus shares cases.

6 ADVANCE, SECURITY DEPOSITS AND OTHER RECEIVABLE	Note	2018	2017
		----- Rupees -----	
Held with:			
National Clearing Company of Pakistan Limited		2,500,000	2,500,000
Central Depository Company of Pakistan Limited		100,000	100,000
Withholding tax receivable	6.1	2,597,419	2,597,419
Advance against book building - At-Tahur Limited		4,025,000	-
		9,222,419	5,197,419

- 6.1 As per Clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under sections 150 and 151. However, several Companies (including banks) deducted withholding tax on dividend and profit on bank deposits paid to the Fund based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced by the withholder. Such deductions aggregate to Rs. 2.597 million (2017: 2.597 million).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all Funds managed by the Company to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted from dividend and profit received on bank deposits by the Funds has been shown as other receivable as at 30 June 2018 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

7	PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - RELATED PARTY	Note	2018	2017
			-----Rupees-----	
	Remuneration of the Management Company	7.1	3,817,436	4,793,989
	Sindh Sales Tax payable on remuneration of the Management Company	7.2	2,052,827	2,179,779
	Federal Excise Duty payable on remuneration of the Management Company	7.3	10,453,385	10,453,385
	Accounting and operational charges payable	13	190,872	239,698
	Sindh Sales Tax on accounting and operational charges		-	19,176
			16,514,520	17,686,027

7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company is entitled to 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 year ended 30 June 2018, the Management Company has charged its remuneration at the rate of 2% (2017: 2%) per annum of the average annual net assets of the Fund. The fee is payable to the Management Company monthly in arrears.

7.2 During the year, an amount of Rs. 6,321,090 (2017: Rs. 5,978,750) 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. 6,448,042 (2017: Rs. 5,689,755) has been paid to the Management Company which acts as the collecting agent.

7.3 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 8.2 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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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 2017: 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 June 2018 would have been higher by Rs 2.45 per unit (30 June 2017: Rs 2.58 per unit).

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN - TRUSTEE - RELATED PARTY

	Note	2018 -----Rupees-----	2017 -----Rupees-----
Trustee fee	8.1	273,062	324,719
Sindh Sales Tax payable on trustee fee	8.2	35,497	42,213
Settlement charges		3,000	10,000
Sindh Sales Tax payable on settlement charges		389	1,300
		311,948	378,232

8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed as follows:

On net assets:

- up to Rs. 1,000 million Rs. 0.7 million or 0.20% per annum of Net Asset Value whichever is higher
- On an amount exceeding Rs.1,000 million Rs. 2.0 million plus 0.10% per annum of Net Asset Value exceeding Rs. 1,000 million

8.2 During the year, an amount of Rs. 445,687 (2017: Rs 429,294) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 452,403 (2017: Rs. 415,268) was paid to the Trustee which acts as a collecting agent.

9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

	Note	2018 -----Rupees-----	2017 -----Rupees-----
Annual fee payable	9.1	2,309,630	2,184,540

9.1 In accordance with the NBFC Regulations, 2008, a collective investment scheme classified as an equity scheme is required to pay the Securities and Exchange Commission of Pakistan an amount equal to 0.095% of the average annual net assets of the Fund as annual fee.

10 PAYABLE AGAINST REDEMPTION OF UNITS

This includes payable against units redeemed to the unit holders based on their request for transfer of units from the Fund to other funds managed by the Management Company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

11 ACCRUED AND OTHER LIABILITIES	Note	2018	2017
		-----Rupees-----	
Auditors' remuneration payable		241,365	-
Printing charges payable		171,177	141,155
Rating fee payable		140,000	140,000
Charity payable		463,265	189,888
Transaction charges payable		368,629	613,844
Legal and professional charges payable		-	100,000
Withholding tax and Capital gain payable		73,467	188,577
Payable to Shariah Advisor		75,004	85,713
Provision for Sindh Workers' Welfare Fund	11.2	15,491,187	15,491,188
Others		276,202	350,456
		17,300,296	17,524,253

11.1 The Shariah Advisor of the Fund, has certified an amount of Rs. 1,602,704 (30 June 2017: Rs. 1,253,789) against dividend income, as Shariah non-compliant income during the period, which has accordingly been marked to charity.

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

The above decisions were communicated to the SECP and the Pakistan Stock Exchange Limited on 12 January 2017 and the SECP vide its letter dated 1 February 2017 has advised MUFAP that the adjustments relating to the above should be prospective and supported by adequate disclosures in the financial statements of the CISs/ mutual funds.

Had the provision for SWWF not been recorded in these financial statements of the Fund, the net asset value of the Fund as at 30 June 2018 would have been higher by Rs. 3.63 per unit (30 June 2017: Rs. 3.82 per unit)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

12 CONTINGENCIES AND COMMITMENTS

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

13 ACCOUNTING AND OPERATIONAL CHARGES

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

14 ADVERTISEMENT AND MARKETING EXPENSES

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

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

The management has also carried out an exercise to identify expenses of the Management Company (on the basis of criteria mentioned in the above circular and approved plan) that can be charged to the Fund. As the actual expenses incurred by the Management Company that are allowable to be allocated to the Fund for the year ended 30 June 2018 are lower than 0.4% per annum of net assets of the Fund. Accordingly, with effect from 1 July 2017, the Management Company has charged expenses in the Fund on the actual basis being lower than the allowed limit.

15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 June 2018 is 2.79% (30 June 2017: 2.63%) which includes 0.40% (30 June 2017: 1.10%) 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.

16 AUDITORS' REMUNERATION

	2018	2017
	-----Rupees-----	
Audit fee	120,000	120,000
Half yearly review of financial statements	60,000	60,000
Review of statement of compliance with Code of Corporate Governance	-	39,600
Certification charges	50,000	-
Sindh Sales Tax on Services	29,900	20,736
Out of pocket expenses	42,100	69,584
	302,000	309,920

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

17 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the Fund has incurred net loss for the year hence, no distribution has been made by the Fund.

18 EARNINGS PER UNIT

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

19 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 19.1** Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors, their close family members and key management personnel of the Management Company or for any of the connected persons of the Management Company.
- 19.2** Transactions with connected persons essentially comprise issue and redemption of units, fee on account of managing the affairs of the Fund, sales load and other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 19.3** Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC regulations and the Trust Deed.
- 19.4** The details of transactions carried out by the Fund with connected persons during the year and the balances with them at the year end are as follows:

	2018	2017
	-----Rupees-----	
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	48,623,772	45,990,386
Remuneration paid	49,600,325	43,583,696
Sindh sales tax on remuneration of the Management Company	6,321,090	5,978,750
Accounting and operational charges	2,403,047	2,264,390
Sindh Sales Tax on accounting and operational charges	-	181,151
Remuneration payable to the Management Company	3,817,436	4,793,989
Issue of 2,711 (2017: Nil) units	1,561,061	-
Redemption of Nil (2017: 11,971) units	-	7,500,000
Outstanding 53,685 (2017:50,973) units - at net asset value	28,473,822	31,132,779
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	3,428,357	3,302,260
Sindh sales tax on remuneration of the Trustee	445,687	429,294
Remuneration paid	3,480,014	3,178,875
Remuneration payable to the Trustee	273,062	324,719
Settlement charges	143,373	188,900
Sindh sales tax on settlement charges	18,639	24,557

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	-----Rupees-----	
Atlas Battery Limited (Group Company)		
Issue of 69,611 (2017: 1,160,763) units	40,080,134	662,253,087
Redemption of 506,353 (2017:320,875) units	280,000,000	200,000,000
Dividend paid	450,805,868	-
Outstanding 871,997 (2017: 1,308,739) units - at net asset value	462,498,556	799,338,519
Atlas Honda Limited (Group Company)		
Issue of 38,374 (2017: Nil) units	22,094,487	-
Dividend paid	25,250,842	-
Outstanding 759,826 (2017: 721,453) units - at net asset value	403,004,346	440,641,849
Atlas Insurance Limited (Group company)		
Issue of 1,188,416 (2017: 731,162) units	622,305,049	408,487,682
Redemption of 1,392,013 (2017: 819,021) units	732,847,282	477,893,034
Dividend paid	18,231,368	-
Outstanding 317,300 (2017: 520,896) units - at net asset value	168,292,639	318,147,650
Atlas Foundation (Group company)		
Issue of 5,235 (2017: 9,784) units	3,013,961	5,000,000
Dividend paid	3,444,527	-
Outstanding 103,650 (2017: 98,414) units - at net asset value	54,974,774	60,108,319
Atlas Honda Limited Employee Provident Fund (Retirement benefit plan of group company)		
Issue of 6,564 (2017: Nil) units	3,779,464	-
Dividend paid	3,779,464	-
Outstanding 114,549 (2017:107,985) units - at net asset value	60,755,585	65,953,998
Atlas Engineering Limited Employee Provident Fund (Retirement benefit plan of group company)		
Issue of 2,561 (2017: Nil) units	1,474,815	-
Redemption of 44,699 (2017:15,780) units	24,587,154	9,860,449
Dividend paid	1,474,815	-
Outstanding Nil (2017:42,138) units - at net asset value	-	25,736,626
Atlas Insurance Limited Staff Provident Fund Trust (Retirement benefit plan of group company)		
Issue of 1,654 (2017: Nil) units	952,589	-
Dividend paid	952,589	-
Redemption 17,557 (2017:Nil)	10,000,000	-
Outstanding 11,314 (2017: 27,217) units - at net asset value	6,001,096	16,623,327
Atlas Group of Companies, Management Staff Gratuity Fund (Retirement benefit plan of group company)		
Issue of 71,124 (2017: Nil)	35,521,285	-
Redemption of Nil (2017: 8,078) units	-	5,000,000
Dividend paid	1,903,401	-
Outstanding 125,506 (2017: 54,383) units - at net asset value	66,567,313	33,214,894

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

	2018	2017
	-----Rupees-----	
Batools Benefit Trust (Trust having common Director / Trustee)		
Issue of 5,524 (2017: Nil)	3,180,500	-
Dividend paid	3,634,857	-
Outstanding 109,377 (2017: 103,853) units - at net asset value	58,012,449	63,430,297
Atlas Insurance Limited Window Takaful Operation		
Issue of 44,617 (2017: 40,327) units	22,949,462	24,000,000
Redemption of 42,472 (2017: Nil) units	21,714,458	-
Dividend paid	1,411,453	-
Outstanding 42,472 (2017: 40,327) units - at net asset value	22,526,515	24,630,522
Cherat Cement Company Limited Employees Provident Fund		
Issue of 174 (2017: 3,274) units	100,279	2,096,423
Redemption of 3,449 (2017: Nil)	1,721,259	-
Outstanding Nil (2017: 3,274) units - at net asset value	-	1,999,919
Shirazi Investments (Private) Limited -Employee Provident Fund		
Issue of 25,607 (2017: Nil) units	13,450,000	-
Outstanding 25,607 (2017: Nil) units - at net asset value	13,581,656	-
Directors and their close family members and key management personnel and executives of the Management Company		
Issue of 24,986 (2017: 408) units	13,265,985	249,421
Redemption of 16,932 (2017: 24,539) units	8,912,176	15,067,318
Dividend Paid	4,480,548	-
Outstanding 136,070 (2017: 126,891) units - at net asset value	72,170,026	77,501,216

19.5 Other balances due from / to related parties / connected persons are included in the respective notes to the financial statements.

20 FINANCIAL INSTRUMENTS BY CATEGORY

	-----As at 30 June 2018-----			
	Loans and receivables	At fair value through profit or loss	Available for sale	Total
	----- (Rupees) -----			
Financial Assets				
Bank balances	314,771,568	-	-	314,771,568
Investments	-	1,980,443,244	-	1,980,443,244
Profit receivable on bank balances	1,936,254	-	-	1,936,254
Dividend receivable	1,469,784	-	-	1,469,784
	318,177,606	1,980,443,244	-	2,298,620,850

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

-----As at 30 June 2018-----			
	Liabilities at fair value through profit or loss	Other financial liabilities	Total
	----- (Rupees) -----		
Financial Liabilities			
Payable to Atlas Asset Management Limited - Management Company	-	16,514,520	16,514,520
Payable to Central Depository Company of Pakistan Limited - Trustee	-	311,948	311,948
Payable against purchase of investments	-	9,043,890	9,043,890
Payable against redemption of units	-	174,067	174,067
Accrued expenses and other liabilities	-	1,735,642	1,735,642
	-	27,780,067	27,780,067

	-----As at 30 June 2017-----			
	Loans and receivables	At fair value through profit or loss	Available for sale	Total
	----- (Rupees) -----			
Financial Assets				
Bank balances	442,628,274	-	-	442,628,274
Investments	-	2,310,721,597	-	2,310,721,597
Profit receivable on bank balances	2,078,198	-	-	2,078,198
Dividend receivable	8,034,160	-	-	8,034,160
Receivable against issue of units	-	-	-	-
	452,740,632	2,310,721,597	-	2,763,462,229

-----As at 30 June 2017-----			
	Liabilities at fair value through profit or loss	Others	Total
	----- (Rupees) -----		
Financial Liabilities			
Payable to Atlas Asset Management Limited - Management Company	-	17,686,027	17,686,027
Payable to Central Depository Company of Pakistan Limited - Trustee	-	378,232	378,232
Payable against purchase of investments	-	32,143,394	32,143,394
Payable against redemption of units	-	219,844,446	219,844,446
Accrued expenses and other liabilities	-	1,844,488	1,844,488
	-	271,896,587	271,896,587

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

21.2 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as profit rates, foreign exchange rates and equity prices.

(i) Profit rate risk

Profit rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market profit rates. As of 30 June 2018, the Fund is exposed to such risk on its balances held with banks. The investment committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which exposes the fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in market interest rates as at June 30, 2018, with all other variables held constant, the net income for the year and net assets would have been higher / lower by Rs. 3,131,412 (2017: Rs. 4,422,180).

b) Sensitivity analysis for fixed rate instruments

Presently, the Fund does not hold any fixed rate instrument that may expose the Fund to fair value profit rate risk.

The composition of the Fund's investment portfolio and profit rates are expected to change overtime. Accordingly, the sensitivity analysis prepared as of 30 June 2018 is not necessarily indicative of the impact on the Fund's net assets of the future movement in profit rates.

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

The fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2018 can be determined as follows:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Financial Assets

Cash and Bank balances
Investments
Markup accrued
Dividend receivable

Financial Liabilities

Payable to Atlas Asset Management Limited
- Management Company
Payable to Central Depository Company of
Pakistan Limited - Trustee
Payable against purchase of investments
Payable against redemption of units
Accrued expenses and other liabilities

On-balance sheet gap (a)

Off-balance sheet financial instruments

Off-balance sheet gap (b)

Total interest rate sensitivity gap (a + b)

Cumulative interest rate sensitivity gap

----- As at June 30, 2018 -----					
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and upto one	More than one year		
Percentage	----- (Rupees) -----				
3.0 - 6.50	313,141,170	-	-	-	313,141,170
	-	-	-	1,980,443,244	1,980,443,244
	-	-	-	1,936,254	1,936,254
				1,469,784	1,469,784
	313,141,170	-	-	1,983,849,282	2,296,990,452
	-	-	-	16,514,520	16,514,520
	-	-	-	311,948	311,948
				9,043,890	9,043,890
	-	-	-	174,067	174,067
	-	-	-	1,735,642	1,735,642
	-	-	-	27,780,067	27,780,067
	313,141,170	-	-	1,956,069,215	2,269,210,385
	-	-	-	-	-
	-	-	-	-	-
	313,141,170	-	-		
	313,141,170	313,141,170	313,141,170		

Financial Assets

Cash and Bank balances
Investments
Markup accrued
Dividend receivable
Receiveable against sale of units

Financial Liabilities

Payable to Atlas Asset Management Limited
- Management Company
Payable to Central Depository Company of
Pakistan Limited - Trustee
Payable against purchase of investments
Payable against redemption of units
Accrued expenses and other liabilities

On-balance sheet gap (a)

Off-balance sheet financial instruments

Off-balance sheet gap (b)

Total interest rate sensitivity gap (a + b)

Cumulative interest rate sensitivity gap

As at June 30, 2017					
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
Percentage	----- (Rupees) -----				
2.00 - 5.95	442,218,003	-	-	410,271	442,628,274
	-	-	-	2,310,721,597	2,310,721,597
	-	-	-	2,078,198	2,078,198
	-	-	-	8,034,160	8,034,160
	-	-	-	-	-
	442,218,003	-	-	2,321,244,226	2,763,462,229
	-	-	-	17,686,027	17,686,027
	-	-	-	378,232	378,232
	-	-	-	32,143,394	32,143,394
	-	-	-	219,844,446	219,844,446
	-	-	-	1,844,488	1,844,488
	-	-	-	271,896,587	271,896,587
	442,218,003	-	-	2,049,347,639	2,491,565,642
	-	-	-	-	-
	-	-	-	-	-
	442,218,003	-	-		
	442,218,003	442,218,003	442,218,003		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

(ii) Foreign currency risk

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

(iii) Equity price risk

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

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

In case of 5% increase / decrease in KMI 30 index on 30 June, 2018, with all other variables held constant, net income of the Fund for the period would increase / decrease by Rs. 99,022,162 (2017: 8,544,101) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KMI 30 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI 30 Index, is expected to change overtime. Accordingly, the sensitivity analysis prepared as of 30 June 2018 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI 30 Index.

21.3 Liquidity risk

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

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

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

-----As at 30 June 2018-----						
	Within 1 month	1 to 3 months	3 to 12 months	More than 1 year	Financial instruments without fixed maturity	Total
----- Rupees -----						
Financial Assets						
Bank balances	314,771,568	-	-	-	-	314,771,568
Investments	-	-	-	-	1,980,443,244	1,980,443,244
Profit receivable on bank balances	1,936,254	-	-	-	-	1,936,254
Dividend receivable	1,469,784	-	-	-	-	1,469,784
	318,177,606	-	-	-	1,980,443,244	2,298,620,850
Financial Liabilities						
Payable to Atlas Asset Management Limited - Management Company	16,514,520	-	-	-	-	16,514,520
Payable to Central Depository Company of Pakistan Limited - Trustee	311,948	-	-	-	-	311,948
Payable against purchase of investments	9,043,890	-	-	-	-	9,043,890
Payable against redemption of units	174,067	-	-	-	-	174,067
Accrued expenses and other liabilities	368,629	779,634	587,379	-	-	1,735,642
	26,413,054	779,634	587,379	-	-	27,780,067
Net assets / (liabilities)	291,764,552	(779,634)	(587,379)	-	1,980,443,244	2,270,840,783
-----As at 30 June 2017-----						
	Within 1 month	1 to 3 months	3 to 12 months	More than 1 year	Financial instruments without fixed maturity	Total
----- Rupees -----						
Financial Assets						
Bank balances	442,628,274	-	-	-	-	442,628,274
Investments	-	-	-	-	2,310,721,597	2,310,721,597
Profit receivable on bank balances	2,078,198	-	-	-	-	2,078,198
Dividend receivable	8,034,160	-	-	-	-	8,034,160
Receivables against sale of units	-	-	-	-	-	-
	452,740,632	-	-	-	2,310,721,597	2,763,462,229
Financial Liabilities						
Payable to Atlas Asset Management Limited - Management Company	17,686,027	-	-	-	-	17,686,027
Payable to Central Depository Company of Pakistan Limited - Trustee	378,232	-	-	-	-	378,232
Payable against purchase of investments	32,143,394	-	-	-	-	32,143,394
Payable against redemption of units	219,844,446	-	-	-	-	219,844,446
Accrued expenses and other liabilities	613,844	599,033	631,611	-	-	1,844,488
	270,665,943	599,033	631,611	-	-	271,896,587
Net assets / (liabilities)	182,074,689	(599,033)	(631,611)	-	2,310,721,597	2,491,565,642

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

21.4 Credit risk

Credit risk represents the risk of a loss if counterparties fail to perform as contracted and arises principally from bank balances, investments, profit receivable and deposit and other receivable.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets.

	2018		2017	
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
Bank balances	314,771,568	314,771,568	442,628,274	442,628,274
Investments	1,980,443,244	-	2,310,721,597	-
Profit receivable on bank balances	1,936,254	1,936,254	2,078,198	2,078,198
Dividend receivable	1,469,784	1,469,784	8,034,160	8,034,160
	2,298,620,850	318,177,606	2,763,462,229	452,740,632

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in equity securities of Rs 1,980.443 million (2017: Rs 2,310.722 million) is not exposed to credit risk.

21.4.1 Credit quality of financial assets

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

Ratings of amount placed with Banks	% of financial assets exposed to credit risk	
	2018	2017
AA+	0.01	0.12
A+	51.76	-
A	48.23	99.88
	100.00	100.00

The maximum exposure to credit risk before any credit enhancement as at 30 June 2018 is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Funds portfolio of financial assets is mainly held with credit worthy counterparties.

21.5 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

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.

21.6 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.

22 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. They are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

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

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

In accordance with the risk management policies as stated in note 20, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

23 UNIT HOLDING PATTERN OF THE FUND

Category	2018			2017		
	Number of unit holders	Rupees	% of total	Number of unit holders	Rupees	% of total
Individuals	554	201,712,086	8.92%	488	198,447,968	8.01%
Retirement Funds	13	325,712,489	14.40%	14	322,052,692	12.99%
Associated Companies/ Directors	9	1,233,718,814	54.53%	10	1,801,336,252	72.67%
Others	7	190,865,822	8.44%	6	146,768,050	5.92%
Insurance Companies	8	310,179,707	13.71%	1	10,293,794	0.42%
	591	2,262,188,918	100.00%	519	2,478,898,756	100.00%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

24 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

2018		2017	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Optimus Capital Management (Private) Limited	8.49%	Shajar Capital Pakistan (Private) Limited	7.26%
Topline Securities (Private) Limited	8.12%	JS Global Capital Limited	6.93%
Taurus Securities Limited	7.64%	Optimus Capital Management (Private) Limited	6.90%
Shajar Capital Pakistan (Private) Limited	7.52%	Alfalah Securities (Private) Limited	6.27%
Alfalah Securities (Private) Limited	6.81%	Topline Securities (Private) Limited	6.24%
IGI Finex Securities Limited	5.26%	Habib Metropolitan Financial Services Limited	6.01%
Intermarket Securities (Private) Limited	4.61%	Next Capital Limited	5.28%
Arif Habib Limited	4.52%	IGI Finex Securities Limited	5.23%
Foundation Securities (Private) Limited	4.32%	Global Securities Pakistan Limited	5.19%
Axis Global Limited	4.27%	Intermarket Securities (Private) Limited	4.98%

25 THE MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Mr. M. Abdul Samad	Chief Executive Officer	MBA, M.Com	18 Years
Mr. Ali H. Shirazi	Director	Masters in Law	14.5 years
Mr. Khalid Mehmood	Chief Investment Officer	MBA - Finance	14 Years
Mr. Muhammad Umar Khan	Fund Manager	MSc - Finance	10 Years
Mr. Fawad Javaid	Fund Manager	CMA	10 Years
Mr. Faran-ul-Haq	Fund Manager	B.A, CFA	7 Years

26 NAME AND QUALIFICATION OF FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Mr. Faran-ul-Haq	Fund Manager	B.A, CFA	Atlas Stock Market Fund

27 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The details of dates of Board meetings of the management company of the Fund, and the attendance of the Board members are given below:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

Name of Directors	Meeting held on					
	07 July 2017	30 August 2017	26 October 2017	28 February 2018	27 April 2018	20 June 2018
Mr. Yusuf H. Shirazi	P	P	P	P	L	P
Mr. Tariq Amin	P	P	P	P	P	P
Mr. Shamshad Nabi (Resigned w.e.f. Mar. 22,2018)	L	P	P	P	N/A	N/A
Mr. Frahim Ali Khan	L	P	P	P	P	P
Mr. Ali H. Shirazi	L	P	P	P	P	P
Mr. Arshad P. Rana (Resigned w.e.f. Mar. 19,2018)	P*	P*	P*	P	N/A	N/A
Mr. M. Habib-ur-Rahman	P	P	P	P	P	P
Ms Zehra Naqvi (w.e.f.Apr. 26, 2018)	N/A	N/A	N/A	N/A	N/A	P**
Mr. M. Abdul Samad (Appointed CEO w.e.f. Mar. 19, 2018)	N/A	N/A	N/A	N/A	P**	P
Ms Qurrat-ul-ain Jafari (Chief Financial Officer)	P	P	P	P	P	P
Ms Zainab Kazim (Appointed Co.Sec. w.e.f. Jan. 31, 2018)	N/A	N/A	N/A	P**	P	P

* Attended through teleconference call.

** Joined

P Present

L Leave of absence

28 RATING OF THE MANAGEMENT COMPANY

The Pakistan Credit Rating Agency Limited (PACRA) has upgraded the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2017: AM2+ (AM Two plus)] on 30 June 2018. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

29 NON-ADJUSTING EVENT AFTER THE REPORTING PERIOD

The Board of Directors of Management Company in the meeting held on 06 July 2018 (2017: 07 July 2017) approved a final cash dividend of Rs. Nil (2017: Rs.35) Per unit amounting to Rs. Nil (2017: Rs. 142,053,721).

30 CORRESPONDING FIGURES

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

31 GENERAL

32.1 Figures have been rounded off to the nearest Rupee.

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

32 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the management company on 06 September 2018.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

ادارے پر عائد معاشرتی ذمہ داریاں اور عطیات

بورڈ سے منظور شدہ کمپنی کے عطیات دینے کے اصول و ضوابط کے تحت ہر سال کمپنی، منظم کمپنی کے منافع، بعد از ادائیگی محصول، کا ایک فیصد عطیہ کرتی ہے۔ اس کے علاوہ شرعی اصولوں پر عمل پیرا ”اٹلس اسلامک فنڈ“ اور ”اٹلس اسلامک انکم فنڈ“ کی تاسیسی دستاویزات کے تحت یہ لازم ہے کہ فنڈز کی آمدنی کو اس میں شامل حرام جزو سے پاک کیا جائے۔ شرعی مشیر کی تصدیق کے بعد اس طرح کی آمدنی کو سہ ماہی بنیادوں پر، شرعی مشیر کی جانب سے منظور کردہ خیراتی اداروں کو عطیہ کر دیا جاتا ہے۔

منسلک افراد اور اداروں سے لین دین

دوران سال کمپنی سے منسلک افراد اور اداروں نے فنڈز کے یونٹس میں کسی قسم کا لین دین نہیں کیا سوائے اُن کے جن کی تفصیل (آئی آئی ایف) اور (اے آئی ایس ایف) کے مالیاتی نتائج کے علی الترتیب نوٹ نمبر ۳۱ اور ۱۹ میں دی گئی ہے۔

تازہ ترین درجہ بندی

اثاثہ جات نیچر کی درجہ بندی

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (پیکرا) نے مینجمنٹ کمپنی کی اسٹیٹ منیجر ریٹنگ اے ایم ۲+ (اے ایم ٹوپلس) ترتیب دی ہے۔
[(اے ایم ٹوپلس) + (اے ایم ۲: ۲۰۱۷ء) بتاریخ ۳۰ جون ۲۰۱۸ء کو۔ یہ درجہ بندی کمپنی کی تجربہ کار ٹیم، منظم سرمایہ کاری نظام اور ہم آہنگ معیار نظام اور طریقہ کار کی عکاسی کرتی ہے۔

مستحکم درجہ بندی۔ اے آئی آئی ایف

پیکرانے اے آئی آئی ایف کی درجہ بندی برائے استحکام فنڈ ترتیب دی ہے۔ ”اے اے (ایف)“۔ ”ڈبل اے مائنس (ایف): فنڈ ریٹنگ“ بتاریخ ۲۹ مئی ۲۰۱۸ء کو۔ فنڈز کی یہ درجہ بندی ریٹرن میں متناسب استحکام کی نگرانی اور کم خطرات کا سامنا کرنے کی بہت مضبوط صلاحیت کو ظاہر کرتی ہے۔

آڈیٹرز

بورڈ آف ڈائریکٹران کی آڈٹ کمیٹی نے اپنی میٹنگ منعقدہ ۳ ستمبر ۲۰۱۸ء میں، میسرز ای وائی فورڈ روڈز، چارٹرڈ اکاؤنٹینٹس کراچی، کو اٹلس اسلامک انکم فنڈ اور اٹلس اسلامک اسٹاک فنڈ کیلئے بطور اہل تقرری کیلئے تجویز کیا، برائے اختتام سال ۲۰۱۹ء۔

توثیق

مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹران، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی قابل قدر حمایت، مدد اور رہنمائی کا شکریہ ادا کرتے ہیں۔ مینجمنٹ کمپنی کے ملازمین اور ٹرسٹی کا ان کی لگن اور محنت کیلئے، اور مینجمنٹ کمپنی پر یونٹ ہولڈرز کے اعتماد کا بھی بورڈ شکریہ ادا کرتا ہے۔

از طرف اور منجانب بورڈ

فراہیم علی خان

ڈائریکٹر

محمد عبدالصمد

چیف ایگزیکٹو آفیسر

کراچی: ۲۰ ستمبر، ۲۰۱۸ء

۱۸۔ ۲۰۱۷ء مالیاتی سال کے دوران چھ بورڈ میٹنگ منعقد کی گئیں اور اس میں شرکت کی گئی۔ میٹنگز کی تاریخیں اور شریک ہونے والے ڈائریکٹران کی تفصیلات، جیسا کہ این بی ایف سی کے قواعد و ضوابط ۲۰۰۸ء کے تحت درکار ہے، اے آئی آئی ایف اور اے آئی ایس ایف کی مالیاتی تفصیلات کے نوٹس ۲۹ اور ۲۷ میں بالترتیب منسلک ہیں۔

بورڈ کی کمیٹیوں میں شامل ہیں آڈٹ کمیٹی، ہیومن ریسورس اینڈ ری مینوریشن کمیٹی، اور انویسٹمنٹ کمیٹی (جس میں ایگزیکٹو مینجمنٹ کے افراد شامل ہیں جیسا کہ این بی ایف سی قواعد ۲۰۰۸ء میں درکار ہے)۔ بورڈ ایوایلیویشن کمیٹی کو بورڈ کی منظوری سے ۲۲ مارچ ۲۰۱۸ء کو سرکلر ریزولوشن نمبر ۱۳۸ کے ذریعے تحلیل کر دیا گیا تھا۔

● آڈٹ کمیٹی (اے سی)۔ چار اے سی میٹنگز دوران سال منعقد کی گئیں، اور درج ذیل شرکت کی گئی:

نمبر شمار	ڈائریکٹر کا نام	عہدہ	میٹنگ میں شرکت
۱	جناب طارق امین	آزاد ڈائریکٹر	۴
۲	جناب شمشاد نبی *	آزاد ڈائریکٹر	۳
۳	جناب فراہیم علی خان	نان ایگزیکٹو ڈائریکٹر	۴
۴	جناب ایم حبیب الرحمن **	نان ایگزیکٹو ڈائریکٹر	۱

* مستغنی بتاريخ ۲۲ مارچ ۲۰۱۸ء

** رکن بتاريخ ۲۲ مارچ ۲۰۱۸ء

● ہیومن ریسورس اینڈ ری مینوریشن کمیٹی (ایچ آر اینڈ آئی سی)۔ چار میٹنگز منعقد ہوئیں دوران سال اور شرکت کی گئی درج ذیل:

نمبر شمار	ڈائریکٹر کا نام	عہدہ	میٹنگ میں شرکت
۱	جناب فراہیم علی خان	نان ایگزیکٹو ڈائریکٹر	۴
۲	جناب علی ایچ شیرازی	نان ایگزیکٹو ڈائریکٹر	۴
۳	جناب ایم حبیب الرحمن	سابق چیف ایگزیکٹو آفیسر	۲
۴	جناب ایم عبدالصمد	چیف ایگزیکٹو آفیسر	۴

● انویسٹمنٹ کمیٹی۔ چونتیس میٹنگز منعقد ہوئیں دوران سال اور شریک کی گئی درج ذیل:

نمبر شمار	ڈائریکٹر کا نام	عہدہ	میٹنگ میں شرکت
۱	جناب علی ایچ شیرازی	نان ایگزیکٹو ڈائریکٹر	۶
۲	جناب ایم حبیب الرحمن	سابق چیف ایگزیکٹو آفیسر	۲۱
۳	جناب ایم عبدالصمد	چیف ایگزیکٹو آفیسر	۳۴
۴	جناب خالد محمود (ایگزیکٹو مینجمنٹ)	چیف انویسٹمنٹ آفیسر۔ ممبر آئی سی	۳۰
۵	جناب ایم عمر خان (ایگزیکٹو مینجمنٹ)	فنانسیر۔ رکن آئی سی	۳۱
۶	جناب فواد جاوید (ایگزیکٹو مینجمنٹ)	فنانسیر۔ رکن آئی سی	۳۳
۷	جناب فاران الحق (ایگزیکٹو مینجمنٹ)	فنانسیر۔ سیکریٹری آئی سی	۳۴

شرعی مشیر کا تقرر

بورڈ نے جناب یحییٰ عاصم، سبکدوش ہونے والے شرعی مشیر کا استعفیٰ منظور کیا، اور جناب مفتی وصی فصیح کو اے آئی آئی ایف اور اے آئی ایس ایف کیلئے شرعی مشیر بذریعہ سرکلر ریزولوشن بتاريخ ۱۱ اپریل ۲۰۱۸ء مقرر کیا۔

کارپوریٹ نظم و ضبط:

کمپنی کارپوریٹ نظم و ضبط کے معیارات، ضابطہ اخلاق اور بہترین کاروباری طریقوں پر سختی سے عمل کرنے پر یقین رکھتی ہے۔ اور یہ سب اٹلس گروپ کی کاروباری تہذیب کا ایک جزو لا ینفک ہے۔ جولائی ۲۰۱۲ء میں کارپوریٹ نظم و ضبط کے اصولوں کی منظوری دی گئی جس میں بورڈ کے ممبران، ملازمین اور کمپنی پر مختلف حلقوں، آپس کے معاملات اور معاشرے کی فلاح و بہبود کے سلسلے میں عائد کردہ فرائض اور ذمہ داریوں کو صراحت کے ساتھ بیان کر دیا گیا ہے۔ یہ ضابطہ اخلاق کمپنی کی ویب سائٹ پر دستیاب ہے۔

مفاد کو ارسال کردہ ایس ای سی پی لیٹر نمبر ۲۰۱۸/۳۴۶/مفاد / آریس / ایس سی ڈی مورخہ ۱۸ اپریل ۲۰۱۸ء کے مطابق جس کے تحت غیر محدود مجموعی سرمایہ کاری منصوبہ نیز غیر مندرج مینجمنٹ کمپنیاں، جو اس طرح کے مجموعی سرمایہ کاری منصوبہ چلا رہی ہیں، نئی لسٹنگ کمپنیز (ضابطہ برائے انتظامی تشکیل) کے قواعد و ضوابط ۲۰۱۷ء کی ضروریات سے مستثنیٰ ہیں۔

بورڈ کے ڈائریکٹران کی جانب سے ٹوٹن نامہ

بورڈ آف ڈائریکٹرز تصدیق کرتا ہے کہ (اے آئی آئی ایف) اور (اے آئی ایف) کے:

☆ منظم کمپنی کی جانب سے تیار کردہ مالیاتی گوشوارے تمام فنڈز کی کارکردگی، سالانہ آمدنی، کیش فلو اور یونٹ ہولڈرز کے سرمائے میں نقل و حرکت کی ایک منصفانہ تصویر پیش کرتے ہیں۔

☆ تمام فنڈز کے کھاتوں کو مناسب طریقہ سے تیار کیا گیا ہے۔

☆ گوشواروں کی تیاری میں حساب داری کے اصولوں کو تسلسل کے ساتھ لاگو کیا جا رہا ہے اور گوشواروں کی تیاری میں احتیاط اور فہم فراست کا استعمال کیا جا رہا ہے۔

☆ گوشواروں کی تیاری میں وہ بین الاقوامی معیارات جو پاکستان میں لاگو ہوتے ہیں، کو مد نظر رکھا گیا ہے اگر کہیں انحراف ہوا ہے تو اسے مناسب طریقے سے ظاہر کر دیا گیا ہے۔

☆ اندرونی نظم و ضبط کا نظام مؤثر نگرانی میں مستحکم بنیادوں پر نافذ ہے۔

☆ فنڈز کے مستقبل بنیادوں پر جاری رہنے پر کوئی شبہ نہیں ہے۔

☆ کارپوریٹ نظم و ضبط کے اصولوں سے، جن کی تفصیل لسٹنگ قواعد میں دی گئی ہے، کوئی انحراف نہیں کیا گیا ہے۔

☆ اہم مالیاتی اعداد و شمار / کارکردگی کے چارٹ، (اے آئی آئی ایف)، اور (اے آئی ایف) کی سالانہ رپورٹس کے صفحات ۲۳ اور ۶۰ پر علی الترتیب شائع کئے گئے ہیں۔

☆ کفالتی فنڈ کی سرمایہ کاری کی قدر کے گوشوارے کا اطلاق میوچل فنڈ پر نہیں ہوتا کیوں کہ ملازمین کے ریٹائرمنٹ فوائد سے متعلق اخراجات منظم کمپنی برداشت کرتی ہے۔

☆ یونٹس کی ملکیت کا انداز (اے آئی آئی ایف) اور (اے آئی ایف)، کے مالیاتی گوشواروں کے علی الترتیب نوٹس نمبر ۲۵ اور ۳۳ میں دیا گیا ہے۔

چیف ایگزیکٹو آفیسر کی تبدیلی

اے اے ایم ایل کے بورڈ آف ڈائریکٹران نے، اپنے ۸۹ ویں اجلاس منعقدہ ۲۸ فروری ۲۰۱۸ء میں جناب ایم حبیب الرحمن کا استعفیٰ منظور کیا تھا، اور جناب محمد عبدالصمد کو بحیثیت چیف ایگزیکٹو آفیسر مقرر کیا تھا۔

جناب محمد عبدالصمد نے، جناب حبیب الرحمن کی بطور چیف ایگزیکٹو سبکدوشی کے بعد ۱۹ مارچ ۲۰۱۸ء سے بطور چیف ایگزیکٹو آفیسر کی ذمہ داریاں سنبھال لی ہیں۔

مینجمنٹ کمپنی اور کمپنی کے بورڈ آف ڈائریکٹران

مینجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز میں ایک ایگزیکٹو اور چھ نان ایگزیکٹو ڈائریکٹران پر مشتمل ہیں۔ اے اے ایم ایل کے ڈائریکٹران میں شامل ہیں جناب یوسف ایچ شیرازی، چیئر مین، جناب فراہم علی خان ڈائریکٹر، جناب ایم حبیب الرحمن ڈائریکٹر، جناب طارق امین آزاد ڈائریکٹر، جناب علی ایچ شیرازی ڈائریکٹر، مس زہرا نقوی آزاد ڈائریکٹر اور جناب محمد عبدالصمد چیف ایگزیکٹو آفیسر۔

دوران سال، بورڈ میں دو اتفاقی آسامیاں تھیں، جس کی تقرری سیوریٹیز اینڈ اینجینئرنگ کمیشن آف پاکستان کی جانب سے کی گئی، جیسا کہ این بی ایف سی کے قواعد و ضوابط ۲۰۰۸ء کے تحت درکار ہے۔

ڈائریکٹر رپورٹ:

اٹلس ایسیٹ منجمنٹ لمیٹڈ، منتظم برائے اٹلس اسلامک انکم فنڈ (اے آئی آئی ایف) اور اٹلس اسلامک اسٹاک فنڈ (اے آئی ایس ایف)، کے ڈائریکٹر صاحبان مذکورہ فنڈز کے آڈٹ شدہ مالیاتی نتائج برائے اختتام سال ۲۰۱۸ء، آڈیٹرز کی رپورٹ کے ہمراہ پیش کرتے ہوئے دلی مسرت محسوس کرتے ہیں۔

آمدن فی یونٹ، ریٹرن، مجموعی اثاثہ جات اور خلاصہ فروخت / تلافی

آمدن فی یونٹ، ریٹرن، مجموعی اثاثہ جات، اور اے آئی آئی ایف اور اے آئی ایس ایف کا خلاصہ فروخت / تلافی برائے اختتام سال ۲۰۱۸ء اور ۲۰۱۷ء درج ذیل ہیں۔

اے آئی ایس ایف		اے آئی آئی ایف		
۲۰۱۸ء	۲۰۱۸ء	۲۰۱۷ء	۲۰۱۸ء	
۱۳۸.۵۱	(۴۳.۱۸)	۱۱.۸۲	۳۴.۳۱	آمدنی / (خسارہ) فی یونٹ - روپے
۲۹.۲۵ فیصد	(۷.۸۸) فیصد	۵.۹۷ فیصد	۴.۹۲ فیصد	ریٹرن
۲۰۷۸.۹۰	۲۰۶۲.۱۹	۱۶۱۴.۲۶	۸۷۲.۲۲	مجموعی اثاثہ جات - ملین روپے
۲۰۷۹.۶۰	۱۰۷۳.۵۹	۵۰۲۲.۶۳	۱۰۵۰۷.۷۵	فروخت - ملین روپے
۳۰۵۷.۵۰۵	۳۰۸۳.۰۱۰	۹۰۷۸.۱۹۹	۲۰۹۲۶.۸۳۰	فروخت - بالحاظ یونٹس
۱۰۸۸۰.۱۴	۱۰۶۵۳.۴۶	۴۰۲۵.۴۶	۲۰۳۰۶.۳۵	ریڈمپشن - ملین روپے
۲۰۴۵۶.۳۲۱	۳۰۷۶.۵۵۱	۷۰۷۷۱.۷۱۳	۴۰۸۸۳.۹۸۳	ریڈمپشن - بالحاظ یونٹس
۴۰۵۸.۶۷۸	۸۰۶۵۷.۹۳۶	۳۰۲۱۰.۴۲۴	۱۰۶۵۳.۷۷۰	یونٹس بقایا جات بوقت اختتام سال

تقسیم آمدن - اے آئی آئی ایف

اے اے ایم ایل منتظم کمپنی برائے اے آئی آئی ایف کے بورڈ آف ڈائریکٹرز نے اپنے اجلاس منعقدہ ۶ جولائی ۲۰۱۸ء کو ۲۴.۵۰ روپے فی یونٹ منافع (پورے سال کیلئے) برائے اختتام مالیاتی سال ۲۰۱۸ء کیلئے فی یونٹ تقسیم کا اعلان کیا، ۵۰۰ روپے فی یونٹ کی اصل قیمت پر ۴.۹۰ فیصد (۲۰۱۷ء: ۲۸.۵۰ روپے فی یونٹ عبوری منافع، ۵۰۰ روپے فی یونٹ کی اصل قیمت پر ۷.۵۰ فیصد)۔

تقسیم آمدن - اے آئی ایس ایف

اے اے ایم ایل کے بورڈ آف ڈائریکٹران، اے آئی آئی ایف کی منجمنٹ کمپنی، نے اپنی میٹنگ منعقدہ ۶ جولائی ۲۰۱۸ء کو مالیاتی سال برائے اختتام ۲۰۱۸ء کیلئے فنڈ کو خسارے کی وجہ سے کسی منافع کا اعلان نہیں کیا۔ (۲۰۱۷ء: ۳۵ روپے فی یونٹ، ۵۰۰ روپے کی اصل قیمت پر ۷.۵۰ فیصد)۔

چیرمین کا جائزہ:








اے آئی آئی ایف اور اے آئی ایس ایف کی سالانہ رپورٹ میں شامل جائزہ منجملہ طور پر اس سال کے فنڈز کی کارکردگی اور اسکے آئندہ لائحہ عمل سے متعلق ہے۔ ڈائریکٹران اس جائزے کے مندرجات کی توثیق کرتے ہیں۔










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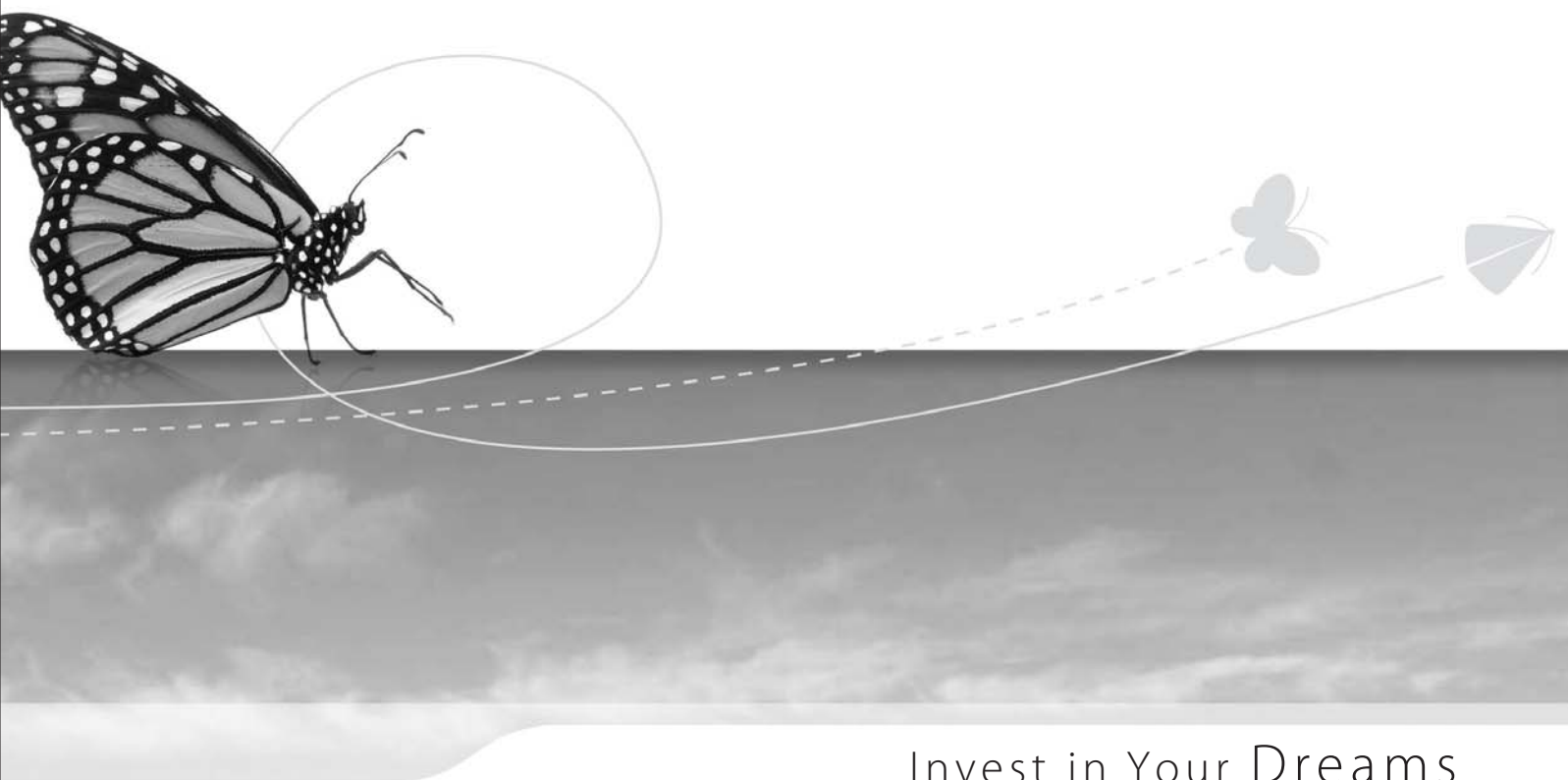


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