



Atlas Pension Fund  
Atlas Pension Islamic Fund  
HALF YEARLY REPORT  
31 December 2012  
(UN-AUDITED)



**The strength of a good decision**



Managed By

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.

## CONTENTS

ORGANISATION	2
CHAIRMAN'S REVIEW	3
ATLAS PENSION FUND	
CORPORATE INFORMATION	5
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	6
CONDENSED INTERIM INCOME STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2012	7
CONDENSED INTERIM INCOME STATEMENT FOR THE QUARTER ENDED 31 DECEMBER 2012	8
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2012	9
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2012	10
CONDENSED INTERIM CASH FLOW STATEMENT	11
CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS	13
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS	14

ATLAS PENSION ISLAMIC FUND	
CORPORATE INFORMATION	27
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES	28
CONDENSED INTERIM INCOME STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2012	29
CONDENSED INTERIM INCOME STATEMENT FOR THE QUARTER ENDED 31 DECEMBER 2012	30
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2012	31
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 31 DECEMBER 2012	32
CONDENSED INTERIM CASH FLOW STATEMENT	33
CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS	35
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS	36

# Atlas Pensions

## ORGANISATION

### Pension Fund Manager

Atlas Asset Management Limited

### Board of Directors of the Pension Fund Manager

Chairman	Mr. Yusuf H. Shirazi	(Non - Executive Director)
Directors	Mr. Azam Faruque	(Independent Director)
	Mr. Shamshad Nabi	(Independent Director)
	Mr. Frahim Ali Khan	(Non - Executive Director)
	Mr. Arshad P. Rana	(Non - Executive Director)
	Mr. Ali H. Shirazi	(Non - Executive Director)

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

Company Secretary Ms Lilly R. Dossabhoy

### Board Committees

#### Audit Committee

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

Secretary Ms Qurrat-ul-Ain Jafari

#### Human Resource & Remuneration Committee

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

Secretary Mr. Mohsin Ali Khan

The above information is as at 12 February 2013.

### Investment Committee

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

### Management Committee

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

Secretary Mr. M. Irfan Dhedhi

### Risk Management Committee

Chairman	Mr. 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, Sharaf 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

## CHAIRMAN'S REVIEW

It is my pleasure to present the un-audited financial statements of Atlas Pension Fund (APF) and Atlas Pension Islamic Fund (APIF) for the half year ended 31 December 2012 of the FY 2012-13.

## THE ECONOMY

During the period July - December FY 2012-13, the total exports stood at US\$ 12.05 billion, as compared to US\$ 11.20 billion last year. During July - December FY 2012-13, foreign remittances reached the record level of US\$ 7.12 billion, which is 12.51% higher than the remittances during the corresponding period last year. The current account marked a surplus of US\$ 250 million for the first half of the FY 2012-13, as compared to a deficit of US\$ 2,426 million witnessed in corresponding period last year. The foreign exchange reserves of the country stood at US\$ 13.81 billion as of 28 December 2012. The decline in CPI inflation is considerably faster than earlier estimates. The year-on-year CPI inflation for December 2012 stands at 7.9%. This broad based deceleration in inflation is now expected to keep the average inflation for FY 2012-13, below than 9.5% target for the year. The SBP has reduced its policy rate by 150 bps in August 2012, 50 bps in October 2012 and 50 bps in December 2012, that is, from 12% to currently 9.50%.

## FUND OPERATIONS - ATLAS PENSION FUND (APF)

The Net Asset Value of APF - Equity Sub Fund has increased by 21.65% from Rs.152.59 as on 30 June 2012 to Rs.185.62 as on 31 December 2012. The APF- Equity Sub Fund mainly invested in Oil & Gas Producers, Chemicals and Electricity Sectors. The Net Asset Values of APF - Debt Sub Fund and APF - Money Market Sub Fund appreciated by 4.66% (9.25% on annualized basis) and 4.42% (8.77% on annualized basis) respectively during the period under review. The APF - Debt- Sub Fund was mainly invested in Treasury Bills, Term Finance Certificates and Pakistan Investment Bonds 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.202.49 million as on 31 December 2012.

## FUND OPERATIONS - ATLAS PENSION ISLAMIC FUND (APIF)

The Net Asset Value of APIF - Equity Sub Fund has increased by 19.37% from Rs.216.16 as on 30 June 2012 to Rs.258.03 as on 31 December 2012. The APIF- Equity Sub Fund mainly invested in Oil and Gas Producers, Construction & Materials and Chemicals Sectors. The Net Asset Values of APIF - Debt Sub Fund and APIF - Money Market Sub Fund have appreciated by 4.85% (9.62% on annualized basis) and 4.19% (8.32% on annualized basis) respectively during the period under review. The APIF Debt Sub-Fund & Money Market Sub Fund was mainly invested in GoP Ijarah Sukuks and high yielding bank deposits. The Net Assets of APIF stood at Rs.284.81 million as on 31 December 2012.

## RATINGS UPDATE

As per the latest finalized rating of May 2012, the Pakistan Credit Rating Agency Limited (PACRA) has maintained the asset manager rating of Atlas Asset Management Limited (AAML) at "AM2-" (AM Two Minus). The rating denotes the Company's very strong capacity to manage the risks inherent in asset management and meets very high investment management industry standards and benchmarks. The annual rating review is currently under finalization.

# Atlas Pensions

## FUTURE OUTLOOK

Overall economy has been performing well due to strong exports growth, high remittances, and inflation well below the target level. Foreign inflows have helped limiting the impact of external debt repayments on foreign exchange reserves. Going forward, there is a need to ensure availability of energy, better tax collection capability, and reduction in fiscal borrowing. A sustainable reduction in fiscal borrowings from the banking system needs fiscal reforms. Resolution of circular debt is a key to availability of energy and new investment in the sector. There is also a need to encourage private sector credit off take and foreign investment, by creating enabling environment.

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

جوئنده يا بنده  
(Whoever seeks gets it)

## Aknowledgement

I would like to thank the Securities and Exchange Commission of Pakistan, the Board of Directors, and the Group Executive Committee for their help, support and guidance. I also thank the financial institutions and the 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.

Karachi: 12 February 2013

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 STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)  
AS AT 31 DECEMBER 2012

Note	31 December 2012 (Un-audited)					30 June 2012 (Audited)				
	Equity	Debt	Money	Others	Total	Equity	Debt	Money	Others	Total
	Sub Fund	Sub Fund	Market Sub Fund			Sub Fund	Sub Fund	Sub Fund		
-----Rupees-----										
<b>ASSETS</b>										
Bank balances	1,826,450	7,009,352	12,384,434	111,140	21,331,376	5,247,501	4,627,649	3,818,130	110,102	13,803,382
Receivable against sale of investments	-	-	-	-	-	2,130,827	-	-	-	2,130,827
Investments - net	70,894,775	61,772,595	50,782,773	-	183,450,143	54,567,147	54,052,275	47,214,965	-	155,834,387
Dividend receivable	29,750	-	-	-	29,750	45,000	-	-	-	45,000
Interest accrued	33,085	437,691	128,861	-	599,637	50,716	857,738	46,064	-	954,518
Security deposit and other receivables	103,334	103,333	103,333	-	310,000	103,334	103,333	103,333	-	310,000
<b>Total assets</b>	<b>72,887,394</b>	<b>69,322,971</b>	<b>63,399,401</b>	<b>111,140</b>	<b>205,720,906</b>	<b>62,144,525</b>	<b>59,640,995</b>	<b>51,182,492</b>	<b>110,102</b>	<b>173,078,114</b>
<b>LIABILITIES</b>										
Payable against redemption of units	255,786	456,878	472,210	87,605	1,272,479	-	-	6,096	87,605	93,701
Payable against purchase of investments	-	-	-	-	-	2,238,259	-	-	-	2,238,259
Payable to the Pension Fund Manager	90,897	86,917	79,577	4,746	262,137	72,148	70,717	61,280	9,760	213,905
Payable to the Central Depository Company of Pakistan Limited - Trustee	9,893	9,192	8,457	-	27,542	9,492	9,019	7,886	-	26,397
Payable to the Securities and Exchange Commission of Pakistan	11,282	10,694	9,509	-	31,485	15,509	16,170	14,280	-	45,959
Payable to the auditors	19,833	19,833	19,834	-	59,500	39,667	39,667	39,666	-	119,000
Accrued expenses and other liabilities	777,454	405,908	374,564	18,789	1,576,715	510,453	343,001	321,683	12,737	1,187,874
<b>Total liabilities</b>	<b>1,165,145</b>	<b>989,422</b>	<b>964,151</b>	<b>111,140</b>	<b>3,229,858</b>	<b>2,885,528</b>	<b>478,574</b>	<b>450,891</b>	<b>110,102</b>	<b>3,925,095</b>
<b>NET ASSETS</b>	<b>71,722,249</b>	<b>68,333,549</b>	<b>62,435,250</b>	<b>-</b>	<b>202,491,048</b>	<b>59,258,997</b>	<b>59,162,421</b>	<b>50,731,601</b>	<b>-</b>	<b>169,153,019</b>
Represented by:										
PARTICIPANTS' SUB-FUNDS (as per statement attached)										
	71,722,249	68,333,549	62,435,250	-	202,491,048	59,258,997	59,162,421	50,731,601	-	169,153,019
Number of units in issue	386,384	422,801	378,636			388,361	383,122	321,273		
Net asset value per unit	185.62	161.62	164.90			152.59	154.42	157.91		
Contingencies and commitments										

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 2012-13

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2012

For the Half Year Ended 31 December 2012 (Un-audited)					For the Half Year Ended 31 December 2011 (Un-audited)				
Note	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	
-----Rupees-----					-----Rupees-----				
<b>INCOME</b>									
Interest income	282,330	3,414,024	3,011,459	6,707,813	143,198	2,638,504	2,532,748	5,314,450	
Dividend income	2,431,539	-	-	2,431,539	1,538,339	-	-	1,538,339	
Net gain on sale of investments at fair value through income statement	4,475,716	-	-	4,475,716	507,809	-	-	507,809	
Net gain on sale/maturity of available for sale investments	-	234,141	3,335	237,476	-	-	-	-	
Net unrealised appreciation/(diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6,753,997	-	-	6,753,997	(5,372,557)	-	-	(5,372,557)	
	11,229,713	234,141	3,335	11,467,189	(4,864,748)	-	-	(4,864,748)	
	13,943,582	3,648,165	3,014,794	20,606,541	(3,183,211)	2,638,504	2,532,748	1,988,041	
<b>EXPENDITURE</b>									
Remuneration of Pension Fund Manager	507,631	481,435	427,773	1,416,839	306,528	337,572	302,370	946,470	
Sindh sales tax on remuneration of the Pension Fund Manager	81,221	77,030	68,444	226,695	49,044	54,012	48,379	151,435	
Remuneration to the Central Depository Company of Pakistan Limited - Trustee	54,322	51,500	45,686	151,508	48,825	53,791	48,208	150,824	
Annual fee - Securities and Exchange Commission of Pakistan	11,282	10,694	9,509	31,485	6,814	7,517	6,731	21,062	
Auditors' remuneration	18,664	18,664	18,666	55,994	19,893	19,893	19,894	59,680	
Securities' transaction cost and settlement charges	82,157	3,000	3,971	89,128	55,039	3,000	3,000	61,039	
Legal and professional charges	9,867	9,867	9,866	29,600	9,333	9,333	9,334	28,000	
Bank charges	6,156	6,866	6,197	19,219	6,308	5,131	5,256	16,695	
Provision for non-performing financial assets - classified as 'available for sale'	-	-	-	-	-	480,526	-	480,526	
Provision for Workers' Welfare Fund	263,446	59,782	48,494	371,722	-	33,355	41,792	75,147	
	1,034,746	718,838	638,606	2,392,190	501,784	1,004,130	484,964	1,990,878	
Net income/(loss) for the period	12,908,836	2,929,327	2,376,188	18,214,351	(3,684,995)	1,634,374	2,047,784	(2,837)	
Earnings/(loss) per unit	33.41	6.93	6.28		(10.91)	5.09	7.38		

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

Azam Faruque  
Director

# Atlas Pension Fund

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED 31 DECEMBER 2012

Note	For the Quarter Ended 31 December 2012 (Un-audited)				For the Quarter Ended 31 December 2011 (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-----			
<b>INCOME</b>								
Interest income	96,745	1,727,838	1,480,931	3,305,514	87,979	1,309,670	1,256,057	2,653,706
Dividend income	1,830,000	-	-	1,830,000	1,076,050	-	-	1,076,050
Net gain on sale of investments at fair value through income statement	3,179,399	-	-	3,179,399	457,643	-	-	457,643
Net gain on sale/maturity of available for sale investments	-	(33,328)	3,335	(29,993)	-	-	-	-
Net unrealised appreciation/(diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	1,489,137	-	-	1,489,137	(5,126,783)	-	-	(5,126,783)
	4,668,536	(33,328)	3,335	4,668,536	(4,669,140)	-	-	(4,669,140)
	6,595,281	1,694,510	1,484,266	9,804,050	(3,505,111)	1,309,670	1,256,057	(939,384)
<b>EXPENDITURE</b>								
Remuneration of Pension Fund Manager	258,743	250,985	229,166	738,894	157,050	173,129	153,999	484,178
Sindh sales tax on remuneration of the Pension Fund Manager	41,399	40,158	36,667	118,224	25,128	27,701	24,640	77,469
Remuneration to the Central Depository Company of Pakistan Limited - Trustee	26,571	25,783	23,534	75,888	24,387	26,889	23,937	75,213
Annual fee - Securities and Exchange Commission of Pakistan	5,748	5,574	5,089	16,411	3,489	3,860	3,434	10,783
Auditors' remuneration	9,916	9,916	9,919	29,751	11,083	11,083	11,084	33,250
Securities' transaction cost and settlement charges	38,186	1,500	2,471	42,157	28,722	1,500	1,500	31,722
Legal and professional charges	9,867	9,867	9,866	29,600	-	-	-	-
Bank charges	2,553	3,415	2,415	8,383	3,846	1,946	2,146	7,938
Provision for non-performing financial assets - classified as 'available for sale'	-	-	-	-	-	217,778	-	217,778
Provision for Workers' Welfare Fund	124,046	26,946	23,303	174,295	(1,476)	16,916	20,707	36,147
	517,029	374,144	342,430	1,233,603	252,229	480,802	241,447	974,478
Net income/(loss) for the period	6,078,252	1,320,366	1,141,836	8,570,447	(3,757,340)	828,868	1,014,610	(1,913,862)
Earnings/(loss) per unit	15.73	3.12	3.02		(11.12)	2.58	3.65	

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 2012-13

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	For the Half Year Ended 31 December 2012 (Un-audited)				For the Half Year Ended 31 December 2011 (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 income / (loss) for the period	12,908,836	2,929,327	2,376,188	18,214,351	(3,684,995)	1,634,374	2,047,784	(2,837)
Other comprehensive income / (loss)								
Net unrealised appreciation on re-measurement of investments classified as 'available for sale'	-	190,388	52,314	242,702	-	544,307	26,589	570,896
Reclassification adjustment for gains/(losses) included in income statement upon sale/maturity of investments	-	(234,141)	(3,335)	(237,476)	-	-	-	-
	-	(43,753)	48,979	5,226	-	544,307	26,589	570,896
<b>Total comprehensive income / (loss) for the period</b>	<b>12,908,836</b>	<b>2,885,574</b>	<b>2,425,167</b>	<b>18,219,577</b>	<b>(3,684,995)</b>	<b>2,178,681</b>	<b>2,074,373</b>	<b>568,059</b>

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

Azam Faruque  
Director

# Atlas Pension Fund

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED 31 DECEMBER 2012

	For the Quarter Ended 31 December 2012 (Un-audited)				For the Quarter Ended 31 December 2011 (Un-audited)			
	Equity Sub Fund	Debt Sub Fund	Money Market Sub Fund	Total	Equity Sub Fund	Debt SubFund	Money Market Sub Fund	Total
	-----Rupees-----				-----Rupees-----			
Net income/(loss) for the period	6,078,252	1,320,366	1,141,836	8,540,454	(3,757,340)	828,868	1,014,610	(1,913,862)
Other comprehensive income/(loss)								
Net unrealised appreciation on re-measurement of investments classified as 'available for sale'	-	56,333	34,268	90,601	-	52,026	35,312	87,338
Reclassification adjustment for gains/(losses) included in income statement upon sale/maturity of investments	-	33,328	(3,335)	29,993	-	-	-	-
	-	89,661	30,933	120,594	-	52,026	35,312	87,338
Total comprehensive income/(loss) for the period	6,078,252	1,410,027	1,172,769	8,661,048	(3,757,340)	880,894	1,049,922	(1,826,524)

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 2012-13

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	For the Half Year Ended 31 December 2012 (Un-audited)					For the Half Year Ended 31 December 2011 (Un-audited)				
	Equity	Debt	Money	Others	Total	Equity	Debt	Money	Others	Total
	Sub Fund	Sub Fund	Market Sub Fund			Sub Fund	Sub Fund	Market Sub Fund		
Rupees										
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>										
Net income for the period	12,908,836	2,929,327	2,376,188	-	18,214,351	(3,684,995)	1,634,374	2,047,784	-	(2,837)
Adjustments for:										
Interest income	(282,330)	(3,414,024)	(3,011,459)	-	(6,707,813)	(143,198)	(2,638,504)	(2,532,748)	-	(5,314,450)
Dividend income	(2,431,539)	-	-	-	(2,431,539)	(1,538,339)	-	-	-	(1,538,339)
Capital gain on sale of investments - net	(4,475,716)	-	-	-	(4,475,716)	(507,809)	-	-	-	(507,809)
Net gain on sale/maturity of available for sale investments	-	(234,141)	(3,335)	-	(237,476)	-	-	-	-	-
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(6,753,997)	-	-	-	(6,753,997)	5,372,557	-	-	-	5,372,557
Provision for non-performing financial assets - classified as 'available for sale'	-	-	-	-	-	-	480,526	-	-	480,526
Provision for Workers' Welfare Fund	263,446	59,782	48,494	-	371,722	-	33,355	41,792	-	75,147
	(771,300)	(659,056)	(590,112)	-	(2,020,468)	(501,784)	(490,249)	(443,172)	-	(1,435,205)
Decrease/(increase) in assets										
Receivable against sale of investments	2,130,827	-	-	-	2,130,827	-	-	-	-	-
(Decrease)/increase in liabilities										
Payable against redemption of units	255,786	456,878	466,114	-	1,178,778	(5,200)	(1,307)	-	-	(6,507)
Payable against purchase of investments	(2,238,259)	-	-	-	(2,238,259)	(67,239)	-	-	-	(67,239)
Payable to the Pension Fund Manager	18,749	16,200	18,297	(5,014)	48,232	107,960	123,335	107,910	(3,906)	335,299
Payable to the Central Depository Company of Pakistan Limited	401	173	571	-	1,145	(464)	631	273	-	440
Payable to the Securities and Exchange Commission of Pakistan	(4,227)	(5,476)	(4,771)	-	(14,474)	(5,633)	(5,777)	(5,481)	-	(16,891)
Payable to the auditors	(19,834)	(19,834)	(19,832)	-	(59,500)	(15,167)	(15,167)	(15,166)	-	(45,500)
Accrued expenses and other liabilities	3,555	3,125	4,387	6,052	17,119	24,480	27,063	24,047	4,857	80,447
	(1,983,829)	451,066	464,766	1,038	(1,066,959)	38,737	128,778	111,583	951	280,049
Interest received	299,961	3,834,071	2,928,662	-	7,062,694	134,524	2,664,317	2,521,245	-	5,320,086
Dividend received	2,446,789	-	-	-	2,446,789	1,753,339	-	-	-	1,753,339
Investments made during the period	(44,005,039)	(67,396,880)	(136,812,994)	-	(248,214,913)	(23,786,740)	(20,843,158)	(77,167,624)	-	(121,797,522)
Investments sold/matured during the period	38,907,124	59,866,948	133,297,500	-	232,071,572	18,516,256	13,140,400	72,000,014	-	103,656,670
	(2,351,165)	(3,695,861)	(586,832)	-	(6,633,858)	(3,382,621)	(5,038,441)	(2,646,365)	-	(11,067,427)
Net cash (used in)/generated from operating activities (carried forward)	(2,975,467)	(3,903,851)	(712,178)	1,038	(7,590,458)	(3,845,668)	(5,399,912)	(2,977,954)	951	(12,222,583)

# Atlas Pension Fund

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) (Continued...)  
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Note	For the Half Year Ended 31 December 2012 (Un-audited)					For the Half Year Ended 31 December 2011 (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 (used in)/generated from operating activities (brought forward)	(2,975,467)	(3,903,851)	(712,178)	1,038	(7,590,458)	(3,845,668)	(5,399,912)	(2,977,954)	951	(12,222,583)	
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
Receipts on issue of units	7,319,205	9,606,835	11,343,174	-	28,269,214	5,681,180	4,394,428	2,159,206	-	12,234,814	
Payments on redemption of units - Directly by participants	(7,764,789)	(3,321,281)	(2,064,692)	-	(13,150,762)	(1,249,390)	(1,710,614)	(883,857)	-	(3,843,861)	
Net cash generated from financing activities	(445,584)	6,285,554	9,278,482	-	15,118,452	4,431,790	2,683,814	1,275,349	-	8,390,953	
Net (decrease)/increase in cash and cash equivalents	(3,421,051)	2,381,703	8,566,304	1,038	7,527,994	586,122	(2,716,098)	(1,702,605)	951	(3,831,630)	
Cash and cash equivalents at the beginning of the period	5,247,501	4,627,649	3,818,130	110,102	13,803,382	2,077,775	4,638,186	3,729,993	120,697	10,566,651	
Cash and cash equivalents at the end of the period	4	1,826,450	7,009,352	12,384,434	111,140	21,331,376	2,663,897	1,922,088	2,027,388	121,648	6,735,021

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 2012-13

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Note	For the Half Year Ended 31 December 2012 (Un-audited)				For the Half Year Ended 31 December 2011 (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	59,258,997	59,162,421	50,731,601	169,153,019	39,471,319	42,369,247	38,497,189	120,337,755
Issue of units	7,319,205	9,606,835	11,343,174	28,269,214	5,681,180	4,394,428	2,159,206	12,234,814
Redemption of units								
- Directly by participants	(7,764,789)	(3,321,281)	(2,064,692)	(13,150,762)	(1,249,390)	(1,710,614)	(883,857)	(3,843,861)
Net income for the period	8,433,120	2,695,186	2,372,853	13,501,159	(4,192,804)	1,634,374	2,047,784	(510,646)
Capital gain on sale of investments - net	4,475,716	-	-	4,475,716	507,809	-	-	507,809
Net gain on sale/maturity of available for sale investments	-	234,141	3,335	237,476	-	-	-	-
Other comprehensive income/(loss) for the period	-	(43,753)	48,979	5,226	-	544,307	26,589	570,896
Total comprehensive income/(loss) for the period	12,908,836	2,885,574	2,425,167	18,219,577	(3,684,995)	2,178,681	2,074,373	568,059
Net assets at the end of the period	71,722,249	68,333,549	62,435,250	202,491,048	40,218,114	47,231,742	41,846,911	129,296,767

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

Azam Faruque  
Director

# Atlas Pension Fund

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2012

### 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 of 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 Supplement dated 18 December 2008 and 28 March 2011 respectively, with the approval of the SECP. The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the VPS Rules through a certificate of registration issued by 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.

1.3 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.

1.4 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. BASIS OF PREPARATION

#### 2.1 Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard - 34 "Interim Financial Reporting" and the requirements of the Trust Deed, the VPS Rules and the directives/guidelines issued by the SECP. Wherever the requirements of the Trust Deed, the VPS Rules or the directives / guidelines issued by the SECP differ with the requirements of this standard, the requirements of the Trust Deed, the VPS 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 2012.

2.2 Standards, interpretations and amendments to published approved accounting standards that are effective in the current period.

The following new standards and amendments to existing standards are mandatory for the first time for the financial period beginning on or after 1 July 2012:

The Fund has adopted the following amendments to IFRSs which became effective for the current period:

IAS 1 – Presentation of Financial Statements – Presentation of items of other comprehensive income (Amendment)

IAS 12 – Income Taxes - Recovery of Underlying Assets (Amendment)

The adoption of the above amendments did not have any effect on the condensed interim financial statements.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2012.

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

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2012.

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended 30 June 2012.



# Half Yearly Report 2012-13

## 4. BANK BALANCES

Note	31 December 2012 (Un-audited)					30 June 2012 (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	-	-	-	5,943	5,943	-	-	-	9,869	9,869
In savings accounts	1,826,450	2,009,352	2,384,434	105,197	6,325,433	5,247,501	4,627,649	3,818,130	100,233	13,793,513
In term deposit receipts	-	5,000,000	10,000,000	-	15,000,000	-	-	-	-	-
	<u>1,826,450</u>	<u>7,009,352</u>	<u>12,384,434</u>	<u>111,140</u>	<u>21,331,376</u>	<u>5,247,501</u>	<u>4,627,649</u>	<u>3,818,130</u>	<u>110,102</u>	<u>13,803,382</u>

4.1 These represent collection and redemption accounts maintained by the Fund. The rate of return on saving account is 8.75% per annum (30 June 2012: 12% per annum).

4.2 These carry interest at the rates ranging from 6% to 8.75% per annum (30 June 2012: 6% to 12% per annum).

4.3 These carry interest at the rate 9.7% per annum.

## 5. INVESTMENTS - NET

Note	31 December 2012 (Un-audited)				30 June 2012 (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	5.1	70,894,775	-	-	70,894,775	54,567,147	-	-	54,567,147
Available for sale									
Treasury Bills	5.2	-	51,313,757	50,085,534	101,399,291	-	27,876,709	46,549,788	74,426,497
Term Finance Certificates	5.3	-	5,316,791	697,239	6,014,030	-	6,246,863	665,177	6,912,040
Sukuk Certificates	5.4	-	-	-	-	-	-	-	-
Pakistan Investment Bonds	5.5	-	5,142,047	-	5,142,047	-	19,928,703	-	19,928,703
		-	61,772,595	50,782,773	112,555,368	-	54,052,275	47,214,965	101,267,240
		<u>70,894,775</u>	<u>61,772,595</u>	<u>50,782,773</u>	<u>183,450,143</u>	<u>54,567,147</u>	<u>54,052,275</u>	<u>47,214,965</u>	<u>155,834,387</u>

# Atlas Pension Fund

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

Balance as at 31 December 2012

Name of the investee company	As at 1 July 2012	Purchases during the period	Bonus during the period	Sales during the period	As at 31 December 2012	Cost	Market value	Market value as a % of net assets of the Sub-Fund	Market value as a % of paid-up capital of the investee company
-----Number of shares----- Rupees-----									
Fully paid-up ordinary shares of Rs.10/- each unless otherwise stated.									
<b>Oil and Gas</b>									
Attock Petroleum Limited	-	4,500	-	-	4,500	2,220,915	2,303,955	3.21	0.0065
National Refinery Limited	-	10,500	-	5,500	5,000	1,174,355	1,058,500	1.48	0.0063
Oil & Gas Development Company Limited	10,000	9,000	-	2,000	17,000	2,802,331	3,274,370	4.57	0.0004
Pakistan Oilfields Limited	8,000	10,200	-	2,200	16,000	6,012,310	7,000,640	9.76	0.0068
Pakistan Petroleum Limited	15,500	200	3,750	1,450	18,000	2,453,691	3,182,220	4.44	0.0011
Pakistan State Oil Company Limited	11,500	1,500	2,600	1,600	14,000	3,041,478	3,250,940	4.53	0.0068
	45,000	35,900	6,350	12,750	74,500	17,705,080	20,070,625	27.98	
<b>Chemicals</b>									
Engro Corporation Limited	-	35,000	-	-	35,000	3,425,043	3,221,400	4.49	0.0068
Fatima Fertilizer Company Limited	119,000	16,000	-	60,000	75,000	1,749,397	1,980,000	2.76	0.0036
Fauji Fertilizer Bin Qasim Limited	-	95,000	-	25,000	70,000	2,784,023	2,701,300	3.77	0.0075
Fauji Fertilizer Company Limited	26,000	35,000	-	1,000	60,000	6,292,454	7,028,400	9.80	0.0047
ICI Pakistan Limited	10,646	-	-	10,646	-	-	-	-	-
	155,646	181,000	-	96,646	240,000	14,250,917	14,931,100	20.82	
<b>Construction and Materials (Cement)</b>									
Akzo Nobel Pakistan Limited	5,353	-	-	5,353	-	-	-	-	-
Attock Cement Pakistan Limited	-	6,500	-	6,500	-	-	-	-	-
D G Khan Cement Company Limited	74,000	15,000	-	14,000	75,000	2,426,675	4,093,500	5.71	0.0171
Lucky Cement Limited	25,000	4,500	-	4,500	25,000	2,642,961	3,788,500	5.28	0.0077
	104,353	26,000	-	30,353	100,000	5,069,636	7,882,000	10.99	
<b>General Industrials</b>									
Thal Limited (Face Value Rs. 5/- per share)	-	10,000	-	-	10,000	1,135,000	1,068,700	1.49	0.02
<b>Automobile and Parts</b>									
Indus Motor Company Limited	12,000	5,000	-	17,000	-	-	-	-	-

# Half Yearly Report 2012-13

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

Balance as at 31 December 2012

Name of the investee company	As at 1 July 2012	Purchases during the period	Bonus during the period	Sales during the period	As at 31 December 2012	Cost	Market value	Market value as a % of net assets of the Sub-Fund	Market value as a % of paid-up capital of the investee company
	-----Number of shares-----				-----Rupees-----				
Fully paid-up ordinary shares of Rs.10/- each unless otherwise stated.									
Personal Goods (Textile)									
Gadoon Textile Mills Limited	-	20,000	-	10,000	10,000	966,808	1,170,300	1.63	0.4267
Nishat (Chunian) Limited	150,000	60,000	10,000	170,000	50,000	1,259,325	1,752,000	2.44	0.0302
Nishat Mills Limited	61,000	10,000	-	11,000	60,000	3,261,587	3,831,000	5.34	0.0171
	211,000	90,000	10,000	191,000	120,000	5,487,720	6,753,300	9.42	
Fixed Line Telecommunication									
Pakistan Telecommunication Company Limited	200,000	-	-	35,000	165,000	2,388,877	2,862,750	3.99	0.0044
Electricity									
Kot Addu Power Company Limited	-	50,000	-	-	50,000	2,399,780	2,469,500	3.44	0.0057
The Hub Power Company Limited	70,000	61,000	-	6,000	125,000	4,871,899	5,655,000	7.88	0.0108
	70,000	111,000	-	6,000	175,000	7,271,679	8,124,500	11.33	
Commercial Banks									
Allied Bank Limited	45,000	-	-	45,000	-	-	-	-	-
Bank Alfalah Limited	165,000	160,000	-	150,000	175,000	2,917,639	2,943,500	4.10	0.0130
Habib Bank Limited	-	20,000	-	20,000	-	-	-	-	-
MCB Bank Limited	18,000	-	-	18,000	-	-	-	-	-
Meezan Bank Limited	-	25,000	-	25,000	-	-	-	-	-
National Bank of Pakistan	50,000	-	-	50,000	-	-	-	-	-
United Bank Limited	35,264	18,500	-	13,764	40,000	2,910,492	3,346,800	4.67	0.0033
	313,264	223,500	-	321,764	215,000	5,828,131	6,290,300	8.77	
Non Life Insurance									
Adamjee Insurance Company Limited	50,000	5,000	-	15,000	40,000	2,548,074	2,725,600	3.80	0.0323
Life Insurance									
Jubilee Life Insurance Company Limited	-	2,000	-	-	2,000	185,000	185,900	0.26	0.0032
						61,870,114	70,894,775	98.85	

# Atlas Pension Fund

## 5.2 Treasury Bills - Available for sale

		Balance as at 31 December 2012						
		As at 1 July 2012	Purchases during the period	Matured/Sold during the period	As at 31 December 2012	Amortised cost	Market value	Market value as a % of net assets of the Sub-Fund
		-----Face value (Rupees)-----				-----Rupees-----		
5.2.1	Debt Sub-Fund							
	Treasury Bills	29,000,000	62,500,000	39,000,000	52,500,000	51,275,980	51,313,757	75.09

5.2.1.1 The cost of investments as on 31 December 2012 is Rs.50,080,814 (30 June 2012: Rs.26,917,828).

5.2.1.2 These Government treasury bills carry purchase yields ranging from 9.2% to 11.92% per annum (30 June 2012: 11.94% to 13.32% per annum) and will mature between 10 January 2013 and 13 June 2013.

## 5.2.2 Money Market Sub-Fund

		Balance as at 31 December 2012						
		As at 1 July 2012	Purchases during the period	Matured/Sold during the period	As at 31 December 2012	Amortised cost	Market value	Market value as a % of net assets of the Sub-Fund
		-----Face value (Rupees)-----				-----Rupees-----		
	Treasury Bills	47,000,000	137,100,000	133,400,000	50,700,000	50,075,828	50,085,534	80.22

5.2.2.1 The cost of investments as on 31 December 2012 is Rs.49,653,108 (30 June 2012: Rs.45,749,800).

5.2.2.2 These Government treasury bills carry purchase yield ranging from 9.21% to 9.64% per annum (30 June 2012: 11.87% per annum) and will mature between 10 January 2013 and 07 March 2013.

# Half Yearly Report 2012-13

## 5.3 Term Finance Certificates - Available for sale

### 5.3.1 Debt Sub-Fund

Balance as at 31 December 2012

Name of the investee company	Status	As at 1 July 2012	Purchases during the period	Sales/matured during the period	As at 31 December 2012	Carrying value	Market Value	Market value as a % of net assets of the Sub Fund	Market value as a % of total issue size	
-----Number of certificates-----					-----Rupees-----					
<b>Commercial Banks</b>										
Allied Bank Limited	Listed	225	-	-	225	1,182,627	1,142,506	1.67	0.0457	
Askari Bank Limited - II	Listed	225	-	-	225	1,166,602	1,132,122	1.66	0.0755	
Bank Alfalah Limited - II	Listed	200	-	200	-	-	-	-	-	
Soneri Bank Limited	Listed	225	-	-	225	327,854	279,313	0.41	0.0233	
United Bank Limited - II	Listed	60	-	-	60	266,206	298,817	0.44	0.0149	
United Bank Limited - III	Listed	300	-	-	300	1,066,487	1,014,841	1.49	0.0507	
<b>Chemicals</b>										
Engro Fertilizers Limited - II	Listed	69	-	-	69	344,241	335,816	0.49	0.0084	
Engro Fertilizers Limited	Unlisted	220	-	-	220	1,100,000	1,033,846	1.51	0.0258	
Pak Arab Fertilizers Limited	Listed	53	-	-	53	79,606	79,530	0.12	0.0016	
Agritech Limited - IV (note 5.4.1)	Unlisted	29	-	-	29	-	-	-	-	
						5,533,623	5,316,791	7.79		

### 5.3.2 Money Market Sub-Fund

#### Commercial Banks

United Bank Limited-II	Listed	140	-	-	140	601,802	697,239	1.12	0.0349
------------------------	--------	-----	---	---	-----	---------	---------	------	--------

## 5.4 Sukuk Certificates - Available for sale

### Debt Sub-Fund

Name of the investee company	Status	As at 1 July 2012	Purchases during the period	Sales/matured during the period	As at 31 December 2012	Market Value	Market value as a % of net assets of the Sub Fund	Market value as a % of total issue size	
-----Number of certificates-----					-----Rupees-----				
<b>Chemicals</b>									
Agritech Limited (note 5.4.1)	Unlisted	200	-	-	200	-	-	-	

# Atlas Pension Fund

## 5.4.1 Particulars of non-performing investments

These securities have been classified as non-performing as per the requirements of SECP's Circular 1 of 2009 read with SECP's Circular 33 of 2012 and accordingly an aggregate provision of Rs.1,145,000 (30 June 2012: Rs.1,145,000) has been made in accordance with the provisioning requirements specified by the SECP. During the year ended 30 June 2012, the Debt Sub-Fund entered into a restructuring agreement with Agritech Limited (the Company) whereby all overdue profit receivable on Sukuk Certificates held by the Deb Sub-Fund was converted into zero coupon Term Finance Certificates (TFCs). In this regard, the Debt Sub-Fund also recognised provision amounting to Rs.145,000 against these TFCs to fully cover the amount of investment. Accordingly, the Fund holds 29 certificates (having face value of Rs.5,000 each) of Agritech Limited IV as at 31 December 2012. The details of these non-performing investments are as follows:

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

	As at 1 July 2012	Purchases during the period	Matured during the period	As at 31 December 2012	Amortised cost	Market value	Market value as a % of net assets of Sub Fund
5.5 Pakistan Investment Bonds - Available for sale	-----Face value (Rupees)-----				-----Rupees-----		
5.5.1 Debt Sub-Fund							
Pakistan Investment Bonds	20,000,000	5,000,000	20,000,000	5,000,000	<u>5,072,507</u>	<u>5,142,047</u>	<u>7.52</u>

5.5.2 These carry interest at the rate of 11.25% (30 June 2012: 9.30%) and will mature on 19 July 2015.

# Half Yearly Report 2012-13

	31 December 2012 (Un-audited)					30 June 2012 (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-----				
<b>6. INTEREST ACCRUED</b>										
Bank balances and term deposits	33,085	55,763	109,048	-	197,896	50,716	27,252	26,573	-	104,541
Pakistan Investment Bonds	-	255,822	-	-	255,822	-	664,197	-	-	664,197
Term Finance Certificates and Sukuk Certificates	-	126,106	19,813	-	145,919	-	166,289	19,491	-	185,780
	<u>33,085</u>	<u>437,691</u>	<u>128,861</u>	<u>-</u>	<u>599,637</u>	<u>50,716</u>	<u>857,738</u>	<u>46,064</u>	<u>-</u>	<u>954,518</u>
<b>7. PAYABLE TO THE PENSION FUND MANAGER - Related party</b>										
Pension Fund Manager fee	90,897	86,917	79,577	-	257,391	72,148	70,717	61,280	-	204,145
Front-end fee payable	-	-	-	4,746	4,746	-	-	-	9,760	9,760
	<u>90,897</u>	<u>86,917</u>	<u>79,577</u>	<u>4,746</u>	<u>262,137</u>	<u>72,148</u>	<u>70,717</u>	<u>61,280</u>	<u>9,760</u>	<u>213,905</u>
<b>8. PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED (TRUSTEE) - Related Party</b>										
Trustee fee	9,093	8,692	7,957	-	25,742	8,692	8,519	7,386	-	24,597
Settlement charges	800	500	500	-	1,800	800	500	500	-	1,800
	<u>9,893</u>	<u>9,192</u>	<u>8,457</u>	<u>-</u>	<u>27,542</u>	<u>9,492</u>	<u>9,019</u>	<u>7,886</u>	<u>-</u>	<u>26,397</u>

# Atlas Pension Fund

Note	31 December 2012 (Un-audited)					30 June 2012 (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				
9. ACCRUED EXPENSES AND OTHER LIABILITIES										
Withholding tax payable	555	533	489	4,354	5,931	-	-	-	-	-
Sindh sales tax on remuneration of the Pension Fund Manager	14,544	13,907	12,732	-	41,183	11,544	11,315	9,805	-	32,664
Zakat payable	-	-	-	4,435	4,435	-	-	-	2,737	2,737
Provision for Workers' Welfare Fund	762,355	391,468	360,372	-	1,514,195	498,909	331,686	311,878	-	1,142,473
Brokerage payable	-	-	971	-	971	-	-	-	-	-
Others	-	-	-	10,000	10,000	-	-	-	10,000	10,000
	<u>777,454</u>	<u>405,908</u>	<u>374,564</u>	<u>18,789</u>	<u>1,576,715</u>	<u>510,453</u>	<u>343,001</u>	<u>321,683</u>	<u>12,737</u>	<u>1,187,874</u>

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 / Pension Funds 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.

During the year ended 30 June 2011, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) on 8 July 2010 which stated that Mutual Funds / Pension Funds are not liable to contribute to WWF on the basis of their income. However on 14 December 2010 the Ministry filed its response against the Constitutional Petition requesting the Court to dismiss the same. Show cause notices were then issued by 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 and struck them down. 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.1,514,195 (including Rs.371,722 for the current period) in these condensed interim financial statements. Had the same not been made, the net asset value per unit of the equity sub-fund, debt sub-fund and money market sub-fund would have been higher by Rs.1.97, Re.0.93 and Re.0.95 (30 June 2012: Rs.1.28, Re.0.87 and Re.0.97) per unit respectively.



# Half Yearly Report 2012-13

## 10. NUMBER OF UNITS IN ISSUE

	For the Half Year Ended 31 December 2012 (Un-audited)					For the Half Year Ended 31 December 2011 (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-----				
Total units in issue at the beginning of the period	388,361	383,122	321,273	-	1,092,756	301,942	302,241	269,017	-	873,200
Add: Issue of units during the period	43,136	60,634	70,089	-	173,859	45,965	30,501	14,641	-	91,107
Redemption of units										
- Directly by participants	(45,113)	(20,955)	(12,726)	-	(78,794)	(10,042)	(11,888)	(5,993)	-	(27,923)
Total units in issue at the end of the period	<u>386,384</u>	<u>422,801</u>	<u>378,636</u>	<u>-</u>	<u>1,187,821</u>	<u>337,865</u>	<u>320,854</u>	<u>277,665</u>	<u>-</u>	<u>936,384</u>

## 11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 December 2012.

## 12. INTEREST INCOME

Note	For the Half Year Ended 31 December 2012 (Un-audited)					For the Half Year Ended 31 December 2011 (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-----				
Bank balances and term deposits	282,330	155,220	183,201	-	620,751	143,198	207,894	200,827	-	551,919
Term Finance Certificates and Sukuk Certificates	-	380,071	33,529	-	413,600	-	647,751	33,421	-	681,172
Pakistan Investment Bonds	-	401,173	-	-	401,173	-	926,829	-	-	926,829
Treasury Bills	-	2,477,560	2,794,729	-	5,272,289	-	856,030	2,298,500	-	3,154,530
	<u>282,330</u>	<u>3,414,024</u>	<u>3,011,459</u>	<u>-</u>	<u>6,707,813</u>	<u>143,198</u>	<u>2,638,504</u>	<u>2,532,748</u>	<u>-</u>	<u>5,314,450</u>

12.1 Mark-up on non-performing securities amounting to Rs.202,031 (2011: Rs.207,470) based on outstanding principal has not been recognised, in accordance with the requirements specified by the SECP.

# Atlas Pension Fund

## 13. INTEREST INCOME

Note	For the Quarter Ended 31 December 2012 (un-audited)					For the Quarter Ended 31 December 2011 (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-----				
Saving accounts	96,745	92,074	137,387	-	326,206	87,979	95,145	107,333	-	290,457
Term Finance Certificates and Sukuk Certificates	-	173,766	16,878	-	190,644	-	274,050	16,785	-	290,835
Pakistan Investment Bonds	-	134,601	-	-	134,601	-	465,000	-	-	465,000
Treasury Bills	-	1,327,397	1,326,666	-	2,654,063	-	475,475	1,131,939	-	1,607,414
	<u>96,745</u>	<u>1,727,838</u>	<u>1,480,931</u>	<u>-</u>	<u>3,305,514</u>	<u>87,979</u>	<u>1,309,670</u>	<u>1,256,057</u>	<u>-</u>	<u>2,653,706</u>

13.1 Mark-up on non-performing securities amounting to Rs.34,633 (2011: Rs.38,741) based on outstanding principal has not been recognised, in accordance with the requirements specified by the SECP.

## 14. CONTRIBUTION TABLE

	For the Half Year Ended 31 December 2012 (Un-audited)							For the Half Year Ended 31 December 2011 (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	14,692	2,524,564	31,449	4,993,135	38,824	6,293,337	13,811,036	14,899	1,847,704	6,742	970,718	2,924	433,583	3,252,005
Employers	27,925	4,707,046	28,071	4,438,510	19,282	3,122,748	12,268,304	31,066	3,833,476	23,759	3,423,710	11,717	1,725,623	8,982,809
Transfer from other Pension Fund Managers	519	87,595	1,114	175,190	11,983	1,927,089	2,189,874	-	-	-	-	-	-	-
	<u>43,136</u>	<u>7,319,205</u>	<u>60,634</u>	<u>9,606,835</u>	<u>70,089</u>	<u>11,343,174</u>	<u>28,269,214</u>	<u>45,965</u>	<u>5,681,180</u>	<u>30,501</u>	<u>4,394,428</u>	<u>14,641</u>	<u>2,159,206</u>	<u>12,234,814</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 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 2012 (Un-audited)					For the Half Year Ended 31 December 2011 (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	507,631	481,435	427,773	-	1,416,839	306,528	337,572	302,370	-	946,470
Sindh sales tax on remuneration of the Pension Fund Manager	81,221	77,030	68,444	-	226,695	49,044	54,012	48,379	-	151,435
Remuneration paid	488,882	465,235	409,476	-	1,363,593	198,568	214,237	194,460	-	607,265
Front-end fee	-	-	-	47,850	47,850	-	-	-	69,813	69,813
Central Depository Company of Pakistan Limited (Trustee)										
Trustee fee	54,322	51,500	45,686	-	151,508	48,825	53,791	48,208	-	150,824
Trustee fee paid	53,921	51,327	45,115	-	150,363	49,314	53,160	47,935	-	150,409
Settlement charges	5,336	3,000	3,000	-	11,336	4,176	3,000	3,000	-	10,176
Key management personnel										
Contributions	2,512,434	658,564	193,821	-	3,364,819	2,295,520	609,769	143,545	-	3,048,834
Contributions (Number of units)	15,086	4,304	1,199	-	20,589	18,783	4,269	971	-	24,023

# Atlas Pension Fund

## 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.
- Investments in government securities are valued on the basis of average rates of brokers as announced by the Financial Markets Association of Pakistan.
- 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 read with SECP's Circular 33 of 2012 dated 24 October 2012. The said circulars 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 all other financial assets and financial liabilities of the Fund approximate their carrying amounts 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 condensed interim financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications were made in these condensed interim 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 12 February 2013.

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

M. Habib-ur-Rahman  
Chief Executive Officer

Yusuf H. Shirazi  
Chairman

Azam Faruque  
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-Habib Limited - Islamic Banking  
Faysal Bank Limited - Islamic Banking

# Atlas Pension Islamic Fund

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)  
AS AT 31 DECEMBER 2012

Note	31 December 2012 (Un-audited)					30 June 2012 (Audited)					
	Equity	Debt	Money	Others	Total	Equity	Debt	Money	Others	Total	
	Sub Fund	Sub Fund	Market			Sub Fund	Sub Fund	Market			
----- Rupees -----											
<b>ASSETS</b>											
Bank balances and term deposit receipts	4	5,718,631	12,334,253	34,070,522	1,928,979	54,052,385	9,441,691	3,561,463	3,164,374	57,344	16,224,872
Investments - net	5	88,836,850	92,094,582	52,156,029	-	233,087,461	65,019,653	64,640,856	49,383,234	-	179,043,743
Dividend receivable		43,750	-	-	-	43,750	67,500	-	-	-	67,500
Mark up accrued	6	69,323	991,489	749,471	-	1,810,283	81,706	1,343,974	1,521,995	-	2,947,675
Security deposit and other receivables		109,267	109,267	109,266	-	327,800	109,267	109,267	109,266	-	327,800
<b>Total assets</b>		<b>94,777,821</b>	<b>105,529,591</b>	<b>87,085,288</b>	<b>1,928,979</b>	<b>289,321,679</b>	<b>74,719,817</b>	<b>69,655,560</b>	<b>54,178,869</b>	<b>57,344</b>	<b>198,611,590</b>
<b>LIABILITIES</b>											
Payable against redemption of units		-	-	40,565	1,817,098	1,857,663	5,875,275	-	-	-	5,875,275
Payable to the Pension Fund Manager	7	122,272	129,967	107,954	16,269	376,462	81,440	83,044	64,857	16,162	245,503
Payable to the Central Depository Company of Pakistan Limited - Trustee	8	13,231	13,493	11,290	-	38,014	9,736	9,406	7,454	-	26,596
Payable to the Securities and Exchange Commission of Pakistan		14,061	14,443	11,786	-	40,290	18,062	19,150	14,972	-	52,184
Payable to the auditors		19,995	19,997	19,997	-	59,989	39,666	39,667	39,667	-	119,000
Accrued expenses and other liabilities	9	1,219,135	430,091	394,397	95,612	2,139,235	906,158	351,800	336,032	41,182	1,635,172
<b>Total liabilities</b>		<b>1,388,694</b>	<b>607,991</b>	<b>585,989</b>	<b>1,928,979</b>	<b>4,511,653</b>	<b>6,930,337</b>	<b>503,067</b>	<b>462,982</b>	<b>57,344</b>	<b>7,953,730</b>
<b>NET ASSETS</b>		<b>93,389,127</b>	<b>104,921,600</b>	<b>86,499,299</b>	<b>-</b>	<b>284,810,026</b>	<b>67,789,480</b>	<b>69,152,493</b>	<b>53,715,887</b>	<b>-</b>	<b>190,657,860</b>
Represented by:											
PARTICIPANTS' SUB-FUND (as per statement attached)		93,389,127	104,921,600	86,499,299	-	284,810,026	67,789,480	69,152,493	53,715,887	-	190,657,860
Contingencies and commitments	10										
Number of units in issue	11	361,934	693,473	541,293			313,613	479,226	350,232		
Net asset value per unit (Rupees)		258.03	151.30	159.80			216.16	144.30	153.37		

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 2012-13

## CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2012

	For the Half Year Ended 31 December 2012 (Un-audited)				For the Half Year Ended 31 December 2011 (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-----			
<b>INCOME</b>								
Mark-up income	337,449	4,636,745	3,535,918	8,510,112	173,394	3,638,030	2,649,842	6,461,266
Dividend income	3,595,184	-	-	3,595,184	1,965,124	-	-	1,965,124
Net gain on sale of investments at fair value through income statement	2,498,140	-	-	2,498,140	619,401	-	-	619,401
Net loss on maturity of available for sale investments	-	(276,000)	(272,500)	(548,500)	-	-	-	-
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	8,649,917	-	-	8,649,917	(2,981,326)	-	-	(2,981,326)
	11,148,057	(276,000)	(272,500)	10,599,557	(2,361,925)	-	-	(2,361,925)
	15,080,690	4,360,745	3,263,418	22,704,853	(223,407)	3,638,030	2,649,842	6,064,465
<b>EXPENSES</b>								
Remuneration of the Pension Fund Manager	633,123	649,853	530,179	1,813,155	368,298	405,765	320,738	1,094,801
Sindh Sales Tax on Remuneration of the Pension Fund Manager	101,300	103,976	84,829	290,105	58,928	64,922	51,318	175,168
Remuneration of Central Depository Company of Pakistan Limited - Trustee	63,537	65,203	53,188	181,928	50,736	55,902	44,180	150,818
Annual fee to the Securities and Exchange Commission of Pakistan	14,061	14,443	11,786	40,290	8,186	9,011	7,133	24,330
Bank charges	1,324	4,380	3,760	9,464	200	632	1,002	1,834
Legal & professional charges	9,833	9,833	9,833	29,499	9,333	9,333	9,334	28,000
Auditors' remuneration	18,827	18,828	18,828	56,483	20,002	20,002	20,002	60,006
Provision for non performing financial assets - classified as "available for sale"	-	-	-	-	-	1,777,947	-	1,777,947
Securities' transaction cost and settlement charges	71,804	5,100	7,561	84,465	64,292	4,200	4,800	73,292
Provision for Workers' Welfare Fund	283,338	69,783	50,869	403,990	-	25,806	43,827	69,633
	1,197,147	941,399	770,833	2,909,379	579,975	2,373,520	502,334	3,455,829
Net income / (loss) for the period	13,883,543	3,419,346	2,492,585	19,795,474	(803,382)	1,264,510	2,147,508	2,608,636
Earnings / (loss) per unit	38.36	4.93	4.60		(2.73)	3.08	7.11	

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

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

M. Habib-ur-Rahman  
Chief Executive Officer

Yusuf H. Shirazi  
Chairman

Azam Faruque  
Director

# Atlas Pension Islamic Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED 31 DECEMBER 2012

Note	For the Quarter Ended 31 December 2012 (Un-audited)				For the Quarter Ended 31 December 2011 (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-----				
<b>INCOME</b>								
Mark-up income	168,264	2,525,471	1,910,183	4,603,918	91,822	1,691,433	1,353,480	3,136,735
Dividend income	2,191,712	-	-	2,191,712	1,296,159	-	-	1,296,159
Net gain on sale of investments at fair value through income statement	619,153	-	-	619,153	734,817	-	-	734,817
Net loss on maturity of available for sale investments	-	-	-	-	-	-	-	-
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	2,287,168	-	-	2,287,168	(4,677,247)	-	-	(4,677,247)
	2,906,321	-	-	2,906,321	(3,942,430)	-	-	(3,942,430)
	5,266,297	2,525,471	1,910,183	9,701,951	(2,554,449)	1,691,433	1,353,480	490,464
<b>EXPENSES</b>								
Remuneration of the Pension Fund Manager	351,962	364,602	299,168	1,015,732	187,204	206,172	163,380	556,756
Sindh Sales Tax on Remuneration of the Pension Fund Manager	56,314	58,336	47,867	162,517	29,953	32,987	26,141	89,081
Remuneration of Central Depository Company of Pakistan Limited - Trustee	35,203	36,453	29,913	101,569	25,291	27,845	22,066	75,202
Annual fee to the Securities and Exchange Commission of Pakistan	7,819	8,102	6,655	22,576	4,164	4,573	3,641	12,378
Bank charges	-	1,548	1,276	2,824	200	251	250	701
Legal & professional charges	9,833	9,833	9,833	29,499	-	-	-	-
Auditors' remuneration	9,997	9,998	9,998	29,993	11,120	11,120	11,120	33,360
Provision for non performing financial assets - classified as "available for sale"	-	-	-	-	-	805,778	-	805,778
Securities' transaction cost and settlement charges	31,576	3,600	5,486	40,662	34,878	1,500	1,500	37,878
Provision for Workers' Welfare Fund	95,272	40,660	30,000	165,932	(40,878)	12,024	22,508	(6,346)
	597,976	533,132	440,196	1,571,304	251,932	1,102,250	250,606	1,604,788
Net income / (loss) for the period	4,668,321	1,992,339	1,469,987	8,130,647	(2,806,381)	589,183	1,102,874	(1,114,324)
Earnings / (loss) per unit	12.90	2.87	2.72		(9.54)	1.43	3.65	

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 2012

	For the Half Year Ended 31 December 2012 (Un-audited)				For the Half Year Ended 31 December 2011 (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 income / (loss) for the period	13,883,543	3,419,346	2,492,585	19,795,474	(803,382)	1,264,510	2,147,508	2,608,636
Other comprehensive income / (loss)								
Net unrealised appreciation/(diminution) on re-measurement of investments classified as available for sale	-	271,226	45,794	317,020	-	187,659	(40,519)	147,140
Reclassification adjustment for loss included in income statement upon maturity of available for sale investments	-	276,000	272,500	548,500	-	-	-	-
	-	547,226	318,294	865,520	-	187,659	(40,519)	147,140
Total comprehensive income / (loss) for the period	13,883,543	3,966,572	2,810,879	20,660,994	(803,382)	1,452,169	2,106,989	2,755,776

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

Azam Faruque  
Director

# Atlas Pension Islamic Fund

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED 31 DECEMBER 2012

	For the Quarter Ended 31 December 2012 (Un-audited)				For the Quarter Ended 31 December 2011 (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 income / (loss) for the period	4,668,321	1,992,339	1,469,987	8,130,647	(2,806,381)	589,183	1,102,874	(1,114,324)
Other comprehensive loss								
Net unrealised diminution on re-measurement of investments classified as available for sale	-	(100,712)	(57,476)	(158,188)	-	(235,617)	(142,177)	(377,794)
Reclassification adjustment for loss included in income statement upon maturity of available for sale investments	-	-	-	-	-	-	-	-
	-	(100,712)	(57,476)	(158,188)	-	(235,617)	(142,177)	(377,794)
Total comprehensive income / (loss) for the period	4,668,321	1,891,627	1,412,511	7,972,459	(2,806,381)	353,566	960,697	(1,492,118)

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 2012-13

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Note	For the Half Year Ended 31 December 2012 (Un-audited)					For the Half Year Ended 31 December 2011 (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 income / (loss) for the period	13,883,543	3,419,346	2,492,585	-	19,795,474	(803,382)	1,264,510	2,147,508	-	2,608,636
Adjustments for:										
Mark up income	(337,449)	(4,636,745)	(3,535,918)	-	(8,510,112)	(173,394)	(3,638,030)	(2,649,842)	-	(6,461,266)
Dividend income	(3,595,184)	-	-	-	(3,595,184)	(1,965,124)	-	-	-	(1,965,124)
Capital (gain) / loss on sale of investments - net	(2,498,140)	-	-	-	(2,498,140)	(619,401)	-	-	-	(619,401)
Net loss on maturity of available for sale investments	-	276,000	272,500	-	548,500	-	-	-	-	-
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(8,649,917)	-	-	-	(8,649,917)	2,981,326	-	-	-	2,981,326
Provision against non performing financial assets classified as 'available for sale'	-	-	-	-	-	-	1,777,947	-	-	1,777,947
Provision for Workers' Welfare Fund	283,338	69,783	50,869	-	403,990	-	25,806	43,827	-	69,633
(Increase) / Decrease in assets	(913,809)	(871,616)	(719,964)	-	(2,505,389)	(579,975)	(569,767)	(458,507)	-	(1,608,249)
Receivable against sale of investments	-	-	-	-	-	(240,897)	-	-	-	(240,897)
Increase / (decrease) in liabilities										
Payable against redemption of units	-	-	40,565	1,817,098	1,857,663	-	-	-	-	-
Payable against purchase of investments	(5,875,275)	-	-	-	(5,875,275)	-	-	-	-	-
Payable to the Pension Fund Manager	40,832	46,923	43,097	107	130,959	126,914	142,387	111,964	8,368	389,633
Payable to the Central Depository Company of Pakistan Limited - Trustee	3,495	4,087	3,836	-	11,418	(297)	472	234	-	409
Payable to the Securities and Exchange Commission of Pakistan	(4,001)	(4,707)	(3,186)	-	(11,894)	(7,298)	(7,326)	(5,784)	-	(20,408)
Payable to the auditors	(19,671)	(19,670)	(19,670)	-	(59,011)	(15,058)	(15,058)	(15,058)	-	(45,174)
Accrued expenses and other liabilities	29,639	8,508	7,495	54,430	100,072	34,800	31,987	25,268	33,046	125,101
	(5,824,981)	35,141	72,137	1,871,635	(3,846,068)	139,061	152,462	116,624	41,414	449,561
Mark up received	349,832	4,989,230	4,308,442	-	9,647,504	175,406	3,535,664	2,507,321	-	6,218,391
Dividend received	3,618,934	-	-	-	3,618,934	2,283,874	-	-	-	2,283,874
Payment against investments purchased	(38,420,100)	(47,507,500)	(34,902,000)	-	(120,829,600)	(29,173,440)	(8,560,000)	(9,090,000)	-	(46,823,440)
Receipt against investments sold/matured	25,750,960	20,325,000	32,175,000	-	78,250,960	27,252,112	325,000	175,000	-	27,752,112
	(8,700,374)	(22,193,270)	1,581,442	-	(29,312,202)	537,952	(4,699,336)	(6,407,679)	-	(10,569,063)
Net cash (used in)/generated from operating activities	(15,439,164)	(23,029,745)	933,615	1,871,635	(35,663,659)	(143,859)	(5,116,641)	(6,749,562)	41,414	(11,968,648)

# Atlas Pension Islamic Fund

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) (Continued...)  
FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Note	For the Half Year Ended 31 December 2012 (Un-audited)					For the Half Year Ended 31 December 2011 (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 (used in)/generated from operating activities	b/f	(15,439,164)	(23,029,745)	933,615	1,871,635	(35,663,659)	(143,859)	(5,116,641)	(6,749,562)	41,414	(11,968,648)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>											
Receipts on issue of units		24,930,656	40,540,483	36,334,293	-	101,805,432	4,335,170	9,721,695	5,677,195	-	19,734,060
Payment on redemption of units - Directly by the participants		(13,214,552)	(8,737,948)	(6,361,760)	-	(28,314,260)	(3,735,066)	(6,409,318)	(5,536,352)	-	(15,680,736)
Net cash generated from financing activities		11,716,104	31,802,535	29,972,533	-	73,491,172	600,104	3,312,377	140,843	-	4,053,324
Net (decrease)/increase in cash and cash equivalents		(3,723,060)	8,772,790	30,906,148	1,871,635	37,827,513	456,245	(1,804,264)	(6,608,719)	41,414	(7,915,324)
Cash and cash equivalents at the beginning of the period		9,441,691	3,561,463	3,164,374	57,344	16,224,872	2,325,507	10,699,237	18,328,269	43,087	31,396,100
Cash and cash equivalents at the end of the period	4	5,718,631	12,334,253	34,070,522	1,928,979	54,052,385	2,781,752	8,894,973	11,719,550	84,501	23,480,776

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 2012-13

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2012

Note	For the Half Year Ended 31 December 2012 (Un-audited)				For the Half Year Ended 31 December 2011 (Un-audited)			
	Equity	Debt	Money	Total	Equity	Debt	Money	Total
	Sub Fund	Sub Fund	Market		Sub Fund	Sub Fund	Market	
----- Rupees -----				----- Rupees -----				
Net assets at the beginning of the period	67,789,480	69,152,493	53,715,887	190,657,860	48,365,002	52,177,146	42,156,428	142,698,576
Issue of units	24,930,656	40,540,483	36,334,293	101,805,432	4,335,170	9,721,695	5,677,195	19,734,060
Redemption of units								
- Directly by participants	(13,214,552)	(8,737,948)	(6,361,760)	(28,314,260)	(3,735,066)	(6,409,318)	(5,536,352)	(15,680,736)
Net income / (loss) for the period	11,385,403	3,695,346	2,765,085	17,845,834	(1,422,783)	1,264,510	2,147,508	1,989,235
Capital gain on sale of investments	2,498,140	-	-	2,498,140	619,401	-	-	619,401
Net loss on maturity of available for sale investments	-	(276,000)	(272,500)	(548,500)	-	-	-	-
Other comprehensive income / (loss)	-	547,226	318,294	865,520	-	187,659	(40,519)	147,140
Total comprehensive income / (loss) for the period	13,883,543	3,966,572	2,810,879	20,660,994	(803,382)	1,452,169	2,106,989	2,755,776
Net assets at the end of the period	93,389,127	104,921,600	86,499,299	284,810,026	48,161,724	56,941,692	44,404,260	149,507,676

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

Azam Faruque  
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 2012

### 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)

The objective of 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)

The objective of 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

#### 2.1 Statement of Compliance

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

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the year ended 30 June 2012.

#### 2.2 Standards, interpretations and amendments to published approved accounting standards that are effective in the current period

The following new standards and amendments to existing standards are mandatory for the first time for the financial period beginning on or after 1 July 2012:

The Fund has adopted the following amendments to IFRSs which became effective for the current period:

IAS 1 – Presentation of Financial Statements – Presentation of items of other comprehensive income (Amendment)

IAS 12 – Income Taxes - Recovery of Underlying Assets (Amendment)

The adoption of the above amendments did not have any effect on the condensed interim financial statements.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2012.

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

The significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended 30 June 2012.

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended 30 June 2012.

## 4. BANK BALANCES AND TERM DEPOSIT RECEIPTS

Note	31 December 2012 (Un-audited)					30 June 2012 (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										
In current account	-	-	-	22,887	22,887	-	-	-	25,063	25,063	
In deposit accounts	4.2	5,718,631	5,334,253	3,070,522	1,906,092	16,029,498	9,441,691	3,561,463	3,164,374	32,281	16,199,809
In term deposit receipts	4.3	-	7,000,000	31,000,000	-	38,000,000	-	-	-	-	-
		<u>5,718,631</u>	<u>12,334,253</u>	<u>34,070,522</u>	<u>1,928,979</u>	<u>54,052,385</u>	<u>9,441,691</u>	<u>3,561,463</u>	<u>3,164,374</u>	<u>57,344</u>	<u>16,224,872</u>

4.1 These represent collection and redemption accounts maintained by the Fund. The rate of return on savings account is 6.50% per annum (30 June 2012: 6.50% per annum).

4.2 The accounts carry rates ranging from 6.50% to 8.75% per annum (30 June 2012: 6% to 11% per annum).

4.3 The expected rate of return on these accounts ranges from 7.85% to 7.90% per annum (30 June 2012: Nil). These deposits will mature by 7 March 2013 (30 June 2012 : Nil).

## 5. INVESTMENTS - NET

Note	31 December 2012 (Un-audited)					30 June 2012 (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										
At fair value through profit or loss held-for-trading											
Equity securities - listed	5.1	88,836,850	-	-	-	88,836,850	65,019,653	-	-	-	65,019,653
Available-for-sale											
Sukuk certificates - unlisted	5.2	-	1,276,282	687,229	-	1,963,511	-	1,616,706	870,534	-	2,487,240
Government of Pakistan - Ijarah Sukuks	5.3	-	90,818,300	51,468,800	-	142,287,100	-	63,024,150	48,512,700	-	111,536,850
		<u>88,836,850</u>	<u>92,094,582</u>	<u>52,156,029</u>	<u>-</u>	<u>233,087,461</u>	<u>65,019,653</u>	<u>64,640,856</u>	<u>49,383,234</u>	<u>-</u>	<u>179,043,743</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 2012	Purchases during the period	Bonus during the period	Sales during the period	As at 31 December 2012	Balance as at 31 December 2012		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		
All holdings are in shares of Rs. 10/- each as otherwise stated.						Number of shares-----		Rupees-----	
<b>Oil &amp; Gas</b>									
Attock Petroleum Limited	-	6,000	-	-	6,000	2,995,828	3,071,940	3.29	0.01
National Refinery Limited	-	15,500	-	-	15,500	3,630,798	3,281,350	3.51	0.02
Oil & Gas Development Company Limited	25,000	5,000	-	5,000	25,000	4,192,968	4,815,250	5.16	-
Pakistan Oilfields Limited	18,000	7,500	-	3,500	22,000	7,559,189	9,625,880	10.31	0.01
Pakistan Petroleum Limited	35,000	4,250	8,750	3,000	45,000	6,382,400	7,955,550	8.52	-
Pakistan State Oil Company Limited	15,000	-	3,000	-	18,000	3,874,565	4,179,780	4.48	0.01
	93,000	38,250	11,750	11,500	131,500	28,635,748	32,929,750	35.27	
<b>Chemicals</b>									
Fauji Fertilizer Bin Qasim Limited	-	130,000	-	30,000	100,000	4,004,188	3,859,000	4.13	0.01
Fauji Fertilizer Company Limited	60,000	23,000	-	3,000	80,000	9,116,683	9,371,200	10.03	0.01
ICI Pakistan Limited	13,308	-	-	13,308	-	-	-	-	-
	73,308	153,000	-	46,308	180,000	13,120,871	13,230,200	14.16	
<b>Construction and Materials</b>									
Akzo Nobel Pakistan Limited	6,692	-	-	6,692	-	-	-	-	-
Attock Cement Pakistan Limited	-	5,000	-	5,000	-	-	-	-	-
D. G. Khan Cement Limited	140,000	57,500	-	52,500	145,000	5,478,300	7,914,100	8.47	0.03
Lucky Cement Limited	55,000	15,000	-	20,000	50,000	5,632,581	7,577,000	8.11	0.02
	201,692	77,500	-	84,192	195,000	11,110,881	15,491,100	16.58	
<b>General Industries</b>									
Thal Limited (face value Rs.5/- per share)	13,900	30,000	-	13,900	30,000	3,396,340	3,206,100	3.43	0.04
<b>Automobile and Parts</b>									
Indus Motor Company Limited	19,851	5,000	-	24,851	-	-	-	-	-



# Half Yearly Report 2012-13

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

Name of the investee company	As at 1 July 2012	Purchases during the period	Bonus during the period	Sales during the period	As at 31 December 2012	Balance as at 31 December 2012		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			
All holdings are in shares of Rs. 10/- each as otherwise stated.									
Food Producers									
Engro Foods Limited	-	15,000	-	-	15,000	1,100,935	1,472,100	1.58	-
Fixed Line Telecommunication									
Pakistan Telecommunication Company Limited	275,000	30,000	-	55,000	250,000	3,467,189	4,337,500	4.64	0.01
Electricity									
The Hub Power Company Limited	160,000	67,000	-	12,000	215,000	8,730,985	9,726,600	10.42	0.02
Pakgen Power Limited	-	50,000	-	-	50,000	996,565	1,052,000	1.13	0.01
	160,000	117,000	-	12,000	265,000	9,727,550	10,778,600	11.55	
Bank									
Bankislami Pakistan Limited	-	150,000	-	-	150,000	1,406,680	1,381,500	1.48	0.03
Meezan Bank Limited	225,000	75,000	-	100,000	200,000	4,172,269	6,010,000	6.44	0.02
	225,000	225,000	-	100,000	350,000	5,578,949	7,391,500	7.92	
	<u>1,061,751</u>	<u>690,750</u>	<u>11,750</u>	<u>347,751</u>	<u>1,416,500</u>	<u>76,138,463</u>	<u>88,836,850</u>	<u>95.13</u>	

# Atlas Pension Islamic Fund

## 5.2 Unlisted Sukuk certificates - Available for sale

5.2.1 Debt Sub Fund	Note	Status	As at	Purchased	Sales /	As at	Carrying value	Market value	Market value as a % of Net assets of the Sub-Fund	Market value as a % of total issue size
			1 July 2012	during the period	Maturity during the period	31 December 2012				
				Number of	certificates		Rupees			
Chemicals										
Agritech Limited	5.2.2	Unlisted	740	-	-	740	3,700,000	-	-	-
Agritech Limited IV	5.2.2	Unlisted	107	-	-	107	-	-	-	-
Forestry (Paper and Board)										
Century Paper & Board Mills Limited		Unlisted	650	-	-	650	1,348,750	1,276,282	1.22	0.04
							<b>5,048,750</b>	<b>1,276,282</b>	<b>1.22</b>	<b>0.04</b>

5.2.2 These securities have been classified as non-performing as per the requirements of SECP's Circular 1 of 2009 read with SECP's Circular 33 of 2012 and accordingly an aggregate provision of Rs.4,235,000 (30 June 2012: Rs.4,235,000), has been made in accordance with provisioning requirements specified by the SECP. During the year ended 30 June 2012, the Debt Sub-Fund entered into a restructuring agreement with Agritech Limited (the company) whereby all overdue profit receivable on Sukuk Certificates held by the Debt Sub-Fund was converted into zero coupon Term Finance Certificates (TFCs). In this regard, the Debt Sub-Fund also recognised a provision amounting of Rs. 535,000 against these TFCs to fully cover the amount of investment. Accordingly, the Fund holds 107 certificates (having face value of Rs.5,000 each) of Agritech Limited IV as at 30 December 2012. The details of these non-performing investment are as follows:

Non-compliant investment	Type of Investment	Cost	Provision held	Net carrying value
		Rupees		
Agritech Limited	Sukuk certificate	3,700,000	3,700,000	-
Agritech Limited IV	Term Finance Certificates	535,000	535,000	-
		<b>4,235,000</b>	<b>4,235,000</b>	

# Half Yearly Report 2012-13

## 5.2.3 Money Market Sub Fund

Status	As at 1 July 2012	Purchased during the period	Sales / Maturity during the period	As at 31 December 2012	Carrying value	Market value	Market value as a % of Net assets of the Sub-Fund	Market value as a % of total issue size	
	-----Number of certificates-----				-----Rupees-----				
Forestry (Paper and Board) Century Paper & Board Mills Limited	Unlisted	350	-	-	350	726,250	687,229	0.79	0.02

## 5.3 Government of Pakistan - Ijarah Sukuks

		Face value						Market value as a % of total issue size
Note	As at 1 July 2012	Purchased during the period	Sales / Maturity during the period	As at 31 December 2012	Cost	Market value		
	-----Rupees-----							
5.3.1 Debt Sub Fund								
Government of Pakistan - Ijarah Sukuks	5.3.2	63,000,000	47,000,000	20,000,000	90,000,000	90,547,500	90,818,300	86.56

5.3.2 These investments carry rate of return ranging from 9.2640% to 10.4314% (30 June 2012: 11.8070% to 11.9420%) per annum with maturity upto 28 June 2015 (30 June 2012: 28 June 2015).

		Face value						Market value as a % of total issue size
Note	As at 1 July 2012	Purchased during the period	Sales / Maturity during the period	As at 31 December 2012	Cost	Market value		
	-----Rupees-----							
5.3.3 Money Market Sub Fund								
Government of Pakistan - Ijarah Sukuks	5.3.4	48,500,000	34,500,000	32,000,000	51,000,000	51,409,000	51,468,800	59.50

5.3.4 These investments carry rate of return ranging from 9.2640% to 10.4314% (30 June 2012: 11.8070% to 11.9420%) per annum with maturity upto 28 June 2015 (30 June 2012: 28 June 2015).

# Atlas Pension Islamic Fund

	31 December 2012 (Un-audited)					30 June 2012 (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				
<b>6. MARK UP ACCRUED</b>										
Income accrued on:										
Bank balances and term deposits	69,323	57,032	213,416	-	339,771	81,706	36,874	35,147	-	153,727
Sukuk certificates	-	40,663	21,895	-	62,558	-	58,072	31,270	-	89,342
GOP - Ijarah Sukuks	-	893,794	514,160	-	1,407,954	-	1,249,028	1,455,578	-	2,704,606
	<u>69,323</u>	<u>991,489</u>	<u>749,471</u>	<u>-</u>	<u>1,810,283</u>	<u>81,706</u>	<u>1,343,974</u>	<u>1,521,995</u>	<u>-</u>	<u>2,947,675</u>
<b>7. PAYABLE TO THE PENSION FUND MANAGER - Related Party</b>										
Pension Fund Manager fee	122,272	129,967	107,954	-	360,193	81,440	83,044	64,857	-	229,341
Front end fee	-	-	-	16,269	16,269	-	-	-	16,162	16,162
	<u>122,272</u>	<u>129,967</u>	<u>107,954</u>	<u>16,269</u>	<u>376,462</u>	<u>81,440</u>	<u>83,044</u>	<u>64,857</u>	<u>16,162</u>	<u>245,503</u>
<b>8. PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED (TRUSTEE) - Related Party</b>										
Trustee fee	12,231	12,993	10,790	-	36,014	8,736	8,906	6,954	-	24,596
Settlement charges	1,000	500	500	-	2,000	1,000	500	500	-	2,000
	<u>13,231</u>	<u>13,493</u>	<u>11,290</u>	<u>-</u>	<u>38,014</u>	<u>9,736</u>	<u>9,406</u>	<u>7,454</u>	<u>-</u>	<u>26,596</u>

# Half Yearly Report 2012-13

31 December 2012 (Un-audited)						30 June 2012 (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					
<b>9. ACCRUED EXPENSES AND OTHER LIABILITIES</b>											
Payable to charity	9.1	28,288	-	-	28,288	5,183	-	-	-	5,183	
Withholding tax payable		-	-	29,681	29,681	-	-	-	1,874	1,874	
Zakat payable		-	-	38,131	38,131	-	-	-	11,508	11,508	
Brokerage payable		-	1,000	600	1,600	-	-	-	-	-	
Workers' Welfare Fund	9.2	1,171,283	408,296	376,524	1,956,103	887,945	338,513	325,655	-	1,552,113	
Sindh Sales Tax payable on Remuneration of Pension Fund Manager - Related Party		19,564	20,795	17,273	57,632	13,030	13,287	10,377	-	36,694	
Others		-	-	27,800	27,800	-	-	-	27,800	27,800	
		<u>1,219,135</u>	<u>430,091</u>	<u>394,397</u>	<u>95,612</u>	<u>2,139,235</u>	<u>906,158</u>	<u>351,800</u>	<u>336,032</u>	<u>41,182</u>	<u>1,635,172</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.47,316/- (30 June 2012: Rs.48,921/-) against dividend income, as Shariah non-compliant income, which has accordingly been marked to charity. Out of this amount Rs.19,028/- has already been paid during the period to charities approved by the Shariah Advisor. The remaining Rs.28,288/- 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 / Pension Fund 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.

During the year ended 30 June 2011, a clarification was issued by the Ministry of Labour and Manpower (the Ministry) on 08 July 2010 which stated that mutual funds are not liable to contribute to WWF on the basis of their income. However, on 14 December 2010 the Ministry filed its response against the Constitutional Petition requesting the Court to dismiss the same. Show cause notices were then issued by Federal Board of Revenue (FBR) to several mutual funds (CISs) / Pension funds for the collection of WWF, including 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 struck them down. 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.1,956,103/- (including Rs.403,990/- for the current period) in these condensed interim financial statements. Had the same not been made the net asset value of the equity sub-fund, debt sub-fund and money market sub-fund would have been higher by Rs.3.24, Re.0.59 and Re.0.70 (30 June 2012: Rs.2.83, Re.0.71 and Re.0.93) per unit respectively.

# Atlas Pension Islamic Fund

## 10. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 31 December 2012.

	For the Half Year Ended 31 December 2012 (Un-audited)				For the Half Year Ended 31 December 2011 (Un-audited)			
	Equity	Debt	Money	Total	Equity	Debt	Money	Total
	Sub Fund	Sub Fund	Market Sub Fund		Sub Fund	Sub Fund	Market Sub Fund	
	----- 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	313,613	479,226	350,232	1,143,071	290,984	386,854	301,290	979,128
Add: Units issued	102,305	273,074	231,441	606,820	25,611	70,558	39,371	135,540
Less: Units redeemed								
- Directly by participants	(53,984)	(58,827)	(40,380)	(153,191)	(22,398)	(46,616)	(38,728)	(107,742)
At the end of the period	<u>361,934</u>	<u>693,473</u>	<u>541,293</u>	<u>1,596,700</u>	<u>294,197</u>	<u>410,796</u>	<u>301,933</u>	<u>1,006,926</u>

	Note	For the Half Year Ended 31 December 2012 (Un-audited)				For the Half Year Ended 31 December 2011 (Un-audited)			
		Equity	Debt	Money	Total	Equity	Debt	Money	Total
		Sub Fund	Sub Fund	Market Sub Fund		Sub Fund	Sub Fund	Market Sub Fund	
		----- Rupees -----				----- Rupees -----			
12. MARK UP INCOME									
Income on bank balances and term deposits		337,449	274,750	802,820	1,415,019	173,394	527,473	782,234	1,483,101
Income on Sukuk certificates	12.1	-	91,543	49,291	140,834	-	447,540	85,028	532,568
Government of Pakistan - Ijarah Sukuks		-	4,270,452	2,683,807	6,954,259	-	2,663,017	1,782,580	4,445,597
		<u>337,449</u>	<u>4,636,745</u>	<u>3,535,918</u>	<u>8,510,112</u>	<u>173,394</u>	<u>3,638,030</u>	<u>2,649,842</u>	<u>6,461,266</u>

12.1 Mark-up on non performing securities amounting to Rs.747,507/- (2011: Rs.767,631/-) based on outstanding principal has not been recognized, in accordance with the SECP's Circular 1 of 2009 read with SECP's Circular 33 of 2012.

# Half Yearly Report 2012-13

## 13. MARK UP INCOME

Note	For the Quarter Ended 31 December 2012 (Un-audited)				For the Quarter Ended 31 December 2011 (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 on bank balances and term deposits	168,264	154,544	609,780	932,588	91,822	222,220	298,366	612,408
Income on Sukuk certificates	-	38,174	20,554	58,728	-	72,301	38,931	111,232
Government of Pakistan - Ijarah Sukuks	-	2,332,753	1,279,849	3,612,602	-	1,396,912	1,016,183	2,413,095
	<u>168,264</u>	<u>2,525,471</u>	<u>1,910,183</u>	<u>4,603,918</u>	<u>91,822</u>	<u>1,691,433</u>	<u>1,353,480</u>	<u>3,136,735</u>

13.1 Mark-up on non performing securities amounting to Rs.49,630/- (2011: Rs.143,341/-) based on outstanding principal has not been recognized, in accordance with the SECP's Circular 1 of 2009 read with SECP's Circular 33 of 2012.

## 14. CONTRIBUTION TABLE

	For the Half Year Ended 31 December 2012 (Un-audited)							For the Half Year Ended 31 December 2011 (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	68,078	16,513,827	140,573	20,812,584	129,132	20,211,215	57,537,626	7,449	1,257,777	22,528	3,110,610	9,924	1,437,330	5,805,717
Employers	34,227	8,416,829	132,501	19,727,899	102,309	16,123,078	44,267,806	18,162	3,077,393	48,030	6,611,085	29,447	4,239,865	13,928,343
	<u>102,305</u>	<u>24,930,656</u>	<u>273,074</u>	<u>40,540,483</u>	<u>231,441</u>	<u>36,334,293</u>	<u>101,805,432</u>	<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>

# Atlas Pension Islamic Fund

## 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 2012 (Un-audited)					For the Half Year Ended 31 December 2011 (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				
<b>Atlas Asset Management Limited (Pension Fund Manager)</b>										
Remuneration	633,123	649,853	530,179	-	1,813,155	368,298	405,765	320,738	-	1,094,801
Remuneration paid	592,291	602,930	487,082	-	1,682,303	241,384	263,378	208,774	-	713,536
Sindh sales tax on remuneration of the Pension Fund Manager	101,300	103,976	84,829	-	290,105	-	-	-	-	-
Front end fee	-	-	-	99,649	99,649	-	-	-	89,442	89,442
<b>Central Depository Company of Pakistan Limited (Trustee)</b>										
Trustee fee	63,537	65,203	53,188	-	181,928	50,736	55,902	44,180	-	150,818
Trustee fee paid	60,042	61,116	49,352	-	170,510	51,033	55,430	43,946	-	150,409
Settlement charges	4,493	3,000	3,000	-	10,493	4,239	3,000	3,000	-	10,239
<b><u>Key management personnel</u></b>										
Contributions	385,826	809,434	2,761,775	-	3,957,035	401,531	413,964	565,060	-	1,380,555
Contributions (number of units)	1,645	5,497	17,821	-	24,964	2,384	3,013	3,930	-	9,327
Redemption	-	-	202,825	-	202,825	17,704	77,054	79,019	-	173,777
Redemption (number of units)	-	-	1,284	-	1,284	111	562	553	-	1,226



## 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 of broker as announced by the Financial Markets Association of Pakistan.
- 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 read with SECP's Circular 33 of 2012 dated 24 October 2012. Under the said directives, 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 circulars.
- 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

Figures have been rounded off to the nearest Rupee.

## 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 12 February 2013.

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

M. Habib-ur-Rahman  
Chief Executive Officer

Yusuf H. Shirazi  
Chairman

Azam Faruque  
Director

**Head Office**

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