



Atlas Pension Fund

Atlas Pension Islamic Fund

HALF YEARLY REPORT

31 December 2011

(UN-AUDITED)



Pension Fund Manager

Atlas Asset Management

Rated AM2- by PACRA



Vision

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

Mission Statement

We are committed to offering our investors the best possible returns on a diverse range of products; to meeting not only the customers' current and future requirements, but also exceeding their expectations. We aim to be the company with which people prefer to do business. We are committed to providing a stimulating and challenging environment in which all our people can be valuable contributors to the achievement of our vision, while achieving career progression and job satisfaction. We recognize that our success comes from our people. We are committed to the highest ethical and fiduciary standards and firmly believe that by placing the best interests of our clients first, we will also serve the best interest of our employees, our shareholders, and the communities in which we operate.

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Atlas Pensions

ORGANISATION

Pension Fund Manager

Atlas Asset Management Limited

Board of Directors of the
Pension Fund Manager

Chairman Mr. Yusuf H. Shirazi
Directors Mr. Tariq Amin
Mr. M. Ashraf Janjua
Mr. Frahim Ali Khan
Mr. Arshad P. Rana
Mr. Ali H. Shirazi

Chief Executive Officer Mr. M. Habib-ur-Rahman

Company Secretary Ms Lilly R. Dossabhoy

Board Committees

Audit Committee

Chairman Mr. Tariq Amin
Members Mr. M. Ashraf Janjua
Mr. Frahim Ali Khan

Secretary Mr. Faran-ul-Haq

Human Resource Committee

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

Investment Committee

Chairman Mr. M. Habib-ur-Rahman
Members Mr. Ali H. Shirazi
Mr. Muhammad Abdul Samad
Mr. Khalid Mahmood
Secretary Mr. Muhammad Umar Khan

Management Committee

Chairman Mr. M. Habib-ur-Rahman
Members Ms Lilly R. Dossabhoy
Mr. Muhammad Abdul Samad
Mr. Hassan Khan
Secretary Mr. M. Irfan Dhedhi

Risk Management Committee

Chairman Mr. Muhammad Abdul Samad
Members Mr. Khalid Mahmood
Ms Qurrat-ul-Ain Jafari
Mr. Muhammad Umar Khan
Secretary Ms Zainab Hussain

Chief Internal Auditor

Ms Qurrat-ul-Ain Jafari

Registered Office

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

Half Yearly Report 2011 -12

CHAIRMAN'S REVIEW

It is my pleasure to present the un-audited financial statements of Atlas Pension Fund and Atlas Pension Islamic Fund for the half year ended 31 December 2011 of the FY 2011-12.

The Economy

The economy of Pakistan, despite internal and external challenges, is gradually picking pace with signs of moving towards sustainable growth. During the period July-December FY 12, the total exports stood at US\$ 11.24 billion, as compared to US\$ 10.82 billion last year. During July-December FY 12, foreign remittances reached the record level of US\$ 6.32 billion, which is 19.35% higher than the remittances during the corresponding period last year. CPI inflation during July-December FY 12 averaged 10.87% as compared to 14.32% during July-December FY 11. The SBP maintained status quo on the discount rate keeping it constant at 12% under its latest monetary policy statement announced on 30 November 2011. In pursuing this stance, the SBP did acknowledge risk of resurgence of medium term inflationary pressures and challenges in preserving foreign exchange reserves. The SBP reduced its policy rate by 200 bps to 12% in FY 12 so far with an objective to support revival of private investment in the economy.

Fund Operations - Atlas Pension Fund (APF)

The Net Asset Value of APF - Equity Sub Fund has decreased by 8.94% from Rs.130.73 as on 30 June 2011 to Rs.119.04 as on 31 December 2011. The APF - Equity Sub Fund mainly invested in Banks, Oil & Gas Producers and Chemicals Sectors. The Net Asset Values of APF - Debt Sub Fund and APF - Money Market Sub Fund appreciated by 5.01% and 5.32% respectively during the period under review. The APF - Debt - Sub Fund was mainly invested in Pakistan Investment Bonds, Treasury Bills and Term Finance Certificates where as APF - Money Market Sub Fund was mainly invested in Treasury Bills and high yielding bank deposits. The Net Assets of APF stood at Rs.129.3 million as on 31 December 2011. The Fund has continued to provide for Workers' Welfare Fund that stood at Rs.0.891 million on 31 December 2011. The petition filed by the Company with the Honorable High Court of Sindh is pending adjudication.

Fund Operations - Atlas Pension Islamic Fund (APIF)

The Net Asset Value of APIF - Equity Sub Fund has decreased by 1.50% from Rs.166.21 as on 30 June 2011 to Rs.163.71 as on 31 December 2011. The APIF - Equity Sub Fund mainly invested in Oil and Gas Producers, Chemicals and Construction & Materials Sectors. The Net Asset Values of APIF - Debt Sub Fund and APIF - Money Market Sub Fund have appreciated by 2.77% and 5.11% respectively during the period under review. The APIF Debt Sub Fund & Money Market Sub Fund was mainly invested in high yielding bank deposits and GoP Ijarah Sukuks. The Net Assets of APIF stood at Rs.149.5 million as on 31 December 2011. The Fund has continued to provide for Workers' Welfare Fund that stood at Rs.1.151 million on 31 December 2011. The petition filed by the Company with the Honorable High Court of Sindh is pending adjudication.

Ratings Update

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

Atlas Pensions

Future Outlook

A relatively larger external current account deficit in FY 2012 would require higher financial inflows to maintain foreign exchange reserves. Given the scheduled increase in repayments of outstanding loans in second half of FY 2012, realization of substantial foreign flows, especially the proceeds of assumed privatization receipts, Euro bond, Coalition Support Fund, and 3G license fees, becomes important for strengthening the external position. In the recent past, the Pak Rupee has come under pressure against the greenback. The exchange rate is kept under close watch by the SBP with regular interventions to keep the currency range-bound.

The promotion of savings for retirement is essential to improve the country's savings to GDP ratio. Pakistan has one of the lowest savings rate in the world. This has been one of the main impediments to economic development in the country and makes the country dependent on external borrowing. A vibrant pension industry not only provides funding for the capital market of the country and development projects, but also plays an important social role by providing regular income at old age. The retirement schemes offered by employers as Occupational Savings Schemes (OSS) have limited role due their flawed structure, lack of regulatory oversight and tax anomalies. With un-funded Government Schemes, rules permitting pre-retirement withdrawals, discontinuity on change in employment and investment in Government Schemes that finance budget deficits, these schemes are unable to achieve their objectives. There is an urgent need to introduce the voluntary pension schemes in Government Departments at least for the new entrants and to regulate the OSS in the private sectors and Government corporations, with SECP as regulator under a new structure that would discourage pre-retirement withdrawals. In 2008, the SECP Act was amended to allow SECP to regulate all retirement schemes in private sector and in Government corporations. It is imperative that SECP should play its role.

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

نتی صبح نئی شام پیدا کر
(Get results newer and higher)

Acknowledgement

I would like to thank the Board of Directors, and the Group Executive Committee for their help, support and guidance. I also thank the financial institutions and the participants for their help, support and the confidence reposed in the Funds and the Chief Executive Officer, Mr. M. Habib-ur-Rahman and his management team for their hard work, dedication, and sincerity of purpose. Finally I would like to thank the Securities and Exchange Commission of Pakistan (SECP) for the support extended to the pension fund industry and attempting to resolve the industry issues and also, the Mutual Funds Association of Pakistan for taking up industry issues with the Regulators and Government Departments.

Karachi: 23 February 2012

Yusuf H. Shirazi
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

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisers

Bawaney & Partners

Bankers

Bank Alfalah Limited
Faysal Bank Limited

Atlas Pension Fund

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT 31 DECEMBER 2011

		31 December 2011 (Un-audited)					30 June 2011 (Audited)				
Note	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	4	2,663,897	1,922,088	2,027,388	121,648	6,735,021	2,077,775	4,638,186	3,729,993	120,697	10,566,651
Investments	5	37,982,608	44,823,118	40,129,422	-	122,935,148	37,576,872	37,056,579	34,935,223	-	109,568,674
Dividend receivable		-	-	-	-	-	215,000	-	-	-	215,000
Interest accrued	6	23,230	906,042	71,587	-	1,000,859	14,556	931,855	60,084	-	1,006,495
Security deposit and other receivables		103,334	103,333	103,333	-	310,000	103,334	103,333	103,333	-	310,000
Total assets		40,773,069	47,754,581	42,331,730	121,648	130,981,028	39,987,537	42,729,953	38,828,633	120,697	121,666,820
LIABILITIES											
Payable against redemption of units		-	-	2,366	87,605	89,971	5,200	1,307	2,366	87,605	96,478
Payable against purchase of investments		-	-	-	-	-	67,239	-	-	-	67,239
Payable to the Pension Fund Manager	7	157,050	173,129	153,999	13,308	497,486	49,090	49,794	46,089	17,214	162,187
Payable to the Central Depository Company of Pakistan Limited - Trustee	8	8,593	9,599	8,612	-	26,804	9,057	8,968	8,339	-	26,364
Payable to the Securities and Exchange Commission of Pakistan		6,814	7,517	6,731	-	21,062	12,447	13,294	12,212	-	37,953
Payable to auditors		19,833	19,833	19,834	-	59,500	35,000	35,000	35,000	-	105,000
Accrued expenses and other liabilities	9	362,665	312,761	293,277	20,735	989,438	338,185	252,343	227,438	15,878	833,844
Total liabilities		554,955	522,839	484,819	121,648	1,684,261	516,218	360,706	331,444	120,697	1,329,065
NET ASSETS		40,218,114	47,231,742	41,846,911	-	129,296,767	39,471,319	42,369,247	38,497,189	-	120,337,755
Represented by:											
PARTICIPANTS' SUB-FUNDS (as per statement attached)											
Number of units in issue	10	337,865	320,854	277,665	-		301,942	302,241	269,017	-	
Net asset value per unit		119.04	147.21	150.71	-		130.73	140.18	143.10	-	
Contingencies and commitments	11										

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

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

Half Yearly Report 2011 -12

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2011

Note	For the Half Year Ended 31 December 2011 (Un-audited)				For the Half Year Ended 31 December 2010 (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								
Interest income	143,198	2,638,504	2,532,748	5,314,450	225,531	2,229,416	2,281,578	4,736,525
Dividend income	1,538,339	-	-	1,538,339	1,082,750	-	-	1,082,750
Capital gain on sale of investments	507,809	-	-	507,809	2,868,592	-	-	2,868,592
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(5,372,557)	-	-	(5,372,557)	4,175,897	-	-	4,175,897
	(4,864,748)	-	-	(4,864,748)	7,044,489	-	-	7,044,489
	(3,183,211)	2,638,504	2,532,748	1,988,041	8,352,770	2,229,416	2,281,578	12,863,764
EXPENDITURE								
Remuneration of Pension Fund Manager	306,528	337,572	302,370	946,470	274,968	311,528	285,218	871,714
Sindh Sales Tax on Services	49,044	54,012	48,379	151,435	-	-	-	-
Remuneration to Central Depository Company of Pakistan Limited - Trustee	48,825	53,791	48,208	150,824	47,908	53,989	49,350	151,247
Annual fee - Securities and Exchange Commission of Pakistan	6,814	7,517	6,731	21,062	6,120	6,920	6,337	19,377
Auditors' remuneration	19,893	19,893	19,894	59,680	17,500	17,500	17,500	52,500
Securities' transaction cost and settlement charges	55,039	3,000	3,000	61,039	45,065	3,000	3,000	51,065
Legal and professional charges	9,333	9,333	9,334	28,000	8,333	8,334	8,333	25,000
Bank charges	6,308	5,131	5,256	16,695	3,416	4,541	5,556	13,513
Provision for non performing financial assets - classified as "available for sale"	-	480,526	-	480,526	-	-	-	-
Provision for Workers' Welfare Fund	-	33,355	41,792	75,147	158,989	36,472	38,126	233,587
	501,784	1,004,130	484,964	1,990,878	562,299	442,284	413,420	1,418,003
Net (loss) / income for the period	(3,684,995)	1,634,374	2,047,784	(2,837)	7,790,471	1,787,132	1,868,158	11,445,761
Loss / (earnings) per unit	(10.91)	5.09	7.38		27.60	6.48	7.50	

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

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Pension Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 31 DECEMBER 2011

Note	For the Quarter Ended 31 December 2011 (Un-audited)				For the Quarter Ended 31 December 2010 (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								
Interest income	87,979	1,309,670	1,256,057	2,653,706	95,862	1,007,686	1,008,402	2,111,950
Dividend income	1,076,050	-	-	1,076,050	612,250	-	-	612,250
Capital gain on sale of investments	457,643	-	-	457,643	1,905,838	-	-	1,905,838
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(5,126,783)	-	-	(5,126,783)	3,939,877	-	-	3,939,877
	(4,669,140)	-	-	(4,669,140)	5,845,715	-	-	5,845,715
	(3,505,111)	1,309,670	1,256,057	(939,384)	6,553,827	1,007,686	1,008,402	8,569,915
EXPENDITURE								
Remuneration of Pension Fund Manager	157,050	173,129	153,999	484,178	125,789	135,004	122,950	383,743
Sindh Sales Tax on Services	25,128	27,701	24,640	77,469	-	-	-	-
Remuneration to Central Depository Company of Pakistan Limited - Trustee	24,387	26,889	23,937	75,213	24,772	26,628	24,234	75,634
Annual fee - Securities and Exchange Commission of Pakistan	3,489	3,860	3,434	10,783	2,800	2,994	2,731	8,525
Auditors' remuneration	11,083	11,083	11,084	33,250	8,750	8,750	8,750	26,250
Securities' transaction cost and settlement charges	28,722	1,500	1,500	31,722	25,799	1,500	1,500	28,799
Legal and professional charges	-	-	-	-	8,333	8,334	8,333	25,000
Bank charges	3,846	1,946	2,146	7,938	1,740	2,127	2,018	5,885
Provision for non performing financial assets - classified as "available for sale"	-	217,778	-	217,778	-	-	-	-
Provision for Workers' Welfare Fund	(1,476)	16,916	20,707	36,147	127,117	16,447	16,758	160,322
	252,229	480,802	241,447	974,478	325,100	201,784	187,274	714,158
Net (loss) / income for the period	(3,757,340)	828,868	1,014,610	(1,913,862)	6,228,727	805,902	821,128	7,855,757
Loss / (earnings) per unit	(11.12)	2.58	3.65		22.07	2.92	3.30	

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

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

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	For the Half Year Ended 31 December 2011 (Un-audited)				For the Half Year Ended 31 December 2010 (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	(3,684,995)	1,634,374	2,047,784	(2,837)	7,790,471	1,787,132	1,868,158	11,445,761
Other comprehensive income / (loss)								
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'available for sale'	-	544,307	26,589	570,896	-	(240,335)	(26,472)	(266,807)
Total comprehensive (loss) / income for the period	(3,684,995)	2,178,681	2,074,373	568,059	7,790,471	1,546,797	1,841,686	11,178,954

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

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Pension Fund

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED 31 DECEMBER 2011

	For the Quarter Ended 31 December 2011 (Un-audited)				For the Quarter Ended 31 December 2010 (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	(3,757,340)	828,868	1,014,610	(1,913,862)	6,228,727	805,902	821,128	7,855,757
Other comprehensive income / (loss)								
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'available for sale'	-	52,026	35,312	87,338	-	3,070	(25,978)	(22,908)
Total comprehensive (loss) / income for the period	(3,757,340)	880,894	1,049,922	(1,826,524)	6,228,727	808,972	795,150	7,832,849

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

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

Half Yearly Report 2011-12

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	For the Half Year Ended 31 December 2011 (Un-audited)					For the Half Year Ended 31 December 2010 (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	(3,684,995)	1,634,374	2,047,784	-	(2,837)	7,790,471	1,787,132	1,868,158	-	11,445,761
Adjustments for:										
Interest income	(143,198)	(2,638,504)	(2,532,748)	-	(5,314,450)	(225,531)	(2,229,416)	(2,281,578)	-	(4,736,525)
Dividend income	(1,538,339)	-	-	-	(1,538,339)	(1,082,750)	-	-	-	(1,082,750)
Capital (gain) on sale of investments	(507,809)	-	-	-	(507,809)	(2,868,592)	-	-	-	(2,868,592)
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5,372,557	-	-	-	5,372,557	(4,175,897)	-	-	-	(4,175,897)
Provision for non performing financial assets - classified as "available for sale"	-	480,526	-	-	480,526	-	-	-	-	-
Provision for Workers' Welfare Fund	-	33,355	41,792	-	75,147	158,989	36,472	38,126	-	233,587
	(501,784)	(490,249)	(443,172)	-	(1,435,205)	(403,310)	(405,812)	(375,294)	-	(1,184,416)
(Increase) in assets										
Receivable against sale of investments	-	-	-	-	-	(86,334)	-	-	-	(86,334)
Increase / (Decrease) in liabilities										
Payable against redemption of units	(5,200)	(1,307)	-	-	(6,507)	4,006	991	-	(2,818)	2,179
Payable against purchase of investments	(67,239)	-	-	-	(67,239)	-	-	-	-	-
Payable to the Pension Fund Manager	107,960	123,335	107,910	(3,906)	335,299	(4,722)	6,604	(12,074)	1,705	(8,487)
Payable to the Central Depository Company of Pakistan Limited	(464)	631	273	-	440	779	(112)	(118)	-	549
Payable to the Securities and Exchange Commission of Pakistan	(5,633)	(5,777)	(5,481)	-	(16,891)	(7,676)	(8,193)	(7,337)	-	(23,206)
Payable to auditors	(15,167)	(15,167)	(15,166)	-	(45,500)	(17,500)	(17,500)	(17,500)	-	(52,500)
Accrued expenses and other liabilities	24,480	27,063	24,047	4,857	80,447	-	-	-	(3,760)	(3,760)
	38,737	128,778	111,583	951	280,049	(25,113)	(18,210)	(37,029)	(4,873)	(85,225)
Interest received	134,524	2,664,317	2,521,245	-	5,320,086	216,927	2,293,714	2,277,306	-	4,787,947
Dividend received	1,753,339	-	-	-	1,753,339	1,240,250	-	-	-	1,240,250
Investments made during the period	(23,786,740)	(20,843,158)	(77,167,624)	-	(121,797,522)	(20,930,660)	(9,146,458)	(63,085,697)	-	(93,162,815)
Investments sold / matured during the period	18,516,256	13,140,400	72,000,014	-	103,656,670	33,829,630	17,992,770	67,500,014	-	119,322,414
	(3,382,621)	(5,038,441)	(2,646,365)	-	(11,067,427)	14,356,147	11,140,026	6,691,623	-	32,187,796
Net cash (outflow on) / inflow from operating activities c/f	(3,845,668)	(5,399,912)	(2,977,954)	951	(12,222,583)	13,841,390	10,716,004	6,279,300	(4,873)	30,831,821

Atlas Pension Fund

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) (Continued...)
FOR THE HALF YEAR ENDED 31 DECEMBER 2011

Note	For the Half Year Ended 31 December 2011 (Un-audited)					For the Half Year Ended 31 December 2010 (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					
Net cash (outflow on) / inflow from operating activities	b/f	(3,845,668)	(5,399,912)	(2,977,954)	951	(12,222,583)	13,841,390	10,716,004	6,279,300	(4,873)	30,831,821
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts on issue of units		5,681,180	4,394,428	2,159,206	-	12,234,814	1,474,056	1,915,071	1,759,786	-	5,148,913
Payments on redemption of units											
- Directly by participants		(1,249,390)	(1,710,614)	(883,857)	-	(3,843,861)	(1,951,961)	(1,389,867)	(304,775)	-	(3,646,603)
- Directly by Pension Fund Manager		-	-	-	-	-	(11,258,606)	(13,765,716)	(14,012,387)	-	(39,036,709)
Net cash inflow from / (outflow on) financing activities		4,431,790	2,683,814	1,275,349	-	8,390,953	(11,736,511)	(13,240,512)	(12,557,376)	-	(37,534,399)
Net increase / (decrease) in cash and cash equivalents		586,122	(2,716,098)	(1,702,605)	951	(3,831,630)	2,104,879	(2,524,508)	(6,278,076)	(4,873)	(6,702,578)
Cash and cash equivalents at the beginning of the period		2,077,775	4,638,186	3,729,993	120,697	10,566,651	1,423,611	6,325,307	8,114,310	108,745	15,971,973
Cash and cash equivalents at the end of the period	4	2,663,897	1,922,088	2,027,388	121,648	6,735,021	3,528,490	3,800,799	1,836,234	103,872	9,269,395

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

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

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CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	For the Half Year Ended 31 December 2011 (Un-audited)				For the Half Year Ended 31 December 2010 (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 assets at the beginning of the period	39,471,319	42,369,247	38,497,189	120,337,755	39,486,682	48,340,601	44,490,519	132,317,802
Issue of units	5,681,180	4,394,428	2,159,206	12,234,814	1,474,056	1,915,071	1,759,786	5,148,913
Redemption of units								
- Directly by participants	(1,249,390)	(1,710,614)	(883,857)	(3,843,861)	(1,951,961)	(1,389,867)	(304,775)	(3,646,603)
- Directly by Pension Fund Manager	-	-	-	-	(11,258,606)	(13,765,716)	(14,012,387)	(39,036,709)
	(1,249,390)	(1,710,614)	(883,857)	(3,843,861)	(13,210,567)	(15,155,583)	(14,317,162)	(42,683,312)
Net income for the period	(4,192,804)	1,634,374	2,047,784	(510,646)	4,921,879	1,787,132	1,868,158	8,577,169
Net capital gain on sale of investments	507,809	-	-	507,809	2,868,592	-	-	2,868,592
Other comprehensive income / (loss)	-	544,307	26,589	570,896	-	(240,335)	(26,472)	(266,807)
Total comprehensive income for the period	(3,684,995)	2,178,681	2,074,373	568,059	7,790,471	1,546,797	1,841,686	11,178,954
Net assets at the end of the period	40,218,114	47,231,742	41,846,911	129,296,767	35,540,642	36,646,886	33,774,829	105,962,357

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

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Pension Fund

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2011

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 as Pension Fund Manager and Central Depository Company Pakistan Limited 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 Offering Document of the Fund has been revised through the First and Second Supplements dated 18 December 2008 and 28 March 2011 respectively, with the approval of the Securities and Exchange Commission of Pakistan (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 the 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 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.

Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund.

At present, the Fund consists of the following three Sub-Funds:

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 income along with capital preservation. APF - DSF shall invest primarily in tradable debt securities with the weighted average duration of the investment portfolio of the Sub-Fund not exceeding five years.

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

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

1.3 The Sub-Funds' units are issued against contributions by the eligible participants on a continuous basis since 28 June 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 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.

2. 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 2011.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those of the previous financial year except as follows:

New and amended standards and interpretations

The Fund has adopted the following amended IFRS and IFRIC interpretation which became effective during the period.

- IFRS 7 - Financial Instruments: Disclosures
- IAS 24 - Related Party Disclosures (Revised)
- IFRIC 14 - Prepayments of a Minimum Funding Requirement (Amendment)

In May 2010, International Accounting Standards Board (IASB) issued amendments to various standards primarily with a view to removing inconsistencies and clarifying wording. These improvements are listed below:

- IFRS 7 - Financial Instruments Disclosures - Clarification of disclosures
- IAS 1 - Presentation of Financial Statements - Clarification of statement of changes in equity
- IAS 34 - Interim Financial Reporting - Significant events and transactions
- IFRIC 13 - Customer Loyalty Programmes - Fair value of award credits

The adoption of the above standards, amendments, interpretations and improvements did not have any effect on the condensed interim financial statements.

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4. BANK BALANCES

Note	31 December 2011 (Un-audited)					30 June 2011 (Audited)				
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others (note 4.1)	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others (note 4.1)	Total
	-----Rupees-----					-----Rupees-----				
In current account	-	-	-	13,414	13,414	-	-	-	17,863	17,863
In savings accounts	2,663,897	1,922,088	2,027,388	108,234	6,721,607	2,077,775	4,638,186	3,729,993	102,834	10,548,788
	<u>2,663,897</u>	<u>1,922,088</u>	<u>2,027,388</u>	<u>121,648</u>	<u>6,735,021</u>	<u>2,077,775</u>	<u>4,638,186</u>	<u>3,729,993</u>	<u>120,697</u>	<u>10,566,651</u>

4.1 These represent collection and redemption accounts maintained by the Fund. The rate of return on saving account is 11.25% per annum (30 June 2011: 11.50% per annum).

4.2 These carry interest at the rates ranging from 5.00% to 11.25% per annum (30 June 2011: 5.00% to 11.50% per annum).

5. INVESTMENTS

Note	31 December 2011 (Un-audited)				30 June 2011 (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-----			
At fair value through profit or loss held-for-trading								
Equity securities - listed	37,982,608	-	-	37,982,608	37,576,872	-	-	37,576,872
Available for sale investments								
Treasury Bills	-	17,977,426	39,464,232	57,441,658	-	9,605,550	34,298,363	43,903,913
Term Finance Certificates	-	7,166,921	665,190	7,832,111	-	7,853,024	636,860	8,489,884
Sukuk Certificates	-	-	-	-	-	480,526	-	480,526
Pakistan Investment Bonds	-	19,678,771	-	19,678,771	-	19,117,479	-	19,117,479
	-	44,823,118	40,129,422	84,952,540	-	37,056,579	34,935,223	71,991,802
	<u>37,982,608</u>	<u>44,823,118</u>	<u>40,129,422</u>	<u>122,935,148</u>	<u>37,576,872</u>	<u>37,056,579</u>	<u>34,935,223</u>	<u>109,568,674</u>

Atlas Pension Fund

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

Balance as at 31 December 2011

Name of the investee company	As at 1 July 2011	Purchases during the period	Bonus issued during the period	Sales during the period	As at 31 December 2011	Balance as at 31 December 2011		Market Value as a % of Net assets of the Sub-Fund	Market Value as a % of Paid-up capital of investee company
						Cost	Market value		
						Rupees			
All holdings are in shares of Rs. 10/- each unless otherwise stated.									
Oil and Gas									
Attock Petroleum Limited	5,000	600	-	850	4,750	1,404,528	1,959,375	4.87	0.0069
Attock Refinery Limited	-	-	-	-	-	-	-	-	-
National Refinery Limited	-	3,000	-	3,000	-	-	-	-	-
Oil & Gas Development Company Limited	-	10,500	-	10,500	-	-	-	-	-
Pakistan Oilfields Limited	5,400	1,150	-	850	5,700	1,490,911	1,974,765	4.91	0.0024
Pakistan Petroleum Limited	8,000	6,300	700	3,500	11,500	1,909,266	1,935,680	4.81	0.0009
Pakistan State Oil Company Limited	6,000	2,500	-	-	8,500	2,273,784	1,931,285	4.80	0.0050
Shell Pakistan Limited	3,000	-	-	3,000	-	-	-	-	-
	27,400	24,050	700	21,700	30,450	7,078,489	7,801,105	19.39	
Chemicals									
Engro Corporation Limited	9,250	12,750	-	1,000	21,000	2,631,113	1,946,700	4.84	0.0053
Fatima Fertilizer Company Limited	-	95,000	-	45,000	50,000	1,092,960	1,146,000	2.85	0.0025
Fauji Fertilizer Bin Qasim Limited	45,000	7,500	-	42,500	10,000	465,040	424,300	1.05	0.0011
Fauji Fertilizer Company Limited	13,000	4,200	-	4,200	13,000	1,358,607	1,944,020	4.83	0.0015
ICI Pakistan Limited	11,500	2,500	-	-	14,000	1,993,201	1,683,780	4.19	0.0101
Lotte Pakistan PTA Limited	5,000	15,000	-	-	20,000	266,091	185,400	0.46	0.0013
	83,750	136,950	-	92,700	128,000	7,807,012	7,330,200	18.22	
Construction and Materials									
D G Khan Cement Company Limited	40,000	30,000	-	-	70,000	1,647,349	1,332,100	3.31	0.0160
Lucky Cement Limited	25,000	9,000	-	9,000	25,000	1,851,988	1,876,000	4.67	0.0077
	65,000	39,000	-	9,000	95,000	3,499,337	3,208,100	7.98	
General Industrials									
Thal Limited (Face Value Rs. 5/- per share)	15,000	-	2,000	5,000	12,000	1,046,664	981,600	2.44	0.0163

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5.1 Equity Sub-Fund - Equity securities - Listed - At fair value through profit or loss (Continued...)

Name of the investee company	As at 1 July 2011	Purchases during the period	Bonus issued during the period	Sales during the period	As at 31 December 2011	Balance as at 31 December 2011		Market Value as a % of Net assets of the Sub-Fund	Market Value as a % of Paid-up capital of investee company	
						Cost	Market value			
						Rupees				
All holdings are in shares of Rs. 10/- each unless otherwise stated.										
Industrial Engineering										
Millat Tractors Limited	-	3,000	-	3,000	-	-	-	-	-	
Automobile and Parts										
Indus Motor Company Limited	6,371	-	-	6,371	-	-	-	-	-	
Personal Goods										
Nishat Chunian Limited	75,000	95,000	-	70,000	100,000	2,047,865	1,786,000	4.44	0.0617	
Nishat Mills Limited	37,000	22,000	-	10,000	49,000	2,633,804	1,982,050	4.93	0.0139	
	112,000	117,000	-	80,000	149,000	4,681,669	3,768,050	9.37		
Fixed Line Telecommunication										
Pakistan Telecommunication Company Limited	100,000	105,000	-	7,500	197,500	2,980,249	2,052,025	5.10	0.0052	
Electricity										
The Hub Power Company Limited	50,000	19,500	-	13,500	56,000	1,871,076	1,915,200	4.76	0.0048	
Banks										
Allied Bank Limited	28,738	8,262	-	1,500	35,500	2,037,676	1,912,385	4.76	0.0041	
Bank Alfalah Limited	50,000	50,000	-	100,000	-	-	-	-	-	
Habib Bank Limited	14,000	16,000	-	15,000	15,000	1,804,933	1,591,200	3.96	0.0014	
MCB Bank Limited	9,000	5,650	-	650	14,000	2,628,159	1,884,400	4.69	0.0017	
National Bank of Pakistan	21,250	35,250	-	11,500	45,000	2,163,554	1,847,250	4.59	0.0027	
United Bank Limited	29,000	10,000	-	3,000	36,000	2,164,731	1,886,040	4.69	0.0029	
	151,988	125,162	-	131,650	145,500	10,799,053	9,121,275	22.69		
Non Life Insurance										
Adamjee Insurance Company Limited	25,000	15,000	-	1,190	38,810	2,634,895	1,805,053	4.49	0.0314	
						<u>42,398,444</u>	<u>37,982,608</u>	<u>94.44</u>		

Atlas Pension Fund

5.2 Treasury Bills - Available-for-sale

	Face value (Rupees)				Rupees		Market value as a Percentage of net assets
	As at 1 July 2011	Purchases during the period	Matured during the period	As at 31 December 2011	Amortised cost	Market value	
5.2.1 Debt Sub-Fund							
Treasury Bills	10,000,000	21,500,000	12,500,000	19,000,000	<u>17,953,221</u>	<u>17,977,426</u>	<u>38.06</u>

5.2.1.1 The cost of investments as on 31 December 2011 is Rs.17,559,878 (30 June 2011: Rs.9,533,500).

5.2.1.2 These Government treasury bills carry purchase yields ranging from 11.78% to 13.32% per annum (30 June 2011: 13.44% to 13.55% per annum) and will mature between 22 March 2012 and 20 September 2012.

5.2.2 Money Market Sub-Fund

	Face value (Rupees)				Rupees		Market value as a Percentage of net assets
	As at 1 July 2011	Purchases during the period	Matured during the period	As at 31 December 2011	Amortised cost	Market value	
Treasury Bills	35,000,000	77,000,000	72,000,000	40,000,000	<u>39,475,324</u>	<u>39,464,232</u>	<u>94.31</u>

5.2.2.1 The cost of investments as on 31 December 2011 is Rs.38,945,824 (30 June 2011: Rs.33,961,200).

5.2.2.2 These Government treasury bills carry purchase yields ranging from 11.65% to 11.83% per annum (30 June 2011: 13.16% to 13.49% per annum) and will mature between 26 January 2012 and 22 March 2012.

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5.3 Term Finance Certificates - Available-for-sale

5.3.1 Debt Sub-Fund

Name of Investment	Status	As at 1 July 2011	Purchases during the period	Sales/matured during the period	As at 31 December 2011	Carrying value	Market Value	Market rate as a % of Net assets of the Sub-Fund
					Number of certificates	Rupees		
Banks								
Allied Bank Limited	Listed	225	-	-	225	1,183,077	1,125,269	2.38
Askari Commercial Bank Limited-II	Listed	225	-	-	225	1,167,052	1,117,446	2.37
Bank Alfalah Limited-II	Listed	200	-	-	200	698,332	664,821	1.41
Soneri Bank Limited	Listed	225	-	-	225	889,004	836,339	1.77
United Bank Limited-II	Listed	60	-	-	60	266,218	285,082	0.60
United Bank Limited-III	Listed	300	-	-	300	1,565,489	1,492,129	3.16
Chemicals								
Engro Fertilizers Limited-II	Listed	69	-	-	69	344,379	337,591	0.71
Engro Fertilizers Limited	Unlisted	220	-	-	220	1,100,000	1,111,263	2.35
Pak Arab Fertilizers Limited	Listed	53	-	-	53	196,206	196,981	0.42
						<u>7,409,757</u>	<u>7,166,921</u>	<u>15.17</u>

5.3.2 Money Market Sub-Fund

Banks								
United Bank Limited-II	Listed	140	-	-	140	601,830	665,190	1.59

5.4 Sukuk Certificates - Available-for-sale

Debt Sub-Fund

Name of investment	Note	Status	As at 1 July 2011	Purchases during the period	Sales / matured during the period	As at 31 December 2011	Market Value	Market rate as a % of Net assets of the Sub-Fund
					Number of certificates	Rupees		
Chemicals								
Agritech Limited	5.4.1	Unlisted	200	-	-	200	-	-

Atlas Pension Fund

- 5.4.1 This security has been classified as non-performing as per the requirements of SECP's Circular 1 of 2009 and accordingly, an aggregate provision of Rs.1,000,000/- (30 June 2011: Rs.519,474/-), net of market discount on valuation, as permitted under SECP's Circular 3 of 2010 dated 20 January 2010 has been made in accordance with the minimum provisioning requirements of both the above mentioned circulars.

Non-compliant Investment	Type of investment	Value before provision	Provision held	Net carrying value	Net carrying value as a % of net assets	Net carrying value as a % of gross assets
		Rupees				
Agritech Limited	Sukuk certificate	1,000,000	1,000,000	-	-	-

- 5.5 Pakistan Investment Bonds - Available-for-sale

	Face value (Rupees)				Rupees		
	As at 1 July 2011	Purchases during the period	Matured during the period	As at 31 December 2011	Amortised cost	Market value	Market value as a Percentage of net assets of Sub Fund
5.5.1 Debt Sub-Fund							
Pakistan Investment Bonds	20,000,000	-	-	20,000,000	19,752,008	19,678,771	41.66

These carry interest at the rate of 9.30% (30 June 2011: 9.30%) and will mature on 22 August 2012.

	31 December 2011 (Un-Audited)					30 June 2011 (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-----				
Savings accounts	23,230	34,571	51,882	-	109,683	14,556	41,873	40,592	-	97,021
Pakistan Investment Bonds	-	667,160	-	-	667,160	-	662,931	-	-	662,931
Term Finance Certificates and Sukuk Certificate	-	204,311	19,705	-	224,016	-	227,051	19,492	-	246,543
	<u>23,230</u>	<u>906,042</u>	<u>71,587</u>	<u>-</u>	<u>1,000,859</u>	<u>14,556</u>	<u>931,855</u>	<u>60,084</u>	<u>-</u>	<u>1,006,495</u>

6. INTEREST ACCRUED

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Note	31 December 2011 (Un-Audited)					30 June 2011 (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				
7. PAYABLE TO THE PENSION FUND MANAGER - Related party										
Pension Fund Manager fee	157,050	173,129	153,999	-	484,178	49,090	49,794	46,089	-	144,973
Front-end fee payable	-	-	-	13,308	13,308	-	-	-	17,214	17,214
	<u>157,050</u>	<u>173,129</u>	<u>153,999</u>	<u>13,308</u>	<u>497,486</u>	<u>49,090</u>	<u>49,794</u>	<u>46,089</u>	<u>17,214</u>	<u>162,187</u>
8. PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED (TRUSTEE) - Related Party										
Trustee fee	7,868	9,099	8,112	-	25,079	8,357	8,468	7,839	-	24,664
Settlement charges	725	500	500	-	1,725	700	500	500	-	1,700
	<u>8,593</u>	<u>9,599</u>	<u>8,612</u>	<u>-</u>	<u>26,804</u>	<u>9,057</u>	<u>8,968</u>	<u>8,339</u>	<u>-</u>	<u>26,364</u>
9. ACCRUED EXPENSES AND OTHER LIABILITIES										
Withholding tax payable	-	-	-	265	265	648	638	593	1,102	2,981
Sindh Sales Tax on Services payable	25,128	27,701	24,640	-	77,469	-	-	-	-	-
Zakat payable	-	-	-	10,470	10,470	-	-	-	4,776	4,776
Provision for Workers' Welfare Fund	337,537	285,060	268,637	-	891,234	337,537	251,705	226,845	-	816,087
Others	-	-	-	10,000	10,000	-	-	-	10,000	10,000
	<u>362,665</u>	<u>312,761</u>	<u>293,277</u>	<u>20,735</u>	<u>989,438</u>	<u>338,185</u>	<u>252,343</u>	<u>227,438</u>	<u>15,878</u>	<u>833,844</u>

Atlas Pension Fund

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

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

Subsequent to the year ended 30 June 2011, the Honorable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, has declared the said amendments as unlawful and unconstitutional. The Management Company is hopeful that the decision of the LHC, will lend further support to the Constitutional Petition which is pending in the SHC. However, pending the decision of the said Constitutional Petition, the Pension Fund Manager, as a matter of abundant caution, has decided to continue to maintain the provision for WWF amounting to Rs.891,234 (including Rs.75,147 for the current period) in these financial statements.

For the Half Year Ended 31 December 2011 (Un-audited)

For the Half Year Ended 31 December 2010 (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
	-----Number of Units-----					-----Number of Units-----				
10. NUMBER OF UNITS IN ISSUE										
At the beginning of the period	301,942	302,241	269,017	-	873,200	391,860	378,105	344,484	-	1,114,449
Add: Issue of units during the period	45,965	30,501	14,641	-	91,107	13,452	14,703	13,175	-	41,330
Less: Redemptions during the period										
- Directly by participants	(10,042)	(11,888)	(5,993)	-	(27,923)	(16,746)	(10,705)	(2,306)	-	(29,757)
- Directly by Pension Fund Manager	-	-	-	-	-	(106,324)	(106,324)	(106,324)	-	(318,972)
	(10,042)	(11,888)	(5,993)	-	(27,923)	(123,070)	(117,029)	(108,630)	-	(348,729)
At the end of the period	337,865	320,854	277,665	-	936,384	282,242	275,779	249,029	-	807,050

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 December 2011.

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For the Half Year Ended 31 December 2011 (Un-audited)						For the Half Year Ended 31 December 2010 (Un-audited)				
Note	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-----				
12. INTEREST INCOME										
On saving accounts	143,198	207,894	200,827	-	551,919	225,531	377,276	450,508	-	1,053,315
Term finance certificates and Sukuk Certificates	-	647,751	33,421	-	681,172	-	527,743	33,531	-	561,274
Pakistan Investment Bonds	-	926,829	-	-	926,829	-	926,738	-	-	926,738
Treasury Bills	-	856,030	2,298,500	-	3,154,530	-	397,659	1,797,539	-	2,195,198
	<u>143,198</u>	<u>2,638,504</u>	<u>2,532,748</u>	<u>-</u>	<u>5,314,450</u>	<u>225,531</u>	<u>2,229,416</u>	<u>2,281,578</u>	<u>-</u>	<u>4,736,525</u>

12.1 Mark-up on non performing securities amounting to Rs.207,470 (2010: Rs.130,684) based on outstanding principal has not been recognised, in accordance with SECP's Circular 1 of 2009.

For the Quarter Ended 31 December 2011 (un-audited)						For the Quarter Ended 31 December 2010 (un-audited)				
Note	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Others	Total
13. INTEREST INCOME										
On saving accounts	87,979	95,145	107,333	-	290,457	95,862	120,449	139,210	-	355,521
Term finance certificates and Sukuk Certificates	-	274,050	16,785	-	290,835	-	283,528	16,878	-	300,406
Pakistan Investment Bonds	-	465,000	-	-	465,000	-	465,000	-	-	465,000
Treasury Bills	-	475,475	1,131,939	-	1,607,414	-	138,709	852,314	-	991,023
	<u>87,979</u>	<u>1,309,670</u>	<u>1,256,057</u>	<u>-</u>	<u>2,653,706</u>	<u>95,862</u>	<u>1,007,686</u>	<u>1,008,402</u>	<u>-</u>	<u>2,111,950</u>

13.1 Mark-up on non performing securities amounting to Rs.38,741 (2010: Rs.36,878) based on outstanding principal has not been recognised, in accordance with SECP's Circular 1 of 2009.

Atlas Pension Fund

14. CONTRIBUTION TABLE

	For the Half Year Ended 31 December 2011 (Un-audited)							For the Half Year Ended 31 December 2010 (Un-audited)						
	Equity Sub Fund		Debt Sub Fund		Money Market Sub Fund		Total	Equity Sub Fund		Debt Sub Fund		Money Market Sub Fund		Total
	Units	Rupees	Units	Rupees	Units	Rupees	Rupees	Units	Rupees	Units	Rupees	Units	Rupees	Rupees
Individuals	14,899	1,847,704	6,742	970,718	2,924	433,583	3,252,005	2,160	233,584	3,168	415,777	6,405	863,276	1,512,637
Employers	31,066	3,833,476	23,759	3,423,710	11,717	1,725,623	8,982,809	11,292	1,240,472	11,535	1,499,294	6,770	896,510	3,636,276
	45,965	5,681,180	30,501	4,394,428	14,641	2,159,206	12,234,814	13,452	1,474,056	14,703	1,915,071	13,175	1,759,786	5,148,913

15. 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 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 financial statements.

	For the Half Year Ended 31 December 2011 (Un-audited)					For the Half Year Ended 31 December 2010 (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				
Atlas Asset Management Limited (Pension Fund Manager)										
Remuneration	306,528	337,572	302,370	-	946,470	274,968	311,528	285,218	-	871,714
Remuneration paid	198,568	214,237	194,460	-	607,265	279,690	304,924	297,292	-	881,906
Redemption out of core units	-	-	-	-	-	11,258,606	13,765,716	14,012,387	-	39,036,709
Redemption out of core units (Number of Units)	-	-	-	-	-	106,324	106,324	106,324	-	318,972
Front-end fee	-	-	-	69,813	-	-	-	-	28,497	28,497

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15. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES (Continued...)

	For the Half Year Ended 31 December 2011 (Un-audited)					For the Half Year Ended 31 December 2010 (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	48,825	53,791	48,208	-	150,824	47,908	53,989	49,350	-	151,247
Trustee fee paid	49,314	53,160	47,935	-	150,409	46,829	54,101	49,468	-	150,398
Settlement charges	4,176	3,000	3,000	-	10,176	4,160	3,000	3,000	-	10,160
<u>Key management personnel</u>										
Contributions	2,295,520	609,769	143,545	-	3,048,834	655,261	183,402	78,346	-	917,009
Contributions (Number of Units)	18,783	4,269	971	-	24,023	5,975	1,413	592	-	7,980

16. Fair value of financial instruments

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

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

Fair value of investments is determined as follows:

- Fair value of listed equity securities is determined on the basis of closing market prices quoted on the respective stock exchange.
- Fair value of government securities is determined by reference to the quotations obtained from the PKRV rate sheet on the Reuters page, as per the method of valuation agreed with the Trustees of the Fund under the Rules.
- Listed and unlisted debt securities, other than government securities, are valued on the basis of prices announced by the Mutual Funds Association of Pakistan (MUFAP), as per the method of valuation agreed with the Trustees of the Fund under the Rules. The MUFAP calculates these prices in accordance with the SECP's Circular 1 of 2009. The said circular prescribes a valuation methodology which in case of currently traded securities, is based on weighted average prices during the 15 days preceding the valuation date and in case of thinly or non-traded securities, on the basis of discount coupon method which takes into consideration credit risk and maturities of the instruments.
- The fair value of other financial assets and liabilities of the Fund approximate their carrying amount due to short term maturities of these instruments.

Atlas Pension Fund

17. GENERAL

17.1 Figures have been rounded off to the nearest Rupee.

17.2 Corresponding figures have been reclassified, rearranged or additionally incorporated in these 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 financial statements.

18. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Pension Fund Manager on 23 February 2012.

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
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. Fazlur Rahman

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisers

Bawaney & Partners

Bankers

Al-Baraka Bank (Pakistan) Limited
Askari Commercial Bank Limited - Islamic Banking
Bank Al-Falah Limited - Islamic Banking
Bank Al-Habib Limited - Islamic Banking
Faysal Bank Limited - Islamic Banking

Atlas Pension Islamic Fund

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT 31 DECEMBER 2011

	Note	31 December 2011 (Un-audited)					30 June 2011 (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-----											
ASSETS											
Bank balances and term deposit receipts	4	2,781,752	8,894,973	11,719,550	84,501	23,480,776	2,325,507	10,699,237	18,328,269	43,087	31,396,100
Investments	5	45,867,510	47,320,097	31,762,044	-	124,949,651	46,308,107	40,675,385	22,887,563	-	109,871,055
Receivable against sale of investments		240,897	-	-	-	240,897	-	-	-	-	-
Dividend receivable		-	-	-	-	-	318,750	-	-	-	318,750
Mark up accrued	6	23,990	1,177,066	1,319,608	-	2,520,664	26,002	1,074,700	1,177,087	-	2,277,789
Security deposit and other receivables		108,667	108,667	108,666	-	326,000	108,667	108,667	108,666	-	326,000
Total assets		49,022,816	57,500,803	44,909,868	84,501	151,517,988	49,087,033	52,557,989	42,501,585	43,087	144,189,694
LIABILITIES											
Payable to the Pension Fund Manager	7	187,204	206,172	163,380	19,008	575,764	60,290	63,785	51,416	10,640	186,131
Payable to the Central Depository Company of Pakistan Limited - Trustee	8	9,173	9,934	7,958	-	27,065	9,470	9,462	7,724	-	26,656
Payable to the Securities and Exchange Commission of Pakistan		8,186	9,011	7,133	-	24,330	15,484	16,337	12,917	-	44,738
Payable to the auditors		19,942	19,942	19,942	-	59,826	35,000	35,000	35,000	-	105,000
Accrued expenses and other liabilities	9	636,587	314,052	307,195	65,493	1,323,327	601,787	256,259	238,100	32,447	1,128,593
Total liabilities		861,092	559,111	505,608	84,501	2,010,312	722,031	380,843	345,157	43,087	1,491,118
NET ASSETS		48,161,724	56,941,692	44,404,260	-	149,507,676	48,365,002	52,177,146	42,156,428	-	142,698,576
Represented by:											
PARTICIPANTS' SUB-FUND (as per statement attached)		48,161,724	56,941,692	44,404,260	-	149,507,676	48,365,002	52,177,146	42,156,428	-	142,698,576
Contingencies and commitments											
Number of units in issue	11	294,197	410,796	301,933			290,984	386,854	301,290		
Net asset value per unit (Rupees)		163.71	138.61	147.07			166.21	134.88	139.92		

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

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

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CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	Note	For the Half Year Ended 31 December 2011 (Un-audited)				For the Half Year Ended 31 December 2010 (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-----									
INCOME									
Mark-up income	12	173,394	3,638,030	2,649,842	6,461,266	325,511	2,424,734	2,175,304	4,925,549
Dividend income		1,965,124	-	-	1,965,124	1,471,808	-	-	1,471,808
Capital gain on sale of investments		619,401	-	-	619,401	3,364,831	-	-	3,364,831
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(2,981,326)	-	-	(2,981,326)	6,629,686	-	-	6,629,686
		(2,361,925)	-	-	(2,361,925)	9,994,517	-	-	9,994,517
		(223,407)	3,638,030	2,649,842	6,064,465	11,791,836	2,424,734	2,175,304	16,391,874
EXPENSES									
Remuneration of the Pension Fund Manager		368,298	405,765	320,738	1,094,801	343,458	368,655	294,360	1,006,473
Sindh Sales Tax on services		58,928	64,922	51,318	175,168	-	-	-	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee		50,736	55,902	44,180	150,818	51,729	55,425	44,078	151,232
Annual fee to the Securities and Exchange Commission of Pakistan		8,186	9,011	7,133	24,330	7,638	8,193	6,528	22,359
Amortisation of deferred formation cost		-	-	-	-	11,791	11,791	11,790	35,372
Bank charges		200	632	1,002	1,834	6,165	2,577	2,379	11,121
Legal & professional charges		9,333	9,333	9,334	28,000	8,333	8,333	8,334	25,000
Auditors' remuneration		20,002	20,002	20,002	60,006	17,644	17,644	17,644	52,932
Provision for non performing financial assets - classified as "available for sale"	5.2.2	-	1,777,947	-	1,777,947	-	-	-	-
Securities' transaction cost and settlement charges		64,292	4,200	4,800	73,292	53,351	9,306	6,573	69,230
Provision for Workers' Welfare Fund	9.2	-	25,806	43,827	69,633	225,835	38,856	35,672	300,363
		579,975	2,373,520	502,334	3,455,829	725,944	520,780	427,358	1,674,082
Net (loss) / income for the period		(803,382)	1,264,510	2,147,508	2,608,636	11,065,892	1,903,954	1,747,946	14,717,792
(Loss) / earnings per unit		(2.73)	3.08	7.11		37.54	5.34	6.61	

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

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Pension Islamic Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 31 DECEMBER 2011

	For the Quarter Ended 31 December 2011 (Un-audited)				For the Quarter Ended 31 December 2010 (Un-audited)			
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total
INCOME	Rupees				Rupees			
Mark-up income	91,822	1,691,433	1,353,480	3,136,735	125,356	1,241,638	969,751	2,336,745
Dividend income	1,296,159	-	-	1,296,159	944,275	-	-	944,275
Capital gain on sale of investments	734,817	-	-	734,817	2,103,062	-	-	2,103,062
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(4,677,247)	-	-	(4,677,247)	4,988,332	-	-	4,988,332
	(3,942,430)	-	-	(3,942,430)	7,091,394	-	-	7,091,394
	(2,554,449)	1,691,433	1,353,480	490,464	8,161,025	1,241,638	969,751	10,372,414
EXPENSES								
Remuneration of the Pension Fund Manager	187,204	206,172	163,380	556,756	160,969	167,554	129,367	457,890
Sindh Sales Tax on services	29,953	32,987	26,141	89,081	-	-	-	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	25,291	27,845	22,066	75,202	26,568	27,677	21,371	75,616
Annual fee to the Securities and Exchange Commission of Pakistan	4,164	4,573	3,641	12,378	3,578	3,721	2,873	10,172
Amortisation of deferred formation cost	-	-	-	-	3,249	3,249	3,248	9,746
Bank charges	200	251	250	701	3,330	778	778	4,886
Legal & professional charges	-	-	-	-	8,333	8,333	8,334	25,000
Auditors' remuneration	11,120	11,120	11,120	33,360	8,822	8,822	8,822	26,466
Provision for non performing financial assets - classified as "available for sale"	-	805,778	-	805,778	-	-	-	-
Securities' transaction cost and settlement charges	34,878	1,500	1,500	37,878	30,993	4,231	2,962	38,186
Provision for Workers' Welfare Fund	(40,878)	12,024	22,508	(6,346)	158,304	20,345	15,839	194,488
	251,932	1,102,250	250,606	1,604,788	404,146	244,710	193,594	842,450
Net (loss) / income for the period	(2,806,381)	589,183	1,102,874	(1,114,324)	7,756,879	996,928	776,157	9,529,964
(Loss) / earnings per unit	(9.54)	1.43	3.65		26.31	2.80	2.94	

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

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

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CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	For the Half Year Ended 31 December 2011 (Un-audited)				For the Half Year Ended 31 December 2010 (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	(803,382)	1,264,510	2,147,508	2,608,636	11,065,892	1,903,954	1,747,946	14,717,792
Other comprehensive income / (loss)								
Net unrealised appreciation / (diminution) on re-measurement of investments classified as available for sale	-	187,659	(40,519)	147,140	-	(658,550)	32,473	(626,077)
Total comprehensive (loss) / income for the period	(803,382)	1,452,169	2,106,989	2,755,776	11,065,892	1,245,404	1,780,419	14,091,715

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

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Pension Islamic Fund

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED 31 DECEMBER 2011

	For the Quarter Ended 31 December 2011 (Un-audited)				For the Quarter Ended 31 December 2010 (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	(2,806,381)	589,183	1,102,874	(1,114,324)	7,756,879	996,928	776,157	9,529,964
Other comprehensive income / (loss)								
Net unrealised (diminution) / appreciation on re-measurement of investments classified as available for sale	-	(235,617)	(142,177)	(377,794)	-	44,947	43,049	87,996
Total comprehensive (loss) / income for the period	(2,806,381)	353,566	960,697	(1,492,118)	7,756,879	1,041,875	819,206	9,617,960

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

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

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CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	For the Half Year Ended 31 December 2011 (Un-audited)					For the Half Year Ended 31 December 2010 (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	(803,382)	1,264,510	2,147,508	-	2,608,636	11,065,892	1,903,954	1,747,946	-	14,717,792
Adjustments for:										
Mark up income	(173,394)	(3,638,030)	(2,649,842)	-	(6,461,266)	(325,511)	(2,424,734)	(2,175,304)	-	(4,925,549)
Dividend income	(1,965,124)	-	-	-	(1,965,124)	(1,471,808)	-	-	-	(1,471,808)
Net gain on sale of investments	(619,401)	-	-	-	(619,401)	(3,364,831)	-	-	-	(3,364,831)
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	2,981,326	-	-	-	2,981,326	(6,629,686)	-	-	-	(6,629,686)
Provision for non performing financial assets classified as 'available for sale'	-	1,777,947	-	-	1,777,947	-	-	-	-	-
Provision for Workers' Welfare Fund	-	25,806	43,827	-	69,633	225,835	38,856	35,672	-	300,363
Amortisation of deferred formation cost	-	-	-	-	-	11,791	11,791	11,790	-	35,372
	(579,975)	(569,767)	(458,507)	-	(1,608,249)	(488,318)	(470,133)	(379,896)	-	(1,338,347)
(Increase) / Decrease in assets										
Receivable against sale of investments	(240,897)	-	-	-	(240,897)	385,403	-	-	-	385,403
Increase / (decrease) in liabilities										
Payable against purchase of investments	-	-	-	-	-	-	-	-	-	-
Payable to the Pension Fund Manager	126,914	142,387	111,964	8,368	389,633	(2,341)	(9,353)	(10,714)	(2,429)	(24,837)
Payable to the Central Depository Company of Pakistan Limited - Trustee	(297)	472	234	-	409	1,072	130	(378)	-	824
Payable to the Securities and Exchange Commission of Pakistan	(7,298)	(7,326)	(5,784)	-	(20,408)	(8,986)	(8,675)	(7,594)	-	(25,255)
Payable to the auditors	(15,058)	(15,058)	(15,058)	-	(45,174)	(17,356)	(17,356)	(17,356)	-	(52,068)
Accrued expenses and other liabilities	34,800	31,987	25,268	33,046	125,101	(37,744)	(125)	(349)	10,358	(27,860)
	139,061	152,462	116,624	41,414	449,561	(65,355)	(35,379)	(36,391)	7,929	(129,196)
Mark up received	175,406	3,535,664	2,507,321	-	6,218,391	309,273	2,335,034	2,237,607	-	4,881,914
Dividend received	2,283,874	-	-	-	2,283,874	1,821,808	-	-	-	1,821,808
Payment against investments	(29,173,440)	(8,560,000)	(9,090,000)	-	(46,823,440)	(25,082,097)	(20,210,000)	-	-	(45,292,097)
Receipt against investments sold / matured	27,252,112	325,000	175,000	-	27,752,112	37,208,041	325,000	175,000	-	37,708,041
	537,952	(4,699,336)	(6,407,679)	-	(10,569,063)	14,257,025	(17,549,966)	2,412,607	-	(880,334)
Net cash (out flow on) / inflow from operating activities	(143,859)	(5,116,641)	(6,749,562)	41,414	(11,968,648)	14,088,755	(18,055,478)	1,996,320	7,929	(1,962,474)

c/f

Atlas Pension Islamic Fund

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) (Continued...)
FOR THE HALF YEAR ENDED 31 DECEMBER 2011

	For the Half Year Ended 31 December 2011 (Un-audited)					For the Half Year Ended 31 December 2010 (Un-audited)				
	Equity	Debt	Money	Others	Total	Equity	Debt	Money	Others	Total
	Sub Fund	Sub Fund	Market			Sub Fund	Sub Fund	Market		
Note	Rupees					Rupees				
Net cash (out flow on) / inflow from operating activities b/f	(143,859)	(5,116,641)	(6,749,562)	41,414	(11,968,648)	14,088,755	(18,055,478)	1,996,320	7,929	(1,962,474)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts on issue of units	4,335,170	9,721,695	5,677,195	-	19,734,060	2,557,704	7,001,751	4,079,786	-	13,639,241
Payment on redemption of units										
- Directly by the participants	(3,735,066)	(6,409,318)	(5,536,352)	-	(15,680,736)	(2,591,984)	(3,039,099)	(1,804,627)	-	(7,435,710)
- By Pension Fund Manager	-	-	-	-	-	(13,616,863)	(13,556,258)	(13,790,170)	-	(40,963,291)
Net cash inflow from / (out flow on) financing activities	600,104	3,312,377	140,843	-	4,053,324	(13,651,143)	(9,593,606)	(11,515,011)	-	(34,759,760)
Net increase / (decrease) in cash and cash equivalents	456,245	(1,804,264)	(6,608,719)	41,414	(7,915,324)	437,612	(27,649,084)	(9,518,691)	7,929	(36,722,234)
Cash and cash equivalents at the beginning of the period	2,325,507	10,699,237	18,328,269	43,087	31,396,100	2,722,696	48,258,455	43,120,189	37,127	94,138,467
Cash and cash equivalents at the end of the period 4	2,781,752	8,894,973	11,719,550	84,501	23,480,776	3,160,308	20,609,371	33,601,498	45,056	57,416,233

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

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

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CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2011

Note	For the Half Year Ended 31 December 2011 (Un-audited)				For the Half Year Ended 31 December 2010 (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 assets at the beginning of the period	48,365,002	52,177,146	42,156,428	142,698,576	47,699,177	55,091,073	45,024,212	147,814,462	
Amount received on issue of units	14	4,335,170	9,721,695	5,677,195	19,734,060	2,557,704	7,001,751	4,079,786	13,639,241
Amount paid on redemption of units									
- Directly by participants	(3,735,066)	(6,409,318)	(5,536,352)	(15,680,736)	(2,591,984)	(3,039,099)	(1,804,627)	(7,435,710)	
- By Pension Fund Manager	-	-	-	-	(13,616,863)	(13,556,258)	(13,790,170)	(40,963,291)	
	(3,735,066)	(6,409,318)	(5,536,352)	(15,680,736)	(16,208,847)	(16,595,357)	(15,594,797)	(48,399,001)	
Net (loss) / income for the period	(1,422,783)	1,264,510	2,147,508	1,989,235	7,701,061	1,903,954	1,747,946	11,352,961	
Net capital gain on sale of investments	619,401	-	-	619,401	3,364,831	-	-	3,364,831	
Other comprehensive income / (loss)	-	187,659	(40,519)	147,140	-	(658,550)	32,473	(626,077)	
Total comprehensive (loss) / income for the period	(803,382)	1,452,169	2,106,989	2,755,776	11,065,892	1,245,404	1,780,419	14,091,715	
Net assets at the end of the period	48,161,724	56,941,692	44,404,260	149,507,676	45,113,926	46,742,871	35,289,620	127,146,417	

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

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Atlas Pension Islamic Fund

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2011

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 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, and the Second Supplement dated 28 March 2011, with the approval of the Securities and Exchange Commission of Pakistan (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.

Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as trustee of the Fund.

1.3 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 weighted average time to maturity of the assets upto one year, and the time to maturity of Shariah Compliant Government securities such as Government of Pakistan Ijarah Sukuks upto three years.

1.4 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 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.

2. 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 2011.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those of the previous financial year except as follows:

New and amended standards and interpretations

The Fund has adopted the following amended IFRS and IFRIC interpretation which became effective during the period.

- IFRS 7 - Financial Instruments: Disclosures
- IAS 24 - Related Party Disclosures (Revised)
- IFRIC 14 - Prepayments of a Minimum Funding Requirement (Amendment)

In May 2010, International Accounting Standards Board (IASB) issued amendments to various standards primarily with a view to removing inconsistencies and clarifying wording. These improvements are listed below:

- IFRS 7 - Financial Instruments Disclosures - Clarification of disclosures
- IAS 1 - Presentation of Financial Statements - Clarification of statement of changes in equity
- IAS 34 - Interim Financial Reporting - Significant events and transactions
- IFRIC 13 - Customer Loyalty Programmes - Fair value of award credits

The adoption of the above standards, amendments, interpretations and improvements did not have any effect on the condensed interim financial statements.

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4. BANK BALANCES AND TERM DEPOSIT RECEIPTS

Note	31 December 2011 (Un-audited)					30 June 2011 (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					
In current account	-	-	-	27,016	27,016	-	-	-	18,650	18,650	
In deposit accounts	4.1	2,781,752	5,144,973	7,969,550	57,485	15,953,760	2,325,507	4,699,237	6,328,269	24,437	13,377,450
In term deposit receipts	4.2	-	3,750,000	3,750,000	-	7,500,000	-	6,000,000	12,000,000	-	18,000,000
		<u>2,781,752</u>	<u>8,894,973</u>	<u>11,719,550</u>	<u>84,501</u>	<u>23,480,776</u>	<u>2,325,507</u>	<u>10,699,237</u>	<u>18,328,269</u>	<u>43,087</u>	<u>31,396,100</u>

4.1 The accounts carry rates ranging from 5% to 11.20% (30 June 2011: 5% to 11.80%) per annum.

4.2 The expected rate of return on these accounts is 10.50% (30 June 2011: 11.50%) per annum. These deposits are maturing on 9 March 2012 (30 June 2011: 6 July 2011).

5. INVESTMENTS

Note	31 December 2011 (Un-audited)					30 June 2011 (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					
At fair value through profit or loss held-for-trading											
Equity securities - listed	5.1	45,867,510	-	-	-	45,867,510	46,308,107	-	-	-	46,308,107
Available-for-sale											
Sukuk certificates - unlisted	5.2	-	1,928,447	1,038,394	-	2,966,841	-	3,967,635	1,179,063	-	5,146,698
Government of Pakistan - Ijarah Sukuk	5.3	-	45,391,650	30,723,650	-	76,115,300	-	36,707,750	21,708,500	-	58,416,250
		<u>45,867,510</u>	<u>47,320,097</u>	<u>31,762,044</u>	<u>-</u>	<u>124,949,651</u>	<u>46,308,107</u>	<u>40,675,385</u>	<u>22,887,563</u>	<u>-</u>	<u>109,871,055</u>

Atlas Pension Islamic Fund

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

Name of the investee company	As at 1 July 2011	Purchases during the period	Bonus during the period	Sales during the period	As at 31 December 2011	Balance as at 31 December 2011		Market value as a % of Net assets of the Sub-Fund	Market value as a % of Paid-up capital of investee company
						Cost	Market value		
-----Number of shares-----						-----Rupees-----			
All holdings are in shares of Rs. 10/- each as otherwise stated.									
Oil & Gas									
Attock Petroleum Limited	9,000	4,000	-	2,000	11,000	4,225,957	4,537,500	9.42	0.02
Attock Refinery Limited	5,000	10,000	-	15,000	-	-	-	-	-
National Refinery Limited	-	3,715	-	3,715	-	-	-	-	-
Oil & Gas Development Company Limited	-	10,000	-	10,000	-	-	-	-	-
Pakistan Oilfields Limited	11,000	4,500	-	2,500	13,000	3,630,549	4,503,850	9.35	0.01
Pakistan Petroleum Limited	20,000	18,500	1,500	12,500	27,500	4,661,662	4,628,800	9.61	-
Pakistan State Oil Company Limited	8,000	5,000	-	3,000	10,000	2,647,455	2,272,100	4.72	0.01
	53,000	55,715	1,500	48,715	61,500	15,165,623	15,942,250	33.10	
Chemicals									
Fauji Fertilizer Bin Qasim Limited	110,000	12,500	-	122,500	-	-	-	-	-
Fauji Fertilizer Company Limited	30,000	5,800	-	4,300	31,500	3,480,918	4,710,510	9.78	-
ICI Pakistan Limited	29,500	4,964	-	14,500	19,964	2,818,109	2,401,070	4.99	0.01
Lotte Pakistan PTA Limited	50,000	100,000	-	-	150,000	1,976,716	1,390,500	2.89	0.01
	219,500	123,264	-	141,300	201,464	8,275,743	8,502,080	17.65	
Construction and Materials									
D.G.Khan Cement Limited	70,000	55,000	-	-	125,000	2,889,720	2,378,750	4.94	0.03
Lucky Cement Limited	40,000	30,000	-	10,000	60,000	4,407,041	4,502,400	9.35	0.02
	110,000	85,000	-	10,000	185,000	7,296,761	6,881,150	14.29	
General Industries									
Packages Limited	15,000	13,010	-	18,010	10,000	1,019,999	827,200	1.72	0.01
Thal Limited (face value Rs.5/- per share)	30,000	10,000	5,000	34,367	10,633	885,591	869,779	1.81	0.01
	45,000	23,010	5,000	52,377	20,633	1,905,590	1,696,979	3.52	

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5.1 Listed equity securities - at fair value through profit or loss (Continued...)

Name of the investee company	As at 1 July 2011	Purchases during the period	Bonus during the period	Sales during the period	As at 31 December 2011	Balance as at 31 December 2011		Market value as a % of net assets of the Sub-Fund	Market value as a % of Paid-up capital of investee company	
						Cost	Market value			
-----Number of shares-----						-----Rupees-----				
All holdings are in shares of Rs. 10/- each as otherwise stated.										
Industrials Engineering										
Millat Tractors Limited	-	4,000	-	4,000	-	-	-	-	-	
Personal Goods										
Nishat Mills Limited	-	50,000	-	-	50,000	2,033,881	2,022,500	4.20	0.01	
Fixed Line Telecommunication										
Pakistan Telecommunication Company Limited	125,000	265,000	-	15,000	375,000	4,580,732	3,896,250	8.09	0.01	
Electricity										
The Hub Power Company Limited	125,000	30,000	-	16,000	139,000	5,407,274	4,753,800	9.87	0.01	
Bank										
Meezan Bank Limited	126,600	25,000	-	26,600	125,000	2,031,304	2,172,500	4.51	0.02	
					<u>1,157,597</u>	<u>46,696,908</u>	<u>45,867,510</u>	<u>95.24</u>		

5.2 Unlisted Sukuk certificates - Available for sale

5.2.1 Debt Sub Fund	Note	As at 1 July 2011	Purchased during the period	Sales during the period	As at 31 December 2011			Market rate as a % of net assets of the Sub - Fund	
						Cost	Carrying value/ market value		
-----Number of certificates-----						-----Rupees-----			
Fertilizer									
Agritech Limited	5.2.2	740	-	-	740	3,700,000	-	-	-
Paper and Board									
Century Paper & Board Mills Limited		650	-	-	650	1,998,750	1,928,447	3.39	
					<u>5,698,750</u>	<u>1,928,447</u>	<u>3.39</u>		

Atlas Pension Islamic Fund

5.2.2 This security has been classified as non-performing as per the requirements of SECP's Circular 1 of 2009 and accordingly an aggregate provision of Rs.3,700,000/- (30 June 2011: Rs.1,922,053/-), net of market discount on valuation, as permitted under SECP's Circular 3 of 2010 dated 20 January 2010 has been made in accordance with the minimum provisioning requirements of both the above mentioned circulars.

Non-compliant investment	Type of Investment	Value before provision	Provision held	Net carrying value	Net carrying value as a % of Net assets	Net carrying value as a % of Gross assets
-----Rupees-----						
Agritech Limited	Sukuk certificate	3,700,000	3,700,000	-	-	-

5.2.3 Money Market Sub Fund

Name of investee company	As at 1 July 2011	Purchased during the period	Sales/Matured during the period	As at 31 December 2011	Cost	Carrying value/market value	Market rate as a % of Net assets of the Sub-Fund
----- Number of certificates -----							
Century Paper & Board Mills Limited	350	-	-	350	1,076,250	1,038,394	2.34
-----Rupees-----							

5.3 Government of Pakistan - Ijarah Sukuks

		Face value				Cost	Carrying value/market value	Market rate as a % of Net assets of the Sub-Fund
Note		As at 1 July 2011	Purchased during the period	Sales/Matured during the period	As at 31 December 2011			
-----Rupees-----								
5.3.1 Debt Sub Fund								
	5.3.2	36,500,000	8,500,000	-	45,000,000	45,307,000	45,391,650	79.72

5.3.2 These investments carry rate of return ranging from 11.6718% to 13.2772% (30 June 2011: 12.6399% to 13.6750%) per annum with latest maturity upto 26 December 2014 (30 June 2011: 16 May 2014).

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	Note	Face value			As at 31 December 2011	Cost	Carrying value/market value	Market rate as a % of Net assets of the Sub-Fund
		As at 1 July 2011	Purchased during the period	Sales/Matured during the period				
-----Rupees-----								
5.3.3 Money Market Sub Fund								
Government of Pakistan - Ijarah Sukuks	5.3.4	21,500,000	9,000,000	-	30,500,000	30,771,500	30,723,650	69.19
5.3.4 These investments carry rate of return ranging from 13.2131% to 13.2772% (30 June 2011: 12.6399% to 13.6750%) per annum with latest maturity upto 7 March 2014 (30 June 2011: 7 March 2014).								

	31 December 2011 (Un-audited)					30 June 2011 (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-----										
6. MARK UP ACCRUED										
Income accrued on:										
Bank balances and term deposits	23,990	81,980	98,223	-	204,193	26,002	145,529	268,707	-	440,238
Sukuk certificates	-	77,016	41,470	-	118,486	-	92,050	49,566	-	141,616
GOP - Ijarah Sukuks	-	1,018,070	1,179,915	-	2,197,985	-	837,121	858,814	-	1,695,935
	<u>23,990</u>	<u>1,177,066</u>	<u>1,319,608</u>	<u>-</u>	<u>2,520,664</u>	<u>26,002</u>	<u>1,074,700</u>	<u>1,177,087</u>	<u>-</u>	<u>2,277,789</u>

7. PAYABLE TO THE PENSION FUND MANAGER - Related Party

Pension Fund Manager fee	187,204	206,172	163,380	-	556,756	60,290	63,785	51,416	-	175,491
Front end fee	-	-	-	19,008	19,008	-	-	-	10,640	10,640
	<u>187,204</u>	<u>206,172</u>	<u>163,380</u>	<u>19,008</u>	<u>575,764</u>	<u>60,290</u>	<u>63,785</u>	<u>51,416</u>	<u>10,640</u>	<u>186,131</u>

Atlas Pension Islamic Fund

31 December 2011 (Un-audited)					30 June 2011 (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-----				

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

Trustee fee	8,173	9,434	7,458	-	25,065	8,470	8,962	7,224	-	24,656
Settlement charges	1,000	500	500	-	2,000	1,000	500	500	-	2,000
	<u>9,173</u>	<u>9,934</u>	<u>7,958</u>	<u>-</u>	<u>27,065</u>	<u>9,470</u>	<u>9,462</u>	<u>7,724</u>	<u>-</u>	<u>26,656</u>

9. ACCRUED EXPENSES AND OTHER LIABILITIES

Payable to charity	9.1	16,841	-	-	-	16,841	-	-	-	11,334
Withholding tax payable		-	-	-	13,031	13,031	660	676	549	2,717
Zakat payable		-	-	-	26,462	26,462	-	-	3,730	3,730
Brokerage payable		-	-	-	-	-	-	325	325	650
Workers' Welfare Fund	9.2	589,793	281,064	281,053	-	1,151,910	589,793	255,258	237,226	1,082,277
Sindh Sales Tax on services payable		29,953	32,988	26,142	-	89,083	-	-	-	-
Others		-	-	-	26,000	26,000	-	-	-	26,000
		<u>636,587</u>	<u>314,052</u>	<u>307,195</u>	<u>65,493</u>	<u>1,323,327</u>	<u>601,787</u>	<u>256,259</u>	<u>238,100</u>	<u>32,447</u>
										<u>1,128,593</u>

- 9.1 According to the Trust Deed of the Fund, where a portion of the Fund's income has been earned from Shariah non-compliant avenues, such portion of income of the Fund is to be purified directly by the Pension Fund Manager the Fund. The Shariah Advisor of the Fund, has certified an amount of Rs.24,376/- (30 June 2011: Rs.39,944/-) against dividend income, as Shariah non-compliant income, which has accordingly been marked to charity. Out of this amount, Rs.7,535/- has already been paid during the period to charities approved by the Shariah Advisor. The remaining Rs.16,841/- will be paid in due course of time.

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

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

Subsequent to the year ended 30 June 2011, the Honorable Lahore High Court (LHC) in a Constitutional Petition relating to the amendments brought in the WWF Ordinance, 1971 through the Finance Act, 2006, and the Finance Act, 2008, has declared the said amendments as unlawful and unconstitutional. The Pension Fund Manager is hopeful that the decision of the LHC, will lend further support to the Constitutional Petition which is pending in the SHC. However, pending the decision of the said Constitutional Petition, the Pension Fund Manager, as a matter of abundant caution, has decided to continue to maintain the provision for WWF amounting to Rs.1,151,910/- (including Rs.69,633/- for the current period) in these condensed interim financial statements.

10. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 December 2011.

For the Half Year Ended 31 December 2011 (Un-audited)				For the Half Year Ended 31 December 2010 (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 -----			

11. NUMBER OF UNITS IN ISSUE

Total units in issue at the beginning of the period	290,984	386,854	301,290	979,128	400,211	432,079	353,287	1,185,577
Add: Units issued	25,611	70,558	39,371	135,540	19,242	54,408	31,251	104,901
Less: Units redeemed								
- Directly by participants	(22,398)	(46,616)	(38,728)	(107,742)	(18,319)	(23,725)	(13,832)	(55,876)
- By Pension Fund Manager	-	-	-	-	(106,324)	(106,324)	(106,324)	(318,972)
	(22,398)	(46,616)	(38,728)	(107,742)	(124,643)	(130,049)	(120,156)	(374,848)
At the end of the period	294,197	410,796	301,933	1,006,926	294,810	356,438	264,382	915,630

Atlas Pension Islamic Fund

12. MARK UP INCOME

		For the Half Year Ended 31 December 2011 (Un-audited)				For the Half Year Ended 31 December 2010 (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-----			
		173,394	527,473	782,234	1,483,101	325,511	1,973,550	2,069,822	4,368,883
		-	447,540	85,028	532,568	-	(15,445)	105,482	90,037
		-	2,663,017	1,782,580	4,445,597	-	466,629	-	466,629
		<u>173,394</u>	<u>3,638,030</u>	<u>2,649,842</u>	<u>6,461,266</u>	<u>325,511</u>	<u>2,424,734</u>	<u>2,175,304</u>	<u>4,925,549</u>
12.1	Income on bank balances and term deposits								
	Income on Sukuk certificates								
	Government of Pakistan - Ijarah Sukuks								

12.1 Mark-up on non performing securities amounting to Rs.767,631/- (2010: Rs.483,531/-) based on outstanding principal has not been recognized, in accordance with the SECP's Circular 1 of 2009.

13. MARK UP INCOME

		For the Quarter Ended 31 December 2011 (Un-audited)				For the Quarter Ended 31 December 2010 (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-----			
		91,822	222,220	298,366	612,408	125,356	681,229	919,254	1,725,839
		-	72,301	38,931	111,232	-	93,780	50,497	144,277
		-	1,396,912	1,016,183	2,413,095	-	466,629	-	466,629
		<u>91,822</u>	<u>1,691,433</u>	<u>1,353,480</u>	<u>3,136,735</u>	<u>125,356</u>	<u>1,241,638</u>	<u>969,751</u>	<u>2,336,745</u>
13.1	Income on bank balances and term deposits								
	Income on Sukuk certificates								
	Government of Pakistan - Ijarah Sukuks								

13.1 Mark-up on non performing securities amounting to Rs.143,341/- (2010: Rs.136,447/-) based on outstanding principal has not been recognized, in accordance with the SECP's Circular 1 of 2009.

14. CONTRIBUTION TABLE

	For the Half Year Ended 31 December 2011 (Un-audited)							For the Half Year Ended 31 December 2010 (Un-audited)						
	Equity Sub Fund		Debt Sub Fund		Money Market Sub Fund		Total	Equity Sub Fund		Debt Sub Fund		Money Market Sub Fund		Total
	Units	Rupees	Units	Rupees	Units	Rupees	Rupees	Units	Rupees	Units	Rupees	Units	Rupees	Rupees
Individuals	7,449	1,257,777	22,528	3,110,610	9,924	1,437,330	5,805,717	2,171	283,426	3,539	450,642	746	96,392	830,460
Employers	18,162	3,077,393	48,030	6,611,085	29,447	4,239,865	13,928,343	17,071	2,274,278	50,869	6,551,109	30,505	3,983,394	12,808,781
	<u>25,611</u>	<u>4,335,170</u>	<u>70,558</u>	<u>9,721,695</u>	<u>39,371</u>	<u>5,677,195</u>	<u>19,734,060</u>	<u>19,242</u>	<u>2,557,704</u>	<u>54,408</u>	<u>7,001,751</u>	<u>31,251</u>	<u>4,079,786</u>	<u>13,639,241</u>

15. 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 financial statements.

	For the Half Year Ended 31 December 2011 (Un-audited)					For the Half Year Ended 31 December 2010 (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				
Atlas Asset Management Limited (Pension Fund Manager)										
Remuneration	368,298	405,765	320,738	-	1,094,801	343,458	368,655	294,360	-	1,006,473
Remuneration paid	241,384	263,378	208,774	-	713,536	345,799	378,008	305,074	-	1,028,881
Front end fee	-	-	-	89,442	89,442	-	-	-	71,135	71,135
Redemption out of core units	-	-	-	-	-	13,616,863	13,556,258	13,790,170	-	40,963,292
Redemption out of core units (number of units)	-	-	-	-	-	106,324	106,324	106,324	-	318,971
Central Depository Company of Pakistan Limited (Trustee)										
Trustee fee	50,736	55,902	44,180	-	150,818	51,729	55,425	44,078	-	151,232
Trustee fee paid	51,033	55,430	43,946	-	150,409	50,657	55,295	44,456	-	150,408
Settlement charges	4,239	3,000	3,000	-	10,239	5,040	3,000	3,000	-	11,040

Atlas Pension Islamic Fund

15. TRANSACTIONS WITH CONNECTED PERSONS (Continued...)

	For the Half Year Ended 31 December 2011 (Un-audited)					For the Half Year Ended 31 December 2010 (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-----				
<u>Key management personnel</u>										
Contributions	401,531	413,964	565,060	-	1,380,555	206,619	369,058	468,739	-	1,044,416
Contributions (number of units)	2,384	3,013	3,930	-	9,327	1,168	2,878	3,606	-	7,652
Redemption	17,704	77,054	79,019	-	173,777	121,458	244,124	374,763	-	740,345
Redemption (number of units)	111	562	553	-	1,226	828	1,899	2,865	-	5,593

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Fair value of investments is determined as follows:

- Fair value of listed equity securities is determined on the basis of closing market prices quoted on the respective stock exchange.
- Investment in Government of Pakistan Ijarah Sukuks are valued on the basis of average rates provided by brokers.
- Investment in Sukuk certificates are valued in accordance with the methodology for valuation of debt securities prescribed in the SECP Circular No.1 of 2009 dated 6 January 2009. Under the said directive, investments in Sukuk certificates are valued on the basis of traded, thinly traded and non-traded securities. Accordingly, investments in Sukuk certificates have been valued at the rates determined and announced by MUFAP based on methodology prescribed in the circular.
- The fair value of other financial assets and liabilities of the Fund approximate their carrying amount due to short term maturities of these instruments.

17. GENERAL

17.1 Figures have been rounded off to the nearest Rupee.

17.2 Corresponding figures have been reclassified, rearranged or additionally incorporated in these 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.

18. 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 23 February 2012.

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

M. Habib-ur-Rahman
Chief Executive Officer

Yusuf H. Shirazi
Chairman

Tariq Amin
Director

Head Office

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

Lahore Office

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

Rawalpindi Office

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