Atlas Sovereign Fund
(Formerly Atlas Sovereign Liquid Fund)

Atlas Money Market Fund

Atlas Income Fund

Atlas Stock Market Fund

QUATERLY REPORT

30 September 2018

(UN-AUDITED)

Atlas funds

Nurturing your investments

Management Company

Atlas Asset Management

Rated AM2+ by PACRA

Atlas Asset Management

Vision

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

Mission Statement

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

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Atlas Funds

ORGANISATION

Management Company

Atlas Asset Management Limited

Board of Directors of the Management Company

Chairman	Mr. Yusuf H. Shirazi (Non-Executive Director)
Directors	Mr. Tariq Amin (Independent Director)
	Ms Zehra Naqvi (Independent Director)
	Mr. Frahim Ali Khan (Non-Executive Director)
	Mr. Ali H. Shirazi (Non-Executive Director)
	Mr. M. Habib-ur-Rahman (Non-Executive Director)
Chief Executive Officer	Mr. Muhammad Abdul Samad (Executive Director)
Company Secretary	Ms Zainab Kazim

Board Committees
Audit Committee

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

Human Resource & Remuneration Committee

Chairman	Mr. Frahim Ali Khan
Members	Mr. Ali H. Shirazi
	Mr. Muhammad Abdul Samad
Secretary	Ms Zainab Kazim

Investment Committee

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

Management Committee

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

Risk Management Committee

Chairman	Mr. Muhammad Abdul Samad
Members	Mr. Khalid Mahmood
Secretary	Mr. Shaikh Owais Ahmed

Chief Financial Officer

Ms Qurrat-ul-Ain Jafari

Chief Internal Auditor

Mr. M. Uzair Uddin Siddiqui

Registered Office

Ground Floor, Federation House Sharae Firdousi,
Clifton, Karachi - 75600
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(92-21) 35379501-04
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Website: www.atlasfunds.com.pk

CHAIRMAN'S REVIEWS

It is my pleasure to present to you the un-audited financial statements of Atlas Sovereign Fund (ASF) (formerly Atlas Sovereign Liquid Fund) , Atlas Money Market Fund (AMF), Atlas Income Fund (AIF) and Atlas Stock Market Fund (ASMF) for the three months period ended September 30, 2018 of FY 2018-19.

THE ECONOMY

During the period Jul -Sep FY19, total exports stood at US$ 5.39 billion as compared to US$ 5.16 billion reported in the same period last year. Whereas, imports stood at US$ 14.26 billion as compared to US$ 14.17 billion in corresponding period of the previous year. During Jul -Aug FY19, the current account deficit was recorded at US$ 2.72 billion as compared to US$ 2.48 billion in the same period last year. The foreign exchange reserves of the country stood at US$ 14.89 billion as on September 28, 2018 with SBP's share of US$ 8.4 billion in the total liquid foreign exchange reserves. Foreign remittances for the period July-Sep FY19 stood at US$ 5.42 billion, which was an increase of 13.14% YoY compared to the corresponding period last year. CPI inflation for the period of July- Sep FY19 was recorded at 5.60 %. The SBP in its latest monetary policy statement has decided to increase the policy rate by 100 bps to 8.50 percent effective from October, 01 2018. This is a cumulative 275 bps increase in interest rates since May-2016.

FUND OPERATIONS - ASF (FORMERLY ASLF)

The Net Asset Value per unit of Atlas Sovereign Fund (formerly Atlas Sovereign Liquid Fund) increased by 1.51% to Rs. 101.76 as on September 30, 2018, providing an annualized total return of 6.00%. The ASF's total exposure in Treasury Bills stood at 98.47% with remaining in short term deposits with banks/others. ASF presents a good investment opportunity for investors to earn attractive returns while maintaining high liquidity with low risk. The Net Assets of the Fund stood at Rs. 362 million, with 3.55 million units outstanding as of September 30, 2018.

Atlas Asset Management Limited (AAML), the Management Company of Atlas Sovereign Liquid Fund has changed the name of Fund from Atlas Sovereign Liquid Fund (ASLF) to Atlas Sovereign Fund (ASF) and has also changed the category of Scheme from Money Market Scheme to Income Scheme, with the approval of the Securities and Exchange Commission of Pakistan (SECP). The change in category of the Scheme shall be made effective after completion of 90 days on January 02, 2019. The amended document is available at www.atlasfunds.com.pk

FUND OPERATIONS - AMF

The Net Asset Value per unit of Atlas Money Market Fund increased by 1.70% to is Rs. 510.96 as on September 30, 2018, thus providing an annualized total return of 6.74%. The AMF's total exposure in short term deposits with banks/ cash stood at 90.52%. AMF presents a good investment opportunity for investors to earn attractive returns while maintaining high liquidity with low risk. The Net Assets of the Fund stood at Rs. 14.31 billion, with 28.00 million units outstanding as of September 30, 2018.

FUND OPERATIONS - AIF

The Net Asset Value per unit of Atlas Income Fund increased by 1.28% to Rs. 519.50 as on September 30, 2018, this works out to 5.06% on an annualized basis. AIF's current asset allocation is 17.42% in Term Finance Certificate, 11.47% in Sukuk, 8.36% in Margin Trading System, 54.92% in Treasury bills and remaining in bank deposits/others. AIF presents a good investment opportunity for investors to earn attractive returns and at the same time benefit from any gain as a result of reversal of provisions / income. The Net Assets of the Fund stood at Rs. 4.73 billion with 9.12 million units outstanding as of September 30, 2018.

FUND OPERATIONS - ASMF

The Net Asset Value per unit of Atlas Stock Market Fund decreased by 1.30% to Rs. 612.81 as on September 30, 2018. The benchmark KSE-100 index decreased by 2.18% during the same period. The KSE- 100 decreased from 41,910.90 points as on June 30, 2018 to 40,998.59 points as on September 29, 2018. The ASMF's equity portfolio exposure was mainly in Commercial Banks, Oil & Gas Exploration, Fertilizer and Cement sectors. ASMF strategy will continue to focus on dividend plays and stocks which are trading at relatively cheap multiples with earning growth prospects. The Net Assets of the Fund stood at Rs. 5.97 billion, with 9.74 million units outstanding as of September 30, 2018.

MUTUAL FUND TAXATION

WORKER'S WELFARE FUND (WWF)

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

SINDH WORKER'S WELFARE FUND (SWWF)

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

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

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

FEDERAL EXCISE DUTY (FED)

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

WITHHOLDING TAX

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

RATINGS

- **ASSET MANAGER RATING**

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

- **FUND STABILITY RATING - ASF (FORMERLY ASLF)**

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

- **FUND STABILITY RATING - AMF**

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

- **FUND STABILITY RATING - AIF**

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

FUTURE OUTLOOK

In recent years Pakistan economy has shown robust growth where GDP growth rate of 5.80% was witnessed in FY18 that is a 13-year high due to better availability of energy, improving security situation and low international commodity prices. Economic activity has been strong as there is growth in industrial output as depicted in LSM index led by improvement in energy supply, infrastructure investment tied to economic corridor project CPEC, and higher credit offtake. However, slowdown in real sector growth may be witnessed next year as shortage of water is likely to constrain agriculture production, manufacturing sector may reflect slowdown owing to high base-effect, inflationary pressures stemming from higher energy prices and devaluation of Pak Rupee could reduce demand, and on-going monetary tightening that could reduce consumer spending. Going forward, exchange rate flexibility and active monetary management is going to help arrest widening current account deficit while helping sustain growth momentum in medium term. Continuous external flow would be required to maintain the stable balance of payments position. Shifting focus towards making the exports competitive through subsidizing input prices and giving rebates to export oriented industry would strengthen the external sector outlook over medium to long term.

ع خدا رحمت کند ای عاشقانِ پاک طینات را

God, please have mercy on these lovers of clean intention

These Funds are committed to prudent investment procedures and will continue to provide consistent long term returns to the investors.

ACKNOWLEDGEMENT

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

Yusuf H. Shirazi
Chairman

Karachi: 29 October 2018

ATLAS SOVEREIGN FUND
(Formerly Atlas Sovereign Liquid Fund)

Corporate Information

Trustee

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

Auditors

EY Ford Rhodes
Chartered Accountants

Legal Advisers

Bawaney & Partners

Bankers

Allied Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Faysal Bank Limited
MCB Bank Limited
United Bank Limited
Zarai Taraqiati Bank Limited

ATLAS SOVEREIGN FUND

(Formerly Atlas Sovereign Liquid Fund)

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

AS AT 30 SEPTEMBER 2018

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		------------- Rupees -------------	
Assets			
Bank balances		4,695,777	267,945,874
Investments		359,235,721	92,878,298
Profit receivable on bank deposits	4	213,690	232,155
Prepayment and other receivables	5	474,555	453,482
Deffered formation cost		194,465	260,000
Total assets		**364,814,208**	**361,769,809**
Liabilities			
Payable to Atlas Asset Management Limited - Management Company		1,736,959	1,735,345
Payable to the Central Depository Company of Pakistan Limited - Trustee		50,225	49,789
Payable to the Securities and Exchange Commission of Pakistan	6	67,679	224,555
Accrued expenses and other liabilities		1,437,776	1,563,353
Total liabilities		**3,292,639**	**3,573,042**
	7		
NET ASSETS		**,521,569**	**358,196,767**
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		**,521,569**	**358,196,767**
CONTINGENCIES AND COMMITMENTS			
NUMBER OF UNITS IN ISSUE	8	**3,552,516**	**3,411,400**
NET ASSET VALUE PER UNIT		**101.76**	**105.00**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Note	2018	2017
		--------------- Rupees ---------------	
Income			
Interest income	10	6,692,611	3,907,622
Capital loss on sale of investments - net		(129,927)	(12,475)
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(16,021)	2,649
		(145,948)	**(9,826)**
Total income		**6,546,663**	**3,897,796**
Expenses			
Remuneration of Atlas Asset Management Limited - Management Company	6.1	406,288	280,379
Sindh Sales Tax on remuneration of management company	6.2	52,817	36,449
Remuneration of Central Depository Company of Pakistan Limited - Trustee		135,409	93,460
Sindh Sales Tax on remuneration of Trustee		17,603	12,150
Annual fees to the Securities & Exchange Commission of Pakistan		67,704	46,730
Accounting and operational charges	9	90,269	62,306
Annual rating fee		99,647	68,927
Annual listing fee		6,427	6,428
Securities transaction cost		-	1,414
Auditors' remuneration		78,256	53,387
Printing charges		2,679	2,427
Legal and professional charges		28,080	51,460
Amortisation of formation cost		65,534	65,535
Bank charges		4,036	3,676
Provision for Sindh Workers' Welfare Fund		109,838	62,262
Total expenses		**1,164,587**	**846,990**
Net income for the period before taxation		**5,382,076**	**3,050,806**
Taxation	12	**-**	**-**
Net income for the period after taxation		**5,382,076**	**3,050,806**
Allocation of net income for the year:			
- Net income for the period after taxation		5,382,076	3,050,806
- Income already paid on units redeemed		(14)	(895)
		5,382,062	**3,049,911**
Accounting income available for distribution			
- Relating to capital gains		-	2,649
- Excluding capital gains		5,382,062	3,047,262
		5,382,062	**3,049,911**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

ATLAS SOVEREIGN FUND

(Formerly Atlas Sovereign Liquid Fund)

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	2018	2017
	---------------Rupees---------------	
Net income for the period after taxation	**5,382,062**	**3,049,911**
Other comprehensive income	-	-
Total comprehensive income for the period	**5,382,062**	**3,049,911**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	30 September 2018		
	Capital value	Undistributed income	Net assets
	------Rupees------		
Capital value	343,141,842	-	343,141,842
Undistributed income brought forward			
- Realised income	-	13,858,968	13,858,968
- Unrealised income	-	1,195,957	1,195,957
Net assets at the beginning of the period (Units outstanding: 3,411,400) (Rs. 105.00 per unit)	**343,141,842**	**15,054,925**	**358,196,767**
Issue of 141,222 units	14,157,476	-	14,157,476
Redemption of 106 units	(10,585)	(14)	(10,599)
Total comprehensive income for the period	-	5,382,076	5,382,076
Refund of Capital	(2,369,709)	-	(2,369,709)
Cash dividend declared for the year ended 30 June 2018 at the rate of Rs. 4.75 per unit 06 July 2018	-	(13,834,442)	(13,834,442)
Net assets at end of the period (Units outstanding: 3,552,516) (Rs. 101.76 per unit)	**354,919,024**	**6,602,545**	**361,521,569**
Undistributed income carried forward			
- Realised income	-	1,125,164	-
- Unrealised income	-	5,477,381	-
	-	**6,602,545**	**-**

	30 September 2017		
	Capital value	Undistributed income	Net assets
	------Rupees------		
Capital value	228,274,827	-	228,274,827
Undistributed income brought forward			
- Realised income	-	22,234,792	22,234,792
- Unrealised income	-	-	-
Net assets at beginning of the year (unit outstanding: 2,287,658) (Rs. 109.50 per unit)	**228,274,827**	**22,234,792**	**250,509,619**
Issue of 172,033 units	17,208,033	-	17,208,033
Redemption of 4,905 units	(490,727)	-	(490,727)
Total comprehensive income for the period	-	3,049,911	3,049,911
Cash dividend declared for the year ended 30 June 2017 at the rate of Rs. 9.50 per unit on 7 July 2017	-	(21,732,748)	(21,732,748)
Net assets at end of the period (Units outstanding: 2,454,786) (Rs. 101.25 per unit)	**244,992,133**	**3,551,955**	**248,544,088**
Undistributed income carried forward			
- Realised income	-	2,828,070	-
- Unrealised income	-	723,885	-
	-	**3,551,955**	**-**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

ATLAS SOVEREIGN FUND

(Formerly Atlas Sovereign Liquid Fund)

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Note	2018	2017
		--------------Rupees--------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period after taxation		**5,382,076**	**3,050,806**
Adjustments for:			
Interest income		(6,692,611)	(3,907,622)
Capital loss on sale of investments - net		129,927	12,475
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		16,021	(2,649)
Amortisation of formation cost		65,535	65,535
Provision for Sindh Workers' Welfare Fund		109,838	62,262
		(6,371,290)	**(3,769,999)**
Increase in assets			
Prepayment and other receivables		(21,073)	(21,072)
Decrease in liabilities			
Payable to Atlas Asset Management Limited - Management Company		1,614	(1,498,200)
Payable to the Central Depository Company of Pakistan Limited - Trustee		436	(213,616)
Payable to the Securities and Exchange Commission of Pakistan		(156,876)	(590,880)
Accrued expenses and other liabilities		(235,415)	(4,709,201)
		(390,241)	**(7,011,897)**
		(1,400,528)	**(7,752,162)**
Interest received		527,304	3,493,986
Investments made during the period		(700,568,719)	(402,224,476)
Investments sold / matured during the period		440,249,120	329,836,125
Net cash used in operating activities		**(261,192,823)**	**(76,646,527)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipt from issuance of units		14,157,476	17,208,033
Net Payment against redemption of units		(10,599)	(8,792,030)
Refund of Capital		(2,369,709)	(8,792,030)
Cash payout against distribution		(13,834,442)	(21,732,748)
Net cash used in financing activities		**(2,057,274)**	**(22,108,775)**
Net decrease in cash and cash equivalents		**(263,250,097)**	**(98,755,302)**
Cash and cash equivalents at the beginning of the period		267,945,874	265,276,299
Cash and cash equivalents at the end of the period	4	**4,695,777**	**166,520,997**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Atlas Sovereign Fund formerly Atlas Sovereign Liquid Fund (the Fund) is an open ended Fund constituted by a trust deed entered into on 19 August, 2014 between Atlas Asset Management Limited (AAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the trustee. The Trust Deed has been revised through the First and Second Supplemental Trust Deeds dated 23 May 2017 and 3 September 2018 respectively, with the approval of the Securities and Exchange Commission of Pakistan (SECP). The Offering Document has been revised through the First, Second, Third, Fourth, Fifth, Sixth and Seventh Supplements dated 24 March 2015, 3 August 2015, 23 June 2016, 13 October 2016, 2 June 2017, 18 April 2018 and 20 August 2018 respectively, with the approval of the SECP. The registered office of AAML is situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.

1.2 During the first quarter ended September 30, 2018, the name of the Fund has been changed from Atlas Sovereing Liquid Fund (ASLF) to Atlas Sovereign Fund. This change has been notified to the unit holders of the Fund.

1.3 The Fund is categorised as a 'money market scheme' by the Board of Directors pursuant to the provisions contained in Circular 7 of 2009 and is listed on Pakistan Stock Exchange. The units of the Fund are being offered for public subscription on a continuous basis from 01 December 2014 and are transferable and redeemable by surrendering them to the Fund.

1.4 According to the Trust Deed, the objective of the Fund is to provide unit-holders competitive returns with low risk and high liquidity. The Fund aims to deliver this objective by investing primarily in short term Government securities, bank deposits (excluding TDRs), treasury bills, money market placements, deposits, certificates of deposits (CoDs), certificate of musharikas (CoMs), commercial papers and reverse repo with weighted average time to maturity of net assets not exceeding 90 days and in case of a single asset, maximum time to maturity of six months. The investment objectives and policies are more fully defined in Fund's Offering document.

1.5 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two plus) [2017: AM2+ (AM Two plus)] on 30 June 2018

Moreover, PACRA maintained the stability rating of the Fund at "AA (f)" [2017: "AA (f)"] on 29 May 2018.

1.6 Titles to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement Of Compliance

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules,the NBFC Regulations or the requirements of the said directives prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2018.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 30 September 2018.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at 30 September 2018 have been extracted from the annual published audited financial statements of the Fund for the year ended 30 June 2018, whereas, the comparatives in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the unaudited condensed interim financial statements of the Fund for the quarter ended 30 September 2017.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the period ended 30 June 2018.

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 2018.

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 2018.

	Note	30 September 2018 Un-audited	30 June 2018 Audited
4 BANK BALANCES		--------------Rupees	--------------
Balances with banks in:			
- saving accounts	4.1	4,695,777	267,945,874
		4,695,777	**267,945,874**

4.1 The rate of return on these accounts ranges between 4.00% to 8.40% (30 June 2018: 4.00% to 7.35%) per annum.

	Note	30 September 2018 Un-audited	30 June 2018 Audited
5 INVESTMENTS			
At fair value through profit or loss - held for trading		--------------Rupees	--------------
Government securities - Market Treasury Bills	5.1	**359,235,721**	**92,878,298**

5.1 Market Treasury Bills - held-for-trading

Treasury bills	Face Value (Rupees)				Rupees		Percentage	
	As at 01 July 2018	Purchased during the period	Sold / matured during the period	As at 30 September 2018	Amortised Cost as at 30 September 2018	Market Value as at 30 September 2018	Market Value as a Percentage of Total Investments	Market Value as a Percentage of Net Assets
3 Months - T-bills	93,000,000	708,000,000	441,000,000	360,000,000	359,251,742	359,235,721	100.00	99.37
	93,000,000	**708,000,000**	**441,000,000**	**360,000,000**	**359,251,742**	**359,235,721**	**100.00**	**99.37**

5.2 The cost of investments as on 30 September 2018 is Rs. 353,758,340 (30 June 2018: Rs. 91,682,341).

5.3 These Market Treasury Bills carry purchase yields ranging from 7.67% to 7.72% (30 June 2018: 6.21% to 6.72%) per annum and will mature on 11 October 2018 (30 June 2018: 05 July 2018 and 30 August 2018).

	Note	30 September 2018 Un-audited	30 June 2018 Audited
6 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)		----------Rupees----------	
Remuneration of the Management Company	6.1	133,382	132,163
Sindh Sales Tax payable on Remuneration of the Management Company	6.2	148,614	148,464
Federal Excise Duty payable on Remuneration of the Management Company	6.3	905,341	905,341
Formation cost payable		520,000	520,000
Accounting and operational charges payable	9	29,622	29,377
		1,736,959	**1,735,345**

6.1 In accordance with the provisions of the NBFC Regulations amended vide SRO 1160(1)/2015 dated 25 November 2015 , the Management Company is entitled to receive a remuneration at the rate not exceeding 1% of the average annual net assets in case of money market schemes. Previously, the Management Company was entitled to receive a remuneration during the first five years of the Fund, at the rate not exceeding 3% of the average annual net assets of the Fund and thereafter, at the rate of 2% of such assets. Accordingly, the Management Company has charged its remuneration at the rate of 0.45% (30 June 2018: 0.45%) per annum of the average annual net assets of the year. The fee is payable to the Management Company monthly in arrears.

6.2 During the period, an amount of Rs. 52,817 (2017: Rs. 36,449) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011, an amount of Rs. 52,667 (2017: Rs.163,256) has been paid to the Management Company which acts as a collecting agent.

6.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 6.2 above, the Management Company was of the view that further levy of FED was not justified.

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made for the period from 13 June 2013 till 30 June 2016 amounting to Rs 0.905 million (30 June 2018: Rs 0.905 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 30 September 2018 would have been higher by Re. 0.25 per unit (30 June 2018: Re. 0.27 per unit).

		30 September 2018	30 June 2018
		Un-audited	Audited
	Note	------------Rupees------------	
7 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		182,176	231,925
Printing charges payable		8,902	6,224
Transaction charges payable		1,204	1,204
Annual rating fee payable		70,301	273,460
Withholding tax payable		16,669	1,664
Dividend payable		10,985	10,985
Capital Gain Tax payable		3	193
Provision for Sindh Workers' Welfare Fund	7.1	1,147,536	1,037,698
		1,437,776	**1,563,353**

7.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. However, it may be stated that under Companies Act, 2017 mutual funds are explicitly excluded from the definition of financial institution. Thereafter, MUFAP has taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, the MUFAP recommended that as a matter of abundant caution provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the Sindh WWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in these financial statements of the Fund, the net asset value of the Fund as at 30 September 2018 would have been higher by Re. 0.32 per unit (30 June 2018: Re. 0.30 per unit).

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2018 and 30 June 2018.

9 ACCOUNTING AND OPERATIONAL CHARGES

In accordance with the provisions of the NBFC Regulations, 2008 (amended vide S.R.O 1160(I) / 2015 dated 25 November 2015), the Management Company of the Fund is entitled to reimbursement of fees and expenses in relation to registrar services, accounting, operation and valuation services related to the Fund upto a maximum of 0.1% of the average annual net assets of the Scheme or actual whichever is less.

Keeping in view the aforementioned provisions, the Management Company charged accounting and operational charges to the Fund.

10 INTEREST INCOME

	For Quarter Ended 30 September	
	2018	2017
	Un-audited	Un-audited
	------------Rupees-----------	
PLS savings and term deposit accounts	508,839	1,483,622
Government securities - Market Treasury Bills	6,183,772	2,424,000
	6,692,611	**3,907,622**

11 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2018 is 1.19% (30 June 2018: 1.25%) which includes 0.18% (30 June 2018: 0.26%) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a Money Market scheme.

12 TAXATION

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

13 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

		For Quarter Ended 30 September	
		2018	2017
		Un-audited	Un-audited
		--------------Rupees--------------	
13.1	<u>Transactions for the period:</u>		
	Atlas Asset Management Limited (Management Company)		
	Remuneration of the Management Company	406,288	280,379
	Remuneration paid	405,069	1,255,822
	Sindh Sales tax on Remuneration of Management Company	52,817	36,449
	Accounting and operation charges	90,269	62,306
	Issue of 1,941 (2017: 3,206) units	194,611	320,588
	Cash Dividend	228,954	427,451
	Central Depository Company of Pakistan Limited (Trustee)		
	Remuneration of Trustee	135,409	93,460
	Remuneration paid	135,023	282,501
	Sindh Sales tax on Remuneration of the trustee	17,603	12,150
	Atlas Honda Limited (Group Company)		
	Issue of 5 (2017: Nil) units	459	-
	Cash Dividend	499	

	Note	For Quarter Ended 30 September 2018 Un-audited	For Quarter Ended 30 September 2017 Un-audited
		------Rupees------	
13.1 Transactions for the period: (continued....)			
Shirazi Investments (Private) Limited (Group Company)			
Issue of 67,087 (2017: 110,791) units		6,725,503	11,079,147
Cash Dividend		7,912,357	14,772,196
Cherat Cement Company Limited - Workers Profit Participation Fund (Unit Holder with more than 10% holding)			
Issue of 24,230 (2017: 45,350) units		2,429,041	4,534,967
Cash Dividend		3,238,722	6,046,623
Fauji Fertilizer Co. Ltd. Provident Fund Trust (Unit Holder with more than 10% holding)	13.3		
Issue of 46,217 (2017: Nil) units		4,633,242	-
Cash Dividend		4,633,242	-
Directors and their close family members and key management Personnel and executive of the Management Company			
Issue of 536 (2017: 6,006) units		53,733	604,319
Redemption of Nil (2017: 1,035) units		-	103,694
Cash Dividend		59,145	171,466

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		------Rupees------	
13.2 Investments / outstanding balances as at period / year end			
Atlas Asset Management Limited (Management Company)			
Remuneration payable to the Management Company		133,382	132,163
Sindh Sales Tax payable on Remuneration of the Management Company		148,614	148,464
Federal Excise Duty payable on Remuneration of the Management Company		905,341	905,341
Accounting and operation charges payable		29,622	29,377
Formation cost payable		520,000	520,000
Outstanding 50,142 (30 June 2018: 48,201) units - at net asset value		5,102,453	5,061,082
Central Depository Company of Pakistan Limited (Trustee)			
Remuneration payable to the Trustee		44,447	44,061
Sindh Sales Tax payable on remuneration of the trustee		5,778	5,728
Atlas Honda Limited (Group Company)			
Outstanding 110 (30 June 2018: 105) units - at net asset value		11,157	11,031
Shirazi Investments (Private) Limited (Group Company)			
Outstanding 1,732,847 (30 June 2018: 1,665,759) units - at net asset value		176,334,487	174,904,743
Cherat Cement Company Limited - Workers Profit Participation Fund (Unit Holder with more than 10% holding)			
Outstanding 706,066 (30 June 2018 : 681,836) units - at net asset value		71,849,285	71,592,806
Fauji Fertilizer Co. Ltd. Provident Fund Trust (Unit Holder with more than 10% holding)	13.3		
Outstanding 1,021,636 (30 June 2018: Nil) units - at net asset value		103,961,711	-
Directors and their close family members and key management Personnel and executive of the Management Company			
Outstanding 12,988 (30 June 2018: 12,452) units - at net asset value		1,321,616	1,307,460

13.3 Holding being less than 10% in comparative period, disclosure is not applicable.

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

14 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Fair value of government securities is determined by reference to the quotation obtained from the brokers on the Reuters page. The fair values of financial assets and liabilities of the Fund, other than government securities, approximate their carrying amount due to short-term maturities of these instruments.

Fair value hierarchy

The Fund uses the following hierarchy for disclosure of the fair value of financial instruments by valuation technique:

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

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

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

As at 30 September 2018, the Fund has investments in government securities (note 5) which are categorised 'as fair value through profit or loss' and carried at fair values measured using level 2 valuation technique.

15 GENERAL

15.1 Figures have been rounded off to the nearest Rupee.

15.2 Units have been rounded off to the nearest decimal place.

16 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 29 October 2018.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

Atlas Money Market 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

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Faysal Bank Limited
Habib Bank Limited
MCB Bank Limited
United Bank Limited
Zarai Taraqiati Bank Limited

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

AS AT 30 SEPTEMBER 2018

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		-------------------Rupees-------------------	
Assets			
Cash and bank balances	4	13,175,736,695	13,224,116,066
Investments	5	1,307,218,870	-
Profit receivable on bank balances		69,232,093	5,027,146
Prepayment and other receivables		3,612,008	3,586,604
Total assets		**14,555,799,666**	**13,232,729,816**
Liabilities			
Payable to Atlas Asset Management Lmited - Management Company	6	30,848,660	30,963,521
Payable to Central Depository Company of Pakistan Limited - Trustee		1,022,352	1,035,151
Payable to the Securities & Exchange Commission of Pakistan		2,754,427	7,692,651
Payable against redemption of units		188,649,713	309,512
Unclaimed dividend		25,152	25,152
Accrued expenses and other liabilities	7	21,459,951	31,820,642
Total liabilities		**244,760,255**	**71,846,629**
NET ASSETS		**14,311,039,411**	**13,160,883,187**
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		**14,311,039,411**	**13,160,883,187**
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		**28,008,305**	**24,859,132**
NET ASSET VALUE PER UNIT		**510.96**	**529.42**

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

Atlas Money Market Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Note	2018	2017
		------------------Rupees------------------	
Income			
Profit on saving and term deposits		105,429,142	61,648,716
Income from government securities		176,907,659	25,093,903
Capital (loss) / gain on sale of investments - net		(2,582,710)	34,902
Net unrealised diminution on remeasurement of investments classified as 'financial assets at fair value through profit or loss'		(79,894)	-
		(2,662,604)	**34,902**
Total income		**279,674,197**	**86,777,521**
Expenses			
Remuneration of Atlas Asset Management Limited - Management Company	6.1	16,526,567	6,216,357
Sindh Sales Tax on Remuneration of the Management Company	6.2	2,148,454	808,126
Remuneration of Central Depository Company of Pakistan Limited - Trustee		2,770,665	1,225,101
Sindh Sales Tax on Remuneration of the trustee		360,186	159,263
Annual fees to the Securities & Exchange Commission of Pakistan		2,754,427	1,036,060
Accounting and operational charges	9	3,672,570	1,292,987
Annual rating fee		125,957	89,605
Annual listing fee		2,096	6,427
Securities transaction cost		54,465	371
Auditors' remuneration		165,726	152,119
Printing charges		104,976	52,100
Legal and professional charges		28,080	51,460
Bank charges		31,340	20,974
Provision for Sindh Workers' Welfare Fund		5,018,574	1,513,331
		33,764,083	**12,624,281**
Net income for the period before taxation		**245,910,114**	**74,153,240**
Taxation	11	**-**	-
Net income for the period after taxation		**245,910,114**	**74,153,240**
Allocation of net income for the period:			
- Net income for the period after taxation		245,910,114	74,153,240
- Income already paid on units redeemed		(22,859,203)	(5,127,222)
		223,050,911	**69,026,018**
Accounting income available for distribution:			
- Relating to capital gains		-	34,902
- Excluding capital gains		223,050,911	68,991,116
		223,050,911	**69,026,018**

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	2018	2017
	---------------Rupees---------------	
Net income for the period after taxation	**245,910,114**	**69,026,018**
Other comprehensive income	-	-
Total comprehensive income for the period	**245,910,114**	**69,026,018**

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	30 September 2018		
	Capital value	Undistributed income	Net assets
	---Rupees---		
Capital value	12,754,057,197	-	12,754,057,197
Undistributed income brought forward			
- Realised income	-	406,825,990	406,825,990
- Unrealised income	-	-	-
Net assets at the beginning of the period (Units outstanding: 24,859,132) (Rs. 529.42 per unit)	**12,754,057,197**	**406,825,990**	**13,160,883,187**
Issue of 8,194,159 units	4,134,245,286	-	4,134,245,286
Redemption of 5,044,988 units	(2,535,943,417)	(22,859,203)	(2,558,802,620)
Total comprehensive income for the period	-	245,910,114	245,910,114
Refund of capital	(284,847,951)	-	(284,847,951)
Cash distribution for year the ended 30 June 2018 of Rs. 27 per unit for full year declared on 06 July 2018		(386,348,605)	(386,348,605)
Net assets at end of the period (Units outstanding: 28,008,305) (Rs. 510.96 per unit)	**14,067,511,115**	**243,528,296**	**14,311,039,411**
Undistributed income carried forward			
- Realised income	-	225,982,466	-
- Unrealised income	-	17,545,830	-
	-	**243,528,296**	**-**

	30 September 2017		
	Capital value	Undistributed income	Net assets
	---Rupees---		
Capital value	4,617,006,642	-	4,617,006,642
Undistributed income brought forward			
- Realised income	-	12,475,784	12,475,784
- Unrealised income	-	-	-
Net assets at the beginning of the period (Units outstanding: 9,224,702) (Rs. 501.86 per unit)	**4,617,006,642**	**12,475,784**	**4,629,482,426**
Issue of 3,763,138 units	1,899,768,160	-	1,899,768,160
Redemption of 1,474,221 units	(741,398,582)	-	(741,398,582)
Total comprehensive income for the period	-	69,026,018	69,026,018
Net assets at end of the period (Units outstanding: 11,513,619) [Rs. 508.69 per unit]	**5,775,376,220**	**81,501,802**	**5,856,878,022**
Undistributed income carried forward			
- Realised income	-	81,501,802	-
- Unrealised income	-	-	-
	-	**81,501,802**	**-**

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Note	2018	2017
		----------------Rupees----------------	
CASH FLOW FROM OPERATING ACTIVITIES			
Net income for the period after taxation		**245,910,114**	**74,153,240**
Adjustments for:			
Profit on saving and term deposits		(105,429,142)	(61,648,716)
Income from government securities		(176,907,659)	(25,093,903)
Capital loss / (gain) on sale of investments - net		2,582,710	(34,902)
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		79,894	-
Provision for Sindh Workers Welfare Fund		5,018,574	1,513,331
		(274,655,623)	**(85,264,190)**
Increase in assets			
Prepayment and other receivables		(25,404)	(21,072)
Decrease in liabilities			
Payable to Atlas Asset Management Lmited - Management Company		(114,861)	463,669
Payable to Central Depository Company of Pakistan Limited - Trustee		(12,799)	40,075
Payable to the Securities & Exchange Commission of Pakistan		(4,938,224)	(2,842,689)
Accrued expenses and other liabilities		(15,379,265)	(40,580,804)
		(20,445,149)	**(42,919,749)**
		(49,216,062)	**(54,051,771)**
Interest received		41,224,195	43,662,984
Investments made during the period		(15,870,237,715)	(3,355,607,845)
Investments sold / matured during the period		14,737,263,900	3,380,736,650
Net cash (used in) / generated from operating activities		**(1,140,965,682)**	**14,740,018**
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		4,134,245,286	2,004,570,789
Net payments against redemption of units		(2,370,462,419)	(749,819,452)
Refund of capital		(284,847,951)	-
Cash distribution for year the ended 30 June 2018 of Rs. 27 per unit for full year declared on 06 July 2018		(386,348,605)	-
Net cash generated from financing activities		**1,092,586,311**	**1,254,751,337**
Net (decrease) / increase in cash and cash equivalents		**(48,379,371)**	**1,269,491,355**
Cash and cash equivalents at the beginning of the period		13,224,116,066	4,591,434,541
Cash and cash equivalents at the end of the period	4	**13,175,736,695**	**5,860,925,896**

The annexed notes from 1 to 15 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Atlas Money Market Fund (the Fund) is an open-ended Fund constituted under a trust deed entered into on 4 December 2009 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the trustee. The offering document of the Fund has been revised through the First, Second, Third and Fourth Supplements dated 24 March 2015, 3 August 2015, 30 September 2016 and 2 June 2017 respectively, with the approval of the Securities and Exchange Commission of Pakistan (SECP). The registered office of AAML is situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.

1.2 The Fund has been categorised as a 'money market scheme' by the Board of Directors pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs 500 per unit on 20 January 2010. Thereafter, the units are being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.

1.3 According to the trust deed, the objective of the Fund is to provide its investors competitive returns from a portfolio of low risk, short duration assets while maintaining high liquidity. The Fund aims to deliver this objective mainly by investing in government securities, cash and near cash instruments which include cash in bank accounts, treasury bills, deposits with scheduled banks, certificates of deposit (CODs), certificates of Musharaka (COMs), commercial papers, and reverse repo; with a weighted average time to maturity of not more than 90 days and in case of a single asset, maximum time to maturity of six months. The investment objectives and policy are explained in the Fund's offering document.

1.4 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2017: AM2+ (AM Two Plus)] on 30 June 2018.

Moreover, PACRA maintained the stability rating of the Fund at "AA (f)" [2017: "AA (f)"] on 29 May 2018.

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

2 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules,the NBFC Regulations or the requirements of the said directives prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2018.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 30 September 2018.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at 30 September 2018 have been extracted from the annual published audited financial statements of the Fund for the year ended 30 June 2018, whereas, the comparatives in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the unaudited condensed interim financial statements of the Fund for the Quarter ended 30 September 2017.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2018.

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 2018.

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 2018.

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		--------------Rupees	--------------
4 CASH AND BANK BALANCES			
Balances with banks in saving accounts	4.1	13,164,201,695	13,200,471,066
Cheques in hand		11,535,000	23,645,000
		13,175,736,695	**13,224,116,066**

4.1 The rate of return on these accounts ranges between 8.25% and 8.40% (30 June 2018: 4.00% and 7.35%) per annum.

	Note	30 September 2018 Un-audited	30 June 2018 Audited
5 INVESTMENTS		--------------Rupees	--------------
At fair value through profit or loss - held for trading			
Investment in Government securities - Market Treasury Bills	5.1	**1,307,218,870**	**-**

5.1 Market Treasury Bills - held-for-trading (T-bills)

Particulars	Face Value (Rupees)				Rupees		Percentage	
	As at 01 July 2018	Purchased during the period	Sold / Matured during the period	As at 30 September 2018	Amortised cost as at 30 September 2018	Market Value as at 30 September 2018	Market Value as a percentage of total investments	Market Value as a percentage of net assets
3 Months	-	16,135,000,000	14,825,000,000	1,310,000,000	1,307,298,764	1,307,218,870	100.00	9.13
	-	**16,135,000,000**	**14,825,000,000**	**1,310,000,000**	**1,307,298,764**	**1,307,218,870**	**100.00**	**9.13**

5.2 The cost of investments as on 30 September 2018 is Rs. 1,289,673,040 (30 June 2018: Rs. Nil).

5.3 These Market treasury bills carry purchase yields ranging from 7.63% to 7.75% (30 June 2018: Nil) per annum and maturity by 11 October 2018 (30 June 2018: Nil).

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		-------------Rupees	-------------
6 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)			
Remuneration of the Management Company	6.1	5,398,517	5,483,460
Sindh Sales Tax payable on Remuneration of the Management Company	6.2	3,821,970	3,833,012
Federal Excise Duty payable on Remuneration of the Management Company	6.3	20,428,502	20,428,502
Accounting and operational charges payable	9	1,199,671	1,218,547
		30,848,660	**30,963,521**

6.1 During the quarter ended 30 September 2018, the Management Company has charged its remuneration at the rate of 0.45% (30 June 2018: 0.45%) per annum of the average net assets for the year. The fee is payable to the Management Company monthly in arrears.

6.2 During the period, an amount of Rs. 2,148,454 (2017: Rs. 808,126) was charged on account of sales tax on remuneration of the Management Company levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 2,159,496 (2017: Rs. 780,465) was paid to the Management Company which acts as a collecting agent.

6.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 6.2, the Management Company was of the view that further levy of FED was not justified.

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

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

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made till 30 June 2016 amounting to Rs 20.429 million (30 June 2018: 20.429 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been maintained, the net asset value of the Fund as at 30 September 2018 would have been higher by Re. 0.73 (30 June 2018: Re. 0.82) per unit.

	Note	**30 September 2018**	**30 June 2018**
		Un-audited	**Audited**
		--------------Rupees	**--------------**
7 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		261,321	461,455
Printing charges payable		331,393	226,417
Rating fee payable		89,606	355,499
Withholding tax payable		68,364	30,775
Capital Gain Tax payable		1,713,167	16,823,435
Provision for Sindh Workers' Welfare Fund	7.1	18,941,635	13,923,061
Transaction charges		54,465	-
		21,459,951	**31,820,642**

7.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs/mutual funds, MUFAP recommended that as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in the financial statements of the Fund for the period from May 21, 2015 to June 30, 2018, the net asset value of the Fund as at September 30, 2018 would have been higher by Re. 0.68 per unit (30 June 2018: Re. 0.56 per unit).

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2018 and 30 June 2018.

9 ACCOUNTING AND OPERATIONAL CHARGES

In accordance with the provisions of the NBFC Regulations, 2008 (amended vide S.R.O 1160(I) / 2015 dated 25 November 2015), the Management Company of the Fund is entitled to reimbursement of fees and expenses in relation to registrar services, accounting, operation and valuation services related to the Fund upto a maximum of 0.1% of the average annual net assets of the Scheme or actual whichever is less.

Keeping in view the aforementioned provisions, the Management Company charged accounting and operational charges to the Fund..

10 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2018 is 0.80% (30 June 2018: 0.65%) which includes 0.16% (30 June 2018: 0.25%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

11 TAXATION

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

12 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

	For the Quarter Ended 30 September	
	2018	**2017**
	Un-audited	**Un-audited**
	------------------Rupees------------------	
12.1 <u>Transactions for the period:</u>		
Atlas Asset Management Limited (Management Company)		
Reumeration of the Management Company	16,526,567	6,216,357
Sindh Sales tax on Remuneration of Management Company	2,148,454	808,126
Remuneration paid	16,611,510	6,003,586
Accounting and operational charges	3,672,570	1,292,987
Issue of 196,951 (2017: Nil) units	100,000,000	-
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	2,770,665	1,225,101
Sindh Sales Tax on Remuneration of the Trustee	360,186	159,263
Remuneration paid	2,781,992	1,189,636
Atlas Fund of Funds (Fund under common management)		
Issue of 35,570 (2017: 34,016) units	17,900,000	17,100,000
Atlas Group of Companies Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
Issue of 5,864 (2017: Nil) units	2,946,269	-
Redemption of 38,152 (2017: Nil) units	19,300,000	-
Dividend declared	2,946,269	-
Atlas Foundation (Group Company)		
Issue of 4,635 (2017: Nil) units	2,328,557	-
Dividend declared	2,717,533	-
Atlas Battery Limited (Group Company)		
Issue of 27,494 (2017: Nil) units	13,813,617	-
Redemption of 560,022 (2017: Nil) units	283,372,212	-
Dividend declared	14,378,242	-
Batools Benefit Trust (Trust having common Director / Trustee)		
Issue of 526 (2017: Nil) units	264,399	-
Dividend declared	289,051	-
Atlas Power Limited Staff Provident Fund (Retirement benefit plan of a Group Company)		
Redemption of Nil (2017: 420) units	-	211,646

		Note	For the Quarter Ended 30 September 2018 Un-audited	2017 Un-audited
			----------Rupees----------	
12.1	Transactions for the period: (continued....)			
	Atlas Honda Limited (Group Company)			
	Issue of 462,203 (2017: 2,971,635) units		232,220,030	1,500,000,000
	Redemption of 2,370,782 (2017: 985,571) units		1,200,000,000	500,000,000
	Dividend declared		258,810,736	-
	Atlas Honda Limited (Employee Provident Fund) (Retirement benefit plan of a Group Company)			
	Issue of 13,079 (2017: Nil) units		6,571,103	-
	Dividend declared		6,571,103	-
	Atlas Insurance Limited (Group Company)			
	Issue of 369,151 (2017: Nil) units		186,000,000	-
	Redemption of 369,151 (2017: Nil) units		188,540,168	-
	Atlas Honda Limited Non Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)			
	Issue of 1,017 (2017: Nil) units		510,789	-
	Dividend declared		510,789	-
	Cherat Cement Company Limited - WPPF			
	Issue of 4,218 (2017: 98,641) units		2,118,995	50,000,000
	Dividend declared		2,663,300	-
	Honda Atlas Cars (Pakistan) Limited (Group Company)			
	Issue of 165,328 (2017: Nil) units		83,064,302	-
	Dividend declared		94,971,146	-
	Shirazi Investments (Private) Limited (Group Company)			
	Issue of 88,575 (2017: Nil) units		44,501,749	-
	Dividend declared		45,079,972	-
	Fauji Fertilizer Company Limited (Unit Holder with more than 10% holding)	12.3		
	Issue of 3,912,914 (2017: Nil) units		1,975,000,000	-
	Shirazi Trading Company (Private) Limited - (Employee Provident Fund) (Retirement benefit plan of a Group Company)			
	Issue of 1,133 (2017: Nil) units		569,180	-
	Dividend declared		569,180	-
	Shirazi Investment (Private) Limited (Employee Provident Fund) (Retirement benefit plan of a Group Company)			
	Issue of 3,085 (2017: 6,904) units		1,550,030	3,500,000
	Dividend declared		1,550,030	-
	Atlas Die Casting (Private) Limited (Group Company)			
	Issue of 595,415 (2017: Nil) units		300,000,000	-
	Redemption of 294,877 (2017: Nil) units		150,000,000	-
	Directors and their close family members and key management personnel of the Management Company			
	Issue of 97,017 (2017: 8,581) units		49,071,915	4,350,000
	Redemption of 78,639 (2017: 7) units		39,968,600	3,600
	Dividend declared			-

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		--------------Rupees--------------	
12.2 Investments / outstanding balances as at period end			
Atlas Asset Management Limited (Management Company)			
Remuneration payable to the Management Company		5,398,517	5,483,460
Sindh Sales Tax payable on Remuneration of the Management Company		3,821,970	3,833,012
Federal Excise Duty payable on Remuneration of the Management Company		20,428,502	20,428,502
Accounting and operational charges payable		1,199,671	1,218,547
Outstanding 196,951 (30 June 2018: Nil) units - at net asset value		100,634,185	-
Central Depository Company of Pakistan Limited (Trustee)			
Remuneration payable to the Trustee		904,736	916,063
Sindh Sales Tax payable on Remuneration of the trustee		117,616	119,088
Atlas Fund of Funds (Fund under common management)			
Outstanding 35,570 (30 June 2018: Nil) units - at net asset value		18,174,958	-
Atlas Foundation (Group Company)			
Outstanding 105,284 (30 June 2018: 100,649) units - at net asset value		53,795,945	53,285,796
Atlas Honda Limited (Group Company)			
Outstanding 7,677,003 (30 June 2018: 9,585,583) units - at net asset value		3,922,641,719	5,074,799,245
Atlas Honda Limited Employees Provident Fund (Retirement benefit plan of a Group Company			
Outstanding 256,453 (30 June 2018: 243,374) units - at net asset value		131,037,266	128,847,159
Atlas Battery Limited (Group Company)			
Outstanding Nil (30 June 2018: 532,527) units - at net asset value		-	281,930,697
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)			
Outstanding 60,494 (30 June 2018: 57,409) units - at net asset value		30,909,835	30,393,222
Shirazi Investments (Private) Limited (Group Company)			
Outstanding 1,758,203 (30 June 2018: 1,669,629 units - at net asset value		898,371,604	883,934,770
Honda Atlas Cars (Pakistan) Limited (Group Company)			
Outstanding 3,682,778 (30 June 2018: 3,517,450) units - at net asset value		1,881,752,375	1,862,208,294
Atlas Group of Companies Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)			
Outstanding 76,834 (30 June 2018: 109,121) units - at net asset value		39,258,937	57,770,882
Atlas Die Casting (Private) Limited (Group Company)			
Outstanding 300,538 (30 June 2018: Nil) units - at net asset value		153,563,055	-
Atlas Honda Limited Non Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)			
Outstanding 19,935 (30 June 2018: 18,918) units - at net asset value		10,185,870	10,015,626
Batools Benefit Trust (Trust having common Director / Trustee)			
Outstanding 11,232 (30 June 2018: 10,706) units - at net asset value		5,739,026	5,667,756
Cherat Cement Company Limited -WPPF			
Outstanding 102,858 (30 June 2018: 98,641) units - at net asset value		52,556,482	522,222,376
Shirazi Trading Company (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)			
Outstanding 22,214 (30 June 2018: 21,081) units - at net asset value		11,350,269	11,160,565
Fauji Fertilizer Company Limited (Unit Holder with more than 10% holding)	12.3		
Outstanding 3,912,914 (30 June 2018: Nil) units - at net asset value		1,999,342,381	
Mr. Amin Mohammad Lakhani (Unit Holder with more than 10% holding)	12.3		
Outstanding Nil (30 June 2018: 439,809) units - at net asset value		-	232,843,713
Directors and their close family members and key management personnel of the Management Company			
Outstanding 689,082 (30 June 2018: 670,704) units - at net asset value		352,093,588	355,084,285

12.3 Holding being less than 10% in reporting period, disclosure is not applicable.

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

13 FAIR VALUE MEASUREMENT

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

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

The Fund carries investments in government securities at fair values which are categorised as financial assets at fair value through profit or loss. The fair values of these securities are determined by reference to the rates announced by the Financial Marketing Association of Pakistan. The fair values of all other financial assets and liabilities of the Fund approximate their carrying amounts due to short-term maturities of these instruments.

Fair value hierarchy

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

- Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at 30 September 2018, the Fund has investments 'at fair value through profit and loss' measured using level 2 valuation technique. Particulars regarding their cost and market value are given note 5.1.

14 GENERAL

Figures have been rounded off to the nearest Rupee.

15 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 29 October 2018.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

Atlas Income Fund

Corporate Information

Trustee

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

Auditors

EY Ford Rhodes
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Allied Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Faysal Bank Limited
Habib Bank Limited
JS Bank Limited
MCB Bank Limited
Zarai Taraqiati Bank Limited

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT 30 SEPTEMBER 2018

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		----------------Rupees----------------	
ASSETS			
Cash and Bank balances	4	343,453,537	4,566,844,339
Investments	5	4,057,920,958	2,077,435,737
Receivable against Margin Trading System		405,035,601	156,652,992
Interest / profit accrued		24,557,536	49,472,429
Deposits, prepayment and other receivables		11,097,590	11,140,036
Total assets		**4,842,065,222**	**6,861,545,533**
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	6	31,415,079	33,860,303
Payable to the Central Depository Company of Pakistan Limited - Trustee		491,199	686,415
Payable to the Securities and Exchange Commission of Pakistan		1,120,318	7,365,523
Payable against redemption of units		41,936,205	41,457,746
Unclaimed dividend		40,464	40,464
Accrued expenses and other liabilities	7	29,671,192	41,827,392
Total liabilities		**104,674,457**	**125,237,843**
NET ASSETS		**4,737,390,765**	**6,736,307,690**
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		**4,737,390,765**	**6,736,307,690**
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		**9,119,198**	**12,545,428**
NET ASSET VALUE PER UNIT		**519.50**	**536.95**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

Atlas Income Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Note	2018	2017
		--------------------Rupees--------------------	
INCOME			
Interest income	10	115,575,001	198,364,623
Gain on spread transactions		-	317,530
Capital loss on sale / maturity of investments - net		(10,129,065)	(87,281)
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(7,169,037)	(11,530,294)
		(17,298,102)	**(11,617,575)**
Total income		**98,276,899**	**187,064,578**
EXPENSES			
Remuneration of Atlas Asset Management Limited - Management Company	6.1	11,950,059	25,379,322
Sindh Sales Tax on remuneration of the Management Company	6.2	1,553,508	3,299,312
Remuneration of Central Depository Company of Pakistan Limited - Trustee		1,448,643	2,623,979
Sindh Sales Tax on Remuneration of the trustee		188,324	341,117
Annual fees to the Securities and Exchange Commission of Pakistan		1,120,318	2,379,312
Auditors' remuneration		168,685	155,057
Accounting and operational charges	9	1,493,758	2,925,451
Annual rating fee		136,698	89,657
Annual listing fee		6,932	6,427
Securities transaction cost		1,724,458	1,327,980
Printing charges		42,751	119,813
Legal and prefessional charges		46,440	76,460
Bank charges		11,734	33,753
Provision for Sindh Workers' Welfare Fund		1,567,692	2,966,139
Total expenses		**21,460,000**	**41,723,779**
Net income for the period before taxation		**76,816,899**	**145,340,799**
Taxation	12	**-**	-
Net income for the period after taxation		**76,816,899**	**145,340,799**
Allocation of net income for the period:			
- Net income for the period after taxation		76,816,899	145,340,799
- Income already paid on units redeemed		(17,288,410)	(1,528,980)
		59,528,489	**143,811,819**
Accounting income available for distribution:			
- Relating to capital gains		-	-
- Excluding capital gains		59,528,489	143,811,819
		59,528,489	**143,811,819**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	2018	2017
	---------------Rupees---------------	
Net income for the period after taxation	**76,816,899**	**143,811,819**
Income that may be re-classified subsequently to Income Statement		
Net unrealised diminution in the value of investment classified as 'available for sale'	-	(45,385)
Total comprehensive income for the period	**76,816,899**	**143,766,434**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	30 September 2018		
	Capital value	Undistributed income	Net assets
	------------------------------Rupees----------------------------		
Capital value	6,307,067,372	-	6,307,067,372
Undistributed income brought forward			
- Realised income	-	457,388,456	457,388,456
- Unrealised loss	-	(28,148,138)	(28,148,138)
Net assets at the beginning of the period (Units outstanding: 12,545,428) (Rs. 536.95 per unit)	**6,307,067,372**	**429,240,318**	**6,736,307,690**
Issue of 643,188 units	330,253,224	-	330,253,224
Redemption of 4,069,418 units	(2,087,608,366)	(17,288,410)	(2,104,896,776)
Refund of Capital	(8,930,315)	-	(8,930,315)
Cash distribution for the year ended 30 June 2018 at Rs. 24.5 per unit declared on 06 July 2018	-	(292,159,957)	(292,159,957)
Total comprehensive income for the period	-	76,816,899	76,816,899
Net assets at end of the period (Units outstanding: 9,119,198) (Rs. 519.50 per unit)	**4,540,781,915**	**196,608,850**	**4,737,390,765**
Undistributed income carried forward			
- Realised income	-	168,512,923	-
- Unrealised income	-	28,095,927	-
	-	**196,608,850**	**-**

	30 September 2017		
	Capital value	Undistributed income	Net assets
	------------------------------Rupees----------------------------		
Capital value	12,422,462,948	-	12,422,462,948
Undistributed income brought forward			
- Realised income	-	99,100,360	99,100,360
- Unrealised income	-	28,976,066	28,976,066
- Net unrealised appreciation in the value of investment classified as 'available for sale''- net	-	387,289	387,289
Net assets at the beginning of the period (Units outstanding: 24,501,811) (Rs. 512.24 per unit)	**12,422,462,948**	**128,463,715**	**12,550,926,663**
Issue of 396,423 units	204,201,604	-	204,201,604
Redemption of 592,291 units	(303,658,015)	-	(303,658,015)
Net income for the period after taxation	-	143,811,819	143,811,819
Net unrealised diminution in the value of investment classified as 'available for sale' - net		(45,385)	(45,385)
Net assets at end of the period (Units outstanding: 24,305,943) (Rs. 518.20 per unit)	**12,323,006,537**	**272,275,534**	**12,595,236,686**
Undistributed income carried forward			
- Realised income	-	251,018,820	-
- Unrealised income	-	21,256,714	-
	-	**272,275,534**	**-**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Note	2018	2017
		----------------Rupees----------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period after taxation		**76,816,899**	**145,340,799**
Adjustments for:			
Interest income		(115,575,001)	(198,364,623)
Gain on spread transactions		-	(317,530)
Capital loss on sale / maturity of investments - net		10,129,065	87,281
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		7,169,037	11,530,294
Provision for Sindh Workers' Welfare Fund		1,567,692	2,966,139
		(96,709,207)	**(184,098,439)**
(Increase) / decrease in assets			
Receivable against Margin Trading System		(248,382,609)	85,477,999
Deposits, prepayment and other receivables		42,446	70,585,214
		(248,340,163)	**156,063,213**
Decrease in liabilities			
Payable to Atlas Asset Management Limited - Management Company		(2,445,224)	4,181,035
Payable to the Central Depository Company of Pakistan Limited - Trustee		(195,216)	114,513
Payable to the Securities and Exchange Commission of Pakistan		(6,245,205)	(4,531,972)
Accrued expenses and other liabilities		(13,723,892)	(96,121,860)
		(22,609,537)	**(96,358,284)**
		(290,842,008)	**20,947,289**
Interest received		93,803,103	129,873,688
Investments made during the period		(3,358,660,135)	(14,161,319,377)
Investment sold / redeemed / matured during the period		1,407,563,603	14,825,604,009
Net cash (used in) / generated from operating activities		**(2,148,135,437)**	**815,105,609**
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		330,253,224	247,552,951
Net payments against redemption of units		(2,104,418,317)	(308,700,688)
Refund of Capital		(8,930,315)	-
Cash payout against distribution		(292,159,957)	-
Net cash used in financing activities		**(2,075,255,365)**	**(61,147,737)**
Net (decrease) / increase in cash and cash equivalents		**(4,223,390,802)**	**753,957,872**
Cash and cash equivalents at the beginning of the period		**4,566,844,339**	**9,679,898,539**
Cash and cash equivalents at the end of the period	4	**343,453,537**	**10,433,856,411**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Atlas Income Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on 20 February 2003 between Atlas Asset Management Limited (AAML) as the Management Company and MCB Financial Services Limited (MCBFSL) as the Trustee. MCBFSL resigned on 11 June 2005 as the trustee and the Central Depository Company of Pakistan Limited (CDC) was appointed in its place with effect from that date. The Trust Deed has been revised through the Deed of Change of Trustee and the First, Second, Third , Fourth and Fifth Supplemental Trust Deeds dated 11 June 2005, 29 October 2007, 23 June 2010 , 12 November 2010 and 23 May 2017 respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). Furthermore, the Offering Document of the Fund has been revised through the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth and Eleventh Supplements dated 21 June 2005, 29 October 2007, 29 February 2008, 23 June 2010, 12 November 2010, 14 October 2013, 24 March 2015, 3 August 2015, 13 April 2016, 29 September 2016 and 02 June 2017 respectively with the approval of the SECP. The investment activities and administration of the Fund are managed by Atlas Asset Management Limited situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.

1.2 The Fund has been categorised as an 'income scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs 500 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from 22 March 2004 and are transferable and redeemable by surrendering them to the Fund.

1.3 According to the trust deed, the objective of the Fund is to provide investors one window facility to invest in a diversified portfolio offering good returns and consistent growth. The Fund aims to deliver this objective mainly by investing in Government securities, cash in bank accounts, Certificate of Investments (COIs), money market placements, deposits, Certificates of Deposits (CODs), Certificates of Musharikas (COMs), Term Deposit Receipts (TDRs), commercial papers, reverse repos, term finance certificates (TFCs) / sukuks, transactions on Margin Trading System (MTS), spread transactions and any other instruments that may be allowed by the SECP. The investment objectives and policies are explained in the Fund's offering document.

1.4 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two plus) [2017: AM2+ (AM Two plus)] on 30 June 2018.

Furthermore, PACRA maintained the stability rating of "AA- (f)" (Double A minus) to the Fund [2017: "AA- (f)" (Double A minus)] on 29 May 2018.

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

2 STATEMENT OF COMPLIANCE

These condensed interim financial statements has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2018.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 30 September 2018.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at 30 September 2018 have been extracted from the annual published audited financial statements of the Fund for the year ended 30 June 2018, whereas, the comparatives in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the unaudited condensed interim financial statements of the Fund for the Quarter ended 30 September 2017.

3 ACCOUNTING POLICIES

3.1 The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2018.

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 2018.

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 2018.

4 CASH AND BANK BALANCES	**Note**	**30 September Un-audited**	**June 2018 Audited**
		Rupees	
Balances with banks in:			
- Savings accounts	4.1	343,388,537	4,566,839,339
- Current account		5,000	5,000
Cheques in hand		60,000	-
		343,453,537	**4,566,844,339**

4.1 The rate of return on these accounts ranges between 4.00% and 8.40% (30 June 2018: 4.00% and 7.35%) per annum.

5 INVESTMENTS	**Note**	**30 September 2018 Un-audited**	**30 June 2018 Audited**
		Rupees	
At fair value through profit or loss - held for trading			
Term finance certificates - listed	5.1 & 5.6	638,123,355	1,091,496,304
Term finance certificates - unlisted	5.2 & 5.6	205,238,988	200,852,450
Sukuk certificates - unlisted	5.3 & 5.6	555,216,400	557,409,200
Government Securities - Market Treasury Bills	5.4	2,659,342,215	148,365,900
Commercial Papers	5.5	-	79,311,883
		4,057,920,958	**2,077,435,737**

5.1 Term finance certificates - listed

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

Name of investee company		Number of Certificates				Rupees		Percentage	
		As at 01 July 2018	Purchased during the period	Disposed during the period	As at 30 September 2018	Carrying Value as at 30 September 2018	Market value as at 30 September 2018	Market Value as a percentage of total	Market Value as a percentage of net assets
BANKS									
Bank Alfalah Limited - V		59,903	-	-	59,903	300,556,317	298,484,934	7.36	6.30
Habib Bank Limited Tier - II (facevalue of Rs. 100,000 per certificate)		7,500	-	4,500	3,000	295,953,737	289,494,316	7.13	6.11
Soneri Bank Limited		10,000	-	-	10,000	50,855,950	50,144,105	1.24	1.06
		77,403	**-**	**4,500**	**72,903**	**647,366,004**	**638,123,355**	**15.73**	**13.47**
TELECOMMUNICATION									
Telecard Limited	5.7.1	4,000	-	-	4,000	-	-	-	-
PERSONAL GOODS									
Azgard Nine Limited	5.7.1	5,000	-	-	5,000	-	-	-	-
						647,366,004	**638,123,355**	**15.73**	**13.47**

5.2 Term finance certificates - Unlisted

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

Name of investee company		Number of Certificates				Rupees		Percentage	
		As at 01 July 2018	Purchased during the period	Disposed during the period	As at 30 September 2018	Carrying value as at 30 September 2018	Market value as at 30 September 2018	Market Value as a percentage of total investments	Market Value as a percentage of net assets
BANKS									
Askari Bank Limited - V		20,000	-	-	20,000	100,158,992	102,171,858	2.52	2.16
Bank AL Habib Limited		20,000	-	-	20,000	100,653,249	103,067,130	2.54	2.18
CHEMICALS									
Agritech Limited- I	5.6.1	2,000	-	-	2,000	-	-	-	-
Agritech Limited - II	5.6.1	8,000	-	-	8,000	-	-	-	-
Agritech Limited- IV	5.6.1	2,203	-	-	2,203	-	-	-	-
		12,203	**-**	**-**	**12,203**	**-**	**-**	**-**	**-**
CONSTRUCTION MATERIAL									
Gharibwal Cement Limited		-	-	-	-	-	-	-	-
PERSONAL GOODS									
Azgard Nine Limited-V	5.6.1	1,075	-	-	1,075	-	-	-	-
						200,812,241	**205,238,988**	**5.06**	**4.33**

5.3 Sukuk certificates - unlisted

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

Name of investee company	Number of Certificates				Rupees		Percentage	
	As at 01 July 2018	Purchased during the period	Disposed during the period	As at 30 September 2018	Carrying value as as at 30 September 2018	Market value as at 30 September 2018	Market value as a percentage of total	Market value as a percentage of net assets
BANKS								
Meezan Bank Limited Tier - II (face value of Rs. 1,000,000 per certificate)	352	-	-	352	357,280,000	355,344,000	8.76	7.50
FERTILIZERS								
Dawood Hercules Corporation Limited Sukuk 2 (Face Value Rs. 100,000)	2,000	-	-	2,000	200,129,200	199,872,400	4.93	4.22
Total - 30 September 2018					**557,409,200**	**555,216,400**	**13.68**	**11.72**

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		---------------Rupees---------------	
5.4 Government Securities			
Market Treasury Bills	5.4.1	**2,659,342,215**	**148,365,900**

5.4.1 Market Treasury Bills

Treasury Bills	Face value (Rupees)				Rupees		Percentage	
	As at 01 July 2018	Purchased during the period	Disposed / Matured during the period	As at 30 September 2018	Carrying Value as at 30 September 2018	Market Value as at 30 September 2018	Market value as a percentage of total investments	Market value as a percentage of net assets
3 months - T- Bills	150,000,000	3,415,000,000	900,000,000	2,665,000,000	2,659,502,550	2,659,342,215	65.53	56.14
	150,000,000	**3,415,000,000**	**900,000,000**	**2,665,000,000**	**2,659,502,550**	**2,659,342,215**	**65.53**	**56.14**

5.4.2 Market treasury bills carry purchase yield of 7.63% to 7.75% (30 June 2018: 6.75%) per annum and will mature on 11 October 2018 (30 June 2018: 30 August 2018). The cost of these investments as on 30 September 2018 is Rs. 2,621,482,135 (30 June 2018: Rs. 147,706,500).

5.4.3 These include treasury bills amounting to Rs. 98,254,100 (face value: Rs. 100,000,000) [30 June 2018: Rs. 148,361,785 (face value Rs. 150,000,000)] which have been pledged with the National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades which are due to mature on 11 October 2018 (30 June 2018: 30 August 2018).

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		-------------Rupees-------------	
5.5 Commercial Papers			
Commercial Papers	5.5.1	**-**	**79,311,883**

5.5.1 Commercial Papers

Name of investee company	Number of Certificates				Rupees	Percentage
	As at 01 July 2018	Purchased during the period	Disposed / Matured during the period	As at 30 September 2018	Carrying Value as at 30 September 2018	Market value as a percentage of net assets
Crescent Steel & Allied Products Limited	800	-	800	-	-	-
	800	**-**	**800**	**-**	**-**	**-**

5.6 Particulars of non-compliant investments

5.6.1 The Securities and Exchange Commission of Pakistan (SECP), vide its circular No. 16 dated 07 July 2010, prescribed certain disclosures for the schemes holding investments that are non-compliant either with the minimum investment criteria specified for the category assigned to such schemes or with the investment requirement of their constitutive documents. The following are the details of non-compliant investments:

Non-compliant investment	Type of Investment	Rupees			Percentage of	
		Value before provision	Provision held	Net carrying value	Net assets	Gross Asset
Listed						
Azgard Nine Limited	Term finance certificate	7,871,511	7,871,511	-	-	-
Telecard Limited	Term finance certificate	4,668,990	4,668,990	-	-	-
		12,540,501	**12,540,501**	**-**	-	-
Unlisted						
Agritech Limited-I	Term finance certificate	7,494,000	7,494,000	-	-	-
Agritech Limited-II	Term finance certificate	29,976,000	29,976,000	-	-	-
Agritech Limited-IV	Term finance certificate	11,015,000	11,015,000	-	-	-
Azgard Nine Limited-V	Term finance certificate	5,375,000	5,375,000	-	-	-
		53,860,000	**53,860,000**	**-**	-	-
Unlisted						
Agritech Limited	Sukuk certificate	15,225,000	15,225,000	-	-	-
	30 September 2018	**81,625,501**	**81,625,501**	-	-	-
	30 June 2018	**81,625,501**	**81,625,501**	-	-	-

5.6.2 The securities stated above 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 dated 24 October 2012, and an aggregate provision of Rs. 81.63 million (30 June 2018: Rs 81.63 million), has been made in accordance with the provisioning requirements specified by the SECP.

6 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		------------Rupees------------	
Remuneration of the Management Company	6.1	3,433,793	5,382,172
Sindh Sales Tax payable on remuneration of the Management Company	6.2	3,969,090	4,222,380
Federal Excise Duty payable on remuneration of the Management Company	6.3	23,582,971	23,582,971
Accounting and operational charges payable		429,225	672,780
		31,415,079	**33,860,303**

6.1 In accordance with the provisions of the NBFC Regulations, 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company is entitled to receive a remuneration at the rate not exceeding 1.50% of the average annual net assets in case of income schemes. Previously, the Management Company was entitled to receive a remuneration during the first five years of the Fund, at the rate not exceeding 3% of the average annual net assets of the Fund and, thereafter, at the rate of 2% of such assets. Accordingly, the Management Company has charged its remuneration at the rate of 0.80% (30 June 2018: 0.80%) per annum of the average annual net assets of the year. The fee is payable to the Management Company monthly in arrears.

6.2 During the period, an amount of Rs.1,553,508 (2017: Rs. 3,299,312) was charged on account of sales tax on remmurantion of the Management Company levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 1,806,798 (2017: Rs. 2,948,037) has been paid to the Management Company which acts as a collecting agent.

6.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund were already subject to provincial sales tax on services levied by the Sindh Revenue Board (as explained in note 6.2 above) which is being charged to the Fund, the Management Company was of the view that further levy of FED was not justified.

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

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

With effect from 01 July 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made for the period from 13 June 2013 till 30 June 2016 amounting to Rs 23.583 million (30 June 2018: Rs 23.583 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Has the said provision for FED not been recorded in the financial statements of the Fund, the net asset value of the Fund as at 30 September 2018 would have been higher by Rs. 2.59 per unit (30 June 2018: Rs 1.88 per unit).

7	ACCRUED AND OTHER LIABILITIES	Note	30 September 2018 Un-audited	30 June 2018 Audited
			------------Rupees------------	
	Auditors' remuneration payable		271,285	480,360
	NCCPL charges payable		490,000	430,000
	Printing charges payable		264,114	221,363
	Transaction charges payable		253,996	-
	Annual rating fee payable		99,127	355,704
	Withholding tax payable		507,093	40,288
	Capital gain tax Payable		3,225,166	17,315,711
	Zakat payable		8,753	-
	Other Payable		334,343	334,343
	Provision for Sindh Workers' Welfare Fund	7.1	24,217,315	22,649,623
			29,671,192	**41,827,392**

7.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP recommended that as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in these financial statements of the Fund, the net asset value of the Fund as at 30 September 2018 would have been higher by Rs. 2.66 per unit (30 June 2018: Rs. 1.81 per unit).

8 CONTINGENCIES AND COMMITMENTS

8.1 There were no contingencies outstanding as at 30 September 2018 and 30 June 2018.

8.2	Commitments	30 September 2018 Un-audited	30 June 2018 Audited
		------------Rupees------------	
	Margin Trading System (MTS) transactions entered into by the Fund in respect of which the purchase transactions have not been settled	**-**	**41,442,656**

9 ACCOUNTING AND OPERATIONAL CHARGES

In accordance with the provisions of the NBFC Regulations, 2008 (amended vide S.R.O 1160(I) / 2015 dated 25 November 2015), the Management Company of the Fund is entitled to reimbursement of fees and expenses in relation to registrar services, accounting, operation and valuation services related to the Fund upto a maximum of 0.1% of the average annual net assets of the Scheme or actual whichever is less.

Keeping in view the aforementioned provisions, the Management Company charged accounting and operational charges to the Fund.

10 INTEREST INCOME

	Note	For the Quarter Ended 30 September 2018 Un-audited	For the Quarter Ended 30 September 2017 Un-audited
		------------- Rupees	---------------
Interest on:			
Saving and term deposits		22,441,945	81,625,420
Margin Trading System		10,509,400	4,415,434
Term finance certificates	10.1	25,147,574	20,662,825
Sukuk certificates		10,789,291	9,224,752
Government Securities - Market Treasury Bills		45,998,674	81,717,492
Commercial Papers		688,117	718,700
		115,575,001	**198,364,623**

10.1 This includes mark-up received on non-performing term finance certificates amounting to Rs. Nil (2017: Rs. 0.095 million). Furthermore in accordance with the requirements specified by the SECP, mark-up on non performing securities amounting to Rs. 60.54 million (2017: Rs. 53.85 million) based on outstanding principal has not been recognised during the period.

11 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2018 is 1.36% (30 June 2018:1.34%) which includes 0.22% (30 June 2018: 0.29%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

12 TAXATION

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

13 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

	For the Quarter Ended 30 September 2018 Un-audited	For the Quarter Ended 30 September 2017 Un-audited
13.1 Transactions for the period:	----------------Rupees	----------------
Atlas Asset Management Limited (Management Company)		
Remuneration charged	11,950,059	25,379,322
Remuneration paid	13,898,438	22,677,206
Sindh Sales Tax on remuneration of the Management Company	1,553,508	3,299,312
Accounting and operational charges	1,493,758	2,925,451
Issue of 4,607 (2017: 23,386) units	2,363,371	-
Dividend declared	2,780,436	-
Central Depository Company of Pakistan Limited		
Remuneration of the Trustee	1,448,643	2,623,979
Remuneration paid	1,619,401	2,385,586
Sindh Sales Tax on remuneration of the Trustee	188,324	341,117
Settlement charges	151,400	-
Sindh Sales Tax on settlement charges	19,682	-
Atlas Engineering Limited - Employees Provident Fund (Retirement benefit plan of group company)		
Redemption of Nil (2017: 13,471) units	-	6,954,338
Atlas Insurance Limited		
Issue of 40,860 (2017: 38,692) units	21,000,000	20,000,000
Redemption of 40,860 (2017: Nil) units	21,219,010	-

	For the Quarter Ended 30 September	
	2018 Un-audited	2017 Un-audited
13.1 Transactions for the period: (continued.....)	----------------Rupees----------------	
Atlas Foundation (Trust having common Director / Trustee)		
Issue of 24,971 (2017: Nil) units	12,808,778	-
Redemption of 32,857 (2017: 62,193) units	17,000,000	32,000,000
Dividend declared	15,069,150	
Atlas Honda Limited - Non-management Staff Gratuity Fund (Retirement benefit plan of group company)		
Issue of 1,189 (2017: Nil) units	609,749	-
Dividend declared	609,749	-
Atlas Honda Limited - Employees Provident Fund (Retirement benefit plan of group company)		
Issue of 8,239 (2017: Nil) units	4,226,251	-
Redemption of 38,513 (2017: Nil) units	20,000,000	-
Dividend declared	4,226,251	-
Atlas Honda Limited		
Issue of 42,589 (2017: Nil) units	21,846,207	-
Redemption of 971,836 (2017: Nil) units	500,000,000	-
Dividend declared	25,701,145	-
Atlas Powers Limited - Staff Provident Fund (Retirement benefit plan of group company)		
Redemption of Nil (2017: 290) units	-	149,160
Batool Benefit Trust (Trust having common Director / Trustee)		
Issue of 3,483 (2017: Nil) units	1,786,481	-
Redemption of 17,566 (2017: 7,063) units	9,065,443	3,640,469
Dividend declared	2,101,742	-
Shirazi Investments (Private) Limited		
Issue of 215,734 (2017: Nil) units	110,660,918	-
Redemption of 386,115 (2017: Nil) units	200,000,000	-
Dividend declared	129,101,818	
Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund (Retirement benefit plan of group company)		
Issue 1,342 (2017: Nil) units	688,498	-
Dividend declared	688,498	-
Honda Atlas Cars (Pakistan) Limited - Employees Provident Fund (Retirement benefit plan of group company)		
Issue 5,524 (2017: Nil) units	2,833,710	-
Dividend declared	2,833,710	-
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement Benefit Plan of a Group Company)		
Issue of 1,246 (2017: 31,375) units	639,299	16,170,000
Dividend declared	639,299	-
Shirazi Trading Co. (Private) Limited - Employees Provident Fund (Retirement Benefit Plan of a Group Company)		
Issue 1,161 (2017: Nil) units	595,374	-
Dividend declared	595,374	-
Atlas Die Casting (Private) Limited (Group Company)		
Redemption of Nil (2017: 78,275) units	-	40,246,787
Honda Atlas Cars (Pakistan) Limited		
Issue of 140,888 (2017: Nil) units	72,268,392	-
Redemption of 2,412,080 (2017: Nil) units	1,250,000,000	-
Dividend declared	85,021,638	
Honda Atlas Power Product (Pvt) Limited		
Issue of 19,366 (2017: Nil) units	10,000,000	-
Redemption of 19,366 (2017: Nil) units	10,026,531	-

	For the Quarter Ended 30 September 2018 Un-audited	2017 Un-audited
	----------------Rupees----------------	
13.1 Transactions for the period: (continued.....)		
Atlas Group of Companies, M.S.G.Fund		
Issue of 1,449 (2017: Nil) units	743,026	-
Redemption of 32,408 (2017: Nil) units	16,713,562	-
Dividend declared	743,026	-
Key Management Personnel of Management Company		
Issue of 12,033 (2017: Nil) units	6,173,269	-
Redemption of Nil (2017: 37,031) units	-	25,225,989
Dividend declared	6,388,932	-

	30 September 2018 Un-audited	30 June 2018 Audited
	----------------Rupees----------------	
13.2 Investments / outstanding balances as at period:		
Atlas Asset Management Limited (Management Company)		
Remuneration payable to the Management Company	3,433,793	5,382,172
Sindh Sales Tax payable on remuneration of the Management Company	3,969,090	4,222,380
Federal Excise Duty payable on remuneration of the Management Company	23,582,971	23,582,971
Accounting and operational charges payable	429,225	672,780
Outstanding 120,459 (30 June 2018: 115,852) units - at net asset value	62,578,405	62,206,464
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to the Trustee	431,689	602,447
Sindh Sales Tax payable on remuneration of the trustee	56,120	78,318
Settlement charges payable	3,000	5,000
Sindh Sales Tax payable on Settlement Charges	390	650
Atlas Foundation (Trust having common Director / Trustee)		
Outstanding 619,995 (30 June 2018 : 627,881) units - at net asset value	322,087,392	337,140,831
Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of group company)		
Outstanding Nil (30 June 2018: 30,959) units - at net asset value	-	16,623,650
Atlas Honda Limited (Group Company)		
Outstanding 141,634 (30 June 2018: 1,070,881 units - at net asset value	73,578,979	575,009,585
Atlas Honda Limited - Non-management Staff Gratuity Fund (Retirement benefit plan of group company)		
Outstanding 26,595 (30 June 2018: 25,406) units - at net asset value	13,816,053	13,641,857
Atlas Honda Limited - Employees Provident Fund (Retirement benefit plan of group company)		
Outstanding 145,820 (30 June 2018:176,094) units - at net asset value	75,753,632	94,553,568
Batool Benefit Trust (Trust having common Director / Trustee)		
Outstanding 73,489 (30 June 2018: 87,573) units - at net asset value	38,177,625	47,022,094
Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund (Retirement benefit plan of group company)		
Outstanding 30,030 (30 June 2018: 28,687) units - at net asset value	15,600,393	15,403,699
Honda Atlas Cars (Pakistan) Limited - Employees Provident Fund (Retirement benefit plan of group company)		
Outstanding 123,596 (30 June 2018: 118,071) units - at net asset value	64,207,909	63,398,358
Shirazi Investments (Private) Limited (Group company)		
Outstanding 5,208,861 (30 June 2018: 5.379.242) units - at net asset value	2,706,003,494	2,888,384,219
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement benefit plan of group company)		
Outstanding 27,884 (30 June 2018: 26,637) units - at net asset value	14,485,625	14,302,986
Honda Atlas Cars (Pakistan) Limited		
Outstanding 1,271,376 (30 June 2018: 3,542,568) units - at net asset value	660,479,700	1,902,182,029
Shirazi Trading Company (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Outstanding 25,968 (30 June 2018: 24,807) units - at net asset value	13,490,336	13,320,246
Key Management Personnel of Management Company		
Outstanding 278,238 (30 June 2018: 266,205) units -at net asset value	144,544,787	142,939,040

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

14 FAIR VALUE MEASUREMENT

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

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

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

Fair value hierarchy

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

- Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at 30 September 2018, the Fund has investments 'at fair value through profit and loss' measured using level 2 valuation technique. Particulars regarding their cost and market value are given note 5.

15 GENERAL

Figures have been rounded off to the nearest Rupee.

16 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 29 October 2018.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

Atlas Stock Market Fund

Corporate Information

Trustee

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

Auditors

EY Ford Rhodes
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Bank Alfalah Limited
Bank Al Habib Limited
Faysal Bank Limited
Habib Bank Limited
MCB Bank Limited

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UN-AUDITED)
AS AT 30 SEPTEMBER 2018

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		-----------------Rupees-----------------	
ASSETS			
Cash and bank balances	4	655,471,499	503,609,049
Investments	5	5,376,708,837	4,940,091,479
Receivable against issue of units		669,500	-
Dividend receivable		50,979,937	7,994,137
Profit receivable on bank balances		3,538,284	2,293,384
Receivable against sale of investments		-	1,483,060
Deposits, prepayment and other receivables		13,530,763	22,135,195
Total assets		**6,100,898,820**	**5,477,606,304**
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	6	34,896,765	33,918,297
Payable to the Central Depository Company of Pakistan Limited		653,035	606,080
Payable to the Securities and Exchange Commission of Pakistan		1,366,221	5,104,876
Payable against purchase of investments		5,248,356	18,082,010
Payable against redemption of units		47,311,366	3,578,132
Unclaimed dividend		401,733	401,733
Accrued expenses and other liabilities	7	40,909,745	40,583,180
Total liabilities		**130,787,221**	**102,274,308**
NET ASSETS		**5,970,111,599**	**5,375,331,996**
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		**5,970,111,599**	**5,375,331,996**
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		**9,742,154**	**8,657,936**
NET ASSET VALUE PER UNIT		**612.81**	**620.86**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	Muhammad Abdul Samad	Yusuf H. Shirazi	Tariq Amin
Chief Financial Officer	Chief Executive Officer	Chairman	Director

Atlas Stock Market Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Note	2018	2017
		------------Rupees-----------	
INCOME			
Profit on bank balances		8,955,815	7,882,044
Dividend income		63,385,950	49,872,031
Capital loss on sale of investments - net		(9,675,730)	(109,794,215)
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(109,915,387)	(299,585,216)
		(119,591,117)	**(409,379,431)**
Total income		**(47,249,352)**	**(351,625,356)**
EXPENSES			
Remuneration of Atlas Asset Management Limited - Management Company	6.1	28,762,547	26,791,372
Sindh sales tax on remuneration of the Management Company	6.2	3,739,131	3,482,878
Remuneration of Central Depository Company of Pakistan Limited - Trustee		1,690,182	1,591,624
Sindh sales tax on remuneration of the trustee		219,724	206,911
Annual fee to the Securities and Exchange Commission of Pakistan		1,366,221	1,272,591
Accounting and operational charges	9	1,438,127	1,201,638
Auditors' remuneration		141,901	133,561
Annual listing fee		6,932	6,427
Securities transaction cost		2,449,852	2,692,149
Selling and Marketing Expense		-	40,619
Printing charges		41,165	50,581
Legal and professional charges		28,080	446,253
Bank charges		14,584	16,735
Total expenses		**39,898,446**	**37,933,339**
Net loss for the period before taxation		**(87,147,798)**	**(389,558,695)**
Taxation	12	**-**	**-**
Net loss for the period after taxation		**(87,147,798)**	**(389,558,695)**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	2018	2017
	----------------Rupees----------------	
Net loss for the period after taxation	**(87,147,798)**	**(389,558,695)**
Other comprehensive income / (loss)	-	-
Total comprehensive loss for the period	**(87,147,798)**	**(389,558,695)**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	30 September 2018		
	Capital value	Undistributed income	Net assets
	-----------------------------Rupees---------------------------		
Capital value	4,000,831,035	-	4,000,831,035
Undistributed income brought forward			
- Realised income	-	1,345,586,577	1,345,586,577
- Unrealised income	-	28,914,384	28,914,384
Net assets at the beginning of the period (Units outstanding: 8,657,936) (Rs. 620.86 per unit)	**4,000,831,035**	**1,374,500,961**	**5,375,331,996**
Issue of 1,554,127 units	976,032,273	-	976,032,273
Redemption of 469,909 units	(294,104,872)	-	(294,104,872)
Total comprehensive loss for the period	-	(87,147,798)	(87,147,798)
Net assets at end of the period (Units outstanding: 9,742,154) (Rs. 612.81 per unit)	**4,682,758,436**	**1,287,353,163**	**5,970,111,599**
Undistributed income carried forward			
- Realised income	-	1,347,092,195	-
- Unrealised loss	-	(59,739,032)	-
	-	**1,287,353,163**	**-**

	30 September 2017		
	Capital value	Undistributed income	Net assets
	-----------------------------Rupees---------------------------		
Capital value	3,773,086,121	-	3,773,086,121
Undistributed income brought forward			
- Realised income	-	1,368,557,650	1,368,557,650
- Unrealised income	-	386,032,383	386,032,383
Net assets at the beginning of the period (Units outstanding: 8,289,668) (Rs. 666.82 per unit)	**3,773,086,121**	**1,754,590,033**	**5,527,676,154**
Issue of 1,120,912 units	703,741,705	-	703,741,705
Redemption of 981,153 units	(638,589,520)	-	(638,589,520)
Cash distribution of Rs. 15 per unit declared on 07 July 2017 for the year ended 30 June 2017	-	(124,345,020)	(124,345,020)
Total comprehensive loss for the period	-	(356,087,607)	(356,087,607)
Net assets at end of the period (Units outstanding: 8,429,427) (Rs. 606.49 per unit)	**3,838,238,306**	**1,274,157,406**	**5,112,395,712**
Undistributed income carried forward			
- Realised income	-	1,261,493,410	-
- Unrealised income	-	12,663,996	-
	-	**1,274,157,406**	**-**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Note	2018	2017
		--------------Rupees--------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the period after taxation		(87,147,798)	(389,558,695)
Adjustments:			
Profit on bank balances		(8,955,815)	(7,882,044)
Dividend income		(63,385,950)	(49,872,031)
Capital loss on sale of investments - net		9,675,730	109,794,215
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		109,915,387	299,585,216
		(39,898,446)	**(37,933,339)**
Decrease in assets			
Receivable against sale of securities		1,483,060	25,632,814
Deposits, prepayment and other receivables		8,604,432	348,720
		10,087,492	**25,981,534**
Decrease / (increase) in liabilities			
Payable to Atlas Asset Management Limited - Management Company		978,468	(1,075,559)
Payable to the Central Depository Company of Pakistan Limited		46,955	(81,177)
Payable to the Securities and Exchange Commission of Pakistan		(3,738,655)	(3,810,339)
Payable against purchase of investments		(12,833,654)	(78,527,968)
Accrued expenses and other liabilities		326,565	(1,612,101)
		(15,220,321)	**(85,107,144)**
Profit received on bank balances		7,710,915	8,026,297
Dividend received		20,400,150	20,409,401
Investments made during the period		(1,248,115,019)	(1,115,918,779)
Investments sold during the period		691,906,544	1,198,005,694
Net cash (used in) / generated from operating activities		**(573,128,685)**	**13,463,664**
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		975,362,773	704,187,903
Net payments against redemption of units		(250,371,638)	(734,565,993)
Cash payout against distribution		-	(124,345,020)
Net cash generated from / (used in) financing activities		**724,991,135**	**(154,723,110)**
Net increase / (decrease) in cash and cash equivalents		**151,862,450**	**(141,259,446)**
Cash and cash equivalents at the beginning of the period		503,609,049	657,895,685
Cash and cash equivalents at the end of the period	4	**655,471,499**	**516,636,239**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

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

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Atlas Stock Market Fund (the Fund) is an open ended Mutual Fund constituted under a trust deed entered into on 29 May 2004 between Atlas Asset Management Limited (AAML) as the management company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has been revised through the First, Second, Third, Fourth, Fifth and Sixth Supplemental Trust Deeds dated 21 June 2005, 24 July 2006, 29 October 2007, 6 March 2008, 4 December 2009 and 23 May 2017 respectively, with the approval of the Securities and Exchange Commission of Pakistan (SECP). The Offering Document has been revised through the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Nineth, Tenth and Eleventh Supplements dated 21 June 2005, 24 July 2006, 29 October 2007, 6 March 2008, 4 December 2009, 14 October, 2013, 24 March 2015, 03 August 2015, 29 September 2016, 2 June 2017 and 25 May 2018 respectively, with the approval of the SECP. The registered office of AAML is situated at Ground Floor, Federation House, Shahrae Firdousi, Clifton, Karachi.

1.2 The Fund has been categorised as an 'equity scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009. The Fund is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs. 500 per unit. Thereafter, the units are being offered to the public for subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.

1.3 According to the trust deed, the objective of the Fund is to provide investors one window facility to invest in a diversified portfolio of equity securities offering consistent returns and growth. The Fund aims to deliver this objective mainly by investing in equity securities of companies that are paying regular dividend, have growth prospects or are actively traded. Any amounts which have not been invested in equity securities may be invested in liquid instruments including bank deposits (excluding TDRs) and treasury bills not exceeding 90 days maturity. The investment objectives and policies are more fully defined in the Fund's Offering Document.

1.4 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2017: AM2+ (AM Two plus)] on 30 June 2018.

1.5 Titles to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 STATEMENT OF COMPLIANCE

These condensed interim financial statements has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2018.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 30 September 2018.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at 30 September 2018 have been extracted from the annual published audited financial statements of the Fund for the year ended 30 June 2018, whereas, the comparatives in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the unaudited condensed interim financial statements of the Fund for the quarter ended 30 September 2017.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2018.

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 2018.

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 2018.

	Note	30 September 2018 Un-audited	30 June 2018 Audited
4 CASH AND BANK BALANCES		-------------Rupees-------------	
Balances with banks:			
- in saving accounts	4.1	655,461,499	503,449,049
- in current account		10,000	10,000
Cheques in hand		-	150,000
		655,471,499	**503,609,049**

4.1 The rate of return on these accounts ranges between 4.00% and 6.50% (30 June 2018: 4.00% and 7.35%) per annum.

	Note	30 September 2018 Un-audited	30 June 2018 Audited
5 INVESTMENTS		-------------Rupees-------------	
At fair value through profit or loss - held for trading			
-Investment in listed equity securities	5.1	**5,376,708,837**	**4,940,091,479**

5.1 Listed equity securities

At fair value through profit or loss - equity securities

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

Name of Investee Company	Number of Shares					Rupees		Percentage		
	As at 01 July 2018	Purchases during the period	Bonus / Rights shares issued during the period	Sales during the period	As at 30 September 2018	Carrying value as at 30 September 2018	Market value as at 30 Septemebr 2018	Market Value as a percentage of total investments	Market Value as a percentage of net assets	Paid up capital of investee company
Investment Companies										
Arif Habib Limited (see note 5.4)	446,500	-	94,000	4,700	535,800	27,236,500	22,503,600	0.42	0.38	0.97
	446,500	**-**	**94,000**	**4,700**	**535,800**	**27,236,500**	**22,503,600**	**0.42**	**0.38**	
Commercial Banks										
Allied Bank Limited	500,000	90,000	-	12,500	577,500	59,566,140	58,858,800	1.09	0.99	0.05
Askari Bank Limited	2,464,500	1,733,000	-	1,497,500	2,700,000	60,654,625	66,231,000	1.23	1.11	0.21
Bank Al Habib Limited	1,769,500	281,200	-	-	2,050,700	162,878,190	165,470,983	3.08	2.77	0.18
Bank Alfalah Limited (see note 5.4)	4,897,000	1,542,500	640,000	39,500	7,040,000	341,878,980	349,465,600	6.50	5.85	0.40
Faysal Bank Limited	8,625	-	-	-	8,625	224,250	231,581	0.00	0.00	0.00
Habib Bank Limited	1,872,500	125,000	-	447,500	1,550,000	257,875,108	234,623,500	4.36	3.93	0.11
Habib Metropolitan Bank Limited	2,381,500	-	-	2,381,500	-	-	-	-	-	-
MCB Bank Limited	777,000	60,000	-	50,000	787,000	155,909,204	158,352,270	2.95	2.65	0.07
Meezan Bank Limited (see note 5.4)	1,330,000	398,500	172,850	19,000	1,882,350	143,683,246	167,867,973	3.12	2.81	0.16
National Bank of Pakistan	750,000	1,250,000	-	178,500	1,821,500	89,824,767	94,608,710	1.76	1.58	0.09
The Bank of Punjab	10,000,000	1,435,000	-	250,000	11,185,000	134,105,985	132,318,550	2.46	2.22	0.42
United Bank Limited	1,075,000	920,000	-	100,000	1,895,000	310,164,312	291,830,000	5.43	4.89	0.15
	27,825,625	**7,835,200**	**812,850**	**4,976,000**	**31,497,675**	**1,716,764,807**	**1,719,858,967**	**31.99**	**28.81**	
Insurance										
Adamjee Insurance Company Limited	742,500	-	-	-	742,500	36,182,025	33,382,800	0.62	0.56	0.21
EFU Life Assurance Limited	23,500	-	-	23,500	-	-	-	-	-	-
	766,000	**-**	**-**	**23,500**	**742,500**	**36,182,025**	**33,382,800**	**0.62**	**0.56**	
Textile Spinning										
Gadoon Textile Mills Limited	50,000	60,000	-	-	110,000	27,890,548	28,930,000	0.54	0.48	0.39
	50,000	**60,000**	**-**	**-**	**110,000**	**27,890,548**	**28,930,000**	**0.54**	**0.48**	
Textile Composite										
Kohinoor Textile Mills Limited	450,300	837,700	-	-	1,288,000	67,659,621	69,861,120	1.30	1.17	0.43
Nishat (Chunian) Limited	1,551,000	182,000	-	83,000	1,650,000	77,820,260	84,414,000	1.57	1.41	0.69
Nishat Mills Limited	710,900	200,000	-	-	910,900	128,825,050	128,063,431	2.38	2.15	0.26
	2,712,200	**1,219,700**	**-**	**83,000**	**3,848,900**	**274,304,931**	**282,338,551**	**5.25**	**4.73**	
Cement										
Attock Cement Pakistan Limited	-	140,000	-	-	140,000	19,427,113	20,714,400	0.39	0.35	0.12
Cherat Cement Company Limited	-	200,000	-	-	200,000	17,975,108	16,110,000	0.30	0.27	0.11
D.G. Khan Cement Company Limited	779,600	20,000	-	-	799,600	91,655,724	81,887,036	1.52	1.37	0.18
Kohat Cement Company Limited	-	64,300	-	-	64,300	8,070,114	8,046,502	0.15	0.13	0.04
Lucky Cement Limited	360,000	10,000	-	80,000	290,000	147,792,051	148,752,600	2.77	2.49	0.09
Maple Leaf Cement Factory Limited	350,000	1,050,000	-	-	1,400,000	73,561,165	65,940,000	1.23	1.10	0.21
Pioneer Cement Limited	415,000	-	-	-	415,000	19,446,900	18,035,900	0.34	0.30	0.18
	1,904,600	**1,484,300**	**-**	**80,000**	**3,308,900**	**377,928,175**	**359,486,438**	**6.69**	**6.02**	
Refinery										
Byco Petroleum Pakistan Limited	1,500,000	-	-	-	1,500,000	18,300,000	15,660,000	0.29	0.26	0.03
National Refinery Limited	30,000	-	-	29,600	400	177,204	140,000	0.00	0.00	0.00
	1,530,000	**-**	**-**	**29,600**	**1,500,400**	**18,477,204**	**15,800,000**	**0.29**	**0.26**	

Name of Investee Company	Number of Shares					Rupees		Percentage		
	As at 01 July 2018	Purchases during the period	Bonus / Rights shares issued during the period	Sales during the period	As at 30 September 2018	Carrying value as at 30 September 2018	Market value as at 30 Septemebr 2018	Market Value as a percentage of total investments	Market Value as a percentage of net assets	Paid up capital of investee company
Power Generation & Distribution										
K-Electric Limited (face value Rs. 3.5)	4,750,000	2,250,000	-	-	7,000,000	39,900,245	37,450,000	0.70	0.63	0.03
Lalpir Power Limited	300,000	-	-	-	300,000	5,763,000	4,071,000	0.08	0.07	0.08
Nishat Chunian Power Limited	590,000	29,000	-	-	619,000	17,342,100	15,264,540	0.28	0.26	0.17
Pakgen Power Limited	3,400,000	-	-	-	3,400,000	65,552,000	49,300,000	0.92	0.83	0.91
The Hub Power Company Limited	2,075,000	100,000	-	75,000	2,100,000	193,474,285	183,687,000	3.42	3.08	0.18
	11,115,000	**2,379,000**	**-**	**75,000**	**13,419,000**	**322,031,630**	**289,772,540**	**5.39**	**4.85**	
Oil & Gas Marketing Companies										
Pakistan State Oil Company Limited	604,000	-	-	138,200	465,800	148,268,798	148,515,672	2.76	2.49	0.14
Sui Northern Gas Pipelines Limited	900,200	300,000	-	75,000	1,125,200	112,842,479	100,277,824	1.87	1.68	0.18
	1,504,200	**300,000**	**-**	**213,200**	**1,591,000**	**261,111,277**	**248,793,496**	**4.63**	**4.17**	
Oil & Gas Exploration Companies										
Mari Petroleum Company Limited	155,000	21,220	-	-	176,220	266,425,080	274,608,913	5.11	4.60	0.16
Oil & Gas Development Company Limited	2,050,000	350,000	-	-	2,400,000	372,122,573	367,176,000	6.83	6.15	0.06
Pakistan Oilfields Limited (see note 5.4)	350,000	30,000	74,320	8,400	445,920	249,066,791	244,890,346	4.55	4.10	0.16
Pakistan Petroleum Limited	1,305,200	483,700	-	-	1,788,900	381,437,400	381,751,260	7.10	6.39	0.09
	3,860,200	**884,920**	**74,320**	**8,400**	**4,811,040**	**1,269,051,844**	**1,268,426,519**	**23.59**	**21.25**	
Industrial Engineering										
Amreli Steels Limited	-	815,000	-	-	815,000	62,387,424	52,934,250	0.98	0.89	0.27
International Industries Limited	331,500	112,300	-	10,000	433,800	99,632,308	93,353,760	1.74	1.56	0.36
Mughal Iron And Steel Industries Limited	215,225	-	-	-	215,225	13,219,120	10,530,959	0.20	0.18	0.09
	546,725	**927,300**	**-**	**10,000**	**1,464,025**	**175,238,852**	**156,818,969**	**2.92**	**2.63**	
Automobile Assembler										
Indus Motor Company Limited	19,000	-	-	19,000	-	-	-	-	-	-
	19,000	**-**	**-**	**19,000**	**-**	**-**	**-**	**-**	**-**	
Automobile Parts & Accessories										
Agriauto Industries Limited (Face value Rs. 5)	70,000	82,900	-	-	152,900	40,571,743	36,006,422	0.67	0.60	0.53
Thal Limited (Face value Rs. 5)	104,900	16,000	-	-	120,900	57,052,785	52,834,509	0.98	0.88	0.15
	174,900	**98,900**	**-**	**-**	**273,800**	**97,624,528**	**88,840,931**	**1.65**	**1.49**	
Transport										
Pakistan International Bulk Terminal Limited	2,000,000	-	-	-	2,000,000	22,700,000	21,720,000	0.40	0.36	0.11
Pakistan International Bulk Terminal Limited - Lor	403,899	-	-	403,899	-	-	-	-	-	-
	2,000,000	**-**	**-**	**-**	**2,000,000**	**22,700,000**	**21,720,000**	**0.40**	**0.36**	
Technology & Communications										
Hum Network Limited (face value Rs. 1)	13,055,000	-	-	6,552,500	6,502,500	52,605,225	42,266,250	0.79	0.71	0.69
Netsol Technologies Limited	-	143,400	-	-	143,400	21,937,315	19,092,276	0.36	0.32	0.16
Systems Limited	-	754,500	-	50,000	704,500	84,498,558	84,814,755	1.58	1.42	6.30
	13,055,000	**897,900**	**-**	**6,602,500**	**7,350,400**	**159,041,098**	**146,173,281**	**2.72**	**2.45**	
Fertilizer										
Engro Corporation Limited	1,000,000	67,900	-	117,900	950,000	298,629,851	296,048,500	5.51	4.96	0.18
Engro Fertilizers Limited	3,374,000	161,500	-	484,000	3,051,500	229,120,715	230,357,735	4.28	3.86	0.23
Fauji Fertilizer Bin Qasim Limited	700,000	100,000	-	-	800,000	30,571,815	29,768,000	0.55	0.50	0.09
Fauji Fertilizer Company Limited	1,150,000	325,000	-	825,000	650,000	64,362,370	63,466,000	1.18	1.06	0.03
	6,224,000	**654,400**	**-**	**1,426,900**	**5,451,500**	**622,684,751**	**619,640,235**	**11.52**	**10.38**	
Pharmaceuticals										
The Searle Company Limited	70,360	-	-	70,000	360	122,220	113,735	0.00	0.00	0.00
	70,360	**-**	**-**	**70,000**	**360**	**122,220**	**113,735**	**0.00**	**0.00**	
Chemicals										
Lotte Chemical Pakistan Limited	2,250,000	-	-	2,250,000	-	-	-	-	-	-
	2,250,000	**-**	**-**	**2,250,000**	**-**	**-**	**-**	**-**	**-**	
Paper & Board										
Packages Limited	89,450	-	-	-	89,450	43,805,397	40,003,829	0.74	0.67	0.10
	89,450	**-**	**-**	**-**	**89,450**	**43,805,397**	**40,003,829**	**0.74**	**0.67**	
Leather & Tanneries										
Service Industries Limited	500	-	-	-	500	392,490	368,000	0.01	0.01	0.00
	500	**-**	**-**	**-**	**500**	**392,490**	**368,000**	**0.01**	**0.01**	
Foods & Personal Care Products										
Al Shaheer Corporation Limited	916,937	309,500	-	-	1,226,437	34,023,583	33,727,018	0.63	0.56	0.86
At-Tahur Limited	-	1,124,990	-	1,124,990	-	-	-	-	-	-
Matco Foods Limited	329	-	-	-	329	12,364	9,928	0.00	0.00	0.00
	917,266	**1,434,490**	**-**	**1,124,990**	**1,226,766**	**34,035,947**	**33,736,946**	**0.63**	**0.57**	
Total as at 30 September 2018						**5,486,624,224**	**5,376,708,837**	**100.00**	**90.06**	
Total as at 30 June 2018						**5,081,767,068**	**4,940,091,479**			

5.2 The cost of listed equity securities as at 30 September 2018 is Rs. 5,436,447,868 (30 June 2018: Rs. 4,911,177,095).

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

	Quantity		Market value	
	30 September 2018 Un-audited	30 June 2018 Audited	30 September 2018 Un-audited	30 June 2018 Audited
	------Number of Shares-------		------------- Rupees--------------	
Engro Fertilizers Limited	425,000	425,000	32,083,250	23,477,000
United Bank Limited	100,000	100,000	15,400,000	23,552,000
Pakistan Petroleum Limited	297,000	297,000	63,379,800	43,997,580
	822,000	**822,000**	**110,863,050**	**91,026,580**

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

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

The Honorable Supreme Court in its decision dated June 27, 2018 in a case held that the suits which are already pending or shall be filed in future, must only be maintained / entertained on the condition that a minimum of 50% of the tax calculated by the tax authorities is deposited with the authorities. In persuance of said Supreme Court order, SHC issued notices of hearing for cases of tax related matters and held that Plaintiffs are directed to deposit 50% of amount by the tax department, if the deposits are not made with in time, the suits stand dismissed as not maintainable. MUFAP discussed this matter with the lawyer alongwith members of the AMC's, and it was agreed that 50% of the said tax withheld amount must have to be deposited, in order of saving our remaining 50% withheld tax amount. The lawyer vide its letter dated August 16, 2018 has directed share registrars to deposit 50% of tax withheld in FBR accounts, in respect of all bonus shares cases.

Meanwhile, SHC is dismissing the cases one by one taking the plea that Funds / shareholders have failed to deposit 50% of tax within stipulated time. AMC`s and MUFAP have decided to challenge the erstwhile June 27, 2018 judgement at Supreme Court.

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		--------------Rupees-------------	
6 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)			
Remuneration of the Management Company	6.1	9,852,315	9,023,232
Sindh sales tax payable on remuneration of the Management Company	6.2	4,249,846	4,142,066
Federal Excise Duty payable on remuneration of the Management Company	6.3	20,301,988	20,301,988
Accounting and operational charges payable	9	492,616	451,011
		34,896,765	**33,918,297**

6.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 1160 (1) / 2015 dated 25 November 2015, the Management Company is entitled to a remuneration equal to an amount not exceeding 2% of the average annual net assets in case of equity schemes. Previously, the Management Company was entitled to receive a remuneration during the first five years of the Fund, at a rate not exceeding 3% of the average annual net assets of the Fund and thereafter, at a rate of 2% of such assets. Accordingly, the Management Company has charged its remuneration at a rate of 2% (30 June 2018: 2%) per annum of the average annual net assets of the Fund for the year. The fee is payable to the Management Company monthly in arrears.

6.2 During the period, an amount of Rs. 3,739,131 (2017: Rs. 3,482,878) was charged on account of sales tax on remuneration of Management Company levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 3,631,351 (2017: Rs. 3,622,856) has been paid to the Management Company which acts as the collecting agent.

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

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made for the period from 13 June 2013 till 30 June 2016 amounting to Rs 20.302 million (30 June 2018: Rs 20.302 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been recorded in the financial statements of the Fund, the net asset value of the Fund as at 30 September 2018 would have been higher by Rs. 2.08 (30 June 2018: Rs 2.34) per unit.

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		-------------Rupees-------------	
7 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		249,900	410,274
Printing charges payable		169,958	128,793
NCCPL charges payable		30,000	30,000
Withholding and capital gain tax payable		142,289	108,442
Zakat payable		16,678	1,931
Sales Load Payable		2,486	-
Transaction charges payable		1,462,901	1,068,207
Provision for Sindh Workers' Welfare Fund	7.1	38,835,533	38,835,533
		40,909,745	**40,583,180**

7.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recover of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP recommended that as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in these financial statements, the net asset value of the Fund as at 30 September 2018 would have been higher by Rs. 3.99 per unit (30 June 2018: Rs. 4.49 per unit)

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2018 and 30 June 2018.

9 ACCOUNTING AND OPERATIONAL CHARGES

In accordance with the provisions of the NBFC Regulations, 2008 (amended vide S.R.O 1160(I) / 2015 dated 25 November 2015), the Management Company of the Fund is entitled to reimbursement of fees and expenses in relation to registrar services, accounting, operation and valuation services related to the Fund upto a maximum of 0.1% of the average annual net assets of the Scheme or actual whichever is less.

Keeping in view the aforementioned provisions, the Management Company charged accounting and operational charges to the Fund.

10 SELLING AND MARKETING EXPENSES

In connection with Regulation 60(3)(v) of the NBFC Regulations, SECP has issued Circular No. 40 of 2016 dated December 30, 2016 (later amended vide Circular No. 05 of 2017 dated February 13, 2017) whereby it has prescribed certain conditions on Asset Management Companies (AMCs) for charging selling and marketing expenses to collective investment schemes (CISs). In accordance with the provisions contained in these circulars, selling and marketing expenses will be allowed initially for a period of three years (from 1 January 2017 till 31 December 2019) to be charged to open end equity, asset allocation and index funds upto a maximum of 0.4% per annum of net assets of the fund or actual expenses, whichever is less.

Initially, it was decided by the management company of the Fund to open the branches as required under the above mentioned circular and charge selling and marketing expenses as per allowed limit to the Fund with the approval of the Board of Directors. Thereafter, in February 2018, management has decided to discontinuance of the plan with the approval of the Board and stopped charging selling and marketing expenses to the Fund from March 1, 2018 as opening of branches in other cities except Karachi, Lahore, Rawalpindi and Islamabad, is not feasible .

11 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2018 is 2.83% (30 June 2018: 2.78%) which includes 0.46% (30 June 2018: 0.41%) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4% prescribed under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

12 TAXATION

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

13 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

	For the Quarter Ended 30 September	
	2018	2017
	Un-audited	Un-audited
	--------------Rupees--------------	
13.1 Details of transaction with related parties during the period are as follows:		
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	28,762,547	26,791,372
Remuneration paid	27,933,464	27,868,127
Sindh Sales Tax on remuneration of the Management Company	3,739,131	3,482,878
Accounting and operational charges	1,438,127	1,201,638
Issue of Nil (2017: 2,892) units	-	1,885,350
Cash dividend	-	2,154,686
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	1,690,182	1,591,624
Remuneration paid	1,648,629	1,645,462
Sindh Sales Tax on remuneration of the trustee	219,724	206,911
Settlement charges	73,823	93,274
Sindh Sales Tax on settlement charges	9,597	12,126
Atlas Battery Limited (Group Company)		
Redemption of 447 (2017: Nil) units	270,210	-
Atlas Insurance Limited (Group Company)		
Issue of 65,137 (2017: 487,162) units	38,000,000	297,691,008
Redemption of 75,670 (2017: 468,670) units	46,375,116	286,151,155
Cash Dividend	-	7,532,580
Atlas Insurance Limited - Staff Provident Fund Trust (Retirement Benefit plan of a Group Company)		
Issue of Nil (2017: 602) units	-	392,579
Redemption of 11,703 (2017: 468,670) units	7,006,159	-
Cash Dividend	-	392,579
Atlas Foundation (Group Company)		
Issue of Nil (2017: 17,836) units	-	11,625,993
Redemption of Nil (2017: 53,809) units	-	35,000,000
Cash Dividend	-	13,286,849
Atlas Group of Companies Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)		
Issue of Nil (2017: 4,457) units	-	
Cash Dividend	-	2,905,010
Atlas Honda Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Issue of Nil (2017: 2,385) units	-	1,554,551
Cash Dividend	-	1,554,551
Atlas Honda Limited - Non Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)		
Issue of Nil (2017: 490) units	-	319,514
Cash Dividend	-	319,514
Atlas Honda Limited		
Issue of Nil (2017: 85,924) units	-	53,362,659
Redemption of 157,626 (2017: Nil) units	100,000,000	-
Cash Dividend	-	3,843,039
Atlas Engineering Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Issue of Nil (2017: 372) units	-	242,547
Cash Dividend	-	242,547
Batools Benefit Trust (Trust having common Director / Trustee)		
Issue of Nil (2017: 3,794) units	-	2,473,183
Cash Dividend	-	2,826,495

	For the Quarter Ended 30 September 2018 Un-audited	2017 Un-audited
	--------------Rupees--------------	
13.1 Details of transaction with related parties during the period (continued…..)		
Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund (Retirement Benefit plan of a Group Company)		
Issue of Nil (2017: 706) units	-	460,318
Cash Dividend	-	460,318
Shirazi Investments (Private) Limited (Group Company)		
Issue of 318,612 (2017: 62,924) units	199,252,873	41,015,091
Cash Dividend	-	46,874,390
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Issue of Nil (2017: 879) units	-	572,885
Redemption of Nil (2017: 27,826) units	-	17,600,000
Cash Dividend	-	572,885
Directors and their close family members and key management personnel of the Management Company		
Issue 5,432 (2017: 45,013) units	3,419,810	27,984,112
Redemption of 89,958 (2017: 1,186) units	56,999,365	700,761
Cash Dividend	-	10,233,558

	30 September 2018 Un-audited	30 June 2018 Audited
	--------------Rupees--------------	
13.2 Details of balances with related parties as at the period / year end are as follows:		
Atlas Asset Management Limited (Management Company)		
Remuneration payable to the management company	9,852,315	9,023,232
Sindh Sales tax payable on remuneration of the Management Company	4,249,846	4,142,066
Federal Excise Duty payable on remuneration of the Management Company	20,301,988	20,301,988
Accounting and operational charges payable	492,616	451,011
Outstanding 148,895 (30 June 2018:148,895) units - at net asset value	91,244,507	92,442,526
Central Depository Company of Pakistan Limited (Trustee)		
Trustee fee payable	574,907	533,354
Sindh Sales tax payable on remuneration of trustee	74,738	69,336
Settlement charges payable	3,000	3,000
Sindh Sales tax payable on settlement charges	390	390
Atlas Battery Limited (Group Company)		
Outstanding Nil (30 June 2018: 447) units - at net asset value	-	277,401
Atlas Honda Limited (Group Company)		
Outstanding 184,500 (30 June 2018: 342,126) units - at net asset value	113,063,645	212,411,317
Atlas Insurance Limited (Group Company)		
Outstanding 293,452 (30 June 2018: 303,985) units - at net asset value	179,830,244	188,731,143
Atlas Insurance Limited - Staff Provident Fund Trust (Retirement Benefit plan of a Group Company)		
Outstanding Nil (30 June 2018: 11,703) units - at net asset value	-	7,265,800
Atlas Foundation (Group Company)		
Outstanding 869,076 (30 June 2018: 869,075) units - at net asset value	532,578,243	539,570,874
Atlas Group of Companies Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)		
Outstanding 107,281 (30 June 2018: 107,280) units - at net asset value	65,742,834	66,606,023
Atlas Honda Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Outstanding 106,022 (30 June 2018: 106,022) units - at net asset value	64,971,151	65,824,207

13.2 Details of balances with related parties as at the period / year end are as follows: (continued…..)

	30 September 2018 Un-audited	30 June 2018 Audited
	---------------Rupees---------------	
Atlas Honda Limited - Non Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)		
Outstanding 21,791 (30 June 2018: 21,791) units - at net asset value	13,353,825	13,529,158
Atlas Engineering Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Outstanding 16,542 (30 June 2018 : 16,542) units - at net asset value	10,137,035	10,270,132
Batools Benefit Trust (Trust having common Director / Trustee)		
Outstanding 210,096 (30 June 2018: 210,096) units - at net asset value	128,748,866	130,439,309
Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund (Retirement Benefit plan of a Group Company)		
Outstanding 31,394 (30 June 2018: 31,394) units - at net asset value	19,238,617	19,491,216
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Outstanding 21,886 (30 June 2018: 21,886) units - at net asset value	13,412,180	13,588,279
Shirazi Investments (Private) Limited (Group Company)		
Outstanding 4,126,993 (30 June 2018: 3,808,381) units - at net asset value	2,529,062,529	2,364,456,324
Directors and their close family members and key management personnel of the Management Company		
Outstanding 600,963 (30 June 2018: 685,490) units - at net asset value	368,276,388	425,593,242

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

14 FAIR VALUE MEASUREMENT

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

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

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

Fair value hierarchy

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

- Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

As at 30 September 2018, the Fund has investments 'at fair value through profit and loss' measured using level 2 valuation technique. Particulars regarding their cost and market value are given note 5.

15 GENERAL

Figures have been rounded off to the nearest Rupee.

16 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 29 October 2018.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director


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Atlas Islamic Income Fund

Atlas Islamic Stock Fund

QUATERLY REPORT

30 September 2018

(UN-AUDITED)

Atlas
Islamic
products

Management Company

Atlas Asset Management

Rated AM2+ by PACRA

Atlas Asset Management

Vision

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

Mission Statement

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

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ORGANISATION

Management Company

Atlas Asset Management Limited

Board of Directors of the Management Company

Chairman	Mr. Yusuf H. Shirazi (Non-Executive Director)
Directors	Mr. Tariq Amin (Independent Director)
	Ms Zehra Naqvi (Independent Director)
	Mr. Frahim Ali Khan (Non-Executive Director)
	Mr. Ali H. Shirazi (Non-Executive Director)
	Mr. M. Habib-ur-Rahman (Non-Executive Director)
Chief Executive Officer	Mr. Muhammad Abdul Samad (Executive Director)
Company Secretary	Ms Zainab Kazim

Board Committees

Audit Committee

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

Human Resource & Remuneration Committee

Chairman	Mr. Frahim Ali Khan
Members	Mr. Ali H. Shirazi
	Mr. Muhammad Abdul Samad
Secretary	Ms Zainab Kazim

Investment Committee

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

Management Committee

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

Risk Management Committee

Chairman	Mr. Muhammad Abdul Samad
Members	Mr. Khalid Mahmood
Secretary	Mr. Shaikh Owais Ahmed

Chief Financial Officer

Ms Qurrat-ul-Ain Jafari

Chief Internal Auditor

Mr. M. Uzair Uddin Siddiqui

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CHAIRMAN'S REVIEWS

It is my pleasure to present to you the un- audited financial statements of Atlas Islamic Income Fund (AIIF) and Atlas Islamic Stock Fund (AISF) for the three months period ended September 30, 2018 of FY 2018-19.

THE ECONOMY

During the period Jul -Sep FY19, total exports stood at US$ 5.39 billion as compared to US$ 5.16 billion reported in the same period last year. Whereas, imports stood at US$ 14.26 billion as compared to US$ 14.17 billion in corresponding period of the previous year. During Jul -Aug FY19, the current account deficit was recorded at US$ 2.72 billion as compared to US$ 2.48 billion in the same period last year. The foreign exchange reserves of the country stood at US$ 14.89 billion as on September 28, 2018 with SBP's share of US$ 8.4 billion in the total liquid foreign exchange reserves. Foreign remittances for the period July-Sep FY19 stood at US$ 5.42 billion, which was an increase of 13.14% YoY compared to the corresponding period last year. CPI inflation for the period of July- Sep FY19 was recorded at 5.60 %. The SBP in its latest monetary policy statement has decided to increase the policy rate by 100 bps to 8.50 percent effective from October, 01 2018. This is a cumulative 275 bps increase in interest rates since May-2016.

FUND OPERATIONS - AIIF

The Net Asset Value per unit of Atlas Islamic Income Fund increased by 1.50% to Rs. 510.62 as on September 30, 2018, this works out to 5.95% on an annualized basis. The AIIF's total Exposure in sukuk was 14.64% and 84.62% in high yielding Shariah compliant bank deposits. The Net Assets of the Fund stood at Rs. 680 million, with 1.33 million units outstanding as of September 30, 2018.

FUND OPERATIONS - AISF

The Net Asset Value per unit of Atlas Islamic Stock Fund increased by 0.07% to Rs. 530.76 as on September 30, 2018. The benchmark KMI-30 index decreased by 2.57% during the same period. The KMI- 30 index decreased from 71,060.34 points as on June 30, 2018 to 69,230.73 points as on September 30, 2018. AISF's strategy will continue to focus on dividend plays and stocks which are trading at relatively cheap multiples with earning growth prospects. AISF's equity portfolio exposure was mainly in Oil & Gas Exploration, Fertilizer, Cement and Islamic commercial banks. The Net Assets of the Fund stood at Rs 1.86 billion, with 3.50 million units outstanding as of September 30, 2018.

MUTUAL FUND TAXATION

WORKER'S WELFARE FUND (WWF)

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

SINDH WORKER'S WELFARE FUND (SWWF)

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

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

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

FEDERAL EXCISE DUTY (FED)

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

WITHHOLDING TAX

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

RATINGS

- **ASSET MANAGER RATING**

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

- **FUND STABILITY RATING - AIIF**

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

FUTURE OUTLOOK

In recent years Pakistan economy has shown robust growth where GDP growth rate of 5.80% was witnessed in FY18 that is a 13-year high due to better availability of energy, improving security situation and low international commodity prices. Economic activity has been strong as there is growth in industrial output as depicted in LSM index led by improvement in energy supply, infrastructure investment tied to economic corridor project CPEC, and higher credit offtake. However, slowdown in real sector growth may be witnessed next year as shortage of water is likely to constrain agriculture production, manufacturing sector may reflect slowdown owing to high base-effect, inflationary pressures stemming from higher energy prices and devaluation of Pak Rupee could reduce demand, and on-going monetary tightening that could reduce consumer spending. Going forward, exchange rate flexibility and active monetary management is going to help arrest widening current account deficit while helping sustain growth momentum in medium term. Continuous external flow would be required to maintain the stable balance of payments position. Shifting focus towards making the exports competitive through subsidizing input prices and giving rebates to export oriented industry would strengthen the external sector outlook over medium to long term.

ع خدا رحمت کند ای عاشقانِ پاک طینات را

God, please have mercy on these lovers of clean intention

These Funds are committed to prudent investment procedures and will continue to provide consistent long term returns to the investors.

ACKNOWLEDGEMENT

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

Yusuf H. Shirazi
Chairman

Karachi: 29 October 2018

Atlas Islamic Income Fund

Corporate Information

Trustee

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

Shariah Advisor

Dr. Mufti Muhammad Wasih Fasih Butt

Auditors

EY Ford Rhodes
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

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

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

AS AT 30 SEPTEMBER 2018

	Note	30 September 2018 Un-Audited	30 June 2018 Audited
		---------------Rupees---------------	
ASSETS			
Cash and Bank balances	4	580,627,226	776,625,525
Investments	5	100,443,100	100,782,300
Markup accrued	6	4,505,256	2,041,069
Security deposit, prepayment and other receivables		599,509	578,941
Total assets		**686,175,091**	**880,027,835**
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	7	2,264,010	2,319,042
Payable to Central Depository Company of Pakistan Limited - Trustee		115,437	139,523
Payable to the Securities and Exchange Commission of Pakistan		151,969	887,548
Payable against redemption of units		20,089	514,117
Dividend payable		62,457	62,457
Accrued expenses and other liabilities	8	3,647,907	3,882,935
Total liabilities		**6,261,869**	**7,805,622**
NET ASSETS		**679,913,222**	**872,222,213**
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		**679,913,222**	**872,222,213**
CONTINGENCIES AND COMMITMENTS	9		
NUMBER OF UNITS IN ISSUE		**1,331,547**	**1,653,270**
NET ASSET VALUE PER UNIT		**510.62**	**527.57**

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

Atlas Islamic Income Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Note	2018	2017
		------------Rupees------------	
Income			
Markup income	11	14,214,508	23,783,580
Capital loss on sale of investments - net		-	(1,409,700)
Net unrealised (diminution) / appreciation on remeasurement of investments classified as 'financial assets at fair value through profit or loss'		(339,200)	20,300
Total income		**13,875,308**	**22,394,180**
Expenses			
Remuneration of Atlas Asset Management Limited - Management Company	7.1	607,877	1,238,480
Sindh Sales Tax on remuneration of the Management Company	7.2	79,024	161,002
Remuneration of Central Depository Company of Pakistan Limited - Trustee		344,464	565,149
Sindh Sales Tax on Remuneration of the Trustee		44,780	73,469
Annual fee - Securities and Exchange Commission of Pakistan		151,969	309,620
Accounting and operational charges	10	202,625	400,065
Auditors' remuneration		73,439	59,166
Securities transaction cost		1,695	14,238
Annual listing fee		6,932	6,428
Annual rating fee		77,697	75,193
Printing charges		25,199	40,178
Shariah Advisory Fee		42,915	44,083
Bank charges		7,185	5,009
Legal and professional charges		46,440	51,460
Provision for Sindh Workers' Welfare Fund		243,261	387,013
Total expenses		**1,955,502**	**3,430,553**
Net income for the period before taxation		**11,919,806**	**18,963,627**
Taxation	13	**-**	**-**
Net income for the period after taxation		**11,919,806**	**18,963,627**
Allocation of net income for the period:			
- Net income for the period after taxation		11,919,806	18,963,627
- Income already paid on units redeemed		(2,181,169)	(1,498,279)
		9,738,637	**17,465,348**
Accounting income available for distribution:			
- Relating to capital gains		-	20,300
- Excluding capital gains		9,738,637	17,445,048
		9,738,637	**17,465,348**

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	2018	2017
	---------------Rupees---------------	
Net income for the period after taxation	**11,919,806**	**17,465,348**
Other comprehensive income	-	-
Total comprehensive income for the period	**11,919,806**	**17,465,348**

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

Atlas Islamic Income Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	30 September 2018		
	Capital value	distributed income	Net assets
	--------Rupees--------		
Capital value	838,131,601	-	838,131,601
Undistributed income brought forward			
- Realised income	-	33,308,312	33,308,312
- Unrealised income	-	782,300	782,300
Net assets at the beginning of the period (Units outstanding: 1,653,270) (Rs. 527.57 per unit)	**838,131,601**	**34,090,612**	**872,222,213**
Issue of 312,437 units	157,953,381	-	157,953,381
Redemption of 634,160 units	(319,495,884)	(2,181,169)	(321,677,053)
Refund of Capital	(12,427,235)	-	(12,427,235)
Cash distribution for year ended 30 June 2018 at Rs. 24.50 per unit declared on 06 July 2018	-	(28,077,890)	(28,077,890)
Total comprehensive income for the period	-	11,919,806	11,919,806
Net assets at end of the period (Units outstanding: 1,331,547) (Rs. 510.62 per unit)	**664,161,863**	**15,751,359**	**679,913,222**
Undistributed income carried forward			
- Realised income	-	15,308,259	-
- Unrealised income	-	443,100	-
	-	**15,751,359**	**-**

	30 September 2017		
	Capital value	distributed income	Net assets
	--------Rupees--------		
Capital value	1,608,541,544	-	1,608,541,544
Undistributed income brought forward			
- Realised income	-	2,042,031	2,042,031
- Unrealised income	-	3,675,600	3,675,600
Net assets at the beginning of the period (Units outstanding: 3,210,424) (Rs. 502.82 per unit)	**1,608,541,544**	**5,717,631**	**1,614,259,175**
Issue of 805,935 units	406,621,791	-	406,621,791
Redemption of 838,319 units	(421,786,953)	-	(421,786,953)
Total comprehensive income for the period	-	17,465,348	17,465,348
Net assets at end of the period (Units outstanding: 3,178,040) (Rs. 508.67 per unit)	**1,593,376,382**	**23,182,979**	**1,616,559,361**
Undistributed income carried forward			
- Realised income	-	21,032,979	-
- Unrealised income	-	2,150,000	-
	-	**23,182,979**	**-**

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Note	2018	2017
		----------------Rupees----------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period after taxation		11,919,806	18,963,627
Adjustment for:			
Markup income		(14,214,508)	(23,783,580)
Capital loss on sale of investments - net		-	1,409,700
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		339,200	(20,300)
Provision for Sindh Workers' Welfare Fund		243,261	387,013
		(13,632,047)	**(22,007,167)**
Increase in assets			
Security deposit, prepayment and other receivables		(20,568)	(30,489)
Decrease in liabilities			
Payable to Atlas Asset Management Limited - Management Company		(55,032)	(97,223)
Payable to Central Depository Company of Pakistan Limited		(24,086)	(15,865)
Annual fee payable to the Securities and Exchange Commission of Pakistan		(735,579)	(983,111)
Accrued expenses and other liabilities		(478,289)	(15,874,396)
		(1,292,986)	**(16,970,595)**
Markup received		11,750,321	26,726,315
Investments sold / matured during the period		-	111,799,200
Net cash generated from operating activities		**8,724,526**	**118,480,891**
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		157,953,381	616,364,977
Net payments against redemption of units		(322,171,081)	(416,877,368)
Refund of Capital		(12,427,235)	-
Cash payout against distribution		(28,077,890)	-
Net cash (used in) / generated from financing activities		**(204,722,825)**	**199,487,609**
Net (decrease) / increase in cash and cash equivalents		**(195,998,299)**	**317,968,500**
Cash and cash equivalents at the beginning of the period		776,625,525	1,254,506,788
Cash and cash equivalents at the end of the period	4	**580,627,226**	**1,572,475,288**

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

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

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Atlas Islamic Income Fund (the Fund) is an open ended Fund constituted under a trust deed entered into on 7 May 2008 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the trustee. The Trust Deed has been revised through the First, Second and third Supplemental Trust Deeds dated 23 June 2010, 12 November 2010 and 23 May 2017 respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). Furthermore, the offering document of the Fund has been revised through the First, Second, Third, Fourth, Fifth, Sixth and Seventh supplements dated 23 June 2010, 12 November 2010, 20 September 2013, 24 March 2015, 3 August 2015, 30 September 2016 and 2 June 2017 respectively with the approval of the SECP. The investment activities and administration of the Fund are managed by AAML whose registered office is situated at Ground Floor, Federation House, Shahrah-e-Firdousi, Clifton, Karachi.

1.2 The Fund has been categorised as a 'shariah compliant income scheme' by the Board of Directors of the Management Company pursuant to the provision contained in Circular 07 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs 500 per unit. Thereafter, the units are being offered to the public for subscription on a continuous basis since 14 October 2008, and are transferable and redeemable by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.

1.3 According to the trust deed, the objective of the Fund is to provide investors with a good and stable rate of current income consistent with long term preservation of capital in a Shariah Compliant manner. A secondary objective is to take advantage of opportunities to realise capital appreciation. The Fund shall seek to provide the investors with a rate of return consistent with a broadly diversified portfolio of long medium, and short term, high quality islamic income instruments.

1.4 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2017: AM2+ (AM Two Plus)] on 30 June 2018.

Moreover, PACRA maintained the stability rating of the Fund at "AA- (f)" [2017: "AA-(f)"] on 29 May 2018.

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

2 STATEMENT OF COMPLIANCE

These condensed interim financial statements has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2018.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 30 September 2018.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at 30 September 2018 have been extracted from the annual published audited financial statements of the Fund for the year ended 30 June 2018, whereas, the comparatives in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the unaudited condensed interim financial statements of the Fund for the Quarter ended 30 September 2017.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2018.

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 2018.

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 2018.

		30 September 2018 Un-audited	30 June 2018 Audited
4 CASH AND BANK BALANCES	**Note**	---------------Rupees---------------	
In local currency			
- Profit and loss sharing accounts	4.1	579,167,007	774,435,525
- Current account		5,000	5,000
- Cheques in hand		1,455,219	2,185,000
		580,627,226	**776,625,525**

4.1 The rate of return on these profit & loss sharing accounts ranges between 4.00% to 7.45% (30 June 2018: 3.00% to 6.50%) per annum.

		30 September 2018 Un-audited	30 June 2018 Audited
	Note	---------------Rupees---------------	
5 INVESTMENTS			
At fair value through profit or loss			
Debt securities - Sukuk certificates (unlisted)	5.1	100,443,100	100,782,300
		100,443,100	**100,782,300**

5.1 Debt securities - Sukuk certificates (unlisted)

(Certificates having a face value of Rs. 1,000,000 each)

Particulars	Note	Number of Certificates				Rupees			Percentage of	
		As at 01 July 2018	Acquired during the period	Disposed during the period	As at 30 September 2018	Carrying Value as at 30 September 2018	Market Value as at 30 September 2018	Unrealised diminution as at 30 September 2018	Market Value as a percentage of total investments	Market Value as a percentage of net assets
BANKS										
Meezan Bank Limited (Face Value Rs. 1,000,000)	5.1.2	50	-	-	50	50,750,000	50,475,000	(275,000)	50.25	7.42
Fertilizers										
Dawood Hercules Corporation Limited Suk (Face Value Rs. 100,000)	5.1.3	500	-	-	500	50,032,300	49,968,100	(64,200)	49.75	7.35
Total - September 30, 2018						**100,782,300**	**100,443,100**	**(339,200)**	**100.00**	**14.77**
Total - June 30, 2018						**102,129,700**	**100,782,300**	**(1,347,400)**	**100.00**	

5.1.1 The cost of these investments at 30 September 2018 amounted to Rs 100,000,000 (30 June 2018: Rs. 100,000,000).

5.1.2 These certificates carry mark-up at the rate of 6 months KIBOR plus 0.50% (30 June 2018: 6 months KIBOR plus 0.50%) per annum, and are due to mature by 22 September 2026 (30 June 2018: 22 September 2026).

5.1.3 These certificates carry mark-up at the rate of 3 months KIBOR plus 1.00% (30 June 2018: 3 months KIBOR plus 1.00%) per annum, and are due to mature by 28 February 2023 (30 June 2018: 28 February 2023).

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		Rupees	
6 MARKUP ACCRUED			
Mark-up accrued on:			
- Profit and loss sharing accounts		3,774,763	538,809
- Sukuk certificates		730,493	1,502,260
		4,505,256	**2,041,069**
7 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)			
Remuneration of the Management Company	7.1	179,395	217,009
Sindh Sales Tax payable on remuneration of the Management Company	7.2	290,915	295,805
Federal Excise Duty payable on remuneration of the Management Company	7.3	1,733,902	1,733,901
Accounting and operational charges payable	10	59,798	72,327
		2,264,010	**2,319,042**

7.1 During the quarter ended 30 September, 2018 the Management Company has charged its remuneration at the rate of 0.30% (30 June 2018: 0.30%) per annum of the average annual net assets of the Fund for the period. The fee is payable to the Management Company monthly in arrears.

7.2 During the period, an amount of Rs. 79,024 (2017: Rs.161,002) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 83,914 (2017: 170,110) has been paid to the Management Company which acts as the collecting agent.

7.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013.

As the asset management services rendered by the Management Company of the Fund were already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 7.2 above, the Management Company was of the view that further levy of FED was not justified.

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made for the period from 13 June 2013 till 30 June 2016 amounting to Rs 1.734 million (30 June 2018: Rs 1.734 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been recorded in the financial statements of the Fund, the net asset value of the Fund as at 30 September 2018 would have been higher by Rs. 1.30 per unit (30 June 2018: Rs. 1.05 per unit).

8. ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		----------------Rupees----------------	
Auditors' remuneration payable		171,185	230,076
Printing charges payable		99,021	73,257
Payable to Shariah Advisor		45,500	47,585
Withholding tax payable		55,249	329,616
Provision for Sindh Workers' Welfare Fund	8.1	2,669,909	2,426,648
Annual rating fee payable		75,697	298,320
Zakat payable		53,913	-
Other payable		477,433	477,433
		3,647,907	**3,882,935**

8.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP recommended that as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in the financial statements of the Fund for the period from May 21, 2015 to September 30, 2018, the net asset value of the Fund as at September 30, 2018 would have been higher by Rs. 2.01 per unit (2018: Rs. 1.47 per unit).

9 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2018 and 30 June 2018.

10 ACCOUNTING AND OPERATIONAL CHARGES

In accordance with the provisions of the NBFC Regulations, 2008 (amended vide S.R.O 1160(I) / 2015 dated 25 November 2015), the Management Company of the Fund is entitled to reimbursement of fees and expenses in relation to registrar services, accounting, operation and valuation services related to the Fund upto a maximum of 0.1% of the average annual net assets of the Scheme or actual whichever is less.

Keeping in view the aforementioned provisions, the Management Company charged accounting and operational charges to the Fund.

11 MARKUP INCOME

	For the Quarter Ended 30 September	
	2018 Un-audited	2017 Un-audited
	---------------Rupees---------------	
Mark-up income on:		
- Profit and loss sharing accounts	12,244,933	21,455,615
- Sukuk certificates	1,969,575	836,398
- Government of Pakistan (GoP) - Ijarah Sukuks	-	1,491,567
	14,214,508	**23,783,580**

12 EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2018 is 0.86% (30 June 2018: 0.65%) after netting off 0.15% (30 June 2018: 0.23%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 2% prescribed under the NBFC Regulations for a collective investment scheme categorised as a shariah compliant income scheme.

13 TAXATION

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

14 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

	Note	For the Quarter Ended 30 September 2018 Un-audited	2017 Un-audited
		------------Rupees------------	
14.1 Details of transactions with related parties during the period are as follows:			
Atlas Asset Management Limited (Management Company)			
Remuneration of the Management Company		607,877	1,238,480
Remuneration paid to the Management Company		645,491	1,063,688
Sindh Sales Tax on remuneration of the Management Company		79,024	161,002
Accounting and operational charges		202,625	400,065
Central Depository Company of Pakistan Limited (Trustee)			
Remuneration of the Trustee		344,464	565,149
Remuneration paid to the Trustee		365,779	579,189
Sindh Sales Tax on remuneration of the Trustee		44,780	73,469
Settlement charges		1,500	1,500
Sindh Sales Tax on settlement charges		195	195
Atlas Honda Limited (Group Company)			
Issue of 1 (2017: Nil) units		675	-
Dividend declared		733	-
Shirazi Investments (Private) Limited (Group Company)			
Issue of 4,716 (2017: Nil) units		2,372,638	-
Dividend declared		2,791,339	-
Shirazi Trading Company (Private) Limited Employees Provident Fund (Retirement benefit plan of a Group Company)			
Issue of 1,042 (2017: Nil) units		524,024	-
Dividend declared		524,024	-
Atlas Insurance Limited (Window Takaful)			
Issue of 1,338 (2017: Nil) units		673,226	-
Dividend declared		792,031	-
Atlas Power Limited Staff Provident Fund (Retirement benefit plan of group company)			
Redemption of Nil (2017: 358) units		-	180,655
Honda Atlas Power Product (Pvt) Limited (Group Company)			
Issue of 1,695 (2017: 19,683) units		852,838	10,000,000
Redemption of 41,015 (2017: 79,624) units		20,728,635	40,222,948
Dividend declared		963,345	-
Chevron Pakistan Lubricants (Private) Gratuity Fund (Unit Holder with more than 10% holding)	14.3		
Issue of 7,813 (2017: Nil) units		3,930,512	-
Dividend declared		3,930,512	-
Hamdard Laboratories (WAQF) Pakistan (Unit Holder with more than 10% holding)	14.3		
Issue of 5,447 (2017: Nil) units		2,740,009	-
Dividend declared		3,223,540	-
Directors and their close family members and key management personnel of the management company			
Issue of 5,041 (2017: 6,036) units		2,553,574	3,053,882
Redemption of 11,461 (2017: 5,170) units		5,788,920	2,610,236
Dividend declared		384,959	-

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		----------------Rupees----------------	
14.2 Details of balances with related parties as at the period as follows:			
Atlas Asset Management Limited (Management Company)			
Remuneration payable to the Management Company		179,395	217,009
Sindh Sales Tax payable on Remuneration of the Management Company		290,915	295,805
Federal Excise Duty payable on Remuneration of the Management Company		1,733,902	1,733,901
Accounting and operational charges payable		59,798	72,327
Central Depository Company of Pakistan Limited (Trustee)			
Remuneration payable to the Trustee		101,657	122,972
Sindh Sales Tax payable on Remuneration of the trustee		13,215	15,986
Settlement charges payable		500	500
Sindh Sales Tax payable on settlement charges		65	65
Atlas Honda Limited (Group Company)			
Outstanding 31 (30 June 2018: 30) units - at net asset value		15,971	15,794
Honda Atlas Power Product (Pvt) Limited (Group Company)			
Outstanding Nil (30 June 2018: 39,320) units - at net asset value		-	20,744,161
Shirazi Investments (Private) Limited (Group Company)			
Outstanding 118,649 (30 June 2018: 113,932) units - at net asset value		60,584,312	60,107,217
Shirazi Trading Company (Private) Limited Employees Provident Fund (Retirement benefit plan of a Group Company)			
Outstanding 22,430 (30 June 2018: 21,389) units - at net asset value		11,453,403	11,284,054
Atlas Insurance Limited (Window Takaful)			
Outstanding 33,666 (30 June 2018: 32,328) units - at net asset value		17,190,545	17,055,172
Chevron Pakistan Lubricants (Private) Gratuity Fund (Unit Holder with more than 10% holding)	14.3		
Outstanding 168,242 (30 June 2018: Nil) units - at net asset value		85,907,798	-
Hamdard Laboratories (WAQF) Pakistan (Unit Holder with more than 10% holding)	14.3		
Outstanding 137,020 (30 June 2018: Nil) units - at net asset value		69,964,961	-
Directors and their close family members and key management personnel of the Management Company			
Outstanding 9,292 (30 June 2018: 15,713) units - at net asset value		4,744,858	8,289,495

14.3 Holding being less than 10% in reporting period, disclosure is not applicable.

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

15 FAIR VALUE MEASUREMENT

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

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

The fair value of government securities is determined with reference to the quotation obtained from the brokers on the Reuters page. 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) which are calculated in accordance with the provisions contained in various circulars issued by the Securities and Exchange Commission of Pakistan. The fair values of all other financial assets and liabilities of the Fund approximate their carrying amounts due to short-term maturities of these instruments.

Fair value hierarchy

The Fund uses the following hierarchy for disclosure of the fair value of financial instruments by valuation technique:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

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

As at 30 September 2018, the Fund has financial assets at 'fair value through profit or loss' measured using the level 2 valuation technique. Particulars ragarding their cost and market value are give in note 5.1

16 GENERAL

Figures have been rounded off to the nearest Rupee.

17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on 29 October 2018.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

Atlas Islamic Stock Fund

Corporate Information

Trustee

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

Shariah Advisor

Dr. Mufti Muhammad Wasih Fasih Butt

Auditors

EY Ford Rhodes
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Al-Baraka Bank (Pakistan) Limited
Bank Alfalah Limited - Islamic Banking
BankIslami Pakistan Limited
HBL Bank Limited - Islamic Banking
Meezan Bank Limited

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

AS AT 30 SEPTEMBER 2018

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		---------- Rupees ----------	
ASSETS			
Bank balances	4	258,629,562	314,771,568
Investments	5	1,613,982,502	1,980,443,244
Profit receivable on bank balances		1,486,471	1,936,254
Dividend receivable		20,376,919	1,469,784
Security deposits, prepayment and other receivables		5,218,139	9,222,419
Total assets		**1,899,693,593**	**2,307,843,269**
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	6	15,533,658	16,514,520
Payable to Central Depository Company of Pakistan Limited - Trustee		303,287	311,948
Payable to the Securities and Exchange Commission of Pakistan		478,703	2,309,630
Payable against purchase of investments		6,821,384	9,043,890
Payable against redemption of units		17,887	174,067
Accrued expenses and other liabilities	7	17,857,188	17,300,296
Total liabilities		**41,012,107**	**45,654,351**
NET ASSETS		**1,858,681,486**	**2,262,188,918**
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		**1,858,681,486**	**2,262,188,918**
CONTINGENCIES AND COMMITMENTS	8		
NUMBER OF UNITS IN ISSUE		**3,501,918**	**4,265,137**
NET ASSET VALUE PER UNIT		**530.76**	**530.39**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

Atlas Islamic Stock Fund

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Note	2018	2017
		-------------Rupees-------------	
INCOME			
Profit on bank balances		3,858,724	6,891,735
Dividend income		20,357,635	21,161,077
Capital gain / (loss) on sale of investments - net		25,085,550	(11,146,082)
Net unrealized diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(18,854,286)	(170,776,078)
		6,231,264	**(181,922,160)**
		30,447,623	**(153,869,348)**
EXPENSES			
Remuneration of Atlas Asset Management Limited - Management Company	6.1	10,078,494	12,499,762
Sindh sales tax on remuneration of the Management Company	6.2	1,310,204	1,624,969
Remuneration of Central Depository Company of Pakistan Limited - Trustee		755,979	874,212
Sindh sales tax on remuneration of the Trustee		98,277	113,648
Annual fee - Securities and Exchange Commission of Pakistan		478,728	593,738
Accounting and operational charges	9	503,924	596,943
Shariah advisory fee		75,616	86,958
Auditors' remuneration		80,951	58,955
Securities transaction cost		781,513	886,674
Advertisement and Marketing charges		-	18,970
Annual listing fee		6,780	6,428
Printing charges		62,338	60,883
Legal and professional charges		28,080	76,460
Bank charges		2,631	2,843
Provision for Sindh Workers Welfare Fund		323,682	-
		14,587,197	**17,501,443**
Net income / (loss) for the period before taxation		**15,860,426**	**(171,370,791)**
Taxation	12	-	-
Net income / (loss) for the period after taxation		**15,860,426**	**(171,370,791)**
Allocation of net income for the period:			
- Net income for the period after taxation		15,860,426	(171,370,791)
- Income already paid on units redeemed		(14,760,581)	-
		1,099,845	**(171,370,791)**
Accounting income available for distribution:			
- Relating to capital gains		-	-
- Excluding capital gains		1,099,845	-
		1,099,845	-

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	2018	2017
	---------------Rupees---------------	
Net income / (loss) for the period after taxation	**15,860,426**	**(171,370,791)**
Other comprehensive income / (loss)	-	-
Total comprehensive income / (loss) for the period	**15,860,426**	**(171,370,791)**

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

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

Atlas Islamic Stock Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	30 September 2018		
	Capital value	Undistributed income	Net assets
	---Rupees---		
Capital value	1,753,727,127	-	1,753,727,127
Undistributed income brought forward			
- Realised income	-	487,686,197	487,686,197
- Unrealised income	-	20,775,594	20,775,594
Net assets at the beginning of the period (Units outstanding: 4,265,137) (Rs. 530.39 per unit)	**1,753,727,127**	**508,461,791**	**2,262,188,918**
Issue of 425,073 units	222,716,391	-	222,716,391
Redemption of 1,188,292 units	(627,091,947)	(14,760,581)	(641,852,528)
Total comprehensive income for the period	-	15,860,426	15,860,426
Shariah non-compliant income set-aside for charity	-	(231,721)	(231,721)
Net assets at end of the period (Units outstanding: 3,501,918) (Rs. 530.76 per unit)	**1,349,351,571**	**509,329,915**	**1,858,681,486**
Undistributed income carried forward			
- Realised income	-	499,302,768	-
- Unrealised income	-	10,027,147	-
	-	**509,329,915**	**-**

	30 September 2017		
	Capital value	Undistributed income	Net assets
	---Rupees---		
Capital value	1,642,603,322	-	1,642,603,322
Undistributed income brought forward			
- Realised income	-	608,077,116	608,077,116
- Unrealised income	-	228,218,318	228,218,318
Net assets at the beginning of the period (Units outstanding: 4,058,678) (Rs. 610.77 per unit)	**1,642,603,322**	**836,295,434**	**2,478,898,756**
Issue of 1,104,350 units	615,555,568	-	615,555,568
Redemption of 719,904 units	(414,381,302)	-	(414,381,302)
Total comprehensive income for the period	-	(150,225,574)	(150,225,574)
Final cash dividend declared for the year ended 30 June 2017 Rs. 35 per unit declared on 7 July 2017	-	(142,053,721)	(142,053,721)
Shariah non-compliant income set-aside for charity	-	(182,715)	(182,715)
Net assets at end of the period (Units outstanding: 4,443,124) (Rs. 537.37 per unit)	**1,843,777,588**	**543,833,424**	**2,387,611,012**
Undistributed income carried forward			
- Realised income	-	509,531,760	-
- Unrealised income	-	34,301,664	-
	-	**543,833,424**	**-**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

	Note	2018	2017
		-----------------Rupees---------------	
CASH FLOW FROM OPERATING ACTIVITIES			
Net income / (loss) for the period after taxation		**15,860,426**	**(171,370,791)**
Adjustments for:			
Profit on bank balances		(3,858,724)	(6,891,735)
Dividend income		(20,357,635)	(21,161,077)
Capital (gain) / losses on sale of investments - net		(25,085,550)	11,146,082
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		18,854,286	170,776,078
Provision for Sindh Workers Welfare Fund		323,682	-
		(30,123,941)	**153,869,348**
Decrease / (Increase) in assets			
Security deposits, prepayment and other receivables		3,680,598	(21,072)
		3,680,598	**(21,072)**
Decrease in liabilities			
Payable to Atlas Asset Management Limited - Management Company		(980,862)	(946,744)
Payable to Central Depository Company of Pakistan Limited - Trustee		(8,661)	(57,425)
Payable to the Securities and Exchange Commission of Pakistan		(1,830,927)	(1,590,802)
Payable against purchase of investments		(2,222,506)	(32,143,394)
Accrued expenses and other liabilities		325,171	(575,634)
		(4,717,785)	**(35,313,999)**
Profit received on bank balances		4,308,507	5,796,714
Dividend received		1,450,500	10,409,275
Investments made during the period		(257,892,383)	(434,729,263)
Investments sold during the period		630,584,389	467,743,368
Net cash generated / (used in) from operating activities		**363,150,311**	**(3,616,420)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		222,716,391	614,908,140
Net payments against redemption of units		(642,008,708)	(612,854,813)
Dividend paid		-	(142,053,721)
Net cash used in from financing activities		**(419,292,317)**	**(140,000,394)**
Net decrease in cash and cash equivalents during the period		**(56,142,006)**	**(143,616,814)**
Cash and cash equivalents at the beginning of the period		314,771,568	442,628,274
Cash and cash equivalents at the end of the period	4	**258,629,562**	**299,011,460**

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
Chief Financial Officer	Chief Executive Officer	Chairman	Director

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

FOR THE QUARTER ENDED 30 SEPTEMBER 2018

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Atlas Islamic Stock Fund (the Fund) is an open-ended collective investment scheme constituted under a trust deed entered into on 12 September 2006 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has been revised through the First, Second, Third, Fourth and Fifth Supplemental Trust Deeds dated 29 October 2007, 6 March 2008, 4 December 2009, 23 June 2010 and 23 May 2017, respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). In addition, the Offering Document of the Fund was also revised through the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth and Nineth Supplements dated 29 October 2007, 6 March 2008, 4 December 2009, 23 June 2010, 20 September 2013, 24 March 2015, 29 September 2016, 2 June 2017 and 25 May 2018 respectively, with the approval of the SECP. The investment activities and administration of the Fund are managed by AAML whose registered office is situated at Ground Floor, Federation House, Shahrah-e-Firdousi, Clifton, Karachi.

1.2 The Fund has been categorised as a 'shariah compliant equity scheme' by the Board of Directors of the Management Company pursuant to the provision contained in Circular 07 of 2009. The Fund is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs. 500 per unit. Thereafter, the units are being offered to the public for subscription on a continuous basis from 15 January 2007 and are transferable and redeemable by surrendering them to the Fund.

1.3 According to the trust deed, the objective of the Fund is to provide one window facility to investors to invest in diversified and professionally managed investment portfolio of shariah compliant securities such as equities, cash and/or near cash Shariah Compliant instruments including cash in bank accounts (excluding term deposit receipts) and Shariah Compliant government securities not exceeding 90 days' maturity. The investment objectives and policies are fully defined in the Fund's Offering Document.

1.4 The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) [2017: AM2+ (AM Two Plus)] on 30 June 2018.

1.5 The titles of the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 STATEMENT OF COMPLIANCE

These condensed interim financial statements has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Act, 2017, the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the directives issued by the SECP. Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or directives issued by the SECP differ with the requirements of IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended 30 June 2018.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at 30 September 2018.

The comparatives in the condensed interim statement of assets and liabilities presented in the condensed interim financial statements as at 30 September 2018 have been extracted from the annual published audited financial statements of the Fund for the year ended 30 June 2018, whereas, the comparatives in the condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement have been extracted from the unaudited condensed interim financial statements of the Fund for the Quarter ended 30 September 2017.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies applied for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual published financial statements of the Fund for the year ended 30 June 2018.

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 2018.

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 2018.

		30 September 2018 Un-audited	30 June 2018 Audited
4 CASH AND BANK BALANCES	**Note**	---------------Rupees---------------	
In local currency			
- Profit and loss sharing accounts	4.1	227,746,172	313,141,170
- Current account		85,126	36,398
- Cheques in hand		30,798,264	1,594,000
		258,629,562	**314,771,568**

4.1 The rate of return on these profit and loss sharing accounts ranges between 7.35% to 7.45% (30 June 2018: 3.00% to 6.50%) per annum.

		30 September 2018 Un-audited	30 June 2018 Audited
	Note	---------------Rupees---------------	
5 INVESTMENTS			
At fair value through profit or loss			
- Listed equity securities	5.1	**1,613,982,502**	**1,980,443,244**

5.1 Listed equity securities

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

Name of Investee Company	Number of shares					Rupees		Percentage		
	As at 01 July 2018	Purchases during the period	Bonus / Right shares during the period	Sales during the period	As at 30 September 2018	Carrying value as at 30 September 2018	Market value as at 30 September 2018	Market Value as a percentage of total investments	Market Value as a percentage of net assets	Paid up capital of investee company
At fair value through profit or loss - equity securities										
BANKS										
Meezan Bank Limited (see note # 5.4)	1,927,990	102,500	166,049	370,000	1,826,539	136,343,159	162,890,748	10.09	8.76	0.16
	1,927,990	**102,500**	**166,049**	**370,000**	**1,826,539**	**136,343,159**	**162,890,748**	**10.09**	**8.76**	
TEXTILE COMPOSITE										
Kohinoor Textile Mills Limited	400,000	170,000	-	23,500	546,500	29,470,203	29,642,160	1.84	1.59	0.18
Nishat Mills Limited	550,000	50,000	-	130,000	470,000	66,434,292	66,077,300	4.09	3.56	0.13
	950,000	**220,000**	**-**	**153,500**	**1,016,500**	**95,904,495**	**95,719,460**	**5.93**	**5.15**	
CEMENT										
Attock Cement Pakistan Limited	100,300	33,900	-	29,200	105,000	14,332,125	15,535,800	0.96	0.84	0.09
Cherat Cement Company Limited	-	100,000	-	20,000	80,000	7,200,462	6,444,000	0.40	0.35	0.05
D.G. Khan Cement Company Limited	615,000	-	-	315,000	300,000	34,347,000	30,723,000	1.90	1.64	0.07
Kohat Cement Company Limited	65,000	16,500	-	10,000	71,500	8,833,396	8,947,510	0.55	0.48	0.05
Lucky Cement Limited 5.3	215,000	5,000	-	77,000	143,000	72,572,200	73,350,420	4.54	3.95	0.04
Maple Leaf Cement Factory Limited	175,000	675,000	-	350,000	500,000	25,854,195	23,550,000	1.46	1.27	0.08
Pioneer Cement Limited	300,000	-	-	75,000	225,000	10,543,500	9,778,500	0.61	0.53	0.10
	1,470,300	**830,400**	**-**	**876,200**	**1,424,500**	**173,682,878**	**168,329,230**	**10.42**	**9.06**	
REFINERY										
National Refinery Limited	25,000	-	-	25,000	-	-	-	-	-	-
	25,000	**-**	**-**	**25,000**	**-**	**-**	**-**	**-**	**-**	
POWER GENERATION & DISTRIBUTION										
K-Electric Limited (Face value Rs.3.5)	3,000,000	2,300,000	-	800,000	4,500,000	25,417,915	24,075,000	1.49	1.30	0.02
Lalpir Power Limited	112,000	-	-	-	112,000	2,151,520	1,519,840	0.09	0.08	0.03
Pakgen Power Limited	1,500,000	-	-	-	1,500,000	28,920,000	21,750,000	1.35	1.17	0.40
The Hub Power Company Limited 5.3	1,300,150	153,000	-	528,150	925,000	85,072,550	80,909,750	5.01	4.35	0.08
	5,912,150	**2,453,000**	**-**	**1,328,150**	**7,037,000**	**141,561,985**	**128,254,590**	**7.94**	**6.90**	
OIL & GAS MARKETING COMPANIES										
Attock Petroleum Limited (see note # 5.4)	75,850	27,100	13,250	36,700	79,500	38,710,706	35,286,075	2.19	1.90	0.08
Pakistan State Oil Company Limited 5.3	164,000	-	-	29,000	135,000	42,971,850	43,043,400	2.67	2.31	0.04
Sui Northern Gas Pipelines Limited	471,700	100,000	-	131,500	440,200	44,143,944	39,230,624	2.43	2.11	0.07
	711,550	**127,100**	**13,250**	**197,200**	**654,700**	**125,826,500**	**117,560,099**	**7.29**	**6.32**	
OIL & GAS EXPLORATION COMPANIES										
Mari Petroleum Company Limited	75,010	2,440	-	12,500	64,950	97,899,312	101,213,534	6.27	5.45	0.06
Oil & Gas Development Company Limited	1,365,000	65,000	-	235,000	1,195,000	185,662,079	182,823,050	11.33	9.83	0.03
Pakistan Oilfields Limited (see note # 5.4)	164,000	3,000	26,800	30,000	163,800	91,642,361	89,955,684	5.57	4.84	0.06
Pakistan Petroleum Limited 5.3	787,500	50,000	-	120,000	717,500	153,885,970	153,114,500	9.49	8.24	0.04
	2,391,510	**120,440**	**26,800**	**397,500**	**2,141,250**	**529,089,722**	**527,106,768**	**32.66**	**28.36**	
ENGINEERING										
Amreli Steels Limited	-	290,000	-	20,000	270,000	20,297,663	17,536,500	1.09	0.94	0.09
International Industries Limited	165,000	65,000	-	60,000	170,000	38,344,268	36,584,000	2.27	1.97	0.14
Mughal Iron And Steel Industries Limited	105,000	-	-	-	105,000	6,449,100	5,137,650	0.32	0.28	0.04
	270,000	**355,000**	**-**	**80,000**	**545,000**	**65,091,031**	**59,258,150**	**3.68**	**3.19**	

Name of Investee Company	Number of shares					Rupees		Percentage		
	As at 01 July 2018	Purchases during the period	Bonus / Right shares during the period	Sales during the period	As at 30 September 2018	Carrying value as at 30 September 2018	Market value as at 30 September 2018	Market Value as a percentage of total investments	Market Value as a percentage of net assets	Paid up capital of investee company
AUTOMOBILE ASSEMBLER										
Atlas Honda Limited	20,500	-	-	-	20,500	10,455,000	8,610,000	0.53	0.46	0.02
Millat Tractors Limited	12,500	-	-	5,700	6,800	8,078,808	6,896,220	0.43	0.37	0.02
	33,000	**-**	**-**	**5,700**	**27,300**	**18,533,808**	**15,506,220**	**0.96**	**0.83**	
AUTOMOBILE PARTS & ACCESSORIES										
Agriauto Industries Limited (Face value Rs.5)	79,000	-	-	2,600	76,400	22,538,000	17,991,436	1.11	0.97	0.27
	79,000	**-**	**-**	**2,600**	**76,400**	**22,538,000**	**17,991,436**	**1.11**	**0.97**	
CABLES & ELECTRICAL GOODS										
Pak Elektron Limited	605,000	-	-	325,000	280,000	9,928,800	8,607,200	0.53	0.46	0.06
	605,000	**-**	**-**	**325,000**	**280,000**	**9,928,800**	**8,607,200**	**0.53**	**0.46**	
TECHNOLOGY & COMMUNICATIONS										
Netsol Technologies Limited	-	45,000	-	-	45,000	6,809,007	5,991,300	0.37	0.32	0.05
Systems Limited	143,000	213,000	-	114,000	242,000	26,850,382	29,134,380	1.81	1.57	0.22
	143,000	**258,000**	**-**	**114,000**	**287,000**	**33,659,389**	**35,125,680**	**2.18**	**1.89**	
FERTILIZER										
Dawood Hercules Corporation Limited	250,800	-	-	-	250,800	27,783,624	26,722,740	1.66	1.44	0.05
Engro Corporation Limited	595,000	45,000	-	235,000	405,000	126,681,119	126,210,150	7.83	6.79	0.08
Engro Fertilizers Limited	1,900,000	50,000	-	800,000	1,150,000	86,325,650	86,813,500	5.38	4.67	0.09
	2,745,800	**95,000**	**-**	**1,035,000**	**1,805,800**	**240,790,393**	**239,746,390**	**14.87**	**12.90**	
PHARMACEUTICALS										
Glaxosmithkline Pakistan Limited	200	-	-	200	-	-	-	-	-	-
The Searle Company Limited	32,000	-	-	31,800	200	67,900	63,186	-	-	-
	32,200	**-**	**-**	**32,000**	**200**	**67,900**	**63,186**	**-**	**-**	
CHEMICALS										
Archroma Pakistan Limited	400	-	-	400	-	-	-	-	-	-
Lotte Chemical Pakistan Limited	1,200,000	-	-	1,200,000	-	-	-	-	-	-
	1,200,400	**-**	**-**	**1,200,400**	**-**	**-**	**-**	**-**	**-**	
PAPER & BOARD										
Packages Limited	50,000	-	-	1,500	48,500	23,751,420	21,690,170	1.34	1.17	0.05
	50,000	**-**	**-**	**1,500**	**48,500**	**23,751,420**	**21,690,170**	**1.34**	**1.17**	
LEATHER & TANNERIES										
Service Industries Limited	26,370	-	-	26,350	20	15,700	14,720	-	-	-
	26,370	**-**	**-**	**26,350**	**20**	**15,700**	**14,720**	**-**	**-**	
FOODS & PERSONAL CARE PRODUCTS										
Al Shaheer Corporation Limited	531,713	258,500	-	205,000	585,213	16,030,713	16,093,381	1.00	0.87	0.41
At-Tahur Limited	-	524,995	-	524,000	995	20,895	25,074	-	-	-
	531,713	**783,495**	**-**	**729,000**	**586,208**	**16,051,608**	**16,118,455**	**1.00**	**0.87**	
Total as at 30 September 2018						**1,632,836,788**	**1,613,982,502**	**100.00**	**86.83**	
Total as at 30 June 2018						**2,074,455,779**	**1,980,443,244**			

5.2 The cost of listed equity securities as at 30 September 2018 is Rs. 1,603,955,331 (2018: Rs. 1,959,667,650).

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

	Number of shares		Market value	
	30 September 2018 Un-audited	30 June 2018 Audited	30 September 2018 Un-audited	30 June 2018 Audited
			-------------- Rupees--------------	
Lucky Cement Limited	75,000	75,000	38,470,500	38,094,750
Pakistan Petroleum Limited	135,000	135,000	28,809,000	29,011,500
Pakistan State Oil Company Limited	110,000	110,000	35,072,400	35,014,100
The Hub Power Company Limited	200,000	200,000	17,494,000	18,432,000
	520,000	**520,000**	**119,845,900**	**120,552,350**

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

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

The Honorable Supreme Court in its decision dated June 27, 2018 in a case held that the suits which are already pending or shall be filed in future, must only be maintained / entertained on the condition that a minimum of 50% of the tax calculated by the tax authorities is deposited with the authorities. In persuance of said Supreme Court order, SHC issued notices of hearing for cases of tax related matters and held that Plaintiffs are directed to deposit 50% of amount by the tax department, if the deposits are not made with in time, the suits stand dismissed as not maintainable. MUFAP discussed this matter with the lawyer alongwith members of the AMC's, and it was agreed that 50% of the said tax withheld amount must have to be deposited, in order of saving our remaining 50% withheld tax amount. The lawyer vide its letter dated August 16, 2018 has directed share registrars to deposit 50% of tax withheld in FBR accounts, in respect of all bonus shares cases.

Meanwhile, SHC is dismissing the cases one by one taking the plea that Funds / shareholders have failed to deposit 50% of tax within stipulated time. AMC`s and MUFAP have decided to challenge the erstwhile June 27, 2018 judgement at Supreme Court.

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		-------------- Rupees----------------	
6 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (RELATED PARTY)			
Remuneration of the Management Company	6.1	2,986,196	3,817,436
Sindh Sales Tax payable on remuneration of the Management Company	6.2	1,944,766	2,052,827
Federal Excise Duty payable on remuneration of the Management Company	6.3	10,453,385	10,453,385
Accounting and operational charges payable	9	149,311	190,872
		15,533,658	**16,514,520**

6.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 1160(1)/2015 dated 25 November 2015, the Management Company is entitled to a remuneration equal to an amount not exceeding 2% of the average annual net assets in case of equity schemes. Previously the Management Company was entitled to receive a remuneration during the first five years of the Fund, at the rate not exceeding 3% of the average annual net assets of the Fund and, thereafter at the rate of 2% of such assets. During the quarter ended 30 September 2018, the Management Company has charged its remuneration at the rate of 2% (30 June 2018: 2%) per annum of the average annual net assets of the Fund. The fee is payable to the Management Company monthly in arrears.

6.2 During the period, an amount of Rs. 1,310,204 (2017: Rs. 1,624,969) was charged on account of sales tax on remuneration of Management Company levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 1,418,265 (2017: Rs. 1,730,431) has been paid to the Management Company which acts as the collecting agent.

6.3 The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 6.2 above, the Management Company is of the view that further levy of FED is not justified.

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from 1 July 2016. However, as a matter of abundant caution the provision for FED made for the period from 13 June 2013 till 30 June 2016 amounting to Rs 10.453 million (30 June 2018: Rs 10.453 million) is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been recorded in the financial statements of the Fund, the net asset value of the Fund as at 30 September 2018 would have been higher by Rs 2.99 per unit (30 June 2018: Rs 2.45 per unit).

7 ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	30 September 2018 Un-audited	30 June 2018 Audited
		---------------------Rupees	----------------------
Auditors' remuneration payable		124,116	241,365
Printing charges payable		233,515	171,177
Ranking fee payable		140,000	140,000
Charity payable	7.1	231,721	463,265
Transaction charges payable		704,291	368,629
Withholding and capital gain tax payable		158,867	73,467
Payable to Shariah Advisor		75,620	75,004
Provision for Sindh Workers' Welfare Fund	7.2	15,814,870	15,491,187
Zakat payable		97,737	-
Sale load Payable		249	-
Others		276,202	276,202
		17,857,188	**17,300,296**

7.1 The Shariah Advisor of the Fund, has certified an amount of Rs. 231,721 (30 June 2018: Rs. 1,602,704) against dividend income, as Shariah non-compliant income during the period, which has accordingly been marked to charity.

7.2 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, was required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by the MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contested that mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments but were pass through investment vehicles and did not employ workers. The SRB held that mutual funds were included in the definition of financial institutions as per the Financial Institution (Recovery of Finances) Ordinance, 2001 and were, hence, required to register and pay SWWF under the SWWF Act. Thereafter, MUFAP had taken up the matter with the Sindh Finance Ministry to have CISs / mutual funds excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on CISs / mutual funds, MUFAP recommended that as a matter of abundant caution, provision in respect of SWWF should be made on a prudent basis with effect from the date of enactment of the SWWF Act, 2014 (i.e. starting from May 21, 2015).

Had the provision for SWWF not been recorded in these financial statements of the Fund, the net asset value of the Fund as at 30 September 2018 would have been higher by Rs. 4.52 per unit (30 June 2018: Rs. 3.63 per unit)

8 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 September 2018 and as at 30 June 2018.

9 ACCOUNTING AND OPERATIONAL CHARGES

In accordance with the provisions of the NBFC Regulations, 2008 (amended vide S.R.O 1160(I) / 2015 dated 25 November 2015), the Management Company of the Fund is entitled to reimbursement of fees and expenses in relation to registrar services, accounting, operation and valuation services related to the Fund upto a maximum of 0.1% of the average annual net assets of the Scheme or actual whichever is less.

Keeping in view the aforementioned provisions, the Management Company charged accounting and operational charges to the Fund.

10 SELLING AND MARKETING EXPENSES

In connection with Regulation 60(3)(v) of the NBFC Regulations, SECP has issued Circular No. 40 of 2016 dated December 30, 2016 (later amended vide Circular No. 05 of 2017 dated February 13, 2017) whereby it has prescribed certain conditions on Asset Management Companies (AMCs) for charging selling and marketing expenses to collective investment schemes (CISs). In accordance with the provisions contained in these circulars, selling and marketing expenses will be allowed initially for a period of three years (from 1 January 2017 till 31 December 2019) to be charged to open end equity, asset allocation and index funds upto a maximum of 0.4% per annum of net assets of the fund or actual expenses, whichever is less.

Initially, it was decided by the management company of the Fund to open the branches as required under the above mentioned circular and charge selling and marketing expenses as per allowed limit to the Fund with the approval of the Board of Directors. Thereafter, in February 2018, management has decided to discontinuance of the plan with the approval of the Board and stopped charging selling and marketing expenses to the Fund from March 1, 2018 as opening of branches in other cities except Karachi, Lahore, Rawalpindi and Islamabad, is not feasible .

11 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 September 2018 is 2.89% (30 June 2018: 2.79%) which includes 0.46% (30 June 2018: 0.40%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund, sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4% prescribed under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

12 TAXATION

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

13 TRANSACTIONS WITH CONNECTED PERSONS / OTHER RELATED PARTIES

	For the Quarter Ended	
	30 September	
	2018	2017
	Un-audited	Un-audited
	--------------Rupees--------------	
13.1 Details of transactions with related parties during the period are as follows:		
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	10,078,494	12,499,762
Remuneration paid	10,909,734	12,334,453
Sindh sales tax on remuneration of the Management Company	1,310,204	1,624,969
Accounting and operational charges	503,924	596,943
Issue of Nil (2017: 2,711) units	-	1,561,061
Cash Dividend	-	1,784,070
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	755,979	874,212
Remuneration paid	797,541	917,602
Sindh sales tax on remuneration of the Trustee	98,277	113,648
Settlement charges	77,314	43,530
Sindh sales tax on settlement charges	10,050	5,659
Atlas Engineering Limited Employee Provident Fund		
(Retirement benefit plan of group company)		
Issue of Nil (2017: 2,561) units	-	1,474,815
Cash Dividend	-	1,474,815
Atlas Foundation (Group company)		
Issue of Nil (2017: 5,235) units	-	3,013,961
Cash Dividend	-	3,444,527
Atlas Battery Limited (Group company)		
Issue of Nil (2017: 69,611) units	-	40,080,134
Redemption of 871,997 (2017: Nil) units	471,388,683	-
Cash Dividend	-	45,805,868
Atlas Group of Companies, Management Staff Gratuity Fund		
(Retirement benefit plan of group company)		
Issue of Nil (2017: 3,306) units	-	1,903,401
Cash Dividend	-	1,903,401
Atlas Honda Limited (Group Company)		
Issue of Nil (2017:38,374) units	-	22,094,487
Cash Dividend	-	25,250,842

	For the Quarter Ended 30 September	
	2018	2017
	Un-audited	Un-audited
	----------------Rupees----------------	
13.1 Details of transactions with related parties during the period are as follows:		
Atlas Insurance Limited (Group company)		
Issue of 67,992 (2017: 539,433) units	34,000,000	292,702,447
Redemption of Nil (2017: 502,300) units	-	271,794,530
Cash Dividend	-	18,231,368
Batools Benefit Trust (Trust having common Director / Trustee)		
Issue of Nil (2017: 5,524) units	-	3,180,500
Cash Dividend	-	3,634,857
Atlas Insurance Limited Staff Provident Fund Trust (Retirement benefit plan of group company)		
Issue of Nil (2017: 1,654) units	-	952,589
Redemption of 11,314 (2017: Nil) units	5,743,918	-
Cash Dividend	-	952,589
Atlas Honda Limited Employee Provident Fund (Retirement benefit plan of group company)		
Issue of Nil (2017: 6,564) units	-	3,779,464
Cash Dividend	-	3,779,464
M/S. Atlas Insurance Limited Window Takaful Operation		
Issue of Nil (2017: 2,145) units	-	1,235,004
Cash Dividend	-	1,411,433
M/S. Shirazi Investments (Pvt.) Ltd. - Emp. Prov. Fund		
Issue of Nil (2017: 15,876) units	-	8,450,000
Cherat Cement Company Limited Employees Provident Fund		
Issue of Nil (2017: 174) units	-	100,279
Directors and their close family members and key management personnel of the Management Company		
Issue of units 9,568 (2017: 8,731) units	4,874,185	4,989,724
Redemption of 22,988 (2017: 1,988) units	12,579,612	1,053,882
Cash Dividend	-	4,441,177

	30 September 2018	30 June 2018
	Un-audited	Audited
	----------------Rupees----------------	
13.2 Details of balances with related parties as at the period / year end are as follows:		
Atlas Asset Management Limited (Management Company)		
Remuneration payable to the Management Company	2,986,196	3,817,436
Sindh Sales Tax payable on remuneration of the management company	1,944,766	2,052,827
Federal Excise Duty payable on remuneration of the Management Company	10,453,385	10,453,385
Accounting and operational charges payable	149,311	190,872
Outstanding 53,685 (30 June 2018: 53,685) units at net asset value	28,493,686	28,473,822
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration payable to the Trustee	231,500	273,062
Sindh sales tax payable on remuneration of the Trustee	30,095	35,497
Settlement charges payable	36,896	3,000
Sindh sales tax payable on settlement charges	4,796	389
Atlas Battery Limited (Group Company)		
Outstanding Nil (30 June 2018: 871,997) units - at net asset value	-	462,498,556
Atlas Foundation (Group company)		
Outstanding 103,650 (30 June 2018: 103,650) units - at net asset value	55,013,124	54,974,774
Atlas Group of Companies, Management Staff Gratuity Fund (Retirement benefit plan of group company)		
Outstanding 125,506 (30 June 2018:125,506) units - at net asset value	66,613,750	66,567,313

	30 September 2018 Un-audited	30 June 2018 Audited
	----------------Rupees----------------	
13.2 Details of balances with related parties as at the period / year end are as follows:		
Atlas Honda Limited (Group Company)		
Outstanding 759,826 (30 June 2018: 759,826) units - at net asset value	403,285,482	403,004,346
Atlas Insurance Limited (Group Company)		
Outstanding 385,292 (30 June 2018: 317,300) units - at net asset value	204,497,390	168,292,639
Batools Benefit Trust (Trust having common Director / Trustee)		
Outstanding 109,377 (30 June 2018: 109,377) units - at net asset value	58,052,918	58,012,449
Atlas Insurance Limited Staff Provident Fund Trust (Retirement benefit plan of group company)		
Outstanding Nil (2018:11,314) units - at net asset value	-	6,001,096
Atlas Honda Limited Employee Provident Fund (Retirement benefit plan of group company)		
Outstanding 114,549 (2018:114,549) units - at net asset value	60,797,968	60,755,585
Atlas Insurance Limited Window Takaful Operation		
Outstanding 42,472 (2018; 42,472) units - at net asset value	22,542,229	22,526,515
Shirazi Investments (Private) Limited -Employee Provident Fund		
Outstanding 25,607 (2018: 25,607) units - at net asset value	13,591,131	13,581,656
Directors and their close family members and key management personnel of the Management Company		
Outstanding 122,650 (30 June 2018: 136.070) units - at net asset value	65,097,594	72,170,026

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

14 FAIR VALUE MEASUREMENTS

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.

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

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from book value.

Fair value hierarchy

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

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

The Fund recognises equity securities at fair value which is determined using the rate at which they are quoted on the Stock Exchange (level 1). Fair value of remaining financial assets is not significantly different from their carrying value.

15 GENERAL

Figures have been rounded off to the nearest Rupee.

16 DATE OF AUTHORISATION FOR ISSUE

These interim condensed financial statements were authorised for issue by the Board of Directors of the Management Company on 29 October 2018.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari	**Muhammad Abdul Samad**	**Yusuf H. Shirazi**	**Tariq Amin**
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