



Atlas Pension Fund

Atlas Pension Islamic Fund

QUARTER REPORT

30 SEPTEMBER 2019

(UN-AUDITED)



Managed By

 **Atlas Asset Management**

Rated AM2+ by PACRA

(as of June 28, 2019)



Vision

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

Mission Statement

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

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ORGANISATION

Management Company

Atlas Asset Management Limited

Board of Directors of the Management Company

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

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

Company Secretary Ms Zainab Kazim

Board Committees

Audit Committee

Chairman	Mr. Tariq Amin
Members	Mr. Frahim Ali Khan
	Mr. M. Habib-ur-Rahman

Secretary Mr. M. Uzair Uddin Siddiqui

Human Resource & Remuneration Committee

Chairman	Mr. Frahim Ali Khan
Members	Mr. Ali H. Shirazi
	Mr. Muhammad Abdul Samad

Secretary Ms Zainab Kazim

*Subject to SECP Approval

The Above information is as at 30 October 2019

Investment Committee

Chairman Mr. Muhammad Abdul Samad
Members Mr. Ali H. Shirazi
 Mr. Khalid Mahmood
 Mr. Muhammad Umar Khan

Secretary Mr. Fawad Javaid
 Mr. Faran-ul-Haq

Management Committee

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

Secretary Mr. Muhammad Umar Khan

Risk Management Committee

Chairman Mr. Muhammad Abdul Samad
Members Mr. Khalid Mahmood

Secretary Mr. Shaikh Owais Ahmed

Chief Financial Officer

Ms Qurrat-ul-Ain Jafari

Chief Internal Auditor

Mr. M. Uzair Uddin Siddiqui

Registered Office

Ground Floor, Federation House Sharae Firdousi, Clifton, Karachi - 75600
 Tel: (92-21) 111-MUTUAL (6-888-25) 35379501-04 Fax: (92-21) 35379280
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First Quarter Report 2019-20

CHAIRMAN'S REVIEWS

It is my pleasure to present you the un-audited financial statements of Atlas Pension Fund (APF) and Atlas Pension Islamic Fund (APIF) for the three months period ended September 30, 2019 of FY 2019-20.

THE ECONOMY

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

FUND OPERATIONS - ATLAS PENSION FUND (APF)

The Net Asset Value of APF - Equity Sub Fund decreased by 5.37% from Rs. 411.97 as on June 30, 2019 to Rs. 389.83 as on September 30, 2019. APF - Equity Sub Fund was mainly invested in Commercial Banks, Oil & Gas Exploration, Fertilizers and Power Generation & Distribution sectors. The Net Asset Values of APF - Debt Sub Fund and APF - Money Market Sub Fund increased by 4.25% (16.87% on annualized basis) and 3.11% (12.34% on annualized basis) during the period under review, respectively. The APF - Debt Sub Fund had 50.85% exposure in Pakistan Investment Bonds, 32.15% in Bank Placements, 9.92% in Sukuks, 5.65% in Term Finance Certificates and 1.43% in others. The APF-Money Market Sub Fund had 41.46% exposure in Treasury Bills, 58.12% in high yielding bank deposits and 0.42% in others. The Net Assets of APF stood at Rs. 1.13 billion as on September 30, 2019.

FUND OPERATIONS - ATLAS PENSION ISLAMIC FUND (APIF)

The Net Asset Value of APIF - Equity Sub Fund decreased by 5.63% from Rs. 492.71 as on June 30, 2019 to Rs. 464.98 as on September 30, 2019. APIF- Equity Sub Fund was mainly invested in Oil & Gas Exploration, Fertilizer, Islamic Commercial Banks, Cement and Power Generation & Distribution sectors. The Net Asset Values of APIF - Debt Sub Fund and APIF - Money Market Sub Fund have increased by 2.71% (10.75% on annualized basis) and 2.83% (11.23% on annualized basis) during the period under review, respectively. The APIF - Debt Sub Fund had 89.31% exposure in high yielding Islamic bank deposits, 9.30% in Sukuks and 1.39% in others. The APIF - Money Market Sub Fund had 98.62% exposure in Islamic Bank Deposits/TDR and 1.38% in others. The Net Assets of APIF stood at Rs. 1.17 billion as on September 30, 2019.

TAXATION - VOLUNTARY PENSION FUND SCHEMES

WORKER'S WELFARE FUND (WWF)

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

Atlas Pensions

SINDH WORKER'S WELFARE FUND (SWWF)

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

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

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

FEDERAL EXCISE DUTY (FED)

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

WITHHOLDING TAX

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

RATINGS UPDATE

• ASSET MANAGER RATING

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

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FUTURE OUTLOOK

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

SAD DEMISE OF THE FOUNDER AND CHAIRMAN OF ATLAS GROUP

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

بڑی مشکل سے ہوتا ہے چمن میں دیدہ ور پیدا

ACKNOWLEDGEMENT

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

Karachi : 30 October 2019

Frahim Ali Khan
Chairman

Atlas Pension Fund

Corporate Information

Trustee

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

Auditors

EY Ford Rhodes
Chartered Accountants

Legal Advisers

Bawaney & Partners

Bankers

Allied Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Samba Bank Limited
Soneri Bank Limited
Zarai Taraqiati Bank Limited

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

AS AT 30 SEPTEMBER 2019

	30 September 2019 (Un-audited)						30 June 2019 (Audited)						
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Others	Total	
Note	-----Rupees-----						-----Rupees-----						
ASSETS													
Bank balances	4	2,641,173	126,916,414	218,682,264	421,440	1,835,837	350,497,128	41,344,974	207,328,248	273,833,250	408,828	12,276,191	535,191,491
Receivable against sale of investments		-	-	-	-	-	-	1,456,099	-	-	-	-	1,456,099
Investments - net	5	359,523,094	262,236,968	155,987,904	-	-	777,747,966	342,903,226	163,892,998	80,005,461	-	-	586,801,685
Dividend receivable		4,461,682	-	-	-	-	4,461,682	131,882	-	-	-	-	131,882
Interest accrued	6	53,240	4,471,378	935,057	-	-	5,459,675	98,088	6,942,761	1,606,244	-	-	8,647,093
Receivable against sale of units		153,829	441,727	447,993	-	-	1,043,549	5,133,440	3,000,132	4,047,755	-	-	12,181,327
Security deposit and other receivables		916,224	686,751	220,164	61,418	-	1,884,557	916,224	686,751	220,164	61,418	54,287	1,938,844
Total assets		367,749,242	394,753,238	376,273,382	482,858	1,835,837	1,141,094,557	391,983,933	381,850,890	359,712,874	470,246	12,330,478	1,146,348,421
LIABILITIES													
Payable against redemption of units		203,811	528,934	424,355	-	94,455	1,251,555	89,061	327,149	561,386	-	-	977,596
Payable to the Pension Fund Manager	7	2,238,254	1,564,206	985,213	238,537	-	5,026,210	2,252,308	1,566,070	978,414	238,537	-	5,035,329
Payable to the Central Depository Company of Pakistan Limited - Trustee	8	50,655	52,965	50,411	-	-	154,031	51,940	53,398	48,506	-	-	153,844
Payable to the Securities and Exchange Commission of Pakistan		29,780	32,192	30,663	-	-	92,635	128,688	129,207	101,699	-	-	359,594
Payable to the auditors		103,632	105,496	86,357	4,207	-	299,692	84,514	84,818	66,667	4,207	-	240,206
Unallocated profit		-	-	-	122,012	-	122,012	-	-	-	109,400	-	109,400
Payable to Sub-Funds		-	-	-	-	1,043,549	1,043,549	-	-	-	-	12,181,327	12,181,327
Accrued expenses and other liabilities	9	2,523,551	2,096,464	1,712,427	118,102	697,833	7,148,377	2,536,049	1,859,076	1,481,995	118,102	149,151	6,144,373
Total liabilities		5,149,683	4,380,257	3,289,426	482,858	1,835,837	15,138,061	5,142,560	4,019,718	3,238,667	470,246	12,330,478	25,201,669
NET ASSETS		362,599,559	390,372,981	372,983,956	-	-	1,125,956,496	386,841,373	377,831,172	356,474,207	-	-	1,121,146,752
REPRESENTED BY:													
PARTICIPANTS' SUB-FUNDS		362,599,559	390,372,981	372,983,956	-	-	1,125,956,496	386,841,373	377,831,172	356,474,207	-	-	1,121,146,752
(AS PER STATEMENT ATTACHED)													
NUMBER OF UNITS IN ISSUE	10	930,154	1,436,045	1,427,913				938,997	1,449,032	1,407,176	-		
NET ASSET VALUE PER UNIT		389.83	271.84	261.21				411.97	260.75	253.33	-		
CONTINGENCIES AND COMMITMENTS	11												

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Pension Fund Manager)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Frahim Ali Khan
Chairman

Tariq Amin
Director

Atlas Pension Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

Note	For the Quarter ended 30 September 2019 (Un-audited)					For the Quarter ended 30 September 2018 (Un-audited)					
	Equity	Debt	Money	Gold	Total	Equity	Debt	Money	Gold	Total	
	Sub-Fund	Sub-Fund	Market	Sub-Fund		- Revoked	Sub-Fund	Sub-Fund	Market		Sub-Fund
-----Rupees-----											
INCOME											
Interest income	12	238,500	13,051,747	12,260,869	12,612	25,563,728	366,448	7,170,038	5,155,968	6,330	12,698,784
Dividend income		6,209,375	-	-	-	6,209,375	4,610,230	-	-	-	4,610,230
Realized loss on sale of investments at fair value through income statement - net		(513,012)	-	-	-	(513,012)	(733,504)	-	-	-	(733,504)
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(24,461,885)	-	-	-	(24,461,885)	(7,864,215)	-	-	-	(7,864,215)
		(24,974,897)	-	-	-	(24,974,897)	(8,597,719)	-	-	-	(8,597,719)
Realized (loss) / gain on sale of investments classified as 'fair value through other comprehensive income'		-	(148,848)	17,057	-	(131,791)	-	-	-	-	-
Loss on sale / maturity of 'available for sale investments' - net		-	-	-	-	-	-	(24,763)	(17,611)	-	(42,374)
		(18,527,022)	12,902,899	12,277,926	12,612	6,666,415	(3,621,041)	7,145,275	5,138,357	6,330	8,668,921
EXPENDITURE											
Remuneration of Pension Fund Manager	7.1	1,342,645	725,682	460,687	-	2,529,014	1,500,843	722,193	341,457	-	2,564,493
Sindh sales tax on remuneration of the Pension Fund Manager	7.2	174,544	94,339	59,889	-	328,772	195,110	93,885	44,389	-	333,384
Remuneration to the Central Depository Company of Pakistan Limited - Trustee		129,901	140,447	133,740	-	404,088	147,700	142,151	100,818	-	390,669
Sindh sales tax on Trustee Fee		16,887	18,258	17,386	-	52,531	19,201	18,480	13,106	-	50,787
Annual fee - Securities and Exchange Commission of Pakistan		29,806	32,217	30,682	-	92,705	33,318	32,068	22,734	-	88,120
Auditor's remuneration		19,117	20,678	19,690	-	59,485	25,405	21,657	17,402	-	64,464
Legal and professional charges		60,520	65,110	25,130	-	150,760	18,720	23,040	4,681	-	46,441
Securities' transaction cost and settlement charges		114,148	3,176	1,695	-	119,019	207,517	2,250	2,042	-	211,809
Bank charges		7,690	8,377	13,155	-	29,222	13,388	2,646	2,893	2	18,929
Provision for Sindh Workers' Welfare Fund	9.1	-	235,892	230,317	-	466,209	-	121,738	91,777	-	213,515
		1,895,258	1,344,176	992,371	-	4,231,805	2,161,202	1,180,108	641,299	2	3,982,611
Net (loss) / income for the period		(20,422,280)	11,558,723	11,285,555	12,612	2,434,610	(5,782,243)	5,965,167	4,497,058	6,328	4,686,310
(Loss) / earnings per unit		(21.96)	8.05	7.90	-		(7.16)	3.81	3.88	-	

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited (Pension Fund Manager)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Frahim Ali Khan
Chairman

Tariq Amin
Director

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CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	For the Quarter ended 30 September 2019 (Un-audited)					For the Quarter ended 30 June 2018 (Un-audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Total
	-----Rupees-----					-----Rupees-----				
Net (loss) / income for the period	(20,422,280)	11,558,723	11,285,555	12,612	2,434,610	(5,782,243)	5,965,167	4,497,058	6,328	4,686,310
Income that may be re-classified subsequently to Income Statement										
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'fair value through other comprehensive income'	-	4,521,583	(43,465)	-	4,478,118	-	-	-	-	-
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'available for sale'	-	-	-	-	-	-	(557,166)	2,831	-	(554,335)
Total comprehensive (loss) / income for the period	(20,422,280)	16,080,306	11,242,090	12,612	6,912,728	(5,782,243)	5,408,001	4,499,889	6,328	4,131,975

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Pension Fund Manager)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Frahim Ali Khan
Chairman

Tariq Amin
Director

Atlas Pension Fund

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	For the Quarter ended 30 September 2019 (Un-audited)						For the Quarter ended 30 September 2018 (Un-audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Others	Total
	-----Rupees-----						-----Rupees-----					
CASH FLOWS FROM OPERATING ACTIVITIES												
Net (loss) / income for the period	(20,422,280)	11,558,723	11,285,555	12,612	-	2,434,610	(5,782,243)	5,965,167	4,497,058	6,328	-	4,686,310
Adjustments for:												
Interest income	(238,500)	(13,051,747)	(12,260,869)	(12,612)	-	(25,563,728)	(366,448)	(7,170,038)	(5,155,968)	(6,330)	-	(12,698,784)
Dividend income	(6,209,375)	-	-	-	-	(6,209,375)	(4,610,230)	-	-	-	-	(4,610,230)
Realized loss on sale of investments at fair value through income statement - net	513,012	-	-	-	-	513,012	733,504	-	-	-	-	733,504
Net unrealised diminution on re-measurement of investments classified as financial assets at fair value through profit or loss'	24,461,885	-	-	-	-	24,461,885	7,864,215	-	-	-	-	7,864,215
Realized loss / (gain) on sale of investments classified as 'fair value through other comprehensive income'	-	148,848	(17,057)	-	-	131,791	-	-	-	-	-	-
Loss on sale / maturity of 'available for sale investments' - net	-	-	-	-	-	-	-	24,763	17,611	-	-	42,374
Provision for Sindh Workers' Welfare Fund	-	235,892	230,317	-	-	466,209	-	121,738	91,777	-	-	213,515
	(1,895,258)	(1,108,284)	(762,054)	-	-	(3,765,596)	(2,161,202)	(1,058,370)	(549,522)	(2)	-	(3,769,096)
Decrease in assets												
Receivable against sale of investments	1,456,099	-	-	-	-	1,456,099	1,484,163	-	-	-	-	1,484,163
Security deposits and other receivables	-	-	-	-	54,287	54,287	3,361,106	3,129,175	2,037,739	-	-	8,528,020
	1,456,099	-	-	-	54,287	1,510,386	4,845,269	3,129,175	2,037,739	-	-	10,012,183
Increase / (decrease) in liabilities												
Payable against redemption of units	114,750	201,785	(137,031)	-	94,455	273,959	(8,651)	116,018	94,812	-	141,322	343,501
Payable against purchase of investments	-	-	-	-	-	-	(4,781,449)	-	-	-	-	(4,781,449)
Payable to the Pension Fund Manager	(14,054)	(1,864)	6,799	-	-	(9,119)	13,861	7,830	2,495	-	-	24,186
Payable to Central Depository Company of Pakistan Limited - Trustee	(1,285)	(433)	1,905	-	-	187	924	1,112	431	-	-	2,467
Payable to the Securities and Exchange Commission of Pakistan	(98,908)	(97,015)	(71,036)	-	-	(266,959)	(90,142)	(90,571)	(60,705)	-	-	(241,418)
Payable to the auditors	19,118	20,678	19,690	-	-	59,486	(49,298)	(49,555)	(33,222)	-	-	(132,075)
Unallocated profit	-	-	-	12,612	-	12,612	-	-	-	6,328	-	6,328
Payable to Sub-Funds	-	-	-	-	(11,137,778)	(11,137,778)	-	-	-	-	-	-
Accrued expenses and other liabilities	(12,498)	1,496	115	-	548,682	537,795	9,908	8,915	6,074	-	(9,468,520)	(9,443,623)
	7,123	124,647	(179,558)	12,612	(10,494,641)	(10,529,817)	(4,904,847)	(6,251)	9,885	6,328	(9,327,198)	(14,222,083)
Interest received	283,348	9,524,096	3,883,153	-	-	13,690,597	400,049	2,260,405	675,306	1,459	-	3,337,219
Dividend received	1,879,575	-	-	-	-	1,879,575	1,572,630	-	-	-	-	1,572,630
Investments made during the period	(69,365,886)	(576,168,353)	(665,536,680)	-	-	(1,311,070,919)	(92,195,558)	(327,311,044)	(370,141,124)	-	-	(789,647,726)
Investments sold / matured during the period	27,771,121	488,196,152	598,576,732	-	-	1,114,544,005	61,658,827	274,179,190	317,416,634	-	-	653,254,651
	(39,431,842)	(78,448,105)	(63,076,795)	-	-	(180,956,742)	(28,564,052)	(50,871,449)	(52,049,184)	1,459	-	(131,483,226)
Net cash (used in) / generated from operating activities (carried forward)	(39,863,878)	(79,431,742)	(64,018,407)	12,612	(10,440,354)	(193,741,769)	(30,784,832)	(48,806,895)	(50,551,082)	7,785	(9,327,198)	(139,462,222)

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CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) (Continued...)

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

Note	For the Quarter ended 30 September 2019 (Un-audited)						For the Quarter ended 30 September 2018 (Un-audited)						
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Others	Total	
	-----Rupees-----						-----Rupees-----						
Net cash (used in) / generated from operating activities (brought forward)	(39,863,878)	(79,431,742)	(64,018,407)	12,612	(10,440,354)	(193,741,769)	(30,784,832)	(48,806,895)	(50,551,082)	7,785	(9,327,198)	(139,462,222)	
CASH FLOWS FROM FINANCING ACTIVITIES													
Receipts on issue of units													
- Directly by participants	11,434,478	12,490,837	19,868,447	-	-	43,793,762	11,574,982	9,646,367	6,335,513	-	-	27,556,862	
Payment on redemptions of units													
- Directly by participants	(10,271,114)	(13,467,979)	(10,999,918)	-	-	(34,739,011)	(3,715,181)	(4,192,190)	(2,614,572)	-	-	(10,521,943)	
- Transfer to other Pension Fund	(3,287)	(2,950)	(1,108)	-	-	(7,345)	-	-	-	-	-	-	
	(10,274,401)	(13,470,929)	(11,001,026)	-	-	(34,746,356)	(3,715,181)	(4,192,190)	(2,614,572)	-	-	(10,521,943)	
Payments on revocation of sub fund	-	-	-	-	-	-	-	-	-	-	-	-	
Net cash generated from / (used in) financing activities	1,160,077	(980,092)	8,867,421	-	-	9,047,406	7,859,801	5,454,177	3,720,941	-	-	17,034,919	
Net (decrease) / increase in cash and cash equivalents	(38,703,801)	(80,411,834)	(55,150,986)	12,612	(10,440,354)	(184,694,363)	(22,925,031)	(43,352,718)	(46,830,141)	7,785	(9,327,198)	(122,427,303)	
Cash and cash equivalents at the beginning of the period	41,344,974	207,328,248	273,833,250	408,828	12,276,191	535,191,491	42,243,660	192,382,790	153,927,957	374,852	9,581,181	398,510,440	
Cash and cash equivalents at the end of the period	4	2,641,173	126,916,414	218,682,264	421,440	1,835,837	350,497,128	19,318,629	149,030,072	107,097,816	382,637	253,983	276,083,137

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Pension Fund Manager)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Frahim Ali Khan
Chairman

Tariq Amin
Director

Atlas Pension Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	For the Quarter ended 30 September 2019 (Un-audited)					For the Quarter ended 30 September 2018 (Un-audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Total
Note	-----Rupees-----					-----Rupees-----				
Net assets at the beginning of the period	386,841,373	377,831,172	356,474,207	-	1,121,146,752	393,869,826	375,462,864	266,906,681	-	1,036,239,371
Issue of units										
- Directly by participants	6,454,867	9,932,432	16,268,685	-	32,655,984	11,574,982	9,646,367	6,335,513	-	27,556,862
Redemption of units										
- Directly by participants	(10,271,114)	(13,467,979)	(10,999,918)	-	(34,739,011)	(3,715,181)	(4,192,190)	(2,614,572)	-	(10,521,943)
- Transfer to other Pension Fund	(3,287)	(2,950)	(1,108)	-	(7,345)	-	-	-	-	-
	(10,274,401)	(13,470,929)	(11,001,026)	-	(34,746,356)	(3,715,181)	(4,192,190)	(2,614,572)	-	(10,521,943)
Net (loss) / income for the period	(19,909,268)	11,707,571	11,268,498	-	3,066,801	(5,048,739)	5,989,930	4,514,669	-	5,455,860
Realized loss on sale of investments at fair value through income statement - net	(513,012)	-	-	-	(513,012)	(733,504)	-	-	-	(733,504)
Realized (loss) / gain on sale of investments classified as fair value through other comprehensive income ¹	-	(148,848)	17,057	-	(131,791)	-	-	-	-	-
Loss on sale / maturity of 'available for sale investments - net	-	-	-	-	-	-	(24,763)	(17,611)	-	(42,374)
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'fair value through other comprehensive income'	-	4,521,583	(43,465)	-	4,478,118	-	-	-	-	-
Net unrealised diminution on re-measurement of investments classified as 'available for sale'	-	-	-	-	-	-	(557,166)	2,831	-	(554,335)
Total comprehensive (loss) / income for the period	(20,422,280)	16,080,306	11,242,090	-	6,900,116	(5,782,243)	5,408,001	4,499,889	-	4,125,647
Net assets at the end of the period	362,599,559	390,372,981	372,983,956	-	1,125,956,496	395,947,384	386,325,042	275,127,511	-	1,057,399,937

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Pension Fund Manager)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Frahim Ali Khan
Chairman

Tariq Amin
Director

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

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The Atlas Pension Fund (APF) was established under a Trust Deed executed between Atlas Asset Management Limited (AAML) as Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on 8 June 2007 and was executed under the Voluntary Pension System Rules, 2005 (VPS Rules). The Trust Deed has been amended through the First Supplement Trust Deed dated 6 June 2013 and Second Supplement Trust Deed dated 3 September 2018, with the approval of the SECP. The Offering Document of the Fund has been revised through the First, Second, Third, Fourth and Fifth Supplements dated 18 December 2008, 28 March 2011, 15 July 2013, 31 March 2015 and 4 August 2015 respectively. The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the VPS Rules through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at Ground Floor, Federation House, Shakra-e-Firdousi, Clifton, Karachi.
- 1.2 The objective of Atlas Pension Fund (APF) is to provide individuals with a portable, individualised, funded (based on defined contribution) and flexible pension scheme assisting and facilitating them to plan and provide for their retirement. The Fund operates under an umbrella structure and is composed of Sub-Funds, each being a collective investment scheme.
- 1.3 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.
- 1.4 In June 2013, the Pension Fund Manager obtained approval from the SECP for the establishment of a fourth sub fund, the APF - Gold Sub Fund. The APF Gold Sub Fund (APF-GSF) was established under the First Supplement Trust Deed executed on 6 June 2013 between AAML as the Pension Fund Manager and the CDC as the Trustee. The First Supplemental Trust Deed was approved by the SECP under the Voluntary Pension System Rules, 2005 (VPS Rules) vide letter no.9(1)SEC/SCD/PW-AAML-01/536 dated 14 June 2013, and the core investment of Rs. 30 million by the Pension Fund Manager was invested on 28 June 2013. Approval of the 3rd Supplemental Offering Document of the Fund was received on 15 July 2013 from the SECP, whereafter, the APF - GSF was launched for public subscription on 16 July 2013.
- 1.5 At present, the Fund consists of the following three Sub-Funds. A Sub fund (i.e. Gold-Sub Fund) (refer note 1.7) was revoked on 23 February 2018. These are as follows:

APF - Equity Sub-Fund (APF - ESF)

The objective of APF - ESF is to achieve long term capital growth. APF - ESF shall invest primarily in equity securities, with a minimum investment of 90% of its net asset value in listed shares.

APF - Debt Sub-Fund (APF - DSF)

The objective of APF - DSF is to provide regular income and shall invest primarily in tradable debt securities with the weighted average duration of the investment portfolio of the Sub-Fund not exceeding ten years.

APF - Money Market Sub-Fund (APF - MMSF)

The objective of APF - MMSF is to provide regular income and shall invest primarily in short term debt securities with the weighted average time to maturity of net assets of the Sub-Fund not exceeding one year.

Atlas Pension Fund

APF - Gold Sub-Fund (APF - GSF)

The objective of APF - GSF was to provide the capital appreciation through investment in Gold or Gold futures contracts traded on the Pakistan Mercantile Exchange Limited.

- 1.6 The Sub-Funds' units of APF - ESF, APF -DSF and APF - MMSF are issued against contributions by the eligible participants on a continuous basis since 28 June 2007 and units of APF- GSF w.e.f. 16 July 2013 and can be redeemed by surrendering them to the Fund.

The participants of the Fund voluntarily determine the contribution amount subject to the minimum limit fixed by the Pension Fund Manager. Such contributions received from the participants are allocated among the Sub-Funds, in accordance with their respective preferences and in line with the prescribed allocation policy. The units held by the participants in the Sub-Funds can be redeemed on or before their retirement and in case of disability or death subject to conditions laid down in the Offering Document, VPS Rules and the Income Tax Ordinance, 2001. According to the Trust Deed, there shall be no distribution from the Sub-Funds, and all income earned by the Sub-Funds shall be accumulated and retained in the Fund.

1.7 Revocation of APF (Gold Sub Fund)

The Board of Directors of Atlas Asset Management Limited, the Pension Fund Manager of Atlas Pension Fund in their meeting held on 26 October 2017 decided to revoke APF-Gold Sub Fund. The SECP has approved the revocation of APF - Gold Sub Fund vide their letter no.SCD/PRDD/VPS/AAML/327/2017 dated 27 December 2017. Thereafter, the units of the sub-fund were not offered to participants. The Pension Fund Manager requested SECP for refund of seed capital and waiver of three months' notice period before refund of seed capital as there is only one participant in APF - Gold Sub Fund i.e. the Pension Fund Manager. The approval for the same was granted by SECP vide their letter no.SCD/PRDD/VPS/AAML/21/2018 dated 7 February 2018. Accordingly, the final settlement was made to the participant. The financial statements of Atlas Pension Fund - Gold Sub Fund represents liabilities towards Government and others.

Resultantly, the financial statements of APF - Gold Sub Fund have not been prepared on going concern basis. Therefore, the assets and liabilities of APF - Gold Sub Fund are measured at lower of their carrying amount and fair value less cost to sell.

- 1.8 The Pension Fund Manager of the Fund has been given quality rating of AM2+ by The Pakistan Credit Rating Agency Limited.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard - 34" Interim Financial Reporting" as applicable in Pakistan and the requirements of the Trust Deed, the Rules and the directives / guidelines issued by the SECP. Wherever the requirements of the Trust Deed, the Rules or the directives / guidelines issued by the SECP differ with the requirements of this standard, the requirements of the Trust Deed, the Rules or the requirements of the said directives/guidelines prevail.

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the year ended 30 June 2019.

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3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended 30 June 2019.

4 BANK BALANCES

	30 September 2019 (Un-audited)						30 June 2019 (Audited)						
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Others (note 4.1)	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Others (note 4.1)	Total	
Note	-----Rupees-----						-----Rupees-----						
In current account	-	-	-	-	1,066,280	1,066,280	-	-	-	-	12,207,648	12,207,648	
In savings accounts	4.2	2,641,173	126,916,414	218,682,264	421,440	769,557	349,430,848	41,344,974	207,328,248	273,833,250	408,828	68,543	522,983,843
		<u>2,641,173</u>	<u>126,916,414</u>	<u>218,682,264</u>	<u>421,440</u>	<u>1,835,837</u>	<u>350,497,128</u>	<u>41,344,974</u>	<u>207,328,248</u>	<u>273,833,250</u>	<u>408,828</u>	<u>12,276,191</u>	<u>535,191,491</u>

4.1 These represent collection and redemption accounts maintained by the Fund. The rate of return on savings account is 14.35% per annum (30 June 2019: 13.15% per annum).

4.2 These carry interest at the rates ranging from 6.00% to 14.40% (30 June 2019: 6.00% to 13.40%) per annum.

Atlas Pension Fund

5 INVESTMENTS - NET

		30 September 2019 (Un-audited)					30 June 2019 (Audited)				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Total
Note		-----Rupees-----					-----Rupees-----				
At fair value through profit or loss											
Equity securities - listed	5.1	359,523,094	-	-	-	359,523,094	342,903,226	-	-	-	342,903,226
At fair value through other comprehensive income											
Government Treasury Bills	5.2	-	-	155,987,904	-	155,987,904	-	2,982,623	80,005,461	-	82,988,084
Term Finance Certificates	5.3	-	22,321,165	-	-	22,321,165	-	22,361,326	-	-	22,361,326
Sukuk Certificates	5.4	-	39,171,584	-	-	39,171,584	-	21,983,664	-	-	21,983,664
Pakistan Investment Bonds	5.5	-	200,744,219	-	-	200,744,219	-	116,565,385	-	-	116,565,385
		-	262,236,968	155,987,904	-	418,224,872	-	163,892,998	80,005,461	-	243,898,459
		359,523,094	262,236,968	155,987,904	-	777,747,966	342,903,226	163,892,998	80,005,461	-	586,801,685

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5.1 Equity Sub-Fund - Equity securities - Listed - At fair value through profit or loss

Name of the investee company	As at 1 July 2019	Purchases during the period	Bonus shares during the period	Sales during the period	As at 30 September 2019	Carrying Value as at 30 September 2019	Market Value as at 30 September 2019	Market value as a % of net assets of the Sub-Fund	Market value as a % of paid- up capital of the investee company
	-----Number of shares-----					-----Rupees-----		-----Percentage-----	
Fully paid-up ordinary shares of Rs. 10/- each unless otherwise stated.									
BANKS									
Bank Al Habib Limited	271,000	45,000	-	-	271,000	24,805,920	21,111,960	5.82	0.0244
Bank Alfalah Limited	382,000	98,000	-	-	480,000	20,494,645	19,651,200	5.42	0.0270
Bankislami Pakistan Limited	-	236,000	-	-	236,000	2,696,000	2,593,640	0.72	0.0234
Bankislami Pakistan Limited - LoR	-	-	23,600	-	23,600	-	23,600	0.01	0.0023
Faysal Bank Limited	555,500	95,000	-	-	650,500	13,957,660	10,427,515	2.88	0.0429
Habib Bank Limited	140,000	2,500	-	12,000	130,500	14,790,137	15,421,185	4.25	0.0089
Habib Metropolitan Bank Limited	2,500	-	-	2,500	-	-	-	-	-
Meezan Bank Limited	100,440	36,500	-	3,000	133,940	11,522,386	9,649,038	2.66	0.0104
The Bank Of Punjab	500,000	-	-	500,000	-	-	-	-	-
United Bank Limited	160,060	17,300	-	10,000	167,360	24,711,181	23,134,173	6.38	0.0137
						112,977,929	102,012,311	28.13	
TEXTILE COMPOSITE									
Gul Ahmed Textile Mills Limited	72,000	-	-	25,000	47,000	2,214,640	2,229,680	0.61	0.0132
Interloop Limited	75,000	-	-	75,000	-	-	-	-	-
Kohinoor Textile Mills Limited	142,500	-	-	42,500	100,000	2,505,000	2,374,000	0.65	0.0334
Nishat (Chunian) Limited	75,000	25,000	-	-	100,000	3,389,000	3,347,000	0.92	0.0416
Nishat Mills Limited	-	61,000	-	-	61,000	5,212,370	5,124,000	1.41	0.0173
						13,321,010	13,074,680	3.61	
SYNTHETIC AND RAYON									
Gatron (Industries) Limited	5,800	-	-	1,200	4,600	1,300,778	2,198,800	0.61	0.0120
						1,300,778	2,198,800	0.61	
CEMENT									
Attock Cement Pakistan Limited	22,000	-	-	-	22,000	1,571,020	1,564,420	0.43	0.0160
Bestway Cement Limited	15,000	-	-	-	15,000	1,546,050	1,260,450	0.35	0.0025
Cherat Cement Company Limited	40,000	-	-	-	40,000	1,238,400	1,127,200	0.31	0.0226
D.G. Khan Cement Company Limited	65,000	48,500	-	-	113,500	5,909,880	5,486,590	1.51	0.0259
Lucky Cement Limited	30,000	4,500	-	-	34,500	12,993,436	11,803,485	3.26	0.0107
						23,258,786	21,242,145	5.86	

Atlas Pension Fund

5.1 Equity Sub-Fund - Equity securities - Listed - At fair value through profit or loss

Name of the investee company	As at 1 July 2019	Purchases during the period	Bonus shares during the period	Sales during the period	As at 30 September 2019	Carrying Value as at 30 September 2019	Market Value as at 30 September 2019	Market value as a % of net assets of the Sub-Fund	Market value as a % of paid- up capital of the investee company
	-----Number of shares-----					-----Rupees-----		-----Percentage-----	
Fully paid-up ordinary shares of Rs. 10/- each unless otherwise stated.									
POWER GENERATION AND DISTRIBUTION									
K-Electric Limited (face value Rs. 3.5)	350,000	-	-	-	350,000	1,536,500	1,242,500	0.34	0.0036
Lalpir Power Limited	75,000	-	-	-	75,000	975,000	861,000	0.24	0.0197
Nishat Chunian Power Limited	72,500	-	-	-	72,500	1,262,225	1,257,875	0.35	0.0197
Pakgen Power Limited	215,000	-	-	-	215,000	3,048,700	2,513,350	0.69	0.0578
The Hub Power Company Limited	278,565	6,000	-	-	284,565	22,418,919	20,132,973	5.55	0.0219
						29,241,344	26,007,698	7.17	
OIL AND GAS MARKETING COMPANIES									
Pakistan State Oil Company Limited	81,820	21,000	-	6,500	96,320	16,343,260	15,169,437	4.18	0.0246
Sui Northern Gas Pipelines Limited	39,200	30,000	-	4,000	65,200	4,552,230	4,016,320	1.11	0.0103
						20,895,490	19,185,757	5.29	
OIL AND GAS EXPLORATION COMPANIES									
Mari Petroleum Company Limited	16,470	6,500	-	-	22,970	22,499,642	20,653,705	5.70	0.0189
Oil & Gas Development Company Limited	238,400	29,500	-	-	267,900	35,215,686	32,959,737	9.09	0.0062
Pakistan Oilfields Limited	52,800	6,000	-	-	58,800	23,871,336	22,338,120	6.16	0.0207
Pakistan Petroleum Limited	134,700	2,700	-	-	137,400	19,849,906	18,690,522	5.15	0.0061
						101,436,570	94,642,084	26.10	
INDUSTRIAL ENGINEERING									
International Industries Limited	68,900	20,000	8,890	-	97,790	6,957,428	6,779,781	1.87	0.0741
International Steels Limited	30,500	-	-	-	30,500	1,211,155	1,212,070	0.33	0.0070
Mughal Iron And Steel Industries Limited	750	-	-	-	750	18,870	20,985	0.01	0.0003
						8,187,453	8,012,836	2.21	
TECHNOLOGY AND COMMUNICATIONS									
Systems Limited	67,500	45,000	-	-	112,500	10,423,495	9,365,625	2.58	0.0911
						10,423,495	9,365,625	2.58	

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5.1 Equity Sub-Fund - Equity securities - Listed - At fair value through profit or loss

Name of the investee company	As at 1 July 2019	Purchases during the period	Bonus shares during the period	Sales during the period	As at 30 September 2019	Carrying Value as at 30 September 2019	Market Value as at 30 September 2019	Market value as a % of net assets of the Sub-Fund	Market value as a % of paid- up capital of the investee company
	-----Number of shares-----					-----Rupees-----		-----Percentage-----	
Fully paid-up ordinary shares of Rs. 10/- each unless otherwise stated.									
FERTILIZER									
Engro Corporation Limited	78,650	8,800	-	6,000	81,450	21,686,195	21,738,191	6.00	0.0141
Engro Fertilizers Limited	263,500	10,000	-	50,000	223,500	14,320,225	15,249,405	4.21	0.0167
Fauji Fertilizer Company Limited	112,500	94,000	-	71,000	135,500	12,265,583	12,605,565	3.48	0.0107
						48,272,003	49,593,161	13.68	
PHARMACEUTICALS									
AGP Limited	20,000	-	-	-	20,000	1,370,600	1,292,000	0.36	0.0071
Ferozsons Laboratories Limited	12,600	-	-	-	12,600	1,408,932	1,554,084	0.43	0.0417
Glaxosmithkline Pakistan Limited	20,000	-	-	-	20,000	1,906,600	1,923,600	0.53	0.0063
The Searle Company Limited	33,769	-	-	14,000	19,769	2,897,345	2,732,471	0.75	0.0093
						7,583,477	7,502,155	2.07	
CHEMICALS									
Engro Polymer & Chemicals Limited	65,000	65,000	-	-	130,000	3,590,050	3,191,500	0.88	0.0143
						3,590,050	3,191,500	0.88	
LEATHER AND TANNERIES									
Bata Pakistan Limited	-	2,900	-	-	2,900	3,480,000	3,480,000	0.96	0.0384
						3,480,000	3,480,000	0.96	
FOODS AND PERSONAL CARE PRODUCTS									
Al Shaheer Corporation Limited	1,317	-	-	-	1,317	16,594	14,342	0.00	0.0009
						16,594	14,342	0.00	
Total as at 30 September 2019						383,984,979	359,523,094	99.15	
Total as at 30 June 2019						410,266,039	342,903,226	88.61	

Atlas Pension Fund

5.2 Government Treasury Bills

As at 1 July 2019	Purchased during the period	Matured / Sold during the period	As at 30 September 2019	Amortised cost as at 30 September 2019	Market Value as at 30 September 2019	Market value as a % of net assets of the Sub-Fund
-----Face value (Rupees)-----				-----Rupees-----		---Percentage---

5.2.1 Debt Sub-Fund

Government Treasury Bills

3,000,000	415,000,000	418,000,000	-	-	-	-
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5.2.1.1 The cost of investments as on 30 September 2019 is Rs. Nil (30 June 2019: Rs. 2,926,257).

5.2.1.2 These Government treasury bills carry purchase yields of Nil (30 June 2019: 10.95%) per annum and will mature by Nil (30 June 2019: 18 July 2019).

As at 1 July 2019	Purchased during the period	Matured / Sold during the period	As at 30 September 2019	Amortised cost as at 30 September 2019	Market Value as at 30 September 2019	Market value as a % of net assets of the Sub-Fund
-----Face value (Rupees)-----				-----Rupees-----		---Percentage---

5.2.2 Money Market Sub-Fund

Government Treasury Bills

81,000,000	685,000,000	607,000,000	159,000,000	<u>156,056,177</u>	<u>155,987,904</u>	<u>41.82</u>
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5.2.2.1 The cost of investments as on 30 September 2019 is Rs.155,292,143 (30 June 2019: Rs. 78,965,635).

5.2.2.2 These Government treasury bills carry purchase yields ranging from 13.72% to 13.75% (30 June 2019: 10.95% to 12.57%) per annum and will mature by 21 November 2019 (30 June 2019: 18 July 2019 and 15 August 2019).

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5.3 Term Finance Certificates

5.3.1 Debt Sub-Fund

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

Name of Investee Company	Status	As at 1 July 2019	Purchased during the period	Matured / Sold during the period	As at 30 September 2019	Carrying Value as at 30 September 2019	Market Value as at 30 September 2019	Market value as a % of net assets of the Sub-Fund	Market value as a % of total issue size
			-----Number of Certificate-----			-----Rupees-----		-----Percentage-----	
Commercial Banks									
Bank Alfalah Limited - V	Listed	153	-	-	153	773,335	763,011	0.20	0.0153
Habib Bank Limited Tier II (face value of Rs. 100,000 per certificate)	Listed	200	-	-	200	19,977,402	19,567,807	5.01	0.4892
Soneri Bank Limited - II	Listed	400	-	-	400	1,994,787	1,990,347	0.51	0.0663
Chemicals									
Agritech Limited - IV (note 5.4.1)	Unlisted	29	-	-	29	-	-	-	-
						<u>22,745,524</u>	<u>22,321,165</u>	<u>5.72</u>	

5.4 Sukuk Certificates - At fair value through other comprehensive income

5.4.1 Debt Sub-Fund

Name of Investee Company	Status	As at 1 July 2019	Purchased during the period	Matured / Sold during the period	As at 30 September 2019	Carrying Value as at 30 September 2019	Market Value as at 30 September 2019	Market value as a % of net assets of the Sub-Fund	Market value as a % of total issue size
			-----Number of Certificate-----			-----Rupees-----		-----Percentage-----	
Banks									
Meezan Bank Limited Tier - II (face value of Rs. 1,000,000 per certificate)	Unlisted	14	-	-	14	14,000,000	13,999,664	3.59	0.2000
Power Generation & Distribution									
The Hub Power Company Limited (face value of Rs. 100,000 per certificate)	Listed	-	170	-	170	18,000,000	18,000,000	4.61	0.2429
Fertilizers									
Dawood Hercules Corporation Limited sukuk II	Listed	80	-	-	80	7,200,000	7,171,920	1.84	0.1333
Chemicals									
Agritech Limited IV (note 5.4.1)	Unlisted	200	-	-	200	-	-	-	-
						<u>39,200,000</u>	<u>39,171,584</u>	<u>10.03</u>	

Atlas Pension Fund

5.4.2 Particulars of non-performing investments

These securities have been classified as non-performing as per the requirements of SECP's Circular 1 of 2009 read with SECP's Circular 33 of 2012 and accordingly an aggregate provision of Rs. 1,145,000 (30 June 2019: Rs.1,145,000) has been made in accordance with the provisioning requirements specified by the SECP. During the year ended 30 June 2012, the Debt Sub-Fund had entered into a restructuring agreement with Agritech Limited (the Company) whereby all overdue profit receivable on Sukuk Certificates held by the Debt Sub-Fund was converted into zero coupon Term Finance Certificates (TFCs). In this regard, the aggregate provision also includes a provision amounting to Rs. 145,000 against these TFCs to fully cover the amount of investment. Accordingly, the Fund holds 29 certificates (having face value of Rs. 5,000 each) of Agritech Limited IV as at 30 September 2019 (2018: 29 certificates). The details of these non-performing investments are as follows:

Non-performing investment	Type of investment	Value before provision	Provision held	Net carrying value
		-----Rupees-----		
Agritech Limited	Sukuk Certificates	1,000,000	1,000,000	-
Agritech Limited - IV	Term Finance Certificate	145,000	145,000	-
		1,145,000	1,145,000	-

5.5 Pakistan Investment Bonds

As at 1 July 2019	Purchases during the period	Matured / Sold during the period	As at 30 September 2019	Amortised Value as at 30 September 2019	Market Value as at 30 September 2019	Market value as a % of net assets of the Sub-Fund
-----Face value (Rupees)-----				-----Rupees-----		-----%age-----

5.5.1 Debt Sub-Fund

Pakistan Investment Bonds	134,500,000	176,500,000	89,500,000	221,500,000	198,729,578	200,744,219	51.42
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5.5.2 The cost of investments as on 30 September 2019 is Rs. 197,614,016 (30 June 2019: Rs.117,832,999).

5.5.3 These Government treasury bills carry purchase yields ranging from 12.50% to 14.59% (30 June 2019: 12.14% to 13.71%) per annum and will mature between 19 September 2022 and 22 August 2029 (30 June 2019: 12 July 2021 and 12 July 2023).

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6 INTEREST ACCRUED

	30 September 2019 (Un-audited)					30 June 2019 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Total
	-----Rupees-----					-----Rupees-----				
Profit on deposits	53,240	911,338	935,057	-	1,899,635	98,088	610,386	1,606,244	-	2,314,718
Pakistan Investment Bonds	-	2,562,604	-	-	2,562,604	-	4,737,811	-	-	4,737,811
Term Finance Certificates	-	423,841	-	-	423,841	-	967,827	-	-	967,827
Sukuk Certificates	-	573,595	-	-	573,595	-	626,737	-	-	626,737
	53,240	4,471,378	935,057	-	5,459,675	98,088	6,942,761	1,606,244	-	8,647,093

7 PAYABLE TO THE PENSION FUND MANAGER - Related party

	Note	30 September 2019 (Un-audited)					30 June 2019 (Audited)						
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Others	Total
		-----Rupees-----					-----Rupees-----						
Pension Fund Manager fee	7.1	433,146	240,063	152,241	-	-	825,450	445,588	241,714	146,219	-	-	833,521
Sindh sales tax on remuneration of the Pension Fund Manager	7.2	281,761	199,968	126,699	31,329	-	639,757	283,373	200,181	125,922	31,329	-	640,805
Federal Excise Duty payable on remuneration of the Pension Fund Manager	7.3	1,523,347	1,124,175	706,273	207,208	-	3,561,003	1,523,347	1,124,175	706,273	207,208	-	3,561,003
		2,238,254	1,564,206	985,213	238,537	-	5,026,210	2,252,308	1,566,070	978,414	238,537	-	5,035,329

7.1 In accordance with the provisions of the VPS Rules, the Pension Fund Manager is entitled to receive an annual management fee of 1.50% per annum average of the value of the net assets of the Fund calculated during the year for determining the prices of the units of the Sub-Funds. The Pension Fund Manager has charged its remuneration at the rate of 1.50% per annum (30 June 2019:1.50%) of the average value of the net assets of the Fund for the year on equity sub fund, whilst for APF - Debt Sub Fund and APF - Money Market Sub Fund, the Pension Fund Manager has charged its remuneration at the rate of 0.75% (30 June 2019: 0.75%) and 0.50% (30 June 2018: 0.50%) respectively of the average value of the net assets of these Sub Funds, which is paid monthly in arrears

7.2 During the period, an amount of Rs. 328,772 (2018: Rs. 333,384) was charged on account of sales tax on remuneration of the Pension Fund Manager levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 329,820 (2018: Rs. 361,929) has been paid to the Pension Fund Manager which acts as a collecting agent.

Atlas Pension Fund

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 Pension Fund Manager 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 Pension Fund Manager is of the view that further levy of FED is not justified.

On 4 September 2013, a Constitutional Petition has been filed in Honorable Sindh High Court (SHC) jointly by various asset management companies / pension fund managers including that of the Fund, together with their representative Collective Investment Schemes / Voluntary Pension Schemes through their trustees, challenging the levy of FED. In this respect, the Hon'ble SHC has issued a stay order against recovery proceedings. The hearing of the petition is pending.

In the year ended 30 June 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duties 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 Pension Fund Managers 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 Pension Fund Manager 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. 3.56 million (30 June 2018: Rs. 3.56 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan.

8 PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED (TRUSTEE) - Related Party

Note	30 September 2019 (Un-audited)					30 June 2019 (Audited)				
	Equity	Debt	Money	Gold	Total	Equity	Debt	Money	Gold	Total
	Sub-Fund	Sub-Fund	Market	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	
	-----Rupees-----					-----Rupees-----				
Trustee fee	41,831	46,374	44,111	-	132,316	43,095	46,755	42,426	-	132,276
Sindh sales tax on Trustee fee	5,434	6,026	5,735	-	17,195	5,602	6,078	5,515	-	17,195
Settlement charges	3,000	500	500	-	4,000	2,870	500	500	-	3,870
Sindh sales tax on settlement charges	390	65	65	-	520	373	65	65	-	503
	50,655	52,965	50,411	-	154,031	51,940	53,398	48,506	-	153,844

8.1 During the year, an amount of Rs. 50,787 (2018: 49,674) 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. 52,531 (2018: 49,616) was paid to the Trustee which acts as a collecting agent.

9 ACCRUED EXPENSES AND OTHER LIABILITIES

		30 September 2019 (Un-audited)					30 June 2019 (Audited)						
		Equity	Debt	Money	Gold			Equity	Debt	Money	Gold		
		Sub-Fund	Sub-Fund	Market	Sub-Fund	Others	Total	Sub-Fund	Sub-Fund	Market	Sub-Fund	Others	Total
		-----Rupees-----					-----Rupees-----						
Note													
	Withholding tax payable	6,933	1,747	1,327	-	607,201	617,208	19,431	1,716	1,213	-	948	23,308
	Transaction charges payable	-	1,481	-	-	-	1,481	-	-	-	-	-	-
	Zakat payable	-	-	-	-	20,645	20,645	-	-	-	-	5,744	5,744
	Provision for Sindh Workers' Welfare Fund	2,516,618	2,093,236	1,535,100	118,102	-	6,263,056	2,516,618	1,857,360	1,304,782	118,102	-	5,796,862
	Others	-	-	176,000	-	69,987	245,987	-	-	176,000	-	142,459	318,459
		2,523,551	2,096,464	1,712,427	118,102	697,833	7,148,377	2,536,049	1,859,076	1,481,995	118,102	149,151	6,144,373

9.1 The Finance Act, 2008 had introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes (CISs) / mutual funds whose income exceeded Rs 0.5 million in a tax year were brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever was higher. In light of this, the Mutual Funds Association of Pakistan (MUFAP) filed a constitutional petition in the Honourable Sindh High Court (SHC) challenging the applicability of WWF on CISs which is pending adjudication. Similar cases were disposed of by the Peshawar and the Lahore High Courts in which these amendments were declared unlawful and unconstitutional. However, these decisions were challenged in the Supreme Court of Pakistan.

Subsequently, the Finance Act, 2015 introduced an amendment under which CISs / mutual funds have been excluded from the definition of "industrial establishment" subject to WWF under the WWF Ordinance. Consequently, mutual funds are not subject to this levy after the introduction of this amendment which is applicable from tax year 2016. Accordingly, no further provision in respect of WWF was made with effect from 1 July 2015.

On November 10, 2016 the Supreme Court of Pakistan (SCP) has passed a judgment declaring the amendments made in the Finance Acts 2006 and 2008 pertaining to WWF as illegal citing that WWF was not in the nature of tax and could, therefore, not have been introduced through money bills. Accordingly, the aforesaid amendments have been struck down by the SCP. The Federal Board of Revenue has filed a petition in the SCP against the said judgment, which is pending hearing. While the petitions filed by the CISs on the matter are still pending before the SHC, the Mutual Funds Association of Pakistan (MUFAP) (collectively on behalf of the asset management companies and their CISs) has taken legal and tax opinions on the impact of the SCP judgement on the CISs petition before the SHC. Both legal and tax advisors consulted were of the view that the judgment has removed the very basis on which the demands were raised against the CISs. Therefore, there was no longer any liability against the CISs under the WWF Ordinance and that all cases pending in the SHC or lower appellate forums will now be disposed of in light of the earlier judgement of the SCP.

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

Atlas Pension Fund

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

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

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

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

Had the provision for SWWF not been recorded in these financial statements of the Fund, the net asset value of the Fund as at 30 September 2019 would have been higher by Rs. 2.71 per unit (30 June 2019: Rs. 2.68 per unit), Rs. 1.46 per unit (30 June 2019: Rs. 1.28 per unit) and Rs. 1.08 per unit (30 June 2019: Rs. 0.92 per unit) for equity sub fund, debt sub fund and money market sub fund respectively.

10 NUMBER OF UNITS IN ISSUE

	For the Quarter ended 30 September 2019 (Un-audited)					For the Quarter ended 30 September 2018 (Un-audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Total
	-----Number of units-----					-----Number of units-----				
Total units in issue at the beginning of the period	938,997	1,449,032	1,407,176	-	3,795,205	791,532	1,543,116	1,144,654	-	3,479,302
Add: Issue of units during the period										
- Directly by participants	16,764	37,523	63,456	-	117,743	23,342	39,382	26,929	-	89,654
Less: Units redeemed during the period										
- Directly by participants	(25,599)	(50,500)	(42,715)	-	(118,814)	(7,511)	(17,063)	(11,106)	-	(35,680)
- Transfer to other Pension Fund	(8)	(10)	(4)	-	(22)	-	-	-	-	-
	(25,607)	(50,510)	(42,719)	-	(118,836)	(7,511)	(17,063)	(11,106)	-	(35,680)
Total units in issue at the end of the period	930,154	1,436,045	1,427,913	-	3,794,112	807,363	1,565,435	1,160,477	-	3,533,276

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11 CONTINGENCIES AND COMMITMENTS

11.1 The Finance Act, 2014, introduced amendments to Income Tax Ordinance, 2001. As a result of these amendments, companies were liable to withhold bonus shares at the rate of 5 percent. These shares will be released upon payments of tax by shareholders. The value of tax to be computed on the basis of day-end price on the first day of book closure.

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

The Honorable Supreme Court in its decision dated June 27, 2018 in a case held that the suits which are already pending or shall be filed in future, must only be maintained / entertained on the condition that a minimum of 50% of the tax calculated by the tax authorities is deposited with the authorities. In pursuance of said Supreme Court order, SHC issued notices of hearing for cases of tax related matters and held that Plaintiffs are directed to deposit 50% of amount claimed by the tax department, if the deposits are not made within time, the suits stand dismissed as not maintainable. Thereafter, the Fund alongwith other aggrieved Funds filed Constitutional Petition in the High Court of Sindh vide C.P No. D-4653 of 2019 through Mutual Funds Association of Pakistan on this matter and obtained stay order restraining the withholding agents to deposit the withheld tax.

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

12 INTEREST INCOME

	For the Quarter ended 30 September 2019 (Un-audited)					For the Quarter ended 30 September 2018 (Un-audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Total
Note	-----Rupees-----					-----Rupees-----				
Profit on PLS savings accounts and deposits	238,500	1,987,471	3,211,966	45,663	5,483,600	366,448	1,332,246	1,008,566	6,330	2,713,590
Term Finance Certificates and Sukuk Certificates	-	1,874,348	-	-	1,874,348	-	872,634	-	-	872,634
Pakistan Investment Bonds	-	4,799,216	-	-	4,799,216	-	-	-	-	-
Treasury Bills	-	4,390,712	9,048,903	-	13,439,615	-	4,965,158	4,147,402	-	9,112,560
	238,500	13,051,747	12,260,869	45,663	25,596,779	366,448	7,170,038	5,155,968	6,330	12,698,784

12.1 Mark-up on non-performing securities amounting to Rs. 890,551 (2018: Rs. 767,205) based on outstanding principal has not been recognised, in accordance with SECP's directives.

Atlas Pension Fund

13 CONTRIBUTION TABLE

For the Quarter ended 30 September 2019 (Un-audited)

	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Gold Sub-Fund - Revoked		Total
	Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees	Rupees
Individuals	818	335,445	9,645	2,540,012	20,896	5,340,660	-	-	8,216,117
Employers	15,946	6,119,422	27,878	7,392,420	42,560	10,928,025	-	-	24,439,867
	16,764	6,454,867	37,523	9,932,432	63,456	16,268,685	-	-	32,655,984

For the Quarter ended 30 September 2018 (Un-audited)

	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Gold Sub-Fund - Revoked		Total
	Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees	Rupees
Individuals	6,868	3,456,400	7,707	1,889,600	14,182	3,339,453	-	-	8,685,453
Employers	16,474	8,118,582	31,676	7,756,767	12,747	2,996,060	-	-	18,871,409
	23,342	11,574,982	39,382	9,646,367	26,929	6,335,513	-	-	27,556,862

14 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Atlas Asset Management Limited being the Pension Fund Manager, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Pension Fund Manager and the directors and executives of the Pension Fund Manager.

The transactions with connected persons are in the normal course of business, carried out at contracted rates and terms determined in accordance with market rates.

Remuneration payable to the Pension Fund Manager and the Trustee is determined in accordance with the provisions of the VPS Rules and the Trust Deed respectively.

The outstanding balances of connected persons / related parties are disclosed in the respective notes to the condensed interim financial statements.

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

	For the Quarter ended 30 September 2019 (Un-audited)						For the Quarter ended 30 September 2018 (Un-audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Others	Total
	-----Rupees-----						-----Rupees-----					
Atlas Asset Management Limited (Pension Fund Manager)												
Remuneration for the period	1,342,645	725,682	460,687	-	-	2,529,014	1,500,843	722,193	341,457	-	-	2,564,493
Sindh sales tax on remuneration of the Pension Fund Manager	174,544	94,339	59,889	-	-	328,772	195,110	93,885	44,389	-	-	333,384
Remuneration paid	1,355,087	727,333	454,665	-	-	2,537,085	1,488,579	715,263	339,249	-	-	2,543,091
Central Depository Company of Pakistan Limited (Trustee)												
Trustee fee	129,901	140,447	133,740	-	-	404,088	147,700	142,151	100,818	-	-	390,669
Sindh sales tax on remuneration of the Trustee	16,887	18,258	17,386	-	-	52,531	19,201	18,480	13,106	-	-	50,787
Trustee fee paid	131,165	140,828	132,055	-	-	404,048	146,882	141,167	100,436	-	-	388,485
Settlement charges	5,466	1,500	1,500	-	-	8,466	7,000	1,500	1,500	-	-	10,000
Sindh sales tax on settlement charges	858	195	195	-	-	1,248	910	195	195	-	-	1,300
Key management personnel												
Contributions	1,267,327	1,041,676	604,937	-	-	2,913,940	1,215,585	739,207	403,291	-	-	2,358,083
Contributions (Number of units)	3,307	3,939	2,362	-	-	9,608	2,446	3,013	1,714	-	-	7,173
Redemptions	3,844,749	-	218,183	-	-	4,062,932	-	-	203,729	-	-	203,729
Redemptions (Number of units)	9,278	-	844	-	-	10,122	-	-	864	-	-	864
Payment from Income Payment Plan	-	-	-	-	-	-	-	-	203,729	-	-	203,729
Payment from Income Payment Plan (Units)	-	-	-	-	-	-	-	-	864	-	-	864

14.2 Details of balances with related parties as at the period end are as follows:

	30 September 2019 (Un-audited)						30 June 2019 (Audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Gold Sub-Fund - Revoked	Others	Total
	-----Rupees-----						-----Rupees-----					
Atlas Asset Management Limited (Pension Fund Manager)												
Investment at period / year end	64,711,780	45,125,440	43,360,860	-	-	153,198,080	68,387,020	43,284,500	42,051,120	-	-	153,722,640
Units held (Number of units)	166,000	166,000	166,000	-	-	498,000	166,000	166,000	166,000	-	-	498,000
Key management personnel												
Investment at period / year end	94,823,838	108,628,241	69,096,796	-	-	272,548,874	102,669,168	103,169,552	66,627,738	-	-	272,466,458
Units held (Number of units)	243,244	399,604	264,526	-	-	907,374	249,215	395,665	263,008	-	-	907,888

Atlas Pension Fund

15 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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 or adverse terms.

The fair value of financial assets and financial liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Fund is current bid price.

A Financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Investments on the Statement of Assets and Liabilities are carried at fair value. The Management is of the view that the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since assets and liabilities are essentially short term in nature.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level one that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. from derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (i.e. unobservable inputs).

16 GENERAL

Figures have been rounded off to the nearest Rupee.

17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Pension Fund Manager on 30 October 2019.

**For Atlas Asset Management Limited
(Pension Fund Manager)**

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Frahim Ali Khan
Chairman

Tariq Amin
Director

Atlas Pension Islamic Fund

Corporate Information

Trustee

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

Shariah Advisor

Dr. Mufti Muhammad Wasih Fasih Butt

Auditors

EY Ford Rhodes
Chartered Accountants

Legal Advisers

Bawaney & Partners

Bankers

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

Atlas Pension Islamic Fund

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

AS AT 30 SEPTEMBER 2019

Note	30 September 2019 (Un-audited)					30 June 2019 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	Rupees-----					Rupees-----				
ASSETS										
Bank balances	3,000,082	347,403,463	416,356,664	2,258,008	769,018,217	11,168,961	352,494,031	387,369,721	4,936,965	755,969,678
Investments - net	362,714,447	36,171,632	-	-	398,886,079	370,303,203	19,983,712	-	-	390,286,915
Receivable against sale of investments	-	-	-	-	-	2,454,708	-	-	-	2,454,708
Receivable against issue of units	227,223	374,596	1,068,392	-	1,670,211	1,341,505	1,423,862	1,890,999	-	4,656,366
Dividend receivable	5,761,534	-	-	-	5,761,534	1,048,980	-	-	-	1,048,980
Mark-up accrued	353,362	4,760,031	4,347,946	-	9,461,339	309,314	4,312,190	3,281,335	-	7,902,839
Security deposit and other receivables	673,360	279,480	410,562	131,501	1,494,903	673,360	279,480	410,562	-	1,363,402
Total assets	372,730,008	388,989,202	422,183,564	2,389,509	1,186,292,283	387,300,031	378,493,275	392,952,617	4,936,965	1,163,682,888
LIABILITIES										
Payable against purchase of investments	-	-	-	-	-	-	-	-	-	-
Payable against redemption of units	342,147	400,332	858,824	-	1,601,303	378,936	568,637	1,915,538	44,878	2,907,989
Payable to the Pension Fund Manager	2,344,946	1,471,898	934,962	-	4,751,806	2,399,595	1,461,261	920,534	-	4,781,390
Payable to the Central Depository Company of Pakistan Limited - Trustee	51,122	51,660	55,704	-	158,486	55,723	49,765	51,712	-	157,200
Payable to the Securities and Exchange Commission of Pakistan	29,895	31,981	33,909	-	95,785	138,662	121,502	109,260	-	369,424
Payable to the auditors	108,033	98,146	91,330	-	297,509	89,365	78,168	70,152	-	237,685
Payable to Sub-Funds	-	-	-	1,670,211	1,670,211	-	-	-	4,656,366	4,656,366
Accrued expenses and other liabilities	2,700,069	1,570,529	1,345,938	719,298	6,335,834	2,580,937	1,360,860	1,113,952	235,721	5,291,470
Total liabilities	5,576,212	3,624,546	3,320,667	2,389,509	14,910,934	5,643,218	3,640,193	4,181,148	4,936,965	18,401,524
NET ASSETS	367,153,796	385,364,656	418,862,897	-	1,171,381,349	381,656,813	374,853,082	388,771,469	-	1,145,281,364
Represented by:										
PARTICIPANTS' SUB-FUND (AS PER STATEMENT ATTACHED)	367,153,796	385,364,656	418,862,897	-	1,171,381,349	381,656,813	374,853,082	388,771,469	-	1,145,281,364
NUMBER OF UNITS IN ISSUE	789,604	1,732,651	1,776,613			774,609	1,731,126	1,695,675		
NET ASSET VALUE PER UNIT (RUPEES)	464.98	222.41	235.76			492.71	216.54	229.27		
CONTINGENCIES AND COMMITMENTS										

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

**For Atlas Asset Management Limited
(Pension Fund Manager)**

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Frahim Ali Khan
Chairman

Tariq Amin
Director

First Quarter Report 2019-20

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

Note	For the Quarter Ended 30 September 2019 (Un-audited)				For the Quarter Ended 30 September 2018 (Un-audited)				
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	
	-----Rupees-----				-----Rupees-----				
INCOME									
Mark-up income	12	224,535	11,573,410	12,417,496	24,215,441	344,411	5,910,320	4,837,185	11,091,916
Dividend income		5,946,290	-	-	5,946,290	5,635,090	-	-	5,635,090
Net (loss) / gain on sale of investments at 'fair value through profit or loss'		(796,325)	-	-	(796,325)	969,486	-	-	969,486
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(24,790,063)	-	-	(24,790,063)	(6,882,028)	-	-	(6,882,028)
		(25,586,388)	-	-	(25,586,388)	(5,912,542)	-	-	(5,912,542)
		(19,415,563)	11,573,410	12,417,496	4,575,343	66,959	5,910,320	4,837,185	10,814,464
EXPENSES									
Remuneration of the Pension Fund Manager	7.1	1,347,804	720,819	509,453	2,578,076	1,579,204	675,449	386,335	2,640,988
Sindh Sales Tax on Remuneration of the Pension Fund Manager	7.2	175,215	93,706	66,229	335,150	205,297	87,808	50,224	343,329
Remuneration of Central Depository Company of Pakistan Limited - Trustee		129,072	138,079	146,382	413,533	153,937	131,701	112,995	398,633
Sindh Sales Tax on Remuneration of the Trustee		16,779	17,950	19,030	53,759	20,012	17,121	14,689	51,822
Annual fee to the Securities and Exchange Commission of Pakistan		29,895	31,981	33,909	95,785	35,060	29,990	25,738	90,788
Bank charges		7,693	6,195	2,209	16,097	1,142	6,054	4,047	11,243
Legal and professional charges		60,520	65,110	25,131	150,761	18,720	23,040	4,681	46,441
Auditors' remuneration		18,668	19,978	21,178	59,824	21,169	14,715	21,778	57,662
Securities' transaction cost and settlement charges		62,666	1,695	1,695	66,056	96,845	1,695	1,695	100,235
Provision for Sindh Workers' Welfare Fund	9.2	-	209,558	231,846	441,404	-	98,455	84,300	182,755
		1,848,312	1,305,071	1,057,062	4,210,445	2,131,386	1,086,028	706,482	3,923,896
Net (loss) / income for the period		(21,263,875)	10,268,339	11,360,434	364,898	(2,064,427)	4,824,292	4,130,703	6,890,568
(Loss) / earning per unit		(26.93)	5.93	6.39		(2.97)	2.71	2.88	

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Pension Fund Manager)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Frahim Ali Khan
Chairman

Tariq Amin
Director

Atlas Pension Islamic Fund

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	For the Quarter Ended 30 September 2019 (Un-audited)				For the Quarter Ended 30 September 2018 (Un-audited)			
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
	-----Rupees-----				-----Rupees-----			
Net (loss) / income for the period	(21,263,875)	10,268,339	11,360,434	364,898	(2,064,427)	4,824,292	4,130,703	6,890,568
Income that may be re-classified subsequently to Income Statement								
Net unrealised diminution on re-measurement of investments classified as 'fair value through other comprehensive income'	-	(12,080)	-	(12,080)	-	-	-	-
Net unrealised diminution on re-measurement of investments classified as 'available for sale'	-	-	-	-	-	(970,697)	(335,140)	(1,305,837)
Total comprehensive (loss) / income for the period	(21,263,875)	10,256,259	11,360,434	352,818	(2,064,427)	3,853,595	3,795,563	5,584,731

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Pension Fund Manager)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Frahim Ali Khan
Chairman

Tariq Amin
Director

First Quarter Report 2019-20

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

Note	For the Quarter Ended 30 September 2019 (Un-audited)					For the Quarter Ended 30 September 2018 (Un-audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	Rupees					Rupees				
CASH FLOWS FROM OPERATING ACTIVITIES										
Net (loss) / income for the period	(21,263,875)	10,268,339	11,360,434	-	364,898	(2,064,427)	4,824,292	4,130,703	-	6,890,568
Adjustments for:										
Mark-up income	(224,535)	(11,573,410)	(12,417,496)	-	(24,215,441)	(344,411)	(5,910,320)	(4,837,185)	-	(11,091,916)
Dividend income	(5,946,290)	-	-	-	(5,946,290)	(5,635,090)	-	-	-	(5,635,090)
Net loss / (gain) on sale of investments at 'fair value through profit or loss'	796,325	-	-	-	796,325	(969,486)	-	-	-	(969,486)
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	24,790,063	-	-	-	24,790,063	6,882,028	-	-	-	6,882,028
Provision for Sindh Workers' Welfare Fund	-	209,558	231,846	-	441,404	-	98,455	84,300	-	182,755
	(1,848,312)	(1,095,513)	(825,216)	-	(3,769,041)	(2,131,386)	(987,573)	(622,182)	-	(3,741,141)
Decrease / (Increase) in assets										
Receivable against issue of units	1,114,282	1,049,266	822,607	-	2,986,155	2,939,676	2,627,034	966,220	-	6,532,930
Receivable against sale of investments	2,454,708	-	-	-	2,454,708	-	-	-	-	-
Security deposit and other receivables	-	-	-	(131,501)	(131,501)	-	-	-	(11,679)	(11,679)
	3,568,990	1,049,266	822,607	(131,501)	5,309,362	2,939,676	2,627,034	966,220	(11,679)	6,521,251
(Decrease) / Increase in liabilities										
Payable against purchase of investments	-	-	-	-	-	(748,150)	-	-	-	(748,150)
Payable against redemption of units	(36,789)	(168,305)	(1,056,714)	(44,878)	(1,306,686)	52,486	81,064	100,598	-	234,148
Payable to the Pension Fund Manager	(54,649)	10,637	14,428	-	(29,584)	18,769	10,658	3,941	-	33,368
Payable to the Central Depository Company of Pakistan Limited - Trustee	(4,601)	1,895	3,992	-	1,286	(485)	1,549	699	-	1,763
Payable to the Securities and Exchange Commission of Pakistan	(108,767)	(89,521)	(75,351)	-	(273,639)	(95,085)	(90,250)	(61,958)	-	(247,293)
Payable to the auditors	18,668	19,978	21,178	-	59,824	(53,724)	(50,362)	(34,789)	-	(138,875)
Payable to Sub-Funds	-	-	-	(2,986,155)	(2,986,155)	-	-	-	-	-
Accrued expenses and other liabilities	119,132	111	140	483,577	602,960	(8,987)	9,786	6,444	(6,606,620)	(6,599,377)
	(67,006)	(225,205)	(1,092,327)	(2,547,456)	(3,931,994)	(835,176)	(37,555)	14,935	(6,606,620)	(7,464,416)
Mark-up received	180,487	11,125,569	11,350,885	-	22,656,941	325,650	3,934,986	3,772,705	-	8,033,341
Dividend received	1,233,736	-	-	-	1,233,736	975,401	-	-	-	975,401
Investments made during the period	(31,918,521)	(17,000,000)	-	-	(48,918,521)	(49,289,603)	-	-	-	(49,289,603)
Investments sold / matured during the period	13,920,889	800,000	-	-	14,720,889	26,118,418	-	-	-	26,118,418
	(16,583,409)	(5,074,431)	11,350,885	-	(10,306,955)	(21,870,134)	3,934,986	3,772,705	-	(14,162,443)
Net cash (used in) / generated from operating activities	(14,929,737)	(5,345,883)	10,255,949	(2,678,957)	(12,698,628)	(21,897,020)	5,536,892	4,131,678	(6,618,299)	(18,846,749)

Atlas Pension Islamic Fund

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) (Continued...)

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	For the Quarter Ended 30 September 2019 (Un-audited)					For the Quarter Ended 30 September 2018 (Un-audited)					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	
Note	-----Rupees-----					-----Rupees-----					
Net cash (used in) / generated from operating activities	b/f	(14,929,737)	(5,345,883)	10,255,949	(2,678,957)	(12,698,628)	(21,897,020)	5,536,892	4,131,678	(6,618,299)	(18,846,749)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts on issue of units		22,941,728	25,578,195	39,191,222	-	87,711,145	31,474,528	23,563,516	15,897,776	-	70,935,820
Payment on redemptions of units		(15,789,680)	(24,795,430)	(20,460,228)	-	(61,045,338)	(11,312,990)	(15,368,861)	(15,203,324)	-	(41,885,175)
- Directly by the participants		(391,190)	(527,450)	-	-	(918,640)	(286,521)	(75,245)	-	-	(361,766)
- Transfer to other Pension Fund											
Net cash generated from financing activities		6,760,858	255,315	18,730,994	-	25,747,167	19,875,017	8,119,410	694,452	-	28,688,879
Net (decrease) / increase in cash and cash equivalents		(8,168,879)	(5,090,568)	28,986,943	(2,678,957)	13,048,539	(2,022,003)	13,656,302	4,826,130	(6,618,299)	9,842,130
Cash and cash equivalents at the beginning of the period		11,168,961	352,494,031	387,369,721	4,936,965	755,969,678	30,457,930	198,482,251	254,722,067	6,891,802	490,554,050
Cash and cash equivalents at the end of the period	4	3,000,082	347,403,463	416,356,664	2,258,008	769,018,217	28,435,927	212,138,553	259,548,197	273,503	500,396,180

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Pension Fund Manager)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Frahim Ali Khan
Chairman

Tariq Amin
Director

First Quarter Report 2019-20

CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

	For the Quarter Ended 30 September 2019 (Un-audited)				For the Quarter Ended 30 September 2018 (Un-audited)			
	Equity	Debt	Money	Total	Equity	Debt	Money	Total
	Sub-Fund	Sub-Fund	Market Sub-Fund		Sub-Fund	Sub-Fund	Market Sub-Fund	
Note	-----Rupees-----				-----Rupees-----			
Net assets at the beginning of the period	381,656,813	374,853,082	388,771,469	1,145,281,364	404,127,453	351,147,876	305,238,149	1,060,513,478
Amount received on issue of units	22,941,728	25,578,195	39,191,222	87,711,145	31,474,528	23,563,516	15,897,776	70,935,820
Amount paid on redemptions of units								
- Directly by participants	(15,789,680)	(24,795,430)	(20,460,228)	(61,045,338)	(11,312,990)	(15,368,861)	(15,203,324)	(41,885,175)
- Transfer to other Pension Fund	(391,190)	(527,450)	-	(918,640)	(286,521)	(75,245)	-	(361,766)
	(16,180,870)	(25,322,880)	(20,460,228)	(61,963,978)	(11,599,511)	(15,444,106)	(15,203,324)	(42,246,941)
Net (loss) / income for the period	(20,467,550)	10,268,339	11,360,434	1,161,223	(3,033,913)	4,824,292	4,130,703	5,921,082
Net (loss) / gain on sale of investments at 'fair value through profit or loss'	(796,325)	-	-	(796,325)	969,486	-	-	969,486
Other comprehensive loss for the period	-	(12,080)	-	(12,080)	-	(970,697)	(335,140)	(1,305,837)
Total comprehensive (loss) / income for the period	(21,263,875)	10,256,259	11,360,434	352,818	(2,064,427)	3,853,595	3,795,563	5,584,731
Net assets at the end of the period	367,153,796	385,364,656	418,862,897	1,171,381,349	421,938,043	363,120,881	309,728,164	1,094,787,088

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Pension Fund Manager)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Frahim Ali Khan
Chairman

Tariq Amin
Director

Atlas Pension Islamic Fund

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

FOR THE QUARTER ENDED 30 SEPTEMBER 2019

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The Atlas Pension Islamic Fund (APIF) was established under a Trust deed executed between Atlas Asset Management Limited as Pension Fund Manager and Central Depository Company of Pakistan Limited as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on 24 July 2007 and was executed on 31 August 2007 under the Voluntary Pension System Rules, 2005 (VPS Rules). The Offering Document has been amended through the First Supplement dated 18 December 2008, the Second Supplement dated 28 March 2011 which has been further amended dated 2 June 2016, Third Supplement dated 15 July 2013, Forth Supplement dated 31 March 2015 and the fifth Supplement dated 4 August 2015, with the approval of the SECP, whilst the Trust Deed has been amended through the First Supplement Trust Deed dated 6 June 2013, with the approval of the SECP. The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the VPS rules through a certificate of registration issued by SECP. The registered office of the Pension Fund Manager is situated at Ground Floor, Federation House, Shahra-e-Firdousi, Clifton, Karachi.
- 1.2 The objective of Atlas Pension Islamic Fund (APIF) is to provide individuals with a portable, individualized, funded (based on defined contribution) and flexible pension scheme assisting and facilitating them to plan and provide for their retirement. The Fund operates under an umbrella structure and is composed of Sub-Funds, each being a collective investment scheme.
- 1.3 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as a Trustee of the Fund.
- 1.4 At present, the Fund consists of the following three Sub-Funds:

APIF - Equity Sub-Fund (APIF - ESF)

The objective of APIF - ESF is to achieve long term capital growth. APIF - ESF invests primarily in equity securities (as approved by the Shariah Advisor) with a minimum investment of 90% of its net asset value in listed shares.

APIF - Debt Sub-Fund (APIF - DSF)

APIF - DSF invests primarily in tradable debt securities (as approved by the Shariah Advisor) with the weighted average duration of the investment portfolio of the Sub-Fund not exceeding ten years.

APIF - Money Market Sub-Fund (APIF - MMSF)

APIF - MMSF invests primarily in short term debt securities (as approved by the Shariah Advisor) with the time to maturity of the assets is upto one year, and the time to maturity of Shariah Compliant Government securities such as Government of Pakistan Ijarah Sukuks is upto three years.

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1.5 The Sub-Funds' units are issued against contributions by the eligible participants on a continuous basis since 06 November 2007, and can be redeemed by surrendering them to the Fund.

The participants of the Fund voluntarily determine the contribution amount subject to the minimum limit fixed by the Pension Fund Manager. Such contributions received from the participants are allocated among different Sub-Funds, in accordance with their respective preferences and in line with the prescribed allocation policy. The units held by the participants in the Sub-Funds can be redeemed on or before their retirement, and in case of disability or death subject to conditions laid down in the Trust Deed, Offering Document, the VPS Rules and the Income Tax Ordinance, 2001. According to the Trust Deed, there shall be no distribution from the Sub-Funds, and all income earned by the Sub-Funds shall be accumulated and retained in the Fund.

1.6 Mufti Muhammad Wasie Fasih Butt acts as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.

1.7 The Pension Fund Manager of the Fund has been given quality rating of AM2+ by The Pakistan Credit Rating Agency Limited.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan and the requirements of the Trust Deed, the Rules and the directives / guidelines issued by the SECP. Wherever the requirements of the Trust Deed, the Rules or the directives / guidelines issued by the SECP differ with the requirements of this standard, the requirements of the Trust Deed, the Rules or the requirements of the said directives/guidelines prevail.

2.2 These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the year ended 30 June 2019.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended 30 June 2019.

Atlas Pension Islamic Fund

4. BANK BALANCES

	Note	30 September 2019 (Un-audited)					30 June 2019 (Audited)				
		Equity	Debt	Money	Others	Total	Equity	Debt	Money Market	Others	Total
		Sub-Fund	Sub-Fund	Market	(Note 4.1)		Sub-Fund	Sub-Fund	Sub-Fund	(Note 4.1)	
-----Rupees-----						-----Rupees-----					
Current accounts	4.1	-	-	-	1,032,405	1,032,405	-	-	-	4,735,340	4,735,340
Savings accounts	4.2	3,000,082	347,403,463	336,356,664	1,225,603	687,985,812	11,168,961	352,494,031	316,369,721	201,625	680,234,338
Term deposit accounts	4.3	-	-	80,000,000	-	80,000,000	-	-	71,000,000	-	71,000,000
		<u>3,000,082</u>	<u>347,403,463</u>	<u>416,356,664</u>	<u>2,258,008</u>	<u>769,018,217</u>	<u>11,168,961</u>	<u>352,494,031</u>	<u>387,369,721</u>	<u>4,936,965</u>	<u>755,969,678</u>

4.1 These represent collection and redemption accounts maintained by the Fund.

4.2 The accounts carry expected rates of ranging from 6.00% to 14.25% (30 June 2019: ranging from 6.00% to 13.00%) per annum.

4.3 The accounts carry expected rates of return ranging from 12.35% (30 June 2019: 12.00%) per annum with maturities upto 13 December 2019 (30 June 2019: 12 September 2019).

5. INVESTMENTS - NET

	Note	30 September 2019 (Un-audited)					30 June 2019 (Audited)				
		Equity	Debt	Money	Others	Total	Equity	Debt	Money	Others	Total
		Sub-Fund	Sub-Fund	Market	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	
-----Rupees-----						-----Rupees-----					
At fair value through profit or loss											
Equity securities - listed	5.1	362,714,447	-	-	-	362,714,447	370,303,203	-	-	-	370,303,203
At fair value through other comprehensive income											
Sukuk certificates - unlisted	5.2	-	36,171,632	-	-	36,171,632	-	19,983,712	-	-	19,983,712
		<u>362,714,447</u>	<u>36,171,632</u>	<u>-</u>	<u>-</u>	<u>398,886,079</u>	<u>370,303,203</u>	<u>19,983,712</u>	<u>-</u>	<u>-</u>	<u>390,286,915</u>

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5.1 Listed equity securities - at fair value through profit or loss

Equity Sub-Fund

Name of the investee company	As at 1 July 2019	Purchases during the period	Bonus / Right during the period	Sales during the period	As at 30 September 2019	Carrying Value as at 30 September 2019	Market Value as at 30 September 2019	Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of paid-up capital of investee company
	-----Number of shares-----					-----Rupees-----		-----Percentage-----	
Fully paid up ordinary shares of Rs. 10/- each unless otherwise stated.									
Investment Bank/ Companies/ Securities Co.s									
Dawood Hercules Corporation Limited	35,000	-	-	-	35,000	3,893,400	4,235,000	1.15	0.01
						3,893,400	4,235,000	1.15	
Banks									
Bankislami Pakistan Limited	360,500	338,000	-	-	698,500	8,061,680	7,676,515	2.09	0.07
Bankislami Pakistan Limited - LoR	-	-	69,850	-	69,850	-	69,850	0.02	-
Meezan Bank Limited	429,806	37,000	-	11,000	455,806	39,360,256	32,836,264	8.94	0.04
						47,421,936	40,582,629	11.05	
Textile Composite									
Interloop Limited	81,717	20,000	-	58,000	43,717	1,922,682	1,920,488	0.52	0.01
Kohinoor Textile Mills Limited	197,500	-	-	40,000	157,500	3,945,375	3,739,050	1.02	0.05
Nishat Mills Limited	57,000	43,000	-	-	100,000	8,567,074	8,400,000	2.29	0.03
						14,435,131	14,059,538	3.83	
Woollen									
Bannu Woollen Mills Limited	3,500	-	-	3,500	-	-	-	-	-
						-	-	-	-
Cement									
Attock Cement Pakistan Limited	38,200	-	-	-	38,200	2,727,862	2,716,402	0.74	0.03
Bestway Cement Limited	15,000	-	-	-	15,000	1,546,050	1,260,450	0.34	0.00
Cherat Cement Company Limited	72,500	-	-	-	72,500	2,244,600	2,043,050	0.56	0.04
D.G. Khan Cement Company Limited	97,000	39,500	-	-	136,500	7,356,080	6,598,410	1.80	0.03
Kohat Cement Company Limited	49,000	-	-	-	49,000	2,573,970	2,254,980	0.61	0.02
Lucky Cement Limited	52,000	4,500	-	-	56,500	21,368,272	19,330,345	5.26	0.02
						37,816,834	34,203,637	9.32	

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5.1 Listed equity securities - at fair value through profit or loss

Equity Sub-Fund

Name of the investee company	As at 1 July 2019	Purchases during the period	Bonus / Right during the period	Sales during the period	As at 30 September 2019	Carrying Value as at 30 September 2019	Market Value as at 30 September 2019	Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of paid-up capital of investee company
	-----Number of shares-----					-----Rupees-----		-----Percentage-----	
Fully paid up ordinary shares of Rs. 10/- each unless otherwise stated.									
Power Generation & Distribution									
K-Electric Limited (face value Rs. 3.5)	1,005,000	-	-	-	1,005,000	4,411,950	3,567,750	0.97	0.01
The Hub Power Company Limited	410,393	-	-	-	410,393	32,318,449	29,035,305	7.91	0.03
						36,730,399	32,603,055	8.88	
Oil & Gas Marketing Companies									
Attock Petroleum Limited	19,500	-	-	-	19,500	5,625,945	6,006,000	1.64	0.02
Pakistan State Oil Company Limited	117,180	-	-	-	117,180	19,877,243	18,454,678	5.03	0.03
Sui Northern Gas Pipelines Limited	58,200	43,000	-	-	101,200	7,084,683	6,233,920	1.70	0.02
						32,587,871	30,694,598	8.36	
Oil & Gas Exploration Companies									
Mari Petroleum Company Limited	25,732	3,700	-	-	29,432	29,166,608	26,464,077	7.21	0.02
Oil & Gas Development Company Limited	270,300	-	-	-	270,300	35,541,747	33,255,009	9.06	0.01
Pakistan Oilfields Limited	63,700	-	-	-	63,700	25,855,193	24,199,630	6.59	0.02
Pakistan Petroleum Limited	226,000	-	-	-	226,000	32,641,180	30,742,780	8.37	0.01
						123,204,728	114,661,496	31.23	
Industrial Engineering									
International Industries Limited	89,500	30,000	11,950	-	131,450	9,254,130	9,113,429	2.48	0.10
International Steels Limited	31,000	10,000	-	-	41,000	1,641,010	1,629,340	0.44	0.01
						10,895,140	10,742,769	2.93	
Technology & Communications									
Pakistan Telecommunication Company Limited	425,000	-	-	-	425,000	3,514,750	2,932,500	0.80	0.01
Systems Limited	70,950	-	-	70,950	-	-	-	-	-
						3,514,750	2,932,500	0.80	

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5.1 Listed equity securities - at fair value through profit or loss

Equity Sub-Fund

Name of the investee company	As at 1 July 2019	Purchases during the period	Bonus / Right during the period	Sales during the period	As at 30 September 2019	Carrying Value as at 30 September 2019	Market Value as at 30 September 2019	Market value as a percentage of net assets of the Sub-Fund	Market value as a percentage of paid-up capital of investee company
	-----Number of shares-----					-----Rupees-----		-----Percentage-----	
Fully paid up ordinary shares of Rs. 10/- each unless otherwise stated.									
Fertilizer									
Engro Corporation Limited	133,300	-	-	11,300	122,000	32,403,200	32,560,580	8.87	0.02
Engro Fertilizers Limited	384,000	-	-	-	384,000	24,564,480	26,200,320	7.14	0.03
						56,967,680	58,760,900	16.00	
Pharmaceuticals									
AGP Limited	20,000	-	-	-	20,000	1,370,600	1,292,000	0.35	0.01
Ferozsons Laboratories Limited	17,100	-	-	-	17,100	1,912,122	2,109,114	0.57	0.06
Glaxosmithkline Pakistan Limited	20,000	-	-	-	20,000	1,906,600	1,923,600	0.52	0.01
The Searle Company Limited	29,758	12,500	-	-	42,258	6,354,864	5,840,901	1.59	0.02
						11,544,186	11,165,615	3.04	
Chemicals									
Engro Polymer & Chemicals Limited	70,000	116,500	-	-	186,500	4,996,100	4,578,575	1.25	0.02
						4,996,100	4,578,575	1.25	
Leather & Tanneries									
Bata Pakistan Limited	-	2,900	-	-	2,900	3,480,000	3,480,000	0.95	0.04
						3,480,000	3,480,000	0.95	
Foods & Personal Care Products									
Al Shaheer Corporation Limited	1,298	-	-	-	1,298	16,355	14,135	0.00	0.00
National Foods Limited	1,500	-	-	1,500	-	-	-	-	-
						16,355	14,135	0.00	
Total as at 30 September 2019						387,504,510	362,714,447	98.79	
Total as at 30 June 2019						448,133,397	370,303,203	97.03	

5.1.1 The cost of listed equity securities as at 30 September 2019 is Rs. 455,943,213 (30 June 2019: Rs. 439,888,639)

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	30 September 2019 (Un-audited)				30 June 2019 (Audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees-----				-----Rupees-----			
6. MARK-UP ACCRUED								
Income accrued on:								
Bank balances and term deposits receipts	353,362	4,228,540	4,347,946	8,929,848	309,314	3,761,949	3,281,335	7,352,598
Sukuk Certificates	-	531,491	-	531,491	-	550,241	-	550,241
	353,362	4,760,031	4,347,946	9,461,339	309,314	4,312,190	3,281,335	7,902,839

7. PAYABLE TO THE PENSION FUND MANAGER - Related Party

	Note	30 September 2019 (Un-audited)					30 June 2019 (Audited)				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
		-----Rupees-----					-----Rupees-----				
Pension Fund Manager fee	7.1	437,736	236,810	170,334	-	844,880	486,102	227,394	157,594	-	871,090
Sindh Sales Tax payable on remuneration of the Pension Fund Manager	7.2	296,003	188,213	119,904	-	604,120	302,286	186,992	118,216	-	607,494
Provision for Federal Excise Duty payable on remuneration of the Pension Fund Manager	7.3	1,611,207	1,046,875	644,724	-	3,302,806	1,611,207	1,046,875	644,724	-	3,302,806
		2,344,946	1,471,898	934,962	-	4,751,806	2,399,595	1,461,261	920,534	-	4,781,390

- 7.1 In accordance with the provisions of the VPS Rules, the Pension Fund Manager is entitled to receive an annual management fee of 1.50% per annum of the average value of net assets of the Fund calculated during the year for determining the prices of the units of the Sub-Funds. The Pension Fund Manager has charged its remuneration at the rate of 1.50% (2018:1.50%), 0.75% (2018: 0.75%) and 0.50% (2018: 0.50%) per annum of the average value of the net assets of the Fund for the year on APIF - equity sub fund, APIF - debt sub fund and APIF - money market sub fund respectively, which is paid monthly in arrears.
- 7.2 During the period, an amount of Rs. 335,150 (2018: Rs. 343,329) was charged on account of sales tax on remuneration of the Pension Fund Manager at the rate of 13 percent (June 30, 2018: 13 percent) levied under Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 338,524 (2018: Rs. 339,489) has already been paid to the Pension Fund Manager which acts as a 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 Pension Fund Manager 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 Pension Fund Manager is of the view that further levy of FED is not justified.

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On 4 September 2013, a Constitutional Petition has been filed in Honorable Sindh High Court (SHC) jointly by various asset management companies / pension fund managers including that of the Fund, together with their representative Collective Investment Schemes / Voluntary Pension Schemes through their trustees, challenging the levy of FED. In this respect, the Hon'ble SHC has issued a stay order against recovery proceedings. The hearing of the petition is pending.

In the previous year, 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 Pension Fund Managers 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 Pension Fund Manager 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 3.3 million (30 June 2019: Rs 3.3 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan.

8. PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED (TRUSTEE) - Related Party

	30 September 2019 (Un-audited)					30 June 2019 (Audited)				
	Equity	Debt	Money	Others	Total	Equity	Debt	Money	Others	Total
	Sub-Fund	Sub-Fund	Market			Sub-Fund	Sub-Fund	Market		
Note	-----Rupees-----					-----Rupees-----				
Trustee fee	41,787	45,221	48,793	-	135,801	46,538	43,540	45,263	-	135,341
Sindh Sales Tax on Trustee fee	5,418	5,874	6,346	-	17,638	6,050	5,660	5,884	-	17,594
Settlement charges	3,466	500	500	-	4,466	2,774	500	500	-	3,774
Sindh Sales Tax on settlement charges	451	65	65	-	581	361	65	65	-	491
	51,122	51,660	55,704	-	158,486	55,723	49,765	51,712	-	157,200

8.1 During the year, an amount of Rs. 53,759 (2018: 51,822) was charged on account of sales tax on remuneration of the Trustee levied under Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 53,715 (2018: 51,424) was paid to the Trustee which acts as a collecting agent.

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9. ACCRUED EXPENSES AND OTHER LIABILITIES

		30 September 2019 (Un-audited)					30 June 2019 (Audited)				
		Equity	Debt	Money			Equity	Debt	Money		
		Sub-Fund	Sub-Fund	Market	Others	Total	Sub-Fund	Sub-Fund	Market	Others	Total
		-----Rupees-----					-----Rupees-----				
Note											
	Payable to charity	251,568	-	-	-	251,568	125,058	-	-	-	125,058
	Withholding tax payable	5,777	10,037	1,343	521,600	538,757	13,155	9,926	1,202	115,041	139,324
	Zakat payable	-	-	-	100,815	100,815	-	-	-	61,636	61,636
9.2	Provision for Sindh Workers' Welfare Fund	2,442,724	1,560,492	1,344,595	-	5,347,811	2,442,724	1,350,934	1,112,750	-	4,906,408
	Others	-	-	-	96,883	96,883	-	-	-	59,044	59,044
		2,700,069	1,570,529	1,345,938	719,298	6,335,834	2,580,937	1,360,860	1,113,952	235,721	5,291,470

9.1 The Shariah Advisor of the Fund has certified an amount of Rs. 251,568 (30 June 2019: Rs. 343,077) against dividend income as Shariah non-compliant income which has accordingly, been marked to charity and will be paid in due course of time.

9.2 The Finance Act, 2008 had introduced an amendment to the Workers' Welfare Fund Ordinance, 1971 (WWF Ordinance) as a result of which it was construed that all Collective Investment Schemes (CISs) / mutual funds whose income exceeded Rs 0.5 million in a tax year were brought within the scope of the WWF Ordinance, thus rendering them liable to pay contribution to WWF at the rate of two percent of their accounting or taxable income, whichever was higher. In light of this, the Mutual Funds Association of Pakistan (MUFAP) filed a constitutional petition in the Honourable Sindh High Court (SHC) challenging the applicability of WWF on CISs which is pending adjudication. Similar cases were disposed of by the Peshawar and the Lahore High Courts in which these amendments were declared unlawful and unconstitutional. However, these decisions were challenged in the Supreme Court of Pakistan.

Subsequently, the Finance Act, 2015 introduced an amendment under which CISs / mutual funds have been excluded from the definition of "industrial establishment" subject to WWF under the WWF Ordinance. Consequently, mutual funds are not subject to this levy after the introduction of this amendment which is applicable from tax year 2016. Accordingly, no further provision in respect of WWF was made with effect from 1 July 2015.

On November 10, 2016 the Supreme Court of Pakistan (SCP) has passed a judgment declaring the amendments made in the Finance Acts 2006 and 2008 pertaining to WWF as illegal citing that WWF was not in the nature of tax and could, therefore, not have been introduced through money bills. Accordingly, the aforesaid amendments have been struck down by the SCP. The Federal Board of Revenue has filed a petition in the SCP against the said judgment, which is pending hearing. While the petitions filed by the CISs on the

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matter are still pending before the SHC, the Mutual Funds Association of Pakistan (MUFAP) (collectively on behalf of the asset management companies and their CISs) has taken legal and tax opinions on the impact of the SCP judgement on the CISs petition before the SHC. Both legal and tax advisors consulted were of the view that the judgment has removed the very basis on which the demands were raised against the CISs. Therefore, there was no longer any liability against the CISs under the WWF Ordinance and that all cases pending in the SHC or lower appellate forums will now be disposed of in light of the earlier judgement of the SCP.

Furthermore, as a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs, whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. However, it may be stated that under Companies Act, 2017 mutual funds are explicitly excluded from the definition of financial institution. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF.

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

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

Accordingly, the provision for WWF was reversed on January 12, 2017 and provision for SWWF been made from 21 May 2015 till to date.

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

Had the provision for SWWF not been recorded in these financial statements of the Fund, the net asset value of the Fund as at 30 September 2019 would have been higher by Rs. 3.09 per unit (30 June 2019: Rs. 3.15 per unit), Rs. 0.90 per unit (30 June 2019: Rs. 0.78 per unit) and Rs. 0.76 per unit (30 June 2019: 0.66 per unit) for equity sub fund, debt sub fund and money market sub fund respectively.

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10. NUMBER OF UNITS IN ISSUE

	For the Quarter Ended 30 September 2019 (Un-audited)				For the Quarter Ended 30 September 2018 (Un-audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Number of Units in Issue -----				-----Number of Units in Issue -----			
Total units in issue at the beginning of the period	774,609	1,731,126	1,695,675	4,201,410	663,220	1,740,080	1,432,082	3,835,382
Add: Units issued during the period	50,400	116,821	168,862	336,083	51,889	116,384	74,292	242,565
Less: Units redeemed during the period								
- Directly by participants	(34,513)	(112,906)	(87,924)	(235,343)	(18,519)	(75,900)	(71,079)	(165,498)
- Change of Pension Fund Manager	(892)	(2,390)	-	(3,282)	(484)	(372)	-	(856)
	(35,405)	(115,296)	(87,924)	(238,625)	(19,003)	(76,272)	(71,079)	(166,354)
Total units in issue at the end of the period	789,604	1,732,651	1,776,613	4,298,868	696,106	1,780,192	1,435,295	3,911,593

11. CONTINGENCIES AND COMMITMENTS

The Finance Act, 2014, introduced amendments to Income Tax Ordinance, 2001. As a result of these amendments, companies are liable to withhold bonus shares at the rate of 5 percent. These shares will be released upon payments of tax by shareholders. The value of tax will be computed on the basis of day-end price on the first day of book closure.

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

The Honorable Supreme Court in its decision dated June 27, 2018 in a case held that the suits which are already pending or shall be filed in future, must only be maintained / entertained on the condition that a minimum of 50% of the tax calculated by the tax authorities is deposited with the authorities. In pursuance of said Supreme Court order, SHC issued notices of hearing for cases of tax related matters and held that Plaintiffs are directed to deposit 50% of amount claimed by the tax department, if the deposits are not made within time, the suits

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stand dismissed as not maintainable. Thereafter, the Fund along with other aggrieved Funds filed Constitutional Petition in the High Court of Sindh vide C.P No. D-4653 of 2019 through Mutual Funds Association of Pakistan on this issue and obtained stay order restraining the withholding agents to deposit the withheld tax.

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

12. MARK UP INCOME

	For the Quarter Ended 30 September 2019 (Un-audited)				For the Quarter Ended 30 September 2018 (Un-audited)			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	-----Rupees-----				-----Rupees-----			
Income on bank balances and term deposits receipts	224,535	10,529,966	12,417,496	23,171,997	344,411	3,460,342	4,054,013	7,858,766
Income on Government of Pakistan - Ijarah Sukuks	-	-	-	-	-	2,059,305	783,172	2,842,477
Income on Sukuk certificates	-	1,043,444	-	1,043,444	-	390,673	-	390,673
	224,535	11,573,410	12,417,496	24,215,441	344,411	5,910,320	4,837,185	11,091,916

12.1 Mark-up on non performing securities amounting to Rs. 3,295,029 (2018: Rs..2,837,820) based on outstanding principal has not been recognized, in accordance with the SECP's directives.

13. CONTRIBUTION TABLE

	For the Quarter Ended 30 September 2019 (Un-audited)						
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
	Units	Rupees	Units	Rupees	Units	Rupees	Rupees
Individuals	906	402,207	11,791	2,594,215	60,697	14,107,707	17,104,129
Employers	49,494	22,539,521	105,030	22,983,980	108,165	25,083,515	70,607,016
	50,400	22,941,728	116,821	25,578,195	168,862	39,191,222	87,711,145

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For the Quarter Ended 30 September 2018 (Un-audited)

	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
	Units	Rupees	Units	Rupees	Units	Rupees	Rupees
Individuals	13,132	7,932,483	8,283	1,673,929	7,010	1,497,201	11,103,612
Employers	38,757	23,542,045	108,101	21,889,588	67,281	14,400,575	59,832,208
	51,889	31,474,528	116,384	23,563,516	74,292	15,897,776	70,935,820

14. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Atlas Asset Management Limited being the Pension Fund Manager, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Pension Fund Manager and directors and executives of the Pension Fund Manager.

The transactions with connected persons are in the normal course of business, carried out at contracted rates and terms determined in accordance with the market rates.

Remuneration payable to the Pension Fund Manager and the Trustee is determined in accordance with the provisions of the VPS Rules and the Trust Deed respectively.

The outstanding balances of connected persons / related parties are disclosed in the respective notes to the condensed interim financial statements.

	For the Quarter Ended 30 September 2019 (Un-audited)					For the Quarter Ended 30 September 2018 (Un-audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	Rupees					Rupees				

14.1 Details of transaction with connected persons during the period are as follows:

Atlas Asset Management Limited (Pension Fund Manager)

Remuneration for the period	1,347,804	720,819	509,453	-	2,578,076	1,579,204	675,449	386,335	-	2,640,988
Remuneration paid	1,396,170	711,403	496,713	-	2,604,286	1,562,588	666,020	382,852	-	2,611,460
Sindh sales tax on remuneration of the Pension Fund Manager	175,215	93,706	66,229	-	335,150	205,297	87,808	50,224	-	343,329

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	For the Quarter Ended 30 September 2019 (Un-audited)					For the Quarter Ended 30 September 2018 (Un-audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	Rupees					Rupees				
Central Depository Company of Pakistan Limited (Trustee)										
Trustee fee	129,072	138,079	146,382	-	413,533	153,937	131,701	112,995	-	398,633
Trustee fee paid	133,823	136,398	142,852	-	413,073	152,866	130,331	112,376	-	395,573
Sindh sales tax on remuneration of the Trustee	16,779	17,950	19,030	-	53,759	20,012	17,121	14,689	-	51,822
Settlement charges	3,980	1,500	1,500	-	6,980	3,491	1,500	1,500	-	6,491
Sindh sales tax on settlement charges	517	195	195	-	907	454	195	195	-	844
Key management personnel										
Contributions	1,046,386	393,690	723,838	-	2,163,914	850,249	350,677	601,083	-	1,802,009
Contributions (Number of units)	2,283	1,802	3,128	-	7,212	1,382	1,731	2,808	-	5,921
Redemption	149,978	84,378	84,393	-	318,748	1,443,126	110,292	55,875	-	1,609,293
Redemption (Number of units)	336	383	362	-	1,081	2,388	545	261	-	3,194
Re-allocation	-	-	-	-	-	1,717,110	(440,768)	(1,276,342)	-	-
Re-allocation (Number of units)	-	-	-	-	-	2,934	(2,183)	(5,987)	-	(5,236)

	30 September 2019 (Un-audited)					30 June 2019 (Audited)				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Others	Total
	Rupees					Rupees				
14.2 Details of transactions with related parties / connected persons during the period / year end are as follows:										
Atlas Asset Management Limited (Pension Fund Manager)										
Investment at period / year end	77,186,680	36,920,060	39,136,160	-	153,242,900	81,789,860	35,945,640	38,058,820	-	155,794,320
Units held (Number of units)	166,000	166,000	166,000	-	498,000	166,000	166,000	166,000	-	498,000
Key management personnel										
Investment at period / year end	37,091,113	36,229,676	44,585,641	-	117,906,430	38,343,759	34,966,326	42,724,102	-	116,034,187
Units held (Number of units)	79,769	162,896	189,115	-	431,780	77,822	161,477	186,348	-	425,647

15. Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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 or adverse terms.

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Fund is current bid price.

A Financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Investments on the Statement of Assets and Liabilities are carried at fair value. The Management is of the view that the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since assets and liabilities are essentially short term in nature.

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level one that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. from derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (i.e. unobservable inputs).

16. GENERAL

16.1 Figures have been rounded off to the nearest Rupee.

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

17. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Pension Fund Manager on 30 October 2019.

For Atlas Asset Management Limited
(Pension Fund Manager)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer















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