



**Atlas Islamic Money Market Fund**

**Atlas Islamic Income Fund**

**Atlas Islamic Stock Fund**

**Atlas Islamic Dedicated Stock Fund**

**Atlas Islamic Fund of Funds**

**HALF YEARLY REPORT**

**31 DECEMBER 2021**

**(UN-AUDITED)**



**Managed By**

**Atlas Asset Management**

**Rated AM2+ by PACRA  
(as of December 24, 2021)**



#### **Vision**

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

#### **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.

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ORGANISATION

Management Company

Atlas Asset Management Limited

Board of Directors of the Management Company

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

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

Company Secretary Ms Zainab Kazim

Board Committees

Audit Committee

Chairman	Mr. Tariq Amin
Members	Mr. Frahim Ali Khan Mr. M. Habib-ur-Rahman
Secretary	Mr. M. Uzair Uddin Siddiqui

Human Resource & Remuneration Committee

Chairperson	Ms. Zehra Naqvi
Members	Mr. Frahim Ali Khan Mr. Ali H. Shirazi Mr. Muhammad Abdul Samad
Secretary	Ms Zainab Kazim

Investment Committee

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

Management Committee

Chairman	Mr. Muhammad Abdul Samad
Members	Mr. Khalid Mahmood Ms Qurrat-ul-Ain Jafari Ms Mishaal H. Shirazi Mr. Tariq Ahmed Siddiqui Ms Ayesha Farooq Ms Zainab Kazim Mr. M. Kamran Ahmed Mr. Najam Shehzad
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

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(92-21) 35379501-04  
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Website: www.atlasfunds.com.pk

# Half Yearly Report 2020-21

## CHAIRMAN'S REVIEWS

It is my pleasure to present you the un-audited Financial Statements of Atlas Islamic Money Market Fund (AIMF), Atlas Islamic Income Fund (AIIF), Atlas Islamic Stock Fund (AISF), Atlas Islamic Dedicated Stock Fund (AIDSF) and Atlas Islamic Fund of Funds (AIFO) for the half year period ended December 31, 2021 of FY22.

## THE ECONOMY

Recovery in domestic demand stemming from expansionary monetary and fiscal policy, coupled with high international commodity prices due to revival of economic activities around the world amid supply constraints, has led to sharp increase in inflation and trade deficit. The Jul-Dec current account balance stood at US \$9.01 billion deficit compared to US \$1.25 billion surplus in same period last year largely on back of 66.23% YoY increase in Jul-Dec FY22 imports of US \$40.65 billion compared to US \$24.45 billion in same period last year. The Jul-Dec FY22 exports increased by 24.91% YoY to stand at US \$15.13 billion while Jul-Dec FY22 worker's remittances increased by 11.30% YoY to stand at US \$15.81 billion. Total liquid foreign exchange reserves increased by 18.33% YoY to US \$24.27 billion as of Dec 24, 2021 (SBP's share stood at US \$17.86 billion) primarily due to IMF's new SDR allocation of US \$2.80 billion, growth in worker's remittances, inflows from multilateral and bilateral lenders and extension of debt suspension as part of G20 debt relief deal. Average CPI inflation for first half FY22 remained at 9.81%. The State Bank's Monetary Policy Committee increased policy rate by 275bps to 9.75% during Jul-Dec FY22 in order to counter inflationary pressure and ensure economic growth remains sustainable.

## FUND OPERATIONS - AIMF

Atlas Islamic Money Market Fund increased by 3.72% on absolute basis (7.38% annualized) as on December 31, 2021. The AIMF total exposure in high yielding Shariah Compliant Bank Balances/Others, Shariah Compliant Term Deposit and Commercial Paper stood at 61.07%, 26.44% and 12.49%, respectively. AIMF presents a good investment opportunity for investors to earn attractive returns (with a periodic payout) while maintaining high liquidity. The Net Assets of the Fund stood at Rs. 1.28 billion, with 2.57 million units outstanding as of December 31, 2021. During the month of August 2021, provisioning against Sindh Workers' Welfare Fund by AIMF amounting to Rs. 0.46 million has been reversed on the clarification received by Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan. This reversal of provision has contributed towards an unusual increase in NAV of the AIMF by 0.11%. This is one-off event and is not likely to be repeated in the future.

## FUND OPERATIONS - AIIF

The Net Asset Value per unit of Atlas Islamic Income Fund (AIIF) increased by 3.95% to Rs. 525.88 as on December 31, 2021, providing an annualized total return of 7.85%. The AIIF total exposure in high yielding Shariah Compliant Bank Balances/Others, Sukuks, Commercial Paper and Placement with Banks stood at 36.19%, 34.15%, 16.14% and 13.52%, respectively. The Net Assets of your Fund stood at Rs. 2.03 billion, with 3.86 million units outstanding as of December 31, 2021. During the month of August 2021, provisioning against Sindh Workers' Welfare Fund by AIIF amounting to Rs. 11.19 million has been reversed on the clarification received by Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan. This reversal of provision has contributed towards an unusual increase in NAV of the AIIF by 0.91%. This is one-off event and is not likely to be repeated in the future.

## FUND OPERATIONS - AISF

The Net Asset Value per unit of Atlas Islamic Stock Fund (AISF) decreased by 3.94% to Rs. 550.55 as on December 31, 2021. The benchmark KMI-30 index decreased by 6.44% during the same period. The KMI-30 index decreased from 76,621.54 points as on June 30, 2021 to 74,288.26 points as on December 31, 2021. AISF strategy will continue to focus on dividend plays and stocks that are trading at relatively cheap multiple with prospect of earnings growth. AISF equity portfolio exposure stood at 98.06% that mainly comprised of Oil & Gas Exploration, Cement, Fertilizer and Islamic Commercial Banks. The Net Assets of your Fund stood at Rs. 4.04 billion, with 7.34 million units outstanding as of December 31, 2021. During the month of August 2021, provisioning against Sindh Workers' Welfare Fund by AISF amounting to Rs. 34.63 million has been reversed on the clarification received by Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan. This reversal of provision has contributed towards an unusual increase in NAV of the AISF by 1.24%. This is one-off event and is not likely to be repeated in the future.

## FUND OPERATIONS - AIDSF

The Net Asset Value per unit of Atlas Islamic Dedicated Stock Fund (AIDSF) decreased by 3.03% to Rs. 486.26 as on December 31, 2021. The benchmark KMI-30 index decreased by 6.44% during the same period. The KMI-30 index decreased from 76,621.54 points as on June 30, 2021 to 74,288.26 points as on December 31, 2021. AIDSF strategy will continue to focus on dividend plays and stocks that are trading at relatively cheap multiple with prospects of earnings growth. AIDSF equity portfolio exposure stood at 98.08% that mainly comprised of Oil & Gas Exploration, Cement, Fertilizer and Islamic Commercial Banks. The Net Assets of your Fund stood at Rs. 486.26 million, with 0.85 million units outstanding as of December 31, 2021. During the month of August 2021, provisioning against Sindh Workers'

# Atlas Meraj

Welfare Fund by AIDSf amounting to Rs. 3.13 million has been reversed on the clarification received by Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan. This reversal of provision has contributed towards an unusual increase in NAV of the AIDSf by 1.06%. This is one-off event and is not likely to be repeated in the future.

## FUND OPERATIONS - AIFO

The Net Asset Value of Atlas Aggressive Allocation Islamic Plan (AAAI) decreased by 1.16% to Rs. 587.58 as on December 31, 2021. AAAI was 23.97% and 66.25% invested in AIIF and AIDSf, respectively. The Net Asset Value of Atlas Moderate Allocation Islamic Plan (AMAI) increased by 0.23% to Rs. 584.70 as on December 31, 2021. AMAI was 43.77% and 49.29% invested in AIIF and AIDSf, respectively. The Net Asset Value of Atlas Conservative Allocation Islamic Plan (ACAI) increased by 2.16% to Rs. 579.33 as on December 31, 2021. ACAI was 68.98% and 24.59% invested in AIIF and AIDSf, respectively. The Net Asset Value of Atlas Islamic Capital Preservation Plan (AICPP II) increased by 1.41% to Rs. 507.07 as on December 31, 2021. AICPP II was 57.62% and 41.60% invested in AIMF and AIDSf, respectively. During the period, Atlas Islamic Dividend Plan (AIDP) provided 3.90% return (7.73% annualized basis). AIDP was 88.73% invested in AIIF. During the period under review, Atlas Islamic Capital Preservation Plan II (AICPP-II) reached its maturity providing since inception return of 23.15% against benchmark of 15.84%. The Net Assets of AIFO stood at Rs. 914.42 million as of December 31, 2021. During the month of August 2021, provisioning against Sindh Workers' Welfare Fund by AAAI, AMAI, ACAI, AICPP and AIDP amounting to Rs. 0.79, 0.79, 0.72, 2.11 and 0.07 million respectively, has been reversed on the clarification received by Sindh Revenue Board vide letter No. SRB/TP/70/2013/8772 dated August 12, 2021 addressed to Mutual Funds Association of Pakistan. This reversal of provision has contributed towards an unusual increase in NAV of the AAAI, AMAI, ACAI, AICPP II and AIDP by 0.59%, 0.58%, 0.51% and 0.53%, respectively. This is one-off event and is not likely to be repeated in the future.

## MUTUAL FUND TAXATION

### SINDH WORKER'S WELFARE FUND (SWWF)

Levy of WWF has become provincial subject and as Sindh Government has imposed SWWF on industrial, service sectors and financial institutions. Sindh Revenue Board (SRB) has demanded SWWF from mutual funds claiming that these are "financial institutions". According to legal and tax advisors' interpretations, obtained by MUFAP, mutual funds do not fall under the definition of "financial institutions". The Companies Act 2017 has also excluded mutual funds from the definition of financial institutions. However, asset management companies are included in the definition of financial institutions. Nevertheless, as abundant precaution mutual funds made provision in respect of SWWF as recommended by MUFAP from the date of enactment (May 21, 2015) of Sindh Workers Welfare Fund Act, 2014.

Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds and pension funds do not qualify as Financial Institutions/ Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognized in the financial statements of the Funds, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognized in the financial statements of the Funds.

### FEDERAL EXCISE DUTY (FED)

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

## WITHHOLDING TAX

After the promulgation of circular dated May 12, 2015, any person required to withhold income tax, may only allow exemption if a valid exemption certificate under section 159(1) of the Income Tax Ordinance, 2001 issued by the concerned Commissioner of Inland Revenue, is produced before him. 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, a petition was filed in the Supreme Court of Pakistan (SCP) on January 28, 2016 by the Company along with other AMCs. The SCP granted the petitioners leave to appeal from initial judgement of the SHC. Pending resolution to the matter, the amount of tax withheld is shown in Other Receivables, which is refundable. In the meanwhile, Mutual Funds are obtaining exemption certificates from Commissioner of Income Tax.

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Mutual Funds are exempt from income tax on their Income if they distribute at least 90% of their accounting income as per clause 99 of Part 1 of the Second Schedule of the Income Tax Ordinance 2001 (Ordinance). However, in assessment for TY 2018, the said exemption has been denied by The Additional Commissioner Audit (AC) in case of Atlas Income Fund & other Funds of various AMC's, on the ground that the amount paid as income on units redeemed by investors during the tax year cannot be treated as distribution of income and commented that the distribution by the Fund fell short of 90% threshold. The issue was taken to Commissioner Appeal's office, which upheld the AC decision. Thereafter, subject matter was taken to Tribunal, which in its judgment decided the case in favor of Fund and vacated the previous orders issued by FBR & Appeal office. Later, FBR issued assessment order of AIF for TY: 2015 and the said exemption was denied again citing the charge that the distribution fell short of 90%. The issue was taken to Commissioner Appeals Office, which decided the case in favor of Fund and annulled the previous order issued by FBR. Recently, FBR issued assessment orders for TY: 2016 & 2017 in AIF, on the same issue of distribution of income while withdrawing exemption. Appeal has been filed in Commissioner Appeals office which is pending adjudication, meanwhile stay order has also been obtained from Commissioner Appeals. Further, the issue of distribution of income is also being contested by MUFAP on behalf of the mutual funds industry at various regulatory and Government levels and are very hopeful that the matter will be resolved soon as the matter has merely arisen due to incorrect interpretation by the relevant commissioners as to what construes as distribution of profit by an open-ended mutual fund. SECP agrees with MUFAP's interpretation and is also actively following up with FBR to resolve the matter at the earliest.

## RATINGS

### • ASSET MANAGER RATING

The Pakistan Credit Rating Agency Limited (PACRA) has maintained "AM2+" (AM Two Plus) asset manager rating for Atlas Asset Management Limited (AAML). 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 - AIMF

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

### • 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

The leading indicators of domestic demand suggest strong economic growth in FY22 wherein State Bank of Pakistan expects economic growth to remain in 4% to 5% range. The increase in import figures, stemming primarily from upsurge in global commodity prices, is likely to moderate going forward on back of expected normalization in global commodity prices due to easing supply disruptions and monetary tightening by major central banks around the world. In contrast to sharp rise in imports, the recent policy rate hikes, proposed fiscal measures in finance supplementary bill and market-based flexible exchange rate system will help curb imports, while growth in worker's remittances and encouraging pickup in exports will likely help contain CAD under 4% of GDP. Inflation is expected to remain in 9% to 11% range in FY22, which is higher than previous estimates due to PKR devaluation, high commodity prices and demand side pressures, whereas recent monetary tightening will help curtail inflation outlook. Going forward, government's focus towards widening tax base to ease fiscal pressure, and measures to increase exports as well as encourage import substitution to ease external pressure will be instrumental in sustaining economic activity, financial stability, safeguarding jobs and addressing social needs.

دے ولولہ شوق جسے لذت پرواز  
کر سکتا ہے وہ ذرہ مہ و مہر کو تاراج

A mote endowed with strong desire for flight  
Can reach the Sun and Moon with effort slight.

## ACKNOWLEDGEMENT

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

Ittikhar H. Shirazi  
Chairman

Karachi: 21 February 2022

# Atlas Islamic Money Market Fund

## Corporate Information

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**Trustee**

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

**Shariah Advisor**

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Dr. Mufti Hassan Usmani

**Auditors**

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EY Ford Rhodes  
Chartered Accountants

**Legal Advisers**

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Bawaney & Partners

**Bankers**

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Askari Bank Limited - Islamic Banking  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited

# Half Yearly Report 2021-22

## 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 Money Market 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, 2021 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.

#### **Badiuddin Akber**

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi: 28 February 2022

# Atlas Islamic Money Market Fund

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

### Report on review of Interim Financial Statements

#### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of Atlas Islamic Money Market Fund (the Fund) as at 31 December 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' Fund together with the notes forming part thereof (herein-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (Atlas Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2021 and 31 December 2020 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2021.

#### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements 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 statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

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

Karachi: 25 February 2022

**EY Ford Rhodes**  
Chartered Accountants

**Engagement Partner: Arslan Khalid**

# Half Yearly Report 2021-22

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 DECEMBER 2021

		December 31, 2021 Un-audited	30 June 2021 Audited
	Note	----- Rupees -----	
<b>Assets</b>			
Bank balances	4	1,116,369,480	282,877,302
Investments	5	160,565,961	350,806,346
Markup accrued	6	7,975,014	3,364,300
Prepayments and other receivables	7	468,911	494,442
Deferred formation cost		579,449	782,290
<b>Total assets</b>		<b>1,285,958,815</b>	<b>638,324,680</b>
<b>Liabilities</b>			
Payable to Atlas Asset Management Limited - Management Company	8	81,095	897,019
Payable to the Central Depository Company of Pakistan Limited - Trustee	9	76,463	53,922
Payable to the Securities and Exchange Commission of Pakistan	10	97,819	53,533
Payable against redemption of units	17	2,764,904	-
Accrued expenses and other liabilities	11	414,721	707,269
<b>Total liabilities</b>		<b>3,435,002</b>	<b>1,711,743</b>
<b>NET ASSETS</b>		<b>1,282,523,813</b>	<b>636,612,937</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>1,282,523,813</b>	<b>636,612,937</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	12		
<b>NUMBER OF UNITS IN ISSUE</b>		<b>2,565,047</b>	<b>1,273,226</b>
<b>NET ASSET VALUE PER UNIT</b>		<b>500.0000</b>	<b>500.0000</b>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Money Market Fund

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2020

		For the half year ended December 31, 2021	For the Quarter ended December 31, 2021
	Note	----- Rupees -----	
<b>Income</b>			
Mark up Income	13	37,289,897	22,396,102
Capital loss on sale of investments - net		(106,782)	(50,726)
<b>Total income</b>		<b>37,183,115</b>	<b>22,345,376</b>
<b>Expenses</b>			
Remuneration to Atlas Asset Management Company - Management Company		244,301	138,052
Sindh sales tax on remuneration of the Management Company		31,760	17,949
Accounting and Operational charges		150,000	75,000
Remuneration to the Central Depository Company of Pakistan Limited		289,981	151,856
Sindh sales tax on remuneration of the Trustee		37,698	19,742
Annual fee - Securities and Exchange Commission of Pakistan		97,720	55,220
Auditor's remuneration		212,603	136,987
Transaction Charges		18,874	(28,022)
Amortization of preliminary expenses and floatation costs		80,309	27,805
Annual Listing fee		13,863	6,933
Fund Rating Fee		86,586	43,293
Shariah advisory fee		40,000	20,000
Bank charges		13,546	6,105
Printing Charges		30,530	23,030
Legal and Professional Charges		53,700	26,560
Reversal of provision for Sindh Workers' Welfare Fund		(338,463)	-
<b>Total expenses</b>		<b>1,063,008</b>	<b>720,510</b>
<b>Net income for the period before taxation</b>		<b>36,120,107</b>	<b>21,624,867</b>
<b>Taxation</b>	16	-	-
<b>Net income for the period after taxation</b>		<b>36,120,107</b>	<b>21,624,867</b>
<b>Allocation of net income for the period:</b>			
Net income for the period after taxation		36,120,107	21,624,867
Income already paid on units redeemed		-	-
		<b>36,120,107</b>	<b>21,624,867</b>
<b>Accounting income available for distribution:</b>			
- Relating to capital gains		-	-
- Excluding capital gains		36,120,107	21,624,867
		<b>36,120,107</b>	<b>21,624,867</b>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Ifthikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Half Yearly Report 2021-22

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2021

	For the half year ended December 31, 2021	For the Quarter ended December 31, 2021
	----- Rupees -----	
Net income for the period after taxation	36,120,107	21,624,867
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>36,120,107</u>	<u>21,624,867</u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Money Market Fund

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2021

	For the half year ended December 31, 2021		
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	636,612,937	-	636,612,937
<b>Undistributed income brought forward</b>			
- Realised income	-	-	-
- Unrealised loss	-	-	-
<b>Net assets at the beginning of the period (Units outstanding: 1,273,226) (Rs. 500 per unit)</b>	<b>636,612,937</b>	<b>-</b>	<b>636,612,937</b>
Issue of 3,064,820 units	1,532,409,891	-	1,532,409,891
Redemption of 1,772,998 units	(886,499,014)	-	(886,499,014)
Total comprehensive income for the period	-	36,120,107	36,120,107
Cash Dividend Distributions	-	(36,120,107)	(36,120,107)
<b>Net assets at the beginning of the period (Units outstanding: 2,565,047) (Rs. 500 per unit)</b>	<b>1,282,523,814</b>	<b>-</b>	<b>1,282,523,814</b>
<b>Undistributed income carried forward</b>			
- Realised income	-	-	-
- Unrealised loss	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Half Yearly Report 2021-22

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

		For the half year ended December 31, 2021
		Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period after taxation		36,120,107
<b>Adjustments for:</b>		
Mark up Income		(37,289,897)
Reversal of provision for Sindh Workers' Welfare Fund		(338,463)
Capital loss on sale of investments - net		106,782
Amortization of preliminary expenses and floatation costs		80,309
		<b>(37,441,269)</b>
<b>Increase in assets</b>		
Prepayments and other receivables		25,531
<b>(Decrease) / increase in liabilities</b>		
Payable to Atlas Asset Management Company - Management Company		(815,924)
Payable to Central Depository Company of Pakistan Limited - Trustee		22,541
Payable to the Securities and Exchange Commission of Pakistan		44,286
Accrued expenses and other liabilities		168,449
		<b>(580,648)</b>
Markup received		32,679,181
Investments - net		190,133,602
<b>Net cash used in operating activities</b>		<b>220,936,505</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Receipts against issuance of units		1,532,409,891
Dividend Distribution		(36,120,107)
Payments against redemption of units	17	(883,734,110)
<b>Net cash generated from financing activities</b>		<b>612,555,673</b>
<b>Net increase in cash and cash equivalents</b>		<b>833,492,178</b>
Cash and cash equivalents at the beginning of the period		282,877,302
<b>Cash and cash equivalents at the end of the period</b>	<b>4</b>	<b>1,116,369,480</b>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Money Market Fund

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

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Money Market Fund (the Fund) is an open-ended Fund constituted under a trust deed entered into on 17 September 2020 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the trustee. 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 money market 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 07 January 2021, 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 Atlas Islamic Money Market Fund (AIMF) is to provide competitive return to its investors (with a periodic payout) by investing in low risk, highly liquid and short duration portfolio consist of Shariah Compliant money market instruments.
- 1.4 The titles to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.
- 1.5 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020. During the year, the Trust deed has been registered under the Sindh Trusts Act, 2020.
- 1.6 As per the offering document of the Fund, the management company may decide to distribute all net profit (after deducting all expenses of the Fund) on a periodic basis (that is Daily, Weekly, Monthly, Quarterly and Yearly) as dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its net accounting income available for distribution for the year derived from sources other than capital gains, to the unitholders. The management has distributed as dividend all the net income earned by the Fund during the period to the unit holders on daily basis.
- 1.7 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two plus) [2020: AM2+ (AM Two plus)] on 24 December 2021 and maintain the Fund rating to AA(f) on 15 October 2021.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

- 2.1.1 These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the requirements of the said directives prevail.
- 2.1.2 The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2021.
- 2.1.3 The comparative statement of assets and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2021.

# Half Yearly Report 2021-22

**2.1.4** 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 2021.

## **2.2 New / Revised Standards, Interpretations and Amendments**

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2021 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these financial statements.

### **Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:**

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:

<b>2.3 Standards, interpretations and amendments</b>	<b>Effective date</b>
Property, Plant and Equipment: Proceeds before Intended Use - Amendments to IAS 16	01 January 2022
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	01 January 2022
Classification of liabilities as current or non-current - Amendment to IAS 1	01 January 2023
Definition of Accounting Estimates - Amendments to IAS 8	01 January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023
IFRS 17 - Insurance Contracts	01 January 2023
IFRS 3 - Reference to the Conceptual Framework (Amendments)	January 01, 2022
IFRS 9 Financial Instruments – Fees in the '10 percent' test for derecognition of financial liabilities	January 01, 2022
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	01 January 2023

The above standards and amendments are not expected to have any material impact on the Fund's condensed interim financial statements.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

<b>Standards</b>	<b>IASB Effective date (annual periods beginning on or after)</b>
IFRS 1 - First-time Adoption of International Financial Reporting Standards	01 July 2009

## **2.4 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

# Atlas Islamic Money Market Fund

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.

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 and provision under uncertain circumstances such as provision for Sindh Workers' Welfare Fund and taxes recoverable as disclosed in notes 11.1 and 7.1 respectively.

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

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the period ended 30 June 2021.

3.2 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.

3.3 The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2021.

3.4 The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the period ended 30 June 2021.

		December 31, 2021	June 30, 2021
		Un-audited	Audited
4	Note	-----Rupees -----	
In local currency			
- Profit and loss sharing accounts	4.1	776,369,480	282,877,302
- Investment in Term Deposit Receipt	4.2	340,000,000	-
		<u>1,116,369,480</u>	<u>282,877,302</u>

4.1 The rate of return on these profit and loss sharing accounts ranges between 6.5% and 10% (30 June 2021: ranges between 4.5% to 6.5% per annum)

4.2 The rate of return on this investment ranges from 10.75% to 10.85% (30 June 2021: Nil) and will be matured on 16 March 2022 and 31 January 2022 (30 June 2021: Nil).

		December 31, 2021 Un-audited	June 30, 2021 Audited
5	Note	-----Rupees -----	
INVESTMENTS			
At fair value through profit or loss			
- Investment in Islamic Commercial Paper	5.1	160,565,961	83,519,658
- Investment in Bai-Muajjal	5.2	-	267,286,688
		160,565,961	350,806,346

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## 5.1 Investment in Islamic Commercial Paper

Name of the Investee Company	As at 01 July 2021	Purchases during the period	Sold/ matured during the period	As at 31 December 2021	Carrying Value as at 31 December 2021	Market Value as at 31 December 2021	Market Value as a % of net assets of fund	Market Value as a % of total value of investments of fund
	----- Face Value (Rupees) -----				----- Rupees -----		----- % age -----	
K-Electric Limited - Islamic Commercial Paper (ICP-16)	80,000,000	-	80,000,000	-	-	-	-	-
K-Electric Limited - Islamic Commercial Paper (ICP-17)	5,000,000	-	5,000,000	-	-	-	-	-
K-Electric Limited - Islamic Commercial Paper (ICP-18)	-	160,000,000	160,000,000	-	-	-	-	-
K-Electric Limited - Islamic Commercial Paper (ICP-20)	-	50,000,000	-	50,000,000	49,724,471	49,724,471	3.88%	30.97%
K-Electric Limited - Islamic Commercial Paper (ICP-21)	-	100,000,000	-	100,000,000	98,235,348	98,235,348	7.66%	61.18%
K-Electric Limited - Islamic Commercial Paper (ICP-23)	-	13,000,000	-	13,000,000	12,606,142	12,606,142	0.98%	7.85%
<b>31 December 2021</b>	<b>85,000,000</b>	<b>323,000,000</b>	<b>245,000,000</b>	<b>163,000,000</b>	<b>160,565,961</b>	<b>160,565,961</b>	<b>12.52%</b>	<b>100.00%</b>
<b>30 June 2021</b>					<b>83,519,662</b>	<b>83,519,662</b>	<b>13.12</b>	<b>23.81</b>

5.1.1 The nominal value of these commercial papers is Rs 1,000,000 per certificate with 8.05% to 9.41% (30 June 2021: 8.37% to 8.48%) expected profit rate.

5.1.2 The securities are valued on the basis of amortization to its face value as per the requirements of Circular 33 of 2012 with respect to thinly and non traded debt securities with residual maturity of upto six months.

## 5.2 Investment in Bai Muajjal

Name of the Investee Company	As at 01 July 2021	Purchases during the period	Sold / matured during the period	As at 31 December 2021	Carrying Value as at 31 December 2021	Market Value as at 31 December 2021	Market Value as a % of net assets of fund	Market Value as a % of total value of investments of fund
	----- Face Value (Rupees) -----				----- Rupees -----		----- % age -----	
Bai Muajjal (18-05-2021)	88,650,000	-	88,650,000	-	-	-	-	-
Bai Muajjal (19-05-2021)	88,677,000	-	88,677,000	-	-	-	-	-
Bai Muajjal (17-06-2021)	89,959,688	-	89,959,688	-	-	-	-	-
Bai Muajjal (27-09-2021)	-	159,256,800	159,256,800	-	-	-	-	-
<b>31 December 2021</b>	<b>267,286,688</b>	<b>159,256,800</b>	<b>426,543,488</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>30 June 2021</b>					<b>267,286,688</b>	<b>267,286,688</b>	<b>41.99%</b>	<b>76.19%</b>

## 6 MARKUP ACCRUED

Markup accrued on:

- Profit and loss sharing accounts
- Bai-Muajjal
- Islamic Term Deposit Receipts

	December 31, 2021	June 30, 2021
	Un-audited	Audited
Note	-----Rupees -----	
	7,093,712	1,720,877
	-	1,643,422
	881,302	-
	<b>7,975,014</b>	<b>3,364,300</b>

## 7 PREPAYMENTS AND OTHER RECEIVABLES

- Unamortized premium on Bai Muajjal
- Prepaid rating fee
- Tax recoverable
- Security deposit with CDC
- Others

7.1

	-	53,390
	7,118	96,760
	344,291	344,291
	102,534	-
	14,968	-
	<b>468,911</b>	<b>494,442</b>

# Atlas Islamic Money Market Fund

- 7.1 As per Clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under sections 151. However, several banks deducted withholding tax on 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 banks has been shown as other receivable as at 31 December 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

		December 31, 2021 Un-audited	June 30, 2021 Audited
		-----Rupees -----	
<b>8</b>	<b>PAYABLE TO THE ATLAS ASSET MANAGEMENT LIMITED</b>	<b>Note</b>	
	<b>- Management Company</b>		
	Remuneration of the Management Company	8.1	48,877
	Sindh Sales Tax on remuneration of the Management Company	8.2	6,341
	Accounting and operational charges reimbursable by the Fund		25,877
	Preliminary Expenses and Flotation Cost		-
		<b>81,095</b>	<b>897,019</b>

- 8.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (I) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio. The management company has set the maximum limit of 1% of average annual net assets, within allowed expense ratio. With effect from 07 January 2021 Management Company decided the management fee 0.05%. The fee is payable to the Management Company monthly in arrears.

- 8.2 During the period, an amount of Rs. 31,760 was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 28,667 has been paid to the Management Company which acts as the collecting agent.

		December 31, 2021 Un-audited	June 30, 2021 Audited
		-----Rupees -----	
<b>9</b>	<b>PAYABLE TO CENTRAL DEPOSITORY</b>	<b>Note</b>	
	<b>COMPANY OF PAKISTAN - TRUSTEE - RELATED PARTY</b>		
	Payable To Trustee	9.1	53,659
	Sindh Sales Tax on Trustee fee Payable	9.2	6,976
	Settlement charges payable		15,828
	Sindh Sales Tax on Settlement charges		-
		<b>76,463</b>	<b>53,922</b>

- 9.1 The trustee is entitled to monthly remuneration for services rendered to the fund. The trustee charged 0.065% p.a of Net assets from 01 July 2021 to 30 September 2021 and 0.055% p.a of net assets from 01 October 2021 to 31 December 2021 based on the letter no. CDC/CEO/L-259/01/2021 dated October 11, 2021.

- 9.2 During the year, an amount of Rs. 37,698 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. 6,850 was paid to the Trustee which acts as a collecting agent.

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		December 31, 2021	June 30, 2021
		Un-audited	Audited
10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	-----Rupees	-----

Annual fees payable	10.1	<b>97,819</b>	<b>53,533</b>
---------------------	------	---------------	---------------

**10.1** In accordance with NBFC regulations, a collective investment scheme (CIS) is required to pay an annual fee to the Securities and Exchange Commission of Pakistan (SECP). With effect from 01 July 2019, the SECP vide SRO No.685(1) 2019 dated 28 June 2019 revised the rate of annual fee to 0.02% of net assets on all categories of CISs.

		December 31, 2021	June 30, 2021
		Un-audited	Audited
11 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	-----Rupees	-----

Auditors' remuneration payable		192,351	162,000
Shariah advisory fee payable		20,001	20,000
Withholding tax payable		175,424	175,747
Transaction charges payable		-	11,058
Annual listing fee		13,927	-
Provision for Sindh Workers' Welfare Fund	11.1	-	338,463
Other payable		13,018	-
		<b>414,721</b>	<b>707,269</b>

**11.1** As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs. 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Fund Association of Pakistan (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 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 / pension funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / pension funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Fund, amounting to Rs. 0.34 million for the period from 07 January 2021 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

## 12 CONTINGENCIES AND COMMITMENTS

There were no other contingencies and commitments outstanding as at 31 December 2021 and 30 June 2021.

# Atlas Islamic Money Market Fund

**For the half  
year ended  
December 31,  
2021  
Un-audited  
---Rupees---**

## 13 MARKUP INCOME

Markup income on:

- Profit and loss sharing accounts
- Commercial Paper / Bai Muajjal
- Islamic Term Deposit Receipts

20,946,131
11,065,963
5,277,803
37,289,897

## 14 ACCOUNTING AND OPERATIONAL CHARGES

The Management Company is allowed to charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from 20 June 2019 as per SECP SRO 639 (I) /2019 dated 20 June 2019.

The Management Company has charged actual expenses within the limit of Rs. 300,000 for one year.

## 15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at December 31, 2021 is 0.29% (2021: 0.66%) which includes 0.04% (2021: 0.16%) representing government levies on the Fund such as provision for 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 money market scheme.

## 16 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its net accounting income available for distribution for the year derived from sources other than capital gains, to the unitholders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Based on the above, no provision in respect of taxation have been made in these condensed interim financial statements. Since the management has distributed the income earned by the Fund during the period to the unit holders, no provision for taxation has been made in these condensed interim financial statements.

## 17 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Audited 30 June 2021	Cashflows Outflows	Non-Cash Changes Redemption of Unit	Dividend Distribution	Un-audited 31 December 2021
			-----Rupees-----		
Payable against redemption of units	-	(883,734,110)	886,499,014	-	2,764,904

## 18 EARNINGS PER UNIT

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

## 19 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company. It also includes staff retirement benefit funds of the above connected person / related parties.

# Half Yearly Report 2021-22

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

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

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

	For the half year ended December 31, 2021 Un-audited ----Rupees----
<b>19.1 Transactions during the period</b>	
<b>Atlas Asset Management Limited (Management Company)</b>	
Remuneration for the period	244,301
Sindh sales tax on remuneration of the Management Company	31,760
Remuneration paid	220,411
Formation cost	80,309
Accounting & operational charges	150,000
Issue of 286,971 units	143,485,524
Redemption of 438,177 units	219,088,279
Dividend Entitlement	1,974,167
<b>Central Depository Company of Pakistan Limited</b>	
Remuneration of the Trustee	289,981
Sindh Sales Tax on remuneration of the Trustee	37,698
Remuneration paid	268,805
<b>Atlas Foundation</b>	
Issue of 3,235 units	1,617,307
Dividend Entitlement	1,617,307
<b>Atlas Honda Limited - Employee Provident Fund</b>	
Issue of 3,833 units	1,916,350
Dividend Entitlement	1,916,350
<b>Atlas Group of Companies, Management Staff Gratuity Fund</b>	
Issue of 738,111 units	369,055,610
Redemption of 426,441 units	213,220,543
Dividend Entitlement	3,290,727
<b>Atlas Honda Limited</b>	
Issue of 1,941 units	970,389
Dividend Entitlement	970,389
<b>Shirazi Investments (Private) Limited</b>	
Issue of 12,938 units	6,469,225
Dividend Entitlement	6,469,225
<b>M/S. Shirazi Investments (Pvt.) Ltd. - Emp. Prov. Fund</b>	
Issue of 8,030 units	4,015,223
Dividend Entitlement	15,223
<b>CDC - Trustee Atlas Islamic Capital Preservation Plan II*</b>	
Issue of 951,731 units	475,865,485
Redemption of 400,000 units	200,000,000

# Atlas Islamic Money Market Fund

## 19.1 Transactions during the period (Cont....)

For the half  
year ended  
December 31,  
2021  
Un-audited  
----Rupees----

### Honda Atlas Cars (Pak.) Ltd. - Emp. Prov. Fund

Issue of 157,842 units

78,920,856

Dividend Entitlement

299,208

### Atlas Insurance Limited, Staff Provident Fund Trust

Issue of 459 units

229,504

Dividend Entitlement

229,504

### Directors and their close family members and key management

#### Personnel and executive of the Management Company

Issue of 17,739 units

8,869,293

Redemption of 9,652 units

4,825,910

Dividend Entitlement

44,293

December 31,  
2021

June 30,  
2021

Un-audited

Audited

----- Rupees -----

## 19.2 Investments / outstanding balances as at period / year end

### Atlas Asset Management Limited (Management Company)

Outstanding Nil (2021: 151,206) units - at net asset value

- 75,602,756

### Atlas Foundation

Outstanding 105,769 (2021: 102,535) units - at net asset value

52,884,725 51,267,418

### Atlas Honda Limited (Employee Provident Fund)

Outstanding 106,821 (2021: 102,989) units - at net asset value

53,410,695 51,494,345

### Atlas Group of Companies, Management Staff Gratuity Fund

Outstanding 352,803 (2021: 41,133) units - at net asset value

176,401,433 20,566,365

### Atlas Honda Limited

Outstanding 63,462 (2021: 61,521) units - at net asset value

31,730,843 30,760,454

### Honda Atlas Cars (Pak.) Ltd. - Emp. Prov. Fund

Outstanding 157,842 (2021: nil) units - at net asset value

78,920,856 -

### Shirazi Investments (Private) Limited

Outstanding 423,078 (2021: 410,139) units - at net asset value

211,538,888 205,069,643

### M/S. Shirazi Investments (Pvt.) Ltd. - Emp. Prov. Fund

Outstanding 8,030 (2021: nil) units - at net asset value

4,015,223 -

### The University of Lahore\*

Outstanding Nil (2021: 132,535) units - at net asset value

- 66,267,426

### Atlas Insurance Ltd., Staff Provident Fund Trust

Outstanding 12,793 (2021: 12,334) units - at net asset value

6,396,502 6,166,998

### Directors and their close family members and key management

#### Personnel and executive of the Management Company

Outstanding 8,087 (2021: nil) units - at net asset value

4,043,382 -

### CDC - Trustee Atlas Islamic Capital Preservation Plan II\* (Atlas Islamic Fund of Fund)

Outstanding 551,731 (2021: Nil) units - at net asset value

275,865,485 -

\* This represents 10% or more of the unit holding of the fund

# Half Yearly Report 2021-22

## 20. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

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 valuation of commercial papers has been done based on amortisation of commercial paper to its fair value as per the guidelines given in Circular 33 of 2012 since the residual maturity of this investment is less than six months and they are placed with counterparties which have high credit rating.

The fair values of financial assets and liabilities of the Fund approximate their carrying amounts due to short-term maturities of these instruments.

## 21. IMPACT OF COVID-19 ON THESE CONDENSED INTERIM FINANCIAL STATEMENTS

During the period another wave of COVID-19 caused disruptions in the socio-economic environment in Pakistan. COVID-19 has impacted the businesses in Pakistan through increase in overall credit risk, overall slowdown in the economic activity, challenges to continuity of business operations and managing cybersecurity threat.

The Fund's management and Board is fully cognizant of the business challenges posed by the COVID-19 outbreak and constantly monitoring the situation and believe that its current policies for managing credit, liquidity, market and operational risk are adequate in response to the current situation.

## 22. GENERAL

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

**22.2** Since the fund's operation started from January 07, 2021, there is no comparative information to report in the condensed interim income statement, statement of comprehensive income, statement of movement in unit holder's fund, cash flow statement and related notes.

**22.3** Units have been rounded off to the nearest decimal place.

## 23. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 21 February 2022.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Ifthikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Income Fund

## Corporate Information

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**Trustee**

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

**Shariah Advisor**

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Dr. Mufti Hassan Usmani

**Auditors**

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EY Ford Rhodes  
Chartered Accountants

**Legal Advisers**

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Mohsin Tayebaly & Co.

**Bankers**

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

# Half Yearly Report 2021-22

## 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, 2021 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.

#### **Badiuddin Akber**

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi: 28 February 2022

# Atlas Islamic Income Fund

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

### Report on review of Interim Financial Statements

#### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of Atlas Islamic Money Market Fund (the Fund) as at 31 December 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' Fund together with the notes forming part thereof (herein-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (Atlas Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2021 and 31 December 2020 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2021.

#### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements 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 statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

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

Karachi: 25 February 2022

**EY Ford Rhodes**  
Chartered Accountants

**Engagement Partner: Arslan Khalid**

# Half Yearly Report 2021-22

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 DECEMBER 2021

		Un-audited 31 December 2021	Audited 30 June 2021
	Note	----- Rupees -----	----- Rupees -----
<b>Assets</b>			
Cash and bank balances	4	699,517,290	1,161,547,092
Investments	5	1,298,367,294	1,066,779,465
Markup accrued	6	36,266,977	27,394,595
Security deposits, prepayments and other receivables	7	603,773	580,800
<b>Total assets</b>		<b>2,034,755,334</b>	<b>2,256,301,951</b>
<b>Liabilities</b>			
Payable to Atlas Asset Management Limited - Management Company	8	2,916,806	3,206,990
Payable to the Central Depository Company of Pakistan Limited - Trustee	9	150,481	164,233
Payable to the Securities and Exchange Commission of Pakistan	10	224,956	427,796
Payable against redemption of units	14	564,398	75,723,636
Dividend Payable		448,433	448,433
Accrued expenses and other liabilities	11	1,610,801	19,297,347
<b>Total liabilities</b>		<b>5,915,875</b>	<b>99,268,435</b>
<b>NET ASSETS</b>		<b>2,028,839,459</b>	<b>2,157,033,516</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>2,028,839,459</b>	<b>2,157,033,516</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	12		
		-----Number of units-----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>3,857,996</b>	<b>4,263,884</b>
		----- Rupees -----	
<b>NET ASSET VALUE PER UNIT</b>		<b>525.8791</b>	<b>505.8846</b>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Income Fund

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2021

		For the Half Year Ended 31 December		For the Quarter Ended 31 December	
		2021	2020	2021	2020
<b>Income</b>	<b>Note</b>	<b>Rupees</b>			
Markup income	13	88,058,146	71,158,245	45,139,810	35,148,170
Capital loss on sale of investments - net		(1,682,300)	(263,593)	(1,834,300)	(263,593)
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(3,690,795)	(2,135,531)	(4,702,015)	(1,730,014)
		<b>(5,373,095)</b>	<b>(2,399,124)</b>	<b>(6,536,315)</b>	<b>(1,993,607)</b>
<b>Total income</b>		<b>82,685,051</b>	<b>68,759,121</b>	<b>38,603,495</b>	<b>33,154,563</b>
<b>Expenses</b>					
Remuneration of Atlas Asset Management Limited - Management Company	8.1	3,936,624	4,240,056	1,918,058	2,107,436
Sindh Sales Tax on remuneration of the Management Company	8.2	511,765	551,207	249,350	273,966
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	9.1	843,563	795,010	411,014	395,143
Sindh Sales Tax on remuneration of the Trustee	9.2	109,671	103,351	53,432	51,368
Annual fees to the Securities and Exchange Commission of Pakistan		224,956	212,001	109,604	105,370
Accounting and operational charges	14	1,349,695	1,802,024	657,619	895,661
Auditors' remuneration		204,440	91,847	102,211	(10,371)
Securities transaction cost		155,903	155,890	154,247	76,695
Annual listing fee		13,862	13,863	6,934	6,931
Annual rating fee		183,104	166,564	91,559	83,282
Printing charges		25,674	38,240	25,674	38,240
Shariah advisory fee		90,000	90,000	45,000	45,000
Bank charges		6,409	20,658	901	13,520
Legal and professional charges		61,260	120,760	10,903	70,000
(Reversal) / provision for Sindh Workers' Welfare Fund	11.1	(10,817,933)	1,207,153	-	580,046
<b>Total expenses</b>		<b>(3,101,007)</b>	<b>9,608,624</b>	<b>3,836,506</b>	<b>4,732,287</b>
<b>Net income for the period before taxation</b>		<b>85,786,058</b>	<b>59,150,497</b>	<b>34,766,989</b>	<b>28,422,276</b>
<b>Taxation</b>	16	-	-	-	-
<b>Net income for the period after taxation</b>		<b>85,786,058</b>	<b>59,150,497</b>	<b>34,766,989</b>	<b>28,422,276</b>
<b>Earning per unit</b>	18				
<b>Allocation of net income for the period:</b>					
- Net income for the period		85,786,058	59,150,497	34,766,989	28,422,276
- Income already paid on units redeemed		(29,003,115)	(9,627,770)	(13,743,027)	(6,757,003)
		<b>56,782,943</b>	<b>49,522,727</b>	<b>21,023,962</b>	<b>21,665,273</b>
<b>Accounting income available for distribution:</b>					
- Relating to capital gains		-	-	-	-
- Excluding capital gains		56,782,943	49,522,727	21,023,962	21,665,273
		<b>56,782,943</b>	<b>49,522,727</b>	<b>21,023,962</b>	<b>21,665,273</b>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Ifitikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Half Yearly Report 2021-22

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2021

	For the Half Year Ended 31 December		For the Quarter Ended 31 December	
	2021	2020	2021	2020
	-----Rupees-----			
Net income for the period after taxation	85,786,058	59,150,497	34,766,989	28,422,276
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>85,786,058</b>	<b>59,150,497</b>	<b>34,766,989</b>	<b>28,422,276</b>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Income Fund

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2021

	31 December 2021		
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	2,139,275,085	-	2,139,275,085
<b>Undistributed income brought forward</b>			
- Realised income	-	16,233,656	16,233,656
- Unrealised loss	-	1,524,775	1,524,775
<b>Net assets at the beginning of the period (Units outstanding: 4,263,884) (Rs. 505.8846 per unit)</b>	<b>2,139,275,085</b>	<b>17,758,431</b>	<b>2,157,033,516</b>
Issue of 4,325,549 units	2,228,023,423	-	2,228,023,423
Redemption of 4,731,435 units	(2,413,000,422)	(29,003,116)	(2,442,003,538)
Total comprehensive income for the period	-	85,786,058	85,786,058
<b>Net assets at end of the period (Units outstanding: 3,857,996) (Rs. 525.8791 per unit)</b>	<b>1,954,298,085</b>	<b>74,541,373</b>	<b>2,028,839,459</b>
<b>Undistributed income carried forward</b>			
- Realised income	-	76,242,093	-
- Unrealised loss	-	(1,700,720)	-
	<b>-</b>	<b>74,541,373</b>	<b>-</b>
	31 December, 2020		
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	2,122,558,890	-	2,122,558,890
<b>Undistributed income brought forward</b>			
- Realised income	-	43,071,903	43,071,903
- Unrealised loss	-	(31,029,698)	(31,029,698)
<b>Net assets at the beginning of the year (Units outstanding: 4,227,883) (Rs. 504.8900 per unit)</b>	<b>2,122,558,890</b>	<b>12,042,205</b>	<b>2,134,601,095</b>
Issue of 3,742,000 units	1,923,795,624	-	1,923,795,624
Redemption of 4,069,729 units	(2,082,477,023)	(9,627,770)	(2,092,104,793)
Total comprehensive income for the year	-	59,150,497	59,150,497
<b>Net assets at end of the year (Units outstanding: 3,900,154) (Rs. 519.3238 per unit)</b>	<b>1,963,877,491</b>	<b>61,564,932</b>	<b>2,025,442,423</b>
<b>Undistributed income carried forward</b>			
- Realised income	-	113,332,141	-
- Unrealised income	-	(51,767,209)	-
	<b>-</b>	<b>61,564,932</b>	<b>-</b>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Half Yearly Report 2021-22

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

		For the Half Year ended	
		31 December	
		2021	2020
Note		Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
	Net income for the period before taxation	85,786,058	59,150,497
	<b>Adjustments for:</b>		
	Markup income	(88,058,146)	(71,158,245)
	Capital loss on sale of investments - net	1,682,300	263,593
	Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	3,690,795	2,135,531
	(Reversal) / provision for Sindh Workers' Welfare Fund	(10,817,933)	1,207,153
		<b>(93,502,984)</b>	<b>(67,551,968)</b>
	<b>Increase in assets</b>		
	Security deposits, prepayments and other receivables	(22,973)	-
		<b>(22,973)</b>	<b>-</b>
	<b>Decrease in liabilities</b>		
	Payable to Atlas Asset Management Limited - Management Company	(290,184)	10,655
	Payable to Central Depository Company of Pakistan Limited - Trustee	(13,751)	1,454
	Payable to the Securities and Exchange Commission of Pakistan	(202,840)	(161,480)
	Accrued expenses and other liabilities	(6,868,613)	(12,742,716)
		<b>(7,375,388)</b>	<b>(12,892,087)</b>
	Mark-up received	79,185,760	65,126,492
	Investments made during the period	(723,231,678)	(470,974,913)
	Investments sold / matured during the period	486,270,754	18,350,000
	<b>Net cash used in operating activities</b>	<b>(172,890,450)</b>	<b>(408,791,979)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
	Net receipts from issuance of units	2,228,023,423	1,923,795,624
14	Net payments against redemption of units	(2,517,162,776)	(2,080,444,119)
	<b>Net cash used in from financing activities</b>	<b>(289,139,354)</b>	<b>(156,648,495)</b>
	<b>Net decrease in cash and cash equivalents</b>	<b>(462,029,804)</b>	<b>(565,440,474)</b>
	Cash and cash equivalents at the beginning of the period	1,161,547,092	1,584,796,999
	<b>Cash and cash equivalents at the end of the period</b>	<b>699,517,289</b>	<b>1,019,356,525</b>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Income Fund

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

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### 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 was 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, Seventh, Eighth, Ninth, Tenth, Eleventh and Twelfth supplements dated 23 June 2010, 12 November 2010, 20 September 2013, 24 March 2015, 3 August 2015, 30 September 2016, 02 June 2017, 2 October 2019, 30 October 2019, 1 April 2020, 1 June 2020 and 21 December 2021 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.
- 1.5 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020. Subsequent to the year ended June 30, 2021, the Trust deed has been registered under the Sindh Trusts Act, 2020.
- 1.6 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2020: AM2+ (AM Two Plus)] on 24 December 2021 and maintained the stability rating of the Fund to AA-(f) on 15 October 2021.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

- 2.1.1 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;

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- 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.

**2.1.2** The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2021.

**2.1.3** The comparative statement of assets and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2021, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, and condensed interim statement of movement in unit holders' fund are extracted from the un-audited condensed interim financial statements for the period ended December 31, 2020.

**2.1.4** In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at 31 December 2021.

## **2.2 New / Revised Standards, Interpretations and Amendments**

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2021 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these financial statements.

### **Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:**

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:

<b>2.3 Standards, interpretations and amendments</b>	<b>Effective date</b>
Property, Plant and Equipment: Proceeds before Intended Use - Amendments to IAS 16	01 January 2022
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	01 January 2022

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Standards, interpretations and amendments	Effective date
Classification of liabilities as current or non-current - Amendment to IAS 1	01 January 2023
Definition of Accounting Estimates - Amendments to IAS 8	01 January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023
IFRS 17 - Insurance Contracts	01 January 2023
IFRS 3 - Reference to the Conceptual Framework (Amendments)	January 01, 2022
IFRS 9 Financial Instruments – Fees in the '10 percent' test for derecognition of financial liabilities	January 01, 2022
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	01 January 2023
The above standards and amendments are not expected to have any material impact on the Fund's condensed interim financial statements.	

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	01 July 2009

## 2.4 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.

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 and provision under uncertain circumstances such as provision for Sindh Workers' Welfare Fund and taxes recoverable as disclosed in notes 11.1 and 8.1 respectively.

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

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements at and for the year ended June 30, 2021.

3.2 The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the half year ended 31 December 2021.

		31 December 2021 Un-audited	30 June 2021 Audited
4 CASH AND BANK BALANCES	Note	----- Rupees -----	-----
Balances with banks in:			
- Profit and loss sharing accounts	4.1	696,911,501	1,151,880,873
- Current account		5,000	5,000
Cheques in hand	4.2	2,600,788	9,661,219
		<b>699,517,289</b>	<b>1,161,547,092</b>

4.1 The rate of return on these profit and loss sharing accounts ranges between 6.60% to 10.85% to (30 June 2021: 5.50% to 6.90%) per annum.

4.2 This denotes cheques received against issuance of units which were deposited and cleared in the bank account subsequent to the year end by 05 January 2022 (2021: 28 July 2021).

		31 December 2021 Un-audited	30 June 2021 Audited
5 INVESTMENTS	Note	----- Rupees -----	-----
<b>At fair value through profit or loss</b>			
Debt securities - sukuk certificates	5.1	381,446,530	242,211,575
Islamic commercial paper	5.2	328,404,714	240,591,390
Government of Pakistan - Ijarah Sukuk	5.3	313,516,050	283,976,500
Certificate of Musharika		-	300,000,000
Islamic Term Deposit Receipts	5.4	275,000,000	-
		<b>1,298,367,294</b>	<b>1,066,779,465</b>

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## 5.1 Debt securities - sukuk certificates

Particulars	Note	As at 01 July 2021	Acquired during the period	Disposed during the period	As at 31 December 2021	Carrying Value as at 31 December 2021	Market Value as at 31 December 2021	Unrealised appreciation / (diminution) as at 31 December 2021	Market Value as a percentage of total investments	Market Value as a percentage of net assets
----- Number of Certificates -----      ----- Rupees -----      ----- % age -----										
<u>Unlisted</u>										
<b>BANKS</b>										
Meezan Bank Limited Tier I (Face Value Rs. 1,000,000)	5.1.1 & 5.1.2	50	-	50	-	-	-	-	0.00%	0.00%
Meezan Bank Limited Tier II (Face Value Rs. 1,000,000)	5.1.1 & 5.1.2	50	-	-	50	51,875,000	52,000,000	125,000	4.87%	2.56%
Albaraka Bank (Pakistan) Limited - Tier II (Face Value Rs. 1,000,000)	-	75	-	75	75,000,000	75,000,000	-	7.03%	3.70%	
<b>Pharmaceutical</b>										
OBS AGP (Private) Limited (Face Value Rs. 100,000)	5.1.3	-	1,150	-	1,150	115,000,000	115,000,000	-	10.78%	5.67%
<u>Listed</u>										
<b>Power Generation &amp; Distribution</b>										
The Hub Power Company Limited (Face Value Rs. 100,000)	5.1.1 & 5.1.2	550	-	-	550	56,096,975	56,988,030	891,055	5.34%	2.81%
The Hub Power Holding Limited (Face Value Rs. 100,000)	5.1.1 & 5.1.2	1,000	-	-	1,000	82,458,500	82,458,500	-	7.73%	4.06%
Total - 31 December 2021						380,430,475	381,446,530	1,016,055	35.76%	18.80%
Total - 30 June 2021						240,605,940	242,211,575	1,605,635	22.70%	11.23%

5.1.1 The cost of these investments at 31 December 2021 amounted to Rs.380,430,452 (30 June 2021: Rs.237,458,500).

5.1.2 These carry quarterly and semi annually rate of return ranging from "3 months Kibor + 1%" to " 3 months Kibor + 1.9% " and "6 months Kibor + 0.5%" to "6 month Kibor+2.50%" (30 June 2021: "3 months Kibor + 1.00%" and "6 months Kibor + 0.5% to "6 months Kibor + 0.90%") respectively, having maturity upto 09 January 2030 (30 June 2021: 09 January 2030).

5.1.3 OBS AGP Private Limited and Albaraka Bank (Pakistan) Limited Sukuk have been measured at their initial investment value, as their market values are not available at MUFAP.

## 5.2 Islamic commercial paper

Instrument	As at 01 July 2021	Acquired during the period	Disposed during the period	As at 31 December 2021	Carrying Value as at 31 December 2021	Market value as at 31 December 2021	Market Value as a percentage of total investments	Market Value as a percentage of net assets
	----- Number of certificates -----				----- Rupees -----		----- % age -----	
K-Electric Limited - ICP 16	40	-	40	-	-	-	-	-
K-Electric Limited - ICP 17	130	-	130	-	-	-	-	-
K-Electric Limited - ICP 18	75	-	75	-	-	-	-	-
K-Electric Limited - ICP-20	-	75	-	75	74,586,706	74,586,706	5.7%	3.68%
K-Electric Limited - ICP-21	-	25	-	25	24,558,837	24,558,837	1.9%	1.21%
K-Electric Limited - ICP-23	-	63	-	63	61,091,306	61,091,306	4.7%	3.01%
MUGHAL-CP	-	75	-	75	96,779,877	96,779,877	7.5%	4.77%
Lucky Electric Power Limited - ICP-1	-	100	-	100	71,387,988	71,387,988	5.5%	3.52%
Total - December 31, 2021					328,404,714	328,404,714	25.3%	16.2%
Total - June 30, 2021					240,591,390	240,591,390		

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**5.2.1** The nominal value of these commercial paper is Rs. 1,000,000 per certificate with 7.48% to 9.21% (June 30, 2021: 8.41%) expected profit rate and will mature between 27 January 2022 to 21 July 2022.

**5.2.2** The securities are valued on the basis of amortization on its face value as per the requirements of circular 33 of 2012 with respect to thinly and non trade debt securities with residual maturity of up to six months.

## 5.3 Government of Pakistan - Ijarah Sukuk

Instrument	As at 01 July 2021	Acquired during the period	Disposed during the period	As at 31 December 2021	Carrying Value as at 31 December 2021	Market Value as at 31 December 2021	Unrealised diminution as at 31 December 2021	Market Value as a percentage of total investments	Market Value as a percentage of net assets
	----- Face Value (Rupees) -----				----- Rupees -----			----- % age -----	
Government of Pakistan Ijarah Sukuks									
30-Apr-2020	1,225	-	780	445	43,218,400	42,938,050	(280,350)	3.31%	2.12%
29-May-2020	750	-	-	750	75,472,500	75,135,000	(337,500)	5.79%	3.70%
29-Jul-2020	900	-	-	900	89,532,000	86,400,000	(3,132,000)	6.65%	4.26%
06-Oct-2021	-	1,100	-	1,100	110,000,000	109,043,000	(957,000)	8.40%	5.37%
Total - 31 December 2021					318,222,900	313,516,050	(4,706,850)	24%	2.12%
Total - 30 June 2021					283,732,300	283,976,500	244,200	26.62%	13.17%

**5.3.1** Investment in GOP Ijarah Sukuks carried mark up ranging between 6.4% to 10.1% (30 June 2021: 6.40% to 8.37%) per annum and were due to mature between 30 April, 2025 to 06 October, 2025 (30 June 2021: 30 April 2025 to 29 July 2025). As at 31 December 2021, the cost of investments amounted to Rs. 320,265,846 (30 June 2021: Rs. 287,204,800).

**5.4** The Islamic Term Receipts are placed with Faysal Bank Limited carries profit at the rate of 10.85% and having maturity on 16 March 2022.

	31 December 2021	30 June 2021
	Un-audited	Audited
<b>Note</b>	<b>Rupees</b>	

## 6 MARK-UP ACCRUED

Mark-up accrued on:

- Profit and loss sharing accounts
- Sukuk certificates and GoP Ijarah
- Certificate of Musharika

8,843,152	6,844,089
27,423,825	17,094,342
-	3,456,164
<b>36,266,977</b>	<b>27,394,595</b>

## 7 SECURITY DEPOSIT, PREPAYMENTS AND OTHER RECEIVABLES

Deposit with Central Depository Company of Pakistan Limited  
Prepayments  
Tax recoverable

100,000	100,000
22,973	-
480,800	480,800
<b>603,773</b>	<b>580,800</b>

**7.1** As per Clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under 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 withholders.

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

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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 tax recoverable as at 31 December 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

Had the Tax Recoverable not been recorded in these financial statements of the Fund, the net asset value of the Fund as at 31 December 2021 would have been lower by Rs. 0.14 per unit (30 June 2021: Rs. 0.11 Per unit).

		31 December 2021	30 June 2021
		Un-audited	Audited
8	PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)	Note	Rupees
	Remuneration of the Management Company	8.1	621,461
	Sindh Sales Tax payable on remuneration of the Management Company	8.2	348,371
	Federal Excise Duty payable on remuneration of the Management Company	8.3	1,733,902
	Accounting and operational charges payable	14	213,072
			<b>2,916,806</b>
			<b>3,206,990</b>

8.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (I) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio. The management company set the maximum limit of 1.5% of average annual net assets, within allowed expense. The Management Company has charged its remuneration at rate of 0.35% (2021: 0.3% from 01 July 2020 to 31 December 2020 and 0.40% from 01 January 2021 to 30 June 2021) per annum of the average annual net assets. The Management Company is entitled to an amount not exceeding 2% of the average annual net assets, within allowed expense.

8.2 During the half year ended 31 December 2021, an amount of Rs.511,764.65 (2020: Rs. 551,207) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 531,755 (2020: Rs. 550,316) has been paid to the Management Company which acts as the collecting agent.

8.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund were already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 8.2 above, the Management Company was of the view that further levy of FED was not justified.

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

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

With effect from 1 July 2016, FED on services provided or rendered by non-banking financial institutions

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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 2020: Rs 1.734 million) is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been recorded in the condensed interim financial statements of the Fund, the net asset value of the Fund as at 31 December 2021 would have been higher by Rs. 0.45 per unit (30 June 2021: Rs. 0.41 per unit).

		31 December 2021	30 June 2021
		Un-audited	Audited
9	PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN- TRUSTEE- RELATED PARTY	Note ----- Rupees -----	
	Trustee fee payable	9.1 133,170	145,338
	Sindh Sales Tax payable on Trustee fee	9.2 17,311	18,895
		<b>150,481</b>	<b>164,233</b>

9.1 The trustee is entitled to monthly remuneration for services rendered to the fund at the flat rate of 0.075% p.a. of Net Assets based on the letter no. CDC/CEO/L-112/01/2019 dated 27 June 2019 issued by the Trustee.

9.2 During the period, an amount of Rs.109,671 (2020: Rs. 103,351) 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. 109,671 (2020: Rs 103,183) was paid to trustee which acts as collecting agent.

		31 December 2021	30 June 2021
		Un-audited	Audited
10	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note ----- Rupees -----	
	Annual fees payable	10.1 224,956	427,796

10.1 In accordance with NBFC regulations, a collective investment scheme (CIS) is required to pay an annual fee at the rate of to 0.02% (30 June 2021: 0.02%) of net assets to the Securities and Exchange Commission of Pakistan (SECP).

		31 December 2021	30 June 2021
		Un-audited	Audited
11	ACCRUED EXPENSES AND OTHER LIABILITIES	Note ----- Rupees -----	
	Auditors' remuneration payable	256,010	287,550
	Payable to Shariah Advisor	45,000	45,000
	Withholding tax and capital gain tax payable	471,421	7,540,917
	Provision for Sindh Workers' Welfare Fund	11.1 -	10,817,933
	Annual listing fee payable	13,862	-
	Printing charges payable	-	12,357
	Rating fee payable	182,081	-
	Zakat payable	97,870	49,036
	Other payable	544,557	544,554
		<b>1,610,801</b>	<b>19,297,347</b>

11.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Fund Association

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of Pakistan (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 SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, amounting to Rs. 10.8 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

## 12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 December 2021 and as at 30 June 2021.

For the Half Year Ended		For the Quarter Ended	
31 December		31 December	
2021	2020	2021	2020
Un-audited	Un-audited	Un-audited	Un-audited
----- Rupees -----		----- Rupees -----	

## 13 MARK-UP INCOME

Mark-up income on:

- Profit and loss sharing accounts	35,895,165	41,255,405	18,604,123	17,663,054
- Government of Pakistan (GoP) ijarah sukuk	11,072,552	15,733,005	6,242,611	10,272,445
- Sukuk certificates	16,320,627	14,169,835	8,668,425	7,212,671
- Profit on Placements	11,294,075	-	5,697,671	-
- Commercial papers	13,475,727	-	5,926,961	-
	<b>88,058,146</b>	<b>71,158,245</b>	<b>45,139,791</b>	<b>35,148,170</b>

## 14 ACCOUNTING AND OPERATIONAL CHARGES

The Management Company is allowed to charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from 20 June 2019 as per SECP SRO 639 (I) /2019 dated 20 June 2019.

The Management Company has charged expenses at the rate 0.12% of the average annual net assets of the Fund for allocation of such expenses to the Fund.

## 15 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 December 2021 is 0.69% (30 June 2021: 0.93 %) which includes 0.08% (30 June 2021: 0.21%) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a shariah compliant income scheme.

## 16 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

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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% net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded tax liability in respect of income relating to the current period as the Management Company intends to distribute atleast 90 percent of the Fund's accounting income for the year ending June 30, 2022 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash.

## 17 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Audited 30 June 2021	Cash Outflows	Non-Cash Changes Redemption of Unit	Un-audited 31 December 2021
	----- Rupees -----			
Payable against redemption of units	75,723,636	(2,517,162,776)	2,442,003,538	564,398

## 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 CONNECTED PERSONS / RELATED PARTIES

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. It also includes staff retirement benefit funds of the above connected person / related parties.

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

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

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

	For the Half Year Ended 31 December	
	2021	2020
	Un-audited	Un-audited
	----- Rupees -----	
<b>19.1 Transactions during the period</b>		
<b>Atlas Asset Management Limited (Management Company)</b>		
Remuneration of the Management Company	3,936,624	4,240,056
Remuneration paid	4,090,411	4,233,204
Sindh Sales Tax on remuneration of the Management Company	511,765	551,207
Accounting and operational charges	1,349,695	1,802,024
Issue of 447,895 (2020: Nil) units	231,109,354	-
Redemption of 63,468 (2020: nil) units	33,000,000	-

# Atlas Islamic Income Fund

		For the Half Year Ended 31 December	
		2021	2020
		Un-audited	Un-audited
		----- Rupees -----	
19.1	Transactions during the period (Cont....)		
	<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
	Remuneration of the Trustee	843,563	795,010
	Remuneration paid to the Trustee	855,730	793,724
	Sindh Sales Tax on remuneration of the Trustee	109,671	103,351
	Settlement charges paid	-	3,000
	Sindh Sales Tax on Settlement charges	-	390
	<b>Atlas Insurance Limited Window Takaful Operations</b>		
	Issue of nil (2020: 98,415) units	-	50,000,000
	Redemption of nil (2020: 98,415) units	-	50,388,503
	<b>CDC - Trustee Atlas Islamic Capital Preservation Plan (Atlas Islamic Fund of Fund)</b>		
	Issue of 40,782 (2020: 120,650)	20,777,273	62,000,000
	Redemption of 991,845 (2020: 34,559) units	510,176,351	17,500,000
	<b>CDC - Trustee Atlas Aggressive Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>		
	Issue of 2,589 (2020: 11,238) units	1,350,000	5,760,000
	Redemption of 7,469 (2020: 1,185) units	3,900,000	600,000
	<b>CDC - Trustee Atlas Moderate Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>		
	Issue of nil (2020: 16,300) units	-	8,340,000
	Redemption of 10,323 (2020: 4,147) units	5,400,000	2,100,000
	<b>CDC - Trustee Atlas Islamic Dividend Plan (Atlas Islamic Fund of Fund)</b>		
	Issue of nil (2020: 19,287) units	-	9,900,000
	Redemption of nil (2020: 20,124) units	-	10,350,000
	<b>CDC - Trustee Atlas Conservative Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>		
	Issue of nil (2020: 13,692) units	-	7,020,000
	Redemption of 14,200 (2020: 11,256) units	7,400,000	5,700,000
	<b>Directors and their close family members and key management personnel of the Management Company</b>		
	Issue of 10,622 (2020: 4,993) units	5,401,806	2,562,092
	Redemption of 12,694 (2020: 9,484) units	6,492,215	4,846,824
	<b>Atlas Group of Companies, Management Staff Gratuity Fund</b>		
	Issue of 161,916 (2020: nil) units	84,083,003	-
	Redemption of 8,851 (2020: Nil) Units	4,629,516	-
	<b>Shirazi Investments Private Limited</b>		
	Issue of 8 (2020: Nil) Units	4,038	-
	Redemption of 8 (2020: 3,983) Units	4,126	2,019,812
	<b>Honda Atlas Cars (Pakistan) Limited - Employee Provident Fund</b>		
	Issue of 167,868 (2020: Nil) Units	87,913,196	-

# Half Yearly Report 2021-22

19.2	Details of balances with related parties as at the period / year end are as	31 December 2021 Un-audited	Audited 30 June 2021
		----- Rupees -----	
	<b>Atlas Asset Management Limited (Management Company)</b>		
	Remuneration payable to the Management Company	621,461	8,555,924
	Sindh Sales Tax payable on Remuneration of the Management Company	348,371	8,483,155
	Federal Excise Duty payable on Remuneration of the Management Company	1,733,902	1,112,270
	Accounting and operational charges payable	213,072	3,636,267
	Outstanding 384,428 (30 June 2021: nil) units - at net asset value	202,162,452	-
	<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
	Remuneration payable to the Trustee	133,170	1,604,236
	Sindh Sales Tax payable on Remuneration of the trustee	17,311	208,550
	Settlement charges payable	-	1,590,613
	Sindh Sales Tax payable on settlement charges	-	202,500
	<b>Atlas Honda Limited (Group Company)</b>		
	Outstanding 39 (30 June 2021: 39) units - at net asset value	20,322	19,549
	<b>Honda Atlas Power Product (Private) Limited (Group Company)</b>		
	Outstanding 76 (30 June 2021: 76) units - at net asset value	39,984	38,464
	<b>CDC - Trustee Atlas Islamic Capital Preservation Plan (Atlas Islamic Fund of Fund)</b>		
	Outstanding nil (30 June 2021: 951,064) units - at net asset value	-	481,128,597
	<b>CDC - Trustee Atlas Aggressive Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>		
	Outstanding 59,254 (30 June 2021: 64,135) units - at net asset value	31,160,483	32,444,798
	<b>CDC - Trustee Atlas Moderate Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>		
	Outstanding 112,492 (30 June 2021: 122,815) units - at net asset value	59,157,157	62,129,986
	<b>CDC - Trustee Atlas Conservative Allocation Islamic Plan (Atlas Islamic Fund of Fund)</b>		
	Outstanding 187,073 (30 June 2021: 201,272) units - at net asset value	98,377,571	101,820,596
	<b>CDC - Trustee Atlas Islamic Dividend Plan (Atlas Islamic Fund of Fund)</b>		
	Outstanding 47,352 (30 June 2021: 47,352) units - at net asset value	24,901,474	23,954,692
	<b>Directors and their close family members and key management personnel of the Management Company</b>		
	Outstanding 2,680 (30 June 2021: 8,457) units - at net asset value	1,409,571	4,278,266
	<b>Atlas Group of Companies, Management Staff Gratuity Fund</b>		
	Outstanding 153,065 (30 June 2021: Nil) units - at net asset value	80,493,554	-
	<b>Honda Atlas Cars (Pakistan) Limited - Employee Provident Fund</b>		
	Outstanding 167,868 (30 June 2021: Nil) units - at net asset value	88,278,224	-

# Atlas Islamic Income Fund

19.3 Holding being more than 10% in the reporting period, disclosure is required.

## 20 FAIR VALUE MEASUREMENT

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

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

The investments of the Fund in government securities are valued on the basis of rates announced by the Financial Markets Association of Pakistan. Corporate Sukuks are valued on the basis of prices announced by the Mutual Funds Association of Pakistan (MUFAP) which are calculated in accordance with the provisions contained in various circulars issued by the Securities and Exchange Commission of Pakistan. The valuation of commercial papers has been done based on amortisation of commercial paper to its fair value as per the guidelines given in Circular 33 of 2012 since the residual maturity of this investment is less than six months and they are placed with counterparties which have high credit rating.

### Fair value hierarchy

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

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

	Fair value			
	Level 1	Level 2	Level 3	Total
<b>December 31, 2021 (Un-audited)</b>	----- (Rupees) -----			
<b>Financial assets measured at fair value</b>				
Debt securities - sukuk certificates	56,988,030	134,458,500	-	191,446,530
Government of Pakistan - Ijarah Sukuk	-	313,516,050	-	313,516,050
	<u>56,988,030</u>	<u>447,974,550</u>	<u>-</u>	<u>504,962,580</u>
	Fair value			
	Level 1	Level 2	Level 3	Total
<b>June 30, 2021 (Un-audited)</b>	----- (Rupees) -----			
<b>Financial assets measured at fair value</b>				
Debt securities - sukuk certificates	-	242,211,575	-	242,211,575
Government of Pakistan - Ijarah Sukuk	-	283,976,500	-	283,976,500
	<u>-</u>	<u>526,188,075</u>	<u>-</u>	<u>526,188,075</u>

# Half Yearly Report 2021-22

There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

The fair values of all other financial assets and liabilities of the Fund approximate their carrying amounts due to short-term maturities of these instruments.

## 20 IMPACT OF COVID-19 ON THESE CONDENSED INTERIM FINANCIAL STATEMENTS

During the period another wave of COVID-19 caused disruptions in the socio-economic environment in Pakistan. COVID-19 has impacted the businesses in Pakistan through increase in overall credit risk, overall slowdown in the economic activity, challenges to continuity of business operations and managing cybersecurity threat.

The Fund's management and Board is fully cognizant of the business challenges posed by the COVID-19 outbreak and constantly monitoring the situation and believe that its current policies for managing credit, liquidity, market and operational risk are adequate in response to the current situation.

## 21 GENERAL

**21.1** This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the quarters ended 31 December 2021 and 31 December 2020 have not been subjected to limited scope review by the statutory auditors of the Fund.

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

**21.3** Units have been rounded off to the nearest decimal place.

## 22 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 21 February 2022.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Stock Fund

## Corporate Information

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**Trustee**

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

**Shariah Advisor**

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Dr. Mufti Hassan Usmani

**Auditors**

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EY Ford Rhodes  
Chartered Accountants

**Legal Advisers**

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Mohsin Tayebaly & Co.

**Bankers**

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

# Half Yearly Report 2021-22

## 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, 2021 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.

#### **Badiuddin Akber**

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi: 28 February 2022

# Atlas Islamic Stock Fund

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

### Report on review of Interim Financial Statements

#### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of Atlas Islamic Stock Fund (the Fund) as at 31 December 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' Fund together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (Atlas Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2021 and 31 December 2020 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2021.

#### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements 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 statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

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

Karachi: 25 February 2022

**EY Ford Rhodes**  
Chartered Accountants

**Engagement Partner: Arslan Khalid**

# Half Yearly Report 2021-22

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 DECEMBER 2021

		Un-audited 31 December 2021	Audited 30 June 2021
	Note	----- Rupees -----	
<b>Assets</b>			
Cash and bank balances	4	69,142,215	79,257,880
Investments	5	3,994,611,934	2,680,575,760
Profit receivable on bank balances		502,378	352,047
Dividend receivable		-	3,801,825
Receivable against sale of investment		3,985,968	38,060,666
Security deposits, prepayment and other receivables	6	5,242,631	5,197,419
<b>Total assets</b>		<b>4,073,485,126</b>	<b>2,807,245,597</b>
<b>Liabilities</b>			
Payable to Atlas Asset Management Limited - Management Company	7	23,277,819	18,770,072
Payable to Central Depository Company of Pakistan Limited - Trustee	8	478,594	346,485
Payable to the Securities and Exchange Commission of Pakistan	9	330,852	476,814
Payable against redemption of units		3,737,887	1,384,692
Accrued expenses and other liabilities	10	6,950,041	79,526,084
<b>Total liabilities</b>		<b>34,775,193</b>	<b>100,504,147</b>
<b>NET ASSETS</b>		<b>4,038,709,933</b>	<b>2,706,741,450</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>4,038,709,933</b>	<b>2,706,741,450</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	11		
		-----Number of units-----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>7,335,750</b>	<b>4,722,705</b>
		-----Rupees-----	
<b>NET ASSET VALUE PER UNIT</b>		<b>550.5517</b>	<b>573.1337</b>

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Stock Fund

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2021

		For the Half Year Ended		For the Quarter Ended	
		31 December		31 December	
		2021	2020	2021	2020
Note		Rupees -----			
<b>Income</b>					
	Profit on bank balances	4,407,274	1,367,172	1,687,466	933,780
	Dividend income	106,711,036	52,906,477	66,850,596	44,353,085
	Capital (loss) / gain on sale of investments - net	(30,442,096)	161,319,496	(27,114,259)	103,085,045
	Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(214,038,959)	369,924,601	(67,451,333)	85,856,660
		<b>(244,481,055)</b>	<b>531,244,097</b>	<b>(94,565,592)</b>	<b>188,941,705</b>
	<b>Total (loss) / income</b>	<b>(133,362,745)</b>	<b>585,517,746</b>	<b>(26,027,530)</b>	<b>234,228,570</b>
<b>Expenses</b>					
	Remuneration of Atlas Asset Management Limited - Management Company	7.1	40,630,425	27,070,085	23,126,989
	Sindh Sales Tax on remuneration of the Management Company	7.2	5,281,953	3,519,111	3,006,506
	Remuneration of the Central Depository Company of Pakistan Limited - Trustee	8.1	2,158,499	1,632,030	1,177,134
	Sindh Sales Tax on remuneration of the Trustee	8.2	280,592	212,164	153,015
	Annual fee to the Securities and Exchange Commission of Pakistan		330,878	225,584	185,016
	Accounting and operational charges	14	7,682,386	2,178,339	4,625,396
	Shariah advisory fee		100,000	100,000	50,000
	Auditors' remuneration		236,066	117,699	118,033
	Securities transaction cost		4,381,372	2,655,720	2,846,909
	Annual listing fee		13,863	13,864	6,931
	Printing charges		23,997	32,664	23,997
	Legal and professional charges		42,900	100,780	12,053
	Bank charges		14,844	10,540	10,064
	(Reversal) / Provision for Sindh Workers' Welfare Fund	10.2	(33,881,485)	10,952,983	-
	<b>Total expenses</b>		<b>27,296,290</b>	<b>48,821,563</b>	<b>35,342,043</b>
	<b>Net (loss) / income for the period before taxation</b>		<b>(160,659,035)</b>	<b>536,696,183</b>	<b>(61,369,573)</b>
	<b>Taxation</b>	13	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Net (loss) / income for the period after taxation</b>		<b>(160,659,035)</b>	<b>(61,369,573)</b>	<b>210,167,195</b>
<b>Allocation of net income for the period</b>					
	Net income for the period		<b>-</b>	<b>536,696,183</b>	<b>-</b>
	Income already paid on units redeemed		<b>-</b>	<b>(72,400,062)</b>	<b>-</b>
			<b>-</b>	<b>464,296,121</b>	<b>-</b>
<b>Accounting income available for distribution:</b>					
	- Relating to capital gains		<b>-</b>	<b>531,244,097</b>	<b>-</b>
	- Excluding capital gains		<b>-</b>	<b>(66,947,976)</b>	<b>-</b>
			<b>-</b>	<b>464,296,121</b>	<b>-</b>

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

Qurrat-ul-Ain Jafari  
Chief Financial Officer

Muhammad Abdul Samad  
Chief Executive Officer

Ifitikhar H. Shirazi  
Chairman

Tariq Amin  
Director

# Half Yearly Report 2021-22

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2021

	For the Half Year Ended		For the Quarter Ended	
	31 December		31 December	
	2021	2020	2021	2020
	----- Rupees -----			
Net (loss) / income for the period after taxation	(160,659,035)	536,696,183	(61,369,573)	210,167,195
Other comprehensive income	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(160,659,035)</u>	<u>536,696,183</u>	<u>(61,369,573)</u>	<u>210,167,195</u>

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Stock Fund

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2021

31 December 2021			
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	1,956,495,995	-	1,956,495,995
<b>Undistributed income brought forward</b>			
- Realised income	-	443,117,090	443,117,090
- Unrealised income	-	307,128,365	307,128,365
<b>Net assets at the beginning of the period (Units outstanding: 4,722,705) (Rs. 573.1337 per unit)</b>	<b>1,956,495,995</b>	<b>750,245,455</b>	<b>2,706,741,450</b>
Issue of 4,038,589 units	2,295,408,139	-	2,295,408,139
Redemption of 1,425,546 units	(798,821,401)	-	(798,821,401)
Total comprehensive loss for the period	-	(160,659,035)	(160,659,035)
Shariah non-compliant income set-aside for charity	-	(3,959,220)	(3,959,220)
<b>Net assets at end of the period (Units outstanding: 7,335,750) (Rs. 550.5517 per unit)</b>	<b>3,453,082,733</b>	<b>585,627,200</b>	<b>4,038,709,933</b>
<b>Undistributed income carried forward</b>			
- Realised income	-	589,104,404	-
- Unrealised loss	-	(3,477,204)	-
	<b>-</b>	<b>585,627,200</b>	<b>-</b>
31 December 2020			
	Capital value	Undistributed income	Net assets
	-----Rupees-----		
Capital value	1,452,346,030	-	1,452,346,030
<b>Undistributed income brought forward</b>			
- Realised income	-	410,531,817	410,531,817
- Unrealised income	-	(39,562,729)	(39,562,729)
<b>Net assets at the beginning of the period (Units outstanding: 4,001,514) (Rs. 455.66 per unit)</b>	<b>1,452,346,030</b>	<b>370,969,088</b>	<b>1,823,315,118</b>
Issue of 1,889,921 units	1,015,347,473	-	1,015,347,473
Redemption of 1,544,260 units	(764,998,833)	(72,400,062)	(837,398,895)
Total comprehensive income for the period	-	536,696,183	536,696,183
Shariah non-compliant income set-aside for charity	-	(2,337,477)	(2,337,477)
<b>Net assets at end of the period (Units outstanding: 4,347,175) (Rs. 583.2805 per unit)</b>	<b>1,702,694,670</b>	<b>832,927,732</b>	<b>2,535,622,402</b>
<b>Undistributed income carried forward</b>			
- Realised income	-	497,550,894	-
- Unrealised gain	-	335,376,838	-
	<b>-</b>	<b>832,927,732</b>	<b>-</b>

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Ifitikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Half Yearly Report 2021-22

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	For the Half Year Ended	
	31 December	
	2021	2020
Note	Rupees	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net (loss) / income for the period before taxation	(160,659,035)	536,696,183
<b>Adjustments for:</b>		
Profit on bank balances	(4,407,274)	(1,367,172)
Dividend income	(106,711,036)	(52,906,477)
Capital loss / (gain) on sale of investments - net	30,442,096	(161,319,496)
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	214,038,959	(369,924,601)
(Reversal) / Provision for Sindh Workers' Welfare Fund	(33,881,485)	10,952,983
	<b>99,481,260</b>	<b>(574,564,763)</b>
<b>Decrease / (increase) in assets</b>		
Receivable against sale of investments	34,074,698	(61,854,431)
Security deposits, prepayment and other receivables	(45,212)	-
	<b>34,029,486</b>	<b>(61,854,431)</b>
<b>(Decrease) / increase in liabilities</b>		
Payable to Atlas Asset Management Limited - Management Company	4,507,747	2,074,922
Payable to the Central Depository Company of Pakistan Limited - Trustee	132,109	99,335
Payable to the Securities and Exchange Commission of Pakistan	(145,962)	(63,768)
Payable against purchase of investments	-	21,042,176
Accrued expenses and other liabilities	(42,653,778)	(290,963)
	<b>(38,159,884)</b>	<b>22,861,702</b>
Profit received on bank balances	4,256,943	1,418,705
Dividend received	110,512,861	45,880,646
Investments made during the period	(2,257,396,055)	(1,188,233,798)
Investments sold during the period	698,878,826	1,056,726,935
	<b>(1,443,747,425)</b>	<b>(84,207,512)</b>
<b>Net cash (used in) / generated from operating activities</b>	<b>(1,509,055,598)</b>	<b>(161,068,821)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net receipts from issuance of units	2,295,408,139	1,015,347,473
Net payments against redemption of units	(796,468,206)	(852,971,331)
<b>Net cash generated from financing activities</b>	<b>1,498,939,933</b>	<b>162,376,142</b>
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>	<b>(10,115,665)</b>	<b>1,307,321</b>
Cash and cash equivalents at the beginning of the period	79,257,880	42,077,624
<b>Cash and cash equivalents at the end of the period</b>	<b>69,142,215</b>	<b>43,384,945</b>

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Stock Fund

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

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Stock Fund (the Fund) is an open-ended collective investment scheme constituted under a trust deed entered into on 12 September 2006 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has been revised through the First, Second, Third, Fourth and Fifth Supplemental Trust Deeds dated 29 October 2007, 6 March 2008, 4 December 2009, 23 June 2010 and 23 May 2017, respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). In addition, the Offering Document of the Fund was also revised through the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth and Thirteen Supplements dated 29 October 2007, 6 March 2008, 4 December 2009, 23 June 2010, 20 September 2013, 24 March 2015, 29 September 2016, 2 June 2017, 25 May 2018, 5 September 2019, 25 November 2019, 01 April 2020 and 01 June 2020 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. 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 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.
- 1.5 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020. During the period, the Trust deed has been registered under the Sindh Trusts Act, 2020.
- 1.6 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2020: AM2+ (AM Two plus)] on 24 December 2021.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

- 2.1.1 These condensed interim 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:

# Half Yearly Report 2021-22

- 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.

**2.1.2** The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2021.

**2.1.3** The comparative statement of assets and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2021, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, and condensed interim statement of movement in unit holders' fund are extracted from the un-audited condensed interim financial statements for the period ended December 31, 2020.

**2.1.4** In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at 31 December 2021.

## **2.2 New / Revised Standards, Interpretations and Amendments**

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2021 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these financial statements.

### **Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:**

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:

<b>2.3 Standards, interpretations and amendments</b>	<b>Effective date</b>
Property, Plant and Equipment: Proceeds before Intended Use - Amendments to IAS 16	01 January 2022

# Atlas Islamic Stock Fund

Standards, interpretations and amendments	Effective date
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	01 January 2022
Classification of liabilities as current or non-current - Amendment to IAS 1	01 January 2023
Definition of Accounting Estimates - Amendments to IAS 8	01 January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023
IFRS 17 - Insurance Contracts	01 January 2023
IFRS 3 - Reference to the Conceptual Framework (Amendments)	January 01, 2022
IFRS 9 Financial Instruments – Fees in the '10 percent' test for derecognition of financial liabilities	January 01, 2022
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	01 January 2023

The above standards and amendments are not expected to have any material impact on the Fund's condensed interim financial statements.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	01 July 2009

## 2.4 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.

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 and provision under uncertain circumstances such as provision for Sindh Workers' Welfare Fund and taxes recoverable as disclosed in notes 10.2 and 7.1 respectively.

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

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements at and for the year ended June 30, 2021.

3.2 The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended 30 June 2021.

		31 December 2021 Un-audited	30 June 2021 Audited
4 CASH AND BANK BALANCES	Note	----- Rupees -----	
Balances with banks in:			
- Profit and loss sharing accounts	4.1	66,916,290	47,467,565
- Current account		862,815	1,477,487
Cheques in hand	4.2	1,363,110	30,312,828
		<u>69,142,215</u>	<u>79,257,880</u>

4.1 The rate of return on these profit and loss sharing accounts ranges between 6.75% and 10.85% (30 June 2021: 5.00% to 6.90%) per annum.

4.2 These denote cheques received against issue of units which were cleared latest by 22 January 2022 (30 June 2021: 20 July 2021).

		31 December 2021 Un-audited	30 June 2021 Audited
5 INVESTMENTS	Note	----- Rupees -----	
At fair value through profit or loss			
- Listed equity securities	5.1	<u>3,994,611,934</u>	<u>2,680,575,760</u>

# Atlas Islamic Stock Fund

## 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 2021	Purchases during the period	Bonus / Right shares received during the period	Sales during the period	As at 31 December 2021	Carrying value as at 31 December 2021	Market value as at 31 December 2021	Market Value as a percentage of total investments	Market Value as a percentage of net assets	Paid up capital of investee company
----- Number of Certificates ----- Rupees ----- % age -----										
<b>At fair value through profit or loss -</b>										
<b>Listed equity securities</b>										
<b>BANKS</b>										
Meezan Bank Limited	2,227,795	630,854	337,169	345,704	2,850,114	310,948,427	382,228,789	9.57	9.46	0.18
	<b>2,227,795</b>	<b>630,854</b>	<b>337,169</b>	<b>345,704</b>	<b>2,850,114</b>	<b>310,948,427</b>	<b>382,228,789</b>	<b>9.57</b>	<b>9.46</b>	
<b>TEXTILE COMPOSITE</b>										
Interloop Limited	371,938	885,500	21,643	30,000	1,249,081	88,186,155	90,795,698	2.27	2.25	0.14
Kohinoor Textile Mills Limited (face value Rs. 5)	442,000	456,500	-	-	898,500	69,869,960	62,373,870	1.56	1.54	0.15
Nishat Mills Limited	600,500	1,143,100	-	67,000	1,676,600	152,113,177	133,423,828	3.34	3.30	0.48
	<b>1,414,438</b>	<b>2,485,100</b>	<b>21,643</b>	<b>97,000</b>	<b>3,824,181</b>	<b>310,169,292</b>	<b>286,593,396</b>	<b>7.17</b>	<b>7.09</b>	
<b>CEMENT</b>										
Attock Cement Pakistan Limited	127,500	-	-	127,500	-	-	-	-	-	-
Cherat Cement Company Limited	133,000	611,300	-	122,000	622,300	89,897,968	92,293,313	2.31	2.29	0.32
D.G. Khan Cement Company Limited	482,000	333,420	-	168,000	647,420	68,626,491	53,697,015	1.34	1.33	0.15
Fauji Cement Company Limited	2,402,000	3,470,500	-	420,000	5,452,500	111,323,573	100,162,425	2.51	2.48	0.40
Kohat Cement Company Limited	246,050	70,900	-	7,500	309,450	62,597,580	58,362,270	1.46	1.45	0.15
Lucky Cement Limited (see note 5.3)	329,200	240,500	-	40,500	529,200	428,781,884	359,474,976	9.00	8.90	0.16
Maple Leaf Cement Factory Limited	495,000	1,385,000	-	765,000	1,115,000	44,237,618	40,084,250	1.00	0.99	0.10
Pioneer Cement Limited	-	150,000	-	-	150,000	13,389,698	13,312,500	0.33	0.33	0.07
	<b>4,214,750</b>	<b>6,261,620</b>	<b>-</b>	<b>1,650,500</b>	<b>8,825,870</b>	<b>818,854,812</b>	<b>717,386,749</b>	<b>17.96</b>	<b>17.77</b>	
<b>POWER GENERATION &amp; DISTRIBUTION</b>										
K-Electric Limited / (face value Rs.3.5)	5,265,000	-	-	-	5,265,000	22,007,700	18,111,600	0.45	0.45	0.02
The Hub Power Company Limited (see note 5.3)	1,593,689	3,110,146	-	419,707	4,284,128	332,837,775	305,629,692	7.65	7.57	0.33
	<b>6,858,689</b>	<b>3,110,146</b>	<b>-</b>	<b>419,707</b>	<b>9,549,128</b>	<b>354,845,475</b>	<b>323,741,292</b>	<b>8.10</b>	<b>8.02</b>	
<b>OIL &amp; GAS MARKETING COMPANIES</b>										
Attock Petroleum Limited	-	12,000	-	12,000	-	-	-	-	-	-
Pakistan State Oil Company Limited (see note 5.3)	451,012	385,000	-	70,000	766,012	162,865,924	139,329,923	3.49	3.45	0.16
Sui Northern Gas Pipelines Limited	702,776	550,000	-	55,000	1,197,776	56,351,033	40,065,607	1.00	0.99	0.19
	<b>1,153,788</b>	<b>947,000</b>	<b>-</b>	<b>137,000</b>	<b>1,963,788</b>	<b>219,216,957</b>	<b>179,395,530</b>	<b>4.49</b>	<b>4.44</b>	
<b>OIL &amp; GAS EXPLORATION COMPANIES</b>										
Mari Petroleum Company Limited	95,790	65,080	-	6,880	153,990	244,631,618	254,734,878	6.38	6.31	0.12
Oil & Gas Development Company Limited	2,395,177	1,389,500	-	235,000	3,549,677	324,591,444	305,982,157	7.66	7.58	0.08
Pakistan Oilfields Limited	82,594	6,000	-	5,000	83,594	32,629,745	29,894,886	0.75	0.74	0.03
Pakistan Petroleum Limited (see note 5.3)	1,605,970	1,020,000	-	120,000	2,505,970	206,899,115	198,071,869	4.96	4.90	0.09
	<b>4,179,531</b>	<b>2,480,580</b>	<b>-</b>	<b>366,880</b>	<b>6,293,231</b>	<b>808,751,922</b>	<b>788,683,790</b>	<b>19.75</b>	<b>19.53</b>	
<b>ENGINEERING</b>										
Aisha Steel Mills Limited	-	1,205,000	-	60,000	1,145,000	24,720,001	17,243,700	0.43	0.43	0.15
International Industries Limited	152,500	86,300	-	125,000	113,800	21,788,489	15,796,578	0.40	0.39	0.09
International Steel Limited	157,000	50,000	-	207,000	-	-	-	-	-	-
Itrfaq Iron Industries Limited	-	649,500	-	-	649,500	10,852,070	7,774,515	0.19	0.19	0.45
Mughal Iron and Steel Industries Limited	158,000	608,200	36,945	36,700	766,445	75,180,418	79,794,589	2.00	1.98	0.23
	<b>467,500</b>	<b>2,599,000</b>	<b>36,945</b>	<b>428,700</b>	<b>2,674,745</b>	<b>132,540,978</b>	<b>120,609,382</b>	<b>3.02</b>	<b>2.99</b>	
<b>AUTOMOBILE ASSEMBLER</b>										
Millat Tractors Limited	32,850	14,030	-	38,350	8,530	7,633,186	7,354,907	0.18	0.18	0.01
Pak Suzuki Motors Limited	84,500	190,300	-	187,000	87,800	26,852,932	20,480,228	0.51	0.51	0.11
	<b>117,350</b>	<b>204,330</b>	<b>-</b>	<b>225,350</b>	<b>96,330</b>	<b>34,486,118</b>	<b>27,835,135</b>	<b>0.69</b>	<b>0.69</b>	
<b>AUTOMOBILE PARTS AND ACCESSORIES</b>										
Panther tiers Limited	351,506	570,000	99,301	10,000	1,010,807	53,866,190	42,211,300	1.06	1.05	0.60
Thal Limited (face value Rs. 5)	113,000	83,600	-	2,000	194,600	79,307,893	74,471,474	1.86	1.84	0.24
	<b>464,506</b>	<b>653,600</b>	<b>99,301</b>	<b>12,000</b>	<b>1,205,407</b>	<b>133,174,083</b>	<b>116,682,774</b>	<b>2.92</b>	<b>2.89</b>	<b>-</b>
<b>REFINERY</b>										
Attock Refinery Limited	100,000	15,000	-	103,000	12,000	3,057,799	1,728,360	0.04	0.04	0.01
National Refinery Limited	14,000	5,000	-	500	18,500	9,258,900	5,264,915	0.13	0.13	0.02
	<b>114,000</b>	<b>20,000</b>	<b>-</b>	<b>103,500</b>	<b>30,500</b>	<b>12,316,699</b>	<b>6,993,275</b>	<b>0.17</b>	<b>0.17</b>	

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Name of Investee Company	As at 01 July 2021	Purchases during the period	Bonus / Right shares received during the period	Sales during the period	As at 31 December 2021	Carrying value as at 31 December 2021	Market value as at 31 December 2021	Market Value as a percentage of total investments	Market Value as a percentage of net assets	Paid up capital of investee company
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----- Number of Certificates ----- Rupees ----- % age -----

At fair value through profit or loss -

Listed equity securities

## TECHNOLOGY & COMMUNICATIONS

AirLink Communications Limited	-	361,725	15,879	361,000	16,604	1,097,555	964,028	0.02	0.02	0.00400
Octopus Digital Limited	-	27,352	-	27,000	352	14,291	27,372	-	-	-
Pakistan Telecommunication Company Limited	2,353,000	-	-	-	2,353,000	27,859,520	20,471,100	0.51	0.51	0.06
Systems Limited	122,000	10,000	-	77,000	55,000	31,894,477	41,791,200	1.05	1.05	0.04
	<b>2,475,000</b>	<b>399,077</b>	<b>15,879</b>	<b>465,000</b>	<b>2,424,956</b>	<b>60,865,843</b>	<b>63,253,700</b>	<b>1.58</b>	<b>1.58</b>	

## FERTILIZER

Engro Fertilizers Limited	1,205,456	968,797	444,661	658,463	1,960,451	140,920,063	149,170,717	3.73	3.69	0.15
Engro Corporation Limited (see note 5.3)	637,500	825,083	-	96,500	1,366,083	395,615,996	372,148,331	9.32	9.21	0.24
Fauji Fertilizers Bin Qasim Limited	-	2,609,000	-	40,000	2,569,000	67,937,959	63,659,820	1.59	1.58	0.20
	<b>1,842,956</b>	<b>4,402,880</b>	<b>444,661</b>	<b>794,963</b>	<b>5,895,534</b>	<b>604,474,018</b>	<b>584,978,868</b>	<b>14.64</b>	<b>14.48</b>	

## PHARMACEUTICALS

Abbott Laboratories (Pakistan) Limited	33,550	59,500	-	-	93,050	72,022,030	66,764,306	1.67	1.65	0.10
Glaxosmithkline Pakistan Limited	65,000	-	-	5,000	60,000	9,940,200	8,190,600	0.21	0.20	0.02
Glaxosmithkline Consumer Health Care Pakistan Limited	-	27,000	-	25,000	2,000	570,277	482,120	0.01	0.01	-
Highnoon Laboratories Limited	103,240	23,100	-	-	126,340	76,653,714	79,322,569	1.99	1.96	0.33
The Searle Company Limited	105,872	5,000	2,061	110,500	2,433	452,346	349,671	0.01	0.01	-
	<b>307,662</b>	<b>114,600</b>	<b>2,061</b>	<b>140,500</b>	<b>283,823</b>	<b>159,638,567</b>	<b>155,109,266</b>	<b>3.89</b>	<b>3.83</b>	

## CHEMICALS

Engro Polymer & Chemicals Limited	1,150,000	1,440,000	-	715,000	1,875,000	97,561,441	101,643,750	2.54	2.52	0.21
ICI Pakistan Limited	21,000	-	-	21,000	-	-	-	-	-	-
Sitara Chemical Industries Limited	8,000	-	-	8,000	-	-	-	-	-	-
	<b>1,179,000</b>	<b>1,440,000</b>	<b>-</b>	<b>744,000</b>	<b>1,875,000</b>	<b>97,561,441</b>	<b>101,643,750</b>	<b>2.54</b>	<b>2.52</b>	

## PAPER & BOARD

Packages Limited	77,500	17,500	-	-	95,000	51,462,325	47,240,650	1.18	1.17	0.11
	<b>77,500</b>	<b>17,500</b>	<b>-</b>	<b>-</b>	<b>95,000</b>	<b>51,462,325</b>	<b>47,240,650</b>	<b>1.18</b>	<b>1.17</b>	

## Transport

Pakistan International Bulk Terminal Limited	950,000	950,000	-	65,000	1,835,000	18,964,573	13,505,600	0.34	0.33	0.10
	<b>950,000</b>	<b>950,000</b>	<b>-</b>	<b>65,000</b>	<b>1,835,000</b>	<b>18,964,573</b>	<b>13,505,600</b>	<b>0.34</b>	<b>0.33</b>	

## LEATHER & TANNERIES

Bata Pakistan Limited	8,780	-	-	8,780	-	-	-	-	-	-
Service Global Footwear Limited	261,014	138,000	-	-	399,014	21,949,145	18,498,286	0.46	0.46	0.20
	<b>269,794</b>	<b>138,000</b>	<b>-</b>	<b>8,780</b>	<b>399,014</b>	<b>21,949,145</b>	<b>18,498,286</b>	<b>0.46</b>	<b>0.46</b>	

## FOODS & PERSONAL CARE PRODUCTS

At-Tahur Limited	1,404,250	200,000	137,910	280,000	1,462,160	31,769,705	33,644,302	0.84	0.83	0.74
Treet Corporation Limited	275,000	-	-	275,000	-	-	-	-	-	-
Unity Foods Limited	348,500	100,000	-	448,500	-	-	-	-	-	-
	<b>2,027,750</b>	<b>300,000</b>	<b>137,910</b>	<b>1,003,500</b>	<b>1,462,160</b>	<b>31,769,705</b>	<b>33,644,302</b>	<b>0.84</b>	<b>0.83</b>	

## GLASS & CERAMICS

Shabbir Tiles and Ceramics Limited (face value Rs.5)	400,000	-	-	400,000	-	-	-	-	-	-
Tanq Glass Industries Limited	-	250,000	-	5,000	245,000	26,660,513	26,587,400	0.67	0.66	0.18
	<b>400,000</b>	<b>250,000</b>	<b>-</b>	<b>405,000</b>	<b>245,000</b>	<b>26,660,513</b>	<b>26,587,400</b>	<b>0.67</b>	<b>0.66</b>	

Total as at 31 December, 2021

**4,208,650,893** **3,994,611,934** **100.00** **98.88**

Total as at 30 June 2021

**2,340,246,204** **2,680,575,760**

## 5.2

The cost of listed equity securities as at 31 December 2021 is Rs. 3,998,089,138 (30 June 2021: Rs. 2,373,447,395).

# Atlas Islamic Stock Fund

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

	Number of shares		Market value (Rupees)	
	31 December 2021 Un-audited	30 June 2021 Audited	31 December 2021 Un-audited	30 June 2021 Audited
Lucky Cement Limited	75,000	75,000	50,946,000	64,758,000
Pakistan State Oil Company Limited	110,000	110,000	20,007,900	24,667,500
Pakistan Petroleum Limited	135,000	135,000	10,670,400	11,722,050
Engro Corporation Limited	55,000	55,000	14,983,100	16,203,550
	<b>375,000</b>	<b>375,000</b>	<b>96,607,400</b>	<b>117,351,100</b>

## 6 SECURITY DEPOSITS, PREPAYMENT AND OTHER RECEIVABLES

	Note	31 December 2021 Un-audited	30 June 2021 Audited
		----- Rupees -----	----- Rupees -----
Security deposit held with:			
- the National Clearing Company of Pakistan Limited (NCCPL)		2,500,000	2,500,000
- the Central Depository Company of Pakistan Limited (CDC)		100,000	100,000
Prepaid legal and professional		45,212	-
Other receivable	6.1	2,597,419	2,597,419
		<b>5,242,631</b>	<b>5,197,419</b>

- 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 section 151. However, several companies (including banks) deducted withholding tax on 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 favour of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Fund together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received on bank deposits by the Fund has been shown as other receivables as at 31 December 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

# Half Yearly Report 2021-22

7 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - (RELATED PARTY)	Note	31 December 2021 Un-audited	30 June 2021 Audited
		----- Rupees -----	----- Rupees -----
Remuneration of the Management Company	7.1	8,465,565	5,386,550
Sindh Sales Tax payable on remuneration of the Management Company	7.2	2,657,085	2,256,816
Federal Excise Duty payable on remuneration of the Management Company	7.3	10,453,385	10,453,385
Accounting and operational charges	14	1,701,784	673,321
		<b>23,277,819</b>	<b>18,770,072</b>

7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (I) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio. The Management Company has charged management fee at the rate of 2.4% from 01 July 2021 to 30 September 2021 and 2.5% from 01 October 2021 to 31 December 2021 (30 June 2020: 2.4%) per annum of the average annual net assets. The fee is payable to the Management Company monthly in arrears.

7.2 During the period, an amount of Rs. 5,281,953 (2020: Rs. 3,519,116) 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. 4,881,684 (2020: Rs. 3,322,725) 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 7.2 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 30 June 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made for the period from 13 June 2013 till 30 June 2016 amounting to Rs 10.453 million (30 June 2021: Rs 10.453 million) is being retained in the condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been recorded in the condensed interim financial statements of the Fund, the net asset value of the Fund as at 31 December 2021 would have been higher by Rs. 1.42 per unit (30 June 2021: Rs. 2.21 per unit).

# Atlas Islamic Stock Fund

		31 December 2021	30 June 2021
		Un-audited	Audited
8 PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN- TRUSTEE- RELATED PARTY	Note	Rupees	
Remuneration Payable to Trustee	8.1	423,553	306,631
Sindh Sales tax payable on trustee fee	8.2	55,041	39,854
		<b>478,594</b>	<b>346,485</b>

- 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 period, an amount of Rs. 280,592 (2020: Rs. 212,164) 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.265,405 (2020: Rs. 203,598) was paid to the Trustee which acts as a collecting agent.

		31 December 2021	30 June 2021
		Un-audited	Audited
9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	Rupees	
Annual fees payable	9.1	330,852	476,814

- 9.1 In accordance with the NBFC regulations, a collective investment scheme (CIS) is required to pay an annual fee to the Securities and Exchange Commission of Pakistan (SECP) an amount equal to 0.02% of the average annual net assets of the Fund as annual fee.

		31 December 2021	30 June 2021
		Un-audited	Audited
10 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	Rupees	
Auditors' remuneration payable		290,639	330,421
Ranking fee payable		140,000	140,000
Listing fee payable		13,863	-
Charity payable	10.1	1,732,489	1,579,943
Transaction charges payable		3,910,750	2,324,516
Withholding and capital gain tax payable		92,770	14,830,976
Payable to Shariah Advisor		50,001	50,001
Provision for Sindh Workers' Welfare Fund	10.2	-	33,881,485
Printing charges payable		-	14,033
Zakat payable		68,153	57,205
Dividend payable		185,722	26,047,520
Others		465,654	269,984
		<b>6,950,041</b>	<b>79,526,084</b>

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- 10.1** The Shariah Advisor of the Fund, has certified an amount of Rs. 3,959,220 (30 June 2021: Rs. 4,280,368) against dividend income, as Shariah non-compliant income during the period, which has accordingly been marked to charity.
- 10.2** 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 Mutual Fund Association of Pakistan (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 SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, amounting to Rs. 33.88 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

## 11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 December 2021 and as at 30 June 2021.

## 12 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 December 2021 is 3.69% (30 June 2021: 4.00%) which includes 0.39% (30 June 2021: 1.00%) representing government levies on the Fund such as provision for sales taxes, annual fee to the SECP, etc. This ratio net of government levies is within the maximum limit of 4.50% prescribed under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

## 13 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its net accounting income available for distribution for the year derived from sources other than capital gains, to the unitholders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Based on the above, no provision in respect of taxation have been made in these condensed interim financial statements, as the Fund does not have income during the period.

## 14 ACCOUNTING AND OPERATIONAL CHARGES

The Management Company is allowed to charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from 20 June 2019 as per SECP SRO 639 (I) /2019 dated 20 June 2019.

# Atlas Islamic Stock Fund

The Management Company has charged expenses at the rate of 0.40% of the average annual net assets of the Fund upto 14 September 2021 and charged expenses at the rate of 0.50% of the average annual net assets afterwards.

## 15 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Audited 30 June 2021	Cash Outflows	Non-Cash Changes Redemption of Unit	Un-audited 31 December 2021
			Rupees	
Payable against redemption of units	1,384,692	(796,468,206)	798,821,401	3,737,887

## 16 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.

## 17 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company. It also includes staff retirement benefit funds of the above connected person / related parties.

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

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

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

	Un-audited For the Half Year Ended 31 December 2021	Un-audited 2020
		Rupees
<b>17.1 Transactions during the period</b>		
<b>Atlas Asset Management Limited (Management Company)</b>		
Remuneration of the Management Company	40,630,425	27,070,085
Remuneration paid	37,551,410	25,559,424
Sindh Sales Tax on remuneration of the Management Company	5,281,953	3,519,111
Accounting and operational charges	7,682,386	2,178,339
Issue of 17,119 (2020: 21,235) units	10,000,000	9,989,724
<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
Remuneration of the Trustee	2,158,499	1,632,030
Sindh Sales Tax on remuneration of the Trustee	280,592	212,164
Remuneration paid	2,041,577	1,606,137
Settlement charges	98,936	104,314
Sindh sales tax on settlement charges	12,862	13,561
<b>Atlas Foundation (Group company)</b>		
Issue of 51,214 (2020: 1,183) units	30,000,000	600,000

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		Un-audited For the Half Year Ended 31 December	Un-audited
		2021	2020
		----- Rupees -----	
17.1	Transactions during the period (Cont....)		
	<b>Atlas Group of Companies Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)</b>		
	Issue of 16,784 (2020: 2,833) units	9,149,942	1,500,000
	Redemption of 2,606 (2020: 15,064) units	1,500,000	8,000,000
	<b>Shirazi Investments (Private) Limited -Employee Provident Fund (Retirement benefit plan of group company)</b>		
	Redemption of 5,545 (2020:13,126) units	3,202,710	7,240,102
	<b>Atlas Insurance Limited (Group Company)</b>		
	Issue of 715,419 (2020:140,000) units	393,129,657	82,455,660
	Redemption of 672,438 (2020:165,694) units	368,129,657	97,455,660
	<b>Atlas Insurance Limited Window Takaful Operation</b>		
	Issue of nil (2020: 47,099) units	-	25,000,000
	Redemption of nil (2020: 47,099) units	-	25,567,750
	<b>Shirazi Investments (Private) Limited</b>		
	Issue of 1,344,510 (2020: Nil) units	769,444,774	-
	<b>Directors and their close family members and key management personnel of the Management Company (Note 15.3)</b>		
	Issue of 18,251 (2020: 17,301) units	10,561,044	8,878,663
	Redemption of 5,926 (2020: 9,579) units	3,420,016	5,223,732
		<b>31 December 2021</b>	<b>30 June 2021</b>
		<b>Un-audited</b>	<b>Audited</b>
17.2	Balances as at period / year end	----- Rupees -----	
	<b>Atlas Asset Management Limited (Management Company)</b>		
	Remuneration payable to the Management Company	8,465,565	5,386,550
	Sindh Sales Tax payable on remuneration of the management company	2,657,085	2,256,816
	Federal Excise Duty payable on remuneration of the Management Company	10,453,385	10,453,385
	Accounting and operational charges payable	1,701,784	673,321
	Outstanding 75,742 (30 June 2021: 58,622) units at net asset value	41,699,784	33,598,630
	<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
	Remuneration payable to the Trustee	423,553	3,384,045
	Sindh sales tax payable on remuneration of the Trustee	55,041	439,926
	Settlement charges payable	-	192,075
	Sindh sales tax payable on settlement charges	-	24,970
	<b>Atlas Foundation (Group company)</b>		
	Outstanding 156,149 (30 June 2021: 104,935) units - at net asset value	85,967,987	60,141,610
	<b>Atlas Insurance Limited (Group Company)</b>		
	Outstanding 672,438 (30 June 2021: 629,456) units - at net asset value	370,211,726	360,762,619
	<b>Atlas Group of Companies, Management Staff Gratuity Fund (Retirement benefit plan of group company)</b>		
	Outstanding 170,481 (30 June 2021: 156,301) units - at net asset value	93,858,334	89,581,735

# Atlas Islamic Stock Fund

	31 December 2021 Un-audited ----- Rupees -----	30 June 2021 Audited -----
<b>17.2 Balances as at period / year end (Cont....)</b>		
<b>Atlas Honda Limited (Group Company)</b>		
Outstanding 191,152 (30 June 2021: 191,152) units - at net asset value	105,239,195	109,555,795
<b>Batools Benefit Trust (Trust having common Director / Trustee)</b>		
Outstanding 118,832 (30 June 2021: 118,832) units - at net asset value	65,423,238	68,106,706
<b>Atlas Honda Limited Employee Provident Fund (Retirement benefit plan of group company)</b>		
Outstanding 108,026 (30 June 2021: 108,026) units - at net asset value	59,473,749	61,913,186
<b>Shirazi Investments (Private) Limited (Group Company)</b>		
Outstanding 1,786,702 (30 June 2021: 442,192) units - at net asset value	983,672,017	253,435,088
<b>Shirazi Investments (Private) Limited -Employee Provident Fund (Retirement benefit plan of group company)</b>		
Outstanding NIL (30 June 2021: 5,545) units - at net asset value	-	3,178,203
<b>Directors and their close family members and key management personnel of the Management Company</b>		
Outstanding 168,561 (30 June 2020: 180,136) units - at net asset value	92,801,326	103,243,267
<b>17.3</b> 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.		

## 18 FAIR VALUE MEASUREMENTS

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

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

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.

### 18.1 Fair value hierarchy

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

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

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

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

# Half Yearly Report 2021-22

The Fund recognises equity securities at fair value which is determined using the rate at which they are quoted on Pakistan Stock Exchange Limited (Level 1).

As at December 31, 2021 (Unaudited)			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			
<b>Financial assets 'at fair value through profit or loss'</b>			
- Listed equity securities	3,994,611,934	-	- 3,994,611,934
As at June 30, 2021 (Audited)			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			
<b>Financial assets 'at fair value through profit or loss'</b>			
- Listed equity securities	2,680,575,760	-	- 2,680,575,760

There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

The fair values of all other financial assets and liabilities of the Fund approximate their carrying amounts due to short-term maturities of these instruments.

## 19 IMPACT OF COVID-19 ON THESE CONDENSED INTERIM FINANCIAL STATEMENTS

During the period another wave of COVID-19 caused disruptions in the socio-economic environment in Pakistan. COVID-19 has impacted the businesses in Pakistan through increase in overall credit risk, overall slowdown in the economic activity, challenges to continuity of business operations and managing cybersecurity threat.

The Fund's management and Board is fully cognizant of the business challenges posed by the COVID-19 outbreak and constantly monitoring the situation and believe that its current policies for managing credit, liquidity, market and operational risk are adequate in response to the current situation.

## 20 GENERAL

**20.1** This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2021 and December 31, 2020 as reported in this condensed interim financial information has not been subject to limited scope review by the auditors.

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

**20.3** Units have been rounded off to the nearest decimal place.

## 21 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 21 February 2022.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftekhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Dedicated Stock Fund

## Corporate Information

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**Trustee**

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

**Shariah Advisor**

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Dr. Mufti Muhammad Wasih Fasih Butt

**Auditors**

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EY Ford Rhodes  
Chartered Accountants

**Legal Advisers**

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Bawaney & Partners

**Bankers**

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Al-Baraka Bank (Pakistan) Limited  
BankIslami Pakistan Limited

# Half Yearly Report 2021-22

## 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 Dedicated 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, 2021 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.

#### **Badiuddin Akber**

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi: 28 February 2022

# Atlas Islamic Dedicated Stock Fund

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

### Report on review of Interim Financial Statements

#### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of Atlas Islamic Dedicated Stock Fund (the Fund) as at 31 December 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' Fund together with the notes forming part thereof (herein-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (Atlas Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2021 and 31 December 2020 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2021.

#### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements 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 statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

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

Karachi: 25 February 2022

**EY Ford Rhodes**  
Chartered Accountants

**Engagement Partner: Arslan Khalid**

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## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 DECEMBER 2021

		31 December 2021 Un-audited	30 June 2021 Audited
	Note	----- Rupees -----	
<b>ASSETS</b>			
Bank balances	4	3,316,774	13,799,438
Investments	5	482,292,386	310,475,376
Receivable against sale of investments		2,347,289	8,924,517
Profit receivable on bank balances		41,155	21,760
Dividend receivable		-	121,000
Deferred formation cost	6	332,409	444,430
Advances, deposits, prepayments and other receivables	7	3,412,746	3,412,741
<b>Total assets</b>		<b>491,742,759</b>	<b>337,199,262</b>
<b>LIABILITIES</b>			
Payable against redemption of units		-	4,795,000
Payable to Atlas Asset Management Limited - Management Company	8	1,350,804	852,066
Payable to Central Depository Company of Pakistan Limited - Trustee	9	91,815	63,934
Payable to the Securities and Exchange Commission of Pakistan	10	39,216	75,204
Payable against purchase of investments		2,688,426	-
Accrued expenses and other liabilities	11	1,308,868	4,092,386
<b>Total liabilities</b>		<b>5,479,129</b>	<b>9,878,590</b>
<b>NET ASSETS</b>		<b>486,263,630</b>	<b>327,320,672</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>486,263,630</b>	<b>327,320,672</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	12		
		-----Number of units-----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>850,019</b>	<b>549,177</b>
		-----Rupees-----	
<b>NET ASSET VALUE PER UNIT</b>		<b>572.0620</b>	<b>596.0206</b>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Dedicated Stock Fund

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2021

		For the Half Year Ended		For the Quarter Ended	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
	Note	----- Rupees -----	----- Rupees -----		
INCOME					
Profit on bank balances		374,655	111,620	200,640	(8,612)
Dividend income		12,847,514	9,024,096	9,606,994	7,284,750
Capital gain / (loss) on sale of investments - net		752,784	36,419,167	(925,963)	26,990,187
Net unrealised (diminution) / appreciation on re-measurement of investments classified 'as 'financial assets at fair value 'through profit or loss'		(20,735,858)	60,267,244	(7,123,179)	2,443,678
		(19,983,074)	96,686,411	(8,049,142)	29,433,865
Total (loss) / income		(6,760,905)	105,822,127	1,758,492	36,710,003
EXPENSES					
Remuneration of Atlas Asset Management Limited - Management Company	8.1	4,828,727	4,718,340	2,995,160	2,315,444
Sindh Sales Tax on remuneration of the Management Company	8.2	627,734	613,384	389,370	301,008
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	9.1	392,410	393,196	239,612	192,768
Sindh Sales Tax on remuneration of the Trustee	9.2	51,013	51,115	31,149	25,059
Annual fee to the Securities and Exchange Commission of Pakistan		39,241	39,320	23,961	19,277
Accounting and operational charges	13	917,172	373,494	599,031	203,130
Shariah advisory fee		40,000	40,000	20,000	20,000
Auditors' remuneration		153,532	72,962	76,766	(3,804)
Securities transaction cost		678,415	485,131	557,695	330,990
Printing and postage charges		25,509	6,494	25,509	6,494
Amortization of formation cost	6	112,021	112,021	56,014	56,011
Legal and professional charges		53,432	113,200	10,500	70,000
Annual listing fee		13,864	13,863	6,932	6,987
(Reversal) / Provision for Sindh Workers Welfare Fund	11.2	(3,063,673)	1,975,630	-	663,171
Bank charges		1,299	8,126	1,299	8,126
Total expenses		4,870,696	9,016,276	5,032,998	4,214,661
Net (loss) / income for the period before taxation		(11,631,601)	96,805,851	(3,274,506)	32,495,342
Taxation	15	-	-	-	-
Net (loss) / income for the period after taxation		(11,631,601)	96,805,851	(3,274,506)	32,495,342
Allocation of net income for the period					
Net income for the period		-	96,805,851	-	32,495,342
Income already paid on units redeemed		-	(16,024,990)	-	(2,136,871)
		-	80,780,861	-	30,358,471
Accounting income available for distribution:					
- Relating to capital gains		-	96,686,411	-	29,433,865
- Excluding capital gains		-	(15,905,550)	-	924,606
		-	80,780,861	-	30,358,471

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Ifitikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Half Yearly Report 2021-22

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2021

	For the Half Year Ended		For the Quarter Ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	----- Rupees -----		----- Rupees -----	
Net (loss) / income for the period after taxation	(11,631,601)	96,805,851	(3,274,506)	32,495,342
Other comprehensive income	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<b>(11,631,601)</b>	<b>96,805,851</b>	<b>(3,274,506)</b>	<b>32,495,342</b>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Dedicated Stock Fund

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2021

31 December 2021			
	Capital value	Undistributed income	Total
	Rupees		
Capital value	275,872,943	-	275,872,943
<b>Undistributed loss brought forward</b>			
- Realised loss	-	18,532,020	18,532,020
- Unrealised loss	-	32,915,709	32,915,709
<b>Net assets at the beginning of the period (Units outstanding: 549,177)</b>	<b>275,872,943</b>	<b>51,447,729</b>	<b>327,320,672</b>
(Rs. 596.0206 per unit)			
Issue of 365,206 units	209,629,516	-	209,629,516
Redemption of 64,364 units	(38,627,273)	-	(38,627,273)
Total comprehensive (loss) for the period	-	(11,631,601)	(11,631,601)
Shariah non-compliant income set-aside for charity	-	(427,684)	(427,684)
<b>Net assets at end of the period (Units outstanding: 850,019)</b>	<b>446,875,186</b>	<b>39,388,444</b>	<b>486,263,630</b>
(Rs. 572.0620 per unit)			
<b>Undistributed income carried forward</b>			
- Realised income	-	36,725,568	-
- Unrealised Income	-	2,662,876	-
	<b>-</b>	<b>39,388,444</b>	<b>-</b>
31 December 2020			
	Capital value	Undistributed income	Total
	Rupees		
Capital value	392,806,970	-	392,806,970
<b>Undistributed loss brought forward</b>			
- Realised loss	-	(727,397)	(727,397)
- Unrealised loss	-	(29,590,831)	(29,590,831)
<b>Net assets at the beginning of the period (Units outstanding: 820,677)</b>	<b>392,806,970</b>	<b>(30,318,228)</b>	<b>362,488,742</b>
(Rs. 441.6900 per unit)			
Issue of 21,974 units	10,852,178	-	10,852,178
Redemption of 191,372 units	(84,575,743)	(16,024,990)	(100,600,733)
Total comprehensive income for the period	-	96,805,851	96,805,851
Shariah non-compliant income set-aside for charity	-	(367,675)	(367,675)
<b>Net assets at end of the period (Units outstanding: 651,279)</b>	<b>319,083,405</b>	<b>50,094,958</b>	<b>369,178,363</b>
(Rs. 566.8513 per unit)			
<b>Undistributed income carried forward</b>			
- Realised loss	-	11,707,114	-
- Unrealised income	-	38,387,844	-
	<b>-</b>	<b>50,094,958</b>	<b>-</b>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Ifitikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

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## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

		For the Half Year Ended 31 December	
		2021	2020
Note		Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
	Net (loss) / income for the period before taxation	(11,631,601)	96,805,851
<b>Adjustments for:</b>			
	Profit on bank balances	(374,655)	(111,620)
	Dividend income	(12,847,514)	(9,024,096)
	Capital gain on sale of investments - net	(752,784)	(36,419,167)
	Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	20,735,858	(60,267,244)
11.2	(Reversal) / Provision for Sindh Workers Welfare Fund	(3,063,673)	1,975,630
	Amortization of formation cost	112,021	112,021
		<b>3,809,253</b>	<b>(103,734,476)</b>
<b>Decrease / (increase) in assets</b>			
	Receivable against sale of investments	6,577,228	(4,444,019)
	Advances, deposits, prepayments and other receivables	(5)	-
		<b>6,577,223</b>	<b>(4,444,019)</b>
<b>Increase / (decrease) in liabilities</b>			
	Payable to Atlas Asset Management Limited - Management Company	498,738	102,438
	Payable to the Central Depository Company of Pakistan Limited - Trustee	27,881	7,213
	Payable to the Securities and Exchange Commission of Pakistan	(35,988)	(29,602)
	Payable against purchase of investments	2,688,426	314,135
	Accrued expenses and other liabilities	280,155	(426,716)
		<b>3,459,212</b>	<b>(32,532)</b>
	Profit received on bank balances	355,260	249,311
	Dividend received	12,540,830	7,349,096
	Investments made during the period	(275,127,509)	(140,918,932)
	Investments sold during the period	83,327,425	234,494,649
		<b>(178,903,994)</b>	<b>101,174,124</b>
	<b>Net cash generated (used in) / from operating activities</b>	<b>(176,689,907)</b>	<b>89,768,948</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
	Amount received on issue of units	209,629,516	10,852,178
16	Payment against redemption of units	(43,422,273)	(109,600,733)
	<b>Net cash (used in) / generated from financing activities</b>	<b>166,207,243</b>	<b>(98,748,555)</b>
	<b>Net decrease in cash and cash equivalents</b>	<b>(10,482,664)</b>	<b>(8,979,607)</b>
	Cash and cash equivalents at the beginning of the period	13,799,438	11,892,473
4	<b>Cash and cash equivalents at the end of the period</b>	<b>3,316,774</b>	<b>2,912,866</b>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Dedicated Stock Fund

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

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Dedicated Stock Fund (the Fund) is an open-ended shariah compliant scheme constituted under a trust deed entered into on 03 September 2018 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The offering document of the Fund was revised through the First, Second, Third and Fourth supplements date 8 August 2019, 5 September 2019, 25 November 2019 and 1 April 2020 respectively with the approval of SECP. The investment activities and administration of the Fund are managed by AAML whose registered office is situated at Ground Floor, Federation House, Shahrah-e-Firdousi, Clifton, Karachi. The Fund was authorised by the Securities and Exchange Commission of Pakistan as a unit trust scheme on 09 October 2018.
- 1.2 The Fund is an open-ended Shariah compliant fund and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered to public (IPO) on January 10, 2019. The units are transferable and can also be redeemed by surrendering to the Fund.
- 1.3 According to the Trust Deed, the principal activity of the Fund is to provide capital appreciation to investors schemes by investing in Shariah Compliant equity securities.
- 1.4 The 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.
- 1.5 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act “Sindh Act 2020” as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020. During the period, the Trust deed has been registered under the Sindh Trusts Act, 2020.
- 1.6 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two plus) [2020: AM2+ (AM Two plus)] on 24 December 2021. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

### 2 BASIS OF PREPARATION

#### 2.1 Statement of compliance

- 2.1.1 These condensed interim 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.

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- 2.1.2** The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2021.
- 2.1.3** The comparative statement of assets and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2021, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, and condensed interim statement of movement in unit holders' fund are extracted from the un-audited condensed interim financial statements for the period ended December 31, 2020.
- 2.1.4** In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at 31 December 2021.

## **2.2 New / Revised Standards, Interpretations and Amendments**

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2021 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these financial statements.

## **2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:**

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:

<b>Standards, interpretations and amendments</b>	<b>Effective date</b>
Property, Plant and Equipment: Proceeds before Intended Use - Amendments to IAS 16	01 January 2022
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	01 January 2022
Classification of liabilities as current or non-current - Amendment to IAS 1	01 January 2023
Definition of Accounting Estimates - Amendments to IAS 8	01 January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	01 January 2023
IFRS 17 - Insurance Contracts	01 January 2023
IFRS 3 - Reference to the Conceptual Framework (Amendments)	January 01, 2022
IFRS 9 Financial Instruments – Fees in the '10 percent' test for derecognition of financial liabilities	January 01, 2022

The above standards and amendments are not expected to have any material impact on the Fund's condensed interim financial statements.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

# Atlas Islamic Dedicated Stock Fund

## Standards

IFRS 1 - First-time Adoption of International Financial Reporting Standards

## IASB Effective date (annual periods beginning on or after)

01 July 2009

### 2.4 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.

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 and provision under uncertain circumstances such as provision for Sindh Workers' Welfare Fund and taxes recoverable as disclosed in notes 11.2 and 7.1 respectively.

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

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements at and for the year ended 30 June 2021.

3.2 The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended 30 June 2021.

		31 December 2021 Un-audited	30 June 2021 Audited
	Note	----- Rupees -----	-----
<b>4 BANK BALANCES</b>			
Balances with banks in:			
- Profit and loss sharing accounts	4.1	<u>3,316,774</u>	<u>13,799,438</u>

4.1 The rate of return on these profit and loss sharing accounts ranges between 6.75% and 10.85% (30 June 2021: 6.00% to 6.90%) per annum.

		31 December 2021 Un-audited	30 June 2021 Audited
	Note	----- Rupees -----	-----
<b>5 INVESTMENTS</b>			
<b>Financial assets at fair value through profit or loss account</b>			
- Listed equity securities	5.1	<u>482,292,386</u>	<u>310,475,376</u>

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

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

Name of Investee Company	As at 01 July 2021	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 31 December, 2021	Average cost as at 31 December 2021	Market value as at 31 December 2021	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid up capital of the Investee Company
	Number of shares			Rupees			% age			
<b>Banks</b>										
Meezan Bank Limited (Note 5.3)	263,240	134,500	34,611	82,500	349,851	39,810,857	46,918,518	9.73	9.65	0.02
	263,240	134,500	34,611	82,500	349,851	39,810,857	46,918,518	9.73	9.65	-
<b>Textile Composite</b>										
Kohinoor Textile Mills Limited	45,500	90,000	-	-	135,500	9,687,930	9,406,410	1.95	1.93	0.05
Nishat Mills Limited	57,500	150,100	-	1,000	206,600	18,757,824	16,441,228	3.41	3.38	0.06
Interloop Limited	20,000	135,000	2,850	-	157,850	11,135,575	11,474,117	2.38	2.36	0.02
	123,000	375,100	2,850	1,000	499,350	39,581,329	37,321,755	7.74	7.67	-
<b>Cement</b>										
Attock Cement Pakistan Limited	17,000	-	-	17,000	-	-	-	-	-	-
Cherat Cement Company Limited	17,450	62,500	-	4,000	75,950	11,015,758	11,264,145	2.34	2.32	0.04
D.G. Khan Cement Company Limited	53,000	-	-	4,000	49,000	5,778,080	4,064,060	0.84	0.84	0.01
Fauji Cement Company Limited	331,500	697,000	-	95,000	933,500	18,000,600	17,148,395	3.56	3.53	0.07
Kohat Cement Company Limited	17,500	42,500	-	-	60,000	11,263,978	11,316,000	2.35	2.33	0.03
Lucky Cement Limited	37,350	22,400	-	3,900	55,850	44,734,895	37,937,788	7.87	7.80	0.02
Maple Leaf Cement Factory Limited	70,000	75,000	-	75,000	70,000	2,948,978	2,516,500	0.52	0.52	0.01
Pioneer Cement Limited	-	10,000	-	-	10,000	897,620	887,500	0.18	0.18	-
	543,800	909,400	-	198,900	1,254,300	94,639,909	85,134,388	17.66	17.51	-
<b>Power Generation &amp; Distribution</b>										
The Hub Power Company Limited	171,000	365,000	-	45,500	490,500	37,554,029	34,992,270	7.26	7.20	0.04
K-Electric Limited (face value Rs. 3.5)	715,500	-	-	-	715,500	2,990,790	2,461,320	0.51	0.51	-
	886,500	365,000	-	45,500	1,206,000	40,544,819	37,453,590	7.77	7.71	-
<b>Oil &amp; Gas Exploration Companies</b>										
Mari Petroleum Company Limited	11,528	7,980	-	900	18,608	29,594,135	30,781,912	6.38	6.33	0.01
Oil & Gas Development Company Limited (Note 5.3)	290,900	200,000	-	53,500	437,400	39,207,279	37,703,880	7.82	7.75	0.01
Pakistan Oilfields Limited	12,500	-	-	500	12,000	4,726,320	4,291,440	0.89	0.88	-
Pakistan Petroleum Limited (Note 5.3)	214,040	160,000	-	43,000	331,040	26,528,278	26,165,402	5.43	5.38	0.01
	528,968	367,980	-	97,900	799,048	100,056,012	98,942,634	20.52	20.34	-
<b>Oil &amp; Gas Marketing Companies</b>										
Pakistan State Oil Company Limited	51,500	55,000	-	7,500	99,000	20,662,299	18,007,110	3.73	3.70	0.02
Sui Northern Gas Pipelines Limited	45,000	102,500	-	2,000	145,500	6,969,556	4,866,975	1.01	1.00	0.02
	96,500	157,500	-	9,500	244,500	27,631,855	22,874,085	4.74	4.7	-
<b>Engineering</b>										
Aisha Steel Mills Limited	-	187,500	-	-	187,500	3,881,150	2,823,750	0.59	0.58	0.02
International Industries Limited	12,000	16,500	-	16,000	12,500	2,390,889	1,735,125	0.36	0.36	0.01
International Steels Limited	11,500	7,500	-	19,000	-	-	-	-	-	-
Inteq Iron Industries limited	-	45,000	-	-	45,000	821,250	538,650	0.11	0.11	0.03
Mughal Iron And Steel Industries Limited	8,000	69,000	2,775	-	79,775	7,756,098	8,305,375	1.72	1.71	0.02
	31,500	325,500	2,775	35,000	324,775	14,849,387	13,402,900	2.78	2.76	-
<b>Automobile Assembler</b>										
Millat Tractors Limited	5,775	2,335	-	4,500	3,610	3,243,999	3,112,686	0.65	0.64	0.01
Pak Suzuki Motor Company Limited	9,500	16,500	-	10,000	16,000	4,858,097	3,732,160	0.77	0.77	0.02
	15,275	18,835	-	14,500	19,610	8,102,096	6,844,846	1.42	1.41	-
<b>Automobile Parts &amp; Accessories</b>										
Panther Tyres Limited	31,580	50,000	6,316	-	87,896	4,508,210	3,670,537	0.76	0.75	0.05
Thal limited (face value Rs. 5)	17,900	8,000	-	-	25,900	10,487,762	9,911,671	2.06	2.04	0.03
	49,480	58,000	6,316	-	113,796	14,995,972	13,582,208	2.82	2.79	-
<b>Technology &amp; Communications</b>										
Air Link Communication Limited	-	20,100	1,507	20,000	1,607	106,886	93,302	0.02	0.02	-
Octopus Digital Limited	-	2,753	-	2,500	253	10,272	19,673	-	-	-
Pakistan Telecommunication Company Ltd.	295,000	-	-	5,000	290,000	3,433,600	2,523,000	0.52	0.52	0.01
Systems Limited	14,800	-	-	6,800	8,000	4,481,760	6,078,720	1.26	1.25	0.01
	309,800	22,853	1,507	34,300	299,860	8,032,518	8,714,695	1.80	1.79	-

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Name of Investee Company	As at 01 July 2021	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 31 December, 2021	Average cost as at 31 December 2021	Market value as at 31 December 2021	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid up capital of the Investee Company
	Number of shares				Rupees		% age			
Fertilizer										
Engro Fertilizers Limited	129,500	172,001	36,000	92,500	245,001	17,247,464	18,642,126	3.87	3.83	0.02
Engro Corporation Limited (Note 5.3)	70,000	86,500	-	7,500	149,000	42,884,756	40,590,580	8.42	8.35	0.03
Fauji Fertilizer Bin qasim limited	-	300,000	-	-	300,000	7,858,590	7,434,000	1.54	1.53	0.02
	199,500	558,501	36,000	100,000	694,001	67,990,810	66,666,706	13.83	13.71	-
Pharmaceuticals										
Abbott Laboratories (Pakistan) Limited	-	11,500	-	-	11,500	8,963,732	8,251,365	1.71	1.70	0.01
Glaxosmithkline Pakistan Limited	21,000	-	-	5,000	16,000	2,650,720	2,184,160	0.45	0.45	0.01
Hightoon Laboratories Limited	14,184	2,000	-	500	15,684	9,450,400	9,847,199	2.04	2.03	0.04
The Searle Company Limited	17,500	-	1,500	17,500	1,500	279,946	215,580	0.04	0.04	-
	52,684	13,500	1,500	23,000	44,684	21,344,798	20,498,304	4.24	4.22	-
Chemicals										
Engro Polymer & Chemicals Limited	99,500	135,000	-	40,000	194,500	10,213,938	10,543,845	2.19	2.17	0.02
Sitara Chemical Industries Limited	3,800	-	-	3,800	-	-	-	-	-	-
	103,300	135,000	-	43,800	194,500	10,213,938	10,543,845	2.19	2.17	-
Paper & Board										
Packages Limited	11,400	-	-	1,000	10,400	5,670,080	5,171,608	1.07	1.06	0.01
	11,400	-	-	1,000	10,400	5,670,080	5,171,608	1.07	1.06	-
Transport										
Pakistan International Bulk Terminal Limited	145,000	-	-	-	145,000	1,650,100	1,067,200	0.22	0.22	0.01
	145,000	-	-	-	145,000	1,650,100	1,067,200	0.22	0.22	-
Leather & Tanneries										
Bata Pakistan Limited	1,020	-	-	1,020	-	-	-	-	-	-
Service Global Footwear Limited	25,000	5,000	-	-	30,000	1,743,240	1,390,800	0.29	0.29	0.01
	26,020	5,000	-	1,020	30,000	1,743,240	1,390,800	0.29	0.29	-
Foods & Personal Care Products										
At-Tahur Limited	209,350	50,000	21,522	123,000	157,872	3,507,209	3,632,635	0.75	0.75	0.08
Treet corporation limited	27,000	-	-	27,000	-	-	-	-	-	-
Unity Foods limited	35,000	-	-	35,000	-	-	-	-	-	-
	271,350	50,000	21,522	185,000	157,872	3,507,209	3,632,635	0.75	0.75	-
Glass & Ceramics										
Shabbir Tiles & Ceramics Limited (face value Rs. 5)	46,500	-	-	46,500	-	-	-	-	-	-
Tariq Glass Industries Limited	-	14,000	-	-	14,000	1,540,000	1,519,280	0.32	0.31	0.01
	46,500	14,000	-	46,500	14,000	1,540,000	1,519,280	0.32	0.31	-
Refinery										
Attock Refinery Limited	10,300	-	-	10,000	300	76,935	43,209	0.01	0.01	-
National Refinery Limited	2,000	-	-	-	2,000	1,046,380	569,180	0.12	0.12	-
	12,300	-	-	10,000	2,300	1,123,315	612,389	0.13	0.13	-
Total as at 31 December 2021						503,028,244	482,292,386	100	99	
Total as at 30 June 2021						260,988,012	310,475,376	100	95	

5.2 The cost of listed equity securities as at 31 December 2021 is Rs. 479,629,509.82 (30 June 2021: 277,559,667).

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

	31 December 2021 Un-audited	30 June 2021 Audited	31 December 2021 Un-audited	30 June 2021 Audited
	Number of shares		Market value (Rupees)	
Engro Corporation Limited	24,500	4,500	6,674,290	1,325,745
Meezan Bank Limited	37,500	7,500	5,029,125	865,575
Oil & Gas Development Company Limited	100,000	50,000	8,620,000	4,751,500
Pakistan Petroleum Limited	30,000	30,000	2,371,200	2,604,900
	<b>192,000</b>	<b>92,000</b>	<b>22,694,615</b>	<b>9,547,720</b>

## 6 DEFERRED FORMATION COST

		31 December 2021 Un-audited	30 June 2021 Audited
	Note	Rupees	
Opening balance	6.1	444,430	666,645
Less: Amortisation for the period		(112,021)	(222,215)
		<b>332,409</b>	<b>444,430</b>

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

## 7 ADVANCES, DEPOSITS, PREPAYMENT AND OTHER RECEIVABLES

		31 December 2021 Un-audited	30 June 2021 Audited
ADVANCES, DEPOSITS, PREPAYMENT AND OTHER RECEIVABLES	Note	----- Rupees -----	-----
Security deposits held with:			
- National Clearing Company of Pakistan Limited (NCCPL)		2,500,000	2,500,000
- Central Depository Company of Pakistan Limited (CDC)		100,000	100,000
Withholding tax deducted	7.1	812,746	812,741
		<b>3,412,746</b>	<b>3,412,741</b>

- 7.1 As per Clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under 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

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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 31 December 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

		31 December 2021 Un-audited	30 June 2021 Audited
8 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - (RELATED PARTY)		Note	Rupees
Remuneration of the Management Company	8.1	1,015,643	678,938
Sindh Sales Tax payable on remuneration of the Management Company	8.2	132,033	88,261
Accounting and operational charges payable	13	203,128	84,867
		<b>1,350,804</b>	<b>852,066</b>

8.1 During the period ended 31 December 2021, the Management Company has charged its remuneration at the rate of 2.40% from 01 July 2021 to 30 September 2021 and 2.5% from 01 October 2021 to 31 December 2021 (30 June 2021: 2.40%) 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.

8.2 During the period, an amount of Rs. 627,734 (2020: 613,384) 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. 583,962 (2020: 606,546) has been paid to the Management Company which acts as the collecting agent.

		31 December 2021 Un-audited	30 June 2021 Audited
9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN- TRUSTEE- RELATED PARTY		Note	Rupees
Trustee Fee	9.1	81,252	56,578
Sindh Sales tax payable on trustee fee	9.2	10,563	7,356
		<b>91,815</b>	<b>63,934</b>

9.1 The Trustee is entitled to monthly remuneration for services rendered to the fund at the flat rate of 0.2% p.a. of net assets.

9.2 During the period, an amount of Rs. 51,013 (2020: 51,115) 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. 47,806 (2020: 50,546) was paid to the Trustee which acts as a collecting agent

		31 December 2021 Un-audited	30 June 2021 Audited
10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		Note	Rupees
Annual fees payable	10.1	<b>39,216</b>	<b>75,204</b>

10.1 In accordance with the NBFC regulations, a collective investment scheme (CIS) is required to pay an annual fee to the Securities and Exchange Commission of Pakistan (SECP) an amount equal to 0.02% of the average annual net assets of the Fund as annual fee.

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		31 December 2021 Un-audited	30 June 2021 Audited
		Rupees	
<b>11 ACCRUED EXPENSES AND OTHER LIABILITIES</b>	<b>Note</b>		
Auditors' remuneration payable		175,930	249,913
Transaction charges payable		782,531	479,905
Withholding tax and capital gain payable		70,317	55,141
Payable to Shariah Advisor		20,002	20,010
Provision for Sindh Workers' Welfare Fund	11.2	-	3,063,673
Printing charges payable		8,414	12,520
Legal and professional charges		-	-
Charity payable	11.1	251,674	211,224
		<b>1,308,868</b>	<b>4,092,386</b>

**11.1** The Shariah Advisor of the Fund, has certified an amount of Rs.427,684 (31 December 2020: Rs. 367,675) 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 Mutual Fund Association of Pakistan (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 SWWF Act as these were not industrial establishments but were pass-through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Fund amounting to Rs. 3.06 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

## 12 CONTINGENCIES AND COMMITMENTS

There were no other contingencies and commitments outstanding as at 31 December 2021 and 30 June 2021.

## 13 ACCOUNTING AND OPERATIONAL CHARGES

The Management Company is allowed to charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from 20 June 2019 as per SECP SRO 639 (I) /2019 dated 20 June 2019.

The Management Company has charged expenses at the rate of 0.4% of the average annual net assets of the Fund upto 14 September 2021 and charged expenses at the rate of 0.5% of the average annual net assets afterwards.

## 14 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 31 December 2021 is 4.04% (30 June 2021: 4.36%) which includes

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0.4% (30 June 2021: 1.07%) representing government levies on the Fund such as provision for sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

## 15 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Based on the above, no provision in respect of taxation have been made in these condensed interim financial statements, as the Fund does not have income during the period.

## 16 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Audited 30 June 2021	Cash Outflows	Non-Cash Changes Redemption of Unit	Un-audited 31 December 2021
	----- Rupees -----			
Payable against redemption of units	4,795,000	(43,422,273)	38,627,273	-

## 17 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.

## 18 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company. It also includes staff retirement benefit funds of the above connected person / related parties.

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

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

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

	For the Half Year ended 31 December	
	Un-audited 2021	Un-audited 2020
	----- Rupees -----	
<b>18.1 Transactions during the period</b>		
<b>Atlas Asset Management Limited (Management Company)</b>		
Remuneration of the Management Company	4,828,727	4,718,340
Sindh Sales Tax on remuneration of the Management Company	627,734	613,384
Remuneration paid	4,492,022	4,665,744
Formation cost	112,021	112,021
Accounting and operational charges	917,172	373,494

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		For the Half Year ended 31 December	
		Un-audited 2021	Un-audited 2020
		----- Rupees -----	
18.1	Transactions during the period (Cont....)		
	<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
	Remuneration of the Trustee	392,410	393,196
	Sindh Sales Tax on remuneration of the Trustee	51,013	51,115
	Remuneration paid	375,793	388,812
	Settlement charges	20,707	20,472
	Sindh sales tax on settlement charges	2,692	2,661
	<b>Atlas Group of Companies Management Staff Gratuity Fund</b>		
	Issue of 17,005 (2020: 2,426) units	9,629,516	1,250,000
	Redemption of nil (2020: 5,817) units	-	3,000,000
	<b>Shirazi Investments (Private) Limited Employees Provident Fund</b>		
	Issue of nil (2020: 19,548) units	-	9,813,177
	Redemption of 1,717 (2020: 11,894) units	1,000,000	6,380,733
	<b>Atlas Aggressive Allocation Islamic Plan</b>		
	Redemption of 7,288 (2020: 14,526) units	4,350,000	7,460,000
	<b>Atlas Moderate Allocation Islamic Plan</b>		
	Redemption of 5,023 (2020: 20,184) units	3,000,000	10,340,000
	<b>Atlas Conservative Allocation Islamic Plan</b>		
	Redemption of 6,697 (2020: 18,407) units	4,000,000	9,420,000
	<b>Atlas Islamic Capital Preservation Plan</b>		
	Redemption of 43,639 (2020: 120,549) units	26,277,273	64,000,000
		<b>31 December 2021</b>	<b>30 June 2021</b>
		<b>Un-audited</b>	<b>Audited</b>
		----- Rupees -----	
18.2	Balances as at period / year end		
	<b>Atlas Asset Management Limited (Management Company)</b>		
	Remuneration of the Management Company	1,015,643	678,938
	Sindh Sales Tax payable on remuneration of the management company	132,033	88,261
	Accounting and operational charges payable	203,128	84,867
	<b>Central Depository Company of Pakistan Limited (Trustee)</b>		
	Remuneration payable to the Trustee	81,252	751,931
	Sindh sales tax payable on remuneration of the Trustee	10,563	97,752
	<b>Atlas Group of Companies Management Staff Gratuity Fund</b>		
	Outstanding 166,523 (30 June 2021: 149,518) units at net asset value	95,261,497	89,115,763
	<b>Shirazi Investments (Private) Limited Employees Provident Fund</b>		
	Outstanding 6,964 (30 June 2021: 8,681) units at net asset value	3,983,840	5,173,787
	<b>Atlas Aggressive Allocation Islamic Plan</b>		
	Outstanding 150,573 (30 June 2021: 157,862) units at net asset value	86,137,107	94,088,818
	<b>Atlas Moderate Allocation Islamic Plan</b>		
	Outstanding 116,448 (30 June 2021: 121,471) units at net asset value	66,615,487	72,399,074
	<b>Atlas Conservative Allocation Islamic Plan</b>		
	Outstanding 61,309 (30 June 2021: 68,006) units at net asset value	35,072,555	40,533,210
	<b>Atlas Islamic Capital Preservation Plan</b>		
	Outstanding nil (30 June 2021: 53,846) units at net asset value	-	32,093,325

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

## 19 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.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date using the rate at which they are quoted on Pakistan Stock Exchange Limited.

### 19.1 Fair value hierarchy

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

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

Assessing the significance of a particular input requires judgement, considering factors specific to the asset or liability.

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

		Level 1	Level 2	Level 3
	Note	(Rupees in '000)		
December 31, 2021 (Un-audited)				
Listed equity securities -				
At fair value through profit or loss	5	482,292,386	-	-
June 30, 2021 (Audited)				
Listed equity securities -				
At fair value through profit or loss	5	310,475,376	-	-

There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

The fair values of all other financial assets and liabilities of the Fund approximate their carrying amounts due to short-term maturities of these instruments.

## 20 IMPACT OF COVID-19 ON THESE CONDENSED INTERIM FINANCIAL STATEMENTS

During the period another wave of COVID-19 caused disruptions in the socio-economic environment in Pakistan. COVID-19 has impacted the businesses in Pakistan through increase in overall credit risk, overall slowdown in the economic activity, challenges to continuity of business operations and managing cybersecurity threat.

The Fund's management and Board is fully cognizant of the business challenges posed by the COVID-19 outbreak and constantly monitoring the situation and believe that its current policies for managing credit, liquidity, market and operational risk are adequate in response to the current situation.

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## 21 GENERAL

- 21.1** This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2021 and December 31, 2020 as reported in this condensed interim financial information has not been subject to limited scope review by the auditors.
- 21.2** Figures have been rounded off to the nearest Rupee unless otherwise stated.
- 21.3** Units have been rounded off to the nearest decimal place

## 22 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 21 February 2022.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Fund of Funds

## Corporate Information

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**Trustee**

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

**Shariah Advisor**

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Dr. Mufti Muhammad Wasih Fasih Butt

**Auditors**

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EY Ford Rhodes  
Chartered Accountants

**Legal Advisers**

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Bawaney & Partners

**Bankers**

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

# Half Yearly Report 2021-22

## 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 Fund of Funds (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, 2021 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.

**Badiuddin Akber**

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi: 28 February 2022

# Atlas Islamic Fund of Funds

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

### Report on review of Interim Financial Statements

#### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of Atlas Islamic Fund of Fund (the Fund) as at 31 December 2021 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of movement in unit holders' Fund together with the notes forming part thereof (herein-after referred to as "interim financial statements") for the six-months' period then ended. The Management Company (Atlas Asset Management Limited) is responsible for the preparation and presentation of this interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review. The figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2021 and 31 December 2020 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-month period ended 31 December 2021.

#### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements 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 statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

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

Karachi: 25 February 2022

**EY Ford Rhodes**  
Chartered Accountants

**Engagement Partner: Arslan Khalid**

# Half Yearly Report 2021-22

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 DECEMBER 2021

		31 December 2021 (Un Audited)						
		Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan (Note 1.3)	Total
Note		----- Rupees -----						
ASSETS								
Bank balances	4	12,542,600	9,251,987	9,032,885	3,137,379	3,902,239	25,689	37,892,779
Investments - net	5	117,297,850	125,772,486	133,450,150	24,901,473	475,058,368	-	876,480,327
Receivable against sale of investments		-	-	-	-	-	-	-
Profit receivable on deposit with banks		75,025	34,644	42,318	76,903	30,155	400	259,445
Other receivables	6	12,608	10,580	17,830	14,528	25,573	43,057	124,176
Deferred Formation cost	7	83,851	83,852	83,852	-	-	-	251,555
Total assets		130,011,934	135,153,549	142,627,035	28,130,283	479,016,335	69,146	915,008,282
LIABILITIES								
Payable to Atlas Asset Management Company - Management Company	8	27,117	23,189	24,771	9,073	81,756	-	165,906
Payable to the Central Depository Company of Pakistan Limited - Trustee	9	8,619	8,717	9,494	1,879	32,008	-	60,717
Payable to the Securities and Exchange Commission of Pakistan	10	13,259	13,678	14,247	2,766	31,900	15,301	91,151
Payable to unitholders	20	-	-	-	-	-	39,078	39,078
Accrued expenses and other liabilities	11	36,593	32,651	35,875	50,920	62,719	14,767	233,525
Total liabilities		85,588	78,235	84,387	64,638	208,383	69,146	590,377
NET ASSETS		129,926,346	135,075,314	142,542,648	28,065,645	478,807,952	-	914,417,905
UNIT HOLDER'S FUND								
(AS PER STATEMENT ATTACHED)		129,926,346	135,075,314	142,542,648	28,065,645	478,807,952	-	914,417,905
NUMBER OF UNITS IN ISSUE		221,120	231,017	246,046	56,131	944,261		
NET ASSET VALUE PER UNIT		587.5823	584.6979	579.3324	500.0000	507.0718		
FACE VALUE PER UNIT		500.00	500.00	500.00	500.00	500.00		

Contingencies and commitments 12

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Fund of Funds

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED) AS AT 31 DECEMBER 2021

		30 June 2021 (Audited)					
		Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Dividend Plan	Islamic Capital Preservation Plan	Total
Note		----- Rupees -----					
<b>ASSETS</b>							
Bank balances	4	4,258,055	3,920,135	554,548	3,260,822	3,951,358	15,944,918
Investments - net	5	126,533,606	134,529,047	142,353,795	23,954,693	507,138,596	934,509,737
Receivable against sale of investments		2,110,000	-	1,825,000	-	-	3,935,000
Profit receivable on deposit with banks		8,042	17,536	16,468	18,658	192,708	253,412
Other receivables		11,150	9,063	10,318	66,875	43,037	140,443
Deferred Formation cost	7	112,109	112,109	112,109	-	112,109	448,436
<b>Total assets</b>		<b>133,032,962</b>	<b>138,587,890</b>	<b>144,872,238</b>	<b>27,301,048</b>	<b>511,437,808</b>	<b>955,231,946</b>
<b>LIABILITIES</b>							
Payable to Atlas Asset Management Company - Management Company	8	39,205	21,759	42,521	6,864	81,082	191,432
Payable to the Central Depository Company of Pakistan Limited - Trustee		8,555	8,726	9,382	1,763	33,046	61,472
Payable to the Securities and Exchange Commission of Pakistan		23,851	25,904	27,688	5,414	98,034	180,891
Payable to unitholders		-	-	-	-	-	-
Accrued expenses and other liabilities	11	4,470,390	4,759,598	6,537,206	119,025	15,455,269	31,341,488
<b>Total liabilities</b>		<b>4,542,001</b>	<b>4,815,987</b>	<b>6,616,798</b>	<b>133,066</b>	<b>15,667,431</b>	<b>31,775,284</b>
<b>NET ASSETS</b>		<b>128,490,961</b>	<b>133,771,902</b>	<b>138,255,440</b>	<b>27,167,982</b>	<b>495,770,377</b>	<b>923,456,662</b>
<b>UNIT HOLDER'S FUND</b>							
(AS PER STATEMENT ATTACHED)		128,490,961	133,771,902	138,255,440	27,167,982	495,770,377	923,456,662
<b>NUMBER OF UNITS IN ISSUE</b>		<b>216,140</b>	<b>229,306</b>	<b>243,795</b>	<b>54,336</b>	<b>933,099</b>	
<b>NET ASSET VALUE PER UNIT</b>		<b>594.4797</b>	<b>583.3773</b>	<b>567.0963</b>	<b>500.0000</b>	<b>531.3157</b>	
<b>FACE VALUE PER UNIT</b>		<b>500.00</b>	<b>500.00</b>	<b>500.00</b>	<b>500.00</b>	<b>500.00</b>	

Contingencies and commitments 12

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftekhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Half Yearly Report 2021-22

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

For the half year ended December 31, 2021					For the period from 01 September 2021 to 31 December 2021	For the period from 01 July 2021 to 31 August 2021	
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan (Note 1.3)	Total
Note	Rupees						
<b>INCOME</b>							
Profit on deposits with banks	320,173	174,832	101,345	119,985	100,341	(114,245)	702,431
Dividend income	-	-	-	-	6,845,765	-	6,845,765
Capital gain on sale of investments at fair value through income statement - net	123,675	184,144	224,809	-	1,058,280	8,537,771	10,128,678
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets' at fair value through profit or loss'	(2,459,431)	(540,705)	2,271,544	946,780	(807,116)	-	(588,927)
	(2,335,756)	(356,561)	2,496,353	946,780	251,164	8,537,771	9,539,751
	(2,015,583)	(181,729)	2,597,698	1,066,765	7,197,270	8,423,526	17,087,947
<b>EXPENDITURE</b>							
Remuneration to Atlas Asset Management Company - Management Company	45,120	21,903	15,652	16,474	13,083	14,537	126,768
Sindh sales tax on remuneration of the Management Company	5,866	2,847	2,034	2,142	1,700	1,890	16,479
Accounting & Operational charges	112,914	116,477	121,316	23,719	271,153	71,661	717,240
Remuneration to the Central Depository Company of Pakistan Limited	46,494	47,961	49,953	9,770	111,651	59,445	325,274
Sindh sales tax on remuneration of the Trustee	6,044	6,234	6,494	1,270	14,515	7,728	42,285
Annual fee - Securities and Exchange Commission of Pakistan	13,284	13,703	14,272	2,791	31,900	16,984	92,933
Auditor's remuneration	21,981	22,088	23,626	4,621	52,557	(14,500)	110,373
Amortization of preliminary expenses and floatation costs	28,258	28,257	28,257	-	-	112,108	196,880
Annual Listing fee	2,175	2,185	2,337	457	5,201	-	12,354
Printing charges	8,693	8,692	8,692	12,317	-	-	38,394
Legal and Professional Charges	8,111	8,357	8,567	3,370	2,100	23,186	53,691
Shariah advisory fee	11,668	7,252	7,756	1,517	17,257	-	45,450
Bank charges	446	410	532	116	1,008	156	2,668
(Reversal) / Provision of Sindh Workers' Welfare Fund	(761,966)	(763,894)	(693,415)	(68,845)	-	(2,028,833)	(4,316,953)
	(450,911)	(477,528)	(403,924)	9,719	522,124	(1,735,637)	(2,536,162)
Net (loss) / income for the period before taxation	(1,564,672)	295,799	3,001,622	1,057,047	6,675,146	10,159,163	19,624,109
Taxation	-	-	-	-	-	-	-
Net (loss) / income for the period after taxation	(1,564,672)	295,799	3,001,622	1,057,047	6,675,146	10,159,163	19,624,109
<b>Allocation of net income for the period:</b>							
Net income for the period after taxation	-	295,799	3,001,622	1,057,047	6,675,146	10,159,163	
Income already paid on units redeemed	-	-	(4,683)	-	-	(10,159,163)	
	-	295,799	2,996,939	1,057,047	6,675,146	-	
<b>Accounting income available for distribution:</b>							
-Relating to capital gains	-	-	2,496,353	946,780	251,164	-	
-Excluding capital gains	-	295,799	500,586	110,267	6,423,982	-	
	-	295,799	2,996,939	1,057,047	6,675,146	-	

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Ifitikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Fund of Funds

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

For the half year ended 31 December 2020						
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Dividend Plan	Islamic Capital Preservation Plan	Total
Note	----- Rupees -----					
<b>INCOME</b>						
Profit on deposits with banks	17,868	76,010	45,625	102,576	235,220	477,299
Dividend income	-	-	-	-	-	-
Capital gain on sale of investments						
at fair value through income statement - net	1,045,720	1,430,730	1,306,284	142,826	10,804,732	14,730,292
Net unrealised appreciation on re-measurement of investments						-
classified as 'financial assets' at fair value through profit or loss'	20,367,260	16,700,383	11,234,884	528,529	27,957,048	76,788,104
	<b>21,412,980</b>	<b>18,131,113</b>	<b>12,541,168</b>	<b>671,355</b>	<b>38,761,780</b>	<b>91,518,396</b>
	<b>21,430,848</b>	<b>18,207,123</b>	<b>12,586,793</b>	<b>773,931</b>	<b>38,997,000</b>	<b>91,995,695</b>
<b>EXPENDITURE</b>						
Remuneration to Atlas Asset Management Company - Management Company	8.1	755	8,065	4,039	18,135	58,901
Sindh sales tax on remuneration of the Management Company	8.2	98	1,048	525	2,358	7,657
Accounting & Operational charges		97,198	106,873	115,317	23,555	753,933
Remuneration to the Central Depository Company of Pakistan Limited		40,023	44,007	47,483	9,700	310,444
Sindh sales tax on remuneration of the Trustee		5,203	5,721	6,173	1,261	40,358
Annual fee - Securities and Exchange Commission of Pakistan		11,435	12,573	13,567	2,766	88,693
Auditor's remuneration		(3,286)	12,562	11,741	2,489	71,287
Amortization of preliminary expenses and floatation costs		28,257	28,257	28,257	-	113,028
Annual Listing fee		1,787	1,966	2,122	429	13,906
Printing charges		1,795	2,021	2,268	468	14,722
Legal and Professional Charges		22,640	22,640	22,640	22,640	113,200
Shariah advisory fee		6,097	6,830	7,519	940	50,517
Bank charges		19,402	4,323	3,078	14,431	43,794
Provision for Sindh Workers' Welfare Fund	11.1	423,989	359,005	246,441	13,495	1,806,305
		<b>655,393</b>	<b>615,891</b>	<b>511,170</b>	<b>112,667</b>	<b>3,486,745</b>
Net (loss) / income for the period before taxation		<b>20,775,455</b>	<b>17,591,232</b>	<b>12,075,623</b>	<b>661,264</b>	<b>88,508,950</b>
Taxation	14	-	-	-	-	-
Net (loss) / income for the period after taxation		<b>20,775,455</b>	<b>17,591,232</b>	<b>12,075,623</b>	<b>661,264</b>	<b>88,508,950</b>
<b>Allocation of net income for the period:</b>						
Net income for the period after taxation		20,775,455	17,591,232	12,075,623	661,264	37,405,376
Income already paid on units redeemed		(7,755)	(2,549)	(24,610)	-	(175,283)
		<b>20,767,700</b>	<b>17,588,683</b>	<b>12,051,013</b>	<b>661,264</b>	<b>37,230,093</b>
<b>Accounting income available for distribution:</b>						
-Relating to capital gains		21,412,980	18,131,113	12,541,168	671,355	38,761,780
-Excluding capital gains		(645,280)	(542,430)	(490,155)	(10,091)	(1,531,687)
		<b>20,767,700</b>	<b>17,588,683</b>	<b>12,051,013</b>	<b>661,264</b>	<b>37,230,093</b>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Half Yearly Report 2021-22

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 31 DECEMBER 2021

		For the Quarter Ended December 31, 2021	For the period from 01 September 2021 to 31 December 2021	For the period from 01 July 2021 to 31 August 2021		
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan (Note 1.3)
						Total
Note ----- Rupees -----						
<b>INCOME</b>						
Profit on deposits with banks	208,015	93,645	71,112	63,144	83,347	519,262
Dividend income	-	-	-	-	5,489,681	5,489,681
Capital gain on sale of investments at fair value through income statement - net	116,874	177,342	215,075	-	-	509,291
Net unrealised (diminution) / appreciation on re-measurement of investments 'classified as 'financial assets 'at fair value through profit or loss'	(427,679)	155,012	1,086,796	398,609	(807,116)	405,622
	<b>(310,805)</b>	<b>332,354</b>	<b>1,301,872</b>	<b>398,609</b>	<b>(807,116)</b>	<b>914,914</b>
<b>Total (loss) / income</b>	<b>(102,790)</b>	<b>425,999</b>	<b>1,372,983</b>	<b>461,753</b>	<b>4,765,912</b>	<b>6,923,857</b>
<b>EXPENDITURE</b>						
Remuneration to Atlas Asset Management Company - Management Company	7.1 23,702	11,771	8,630	8,103	9,940	62,146
Sindh Sales Tax on remuneration of the Management Company	7.2 3,082	1,530	1,122	1,054	1,301	8,088
Accounting & Operational charges	14 55,985	58,013	60,874	11,947	205,189	392,007
Remuneration of The Central Depository Company of Pakistan Limited	23,053	23,888	25,065	4,923	84,499	161,427
Sindh Sales Tax on remuneration of the Trustee	2,997	3,104	3,259	640	10,974	20,974
Annual fee to Securities and Exchange Commission of Pakistan	6,587	6,825	7,161	1,406	24,140	46,119
Auditor's remuneration	7,127	7,419	7,831	1,541	52,557	76,475
Amortization of preliminary expenses and floatation costs	14,130	14,128	14,129	-	-	42,387
Annual listing fee	705	733	772	152	5,200	7,563
Printing charges	8,693	8,692	8,692	12,317	-	38,396
Legal and professional charges	2,100	2,099	2,099	2,099	2,100	10,498
Shariah advisory fee	6,791	2,436	2,570	506	17,257	29,559
Bank charges	446	411	532	116	1,008	2,513
Provision for Sindh Workers' Welfare Fund	10.1 -	-	-	-	-	-
<b>Total expenses</b>	<b>155,396</b>	<b>141,049</b>	<b>142,737</b>	<b>44,804</b>	<b>414,166</b>	<b>898,150</b>
<b>Net (loss) / income for the period before taxation</b>	<b>(258,187)</b>	<b>284,951</b>	<b>1,230,248</b>	<b>416,948</b>	<b>4,351,746</b>	<b>6,025,707</b>
<b>Taxation</b>	13 -	-	-	-	-	-
<b>Net (loss) / income for the period after taxation</b>	<b>(258,187)</b>	<b>284,951</b>	<b>1,230,248</b>	<b>416,948</b>	<b>4,351,746</b>	<b>6,025,707</b>
<b>Allocation of net income for the period:</b>						
-Net income for the period after taxation	-	284,951	1,230,245	416,948	4,351,746	-
-Income already paid on Units redeemed	-	-	(215)	-	-	-
	<b>-</b>	<b>284,951</b>	<b>1,230,030</b>	<b>416,948</b>	<b>4,351,746</b>	<b>-</b>
<b>Accounting income / (loss) available for distribution:</b>						
-Relating to capital gains	-	332,354	1,301,872	398,609	(807,116)	-
-Excluding capital gains	-	(47,403)	(71,842)	18,340	5,158,862	-
	<b>-</b>	<b>284,951</b>	<b>1,230,030</b>	<b>416,948</b>	<b>4,351,746</b>	<b>-</b>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Ifitikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Fund of Funds

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 31 DECEMBER 2021

		For the Quarter Ended December 31, 2020						
		Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Dividend Plan	Islamic Capital Preservation Plan	Total	
Note		----- Rupees -----						
<b>INCOME</b>								
	Profit on deposits with banks	(9,684)	38,549	2,794	52,460	86,296	170,415	
	Dividend income	-	-	-	-	-	-	
	Capital gain on sale of investments at fair value through income statement - net	476,783	520,127	606,815	142,826	7,689,805	9,436,356	
	Net unrealised (diminution) / appreciation on re-measurement of investments 'classified as 'financial assets 'at fair value through profit or loss'	7,201,846	5,960,691	4,063,391	201,279	5,752,345	23,179,552	
		<b>7,678,629</b>	<b>6,480,818</b>	<b>4,670,206</b>	<b>344,105</b>	<b>13,442,150</b>	<b>32,615,908</b>	
	<b>Total (loss) / income</b>	<b>7,668,945</b>	<b>6,519,367</b>	<b>4,673,000</b>	<b>396,565</b>	<b>13,528,446</b>	<b>32,786,323</b>	
<b>EXPENDITURE</b>								
	Remuneration to Atlas Asset Management Company - Management Company	7.1	201	4,480	3,446	10,324	12,782	31,233
	Sindh Sales Tax on remuneration of the Management Company	7.2	26	582	448	1,343	1,662	4,061
	Accounting & Operational charges	14	49,786	54,421	58,908	12,325	207,484	382,924
	Remuneration of The Central Depository Company of Pakistan Limited		20,408	22,409	24,136	5,076	85,434	157,463
	Sindh Sales Tax on remuneration of the Trustee		2,653	2,913	3,138	660	11,106	20,470
	Annual fee to Securities and Exchange Commission of Pakistan		5,831	6,402	6,896	1,430	24,410	44,969
	Auditor's remuneration		(13,420)	1,186	(1,028)	455	1,702	(11,105)
	Amortization of preliminary expenses and floatation costs		13,209	13,209	13,209	-	13,209	52,836
	Annual listing fee		935	1,007	1,045	410	3,724	7,121
	Printing charges		1,795	2,021	2,268	468	8,170	14,722
	Legal and professional charges		14,000	14,000	14,000	14,000	14,000	70,000
	Shariah advisory fee		2,999	3,341	3,605	51	15,030	25,026
	Bank charges		17,460	3,999	1,074	14,431	1,962	38,926
	Provision for Sindh Workers' Welfare Fund	10.1	151,061	127,788	90,837	6,713	262,555	638,954
	<b>Total expenses</b>		<b>266,944</b>	<b>257,758</b>	<b>221,982</b>	<b>67,686</b>	<b>663,230</b>	<b>1,477,600</b>
	<b>Net (loss) / income for the period before taxation</b>		<b>7,402,001</b>	<b>6,261,609</b>	<b>4,451,018</b>	<b>328,879</b>	<b>12,865,216</b>	<b>31,308,723</b>
	<b>Taxation</b>	13	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Net (loss) / income for the period after taxation</b>		<b>7,402,001</b>	<b>6,261,609</b>	<b>4,451,018</b>	<b>328,879</b>	<b>12,865,216</b>	<b>31,308,723</b>
<b>Allocation of net income for the period:</b>								
	-Net income for the period after taxation		7,402,001	6,261,609	4,451,018	328,879	12,865,216	
	-Income already paid on Units redeemed		(5,776)	-	(3,233)	-	(175,283)	
			<b>7,396,225</b>	<b>6,261,609</b>	<b>4,447,785</b>	<b>328,879</b>	<b>12,689,933</b>	
<b>Accounting income / (loss) available for distribution:</b>								
	-Relating to capital gains		7,678,629	6,480,818	4,670,206	344,105	13,442,150	
	-Excluding capital gains		(282,404)	(219,209)	(222,421)	(15,226)	(752,217)	
			<b>7,396,225</b>	<b>6,261,609</b>	<b>4,447,785</b>	<b>328,879</b>	<b>12,689,933</b>	

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

Qurrat-ul-Ain Jafari  
Chief Financial Officer

Muhammad Abdul Samad  
Chief Executive Officer

Ifitikhar H. Shirazi  
Chairman

Tariq Amin  
Director

# Half Yearly Report 2021-22

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	For the half year ended December 31, 2021				For the period from 01 September 2021 to 31 December 2021	For the period from 01 July 2021 to 31 August 2021	
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan (Note 1.3)	Total
	----- Rupees -----						
Net (loss) / income for the period	(1,564,672)	295,799	3,001,622	1,057,047	6,675,146	10,159,163	19,624,104
Other Comprehensive income	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(1,564,672)</u>	<u>295,799</u>	<u>3,001,622</u>	<u>1,057,047</u>	<u>6,675,146</u>	<u>10,159,163</u>	<u>19,624,104</u>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Fund of Funds

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	For the half year ended 31 December 2020					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Dividend Plan	Islamic Capital Preservation Plan	Total
	----- Rupees -----					
Net (loss) / income for the period	20,775,455	17,591,232	12,075,623	661,264	37,405,376	88,508,949
Other Comprehensive income	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	<u>20,775,455</u>	<u>17,591,232</u>	<u>12,075,623</u>	<u>661,264</u>	<u>37,405,376</u>	<u>88,508,949</u>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Half Yearly Report 2021-22

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED 31 DECEMBER 2021

	For the Quarter Ended December 31, 2021				For the period from 01 September 2021 to 31 December 2021	For the period from 01 July 2021 to 31 August 2021	
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan (Note 1.3)	Total
	----- Rupees -----						
Net (loss) / income for the period	(258,187)	284,951	1,230,248	416,948	4,351,746	-	6,025,706
Other Comprehensive income	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(258,187)</u>	<u>284,951</u>	<u>1,230,248</u>	<u>416,948</u>	<u>4,351,746</u>	<u>-</u>	<u>6,025,706</u>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Fund of Funds

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED 31 DECEMBER 2021

	For the Quarter Ended December 31, 2020					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Dividend Plan	Islamic Capital Preservation Plan (Note 1.3)	Total
	----- Rupees -----					
Net (loss) / income for the period	7,402,001	6,261,609	4,451,018	328,879	12,865,216	31,308,723
Other Comprehensive income	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	<u>7,402,001</u>	<u>6,261,609</u>	<u>4,451,018</u>	<u>328,879</u>	<u>12,865,216</u>	<u>31,308,723</u>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Half Yearly Report 2021-22

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	For the half year ended December 31, 2021			For the period from 01 September 2021 to 31 December 2021	For the period from 01 July 2021 to 31 August 2021	
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan - I
	Rupees					
						Total
<b>Capital Value</b>	108,778,556	114,712,286	122,027,244	27,167,982	-	471,160,304
<b>Un distributed Income</b>						
- Realised income	2,713,935	5,890,620	9,332,874	-	-	29,419,585
- Unrealised income / (loss)	16,998,470	13,168,996	6,895,322	-	-	(4,809,512)
<b>Net assets at the beginning of the period</b>	128,490,961	133,771,902	138,255,440	27,167,982	-	495,770,377
(Units: AAAIP 216,140, AMAIP 229,306, ACAIP 243,795, AICPP-I 933,099 & AIDP 54,336)						
(2020: Units AAAIP 209,596, AMAIP 227,735, ACAIP 244,525, AICPP-I 914,884 & AIDP 52,270)						
<b>Issue of units</b>						
Capital value (at net assets value per unit at the beginning of period)						
Aggressive 4,982 (2020: Nil) units	3,000,979	-	-	-	-	3,000,979
Moderate 1,711 (2020: 3,552) units	-	1,007,613	-	-	-	1,007,613
Conservative 2,687 (2020: 3,624) units	-	-	1,537,416	-	-	1,537,416
Dividend 1,997 (2020: 28,587) units	-	-	-	998,308	-	998,308
Preservative-II 944,261 (2020: Nil) units	-	-	-	-	472,132,806	472,132,806
Preservative-I nil (2020: Nil) units	-	-	-	-	-	-
<b>Total proceed on issuance of units</b>	3,000,979	1,007,613	1,537,416	998,308	472,132,806	-
<b>Redemption of units</b>						
Capital value (at net assets value per unit at the beginning of period)						
Aggressive 2 (2020: 127) units	(922)	-	-	-	-	(922)
Moderate Nil (2020: 1,883) units	-	-	-	-	-	-
Conservative 436 (2020: 923) units	-	-	(247,147)	-	-	(247,147)
Dividend 201 (2020: 27,785) units	-	-	-	(100,645)	-	(100,645)
Preservative II Nil (2020: Nil) units	-	-	-	-	-	-
Preservative-I 933,906 (2020: 5,113) units	-	-	-	-	(495,770,377)	(495,770,377)
<b>Amount paid out of Element of income</b>						
- Relating to Net Income for the period after taxation	-	-	(4,683)	-	-	(10,159,163)
<b>Total payments on redemption of units</b>	(922)	-	(251,830)	(100,645)	-	(505,929,540)
<b>Total Comprehensive (loss) / income for the period</b>	(1,564,672)	295,799	3,001,621	1,057,044	6,675,142	10,159,163
<b>Dividend Distribution</b>	-	-	-	(1,057,044)	-	-
<b>Net assets at the end of the period</b>	129,926,346	135,075,314	142,542,648	28,065,645	478,807,952	-
(Units: AAAIP 221,120, AMAIP 231,017, ACAIP 246,046, AICPP-II 944,261 & AIDP 56,131)						
(2020: Units AAAIP 209,469, AMAIP 229,404, ACAIP 247,226, AICPP-I 909,771 & AIDP 53,072)						
<b>Capital Value</b>	111,778,613	115,719,899	123,317,513	28,065,645	472,132,807	-
<b>Un distributed Income</b>						
- Realised income	4,339,638	7,209,203	10,802,152	-	7,482,262	-
- Unrealised income / (loss)	13,808,095	12,146,212	8,422,983	-	(807,116)	-
<b>Net assets at the end of the period</b>	129,926,346	135,075,314	142,542,648	28,065,645	478,807,952	-
<b>Net assets value per unit at beginning of the period</b>	594.4797	583.3773	567.0963	500.0000	531.3157	
<b>Net assets value per unit at end of the period</b>	587.5823	584.6979	579.3324	500.0000	507.0718	

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftekhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Fund of Funds

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

For the Half year ended December 31, 2020						
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Dividend Plan	Islamic Capital Preservation Plan	Total
----- Rupees -----						
Capital Value	104,670,329	113,742,162	122,397,566	26,135,105	461,323,599	828,268,761
Un distributed Income						
- Realised income	2,994,497	5,015,587	8,168,915	1,924,685	11,929,312	30,032,996
- Unrealised income / (loss)	(7,487,673)	(5,950,141)	(3,956,718)	(1,924,685)	(17,196,420)	(36,515,637)
Net assets at the beginning of the period	100,177,153	112,807,608	126,609,763	26,135,105	456,056,491	821,786,120
(Units: AAAP 209,596, AMAIP 227,735, ACAIP 244,525, AICPP 914,884 & AIDP 52,270)						
(2020: Units: AAAP 209,341, AMAIP 221,897, ACAIP 244,021 & AICPP 882,926)						
Issue of units						
Capital value (at net assets value per unit at the beginning of period)						
Aggressive - units Nil (2020: 226)	-	-	-	-	-	-
Moderate - units 3,552 (2020: 2,259)	-	1,941,983	-	-	-	1,941,983
Conservative - units 3,624 (2020: 1)	-	-	2,000,000	-	-	2,000,000
Dividend - units 28,587	-	-	-	14,293,390	-	14,293,390
Preservative-II 944,261 (2020: Nil) units	-	-	-	-	-	-
Preservation - units Nil (2020: Nil)	-	-	-	-	-	-
Total proceed on issuance of units	-	1,941,983	2,000,000	14,293,390	-	18,235,373
Redemption of units						
Capital value (at net assets value per unit at the beginning of period)						
Aggressive - 127 units	(61,161)	-	-	-	-	(61,161)
Moderate - 1,883 units	-	(1,020,276)	-	-	-	(1,020,276)
Conservative - 923 units	-	-	(477,780)	-	-	(477,780)
Dividend 201 units	-	-	-	(13,892,330)	-	(13,892,330)
Preservative II Nil units	-	-	-	-	-	-
Preservation - 5,113 units	-	-	-	-	(2,571,380)	(2,571,380)
Amount paid out of Element of income	-	-	-	-	-	-
- Relating to Net Income for the period after taxation	(7,755)	(2,549)	(24,610)	-	(175,283)	(210,197)
Total payments on redemption of units	(68,916)	(1,022,825)	(502,390)	(13,892,330)	(2,746,663)	(18,233,124)
Total Comprehensive (loss) / income for the period	20,775,455	17,591,232	12,075,623	661,264	37,405,376	88,508,950
Dividend Distribution	-	-	-	(661,264)	-	(661,264)
Net assets at the end of the period	120,883,692	131,317,998	140,182,996	26,536,165	490,715,204	909,636,055
(Units: AAAP 209,469, AMAIP 229,404, ACAIP 247,226, AICPP 909,771 & AIDP 53,072)						
(2020: Units: AAAP 209,530, AMAIP 224,054, ACAIP 242,070 & AICPP 882,341)						
Capital Value	104,609,168	114,663,869	123,919,786	26,536,165	461,323,599	831,052,587
Un distributed Income						
- Realised income	2,809,695	5,213,423	8,540,700	784,410	13,688,167	31,036,395
- Unrealised income / (loss)	13,464,829	11,440,706	7,722,510	(784,410)	15,703,438	47,547,073
Net assets at the end of the period	120,883,692	131,317,998	140,182,996	26,536,165	490,715,204	909,636,055
Net assets value per unit at beginning of the period	477.9500	495.3500	517.7800	500.0000	498.4900	
Net assets value per unit at end of the period	577.0960	572.4312	567.0230	500.0000	539.3833	

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited  
(Management Company)

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Half Yearly Report 2021-22

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

	For the half year ended December 31, 2021				For the period from 01 September 2021 to 31 December 2021	For the period from 01 July 2021 to 31 August 2021	
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan (Note 1.3)	Total
Rupees							
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Net (loss) / income for the period after taxation	(1,564,672)	295,799	3,001,622	1,057,047	6,675,146	10,159,163	19,624,105
<b>Adjustments for:</b>							
Profit on deposits with banks	(320,173)	(174,832)	(101,345)	(119,985)	(100,341)	114,245	(702,431)
Gain on sale of investments at fair value through income statement - net	(123,675)	(184,144)	(224,809)	-	(1,058,280)	(8,537,771)	(10,128,678)
Net unrealised (appreciation) / diminution on re-measurement of investments 'classified as 'financial assets 'at fair value through profit or loss	2,459,431	540,705	(2,271,544)	(946,780)	807,116	-	588,927
(Reversal) / Provision for Sindh Workers' Welfare Fund	(761,966)	(763,894)	(693,415)	(68,845)	-	-	(2,288,120)
	(311,055)	(286,366)	(289,490)	(78,563)	6,323,641	1,735,637	7,093,803
<b>(Decrease) / increase in assets</b>							
Other receivables	(1,458)	(1,517)	(7,512)	52,347	(25,573)	(20)	16,266
Deferred Formation cost	28,258	28,257	28,257	-	-	112,109	196,881
	26,800	26,740	20,745	52,347	(25,573)	112,089	213,148
<b>(Increase) / Decrease in liabilities</b>							
Payable to Atlas Asset Management Company - Management Company	(12,088)	1,430	(17,750)	2,209	81,756	(81,082)	(25,526)
Payable to Central Depository Company of Pakistan Limited - Trustee	64	(9)	112	116	32,008	(33,046)	(755)
Payable to the Securities and Exchange Commission of Pakistan	(10,592)	(12,226)	(13,441)	(2,648)	31,900	(82,733)	(89,740)
Payable to unitholders	-	-	-	-	-	39,078	39,078
Accrued expenses and other liabilities	(3,671,831)	(3,963,053)	(5,807,916)	740	62,719	(15,440,502)	(28,819,843)
	(3,694,447)	(3,973,858)	(5,838,996)	418	208,383	(15,598,285)	(28,896,788)
Interest received	253,190	157,725	75,493	61,743	70,187	78,063	696,400
Investments - net	9,010,000	8,400,000	13,224,998	-	(474,807,204)	515,676,367	71,504,159
	9,263,190	8,557,725	13,300,492	61,743	(474,737,017)	515,754,430	72,200,561
<b>Net cash generated from / (used in) operating activities</b>	<b>5,284,489</b>	<b>4,324,241</b>	<b>7,192,750</b>	<b>35,943</b>	<b>(468,230,566)</b>	<b>502,003,871</b>	<b>50,610,725</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
Receipts against issuance of units	3,000,979	1,007,613	1,537,416	998,308	472,132,806	-	478,677,122
Payments against redemption of units	(922)	-	(251,830)	(100,645)	-	(505,929,540)	(506,282,937)
Distribution paid	-	-	-	(1,057,047)	-	-	(1,057,047)
<b>Net cash generated / (used in) from financing activities</b>	<b>3,000,057</b>	<b>1,007,613</b>	<b>1,285,586</b>	<b>(159,386)</b>	<b>472,132,807</b>	<b>(505,929,540)</b>	<b>(28,662,862)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>8,284,545</b>	<b>5,331,854</b>	<b>8,478,336</b>	<b>(123,442)</b>	<b>3,902,240</b>	<b>(3,925,669)</b>	<b>21,947,863</b>
Cash and cash equivalents at the beginning of the period	4,258,055	3,920,135	554,548	3,260,822	-	3,951,358	15,944,918
<b>Cash and cash equivalents at the end of the period</b>	<b>12,542,600</b>	<b>9,251,989</b>	<b>9,032,884</b>	<b>3,137,380</b>	<b>3,902,240</b>	<b>25,689</b>	<b>37,892,781</b>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Ifitikhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Atlas Islamic Fund of Funds

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2021

For the Half year ended December 31, 2020

	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Dividend Plan	Islamic Capital Preservation Plan - I	Total
----- Rupees -----						
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net income for the period after taxation	20,775,455	17,591,232	12,075,623	661,264	37,405,376	88,508,950
<b>Adjustments for:</b>						
Profit on deposits with banks	(17,868)	(76,010)	(45,625)	(102,576)	(235,220)	(477,299)
Gain on sale of investments at fair value through income statement - net	(1,045,720)	(1,430,730)	(1,306,284)	(142,826)	(10,804,732)	(14,730,292)
Net unrealised appreciation on re-measurement of investments 'classified as 'financial assets 'at fair value through profit or loss	(20,367,260)	(16,700,383)	(11,234,884)	(528,529)	(27,957,048)	(76,788,104)
(Reversal) / Provision for Sindh Workers' Welfare Fund	423,989	359,005	246,441	13,495	763,375	1,806,305
	<b>(231,404)</b>	<b>(256,886)</b>	<b>(264,729)</b>	<b>(99,172)</b>	<b>(828,249)</b>	<b>(1,680,440)</b>
<b>(Decrease) / increase in assets</b>						
Other receivables	-	-	-	(17,681)	(2,486)	(20,167)
Deferred Formation cost	28,257	28,257	28,257	-	28,257	113,028
	<b>28,257</b>	<b>28,257</b>	<b>28,257</b>	<b>(17,681)</b>	<b>25,771</b>	<b>92,861</b>
<b>(Increase) / Decrease in liabilities</b>						
Payable to Atlas Asset Management Company - Management Company	2,597	3,547	1,953	326	5,672	14,095
Payable to Central Depository Company of Pakistan Limited - Trustee	1,418	1,224	690	165	2,177	5,674
Payable to the Securities and Exchange Commission of Pakistan	(8,350)	(9,719)	(12,134)	(2,105)	(43,044)	(75,352)
Accrued expenses and other liabilities	(2,139,188)	(4,297,593)	(7,660,488)	(119,644)	(18,238,646)	(32,455,559)
	<b>(2,143,523)</b>	<b>(4,302,541)</b>	<b>(7,669,979)</b>	<b>(121,258)</b>	<b>(18,273,841)</b>	<b>(32,511,142)</b>
Interest received	18,564	67,230	35,350	116,637	256,745	494,526
Investments - net	2,300,000	4,100,000	8,100,000	450,000	19,500,000	34,450,000
	<b>2,318,564</b>	<b>4,167,230</b>	<b>8,135,350</b>	<b>566,637</b>	<b>19,756,745</b>	<b>34,944,526</b>
<b>Net cash (used in) / generated from operating activities</b>	<b>(28,106)</b>	<b>(363,940)</b>	<b>228,899</b>	<b>328,526</b>	<b>680,426</b>	<b>845,805</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Receipts against issuance of units	-	1,941,983	2,000,000	14,293,392	-	18,235,375
Payments against redemption of units	(68,916)	(1,022,825)	(502,390)	(13,892,330)	(2,746,663)	(18,233,124)
Distribution paid	-	-	-	(661,264)	-	(661,264)
<b>Net cash (used in) / generated from financing activities</b>	<b>(68,916)</b>	<b>919,158</b>	<b>1,497,610</b>	<b>(260,202)</b>	<b>(2,746,663)</b>	<b>(659,013)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(97,022)</b>	<b>555,218</b>	<b>1,726,509</b>	<b>68,324</b>	<b>(2,066,237)</b>	<b>186,792</b>
Cash and cash equivalents at the beginning of the period	465,585	1,550,174	382,627	3,357,209	6,662,587	12,418,182
<b>Cash and cash equivalents at the end of the period</b>	<b>368,563</b>	<b>2,105,392</b>	<b>2,109,136</b>	<b>3,425,533</b>	<b>4,596,350</b>	<b>12,604,974</b>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftekhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

# Half Yearly Report 2020-21

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

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

### 1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Atlas Islamic Fund of Funds (the Fund) is an open-ended Fund constituted under a trust deed entered into on 20 August 2018 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the trustee. The offering document of the Fund has been revised through the First, Second, Third and Fourth supplements dated 05 September 2019, 14 February 2020, 01 April 2020 and 09 August 2021 respectively, with the approval of the SECP. The investment activities and administration of the Fund are managed by AAML, is situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.

1.2 The Fund is an open-ended Shariah compliant fund of funds and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered to public (IPO) on January 07, 2019. Subsequent to the Initial Public Offering, the offer of units of the Allocation Plans at the Initial Offer Price discontinued. The units of the Allocation Plans could then be purchased at their Offer Price and redeemed at the Redemption Price, which shall be calculated on the basis of Net Asset Value (NAV) of each Allocation Plan. The duration of the fund is perpetual, however, the allocation plans may have a set time frame. Each Allocation Plan will announce separate NAVs which will rank pari passu inter se according to the number of units of the respective Allocation Plans. Units are offered for public subscription on a continuous basis. However, term-based plans, may be offered for a limited subscription period.

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

1.3 During the period Atlas Islamic Capital Preservation Plan, having maturity of 30 Months from the close of subscription period from 7 January 2019 to 28 February 2019), matured on August 31, 2021. In accordance with the offering document of the Fund, after maturity, the Trustee shall refund the net proceeds in accordance with the procedures laid down in the NBFC regulation, in proportion of the units held by the unitholder at the date of revocation. As at 31 December 2021, the net proceeds amounting to Rs. 39,078 is payable to the unitholders. Resultantly, the condensed interim financial statements of AICPP have not been prepared on going concern basis. Therefore, the assets and liabilities of AICPP are measured at lower of their carrying amount and fair value less cost to sell.

1.4 Atlas Islamic Capital Preservation Plan - II was launched on September 01, 2021 through one day IPO, therefore there are no comparatives for report for half year ended December 31, 2021.

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

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

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

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

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

# Atlas Islamic Fund of Funds

## Atlas Conservative Allocation Islamic Plan (ACAIP)

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

## Atlas Islamic Capital Preservation Plan (AICPP)

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

## Atlas Islamic Capital Preservation Plan - II (AICPP-II)

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

## Atlas Islamic Dividend Plan (AIDP)

The Atlas Islamic Dividend Plan is a Shariah Compliant Allocation Plan under the Atlas Islamic Fund of Funds and primarily aims to provide competitive return along with dividend through dynamic asset allocation between Shariah Compliant Income and Shariah Compliant Money Market based Collective Investment Schemes and Shariah Compliant/Islamic Banks/Islamic banks window saving Accounts, while aiming to provide Dividend to the investors on the daily basis of profit earned/appreciation in NAV if any. Dividend received by Unit holder shall be reinvested, This Allocation Plan is suitable for Investors having a relatively low risk tolerance and/or wish to save for short to medium term.

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

1.7 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020. During the year, the Trust deed has been registered under the Sindh Trusts Act, 2020.

1.8 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2020: AM2+ (AM Two Plus)] on 24 December 2021. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

## 2 BASIS OF PREPARATION

### 2.1 Statement of compliance

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

# Half Yearly Report 2020-21

Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2021.

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 2021.

**2.1.2** The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2021.

**2.1.3** The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at 31 December 2021 have been extracted from the annual published audited financial statements of the Fund for the year ended 30 June 2021, whereas, the comparatives in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the unaudited condensed interim financial statements of the Fund for the Half year ended 31 December 2020.

**2.1.4** In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at 31 December 2021.

## 2.2 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2021 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these financial statements.

## 2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective:

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:

### Standards, interpretations and amendments

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

Classification of liabilities as current or non-current - Amendment to IAS 1

Definition of Accounting Estimates - Amendments to IAS 8

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

### Effective date

01 January 2022

01 January 2022

01 January 2023

01 January 2023

01 January 2023

# Atlas Islamic Fund of Funds

Standards, interpretations and amendments		Effective date
IFRS 17 - Insurance Contracts		01 January 2023
IFRS 3 - Reference to the Conceptual Framework (Amendments)		January 01, 2022
IFRS 9 Financial Instruments – Fees in the ‘10 per cent’ test for derecognition of financial liabilities		January 01, 2022
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28		Not yet finalized
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12		01 January 2023
The above standards and amendments are not expected to have any material impact on the Fund's condensed interim financial statements.		
Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.		
Standards	(annual periods beginning on or after)	
IFRS 1 - First-time Adoption of International Financial Reporting Standards	01 July 2009	
2.4 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.		
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 and provision under uncertain circumstances such as provision for Sindh Workers' Welfare Fund and taxes recoverable as disclosed in notes 8.1 and 6.1 of the annual financial statement respectively.		
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 condensed interim financial statements have been presented in Pakistani Rupees which is the functional and presentation currency of the Fund.		

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## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2021.

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

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2021.

3.2 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 2021.

## 4 BANK BALANCES

31 December 2021 (Un Audited)							30 June 2021 (Audited)					
Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan (Note 13)	Total	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Dividend Plan	Islamic Capital Preservation Plan	Total
Rupees												
Rupees												

Profit and loss sharing accounts	12,542,600	9,251,987	9,032,885	3,137,379	3,902,239	25,689	37,892,779		4,258,055	3,020,135	554,548	3,206,822	3,951,358	15,944,918
	12,542,600	9,251,987	9,032,885	3,137,379	3,902,239	25,689	37,892,779		4,258,055	3,020,135	554,548	3,206,822	3,951,358	15,944,918

4.1 These carry interest rate ranging between 6.60% to 10.85% (30 June 2021: 5.5% to 6.9%) per annum.

## 5 INVESTMENTS - NET

Note	31 December 2021 (In Audited)								30 June 2021 (Audited)					
	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan (Note 13)	Total		Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Dividend Plan	Islamic Capital Preservation Plan	Total
	Rupees													

At fair value through profit or loss - Held for Trading	117,297,850	125,772,866	133,450,130	24,901,473	475,058,368	-	876,480,327		126,533,606	134,329,047	142,333,795	507,138,596	23,954,693	934,599,737
Units of Mutual Funds - Listed	5.1													

# Atlas Islamic Fund of Funds

5.1 At fair value through profit or loss - Units of mutual Funds - Listed

5.1.1 Units of Mutual Funds

Name of the investee company	As at 01 July 2021	Purchases during the period	Sold during the period	As at 31 December 2021	Carrying Value as at 31 December 2021	Market Value as at 31 December 2021	Appreciation/ (diminution) as at 31 December 2021	Market Value as a % of net assets of Plan	Market Value as a % of total value of investments of Plan
-----Number of shares-----Rupees-----percentage-----									
<b>Aggressive Allocation Plan</b>									
Atlas Islamic Income Fund	64,135	2,589	7,469	59,254	30,012,385	31,160,484	1,148,099	23.98	26.57
Atlas Islamic Dedicated Stock Fund	157,862	-	7,288	130,573	89,744,896	86,137,366	(3,607,530)	66.30	73.43
	221,997	2,589	14,757	209,827	119,757,281	117,297,850	(2,459,431)	90.28	100.00
<b>Moderate Allocation Plan</b>									
Atlas Islamic Income Fund	122,815	-	10,323	112,492	56,907,939	59,157,159	2,249,220	43.80	47.04
Atlas Islamic Dedicated Stock Fund	121,471	-	5,023	116,448	69,405,252	66,615,327	(2,789,925)	49.32	52.96
	244,286	-	15,346	228,940	126,313,191	125,772,486	(540,705)	93.11	100.00
<b>Conservative Allocation Plan</b>									
Atlas Islamic Income Fund	201,272	-	14,200	187,073	94,637,153	98,377,576	3,740,423	69.02	73.72
Atlas Islamic Dedicated Stock Fund	68,006	-	6,697	61,309	36,541,453	35,072,574	(1,468,879)	24.60	26.28
	269,278	-	20,897	248,382	131,178,606	133,450,150	2,271,544	93.62	100.00
<b>Islamic Dividend Plan</b>									
Atlas Islamic Income Fund	47,352	-	-	47,352	23,954,692	24,901,473	946,781	88.73	100.00
	47,352	-	-	47,352	23,954,692	24,901,473	946,781	88.73	100.00
<b>Islamic Capital Preservation Plan - II</b>									
Atlas Islamic Income Fund	-	909,608	909,608	-	-	-	-	-	-
Atlas Islamic Dedicated Stock Fund	-	348,202	-	348,202	200,000,000	199,192,883	(807,117)	41.60	41.93
Atlas Islamic Money Market Fund	-	951,731	400,000	551,731	275,865,485	275,865,485	-	57.62	58.07
	-	2,209,541	1,309,608	899,933	475,865,485	475,058,368	(807,117)	99.22	100.00
<b>Islamic Capital Preservation Plan</b>									
Atlas Islamic Income Fund	951,064	40,782	991,846	-	-	-	-	-	-
Atlas Islamic Dedicated Stock Fund	43,639	-	43,639	-	-	-	-	-	-
	994,703	40,782	1,035,485	-	-	-	-	-	-
Total as at 31 December 2021	1,777,616	2,252,912	2,396,093	1,634,434	877,069,255	876,480,327	(588,928)	-	-
Total as at 30 June 2021	1,752,516	406,154	381,053	1,777,617	878,438,709	934,509,737	56,071,028	-	-

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OTHER RECEIVABLES

	31 December 2021 (Un Audited)							30 June 2021 (Audited)						
	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan (Note 13)	Total	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan - I	Total
	Islamic Plan	Islamic Plan	Islamic Plan	Plan	Plan - II	Plan (Note 13)	Total	Islamic Plan	Islamic Plan	Islamic Plan	Plan	Plan - II	Plan - I	Total
Note	Rupees							Rupees						
Receivable against sale of units	-	-	-	-	-	-	-	-	-	-	52,347	-	-	52,347
Prepaid legal and professional charges	1,458	1,517	1,603	316	5,381	-	10,275	-	-	-	-	-	-	-
Other Receivables	11,150	9,063	16,227	14,212	20,192	43,057	113,901	11,150	9,063	10,318	14,528	-	43,057	88,096
	12,608	10,580	17,830	14,528	25,573	43,057	124,176	11,150	9,063	10,318	66,875	-	43,057	140,413

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 banks deducted withholding tax on 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 withholdce.

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 the profit received on bank deposits by the Funds has been shown as other receivable as at 30 June 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

Had the Tax Recoverable not been recorded in these financial statements of the Fund, the net asset value of the Fund as at 31 December 2021 would have been lower by, AAAIP Rs. 0.06 per unit, AMAIP Rs. 0.05 per unit, ACAIP Rs. 0.07 per unit, AICPP II Rs. 0.26 per unit ( 30 June 2021 AAAIP Rs. 0.05 per unit, AMAIP Rs. 0.04 per unit, ACAIP Rs. 0.04 per unit, AICPP Rs. 0.05 per unit, AIDP Rs. 0.26 per unit)

Atlas Islamic Fund of Funds

7 DEFERRED FORMATION COST

31 December 2021 (Un Audited)							30 June 2021 (Audited)							
	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan (Note 1.3)		Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan - I	
Note	Islamic Plan	Islamic Plan	Islamic Plan	Plan	Plan - II	Plan (Note 1.3)	Total	Islamic Plan	Islamic Plan	Islamic Plan	Plan	Plan - II	Plan - I	
Rupees								Rupees						

Opening balance	7.1	112,109	112,109	112,109	-	-	112,109	448,436	168,162	168,162	168,162	-	-	168,162	672,648
Less: Amortization for the period		28,258	28,257	28,257	-	-	112,109	196,881	56,053	56,053	56,053	-	-	56,053	224,212
		83,851	83,852	83,852	-	-	-	251,555	112,109	112,109	112,109	-	-	112,109	448,436

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

8 PAYABLE TO THE ATLAS ASSET MANAGEMENT LIMITED - Management Company

31 December 2021 (Un Audited)							30 June 2021 (Audited)							
	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan (Note 1.3)		Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan - I	
Note	Islamic Plan	Islamic Plan	Islamic Plan	Plan	Plan - II	Total		Islamic Plan	Islamic Plan	Islamic Plan	Plan	Plan - II	Total	
Rupees								Rupees						

Remuneration of the Management Company	8.1	8,046	3,941	3,068	2,691	3,272	-	21,018	3,069	2,659	1,603	2,722	-	2,408	12,462
Sindh Sales Tax on remuneration of the Management Company	8.1	1,050	511	398	349	387	-	2,694	399	346	208	354	-	313	1,620
Front and backend load payable to the Management Company		22	-	858	-	-	-	880	-	-	-	-	-	7,339	7,339
Initial deposit against account opening		-	-	-	-	10,000	-	10,000	-	-	-	-	-	-	-
Accounting and operational charges reimbursable by the Fund		18,000	18,737	20,447	6,033	68,097	-	131,314	35,737	18,754	40,710	3,788	-	71,022	170,011
		27,119	23,889	24,771	9,073	81,756	-	166,906	39,205	21,759	42,521	6,864	-	81,082	191,432

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**8.1** In accordance with the provisions of the NBFC Regulations, no Management fee shall be charged in case the investment of the fund is made in CIS of Atlas Asset Management Limited (AAMI). Further as per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (I) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio. The management company has set the limit of 1% of the average annual net assets, within allowed expense ratio limit in case investment is made in Cash/ Near Cash instruments, savings and term deposits made with Islamic banks or Islamic banking windows of commercial banks and therefore has charged its remuneration accordingly.

**8.2** During the period, an amount of Rs. 16,481 (2020: Rs. 7,657) was charged on account of sales tax on remuneration of the Management Company levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 15,403 (2020: Rs. 7,698) has been paid to the Management Company which acts as a collecting agent.

## 9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN - TRUSTEE - RELATED PARTY

	Note	31 December 2021 (Un Audited)						30 June 2021 (Audited)					
		Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Total	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Total
Trustee fee	9.1	7,657	7,715	8,402	1,663	28,326	53,763	7,571	7,722	8,303	1,500	-	29,244
Sindh sales tax payable on trustee fee	9.2	962	1,002	1,092	216	3,682	6,954	984	1,004	1,079	203	-	3,802
		8,619	8,717	9,494	1,879	32,008	60,717	8,555	8,726	9,383	1,703	-	33,046
							61,473						64,473

**9.1** With effect from June 28, 2019, the trustee is entitled to monthly remuneration for services rendered to the fund at the flat rate of 0.07% p.a. of Net Assets based on the letter no. CDC/CEO/L-112/01/2019 dated June 27, 2019 issued by CDC. Previously, the trustee fee was charged in accordance with the following slab rates:

Net assets	Fee
- upto Rs 1,000 million	0.1% per annum of net assets
- On an amount exceeding Rs. 1,000 million	Rs 1.0 million plus 0.075% per annum of net assets exceeding Rs. 1,000 million

**9.2** During the period, an amount of Rs. 42,286 (2020: Rs 40,358) 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. 42,401 (2020: Rs 34,926) was paid to the Trustee which acts as a collecting agent.

Atlas Islamic Fund of Funds

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Note	31 December 2021 (Un Audited)										30 June 2021 (Audited)									
	Rupees										Rupees									
	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan (Note 1.3)	Total				Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan - I	Total			
Annual SECP fees payable	10.1	13,259	13,678	14,247	2,766	31,900	15,301	91,151			23,851	25,904	27,688	5,414	-	98,034	180,891			
		13,259	13,678	14,247	2,766	31,900	15,301	91,151			23,851	25,904	27,688	5,414	-	98,034	180,891			

10.1 In accordance with NBFIC regulations, a collective investment scheme (CIS) is required to pay an annual fee to the Securities and Exchange Commission of Pakistan (SECP). With effect from 01 July 2019, the SECP vide SRO No.685(1)2019 dated 28 June 2019 revised the rate of annual fee to 0.02% per annum of the average annual net assets on all categories of CISs. Previously, the rate of annual fee for the last period ended 30 June 2021 was also charged in the same manner.

11 ACCRUED EXPENSES AND OTHER LIABILITIES

Note	31 December 2021 (Un Audited)										30 June 2021 (Audited)									
	Rupees										Rupees									
	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan (Note 1.3)	Total				Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan - I	Total			
Authors' remuneration payable		24,992	25,376	27,152	5,376	52,557	-	135,453			32,825	35,627	38,000	7,495	-	134,913	248,860			
Withholding tax payable		2,026	2,160	2,768	34,524	768	14,767	57,014			554,558	637,044	877,802	29,396	-	3,779,433	5,878,433			
Provision for Sindh Workers Welfare Fund	111.1	-	-	-	-	-	-	-			761,966	763,894	693,415	68,845	-	2,028,833	4,316,954			
Shariah Advisor fee payable		7,476	2,929	3,297	539	4,194	-	18,435			3,263	3,524	3,780	770	-	13,223	24,659			
Annual listing fee payable		2,099	2,186	2,338	481	5,200	-	12,303			-	-	-	-	-	-	-			
Legal and professional charges payable		-	-	-	-	-	-	-			-	-	12,186	2,319	-	-	14,505			
Other payable		-	-	-	10,000	-	-	10,000			-	-	-	10,000	-	-	10,000			
Withholding and Capital gain tax payable		-	-	320	-	-	-	320			-	-	-	-	-	243	243			
Dividend Payable		-	-	-	-	-	-	-			3,117,778	3,319,588	4,912,023	-	-	9,498,524	20,847,834			
		36,593	32,651	35,875	50,920	62,719	14,767	233,525			4,470,390	4,739,598	6,537,206	119,025	-	15,455,269	31,341,488			

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## 11.1

As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the Mutual Fund Association of Pakistan (MUFAP) with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CIs whereby it was contested that mutual funds should be excluded from the ambit of 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 CIs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CIs / mutual funds, MUFAP had recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015). The Funds have accordingly made provision in respect of SWWF as recommended by MUFAP.

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, amounting to Rs. 4.32 million, for the period from May 21, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

## 12 CONTINGENCIES AND COMMITMENTS

There were no other contingencies and commitments outstanding as at December 31, 2021 and 30 June 2021.

## 13 TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan. This ratio net of government levies is within the maximum limit of 2.5% prescribed under the NBFIC Regulations for a collective investment scheme categorised as fund of fund scheme. the total expense ratio of the Fund is as follows:

31 December 2021 (Un Audited)												30 June 2021 (Audited)																							
Aggressive Allocation						Moderate Allocation						Conservative Allocation						Islamic Dividend Plan						Islamic Capital Preservation Plan - II						Islamic Capital Preservation Plan (Note 1.3)					
Aggressive Allocation						Moderate Allocation						Conservative Allocation						Islamic Dividend Plan						Islamic Capital Preservation Plan - II						Islamic Capital Preservation Plan (Note 1.3)					
Islamic Plan						Islamic Plan						Islamic Plan						Islamic Plan						Islamic Plan						Islamic Plan (Note 1.3)					
0.47						0.42						0.41						0.58						0.27						-					
0.04						0.04						0.04						0.04						0.02						-					
0.88						0.79						0.66						0.74						-						0.58					
0.51						0.42						0.30						0.15						-						0.26					
Total expense ratio						Government Levies and SECP Fee						Government Levies and SECP Fee						Government Levies and SECP Fee						Government Levies and SECP Fee						Government Levies and SECP Fee					

# Atlas Islamic Fund of Funds

## 14 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded tax liability in respect of income relating to the current period as the Management Company intends to distribute atleast 90 percent of the Fund's accounting income for the year ending June 30, 2022 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash.

## 15 ACCOUNTING AND OPERATIONAL CHARGES

The Management Company is allowed to charge actual expenses related to registrar services, accounting, operations and valuation services to the CIS with effect from 20 June 2019 as per SECP SRO 639 (I) / 2019 dated 20 June 2019. The Management Company has charged expenses at the rate of 0.17% of the average annual net assets of the Fund for the period for allocation of such expenses to the Fund.

## 16 EARNING PER UNIT

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

## 17 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company. It also includes staff retirement benefit funds of the above connected person / related parties.

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

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

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

For the period from 01 September 2021 to 31 December 2021														For the period from 01 July 2021 to 31 August 2021				For the half year ended 31 December 2021					
Aggressive Allocation Islamic Plan						Moderate Allocation Islamic Plan		Conservative Allocation Islamic Plan		Islamic Dividend Plan		Islamic Capital Preservation Plan - II		Islamic Capital Preservation Plan (Vote 13)		Total		For the half year ended 31 December 2020					
Aggressive Allocation Islamic Plan						Moderate Allocation Islamic Plan		Conservative Allocation Islamic Plan		Islamic Dividend Plan		Islamic Capital Preservation Plan - II		Islamic Capital Preservation Plan		Total		Rupees					
Rupees																		Rupees					

17.1 Details of transaction with related parties during the period are as follows:

<b>Atlas Asset Management Limited (Management Company)</b>														
Remuneration for the period	45,120	21,903	15,652	16,474	13,083	14,537	126,768	755	8,065	4,039	18,135	-	27,907	38,901
Sindh sales tax on remuneration of the Management Company	5,866	2,847	2,034	2,142	1,700	1,890	16,479	98	1,048	525	2,558	-	3,628	7,657
Remuneration paid	40,143	20,621	14,187	16,505	9,810	16,945	118,212	1,057	7,253	2,725	18,163	-	30,026	59,224
Formation cost	28,258	28,257	28,257	-	-	112,108	196,880	28,257	28,257	28,257	-	-	28,257	113,028
Accounting & operational charges	112,914	116,477	121,316	23,719	271,153	71,661	717,240	97,198	106,873	115,317	23,555	-	410,990	753,933
Insurance in amounts	3,000,000	1,000,000	1,000,000	699,250	-	-	-	-	-	-	-	-	-	-
Issue of units	4,980	1,698	1,754	1,398	-	-	-	-	-	-	-	-	-	-
<b>Central Depository Company of Pakistan Limited</b>														
Remuneration of the Trustee	46,494	47,961	49,953	9,770	111,651	59,445	325,274	40,023	44,007	47,483	9,700	-	169,231	310,444
Sindh Sales Tax on remuneration of the Trustee	6,044	6,234	6,494	1,270	14,515	7,728	42,285	5,203	5,721	6,173	1,261	-	22,000	40,558
Remuneration paid	46,408	47,968	49,954	9,667	83,325	88,689	325,911	38,768	42,923	46,872	9,554	-	167,304	306,421
<b>Atlas Honda Limited</b>														
Insurance in amounts	-	-	-	-	236,713,585	-	236,713,585	-	-	-	-	-	-	-
Issue of units	-	-	-	-	473,427	-	473,427	-	-	-	-	-	-	-
<b>Shirazi Investments (Private) Limited</b>														
Insurance in amounts	-	-	-	-	212,348,729	-	212,348,729	-	-	-	-	-	-	-
Issue of units	-	-	-	-	424,697	-	424,697	-	-	-	-	-	-	-

Atlas Islamic Fund of Funds

		For the period from 01 September 2021 to 31 December 2021		For the period from 01 July 2021 to 31 August 2021				For the half year ended 31 December 2020	
For the half year ended 31 December 2021									
Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Dividend Plan	Islamic Capital Preservation Plan - II	Islamic Capital Preservation Plan (Note 13)	Total	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan

Rupees		Rupees		Rupees		Rupees		Rupees	

Atlas Islamic Dedicated Stock Fund									
Purchase in Rupees	-	-	-	-	200,000,000	-	200,000,000	-	-
Purchase of units	-	-	-	-	348,202	-	348,202	-	-
Redemption in Rupees	4,350,000	3,000,000	4,000,000	-	26,277,273	37,627,273	7,460,000	10,340,000	9,420,000
Redemption of units	7,288	5,023	6,697	-	43,639	62,648	14,526	20,184	18,407

Atlas Islamic Money Market Fund									
Purchase in Rupees	-	-	-	-	469,019,720	-	-	-	-
Purchase of units	-	-	-	-	938,039	-	-	-	-
Redemption in Rupees	-	-	-	-	200,000,000	-	-	-	-
Redemption of units	-	-	-	-	400,000	-	-	-	-

Atlas Islamic Income Fund									
Purchase in Rupees	1,350,000	-	-	-	467,961,440	20,777,274	490,088,714	5,760,000	8,340,000
Purchase of units	2,589	-	-	-	909,608	40,782	952,978	11,238	16,300
Redemption in Rupees	3,900,000	5,400,000	7,400,000	-	469,019,720	510,088,471	995,808,191	600,000	2,100,000
Redemption of units	7,469	10,323	14,200	-	909,608	991,846	1,933,445	1,185	4,147

Directors and their close family members and key management personnel of the Management Company									
Purchase in Rupees	-	-	-	-	4,178,075	4,178,075	8,356	-	-
Purchase of units	-	-	-	-	8,356	8,356	-	-	-



# Atlas Islamic Fund of Funds

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

## 18 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

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

Fair values of investments in units of mutual funds are determined based on redemption prices disclosed at the Mutual Funds Association of Pakistan (MUFAP) as at the close of the business days.

### 18.1 Fair value hierarchy

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

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

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

Level 1: Valuation techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

As at December 31, 2021 and June 30, 2021, the Fund held the following financial instruments measured at fair value:

#### Aggressive Allocation Islamic Plan

Un-audited				Audited			
As at December 31, 2021				As at June 30, 2021			
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
(Rupees)				(Rupees)			
Financial assets 'at fair value through profit or loss'							
- Units of mutual fund							
117,297,850.00				126,533,606.00			
-				-			
117,297,850.00				126,533,606.00			

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Moderate Allocation Islamic Plan

Un-audited				Audited			
As at December 31, 2021				As at June 30, 2021			
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
(Rupees)				(Rupees)			
125,772,486.00				134,529,047.00			
-				-			
125,772,486.00				134,529,047.00			

Financial assets 'at fair value through profit or loss'

- Units of mutual fund

Conservative Allocation Islamic Plan

Un-audited				Audited			
As at December 31, 2021				As at June 30, 2021			
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
(Rupees)				(Rupees)			
133,450,150.00				142,353,795.00			
-				-			
133,450,150.00				142,353,795.00			

Financial assets 'at fair value through profit or loss'

- Units of mutual fund

Islamic Dividend Plan

Un-audited				Audited			
As at December 31, 2021				As at June 30, 2021			
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
(Rupees)				(Rupees)			
24,901,473.14				23,954,693.00			
-				-			
24,901,473.14				23,954,693.00			

Financial assets 'at fair value through profit or loss'

- Units of mutual fund

# Atlas Islamic Fund of Funds

- Islamic Capital Preservation Plan - II

Un-audited				Audited			
As at December 31, 2021				As at June 30, 2021			
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
(Rupees)				(Rupees)			

Financial assets 'at fair value through profit or loss'

- Units of mutual fund

475,058,368.09	-	475,058,368.09	-
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- Islamic Capital Preservation Plan (Note 1.3)

Un-audited				Audited			
As at December 31, 2021				As at June 30, 2021			
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
(Rupees)				(Rupees)			

Financial assets 'at fair value through profit or loss'

- Units of mutual fund

-	-	-	507,138,596.00	-	-	507,138,596.00
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The fair values of all other financial assets and liabilities of the Fund, approximate their carrying amounts due to short-term maturities of these instruments.

There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

19 IMPACT OF COVID-19 ON THESE CONDENSED INTERIM FINANCIAL STATEMENTS

During the period another wave of COVID-19 caused disruptions in the socio-economic environment in Pakistan. COVID-19 has impacted the businesses in Pakistan through increase in overall credit risk, overall slowdown in the economic activity, challenges to continuity of business operations and managing cybersecurity threat.

The Fund's management and Board is fully cognizant of the business challenges posed by the COVID-19 outbreak and constantly monitoring the situation and believe that its current policies for managing credit, liquidity, market and operational risk are adequate in response to the current situation.

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**20 GENERAL**

**20.1** Figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the quarters ended 31 December 2021 and 31 December 2020 have not been subjected to limited scope review by the statutory auditors of the Fund.

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

**20.3** Units have been rounded off to the nearest decimal places.

**21 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 21 February 2022.

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

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

**Muhammad Abdul Samad**  
Chief Executive Officer

**Iftekhar H. Shirazi**  
Chairman

**Tariq Amin**  
Director

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