



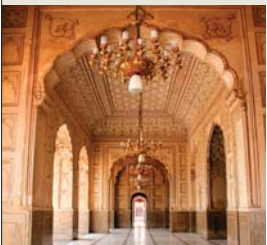
Atlas Islamic Income Fund

Atlas Islamic Stock Fund

HALF YEARLY REPORT

31 December 2014

(UN-AUDITED)



Your Partner
on the path ahead



It Takes Skill to
Master the Game



Management Company

Atlas Asset Management

Rated AM2- by PACRA



Vision

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

Mission Statement

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

CONTENTS

ORGANISATION	2
CHAIRMAN'S REVIEW	3
ATLAS ISLAMIC INCOME FUND	
CORPORATE INFORMATION	5
TRUSTEE REPORT TO THE UNIT HOLDERS	6
INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS	7
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	8
CONDENSED INTERIM INCOME STATEMENT	9
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	10
CONDENSED INTERIM DISTRIBUTION STATEMENT	11
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	12
CONDENSED INTERIM CASH FLOW STATEMENT	13
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS	14
ATLAS ISLAMIC STOCK FUND	
CORPORATE INFORMATION	21
TRUSTEE REPORT TO THE UNIT HOLDERS	22
INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS	23
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	24
CONDENSED INTERIM INCOME STATEMENT	25
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	26
CONDENSED INTERIM DISTRIBUTION STATEMENT	27
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND	28
CONDENSED INTERIM CASH FLOW STATEMENT	29
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS	30

Atlas Meraj

ORGANISATION

Management Company

Atlas Asset Management Limited

Board of Directors of the Management Company

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

Directors Mr. Azam Faruque
(Independent Director)

Mr. Shamshad Nabi
(Independent Director)

Mr. Frahim Ali Khan
(Non-Executive Director)

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

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

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

Company Secretary Ms Lilly R. Dossabhoy

Board Committees

Audit Committee

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

Secretary Ms Qurrat-ul-Ain Jafari

Board Evaluation Committee

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

Secretary Mr. M. Habib-ur-Rahman

Human Resource & Remuneration Committee

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

Secretary Mr. Muhammad Abdul Samad

Investment Committee

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

Management Committee

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

Secretary Mr. M. Irfan Dhedhi

Risk Management Committee

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

Secretary Mr. Wasit Ahmed

Chief Internal Auditor

Ms Qurrat-ul-Ain Jafari

Registered Office

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

Tel: (92-21) 111-MUTUAL (6-888-25)
(92-21) 35379501-04

Fax: (92-21) 35379280

Email: info@atlasfunds.com.pk

Website: www.atlasfunds.com.pk

Half Yearly Report 2014 -15

CHAIRMAN'S REVIEW

It is my pleasure to present to you the un-audited financial statements of Atlas Islamic Income Fund (AIIF) and Atlas Islamic Stock Fund (AISF) for the half year ended 31 December 2014 of the FY 2014-15.

The Economy

During the period, July - December FY 2014-15, total exports stood at US\$12.1 billion as compared to US\$12.6 billion worth of exports reported in the same period last year. The foreign exchange reserves of the country stood at US\$15.3 billion as on December 2014 with SBP's share of US\$10.5 billion in the total liquid foreign exchange reserves. Foreign remittances for the period July - December FY 2014-15 stood at US\$9.0 billion, which was an increase of 15.26% YoY. CPI inflation for the period of July - December FY 2014-15 was recorded at 6.1%. The SBP slashed Discount Rate (DR) by 100bps in the January 2015 review to 8.5%, which is the second time in FY 2014-15 after 50bps cut in the November 2014 review. This shift towards expansionary policy made possible due to decline in inflation, which is a result of reduction in domestic oil prices and a trickle-down effect on other items.

Fund Operations - AIIF

The Net Asset Value per unit of Atlas Islamic Income Fund increased by 3.22% to Rs.521.31 as on 31 December 2014, this works out to 6.39% on an annualized basis. The AIIF's total exposure in Government of Pakistan Ijarah Sukuks was 44.72%, with remaining 55.28% in high yielding Shariah compliant bank deposits. The Net Assets of the Fund stood at Rs.519.98 million, with 1.0 million units outstanding as of 31 December 2014.

Fund Operations - AISF

The Net Asset Value per unit of Atlas Islamic Stock Fund increased by 6.57% to Rs.435.54 as on 31 December 2014. The benchmark KMI-30 index increased by 6.39% during the same period. The KMI-30 index increased from 47,686.55 points as on 30 June 2014 to 50,735.12 points as on 31 December 2014. AISF's strategy will continue to focus on dividend plays and stocks which are trading at relatively cheap multiples with earning growth prospects. AISF's equity portfolio exposure was mainly in Oil & Gas, Electricity, and Construction & Materials sectors. The Net Assets of the Fund stood at Rs.800.94 million, with 1.84 million units outstanding as of 31 December 2014.

Ratings

• Asset Manager Rating

The Pakistan Credit Rating Agency Limited (PACRA) has maintained asset manager rating of Atlas Asset Management Limited (AAML) at "AM2-" (AM Two Minus) upto April 2014. The rating denotes the Company's very strong capacity to manage the risks inherent in asset management and meets very high investment management industry standards and benchmarks. The annual AMC rating review is currently in process.

• 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.

• Star Ranking - AISF

PACRA has assigned a "3 Star" for one year, "3 Star" for three years and "3 Star" for five years ranking to the Fund, for FY 2013-14. The one year ranking is based on performance during the trailing twelve months period; three year ranking is based on performance during the trailing thirty six months period whereas five year star ranking is based on performance during the trailing sixty months.

Atlas Meraj

Future Outlook

Going forward, improving macroeconomic conditions are likely to strengthen overall business environment, encourage private investment, and accommodate acceleration of private sector credit growth. Momentum of credit off-take is likely to pick up with the realization of the impact of successive discount rate reductions. Fiscal reforms should focus on broadening the tax base and improving tax administration. External account position has improved and current account deficit is likely to benefit due to decline in international oil prices. Additionally, healthy growth in workers' remittances is also providing support to the external account position. However, challenges on the balance of payments exist and efforts are required to address external vulnerabilities and boost foreign exchange reserves further. The IMF disbursement and successful issuance of Sukuk in the international market have been instrumental in improving sentiments in the foreign exchange market and have supported SBP in its reserve building efforts.

Both, AISF and AIIF are committed to prudent investment procedures and will continue to provide consistent long term returns to the investors.

ہے جتو کہ خوب سے ہے خوب تر کہاں
(We endeavor to do our best)

Acknowledgement

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

Karachi: 26 February 2015

Yusuf H. Shirazi
Chairman

Half Yearly Report 2014 -15

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

Mufti Muhammad Yahya Asim

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Al-Baraka Bank (Pakistan) Limited
Bank Islami Pakistan Limited

Atlas Islamic Income Fund

TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41 (h) 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 six months period ended December 31, 2014 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.

Aftab Ahmed Diwan

Officiating Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi, February 17, 2015

Half Yearly Report 2014 -15

INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of Atlas Islamic Income Fund as at December 31, 2014 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' funds and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial information'), for the half year ended December 31, 2014. The Management Company (Atlas Asset Management Limited) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2014 and December 31, 2013 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2014.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2014 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

A. F. Ferguson & Co.

Chartered Accountants

Engagement Partner: Salman Hussain

Dated: February 27, 2015

Karachi

Atlas Islamic Income Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 DECEMBER 2014

		31 December 2014 Un-audited	30 June 2014 Audited
	Note	----- Rupees -----	-----
ASSETS			
Bank balances	4	286,009,491	282,423,544
Investments	5	235,869,950	239,916,800
Markup accrued	6	5,416,442	5,029,215
Prepayment		20,000	-
Security deposit with Central Depository Company of Pakistan Limited		100,000	100,000
Total assets		527,415,883	527,469,559
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	7	1,827,201	1,375,737
Payable to Central Depository Company of Pakistan Limited - Trustee		75,866	69,772
Annual fee payable to the Securities and Exchange Commission of Pakistan		201,367	393,637
Accrued and other liabilities	8	5,335,369	4,956,727
Total liabilities		7,439,803	6,795,873
NET ASSETS		519,976,080	520,673,686
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		519,976,080	520,673,686
CONTINGENCIES AND COMMITMENTS	9	-	-
NUMBER OF UNITS IN ISSUE		997,437	1,030,979
NET ASSET VALUE PER UNIT		521.31	505.03

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

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Half Yearly Report 2014 -15

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2014

	Note	For the Half Year ended		For the Quarter ended	
		31 December 2014	2013	31 December 2014	2013
		Rupees			
Income					
Mark-up income	10	25,356,386	23,654,004	12,606,314	11,963,791
Net loss on maturity/ sale of investments		-	(105,250)	-	(105,250)
Net unrealised appreciation/(diminution) on remeasurement of investments classified as "financial assets at fair value through profit or loss"		(4,046,850)	1,915,500	(1,555,460)	1,592,200
		(4,046,850)	1,810,250	(1,555,460)	1,486,950
Element of loss and capital losses included in prices of units issued less those in units redeemed - net		(646,096)	(2,473,790)	(583,819)	(2,028,671)
		20,663,440	22,990,464	10,467,035	11,422,070
Expenses					
Remuneration of Atlas Asset Management Limited - Management Company		2,282,180	2,624,261	1,142,625	1,317,526
Sindh Sales Tax on Remuneration of the Management Company	7.1	397,099	487,063	198,816	244,533
Federal Excise Duty on Remuneration of the Management Company	7.2	365,149	419,882	182,820	210,804
Remuneration of Central Depository Company of Pakistan Limited - Trustee		456,437	446,123	228,527	223,980
Annual Fees - Securities and Exchange Commission of Pakistan		201,367	196,821	100,817	98,816
Auditors' remuneration		100,240	68,345	57,900	26,525
Securities transaction cost		3,000	10,025	1,500	1,500
Annual listing fee		20,000	20,000	10,000	10,000
Annual rating fee		121,000	110,000	60,500	55,000
Printing charges		141,595	116,200	73,220	61,475
Bank charges		1,772	1,397	848	793
Provision for Workers' Welfare Fund	8.1	331,472	369,807	168,189	183,422
		4,421,311	4,869,924	2,225,762	2,434,374
Net income for the period before taxation		16,242,129	18,120,540	8,241,273	8,987,696
Taxation	11	-	-	-	-
Net income for the period after taxation		16,242,129	18,120,540	8,241,273	8,987,696

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

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Islamic Income Fund

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2014

	<u>For the Half Year ended</u>		<u>For the Quarter ended</u>	
	<u>31 December</u> <u>2014</u>	<u>2013</u>	<u>31 December</u> <u>2014</u>	<u>2013</u>
	----- Rupees -----			
Net income for the period after taxation	16,242,129	18,120,540	8,241,273	8,987,696
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive income for the period after taxation	<u>16,242,129</u>	<u>18,120,540</u>	<u>8,241,273</u>	<u>8,987,696</u>

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

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Half Yearly Report 2014 -15

CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2014

	2014	2013
	----- Rupees -----	
Undistributed income brought forward [Includes unrealised gain on investments of Rs.3,177,800] [2013: Includes unrealised loss on investments of Rs.849,890]	4,359,895	1,411,628
Net income for the period after taxation	16,242,129	18,120,540
Interim distribution for the quarter ended 30 September 2013 at the rate of Rs.9.00 per unit declared on 4 October 2013		
- Issue of bonus units	-	(7,893,789)
- Cash payout against distribution	-	(890,049)
	-	(8,783,838)
Undistributed income carried forward [Includes unrealised loss on investments of Rs.869,050] [2013: Includes unrealised gain on investments of Rs.1,315,050]	20,602,024	10,748,331

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

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Islamic Income Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2014

	31 December 2014		31 December 2013	
	Units	Rupees	Units	Rupees
Net assets at the beginning of the period [Rs.505.03 (2013: Rs.502.31) per unit]	1,030,979	520,673,686	1,047,317	526,077,982
Issue of units	119,124	60,845,924	316,048	160,288,975
Redemption of units	(152,666)	(78,431,755)	(543,399)	(277,083,359)
	(33,542)	(17,585,831)	(227,351)	(116,794,384)
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	-	646,096	-	2,473,790
Capital loss on maturity/sale of investments - net	-	-	-	(105,250)
Net unrealised (diminution)/appreciation on remeasurement of investments classified as "financial assets at fair value through profit or loss"	-	(4,046,850)	-	1,915,500
Other net income for the period	-	20,288,979	-	16,310,290
Total comprehensive income for the period	-	16,242,129	-	18,120,540
Interim distribution for the quarter ended 30 September 2013 at the rate of Rs.9.00 per unit declared on 4 October 2013				
- Issue of bonus units	-	-	15,691	-
- Cash payout against distribution	-	-	-	(890,049)
Net assets at the end of the period [Rs.521.31 (2013: Rs.513.35) per unit]	997,437	519,976,080	835,657	428,987,879

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

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Half Yearly Report 2014 -15

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2014

	2014	2013
Note	----- Rupees -----	----- Rupees -----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period after taxation	16,242,129	18,120,540
Adjustment for:		
Mark-up income	(25,356,386)	(23,654,004)
Capital loss on sale/maturity of investments - net	-	105,250
Net unrealised diminution/(appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	4,046,850	(1,915,500)
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	646,096	2,473,790
	(20,663,440)	(22,990,464)
Increase in prepayment	(20,000)	(20,000)
Increase/(decrease) in liabilities		
Payable to Atlas Asset Management Limited - Management Company	451,464	298,629
Payable to Central Depository Company of Pakistan Limited - Trustee	6,094	2,815
Annual fee payable to the Securities and Exchange Commission of Pakistan	(192,270)	(226,715)
Accrued and other liabilities	378,642	345,636
	643,930	420,365
Investments made during the period	-	(10,039,000)
Investments sold / matured during the period	-	72,500,000
Markup received	24,969,159	23,468,458
Net cash generated from operating activities	21,171,778	81,459,899
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	60,845,924	160,288,975
Net payments against redemption of units	(78,431,755)	(277,083,359)
Cash payout against distribution	-	(890,049)
Net cash used in financing activities	(17,585,831)	(117,684,433)
Net increase / (decrease) in cash and cash equivalents during the period	3,585,947	(36,224,534)
Cash and cash equivalents at the beginning of the period	282,423,544	157,248,565
Cash and cash equivalents at the end of the period	4 286,009,491	121,024,031

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

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Islamic Income Fund

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2014

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Income Fund (the Fund) is an open ended Fund constituted by a trust deed entered into on 7 May 2008 between Atlas Asset Management Limited (AAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the trustee. The Trust Deed has been revised through the First Supplemental Trust Deed dated 23 June 2010, the Second Supplemental Trust Deed dated 12 November 2010, and Third Supplemental Trust Deed dated 20 September 2013, with the approval of the SECP. Also, the Offering Document of the Fund has been revised through the First Supplement dated 23 June 2010, the Second Supplement dated 12 November 2010, and the Third Supplement dated 20 September 2013 with the approval of the SECP. The investment activities and administration of the Fund are managed by AAML situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.
- 1.2 Units of the Fund are offered for public subscription on a continuous basis since 14 October 2008, and are transferable and redeemable by surrendering them to the Fund. The Fund is listed on the Lahore Stock Exchange.
- 1.3 According to the trust deed, the objective of the Fund is to provide investors with 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 investment objectives and policies are fully defined in the Fund's Offering Document.

2. BASIS OF PREPARATION

Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting", the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the SECP. In case where requirements differ, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

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

These condensed interim financial statements are un-audited but have been subject to limited scope review by the auditors.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 31 December 2014.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

Half Yearly Report 2014 -15

	31 December 2014	30 June 2014
	Un-audited	Audited
Note	-----	Rupees -----

4. BANK BALANCES

In local currency

- Profit and loss sharing accounts	4.1	<u>286,009,491</u>	<u>282,423,544</u>
------------------------------------	-----	--------------------	--------------------

4.1 The expected rate of return on these profit and loss sharing accounts range between 6.50% to 9.15% (30 June 2014: 6.50% to 9.15%) per annum.

5. INVESTMENTS

At fair value through profit or loss

Government Securities

Government of Pakistan (GOP) - Ijarah Sukuks	5.1	<u>235,869,950</u>	<u>239,916,800</u>
--	-----	--------------------	--------------------

5.1 Government of Pakistan - Ijarah Sukuks

	Face Value - Rupees			At the end of the period	Rupees		Percentage of	
	At the beginning of the period	Acquired during the period	Disposed during the period		Market Value	Total investment	Net assets	
Government of Pakistan Ijarah Sukuks	235,900,000	-	-	235,900,000	235,869,950	100.00	45.36	
	<u>235,900,000</u>	<u>-</u>	<u>-</u>	<u>235,900,000</u>	<u>235,869,950</u>	<u>100.00</u>	<u>45.36</u>	

5.2 The cost of investments amounts to Rs.236,739,000/- (30 June 2014: Rs.236,739,000/-).

5.3 The expected rate of markup ranges between 7.98% to 9.98% (30 June 2014: 7.98% to 9.98%) per annum and the instruments will mature by 25 June 2017 (30 June 2014: 25 June 2017).

	31 December 2014	30 June 2014
	Un-audited	Audited
Note	-----	Rupees -----

6. MARKUP ACCRUED

On profit and loss sharing accounts		2,234,927	1,879,332
On GOP - Ijarah Sukuks		3,181,515	3,149,883
		<u>5,416,442</u>	<u>5,029,215</u>

7. PAYABLE TO THE MANAGEMENT COMPANY - RELATED PARTY

Management fee		379,323	348,861
Sindh Sales Tax payable on remuneration of the Management Company	7.1	245,610	189,757
Federal Excise Duty payable on remuneration of the Management Company	7.2	1,202,268	837,119
		<u>1,827,201</u>	<u>1,375,737</u>

7.1 During the period, an amount of Rs.397,099 (2013: Rs.487,063) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011, and an amount of Rs.341,246 (2013: Rs.417,236) has been paid to the Management Company which acts as the collecting agent.

Atlas Islamic Income Fund

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

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

As a matter of abundant caution, the Management Company of the Fund has made a provision for FED in the books of account of the Fund with effect from 13 June 2013. Had the same not been made, the net asset value per unit of the Fund would have been higher by Rs.1.21 (30 June 2014: Re.0.81) per unit.

	31 December 2014	30 June 2014
	Un-audited	Audited
Note	----- Rupees -----	

8. ACCRUED AND OTHER LIABILITIES

Auditors' remuneration payable		115,800	134,210
Printing charges payable		152,000	228,000
Rating fee payable		121,000	-
Zakat payable		984	-
Withholding tax payable		18,433	4
Provision for Workers' Welfare Fund	8.1	4,462,289	4,130,817
Other payable		464,863	463,696
		5,335,369	4,956,727

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

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

Half Yearly Report 2014 -15

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

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

In view of the pending decision, the Management Company of the Fund, as a matter of abundant caution, has continued to maintain the provision for WWF amounting to Rs.4,462,289 (30 June 2014: Rs.4,130,817) in these condensed interim financial statements. Had the same not been made, the net asset value per unit of the Fund would have been higher by Rs.4.47 (30 June 2014: Rs.4.01) per unit.

9. CONTINGENCIES AND COMMITMENTS

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

	For the Half Year ended		For the Quarter ended	
	31 December		31 December	
	2014	2013	2014	2013
	Un-audited	Un-audited	Un-audited	Un-audited
	----- Rupees -----			

10. MARK UP INCOME

Profit and loss sharing - Saving accounts	13,728,665	6,655,665	6,797,551	3,764,158
Government of Pakistan - Ijarah Sukuks	11,627,721	16,998,339	5,808,763	8,199,633
	25,356,386	23,654,004	12,606,314	11,963,791

11. TAXATION

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

Atlas Islamic Income Fund

12. TRANSACTIONS WITH CONNECTED PERSONS/OTHER RELATED PARTIES

<u>For the Half Year ended</u>	
31 December 2014	31 December 2013
Un-audited	Un-audited
----- Rupees -----	

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

Atlas Asset Management Limited (Management Company)

Remuneration of the Management Company	2,282,180	2,624,261
Remuneration paid	2,251,718	2,607,721
Sindh Sales Tax on Remuneration of the Management Company	397,099	487,063
Federal Excise Duty on Remuneration of the Management Company	365,149	419,882
Formation cost paid	-	207,620
Sale of Nil (2013: 8,888) units	-	4,500,000
Bonus of Nil (2013: 237) units	-	119,350
Redemption of 44,823 (2013: 3,946) units	23,000,000	2,000,000

Central Depository Company of Pakistan Limited (Trustee)

Remuneration of the Trustee	456,437	446,123
Remuneration of the Trustee paid	450,343	443,308
Settlement charges paid	3,000	4,025

Atlas Foundation (Group Company)

Bonus of Nil (2013: 16) units	-	8,044
Redemption of Nil (2013: 66,510) units	-	33,500,000

Atlas Insurance Limited (Group Company)

Issue of Nil (2013: 51,882) units	-	26,400,000
-----------------------------------	---	------------

Atlas Honda Limited (Group Company)

Bonus of Nil (2013: 2,317) units	-	1,165,761
----------------------------------	---	-----------

Key Management Personnel of the Management Company (Note 12.3)

Issue of 4,899 (2013: 9,933) units	2,500,000	5,035,000
Bonus of Nil (2013: 210) units	-	105,523
Redemption of 9,310 (2013: 942) units	4,803,903	480,000

Half Yearly Report 2014 -15

31 December 2014 Un-audited	30 June 2014 Audited
----- Rupees -----	

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

Atlas Asset Management Limited (Management Company)		
Remuneration payable to the Management Company	379,323	348,861
Sindh Sales Tax payable on remuneration of the Management Company	245,610	189,757
Federal Excise Duty payable on remuneration of the Management Company	1,202,268	837,119
Units in issue 37,080 (30 June 2014: 81,903) - at net asset value	19,330,220	41,363,401
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to Trustee	75,866	69,772
Security deposit	100,000	100,000
Atlas Foundation (Group Company)		
Units in issue 962 (30 June 2014: 962) - at net asset value	501,523	485,861
Atlas Honda Limited (Group Company)		
Units in issue 138,839 (30 June 2014: 138,839) - at net asset value	72,378,317	70,118,013
Atlas Insurance Limited (Group Company)		
Units in issue 172,382 (30 June 2014: 172,382) - at net asset value	89,864,381	87,058,004
Hamdard Laboratories (Waqf) Pakistan (Holding more than 10%) - Note 12.5		
Units in issue 101,571 (30 June 2014: N/A) - at net asset value	52,950,094	-
Shirazi Trading Company (Private) Limited Employees Provident Fund (Retirement benefit plan of a Group Company)		
Units in issue 19,278 (30 June 2014: 19,278) - at net asset value	10,049,854	9,736,007
<u>Key Management Personnel of Management Company - Note 12.3</u>		
Units in issue 14,131 (30 June 2014: 18,542) - at net asset value	7,366,534	9,363,957

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

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

12.5 Holding being less than 10% as at 30 June 2014, disclosure was not applicable.

Atlas Islamic Income Fund

13. GENERAL

13.1 Figures have been rounded off to the nearest Rupee.

13.2 Figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2014 and 31 December 2013 have not been subjected to limited scope review by the auditors.

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

14. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the management company on 26 February 2015.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Half Yearly Report 2014 -15

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

Mufti Muhammad Yahya Asim

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Al-Baraka Bank (Pakistan) Limited
Bank Islami Pakistan Limited

Atlas Islamic Stock Fund

TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41 (h) 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 six months period ended December 31, 2014 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.

Aftab Ahmed Diwan

Officiating Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi, February 17, 2015

Half Yearly Report 2014 -15

INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of Atlas Islamic Stock Fund as at December 31, 2014 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim distribution statement, condensed interim statement of movement in unit holders' funds and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial information'), for the half year ended December 31, 2014. The Management Company (Atlas Asset Management Limited) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2014 and December 31, 2013 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2014.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2014 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

A. F. Ferguson & Co.

Chartered Accountants

Engagement Partner: Salman Hussain

Dated: February 27, 2015

Karachi

Atlas Islamic Stock Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT 31 DECEMBER 2014

		31 December 2014 Un-audited	30 June 2014 Audited
	Note	----- Rupees -----	-----
ASSETS			
Bank balances	4	44,219,949	124,718,193
Investments	5	788,603,990	731,505,934
Profit receivable on bank balances		207,763	641,037
Dividend receivable		846,250	675,000
Receivable against sale of investments		-	6,581,463
Deposits, prepayments and other receivables	6	2,666,035	7,325,000
Total assets		836,543,987	871,446,627
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	7	6,759,852	5,046,869
Payable to Central Depository Company of Pakistan Limited - Trustee		155,022	130,161
Payable to the Securities and Exchange Commission of Pakistan		402,553	874,914
Payable against purchase of investments		10,445,124	39,376,880
Accrued and other liabilities	8	17,843,803	16,654,111
Total liabilities		35,606,354	62,082,935
NET ASSETS		800,937,633	809,363,692
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		800,937,633	809,363,692
CONTINGENCIES AND COMMITMENTS	9		
NUMBER OF UNITS IN ISSUE		1,838,959	1,980,470
NET ASSET VALUE PER UNIT		435.54	408.67

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

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Half Yearly Report 2014 -15

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2014

	For the Half Year ended		For the Quarter ended	
	31 December		31 December	
	2014	2013	2014	2013
INCOME	Rupees			
Profit on bank balances	2,421,612	9,609,516	760,818	5,518,266
Dividend income	28,123,750	31,861,250	11,991,250	8,950,000
Capital gain on sale of investments - net	25,351,232	37,935,278	16,712,273	11,230,806
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	14,873,279	59,976,121	24,255,057	81,403,188
	40,224,511	97,911,399	40,967,330	92,633,994
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	(5,702,495)	(5,389,431)	(5,885,328)	(5,148,538)
	65,067,378	133,992,734	47,834,070	101,953,722
EXPENSES				
Remuneration of Atlas Asset Management Limited - Management Company	8,474,848	10,238,651	4,254,559	5,091,541
Sindh Sales Tax on remuneration of the Management Company 7.1	1,474,624	1,900,294	740,294	944,990
Federal Excise Duty on remuneration of the Management Company 7.2	1,355,976	1,638,184	680,730	814,646
Remuneration of Central Depository Company of Pakistan Limited - Trustee	847,484	1,015,235	425,457	506,204
Annual fee - Securities and Exchange Commission of Pakistan	402,553	486,332	202,091	241,850
Auditors' remuneration	141,920	126,657	75,540	63,387
Securities transaction cost	1,103,706	1,266,935	564,075	572,406
Annual listing fee	20,000	20,000	10,000	10,000
Annual rating fee	91,400	50,000	66,400	25,000
Printing charges	141,594	116,200	73,219	61,475
Bank charges	10,847	13,062	4,857	5,642
Provision for Workers' Welfare Fund 8.2	1,020,049	2,342,424	814,737	1,872,332
	15,085,001	19,213,974	7,911,959	10,209,473
Net income for the period before taxation	49,982,377	114,778,760	39,922,111	91,744,249
Taxation 10	-	-	-	-
Net income for the period after taxation	49,982,377	114,778,760	39,922,111	91,744,249

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

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Islamic Stock Fund

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2014

	For the Half Year ended		For the Quarter ended	
	31 December 2014	2013	31 December 2014	2013
	----- Rupees -----			
Net income for the period after taxation	49,982,377	114,778,760	39,922,111	91,744,249
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	49,982,377	114,778,760	39,922,111	91,744,249

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

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Half Yearly Report 2014 -15

CONDENSED INTERIM DISTRIBUTION STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2014

	Note	2014 ----- Rupees -----	2013 -----
Undistributed income brought forward		89,513,943	249,650,779
[Includes unrealised gain on investments of Rs.94,012,969] (2013: Includes unrealised gain on investments of Rs.108,232,074)			
Final distribution of bonus units for the year ended 30 June 2013 Rs.110 per unit declared on 04 July 2013		-	(221,708,993)
Net income for the period after taxation		49,982,377	114,778,760
Shariah non-compliant income set-aside for charity	8.1	(576,923)	(495,132)
Undistributed income carried forward		138,919,397	142,225,414
[Includes unrealised gain on investments of Rs.66,953,073] (2013: Includes unrealised gain on investments of Rs.111,630,788)			

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

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Islamic Stock Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2014

	31 December 2014		31 December 2013	
	Units	Rupees	Units	Rupees
Net assets at beginning of the period [Rs.408.67 (2013: Rs.483.55) per unit]	1,980,470	809,363,692	2,015,536	974,605,786
Issue of units	434,072	182,953,767	271,935	109,347,779
Redemption of units	(575,583)	(246,487,775)	(468,063)	(188,000,892)
	(141,511)	(63,534,008)	(196,128)	(78,653,113)
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	-	5,702,495	-	5,389,431
Final distribution of bonus units for the year ended 30 June 2013 at the rate of Rs.110 per unit declared on 4 July 2013	-	-	593,519	-
Capital gain on sale of investments - net	-	25,351,232	-	37,935,278
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	-	14,873,279	-	59,976,121
Other net income for the period	-	9,757,866	-	16,867,361
Total comprehensive income for the period	-	49,982,377	-	114,778,760
Shariah non-compliant income set-aside for charity	-	(576,923)	-	(495,132)
Net assets at end of the period [Rs.435.54 (2013: Rs.420.91) per unit]	1,838,959	800,937,633	2,412,927	1,015,625,732

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

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Half Yearly Report 2014 -15

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2014

	2014	2013
Note	----- Rupees -----	-----
Cash flows from operating activities		
Net income for the period after taxation	49,982,377	114,778,760
Adjustments for:		
Profit on bank balances	(2,421,612)	(9,609,516)
Dividend income	(28,123,750)	(31,861,250)
Capital gain on sale of investments - net	(25,351,232)	(37,935,278)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(14,873,279)	(59,976,121)
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	5,702,495	5,389,431
	(65,067,378)	(133,992,734)
(Increase)/decrease in assets		
Receivable against sale of investments	6,581,463	31,703,077
Deposits, prepayment and other receivables	4,658,965	(20,000)
	11,240,428	31,683,077
Increase/(decrease) in liabilities		
Payable to Atlas Asset Management Limited - Management Company	1,712,983	2,001,767
Payable to Central Depository Company of Pakistan Limited - Trustee	24,861	126
Payable to the Securities and Exchange Commission of Pakistan	(472,361)	(173,556)
Payable against purchase of investments	(28,931,756)	(19,115,662)
Accrued and other liabilities	612,768	1,744,422
	(27,053,505)	(15,542,903)
Investments made during the period	(558,385,249)	(624,164,745)
Investments sold during the period	541,511,705	837,739,214
Profit received on bank balances	2,854,886	8,101,592
Dividend received	27,952,500	32,213,300
Net cash (used in) / generated from operating activities	(16,964,236)	250,815,561
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	182,953,767	109,347,779
Net payments against redemption of units	(246,487,775)	(188,000,892)
Net cash used in financing activities	(63,534,008)	(78,653,113)
Net (decrease)/increase in cash and cash equivalents during the period	(80,498,244)	172,162,448
Cash and cash equivalents at the beginning of the period	124,718,193	85,170,897
Cash and cash equivalents at the end of the period	44,219,949	257,333,345

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

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Atlas Islamic Stock Fund

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2014

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Stock Fund (the Fund) is an open ended Fund constituted by a trust deed entered into on 12 September 2006 between Atlas Asset Management Limited (AAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was revised through the First Supplemental Trust Deed dated 29 October 2007, Second Supplemental Trust Deed dated 06 March 2008, Third Supplemental Trust Deed dated 04 December 2009 and the Fourth Supplemental Trust Deed dated 23 June 2010 with the approval of the Securities & Exchange Commission of Pakistan (SECP). In addition, the Offering Document of the Fund was also revised through the First, Second, Third, Fourth and Fifth Supplements, dated 29 October 2007, 06 March 2008, 04 December 2009, 23 June 2010 and 20 September 2013, respectively, with the approval of the Securities and Exchange Commission of Pakistan (SECP). The investment activities and administration of the Fund are managed by AAML situated at Ground Floor, Federation House, Shabrae Firdousi, Clifton, Karachi.
- 1.2 Units of the Fund are offered for public subscription on a continuous basis since 15 January 2007 and are transferable and redeemable by surrendering them to the Fund. The Fund is listed on the Lahore Stock Exchange.
- 1.3 According to the trust deed, the objective of the Fund is to provide one window facility to invest in diversified, 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 TDRs) and Shariah Compliant government securities not exceeding 90 days' maturity. The investment objectives and policies are fully defined in the Fund's Offering Document.

2. BASIS OF PREPARATION

Statement Of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting", the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and directives issued by the SECP. In case where requirements differ, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.

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

The condensed interim financial statements are unaudited but have been subject to limited scope review by the auditors.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 31 December 2014.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

Half Yearly Report 2014 -15

	31 December 2014	30 June 2014
	Un-audited	Audited
Note	----- Rupees	-----

4. BANK BALANCES

In local currency

- Profit and loss sharing accounts	4.1	44,219,949	124,718,193
------------------------------------	-----	-------------------	--------------------

4.1 The rate of return on these profit and loss sharing accounts ranges between 6.5% to 9.15% (30 June 2014: 6.5% to 9.15%) per annum.

5. INVESTMENTS

At fair value through profit or loss

- Listed equity securities - Held for trading	5.1	782,603,990	731,505,934
---	-----	-------------	-------------

Investment through book building for 200,000 Ordinary shares of Synthetic Product Enterprises Limited

6,000,000	-
788,603,990	731,505,934

5.1 Listed equity securities

At Fair value through profit or loss

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

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

Held for trading equity securities

OIL & GAS

Attock Petroleum Limited	1,800	25,250	-	27,050	-	-	-	-	-	-
Attock Refinery Limited	25,000	-	-	25,000	-	-	-	-	-	-
Hascol Petroleum Limited	-	100,000	-	100,000	-	-	-	-	-	-
Mari Petroleum Company Limited	10,000	-	2,000	11,900	100	31,119	47,545	0.01	0.01	-
National Refinery Limited	50,000	50,000	-	100,000	-	-	-	-	-	-
Oil and Gas Development Company Limited	325,000	122,000	-	108,500	338,500	86,566,618	69,686,995	8.84	8.70	0.01
Pakistan Oilfields Limited	150,000	90,000	-	80,000	160,000	82,742,662	60,697,600	7.70	7.58	0.07
Pakistan Petroleum Limited	250,500	199,500	-	-	450,000	98,798,835	79,434,000	10.07	9.92	0.02
Pakistan State Oil Company Limited	150,000	50,000	-	25,000	175,000	67,382,349	62,634,250	7.94	7.82	0.06
	962,300	636,750	2,000	477,450	1,123,600	335,521,583	272,500,390	34.56	34.03	

CHEMICALS

Engro Corporation Limited	-	200,000	-	-	200,000	42,827,165	44,302,000	5.62	5.53	0.04
Fauji Fertilizer Bin Qasim Limited	-	1,250,000	-	900,000	350,000	15,423,695	15,823,500	2.01	1.98	0.04
Fauji Fertilizer Company Limited	300,000	525,000	-	350,000	475,000	53,321,702	55,627,250	7.05	6.95	0.04
	300,000	1,975,000	-	1,250,000	1,025,000	111,572,562	115,752,750	14.68	14.46	

Atlas Islamic Stock Fund

Name of Investee Company	Number of shares held					Rupees		Percentage of		
	As at 01 July 2014	Purchases during the period	Bonus shares during the period	Sales during the period	As at 31 December 2014	Carrying Cost	Market Value	Market Value as a percentage of total Investments	Market Value as a percentage of net assets	Market value as a percentage of paid up capital of investee company held
Held for trading equity securities (Continued...)										
CONSTRUCTION AND MATERIALS (CEMENT)										
Attock Cement Pakistan Limited	100,000	25,000	-	125,000	-	-	-	-	-	-
D G Khan Cement Company Limited	500,000	200,000	-	300,000	400,000	34,292,249	44,212,000	5.61	5.52	0.09
Fauji Cement Company Limited	500,000	300,000	-	-	800,000	16,105,270	20,672,000	2.62	2.58	0.06
Kohat Cement Limited	-	80,000	-	80,000	-	-	-	-	-	-
Lafarge Pakistan Cement Limited	500,000	500,000	-	1,000,000	-	-	-	-	-	-
Lucky Cement Limited	90,000	65,000	-	30,000	125,000	48,769,704	62,535,000	7.93	7.81	0.04
Maple Leaf Cement Limited	-	60,000	-	60,000	-	-	-	-	-	-
Pioneer Cement Limited	-	35,000	-	35,000	-	-	-	-	-	-
	1,690,000	1,265,000	-	1,630,000	1,325,000	99,167,223	127,419,000	16.16	15.91	
GENERAL INDUSTRIALS										
Packages Limited	-	20,000	-	20,000	-	-	-	-	-	-
ENGINEERING										
Millat Tractors Limited	25,000	5,000	-	30,000	-	-	-	-	-	-
AUTOMOBILE AND PARTS										
Agriauto Industries Limited	36,000	-	-	36,000	-	-	-	-	-	-
Indus Motor Company Limited	46,500	-	-	46,500	-	-	-	-	-	-
Pak Suzuki Motor Company Limited	45,000	25,000	-	15,000	55,000	16,465,770	20,411,600	2.59	2.55	0.07
	127,500	25,000	-	97,500	55,000	16,465,770	20,411,600	2.59	2.55	
PERSONAL GOODS (TEXTILES)										
Kohinoor Textile Mills Limited	-	500,000	-	250,000	250,000	7,575,000	8,762,500	1.11	1.09	0.10
Nishat Mills Limited	300,000	410,000	-	285,000	425,000	48,561,076	51,420,750	6.52	6.42	0.12
	300,000	910,000	-	535,000	675,000	56,136,076	60,183,250	7.63	7.51	
PHARMA AND BIO TECH										
The Searle Company Limited	50,000	50,000	-	50,000	50,000	10,499,500	12,092,000	1.53	1.51	0.06
FIXED LINE TELECOMMUNICATION										
Pakistan Telecommunication Company Limited	500,000	600,000	-	1,100,000	-	-	-	-	-	-
ELECTRICITY										
The Hub Power Company Limited	1,235,000	150,000	-	385,000	1,000,000	58,852,970	78,360,000	9.94	9.78	0.09
Lalpir Power Limited	-	500,000	-	-	500,000	11,788,190	14,950,000	1.90	1.87	0.13
Pakgen Power Limited	1,000,000	700,000	-	-	1,700,000	36,074,565	45,951,000	5.83	5.74	0.46
	2,235,000	1,350,000	-	385,000	3,200,000	106,715,725	139,261,000	17.67	17.39	
MULTIUTILITIES (GAS AND WATER)										
Sui Northern Gas Pipelines Limited	500,000	300,000	-	400,000	400,000	9,106,158	11,484,000	1.46	1.43	0.06
COMMERCIAL BANKS										
Meezan Bank Limited	1,546,000	200,000	-	1,246,000	500,000	22,546,114	23,500,000	2.98	2.93	0.05
Total as at 31 December 2014						767,730,711	782,603,990	99.26	97.73	
Total as at 30 June 2014						665,008,298	731,505,934			

Half Yearly Report 2014 -15

- 5.2 The cost of listed equity securities as at 31 December 2014 is Rs.715,650,917 (30 June 2014: Rs.637,492,965).
- 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	
	31 December 2014	30 June 2014	31 December 2014	30 June 2014
	Un-audited	Audited	Un-audited	Audited
	----- Rupees -----			
Pakistan Oilfields Limited	57,000	57,000	21,623,520	32,735,100
Fauji Fertilizer Company Limited	75,000	75,000	8,783,250	8,418,750
Lucky Cement Limited	75,000	75,000	37,521,000	30,772,500
The Hub Power Company Limited	700,000	700,000	54,852,000	41,118,000
			122,779,770	113,044,350
			31 December 2014	30 June 2014
			Un-audited	Audited
			----- Rupees -----	

Note

6. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Security deposit with:

- National Clearing Company of Pakistan Limited (NCCPL)
- Central Depository Company of Pakistan Limited (CDC)

Prepayments

Receivable against withholding tax on bonus shares of Mari - Petroleum Company Limited

Receivable against Book Building for Ordinary Shares of Pakistan Petroleum Limited

	2,500,000	2,500,000
	100,000	100,000
	2,600,000	2,600,000
	20,000	-
	46,035	-
	-	4,725,000
	46,035	4,725,000
	2,666,035	7,325,000

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

Remuneration of the Management Company

Sindh Sales Tax payable on remuneration of the Management Company

Federal Excise Duty payable on remuneration of the Management Company

	1,388,173	1,243,784
7.1	908,734	696,116
7.2	4,462,945	3,106,969
	6,759,852	5,046,869

7.1 During the period, an amount of Rs.1,474,624 (2013: Rs.1,900,294) 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.1,262,006 (2013: Rs.1,624,189) has been paid to the Management Company which acts as the collecting agent.

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

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

As a matter of abundant caution, the Management Company of the Fund has made a provision for FED in the books of account of the Fund with effect from 13 June 2013. Had the same not been made, the net asset value per unit of the Fund would have been higher by Rs.2.43 (30 June 2014: Rs.1.57) per unit.

Atlas Islamic Stock Fund

		31 December 2014 Un-audited	30 June 2014 Audited
	Note	----- Rupees -----	
8. ACCRUED AND OTHER LIABILITIES			
Auditors' remuneration payable		151,080	193,560
Printing charges payable		152,000	228,000
Rating fee payable		63,800	100,000
Charity payable	8.1	401,629	105,885
NCCPL charges payable		34,604	17,103
Withholding tax payable		17,732	10,588
Zakat payable		1,845	1,495
Provision for Workers' Welfare Fund	8.2	16,927,801	15,907,752
Others		93,312	89,728
		17,843,803	16,654,111

8.1 The Shariah Advisor of the Fund, has certified an amount of Rs.576,923 (30 June 2014: Rs.715,194) against dividend income, as Shariah non-compliant income during the period, which has accordingly been marked to charity. Out of this, an amount Rs. 175,294 has already been paid to the charities approved by the Shariah Advisor during the period. The balance amount of Rs.401,629 (30 June 2014: Rs.105,885) shall be paid in due course of time.

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

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

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

Half Yearly Report 2014 -15

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

In view of the pending decision, the Management Company of the Fund, as a matter of abundant caution, has decided to continue to maintain the provision for WWF amounting to Rs.16,927,801 (30 June 2014: Rs.15,907,752) in these condensed interim financial statements. Had the same not been made, the net asset value per unit of the Fund would have been higher by Rs.9.21 (30 June 2014: Rs.8.03) per unit.

9. CONTINGENCIES AND COMMITMENTS

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

10. TAXATION

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

For the Half Year ended	
31 December 2014	31 December 2013
Un-audited	Un-audited
----- Rupees -----	

11. TRANSACTIONS WITH CONNECTED PERSONS/OTHER RELATED PARTIES

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

Atlas Asset Management Limited (Management Company)

Remuneration of the management company	8,474,848	10,238,651
Remuneration paid	8,330,459	10,151,173
Sindh sales tax on remuneration of the Management Company	1,474,624	1,900,294
Federal Excise Duty on remuneration of the Management Company	1,355,976	1,638,184
Issue of 37,567 (2013: Nil) units	15,400,000	-

Central Depository Company of Pakistan Limited (Trustee)

Remuneration of the Trustee	847,484	1,015,235
Remuneration paid	833,043	1,006,967
Settlement charges	45,558	62,734

Atlas Islamic Stock Fund

		For the Half Year ended	
		31 December 2014	31 December 2013
		Un-audited	Un-audited
Note	-----	Rupees	-----

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

Atlas Battery Limited (Group Company)			
Bonus Nil (2013: 39,523) units		-	14,763,929
Redemption of Nil (2013: 6,011) units		-	2,500,000
Atlas Honda Limited (Group Company)			
Issue of 72,908 (2013: Nil) units		30,000,000	-
Bonus Nil (2013: 28,966) units		-	10,820,169
Atlas Insurance Limited (Group company)			
Issue of 203,090 (2013: 100,329) units		87,000,000	40,400,000
Bonus Nil (2013: 100,234) units		-	37,442,472
Redemption of 168,000 (2013: 236,400) units		71,658,880	95,848,503
Batools Benefit Trust (Trust having common Director/Trustee)			
Issue of 11,409 (2013: Nil) units		5,000,000	-
Bonus Nil (2013: 8,075) units		-	3,016,426
Iftikhar Shirazi Family Trust (Trust having common Director/Trustee)			
Bonus Nil (2013: 7,999) units		-	2,987,925
Sindh Province Pension Fund (Unit holder with more than 10% holding)			
	11.1.1		
Bonus Nil (2013: 85,722) units		-	32,021,425
Service Provident Fund Trust (Unit holder with more than 10% holding)			
	11.1.2		
Redemption of 259,666 (2013: N/A) units		113,396,260	-
Key Management Personnel of the Management Company			
	11.3		
Issue of 6,197 (2013: 506) units		2,597,059	200,000
Bonus Nil (2013: 33,342) units		-	12,454,907
Redemption of 638 (2013: Nil) units		265,688	-

11.1.1 Current period figures have not been presented as the entity was not classified as a connected person of the Fund as at December 31, 2014 on account of having less than 10% of the unit holding of the Fund.

11.1.2 Prior year figures have not been presented as the entity was not classified as a connected person of the Fund as at December 31, 2013 on account of having less than 10% of the unit holding of the Fund.

Half Yearly Report 2014 -15

	31 December 2014	30 June 2014
	Un-audited	Audited
Note	-----	Rupees -----

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

Atlas Asset Management Limited (Management Company)		
Remuneration payable to the management company	1,388,173	1,243,784
Sindh Sales Tax payable on remuneration of the Management Company	908,734	696,116
Federal Excise Duty payable on remuneration of the Management Company	4,462,945	3,106,969
Outstanding 37,567 (30 June 2014: Nil) untis - at net asset value	16,361,829	-
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to trustee	138,818	124,377
Settlement charges payable	16,204	5,784
Security deposit	100,000	100,000
Atlas Battery Limited (Group Company)		
Outstanding 186,633 (30 June 2014: 186,633) - at net asset value	81,286,112	76,271,285
Atlas Honda Limited (Group Company)		
Outstanding 197,271 (30 June 2014: 124,363) - at net asset value	85,919,061	50,823,281
Atlas Insurance Limited (Group Company)		
Outstanding 449,521 (30 June 2014: 414,431) - at net asset value	195,784,508	169,365,706
Batools Benefit Trust (Trust having common Director/Trustee)		
Outstanding 50,907 (30 June 2014: 39,498) - at net asset value	22,172,050	16,141,444
Iftikhar Shirazi Family Trust (Trust having common Director/Trustee)		
Outstanding 39,124 (30 June 2014: 39,124) - at net asset value	17,040,202	15,988,932
Service Provident Fund Trust (Unit holder with more than 10% holding)		
11.2.1		
Outstanding Nil (30 June 2014: 259,666) - at net asset value	-	106,117,815
Key Management Personnel of management company		
11.3		
Outstanding 168,084 (30 June 2014: 162,525) - at net asset value	73,206,887	66,418,934

11.2.1 Current period figures have not been presented as the entity is not classified as a connected person of the Fund as at 31 December 2014 on account of having less than 10% of the unit holding of the Fund.

11.3 For the purpose of this disclosure, transactions by the Board of Directors, and key management personnel falling within the scope of "executive" under the Code of Corporate Governance, 2012 are included herein. The term "executive" includes the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer and Company Secretary, Chief Internal Auditor, and executives of the Management Company of the Fund whose gross remuneration is Rs.4 million (2013: Rs.3 million) and above, as set by the Board of Directors of the Management Company for the FY 2014-15.

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

Atlas Islamic Stock Fund

12. GENERAL

12.1 Figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2014 and 31 December 2013 have not been subjected to limited scope review by the auditors.

12.2 Figures have been rounded off to the nearest Rupee.

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

13. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the management company on 26 February 2015.

For Atlas Asset Management Limited
(Management Company)

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Azam Faruque
Director

Head Office

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

Lahore Office

C/o. Atlas Honda Limited,
1-Mcleod Road, Lahore.
Ph: (92-42) 37225015-17
Fax: (92-42) 37351119

Rawalpindi Office

C/o. Atlas Honda Limited,
60, Bank Road, Saddar, Rawalpindi.
Tel: (92-51) 5856411
Fax: (92-51) 5120497