

Ref: AAML/21-22/Co. Sec./528/333

September 30, 2021

The General Manager
Pakistan Stock Exchange (Guarantee) Limited
Stock Exchange Building
Stock Exchange Road,
Karachi

Dear Sir

ANNUAL REPORTS FOR THE YEAR/PERIOD ENDED JUNE 2021 (FY 2020-21)

- **ATLAS FUNDS**
- **ATLAS MERAJ**

This is to inform you that the Annual Reports 2021 have been transmitted to PSX through PUCARS and have been placed on the Company's website www.atlasfunds.com.pk and may be downloaded there from.

Intimation of the website transmittal has been notified to the unit holders of the above mentioned funds. The press notice has been published in September 30, 2021 issue of the Business Recorder.

Enclosed please find herewith, three printed copies each of the Annual Reports 2021 of our following fund brands, for your record.

1. **Atlas Funds**, covering Atlas Money Market Fund, Atlas Sovereign Fund, Atlas Income Fund and Atlas Stock Market Fund; and
2. **Atlas Meraj**, covering Atlas Islamic Income Fund, Atlas Islamic Stock Fund, Atlas Islamic Money Market Fund, Atlas Islamic Fund of Funds and Atlas Islamic Dedicated Stock Fund.

Thanking you,

Yours truly

For Atlas Asset Management Limited (Management Company)



Zainab Kazim
Company Secretary

Encl.: as specified above

Head Office

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

ATLAS FUND OF FUNDS (ATFF) - Under Revocation TRANSMISSION ANNUAL REPORT 2021 THROUGH WEBSITE

The audited financial statements of ATFF for the year ended June 30, 2021 have been placed on the Company's website address www.atlasfunds.com.pk and may be downloaded therefrom. Certificate Holders requesting for a hard copy of the above financial statements shall be provided the same accordingly, within seven days of the receipt of a written request, at their registered addresses.

For Atlas Asset Management Limited

Dated: September 30, 2021

Company Secretary



Atlas Asset Management

Ground Floor, Federation House, Sharae Firdousi, Clifton, Karachi-75600.

UAN: 111-MUTUAL (6-888-25) Ph: (92-21) 35379501-04

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Email: info@atlasfunds.com.pk

Atlas
funds

Nurturing your investments

Atlas
مجنون

Islamic products

Atlas
Pensions

Smart retirement plans

TRANSMISSION OF ANNUAL REPORTS THROUGH WEBSITE

Unit holders of Atlas Money Market Fund (AMF), Atlas Sovereign Fund (ASF), Atlas Income Fund (AIF), Atlas Stock Market Fund (ASMF), Atlas Islamic Income Fund (AIIF), Atlas Islamic Stock Fund (AISF), Atlas Islamic Money Market Fund (AIMF), Atlas Islamic Fund of Funds (AIFOF) and Atlas Islamic Dedicated Stock Fund (AIDSF), managed by Atlas Asset Management Limited (AAML), and the participants of Atlas Pension Fund (APF) and Atlas Pension Islamic Fund (APIF), of which AAML is the Pension Fund Manager, are hereby informed that the audited financial statements of AMF, ASF, AIF, ASMF, AIIF, AISF, AIMF, AIFOF, AIDSF, APF and APIF for the year/period ended June 30, 2021 have been placed on the Company's website address www.atlasfunds.com.pk and may be downloaded therefrom.

Unit holders of AMF, ASF, AIF, ASMF, AIIF, AISF, AIMF, AIFOF and AIDSF, and the participants of APF and APIF, requesting for a hard copy of the above financial statements shall be provided the same accordingly, within one week of the receipt of a written request, at their registered addresses.

For Atlas Asset Management Limited

Dated: September 30, 2021

Company Secretary



Atlas Asset Management

Ground Floor, Federation House, Sharae Firdousi, Clifton, Karachi-75600.

UAN: 111-MUTUAL (6-888-25) Ph: (92-21) 35379501-04

Fax: (92-21) 35379280 Website: www.atlasfunds.com.pk

Email: info@atlasfunds.com.pk



Atlas Money Market Fund

Atlas Sovereign Fund

Atlas Income Fund

Atlas Stock Market Fund

ANNUAL REPORT

30 June 2021

**Atlas
funds**
Nurturing your investments



Managed By

Atlas Asset Management

Rated AM2+ by PACRA
(as of December 24, 2020)



MANAGING TO THE CORE!

Even the most seemingly diminutive of creatures, hold for us an education. They exhibit qualities of organization that are indeed inspirational. Planning, teamwork and controlling are attributes of a successful and solid organizational structure. At Atlas Funds these elements form the core of our institution.



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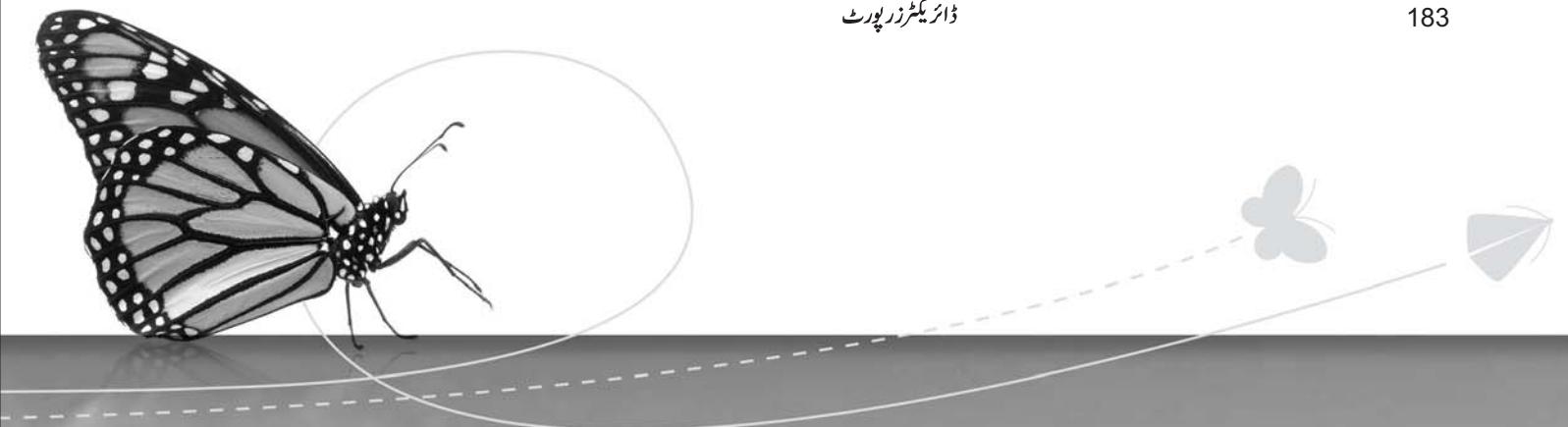
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Diversity

Understanding the social, cultural and financial diversity in our country and coming up with innovative plans to cater distinctive needs



Company Profile

Atlas Asset Management Limited (AAML), an Atlas Group Company, was incorporated on 20th August, 2002 as an unlisted public limited company. AAML as a Non-Banking Finance Company (NBFC) is licensed & regulated by Securities & Exchange Commission of Pakistan to perform Asset Management and Investment Advisory Services as per the NBFC (Establishment and Regulations) Rules, 2003 & NBFC and Notified Entities Regulations, 2008 and as a Pension Fund Manager to manage voluntary pension funds (under Voluntary Pension System Rules, 2005). SECP also issued licenses to the Company to carry out REIT Management Services, Private Equity and Venture Capital Fund Management Services, under rule 5 of the Non-Bankking Finance Companies (Establishment & Regulation) Rules, 2003. AAML manages assets on behalf of retirement funds, welfare organizations, insurance companies, multinationals, NBFCs and individuals.

AAML is a wholly owned subsidiary of Shirazi Investments (Pvt.) Limited (SIL). As the parent company, SIL sponsors Atlas Group projects. Atlas Group is a diversified group dealing in engineering, financial services, power generation, real estate & trading.

AAML strives to be a market leader in providing quality fund management services with customer satisfaction as its aim, and is consistently committed to offering its investors the best possible risk adjusted returns on a diverse range of products, meeting not only the customers' current requirements but also exceeding their future expectations. With its strong emphasis on systems and controls, quality human resource and backing of Atlas Group, AAML enjoys a distinct advantage.



Vision

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



Mutual Funds | Pension Funds | Investment Advisory Services | Private Equity | REIT

Creativity

The ability to creatively inspire innovation and the will to foster positive social and environmental change

Mission

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



Growth | Returns | Tax Savings

Team Work

Giving unparalleled service, creating long-term, win-win relationships and focusing on executional excellence

Organisation

Management Company

Atlas Asset Management Limited

Board of Directors of the Management Company

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

Board Committees

Audit Committee

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

Human Resource & Remuneration Committee

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

Investment Committee

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

Management Committee

Chairman	Mr. Muhammad Abdul Samad
Members	Mr. Khalid Mahmood Ms Qurrat-ul-Ain Jafari Ms Mishaal H. Shirazi
Secretary	Mr. Tariq Ahmed Siddiqui Ms Ayesha Farooq Ms Zainab Kazim Mr. M. Kamran Ahmed
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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Fax: (92-21) 35379280
Email: info@atlasfunds.com.pk
Website: www.atlasfunds.com.pk

Board of Directors of the Management Company

Mr. Iftikhar H. Shirazi

Chairman

Mr. Iftikhar H. Shirazi graduated with a Bachelor of Science in Finance from Notre Dame De Namur University (formerly College of Notre Dame), USA, and completed his OPM from Harvard Business School, USA. He has over 30 years of corporate management experience, more particularly in the financial and trading sectors. He has to his credit, work experience at Bank of Tokyo-Mitsubishi, Yamaichi Securities, and Toyota Tsusho Corporation.

He is currently Chairman of Shirazi Investments (Pvt) Limited, Atlas Asset Management Limited, Atlas Insurance Limited, Shirazi Trading Company (Private) Limited, Atlas Foundation and Atlas Information Technology Resource Centre. He is also a member of the SAARC Chamber of Commerce & Industry, Karachi Chamber of Commerce & Industry (KCCI) and Pakistan Japan Business Forum. He is also serving on the Board of the Forman Christian College, Ghulam Ishaq Khan Institute of Engineering Science and Technology, British Overseas Association and Employers Federation of Pakistan. He was also a member of the Aga Khan Resource Development Committee and life member of Federation of Pakistan Chambers of Commerce & Industry (FPCCI). He has also served the Management Association of Pakistan as their Vice President.

He also enjoys membership of several other prestigious associations that include, Harvard Club of New York and Pakistan, Young Presidents Organization, Aitchison College Old Boys Association, Government College of Commerce & Economics Old Students Association and English Speaking Union. He was also President of International Club, Notre Dame De Namur University (formerly College of Notre Dame), USA.

Mr. Frahim Ali Khan

Director

Mr. Frahim Ali Khan is a Law graduate from Karachi University. He has also attended Senior Managers' Program at Harvard University, U.S.A., Financial Management Program at Stanford University, U.S.A. and General Management Program at Insead University, France. He joined the Atlas Group in 1967 and has served in different positions. He has over 50 years of experience in General Management, Finance, Investment and Taxation.

He is currently Group Director Financial Affairs and Legal Matters. His other directorships include Atlas Insurance Limited, Atlas Asset Management Limited, Atlas Engineering (Private) Limited, Atlas Autos (Private) Limited, Atlas Metals (Private) Limited, Atlas Power Limited, Atlas Energy Limited, Zhenfa Pakistan New Energy Company Limited, Shirazi Trading Company (Private) Limited, Shirazi Investments (Private) Limited, and Atlas Foundation.

Earlier, he has also served on Atlas Honda Limited and Atlas Battery Limited boards and has been C.E.O of Shirazi Investments (Private) Limited, Shirazi Trading Company (Private) Limited, Atlas Asset Management and former Atlas Investment Bank Limited.

Mr. M. Habib-ur-Rahman

Director

Mr. M. Habib-ur-Rahman is a fellow of the Institute of Chartered Accountants in England & Wales. He has attended management level programme (PMD) at Harvard Business School.

Mr. Habib-ur-Rahman has a long association with Mutual Fund Industry. He held the position of General Manager Finance & Investment with National Investment Trust Limited. He was NIT nominee director on the Board of Karachi Stock Exchange and various listed companies. He worked for NIT for eleven years from 1971 to 1981 and then left NIT to join motorcycle industry, Atlas Honda Limited, where he worked for fourteen years initially as Director Finance and then as Resident Director in-charge Finance, Administration and Production. In 1995 he returned to mutual funds industry. He played an instrumental role in setting ABAMCO Limited that was the first asset management company in the private sector in Pakistan. ABAMCO was initially established as a joint venture among a leading brokerage house in Pakistan, IFC and an asset management company in US. Mr. Habib-ur-Rahman was its chief executive from 1995 to 2003. He was the Chief Executive Officer of Atlas Asset Management Limited from March 2004 till March 2018. He is a founding member and past Chairman/ Director of the Mutual Funds Association of Pakistan (MUFAP). The foundation of MUFAP was laid in 1995. Mr. Habib ur Rahman was Securities and Exchange Commission of Pakistan (SECP) nominee on the Board of Karachi Stock Exchange in 2000, 2001, & 2003. He was a member of SECP Advisory Group on Capital Markets, member of the SECP Enquiry Committee (appointed in 2001) on management of Exposure Rules by KSE/ LSE and member of the SECP Committee (appointed in 2013) to review the 2008 financial crisis in capital market in Pakistan. Presently he also holds directorships in Atlas Insurance Limited & Atlas Foundation.

Mr. Tariq Amin

Independent Director

Mr. Tariq Amin is the Chairman of Orkila Pakistan (Private) Limited, a leading company dealing in chemicals. He is also on the Boards of the Salim Habib Education Foundation and the Education City. He has varied experience both in private and public sectors. He is a law graduate from the University of Karachi. He also holds a Masters degree in English from the University of Karachi and a Post Graduate Diploma in Development Administration from the University of Leeds. Mr. Amin has been past Chairman of the Privatization Commission, Sindh. He has also been President of the Overseas Investors Chambers of Commerce & Industry (OICCI) and also the Chairman of SITE Association of Industry for four years. Mr. Amin was conferred the civil award of Chevalier De L'ordre National Du Merite by the Government of France 2001.

Board of Directors of the Management Company

Mr. Ali H. Shirazi

Director

Mr. Ali H. Shirazi graduated with a BA from Yale University, U.S.A. in 2000 and thereafter completed his Masters in Law from Bristol University, U.K. in 2005. He has worked with the Bank of Tokyo-Mitsubishi in New York as well as American Honda in Torrance, California.

He is member of the Group Executive Committee, responsible for Group's financial services. He is on the Board of Atlas Asset Management Limited, Atlas Foundation, Atlas Insurance Limited, Shirazi Investments (Private) Limited, Shirazi Trading Company (Private) Limited, Techlogix International Limited, National Management Foundation (sponsoring body of LUMS) and Cherat Packaging Limited. Previously he has also served on the Board of National Clearing Company of Pakistan Limited (NCCPL).

He is a 'Certified Director' from the Pakistan Institute of Corporate Governance and in 2018 completed the Owner / President Management Program (OPM) from Harvard Business School.

Ms Zehra Naqvi

Independent Director

Ms. Zehra Naqvi was the Chief Executive Officer of Chubb Insurance Pakistan, (a wholly owned subsidiary of Chubb INA International Holdings Limited, Delaware, USA) from September 2005 to September 2017.

She has over 35 years of work experience in the insurance sector. Prior to joining Chubb and its predecessor companies (CIGNA and ACE) in 1990, she worked with Royal Exchange Assurance, a branch of Guardian Royal Exchange, UK and with Adamjee Insurance Company in Pakistan.

Ms. Naqvi holds a B.Sc. Degree, and an MBA Degree from the Institute of Business Administration, Karachi University. She is a Chartered Insurer from the Chartered Insurance Institute, UK and is a Certified Director from Institute of Chartered Accountants of Pakistan.

She has served as an elected Member of the Executive Committee of the Insurance Association of Pakistan, the Executive Committee of The American Business Council and the Managing Committee of the Overseas Investors Chamber of Commerce & Industry.

Ms. Naqvi has represented the Insurance Association of Pakistan, on the Council of Pakistan Insurance Institute and was Chairperson of the Institute for the term of 2016. She has been a visiting faculty member at the Institute.

Ms. Naqvi has served as an Independent Director on the Board of Abbott Laboratories (Pakistan) Limited. She presently serves as a Non-Executive Director on the Board of Chubb Insurance Pakistan Limited, as an Independent Director on the Boards of Attock Petroleum Limited and IGI Life Insurance Limited.

Mr. Muhammad Abdul Samad

Chief Executive Officer

Mr. Muhammad Abdul Samad has a vast experience of local investment management industry. He joined Atlas Asset Management Limited in November 2005, and has held C-suite positions for over a decade, including the Chief Investment Officer and Chief Operating Officer positions. He is a 'Certified Director' and also attended Advanced Management Program at INSEAD Fontainebleau, France on nomination by the Atlas Group. He has a significant Board experience, where he has served as a director on the board of nineteen listed companies, including Atlas Battery Limited, Lucky Cement, Berger Paints, Mirpurkhas Sugar, amongst others. Currently, he is serving as a Director on the Board of Mutual Funds Association of Pakistan and also Chairman of its Accounts & Taxation Committee.

Give your
SAVINGS the
ATLAS ASSET
BENEFIT!

Growth | Returns | Tax Savings

Chairman's Review

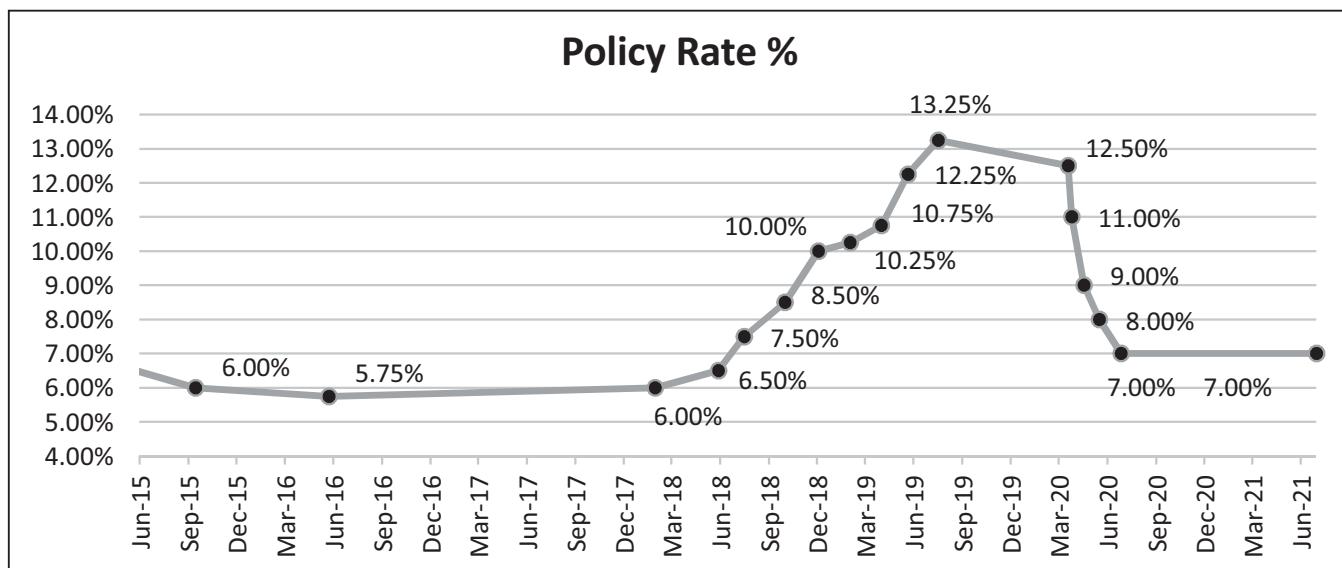
It is my pleasure to present you the Annual Reports of Atlas Money Market Fund (AMF), Atlas Sovereign Fund (ASF), Atlas Income Fund (AIF) and Atlas Stock Market Fund (ASMF) for the financial year ended June 30, 2021.

THE ECONOMY

After witnessing unprecedented challenges in past two years on account of COVID outbreak and macroeconomic stabilization, the economy made sharp recovery in FY21 by posting GDP growth of 3.94% compared to a negative growth of 0.47% in FY20. Economy progressed towards sustainable growth on the back of government's implementation of Rs. 1,240 billion economic stimulus package, SBP's accommodative monetary policy, targeted financial support to public/industries, and ongoing IMF program. During FY21, CAD reduced by 58.37% to US \$1.85 billion compared to US \$4.45 billion in FY20, largely on the back of 26.98% increase in FY21 Worker's Remittances of US \$29.37 billion compared to US \$23.13 billion in FY20. During FY21, Imports and Exports increased by 26.60% and 18.28% to stand at US \$56.41 billion and US \$25.30 billion, respectively. Total liquid Foreign Exchange Reserves increased by 29.18% YoY to US \$24.40 billion as of June 30, 2021 (SBP's share stood at US \$17.30 billion) primarily due to decline in CAD, stark growth in Worker's Remittances, inflows from Multilateral and Bilateral lenders for budgetary support and approval of debt suspension as part of G-20 debt relief deal. Average CPI inflation remained at 8.90% in FY21, within SBP's projected range of 7.00% to 9.00%. The State Bank maintained policy rate at 7.00% throughout FY21 in order to help economy regain growth momentum and ensure liquidity support to households and businesses.

THE MONEY MARKET

SBP maintained policy rate at 7.00% with objective to stimulate economy and boost investor/consumer confidence, given the enforcement of sporadic lockdowns due to third and fourth wave of pandemic. Going forward, change in monetary policy stance may be witnessed if demand side pressures emerge. The Consumer Price Index (CPI) Inflation averaged at 8.90% during FY21 compared to 10.74% in FY20. Food inflation and rising energy prices remained major contributors to FY21 CPI inflation.



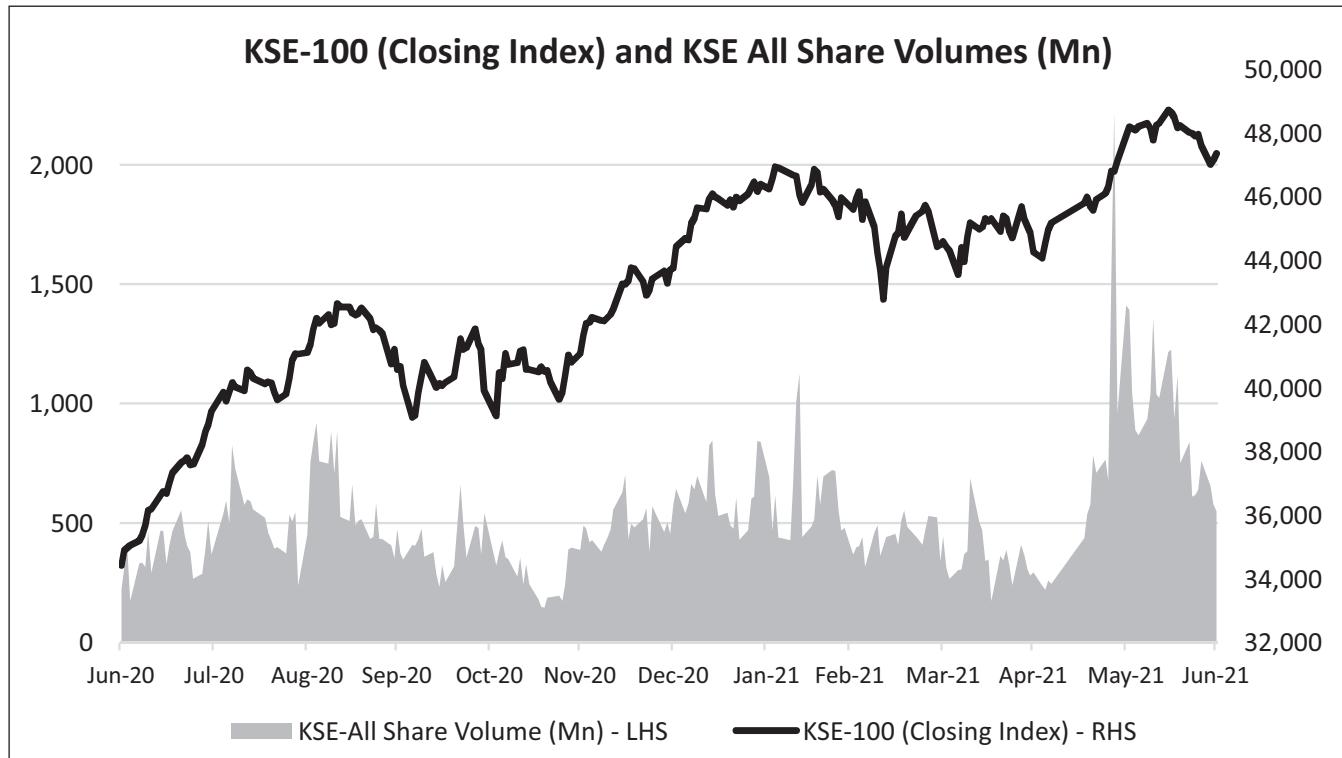
The growth in money supply (M2) witnessed an increase of 13.68% during FY21 that is Rs. 2,859 billion against an expansion of 15.74% (Rs. 2,801 billion) in FY20. Net Foreign Assets (NFA) increased by Rs. 1,008 billion during FY21 compared to an increase of Rs. 991 billion in FY20.

Net Domestic Asset (NDA) of banking system declined by 12.61% or Rs. 1,851 billion during FY21 against a decline of 31.60% or Rs. 2,118 billion during FY20. Credit to private sector increased by Rs. 595 billion in FY21 due to high working capital requirement of corporate sector and a surge in consumer financing.

THE STOCK MARKET

The KSE-100 index increased 37.58% from 34,421.92 points as on June 30, 2020 to 47,356.02 points as on June 30, 2021. The daily average volume during FY21 increased by 168.80% to 528 million shares compared to daily average of 196 million shares traded in FY20. Net outflow of US \$387 was recorded by Foreign Portfolio Investors during FY21 compared to net outflow

of US \$285 million in FY20. On local investors front, Individuals, Companies, Other Organizations and Mutual Funds were net buyers of US \$332 million, US \$138 million, US \$45 million and US \$10 million. Insurance Companies, Broker Proprietary Trading and Banks remained net sellers of US \$10 million, US \$32 million and US \$95 million, respectively.



During FY21, sectors that outperformed benchmark KSE-100 index were Technology & Communication, Refinery, Engineering, Cement, Textile Composite and Automobile Assembler that posted 196.4%, 161.1%, 98.1%, 74.9%, 54.9% and 47.2% returns, respectively. Sectors that underperformed KSE-100 index were Power Generation & Distribution Companies, Chemical, Oil & Gas Marketing Companies, Commercial Banks, Fertilizer and Oil & Gas Exploration Companies that posted 32.3%, 29.2%, 22.8%, 21.8%, 7.1% and -1.0% returns, respectively.

During the year, new listings on the stock exchange were The Organic Meat Company Limited, TPL Trakker Limited, Agha Steel Industries Limited, Panther Tyres Limited and Service Global Footwear Limited. The amounts raised through IPO by aforementioned companies were Rs. 800 million, Rs. 802 million, Rs. 3,840 million, Rs. 2,632 million and Rs. 2,175 million, respectively. During FY20, no new listings were made on the stock exchange.

The government's FY22 budget is focused on achieving inclusive and sustainable growth. Key budgetary measures include increased development expenditure as well as reduced regulatory duties, custom duties, FED and sales tax on import of raw materials and capital goods. These measures will directly benefit construction and allied industries, as well as export-oriented industries. The FY22 target for growth is set at 4.8% and is focused on striking a balance between COVID related expenditure, controlling fiscal deficit, keeping primary balance at sustainable level, successful continuation of IMF program and keeping development expenditure at sufficient level to support economic activity. The government has budgeted FY22 tax collection (FBR) at Rs. 5,829 billion and expects to achieve it by broadening tax base, strengthening administrative controls and incentivizing economic activity.

MUTUAL FUND INDUSTRY

The assets under management (AUMs) for the mutual funds industry increased by 37.02% to Rs. 1,058.12 billion as at June 30, 2021 from Rs. 772.23 billion as at June 30, 2020. In FY21, Money Market funds (both Conventional and Shariah Compliant) dominated in terms of AUMs representing 44.16% of total mutual fund industry AUMs (Rs. 467.27 billion) followed by Income funds (both Conventional and Shariah Compliant) representing 23.17% of total mutual fund industry AUMs (Rs. 245.20 billion) and Equity Funds representing 22.34% of total mutual fund industry AUMs (Rs. 236.41 billion). The AUM of VPS increased by

27.37% from Rs. 30.74 billion as on June 30, 2020 to Rs. 39.15 billion as on June 30, 2021. The share of Shariah Compliant VPS stood at Rs. 26.20 billion or 66.93% of total VPS.

MUTUAL FUND TAXATION

SINDH WORKER'S WELFARE FUND (SWWF)

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

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

FEDERAL EXCISE DUTY (FED)

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

WITHHOLDING TAX

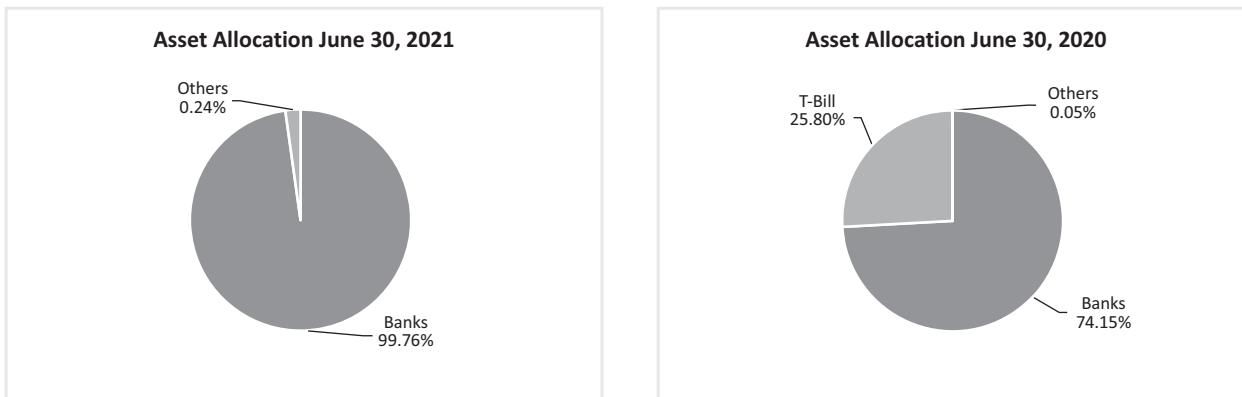
After the promulgation of circular dated May 12, 2015, any person required to withhold income tax, may only allow exemption if a valid exemption certificate under section 159(1) of the Income Tax Ordinance, 2001 issued by the concerned Commissioner of Inland Revenue, is produced before him. So far, Mutual Funds and approved Pension Funds were automatically allowed exemption from withholding tax by virtue of clause 47(B) of Part IV of the Second Schedule to Ordinance. The Company along with other AMCs filed a petition in the Honorable Sindh High Court against the new requirement of FBR. The Honorable Sindh High Court decided that the requirement of obtaining exemption certificate will apply to those entities as well whose income are otherwise exempt from tax. Thereafter, a petition was filed in the Supreme Court of Pakistan (SCP) on January 28, 2016 by the Company along with other AMCs. The SCP granted the petitioners leave to appeal from initial judgement of the SHC. Pending resolution to the matter, the amount of tax withheld is shown in Other Receivables, which is refundable. In the meanwhile, Mutual Funds are obtaining exemption certificates from Commissioner of Income Tax.

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

FUND OPERATIONS - AMF

The Net Asset Value per unit of Atlas Money Market Fund increased by 6.86% to Rs. 505.88 as on June 30, 2021. The benchmark 30% of average 3-Month deposit rates of three scheduled banks (AA and above rated as selected by MUFAP) and 70% average

3 Month PKRV rate for the period stood at 6.71%. The AMF total exposure in Banks/Cash and Others stood at 99.76% and 0.24%, respectively. AMF presents a good investment opportunity for investors to earn attractive returns while maintaining high liquidity. The Net Assets of the Fund stood at Rs. 24.23 billion, with 47.89 million units outstanding as of June 30, 2021.

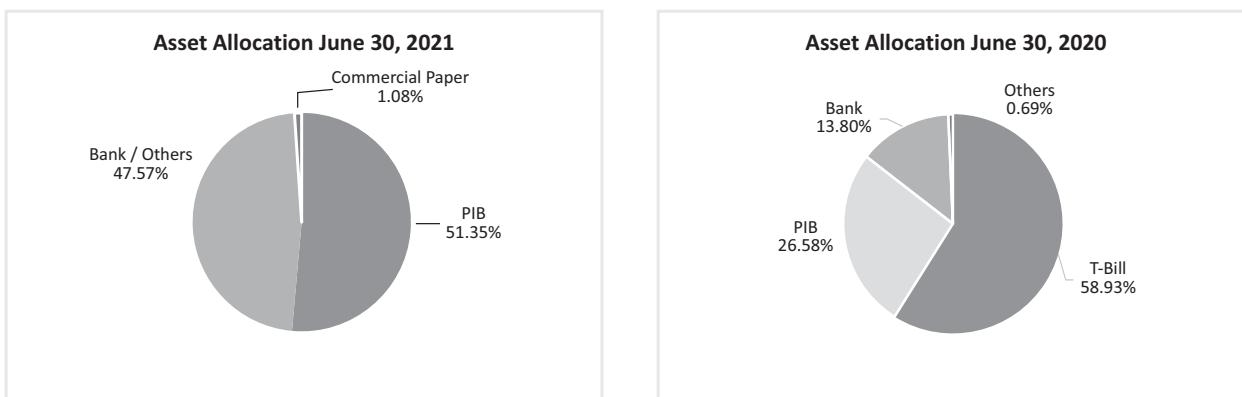


The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Money Market Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited has approved aggregated interim distribution of Rs 32.99 per unit for the period ended June 30, 2021 (6.60% on the face value of Rs. 500 per unit).

The Fund has made provision against SWWF, which up till June 30, 2021 amounted to Rs. 91,874,642 (Rs. 1.92 per unit). The Scheme has held provision for FED liability that amounted to Rs. 20,428,502 up till June 30, 2021 (Rs. 0.43 per unit).

FUND OPERATIONS - ASF

The Net Asset Value per unit of Atlas Sovereign Fund increased by 6.16% to Rs. 101.12 as on June 30, 2021. The benchmark average six months PKRV rate stood at 7.29% during the period under review. The ASF total exposure in Pakistan Investment Bonds, Banks/Others and Commercial Paper stood at 51.35%, 47.57% and 1.08%, respectively. ASF presents a good investment opportunity for investors to earn competitive returns with medium risk. The Net Assets of the Fund stood at Rs. 2.23 billion, with 22.01 million units outstanding as of June 30, 2021.

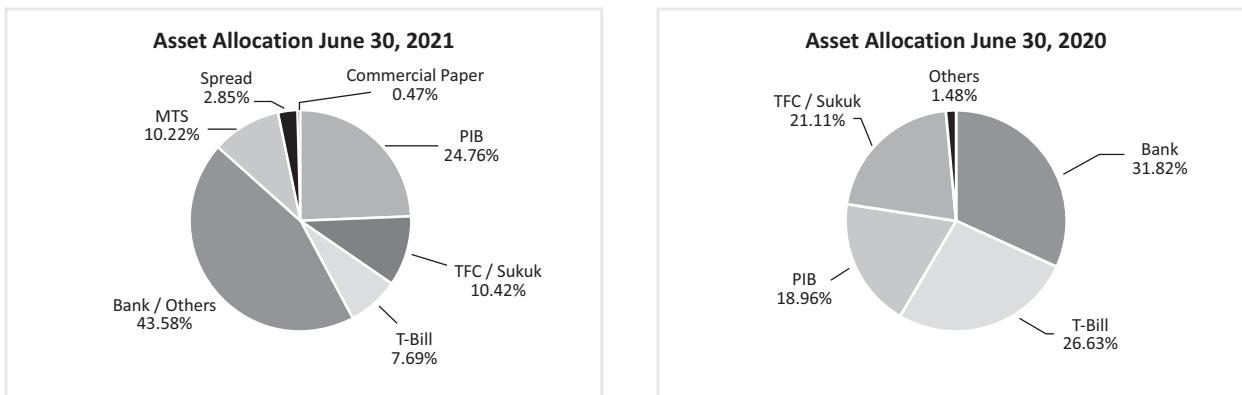


The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Sovereign Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited has approved aggregated interim distribution of Rs 6.04 per unit for the period ended June 30, 2021 (6.04% on the face value of Rs. 100 per unit).

The Fund has made provision against SWWF, which up till June 30, 2021 amounted to Rs. 12,565,416 (Rs. 0.57 per unit). The Scheme has also held provision for FED liability that amounted to Rs. 905,341 up till June 30, 2021 (Rs. 0.04 per unit).

FUND OPERATIONS - AIF

The Net Asset Value per unit of Atlas Income Fund increased by 6.99% to Rs. 522.56 as on June 30, 2021. The benchmark average six months KIBOR rate stood at 7.43% during the period under review. AIF total exposure in Bank/Others, Pakistan Investment Bonds, TFC/Sukuk, MTS, Treasury Bills, Spread Transactions and Commercial Papers stood at 43.58%, 24.76%, 10.42%, 10.22%, 7.69%, 2.85% and 0.47% respectively. AIF presents a good investment opportunity for investors to earn competitive returns while taking medium risk. The Net Assets of the Fund stood at Rs. 4.99 billion with 9.55 million units outstanding as of June 30, 2021.

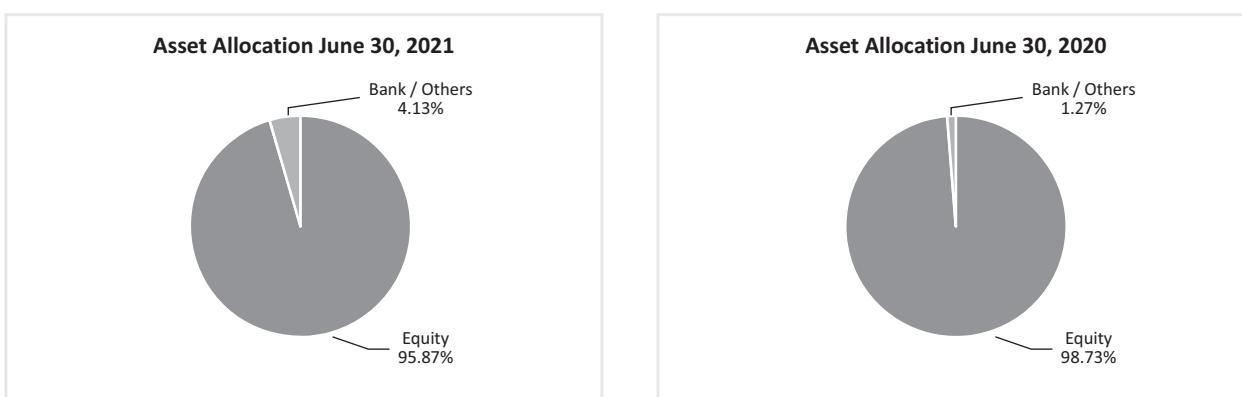


The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Income Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited has approved aggregated interim distribution of Rs 33.25 per unit for the period ended June 30, 2021 (6.65% on the face value of Rs. 500 per unit).

The Fund has made provision against SWWF, which up till June 30, 2021 amounted to 44,638,021 (Rs. 4.68 per unit). The Scheme has held provision for FED liability that amounted to Rs. 23,582,971 up till June 30, 2021 (Rs. 2.47 per unit).

FUND OPERATIONS - ASMF

The Net Asset Value per unit of Atlas Stock Market Fund increased by 41.87% to Rs. 688.08 as on June 30, 2021. The benchmark KSE-100 index increased by 37.58% during the same period. The KSE-100 index increased from 34,421.92 points as on June 30, 2020 to 47,356.02 points as on June 30, 2021. The ASMF equity portfolio exposure stood at 95.87% that mainly comprised of Commercial Banks, Cement, Oil & Gas Exploration and Fertilizer sectors. ASMF strategy will continue to focus on dividend plays and stocks which are trading at relatively cheap multiple with prospects of earnings growth. The Net Assets of the Fund stood at Rs. 9.86 billion, with 14.33 million units outstanding as of June 30, 2021.



The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Stock Market Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited has approved aggregated interim distribution of Rs. 46.00 per unit for the period ended June 30, 2021 (9.20% on the face value of Rs. 500 per unit).

The Fund has made provision against SWWF, which up till June 30, 2021 amounted to Rs. 105,137,220 (Rs. 7.34 per unit). The Scheme has held provision for FED liability that amounted to Rs. 20,301,988 up till June 30, 2021 (Rs. 1.42 per unit).

RATINGS

- **Asset Manager Rating**

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

- **Fund Stability Rating - AMF**

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

- **Fund Stability Rating - ASF**

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

FUTURE OUTLOOK

In FY22, economic growth is expected to pick up further from 3.94% (FY21) to 4.0% - 5.0% range taking support from measures announced in FY22 budget, accommodative monetary conditions, disbursements under SBP's TERF facility for investment and other refinance facilities. Downside risks to growth stems from resurgence of COVID cases associated with new strains of the virus both globally and domestically. Imports are expected to grow on the back of domestic recovery and rebound in global commodity prices whereby market-based flexible exchange rate system, strong inflows from Worker's Remittances, improving outlook for Exports and appropriate macroeconomic policies will likely contain the Current Account Deficit in a sustainable range of 2.0% - 3.0% of GDP in FY22. Foreign Exchange Reserves will likely continue to improve in FY22 due to adequate availability of external financing and IMF's new SDR allocation of US \$2.80 billion. Inflation is expected to range between 7.0% - 9.0% in FY22. The Monetary Policy Committee expects policy stance to remain accommodative in near term. In case of emergence of demand-led inflationary pressures or current account vulnerabilities, adjustments in policy rate will be made in order to achieve mildly positive real interest rates. Going forward, government's focus towards widening tax base and implementation of measures to support economic recovery will be instrumental in sustaining economic activity, safeguarding jobs and addressing social needs.

روشن شر ریشہ سے ہے خانہ فرباد!

Hard work always pays rich tribute

ACKNOWLEDGEMENT

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

Karachi: 6 September 2021

Iftikhar H. Shirazi
Chairman

DIRECTORS' REPORT

The Board of Directors of Atlas Asset Management Limited, the Management Company of Atlas Money Market Fund (AMF), Atlas Sovereign Fund (ASF), Atlas Income Fund (AIF) and Atlas Stock Market Fund (ASMF) take pleasure in presenting the Annual Reports along with the audited financial statements and Auditors' Reports thereon of AMF, ASF, AIF and ASMF for the year ended 30 June 2021.

EARNINGS PER UNIT, NET ASSETS AND SALES/REDEMPTIONS SUMMARY

Earnings per unit, net assets, and summary of sales / redemption of units of AMF, ASF, AIF and ASMF for the year ended 30 June 2021 and 30 June, 2020 are as follows:

	AMF		ASF		AIF		ASMF	
	2021	2020	2021	2020	2021	2020	2021	2020
Earnings / (loss) per unit – Rupees	25.07	70.17	5.81	18.95	29.83	69.87	207.05	21.23
Return (YTD)	6.86%	12.81%	6.16%	18.08%	6.99%	16.26%	41.87%	4.62%
Net assets – Rupees million	24,228.83	10,031.47	2,225.31	2,083.47	4,988.43	3,715.45	9,862.47	6,841.67
Sales – Rupees million	38,921.33	26,365.03	813.90	2,502.39	5,055.41	2,405.97	6,020.27	2,704.28
Sales – in units	76,773,148	52,089,215	7,901,729	23,140,077	9,410,509	4,273,077	9,010,475	5,185,957
Redemptions – Rupees million	24,722.67	26,629.05	672.86	2,791.00	3,758.12	1,667.40	5,332.24	1,048.00
Redemptions – in units	48,732,687	52,586,971	6,530,676	25,440,547	7,015,950	2,942,432	7,917,985	1,954,669
Units outstanding at year end	47,894,700	19,854,239	22,006,687	20,635,634	9,546,130	7,151,571	14,333,327	3,240,837

REVOCATION OF ATLAS GOLD FUND

AGF has been revoked on November 3, 2017 and is no longer offered to investors. An amount of Rs.210.29 million has been paid to investors against final settlement. However, there is a claim for refund of tax amounting to Rs.0.33 million and also there are provisions in the books for Federal Excise Duty and Sindh Workers' Welfare Fund amounting to Rs.2.19 million that has been made as an abundant precaution. Once these issues are resolved a further payment will be made to unit holders.

INCOME DISTRIBUTION - AMF

The Investment Committee of the Management Company of AMF, under the authority delegated to them by the Board of Directors, approved an aggregate interim distribution of Rs. 32.99 per unit (2020: Rs.59.00 per unit) for the FY 2020-21. The total payout for the year works out to 6.60% (2020: 11.80%) on the face value of Rs.500 per unit.

INCOME DISTRIBUTION - ASF

The Investment Committee of the Management Company of ASF, under the authority delegated to them by the Board of Directors, approved an interim distribution of Rs. 6.04 per unit (2020: Rs. 17.50 per unit) for the FY 2020-21. The total payout for the year works out to 6.04% (2020: 17.50%) on the face value of Rs.100 per unit.

INCOME DISTRIBUTION - AIF

The Investment Committee of the Management Company of AIF, under the authority delegated to them by the Board of Directors, approved an interim distribution of Rs. 33.25 per unit (2020: Rs. 77.50 per unit) for the FY 2020-21. The total payout for the year works out to 6.65% (2020: 15.50%) on the face value of Rs.500 per unit.

INCOME DISTRIBUTION - ASMF

The Investment Committee of the Management Company of ASMF, under the authority delegated to them by the Board of Directors, approved an interim distribution of Rs. 46.00 per unit (2020: 10.50) for the FY 2020-21. The total payout for the year works out to 9.20% (2020: 2.10) on the face value of Rs.500 per unit.

CHAIRMAN'S REVIEW

The review included in the Annual Report of AMF, ASF, AIF and ASMF deals inter alia with the performance of these Funds for the year and future prospects. The directors endorse the contents of the review.

CORPORATE GOVERNANCE

The Company strongly believes in following the highest standards of Corporate Governance, ethics, and good business practices, which are an integral part of the Atlas Group Culture. The Code of Conduct of the Company, approved in July 2012, defines the obligations and responsibilities of all - the Board members, the employees, and the Company towards the various stakeholders, each other, and the society as a whole. The Code of Conduct is available on the Company's website.

STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors states for AMF, ASF, AIF and ASMF that:

- The financial statements, prepared by the Management Company of these funds present fairly their state of affairs, the results of operations, comprehensive income for the year, cash flows, and movement in Unit Holders' Funds.
- Proper books of account of these Funds have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of the financial statements and any departure there from has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There is no doubt about the Funds' ability to continue as a going concern.
- Statutory payments, taxes, levies properly disclosed in the Financial Statements.
- Summaries of key financial data/ performance tables of AMF, ASF, AIF and ASMF are annexed on pages 22, 61, 97 and 143 respectively, of the Annual Report.
- The statement as to the value of investments of provident fund is not applicable in the case of these funds as these relate to retirement benefits to the employees of the Management Company, and are not chargeable to these Funds.
- The pattern of unit holdings is appended as notes 22, 23, 26 and 24 respectively, to the financial statements of AMF, ASF, AIF and ASMF.

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY AND COMMITTEES THEREOF

During the period, the Board of Directors of AAML included: Mr. Iftikhar H. Shirazi, Chairman, Mr. Frahim Ali Khan, Director, Mr. M. Habib-ur-Rahman, Director, Mr. Tariq Amin, Independent Director, Mr. Ali H. Shirazi, Director, Ms. Zehra Naqvi, Independent Director and Mr. Muhammad Abdul Samad, Chief Executive Officer.

i. The current total number of Directors is 7 as follows:

- Male: 6
- Female: 1

ii. The current composition of the Board is as follows:

- Independent Directors: 2*
- Non-Executive Directors: 4
- Executive Directors: 1
- Female Director: 1 (*Independent Director)

Six Board Meetings were held and attended during FY 2020-21. The particulars of the dates of meetings, and the directors attending, as required under the NBFC Regulations, 2008, are appended as note 26, 27, 30 and 28 respectively to the financial statements of AMF, ASF AIF and ASMF.

Committees of the Board comprise the Audit Committee, the Human Resource & Remuneration Committee, and the Investment Committee (which includes executive management personnel as required under the NBFC Regulations, 2008). These meetings were attended by the Directors as per the following details:

- **Audit Committee (AC)** - four AC meetings were held during the year, and attended as follows:

Serial no.	Name of Director	Status	Meetings attended
1	Mr. Tariq Amin	Independent Director	4
2	Mr. Frahim Ali Khan	Non-Executive Director	4
3	Mr. M. Habib -ur-Rahman	Non-Executive Director	4

- **Human Resource & Remuneration Committee (HR& RC)** - two meeting was held during the year and attended as follows:

Serial no.	Name of Director	Status	Meetings attended
1	Ms. Zehra Naqvi	Independent Director	2
1	Mr. Frahim Ali Khan	Non-Executive Director	2
2	Mr. Ali H. Shirazi	Non-Executive Director	1
3	Mr. M. Abdul Samad	Chief Executive Officer	2

- **Investment Committee** - fifty two meetings were held during the year and attended as follows:

Serial no.	Name of Director	Status	Meetings attended
1	Mr. Ali H. Shirazi	Non-Executive Director	21
2	Mr. M. Abdul Samad	Chief Executive Officer	47
3	Mr. Khalid Mahmood (executive management)	Chief Investment Officer Member IC	50
5	Mr. M. Umar Khan (executive management)	Head of Portfolio Management Member IC	52
6	Mr. Fawad Javaid (executive management)	Head of Fixed Income Member IC	52
7	Mr. Faran-ul-Haq (executive management)	Head of Equities Secretary IC	50

RATINGS UPDATE

ASSET MANAGER RATING

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

FUND STABILITY RATING - AMF

PACRA maintained the stability rating of "AA + (f)" (Double A Plus; fund rating) to the Fund on 16 April 2021. The Fund's rating denotes a very strong capacity to manage relative stability in returns and very low exposure to risks.

FUND STABILITY RATING - ASF

PACRA has assigned a stability rating of "AA- (f)" (Double A Minus fund rating) to the Fund on 16 April 2021. The Fund's rating denotes a very strong capacity to manage relative stability in returns and very low exposure to risks.

FUND STABILITY RATING - AIF

PACRA maintained the stability rating of "AA- (f)" (Double A Minus fund rating) to the Fund on 16 April 2021. The Fund's rating denotes a very strong capacity to manage relative stability in returns and very low exposure to risks.

AUDITORS

The Audit Committee of the Board of Directors, in their meeting held on September 01, 2021, recommended the re-appointment of M/s. A. F. Ferguson & Co., Chartered Accountants, Karachi, being eligible, as auditors of Atlas Sovereign Fund, for the financial year ending 30 June 2022, and the re-appointment of M/s. EY Ford Rhodes, Chartered Accountants, Karachi, being eligible, as auditors of the Atlas Money Market Fund, Atlas Income Fund and Atlas Stock Market Fund, respectively for the financial year ending 30 June 2022.

ACKNOWLEDGEMENT

The Board of Directors of the Management Company thanks the Securities and Exchange Commission of Pakistan for their valuable support, assistance and guidance. The Board also thanks the employees of the Management Company and the Trustee, for their dedication and hard work, and the Unit Holders, for their confidence in the Management Company.

For and on behalf of the Board

Muhammad Abdul Samad
Chief Executive Officer

Frahim Ali Khan
Director

Karachi: 6 September 2021

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

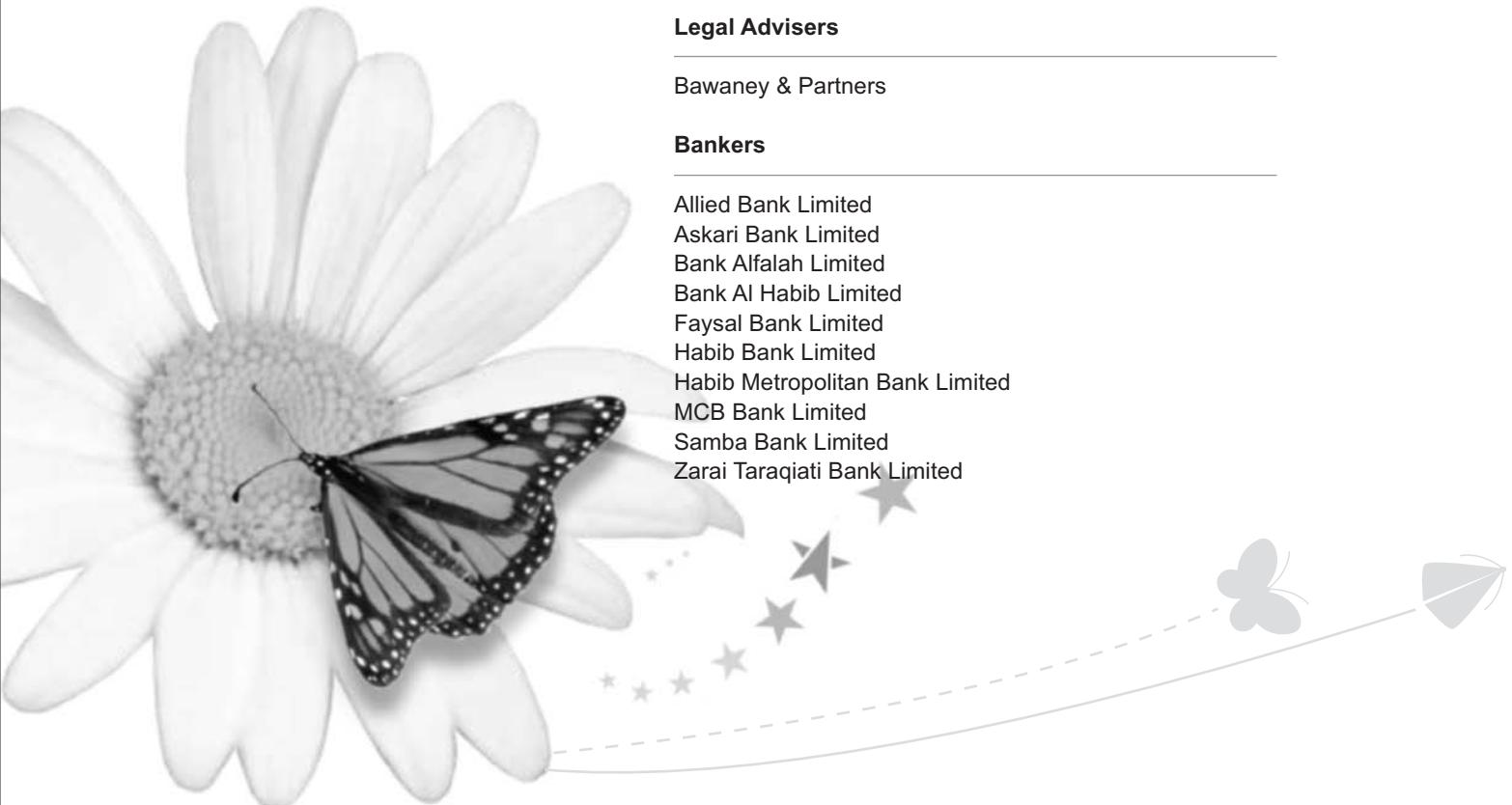
EY Ford Rhodes
Chartered Accountants

Legal Advisers

Bawaney & Partners

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Samba Bank Limited
Zarai Taraqiati Bank Limited



Fund Manager's Report

Atlas Money Market Fund (AMF) is an Open-ended Money Market Fund. The investment objective of AMF is to provide its unit-holders attractive returns from a portfolio of very low risk, short duration assets while maintaining high liquidity. The Fund will invest the entire assets in authorized short-term money market investment avenues with a maximum time to maturity of six months and weighted average time to maturity of ninety days. This is intended to reduce risk while maintaining liquidity. The Fund's investment strategy is based on fundamental credit analysis of counter parties. Specifically, the investment strategy will seek to invest in those money market instruments that offer attractive market returns and are issued by sponsors with good credit rating, strong financials and ability to repay.

The Benchmark for "Atlas Money Market Fund" is 30% of "3-Month deposit rates of three scheduled banks (AA and above rated) as selected by MUFAP" for the period of return; and 70% that would be an average of "3 Month PKRV rate".

The Consumer Price Index (CPI) Inflation averaged at 8.9% during FY21 compared to 10.7% in FY20. Food inflation and rising energy prices remained major contributors to FY21 CPI inflation. During FY21, SBP maintained policy rate at 7.00% with an aim to stimulate economy and boost investor & consumer confidence, given the enforcement of sporadic lockdowns due to the third & fourth wave of the pandemic. Going forward, accommodation witnessed in monetary policy may be reduced if economy reaches full potential and demand side pressures emerge.

The Net Asset Value per unit of Atlas Money Market Fund increased by 6.86% to Rs. 505.88 as on June 30, 2021. The benchmark 30% of average 3-Month deposit rates of three scheduled banks (AA and above rated as selected by MUFAP) and 70% average 3 Month PKRV rate for the period stood at 6.71%. The AMF total exposure in Banks/Cash and Others stood at 99.76% and 0.24%, respectively. AMF presents a good investment opportunity for investors to earn attractive returns while maintaining high liquidity. The Net Assets of the Fund stood at Rs. 24.23 billion, with 47.89 million units outstanding as of June 30, 2021.



The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Money Market Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited has approved aggregated interim distribution of Rs 32.99 per unit for the period ended June 30, 2021 (6.60% on the face value of Rs. 500 per unit).

Breakdown of Unit Holding by size:

Type of Investor	No. of Investors	Amount of Investment (Rs.)	Percentage (%)
Individuals	904	1,493,508,608	6.16%
Associated Companies / Directors	15	7,991,919,846	32.99%
Insurance Companies	1	27,420,272	0.11%
Banks / DFIs	1	1,069,290,350	4.41%
Retirement Funds	29	839,730,630	3.47%
Others	30	12,806,955,646	52.86%
Total	980	24,228,825,352	100.00%

The Fund has made provision against SWWF, which up till June 30, 2021 amounted to Rs. 91,874,642 (Rs. 1.92 per unit). The Scheme has held provision for FED liability that amounted to Rs. 20,428,502 up till June 30, 2021 (Rs. 0.43 per unit).

The Total Expense Ratio (TER) of the Fund is 0.65% including Government levy, SWWF and SECP Fee of 0.20%.

During the year under review, the Investment Committee held fifty-two meetings to review investment of the Fund and the Risk Committee held fifteen meetings to review risk management.

Karachi: 6 September 2021

Fawad Javaid
Head of Fixed Income

PERFORMANCE SINCE INCEPTION

	2021	2020	2019	2018	2017	2016
Net assets (Rs. in '000)	24,228,825	10,031,480	10,239,504	13,160,883	4,629,482	3,269,852
Number of units in issue	47,894,699	19,854,239	20,351,995	24,859,132	9,224,702	6,525,388
Net asset value per unit (Rs.)	505.88	505.26	503.12	529.42	501.86	501.10
Net income (Rs. in '000)	1,200,552	1,393,183	1,225,892	549,628	77,403	56,325
Earnings per unit (Rs.)	25.07	70.17	60.23	22.11	8.39	8.63
Annual return of the Fund (%)	6.86	12.81	8.87	5.49	6.14	6.02
Offer price ** (Rs.)	505.88	505.26	503.12	529.42	501.86	501.10
Redemption price ** (Rs.)	505.88	505.26	503.12	529.42	501.86	501.10
Highest offer price (Rs.)	508.90	509.79	523.51	529.33	530.81	533.67
Lowest offer price (Rs.)	505.36	503.31	502.60	502.63	501.18	500.76
Highest repurchase price per unit (Rs.)	508.90	509.79	523.51	529.33	530.81	533.67
Lowest repurchase price per unit (Rs.)	505.36	503.31	502.60	502.63	501.18	500.76
Weighted average portfolio (No. of days)	38.69	26.80	1.00	1.01	0.97	9.30

	2015	2014	2013	2012	2011	2010*
Net assets (Rs. in '000)	3,699,654	6,049,597	3,821,637	4,532,025	3,316,616	1,410,417
Number of units in issue	7,345,095	12,038,054	7,607,048	9,015,663	6,415,479	2,746,118
Net asset value per unit (Rs.)	503.69	502.54	502.38	502.68	516.97	513.60
Net income (Rs. in '000)	97,766	496,778	348,581	467,312	283,224	62,542
Earnings per unit (Rs.)	13.31	41.27	45.82	51.83	44.15	22.77
Annual return of the Fund (%)	8.59	8.29	9.02	11.33	11.64	10.16
Offer price ** (Rs.)	503.69	502.54	502.19	502.54	516.97	513.60
Redemption price ** (Rs.)	503.69	502.54	502.19	502.54	516.97	513.60
Highest offer price (Rs.)	544.97	506.35	508.59	508.12	517.25	513.60
Lowest offer price (Rs.)	503.60	501.14	502.07	502.27	501.41	502.07
Highest repurchase price per unit (Rs.)	544.97	506.35	508.59	508.12	517.25	513.60
Lowest repurchase price per unit (Rs.)	503.60	501.14	502.07	502.27	501.41	502.07
Weighted average portfolio (No. of days)	6.95	47.49	44.61	55.12	78.82	50.81

* Date of Launch: 20 January 2010

**Relates to announced prices

Note: Past Performance of the Fund is not indicative of future performance, and the price and investment return may go down, as well as up.

DISTRIBUTION HISTORY

Distribution detail	2021	2020	2019	2018	2017	2016	2015
First Interim distribution cash dividend (Rs.)	2.10	4.25	20.00	-	30.00	33.00	42.00
First Interim distribution as a % of Ex-NAV of units	0.42	0.84	3.98	-	5.99	6.55	8.36
Date of distribution	24-Jul-20	26-Jul-19	18-Jan-19	-	20-Jun-17	24-Jun-16	29-Jun-15
Second Interim distribution cash dividend (Rs.)	2.50	4.85	4.50	-	-	-	-
Second Interim distribution as a % of Ex-NAV of units	0.49	0.96	0.90	-	-	-	-
Date of distribution	28-Aug-20	23-Aug-19	15-Feb-19	-	-	-	-
Third Interim distribution cash dividend (Rs.)	2.60	4.90	3.75	-	-	-	-
Third Interim distribution as a % of Ex-NAV of units	0.51	0.97	0.75	-	-	-	-
Date of distribution	25-Sep-20	20-Sep-19	15-Mar-19	-	-	-	-
Fourth Interim distribution cash dividend (Rs.)	2.60	6.30	3.90	-	-	-	-
Fourth Interim distribution as a % of Ex-NAV of units	0.51	1.25	0.78	-	-	-	-
Date of distribution	23-Oct-20	25-Oct-19	15-Apr-19	-	-	-	-
Fifth Interim distribution cash dividend (Rs.)	3.10	4.80	4.25	-	-	-	-
Fifth Interim distribution as a % of Ex-NAV of units	0.61	0.95	0.85	-	-	-	-
Date of distribution	27-Nov-20	22-Nov-19	15-May-19	-	-	-	-
Sixth Interim distribution cash dividend (Rs.)	2.50	6.20	6.15	-	-	-	-
Sixth Interim distribution as a % of Ex-NAV of units	0.49	1.23	1.22	-	-	-	-
Date of distribution	24-Dec-20	27-Dec-19	27-Jun-19	-	-	-	-
Seventh Interim distribution cash dividend (Rs.)	3.40	5.00	-	-	-	-	-
Seventh Interim distribution as a % of Ex-NAV of units	0.67	0.99	-	-	-	-	-
Date of distribution	29-Jan-21	24-Jan-20	-	-	-	-	-
Eighth Interim distribution cash dividend (Rs.)	2.50	4.75	-	-	-	-	-
Eighth Interim distribution as a % of Ex-NAV of units	0.49	0.94	-	-	-	-	-
Date of distribution	26-Feb-21	21-Feb-20	-	-	-	-	-
Nineth Interim distribution cash dividend (Rs.)	2.65	6.40	-	-	-	-	-
Nineth Interim distribution as a % of Ex-NAV of units	0.52	1.27	-	-	-	-	-
Date of distribution	26-Mar-21	27-Mar-20	-	-	-	-	-
Tenth Interim distribution cash dividend (Rs.)	2.70	5.00	-	-	-	-	-
Tenth Interim distribution as a % of Ex-NAV of units	0.53	0.99	-	-	-	-	-
Date of distribution	23-Apr-21	24-Apr-20	-	-	-	-	-
Eleventh Interim distribution cash dividend (Rs.)	2.70	2.60	-	-	-	-	-
Eleventh Interim distribution as a % of Ex-NAV of units	0.53	0.52	-	-	-	-	-
Date of distribution	21-May-21	29-May-20	-	-	-	-	-
Twelfth Interim distribution cash dividend (Rs.)	3.64	3.95	-	-	-	-	-
Twelfth Interim distribution as a % of Ex-NAV of units	0.72	0.79	-	-	-	-	-
Date of distribution	25-Jun-21	26-Jun-20	-	-	-	-	-
Final distribution cash dividend (Rs.)	-	-	-	27	-	-	-
Final distribution as a % of Ex-NAV of units	-	-	-	5.38	-	-	-
Date of distribution	-	-	-	6-Jul-18	-	-	-

Monthly Distribution - 2014	Date of distribution	Distribution per unit (Rs.)	Distribution as a % of Opening Ex-NAV of units
1st Interim distribution	31 July 2013	3.00	0.60%
2nd Interim distribution	30 August 2013	3.00	0.60%
3rd Interim distribution	27 September 2013	3.00	0.60%
4th Interim distribution	24 October 2013	3.25	0.65%
5th Interim distribution	29 November 2013	3.25	0.65%
6th Interim distribution	27 December 2013	3.25	0.65%
7th Interim distribution	31 January 2014	3.50	0.70%
8th Interim distribution	28 February 2014	3.25	0.65%
9th Interim distribution	28 March 2014	3.50	0.70%
10th Interim distribution	29 April 2014	3.50	0.70%
11th Interim distribution	30 May 2014	3.50	0.70%
12th Interim distribution	18 June 2014	4.00	0.80%

Monthly Distribution - 2013	Date of distribution	Distribution per unit (Rs.)	Distribution as a % of Opening Ex-NAV of units
1st Interim distribution	27 July 2012	4.00	0.80%
2nd Interim distribution	31 August 2012	4.00	0.80%
3rd Interim distribution	28 September 2012	3.75	0.75%
4th Interim distribution	31 October 2012	3.75	0.75%
5th Interim distribution	30 November 2012	3.25	0.65%
6th Interim distribution	26 December 2012	3.25	0.65%
7th Interim distribution	31 January 2013	3.25	0.65%
8th Interim distribution	28 February 2013	2.75	0.55%
9th Interim distribution	29 March 2013	3.00	0.60%
10th Interim distribution	30 April 2013	4.00	0.80%
11th Interim distribution	31 May 2013	4.00	0.80%
12th Interim distribution	27 June 2013	5.00	0.99%

Monthly Distribution - 2012	Date of distribution	Distribution per unit (Rs.)	Distribution as a % of Opening Ex-NAV of units
1st Interim distribution	29 July 2011	4.00	0.80%
2nd Interim distribution	26 August 2011	5.00	1.00%
3rd Interim distribution	28 September 2011	5.00	1.00%
4th Interim distribution	28 October 2011	5.00	1.00%
5th Interim distribution	25 November 2011	4.00	0.80%
6th Interim distribution	28 December 2011	4.00	0.80%
7th Interim distribution	27 January 2012	4.00	0.80%
8th Interim distribution	24 February 2012	4.00	0.80%
9th Interim distribution	29 March 2012	4.00	0.80%
10th Interim distribution	27 April 2012	4.50	0.90%
11th Interim distribution	25 May 2012	5.00	1.00%
12th Interim distribution	27 June 2012	5.00	1.00%

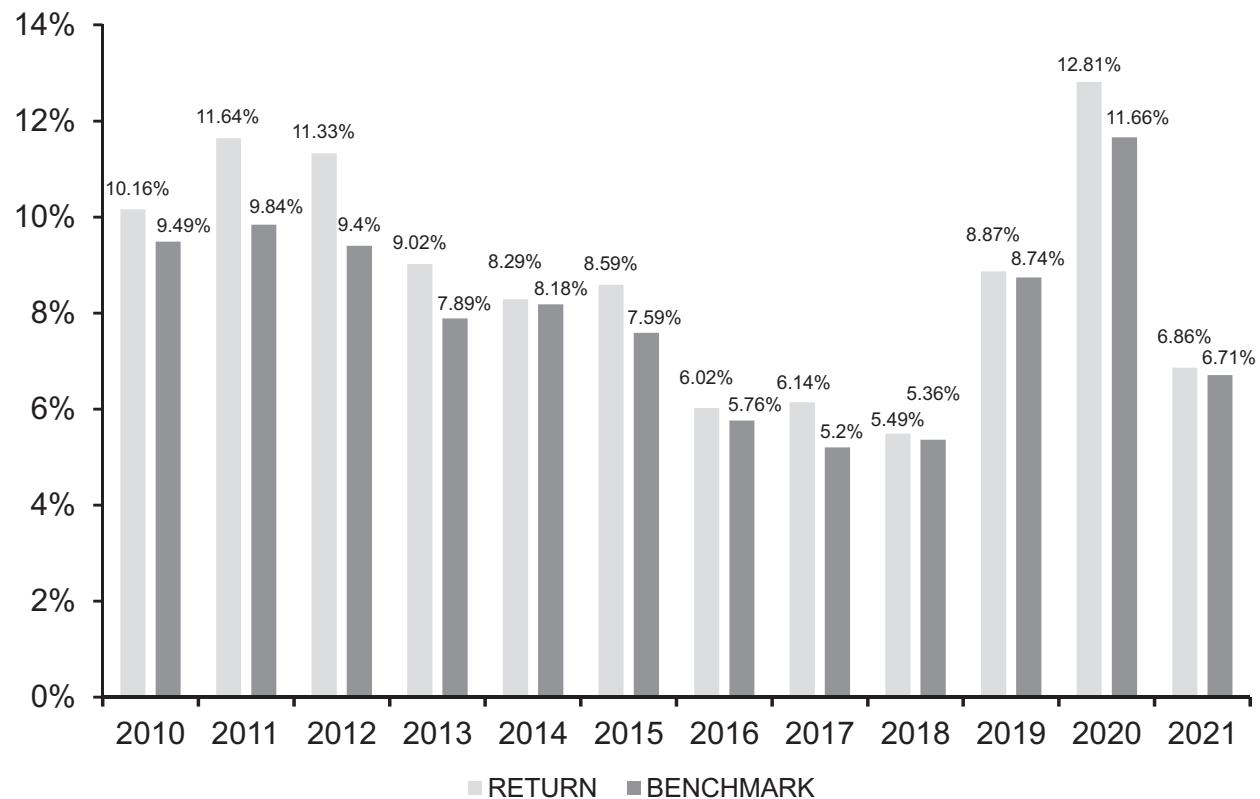
Quarterly Distribution	2011	2010*
First quarter Interim distribution (Bonus)	11.50	11.00
First quarter Interim distribution as a % of opening Ex-NAV of units	2.30%	2.20%
Date of distribution - Interim	12 October 2010	6 April 2010
Second quarter Interim distribution (Bonus)	13.75	-
Second quarter Interim distribution as a % of opening Ex-NAV of units	2.75%	-
Date of distribution - Interim	11 January 2011	-
Third quarter Interim distribution (Bonus)	14.00	-
Third quarter Interim distribution as a % of opening Ex-NAV of units	2.80%	-
Date of distribution - Interim	7 April 2011	-

Final Distribution		
Final Distribution (Bonus)	15.00	13.50
Final Distribution as a % of opening Ex-NAV of units	3.00%	2.70%
Date of distribution - Final	7 July 2011	8 July 2010

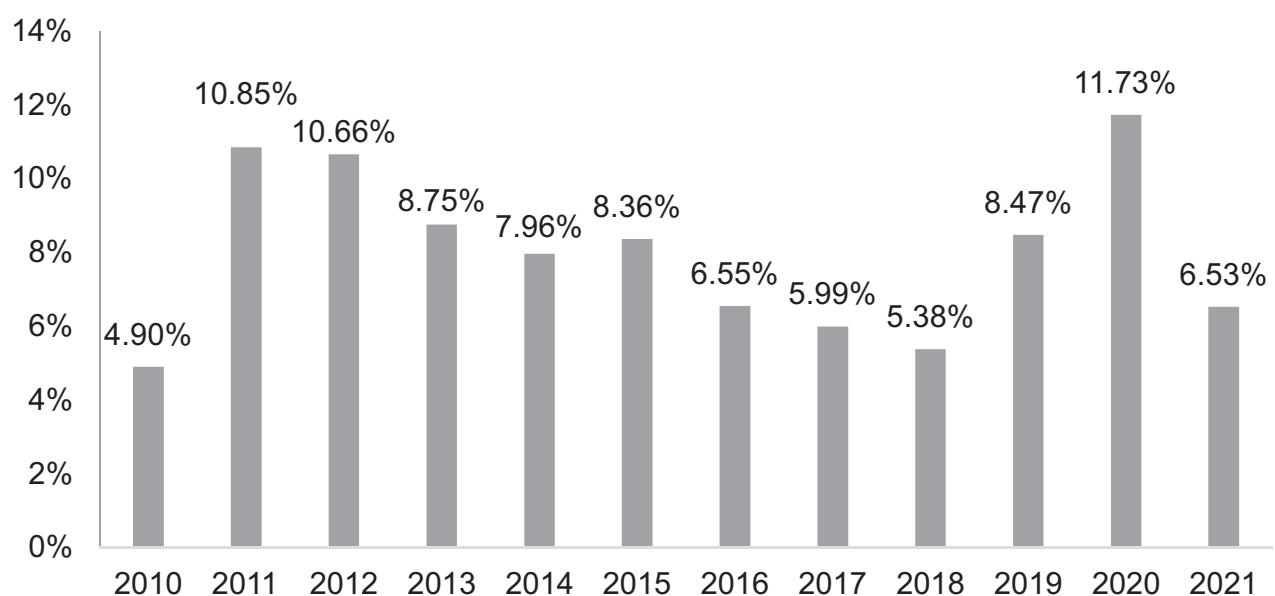
* Date of Launch: 20 January 2010.

Note: The distribution % has been calculated on the opening Ex-NAV of units at the start of each financial year.

Yearly Performance (Annualized)



Payout History (% on opening Ex - NAV)



TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) and Clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Atlas Money Market Fund (the Fund) are of the opinion that Atlas Asset Management Limited, being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2021 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Karachi: 30 September 2021

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Atlas Money Market Fund Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Atlas - Money Market Fund** (the Fund), which comprise the statement of assets and liabilities as at 30 June 2021, and the income statement, statement of comprehensive income, cash flows statement and statement of movement in unit holders' fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

Key audit matter	How our audit addressed the key audit matter
Investments in debt instruments	
<p>The investment of the Fund and the bank balances represent significant portion of the total assets of the Fund during the year and / or as at the year end. The bank balances as at year end represents 99.8% of total assets of the Fund.</p> <p>In view of the above, we have considered this area as a key audit matter.</p> <p>For disclosure refer to note 4 and 5 to the financial statements.</p>	<p>We performed a combination of audit procedures focusing on the existence of the bank balances as at the year end and acquisition and disposal of investment including related income/ gains that arose during the year. Our key procedure included the following:</p> <ul style="list-style-type: none">• We obtained an understanding of fund's process over acquisition, disposals and periodic valuation of investment portfolio and evaluated / tested controls in those areas for the purpose of our audit.• We performed substantive audit procedures on year-end balance maintained with the banks including review of banks' statements, bank reconciliations and obtaining confirmations for bank balances.

Key audit matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> • We performed verification of acquisition and disposal of investments on sample basis. • We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations) in relation to the concentration of investment and exposure limits prescribed in such Regulations and the applicability of disclosures in this regard. • We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the bank balances and investment portfolio in accordance with the requirements of the Regulations and applicable financial reporting standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

-
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Arslan Khalid.

Karachi: 20 September 2021

EY Ford Rhodes
Chartered Accountants

Engagement Partner: Arslan Khalid

STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 JUNE 2021

		2021	2020
	Note	----- Rupees -----	
Assets			
Cash and bank balances	4	24,359,094,276	7,522,447,993
Investments	5	-	2,617,567,408
Profit receivable on bank balances		54,608,057	1,373,040
Other receivables	6	3,685,722	3,683,919
Total assets		24,417,388,055	10,145,072,360
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	7	30,378,679	28,444,987
Payable to the Central Depository Company of Pakistan Limited - Trustee	8	1,443,603	635,959
Payable to the Securities and Exchange Commission of Pakistan	9	3,602,024	2,295,677
Payable against redemption of units		31,822,945	16,431
Unclaimed dividend		-	25,152
Accrued expenses and other liabilities	10	121,315,452	82,173,939
Total liabilities		188,562,703	113,592,145
NET ASSETS		24,228,825,352	10,031,480,215
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		24,228,825,352	10,031,480,215
CONTINGENCIES AND COMMITMENTS	11		
NUMBER OF UNITS IN ISSUE		47,894,700	19,854,239
NET ASSET VALUE PER UNIT		505.8769	505.2563

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	Note -----	Rupees -----
Income		
Profit on savings and term deposits	470,330,802	528,717,785
Interest on letter of placements	21,420,549	-
Income from government securities	817,600,676	929,808,706
Capital gain on sale of investments - net	8,412,358	35,355,555
Net unrealized gain on remeasurement of investments classified as financial assets at fair value through profit or loss'	-	11,642,714
	8,412,358	46,998,269
Total income	1,317,764,385	1,505,524,760
Expenses		
Remuneration of Atlas Asset Management Limited - Management Company	7.1	51,941,616
Sindh Sales Tax on remuneration of the Management Company	7.2	6,752,410
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	8.1	11,706,580
Sindh Sales Tax on remuneration of the Trustee	8.2	1,521,855
Annual fees to the Securities and Exchange Commission of Pakistan	9.1	3,602,024
Accounting and operational charges	12	15,459,790
Auditors' remuneration	13	619,920
Annual rating fee		521,150
Annual listing fee		30,138
Securities transaction cost		185,906
Printing charges		125,914
Legal and professional charges		136,560
Bank charges		107,254
Provision for Sindh Workers' Welfare Fund	10.1	24,501,065
Total expenses	117,212,182	112,341,669
Net income for the year before taxation	1,200,552,203	1,393,183,091
Taxation	15	-
Net income for the year after taxation	1,200,552,203	1,393,183,091
Earnings per unit	16	
Allocation of net income for the period:		
- Net income for the period after taxation		1,200,552,203
- Income already paid on units redeemed		(92,386,001)
		1,108,166,202
Accounting income available for distribution:		
- Relating to capital gains		8,412,358
- Excluding capital gains		1,099,753,844
		1,108,166,202
		46,998,269
		1,192,030,594
		1,239,028,857

The annexed notes from 1 to 30 form an integral part of these financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	----- Rupees-----	
Net income for the year after taxation	1,200,552,203	1,393,183,091
Other comprehensive income	-	-
Total comprehensive income for the year	1,200,552,203	1,393,183,091

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE YEAR ENDED 30 JUNE 2021

	30 June 2021			30 June 2020		
	Capital Value	Undistributed income - Rupees	Net Assets	Capital Value	Undistributed income - Rupees	Net Assets
Capital value	9,951,851,809	79,628,406	10,031,480,215	10,204,508,746	34,995,001	10,239,503,747
Net assets at the beginning of the period (Units outstanding: 19,854,239) (Rs. 505.2600 per unit)	9,951,851,809	79,628,406	10,031,480,215	10,204,508,746	34,995,001	10,239,503,747
Issue of 76,773,148 units (2020: 52,089,215)						
- Capital value (at net asset value per unit at the beginning of the period)	38,790,078,478	-	38,790,078,478	26,201,957,457	-	26,201,957,457
- Element of income	131,248,057	-	131,248,057	163,070,850	-	163,070,850
Total proceeds on issuance of units	38,921,326,535	-	38,921,326,535	26,365,028,307	-	26,365,028,307
Redemption of 48,732,687 (2020: 52,586,971) units						
- Capital value (at net asset value per unit at the beginning of the period)	(24,622,472,947)	-	(24,622,472,947)	(26,311,326,554)	(154,154,234)	(26,465,480,788)
Element of income	(7,807,125)	(92,386,001)	(100,193,126)	(163,570,137)	-	(163,570,137)
Total payments on redemption of units	(24,630,280,072)	(92,386,001)	(24,722,666,073)	(26,474,896,691)	(154,154,234)	(26,629,050,925)
Total comprehensive income for the period	-	1,200,552,203	1,200,552,203	-	1,393,183,091	1,393,183,091
Refund of capital	(121,877,635)	-	(121,877,635)	(142,788,553)	-	(142,788,553)
First interim distribution of Rs. 2.10 per unit declared on 24 July 2020 (2020: Rs. 4.25 per unit declared on 26 July 2019)	-	(49,826,182)	(49,826,182)	-	(90,150,581)	(90,150,581)
Second interim distribution of Rs. 2.50 per unit declared on 28 August 2020 (2020: Rs. 4.85 per unit declared on 23 August 2019)	-	(73,589,308)	(73,589,308)	-	(93,826,792)	(93,826,792)
Third interim distribution of Rs. 2.60 per unit declared on 25 September 2020 (2020: Rs. 4.90 per unit declared on 20 September 2019)	-	(85,292,026)	(85,292,026)	-	(91,424,999)	(91,424,999)
Fourth interim distribution of Rs. 2.60 per unit declared on 23 October 2020 (2020: Rs. 6.30 per unit declared on 25 October 2019)	-	(82,163,479)	(82,163,479)	-	(113,012,086)	(113,012,086)
Fifth interim distribution of Rs. 3.10 per unit declared on 27 November 2020 (2020: Rs. 4.80 per unit declared on 22 November 2019)	-	(98,682,874)	(98,682,874)	-	(96,145,088)	(96,145,088)
Sixth interim distribution of Rs. 2.50 per unit declared on 24 December 2020 (2020: Rs. 6.20 per unit declared on 27 December 2019)	-	(79,162,120)	(79,162,120)	-	(126,915,944)	(126,915,944)
Seventh interim distribution of Rs. 3.40 per unit declared on 29 January 2021 (2020: Rs. 5.00 per unit declared on 24 January 2020)	-	(98,252,235)	(98,252,235)	-	(98,720,119)	(98,720,119)
Eighth interim distribution of Rs. 2.50 per unit declared on 26 February 2021 (2020: Rs. 4.75 per unit declared on 21 February 2020)	-	(85,897,723)	(85,897,723)	-	(83,877,996)	(83,877,996)
Ninth interim distribution of Rs. 2.65 per unit declared on 26 March 2021 (2020: 6.40 per unit declared on 27 March 2020)	-	(93,521,054)	(93,521,054)	-	(158,227,469)	(158,227,469)
Tenth interim distribution of Rs. 2.70 per unit declared on 23 April 2021 (2020: 5.00 per unit declared on 24 April 2020)	-	(79,540,223)	(79,540,223)	-	(129,878,104)	(129,878,104)
Eleventh interim distribution of Rs. 2.70 declared on 21 May, 2021 (2020: 2.60 per unit declared on 29 May 2020)	-	(93,830,643)	(93,830,643)	-	(45,653,206)	(45,653,206)
Twelfth interim distribution of Rs. 3.64 per unit declared on 25 June 2021 (2020: 3.95 per unit declared on 26 June 2020)	-	(160,232,026)	(160,232,026)	-	(66,563,068)	(66,563,068)
Net assets at end of the period (Units outstanding: 47,894,700) (Rs. 505.8770 per unit)	24,121,020,637	107,804,715	24,228,825,352	9,951,851,809	79,628,406	10,031,480,215
Undistributed income brought forward						
- Realised income	-	79,628,406	-	-	34,995,001	-
- Unrealised income	-	-	-	-	-	-
Accounting income available for distribution:						
- Relating to capital gains	-	79,628,406	-	-	34,995,001	-
- Excluding capital gains	-	-	-	-	-	-
First interim distribution of Rs. 2.10 per unit declared on 24 July 2020	-	8,412,358	-	-	46,998,269	-
Second interim distribution of Rs. 2.50 per unit declared on 28 August 2020	-	1,099,753,844	-	-	1,192,030,588	-
Third interim distribution of Rs. 2.60 per unit declared on 25 September 2020	-	(49,826,182)	-	-	(90,150,581)	-
Fourth interim distribution of Rs. 2.60 per unit declared on 23 October 2020	-	(73,589,308)	-	-	(93,826,792)	-
Fifth interim distribution of Rs. 3.10 per unit declared on 27 November 2020	-	(85,292,026)	-	-	(91,424,999)	-
Sixth interim distribution of Rs. 2.50 per unit declared on 24 December 2020	-	(82,163,479)	-	-	(113,012,086)	-
Seventh interim distribution of Rs. 3.40 per unit declared on 29 January 2021	-	(98,682,874)	-	-	(96,145,088)	-
Eighth interim distribution of Rs. 2.50 per unit declared on 26 February 2021	-	(79,162,120)	-	-	(126,915,944)	-
Ninth interim distribution of Rs. 2.65 per unit declared on 26 March 2021	-	(98,252,235)	-	-	(98,720,119)	-
Tenth interim distribution of Rs. 2.70 per unit declared on 23 April 2021	-	(85,897,723)	-	-	(83,877,996)	-
Eleventh interim distribution of Rs. 2.70 declared on 21 May, 2021	-	(93,521,054)	-	-	(158,227,469)	-
Twelfth interim distribution of Rs. 3.64 per unit declared on 25 June 2021	-	(79,540,223)	-	-	(129,878,104)	-
Undistributed income carried forward	-	107,804,715	-	-	79,628,406	-
Undistributed income carried forward						
- Realised income	-	107,804,715	-	-	21,477,608	-
- Unrealised income	-	-	-	-	58,150,798	-
107,804,715	-	-	-	79,628,406	-	-

The annexed notes from 1 to 30 form an integral part of these financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021	2020
		Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year after taxation		1,200,552,203	1,393,183,091
Adjustments for:			
Profit on savings and term deposits		(470,330,802)	(528,717,785)
Income from government securities		(817,600,676)	(929,808,706)
Interest on letter of placements		(21,420,549)	-
Capital (gain) / loss on sale of investments - net		(8,412,358)	(35,355,555)
Net unrealized (gain) on remeasurement of investments classified as financial assets at fair value through profit or loss'		-	(11,642,714)
Provision for Sindh Workers' Welfare Fund		24,501,065	28,432,308
		(1,293,263,320)	(1,477,092,452)
(Increase) / Decrease in assets			
Other receivables		(1,803)	2,416,154
Increase / (Decrease) in liabilities			
Payable to Atlas Asset Management Limited - Management Company		1,933,692	(921,362)
Payable to the Central Depository Company of Pakistan Limited - Trustee		807,644	(221,228)
Payable to the Securities and Exchange Commission of Pakistan		1,306,347	(8,643,029)
Unclaimed dividend		(25,152)	(5,369,763)
Accrued expenses and other liabilities		14,640,448	(5,182,822)
		18,662,979	(20,338,204)
		(74,049,941)	(101,831,411)
Interest received		438,516,334	534,993,546
Investments made during the year		(149,742,375,000)	(114,015,467,454)
Investments sold / matured during the year		153,185,955,442	112,366,688,470
		3,882,096,776	(1,113,785,438)
Net cash generated from / (used in) operating activities		3,808,046,835	(1,215,616,849)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		38,921,326,535	26,365,028,307
Net payments against redemption of units		(24,690,859,559)	(26,629,050,925)
Refund of capital		(121,877,635)	(142,788,553)
Cash payout against distributions		(1,079,989,893)	(1,194,395,452)
Net cash generated from/ (used in) financing activities		13,028,599,448	(1,601,206,623)
Net increase/ (decrease) in cash and cash equivalents		16,836,646,283	(2,816,823,472)
Cash and cash equivalents at the beginning of the year		7,522,447,993	10,339,271,465
Cash and cash equivalents at the end of the year	4	24,359,094,276	7,522,447,993

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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 Trust Deed has been revised through the First Supplement dated 23 May 2017. The offering document of the Fund has been revised through the First, Second, Third, Fourth, Fifth, Sixth, Seventh and Eighth Supplements dated 24 March 2015, 3 August 2015, 30 September 2016, 2 June 2017, 2 October 2019, 30 October 2019, 1 April 2020 and 21 December 2020 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 titles to the assets of the Fund are held in the name of the Central Depository Company Limited (CDC) as the Trustees of the Fund.
- 1.5 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020. Subsequent to the year ended June 30, 2021, the Trust deed has been registered under the Sindh Trusts Act, 2020.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- "The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed."

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

2.2 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2020 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these financial statements.

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

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standards, interpretations and amendments	Effective date
Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16	01 January 2022
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	01 January 2022
Classification of liabilities as current or non-current - Amendment to IAS 1	01 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized
Definition of Accounting Estimates - Amendments to IAS 8	01 January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	01 January 2023

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

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

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	01 July 2009
IFRS 17 - Insurance Contracts	01 January 2023

2.4 Critical accounting estimates and judgments

The preparation of financial statements in accordance with the approved accounting standards as applicable in Pakistan requires the management to make judgements, estimates and assumptions that affect the application of

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets, and provision under uncertain circumstances such as provision for Sindh Workers' Welfare Fund, taxes recoverable and Federal Excise Duty payable on remuneration of management company as disclosed in notes 10.1, 6.1 and 7.3 respectively.

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except that certain investments have been carried at fair value.

2.6 Functional and presentation currency

These financial statements are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out as below. These policies have been applied consistently to all years and are set out below:

3.1 Financial instruments

a) Initial recognition and measurement

Financial assets and liabilities, with the exception of bank balances are initially recognised on the trade date, i.e., the date that the Bank becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Bank balances are recognised when funds are transferred to the banks.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss.

b) Classification

Debt instruments

A debt instrument is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at FVTPL. Given the objectives of the Fund, all investments have been classified as FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund's business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as: the objectives for the portfolio; how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel; the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed etc.

Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)

As a second step of its classification process the Fund assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

c) Subsequent Measurement

Debt instruments at fair value through profit or loss

Debt instruments at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss.

Interest earned on debt instruments designated at FVTPL is accrued in interest income, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

Debt instruments at Amortised Cost

"Under IFRS 9, after initial measurement, such debt instruments are subsequently measured at amortised cost . Under Regulation 66 of NBFC Regulations, debt securities are required to be carried at fair value. The Fund has not used this classification for its investment portfolio."

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Debt instruments at FVOCI

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and foreign exchange gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss. Debt instruments are subject to impairment and the impairment is charged profit or loss. The Fund has not used this classification for its investment portfolio.

Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss.

d) Derecognition

"A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Fund has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Fund has:

- (a) Transferred substantially all of the risks and rewards of the asset; or
- (b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset."

When the Fund has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Fund's continuing involvement in the asset. In that case, the fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the fund has retained. The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

e) Reclassification of financial assets and liabilities

From the application date of IFRS 9, the Fund does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Fund acquires, disposes of, or terminates a business line.

f) Impairment of financial assets

"The Fund only considers expected credit losses for bank balances and trade and other receivables. The Fund measures expected credit losses on bank balances using the probability of default (PD) and loss given default (LGD) estimates using the published information about these risk parameters."

g) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h) Determination of fair value

The government securities are valued on the basis of rates announced by the Financial Markets Association of Pakistan.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

3.2 Cash and cash equivalents

Cash and cash equivalents include deposits with banks and other short term highly liquid investments with original maturities of three months or less.

3.3 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.4 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / Distributors as processing fee.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company receives redemption application during business hours of that day. The redemption price shall be equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges as processing fee.

3.5 Distributions to unit holders

Distribution to unit holders is recognised upon declaring and approval by the Distribution Committee of the Board of Directors of the Management Company under powers delegated to them by the Board of Directors of the Management Company or declaration and approval by the Board of Director of the Management Company.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.6 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

The Securities and Exchange Commission of Pakistan through its SRO 756(I)/2017 dated 03 August 2017 includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. MUFAP, in consultation with the SECP, specified methodology of determination of income paid on units redeemed under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year.

3.7 Revenue recognition

- Dividend income is recognised when the right to receive the dividend is established.
- Interest income on bank balances, placements and deposits is recognised on an accrual basis.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

- Gains or losses on sale of investments are included in the Income Statement in the year in which it arises.
- Unrealised appreciation / (loss) in the value of investments classified as 'financial assets at fair value through profit or loss' are included in the Income Statement in the period in which they arise.

3.8 Expenses

All expenses chargeable to the Fund including remuneration of Management Company and Trustee and annual fee of the SECP are recognised in the income statement on an accrual basis.

3.9 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 the fund's accounting income available for distribution by the year end, as cash dividend, to the unitholders.

3.10 Net asset value per unit

The net asset value per unit disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

3.11 Earnings per unit

Earnings per unit (EPU) has not been disclosed as in the opinion of the management determination of cumulative weighted average number of outstanding units for calculation of EPU is not practicable.

4 CASH AND BANK BALANCES	Note	2021		2020	
		Rupees -----		Rupees -----	
Balances with banks in savings accounts	4.1	24,356,653,257		7,458,580,094	
Cheques in hand	4.2	2,441,019		63,867,899	
		24,359,094,276		7,522,447,993	

4.1 The rate of return on these accounts ranges between 5.50% and 7.95% (2020: 6.00% to 12.5%) per annum.

4.2 This denotes cheques received against issue of units which were deposited and cleared in the bank account subsequent to the year end by 10 July 2021 (30 June 2020: 03 July 2020).

5 INVESTMENTS	Note	2021		2020						
		Rupees -----		Rupees -----						
At fair value through profit or loss										
Investments in government securities										
- Market Treasury Bills	5.1	-		2,617,567,408						

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5.1 Government Securities - Market Treasury Bills

Particulars	Face value				Amortised cost as at 30 June 2021	Market value as at 30 June 2021	Market value as a percentage of	
	As at 01 July 2020	Purchased during the year	Sold / matured during the year	As at 30 June 2021			total investment	net assets
 (Rupees) (Percentage)	
3 Months	125,000,000	108,915,915,000	109,040,915,000	-	-	-	-	-
6 Months	1,950,000,000	23,545,000,000	25,495,000,000	-	-	-	-	-
12 Months	592,780,000	17,281,460,000	17,874,240,000	-	-	-	-	-
30 June 2021	2,667,780,000	149,742,375,000	152,410,155,000	-	-	-	-	-
30 June 2020					2,605,924,677	2,617,567,408	100.00	26.10

5.2 The cost of investments as on 30 June 2021 is Nil (30 June 2020: 2,559,416,610).

6 OTHER RECEIVABLES	Note	2021	2020
		----- Rupees -----	----- Rupees -----
Tax recoverable	6.1	3,685,722	3,683,919

6.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding tax on profit on debt paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholdee. The tax withheld as at June 30, 2021 amounts to Rs. 3.686 million (2020: Rs 3.684 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit on debt has been shown as other receivables as at June 30, 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

Had the Tax recoverable not been recorded in these financial statements of the Fund, the net asset value of the Fund as at 30 June 2021 would have been lower by Rs. 0.08 per unit (30 June 2020: Rs. 0.18 per unit).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY (Related party)	Note	2021	2020
		----- Rupees-----	-----
Remuneration of the Management Company	7.1	4,913,531	3,030,437
Sindh Sales Tax payable on remuneration of the Management Company	7.2	3,758,922	3,514,120
Federal Excise Duty payable on remuneration of the Management Company	7.3	20,428,502	20,428,502
Accounting and operational charges payable	12	1,277,724	1,471,928
		30,378,679	28,444,987

- 7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (I) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio. The management company has set the maximum limit of 2.5% per annum of average annual net assets, within allowed expense in the offering document. The management company has charged its remuneration at the rate of 0.35% per annum of the average annual net assets till 02 December 2020 and with effect from 03 December 2020 charged the remuneration at the rate of 0.25% of the average annual net assets of the Fund (2020: 0.45% per annum of the average annual net assets till 31 March 2020 and with effect from 01 April 2020 charged the remuneration at the rate of 0.35 % of the average annual net assets of the Fund.) The fee is payable to the Management Company monthly in arrears.
- 7.2 During the year, an amount of Rs. 6,752,410 (2020: Rs. 6,302,308) 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. 6,507,608 (2020: Rs 6,467,651) was paid to the Management Company which acts as a 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) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 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.

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.

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 2020: Rs 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 June 2021 would have been higher by Re. 0.43 (30 June 2020: Rs. 1.03) per unit.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

8 PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

	Note	2021	2020
		----- Rupees -----	
Trustee fee	8.1	1,277,526	562,796
Sindh Sales Tax on trustee fee	8.2	166,077	73,163
		1,443,603	635,959

- 8.1** With effect from 28 June 2019, the trustee is entitled to monthly remuneration for services rendered to the fund at the flat rate of 0.065% p.a. of Net Assets.
- 8.2** During the year ended 30 June 2021, an amount of Rs. 1,521,855 (2020: Rs 969,934) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 1,428,941 (2020: Rs 995,385) was paid to the Trustee which acts as a collecting agent.

9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

	Note	2021	2020
		----- Rupees -----	
Annual fee payable	9.1	3,602,024	2,295,677

- 9.1** In accordance with NBFC regulations, a collective investment scheme (CIS) is required to pay an annual fee to the Securities and Exchange Commission of Pakistan (SECP). With effect from 01 July 2019, the SECP vide SRO No.685(1)2019 dated 28 June 2019 revised the rate of annual fee to 0.02% of net assets on all categories of CISs. Previously, the rate of annual fee applicable to the money market scheme was 0.075% of net assets.

10 ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	2021	2020
		----- Rupees -----	
Auditors' remuneration payable		491,697	500,850
Printing charges payable		59,929	-
Withholding tax payable		23,790,606	10,043,989
Capital gain tax payable		2,610,406	4,217,082
Provision for Sindh Workers' Welfare Fund	10.1	91,874,642	67,373,577
Zakat payable		12,533	38,441
Dividend payable		2,475,639	-
		121,315,452	82,173,939

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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

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, 2020, the net asset value of the Fund as at June 30, 2021, would have been higher by Rs. 1.92 per unit (2020: Re 3.39 per unit).

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 June 2021 and 30 June 2020.

12 ACCOUNTING AND OPERATIONAL CHARGES

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

The Management Company has charged expenses at the rate 0.12% of the average annual net assets of the Fund for the period from 01 July 2020 to 30 November 2020 and 0.065% of the average annual net assets of the Fund from 01 December 2020 onwards (2020: 0.1% of the average annual net assets of the Fund for the period from 01 July 2019 to 30 September 2019, 0.15% of the average annual net assets of the Fund from 01 October 2019 till 04 March 2020 and 0.17% of the average annual net assets of the Fund from 05 March 2020 onwards)

13 AUDITORS' REMUNERATION	2021		2020	
	----- Rupees -----			
Annual audit fee		383,500		345,000
Half yearly review of condensed interim financial information		191,500		175,000
Other Certifications		60,500		105,000
Out of pocket expenses		40,000		40,000
Sindh Sales Tax on services		54,040		53,200
Prior year adjustment		(109,620)		(36,871)
		619,920		681,329

14 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2021 is 0.65% (2020: 0.98%) which includes 0.20% (2020: 0.33%) representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund (if any), sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as a money market scheme.

15 TAXATION

15.1 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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

required to distribute not less than 90% of the fund's accounting income available for distribution by the year end, as cash dividend, to the unitholders. Since the management has paid the required minimum percentage of income earned by the Fund during the year ended 30 June 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

16 EARNINGS PER UNIT

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

17 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 17.1 Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 17.2 Transactions with connected persons essentially comprise sale and repurchase of units, fee on account of managing the affairs of the Fund, sales load and other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 17.3 Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 17.4 The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

	2021	2020
	----- Rupees -----	
Atlas Asset Management Limited - Management Company		
Remuneration of the Management Company	51,941,616	48,479,295
Remuneration paid	50,058,522	49,751,173
Sindh Sales Tax on remuneration of the Management Company	6,752,410	6,302,308
Accounting and operational charges	15,459,790	16,763,643
Issue of 520,914 (2020: 453,120) units	263,873,618	228,939,004
Redemption of 419,220 (2020: 276,931) units	212,500,000	140,000,304
Dividend declared	7,540,598	4,998,119
Outstanding 277,956 (2020: 176,189) units - at net asset value	140,611,520	89,020,759
 Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	11,706,580	7,461,029
Sindh Sales Tax on remuneration of the Trustee	1,521,855	969,934
Remuneration paid	10,991,850	8,023,825
 Atlas Foundation (Group Company)		
Issue of 53,439 (2020: 93,763) units	27,037,804	47,480,402
Dividend declared	7,744,770	15,342,573
Redemption of 125,309 (2020: 46,463) units	63,500,000	23,500,000
Outstanding 187,943 (2020: 259,800) units - at net asset value	95,076,605	131,265,678

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	Rupees	Rupees
Atlas Battery Limited		
Issue of 1,009,197 (2020: 30) units	510,688,710	14,986
Redemption of 1,009,197 (2020: 4,157) units	511,616,721	2,100,381
Dividend declared	11,648,152	17,543
Atlas Fund of Funds (Fund under common management)		
Issue of units 526,300 (2020: 484,666) units	266,330,000	244,620,000
Redemption of 526,300 (2020: 484,666) units	267,414,658	246,443,660
Atlas Group of Companies, M.S.G.Fund		
Issue of 210,718 (2020: 318,585) units	106,763,179	161,166,274
Redemption of 57,296 (2020: 414,794) units	29,000,000	210,000,000
Dividend declared	7,218,946	5,752,355
Outstanding 117,461 (2020: 117,461) units - at net asset value	137,039,523	59,347,713
Atlas Honda Limited (Group Company)		
Issue of 9,968,810 (2020: 2,691,828) units	5,052,336,640	1,360,191,713
Redemption of 2,572,997 (2020: 4,750,794) units	800,000,000	2,406,000,000
Dividend declared	279,396,384	309,066,830
Outstanding 11,492,146 (2020: 4,096,035) units - at net asset value	5,813,611,193	2,069,545,461
Atlas Insurance Limited (Group Company)		
Issue of 261,289 (2020: 2,799,425) units	132,371,693	1,413,099,944
Dividend declared	2,374,310	31,824,679
Redemption of 479,618 (2020: 2,582,615) units	242,710,940	1,308,913,495
Outstanding Nil (2020: 216,810) units - at net asset value	-	109,544,551
Atlas Engineering Limited Employees Provident Fund (Retirement benefit plan of a Group Company)		
Issue of 113 (2020: 17,666) units	56,894	8,934,496
Redemption of 5,876 (2020: 11,902) units	2,982,267	6,000,000
Dividend declared	56,894	402,774
Outstanding Nil (2020: 5,763) units - at net asset value	-	2,911,927
Atlas Honda Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Issue of 8,486 (2020: 132,666) units	4,288,293	66,913,478
Redemption of 59,218 (2020: 118,699) units	30,000,000	60,000,000
Dividend declared	4,288,293	6,713,864
Outstanding 106,509 (2020: 157,231) units - at net asset value	53,880,443	79,441,919
Atlas Honda Limited - Non Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
Issue of 1,015 (2020: 2,290) units	512,813	1,153,212
Redemption of 1,972 (2020: 6,907) units	1,000,000	3,500,000
Dividend declared	512,813	1,381,802
Outstanding 16,101 (2020: 17,056) units - at net asset value	8,145,124	8,617,857
Honda Atlas Cars (Pakistan) Limited (Group Company)		
Issue of Nil (2020: 2,825) units	-	1,423,583
Redemption of Nil (2020: 2,825) units	-	(1,436,692)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	----- Rupees-----	
Batools Benefit Trust		
Issue of 85,336 (2020: 43,234) units	43,261,820	21,811,260
Redemption of 27,561 (2020: Nil) units	13,971,961	-
Dividend declared	3,667,468	2,063,407
Outstanding 113,073 (2020: 55,295) units - at net asset value	57,201,019	27,938,122
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Issue of 6,957 (2020: 8,704) units	3,523,419	4,395,277
Redemption of 44,187 (2020: 25,883) units	22,380,261	13,100,000
Dividend declared	515,248	2,851,223
Outstanding Nil (2020: 37,227) units - at net asset value	-	18,809,076
Shirazi Investments (Private) Limited		
Issue of Nil (2020: 983,554) units	-	495,199,640
Redemption of 394,861 (2020: 534,337) units	200,000,000	270,000,000
Dividend declared	40,691,399	74,488,879
Outstanding 1,049,122 (2020: 1,443,983) units - at net asset value	530,726,585	729,580,878
Shirazi Trading Company (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Issue of 9,935 (2020: Nil) units	5,021,222	-
Redemption of 9,935 (2020: Nil) units	5,045,592	-
Dividend declared	23,405	-
Atlas Die Casting (Private) Limited (Group Company)		
Issue of 3 (2020: 80,004) units	1,475	40,547,455
Dividend declared	1,799	177,796
Redemption of 3 (2020: 79,951) units	-	40,303,317
Outstanding 56 (2019: Nil) units - at net asset value	28,329	26,851
Atlas Autos Limited		
Issue of 1,263,209 (2020:Nil) units	641,622,687	-
Dividend declared	9,708,564	-
Redemption of 444,824 (2020: Nil) units	225,000,000	-
Outstanding 818,385 (2020: Nil) units	414,002,196	-
Atlas Energy Limited		
Issue of 22,004 (2020:Nil) units	11,132,788	-
Dividend declared	153,554	-
Redemption of 5,914 (2020: Nil) units	3,000,000	-
Outstanding 16,090 (2020: Nil) units	8,139,747	-
Atlas Engineering Limited		
Issue of 767,785 (2020:Nil) units	389,544,918	-
Dividend declared	-	-
Outstanding 767,785 (2020: Nil) units	388,404,793	-
Atlas Metals (Private) Limited		
Issue of 152,948 (2020:Nil) units	77,457,821	-
Dividend declared	2,690,185	-
Outstanding 152,948 (2020: Nil) units	77,372,860	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	----- Rupees-----	
Honda Atlas Cars (Pak.) Ltd. - Emp. Prov. Fund		
Issue of 300,646 (2020: Nil) units	152,188,321	-
Dividend declared	1,944,137	-
Redemption of 151,218 (2020: Nil) units	76,489,006	-
Outstanding 149,428 (2020: Nil) units	75,592,173	-
Honda Atlas Cars (Pakistan) Ltd.- Emp. Gratuity. Fund		
Issue of 102,626 (2020:Nil) units	52,015,587	-
Dividend declared	1,852,798	-
Outstanding 102,626 (2020: Nil) units	51,916,133	-
Fauji Fertilizer Company Limited (Unit Holder with more than 10% holding)		
Issue of 27,570,037 (2020: Nil) units	13,980,354,181	-
Dividend declared	248,621,776	-
Redemption of 16,423,349 (2020: Nil) units	8,329,391,822	-
Outstanding 11,146,688 (2020: Nil) units - at net asset value	5,638,851,971	-
Directors and their close family members and key management personnel of the Management Company		
Issue of 883,480 (2020: 1,000,715) units	447,045,668	506,414,337
Redemption of 512,307 (2020: 461,671) units	259,932,984	233,687,680
Dividend declared	23,597,652	19,417,863
Outstanding 1,324,489 (2020: 798,559) units - at net asset value	670,028,547	403,476,734

- 17.5 Other balances due to / from related parties / connected persons are included in the respective notes to the financial statements.

*The holding during the current period is less than 10%

18 FINANCIAL INSTRUMENTS BY CATEGORY

	As at 30 June 2021			
	At amortised cost	At fair value through profit or loss	At fair value through OCI	Total
	----- (Rupees)-----			
Financial assets				
Cash and bank balances	24,359,094,276	-	-	24,359,094,276
Investments	-	-	-	-
Profit receivable on bank balances	54,608,057	-	-	54,608,057
	24,413,702,333	-----	-----	24,413,702,333
Financial liabilities				
Payable to Atlas Asset Management Limited - Management Company	30,378,679	-	-	30,378,679
Payable to the Central Depository Company of Pakistan Limited - Trustee	1,443,603	-	-	1,443,603
Payable against redemption of units	31,822,945	-	-	31,822,945
Unclaimed dividend	-	-	-	-
Accrued expenses and other liabilities	3,039,798	-	-	3,039,798
	66,685,025	-----	-----	66,685,025

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	As at 30 June 2020			
	At Amortised Cost	At fair value through profit or loss	At Fair Value through OCI	Total
----- (Rupees) -----				
Financial assets				
Cash and bank balances	7,522,447,993	-	-	7,522,447,993
Investments	-	2,617,567,408	-	2,617,567,408
Profit receivable on bank balances	1,373,040	-	-	1,373,040
	<u>7,523,821,033</u>	<u>2,617,567,408</u>	<u>-</u>	<u>10,141,388,441</u>
Financial liabilities				
Payable to Atlas Asset Management Limited - Management Company	28,444,987	-	-	28,444,987
Payable to the Central Depository Company of Pakistan Limited - Trustee	635,959	-	-	635,959
Payable against redemption of units	16,431	-	-	16,431
Unclaimed dividend	25,152	-	-	25,152
Accrued expenses and other liabilities	539,291	-	-	539,291
	<u>29,661,820</u>	<u>-</u>	<u>-</u>	<u>29,661,820</u>

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, Fund's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

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

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

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

Market risk comprises of three types of risks: yield / interest rate risk, currency risk, and price risk.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

(i) Yield / interest rate risk

Yield / interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in the market interest rates. As of 30 June 2021, the Fund is exposed to such risk in respect of balances with other banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within acceptable limits.

a) Sensitivity analysis for variable rate instruments

As at 30 June 2021, the Fund holds balances with banks which expose the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in market interest rates as at 30 June 2021, with all other variables held constant, the net income for the year and net assets would have been higher / lower by Rs. 243,566,533 (2020: Rs 74,585,801).

b) Sensitivity analysis for fixed rate instruments

The sensitivity analysis for fixed rate instrument is not performed as the Fund do not hold investments in fixed interest rate instrument as at 30 June 2021. There will be no impact on net assets of the future movements in fixed interest rates.

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at 30 June 2021 and 30 June 2020 can be determined as follows:

Effective yield / interest rate	As at 30 June 2021				
	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
(Rupees)					
Financial assets					
Cash and bank balances	5.50% - 7.95%	24,356,653,257	-	2,441,019	24,359,094,276
Investments		-	-	-	-
Profit receivable on bank balances		54,608,057	-	-	54,608,057
		24,411,261,314	-	2,441,019	24,413,702,333
Financial liabilities					
Payable to Atlas Asset Management Limited - Management Company		-	-	30,378,679	30,378,679
Payable to the Central Depository Company of Pakistan Limited - Trustee		-	-	1,443,603	1,443,603
Payable against redemption of units		-	-	31,822,945	31,822,945
Unclaimed dividend		-	-	-	-
Accrued expenses and other liabilities		3,039,798	-	3,039,798	6,079,596
		3,039,798	-	66,685,025	69,724,823
On-balance sheet gap (a)		24,408,221,516	-	(64,244,006)	24,343,977,510
Off-balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total interest rate sensitivity gap (a + b)		24,408,221,516	-	-	-
Cumulative interest rate sensitivity gap		24,408,221,516	24,408,221,516	24,408,221,516	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

----- As at 30 June 2020 -----

Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
(Rupees)					
Financial assets					
Cash and bank balances	6.00% - 12.50%	7,458,580,094	-	-	63,867,899
Investments		2,617,567,408	-	-	2,617,567,408
Profit receivable on bank balances		1,373,040	-	-	1,373,040
	10,077,520,542		-	-	63,867,899
					10,141,388,441
Financial liabilities					
Payable to Atlas Asset Management Limited - Management Company		-	-	28,444,987	28,444,987
Payable to the Central Depository Company of Pakistan Limited - Trustee		-	-	635,959	635,959
Payable against redemption of units		-	-	16,431	16,431
Unclaimed dividend		-	-	25,152	25,152
Accrued expenses and other liabilities		-	-	539,291	539,291
		-	-	29,661,820	29,661,820
On-balance sheet gap (a)	10,077,520,542		-	34,206,079	10,111,726,621
Off-balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total interest rate sensitivity gap (a + b)	10,077,520,542		-		
Cumulative interest rate sensitivity gap	10,077,520,542	10,077,520,542	10,077,520,542		

(ii) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and, hence, is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Fund does not have any instrument as at 30 June 2021 which expose it to price risk.

19.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is therefore to invest a majority of its assets in short-term instruments in order to maintain liquidity.

The Fund can borrow in the short-term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, no borrowing was obtained by the Fund during the current year.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

	----- As at 30 June 2021 -----				
	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Total
	----- Rupees -----				
Financial assets					
Cash and bank balances	24,359,094,276	-	-	-	24,359,094,276
Investments	-	-	-	-	-
Profit receivable on bank deposits	54,608,057	-	-	-	54,608,057
	24,413,702,333	-	-	-	24,413,702,333
Financial liabilities					
Payable to Atlas Asset Management Limited - Management Company	30,378,679	-	-	-	30,378,679
Payable to the Central Depository Company of Pakistan Limited - Trustee	1,443,603	-	-	-	1,443,603
Payable against redemption of units	31,822,945	-	-	-	31,822,945
Unclaimed dividend	-	-	-	-	-
Accrued expenses and other liabilities	-	6,079,596	-	-	6,079,596
	63,645,227	6,079,596	-	-	69,724,823
Net assets / (liabilities)	24,350,057,106	(6,079,596)	-	-	24,343,977,510

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	As at 30 June 2020				
	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Total
	Rupees				
Financial assets					
Cash and bank balances	7,522,447,993	-	-	-	7,522,447,993
Investments	2,617,567,408	-	-	-	2,617,567,408
Profit receivable on bank deposits	1,373,040	-	-	-	1,373,040
	10,141,388,441	-	-	-	10,141,388,441
Financial liabilities					
Payable to Atlas Asset Management Limited - Management Company	28,444,987	-	-	-	28,444,987
Payable to the Central Depository Company of Pakistan Limited - Trustee	635,959	-	-	-	635,959
Payable against redemption of units	16,431	-	-	-	16,431
Unclaimed dividend	25,152	-	-	-	25,152
Accrued expenses and other liabilities	-	539,291	-	-	539,291
	29,122,529	539,291	-	-	29,661,820
Net assets / (liabilities)	10,112,265,912	(539,291)	-	-	10,111,726,621

19.3 Credit risk

Credit risk arises from the inability of the issuers of the instruments or the counter party to fulfil their obligations. The Fund is exposed to credit risk with respect to its bank balances and profit receivable on bank deposits. The Fund's policy is to enter into financial contracts in accordance with the interest risk management policies and investment guidelines approved by the Investment Committee. As at 30 June 2021, 0% (2020: 26.09%) of Fund's net assets are invested in government securities. Furthermore, the Fund's maximum exposure to credit risk as of 30 June 2021 amounts to Nil (2020: Rs. 7,523,821,033).

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rates. The credit risk associated with government securities is limited as these are guaranteed by the Federal Government. As at 30 June 2021, the Fund did not hold investments in government guaranteed securities. Banks with which the Fund has maintained balances are rated as follows:

Rating	2021	2020
AA+	16.79	6.39
AAA	83.21	93.61
	100.00	100.00

20 FAIR VALUE MEASUREMENT

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

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

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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 June 30 2021, the Fund has investments 'at fair value through profit or loss' measured using level 2 valuation technique. The investment of the Fund in government securities is valued on the basis of rates announced by the Financial Markets Association of Pakistan.

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restrictions on the subscription and redemption of units. As required under NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 16, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

In accordance with the risk management policies as stated in note 21, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

22 UNIT HOLDING PATTERN OF THE FUND

Category	30 June 2021			30 June 2020		
	Number of unit holders	Investment amount (Rupees)	Percentage of total	Number of unit holders	Investment amount (Rupees)	Percentage of total
Individuals	904	1,493,508,608	6.16%	788	1,379,293,092	13.75%
Associated Companies / Directors	15	7,991,919,846	32.99%	11	3,419,789,104	34.09%
Insurance Companies	1	27,420,272	0.11%	1	10,207,776	0.10%
Banks / DFIs	1	1,069,290,350	4.41%	1	511,276,893	5.10%
Retirement Funds	29	839,730,630	3.47%	26	602,303,300	6.00%
Others	30	12,806,955,646	52.86%	31	4,108,610,050	40.96%
	980	24,228,825,352	100.00%	858	10,031,480,215	100.00%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

23 LIST OF TOP BROKERS BY PERCENTAGE OF THE COMMISSION PAID

2021		2020	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Arif Habib Limited	58.77	Pearl Securities Limited	50.30
Pearl Securities Limited	35.57	Arif Habib Limited	44.45
JS Global Capital Limited	5.66	Optimus Capital Management (Private)	5.24
	100.00		100.00

24 MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Mr. Ali H. Shirazi	Director	Masters in Law	17.5 Years
Mr. M. Abdul Samad	Chief Executive Officer	MBA, M.Com	21 Years
Mr. Khalid Mehmood	Chief Investment Officer	MBA - Finance	17 Years
Mr. Muhammad Umar Khan	Head of Portfolio Management	MSc - Finance	13 Years
Mr. Fawad Javaid	Head of Fixed Income	CMA	13 Years
Mr. Faran-ul-Haq	Head of Equities	M.B.A, CFA	10 Years

25 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Mr. Fawad Javaid	Head of Fixed Income	CMA	Atlas Income Fund Atlas Islamic Money Market Fund Atlas Islamic Income Fund Atlas Sovereign Fund

26 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and the attendance of its members are given below:

Name of Director	Meeting held on					
	06 July 2020	10 Sep 2020	26 Oct 2020	25 Feb 2021	29 Apr 2021	25 June 2021
Mr. Iftikhar H. Shirazi	P	P	P	P	P	P
Mr. Tariq Amin	P	P	P	P	P	P
Mr. Frahim Ali Khan	P	P	P	P	P	P
Mr. Ali H. Shirazi	P	P	P	P	P	P
Mr. M. Habib-ur-Rahman	P	P	P	P	P	P
Ms Zehra Naqvi	P	P	P	P	P	P
Mr. M. Abdul Samad	P	P	P	P	P	P
Ms Qurrat-ul-ain Jafari (Chief Financial Officer)	L	P	P	P	P	P
Ms Zainab Kazim(Company Secretary)	P	L	L	P	P	P

P Present
L Leave of absence

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

27 RATING OF THE FUND AND THE MANAGEMENT COMPANY

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

Moreover, PACRA has maintained the stability rating of the Fund at "AA+ (f)" (Double A Plus) [2020: "AA+ (f)"] on 16 April 2021.

28 CORRESPONDING FIGURES

Corresponding figures have been re-classified and re-arranged in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications have been made in these financial statements during the current year.

29 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 6 September 2021.

30 GENERAL

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

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Sovereign 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
Bank Alfalah Limited
Bank Al Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Samba Bank Limited
Soneri Bank Limited
The First Micro Finance Bank Limited
Zarai Taraqiati Bank Limited



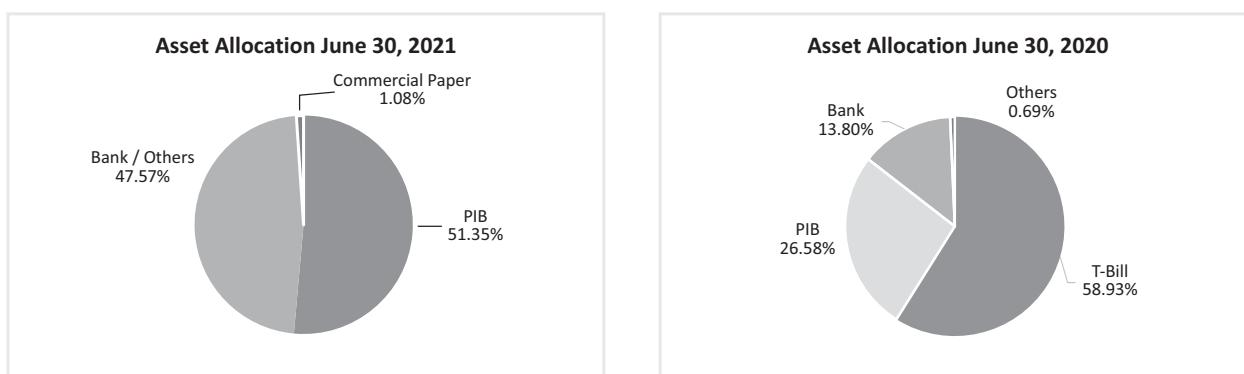
Fund Manager's Report

Atlas Sovereign Fund (ASF) is an Open-ended Income Fund. The objective of ASF is to provide unit holders competitive returns with medium risk and high liquidity by investing in Government Securities and Debt Instruments. The Fund's strategy is based on the conviction that economic environment drives long-term performance, and that active management of credit risk can produce consistently superior results. Fundamental and market analysis are used to identify overall portfolio, bond market sectors, yield curve and credit positioning to provide high and sustainable rates of return. The fund employs strategies such as overall portfolio duration and yield curve positioning to deal with market and reinvestment risks.

Atlas Sovereign Fund performance benchmark is average Six Months PKRV rates.

The Consumer Price Index (CPI) Inflation averaged at 8.9% during FY21 compared to 10.7% in FY20. Food inflation and rising energy prices remained major contributors to FY21 CPI inflation. During FY21, SBP maintained policy rate at 7.00% with an aim to stimulate economy and boost investor & consumer confidence, given the enforcement of sporadic lockdowns due to the third & fourth wave of the pandemic. Going forward, accommodation witnessed in monetary policy may be reduced if economy reaches full potential and demand side pressures emerge.

The Net Asset Value per unit of Atlas Sovereign Fund increased by 6.16% to Rs. 101.12 as on June 30, 2021. The benchmark average six months PKRV rate stood at 7.29% during the period under review. The ASF total exposure in Pakistan Investment Bonds, Banks/Others and Commercial Paper stood at 51.35%, 47.57% and 1.08%, respectively. ASF presents a good investment opportunity for investors to earn competitive returns with medium risk. The Net Assets of the Fund stood at Rs. 2.23 billion, with 22.01 million units outstanding as of June 30, 2021.



The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Sovereign Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited has approved aggregated interim distribution of Rs 6.04 per unit for the period ended June 30, 2021 (6.04% on the face value of Rs. 100 per unit).

Breakdown of Unit Holding by size:

Type of Investor	No. of Investors	Amount of Investment (Rs.)	Percentage (%)
Individual	98	117,542,660	5.28%
Associated companies / Directors	9	1,629,105,689	73.21%
Other Corporates	2	23,159,502	1.04%
Retirement Funds	7	455,505,182	20.47%
Total	116	2,225,313,033	100.00%

The Fund has made provision against SWWF, which up till June 30, 2021 amounted to Rs. 12,565,416 (Rs. 0.57 per unit). The Scheme has also held provision for FED liability that amounted to Rs. 905,341 up till June 30, 2021 (Rs. 0.04 per unit).

The Total Expense Ratio (TER) of the Fund is 1.17% including expenses representing Government levy, SWWF and SECP Fee of 0.24%.

During the year under review, the Investment Committee held fifty-two meetings to review investment of the Fund and the Risk Committee held fifteen meetings to review risk management.

Karachi: 6 September 2021

Fawad Javaid
Head of Fixed Income

PERFORMANCE SINCE INCEPTION

	2021	2020	2019	2018	2017	2016	2015
Net Assets (Rs. in '000)	2,225,313	2,083,472	2,301,237	358,197	250,510	746,960	604,907
Number of units in issue	22,006,687	20,635,634	22,936,104	3,411,400	2,287,658	7,461,205	5,898,379
Net assets value per unit (Rs.)	101.12	100.96	100.33	105.00	109.50	100.11	102.55
Net income (Rs. in 000)	127,799	391,074	45,984	14,631	21,473	12,781	15,854
Earnings per unit (Rs.)	5.81	18.95	2.00	4.29	9.39	1.71	2.69
Annual return of the fund (%)	6.16	18.08	7.71	5.00	9.39	5.79	8.32
Offer Price ** (Rs.)	101.12	100.95	100.33	105.00	109.54	100.11	102.55
Redemption Price ** (Rs.)	101.12	100.95	100.33	105.00	109.54	100.11	102.55
Highest offer Price (Rs.)	107.01	118.07	104.33	104.97	109.54	105.76	104.61
Lowest offer Price (Rs.)	100.99	100.49	100.27	100.14	100.25	100.02	100.12
Highest repurchase price per unit (Rs.)	107.01	118.07	104.33	104.97	109.54	105.76	104.61
Lowest repurchase price per unit (Rs.)	100.99	100.49	100.27	100.14	100.25	100.02	100.12
Weighted average portfolio (No. of days)	662.37	336.54	218.17	2.82	0.98	10.83	1.72

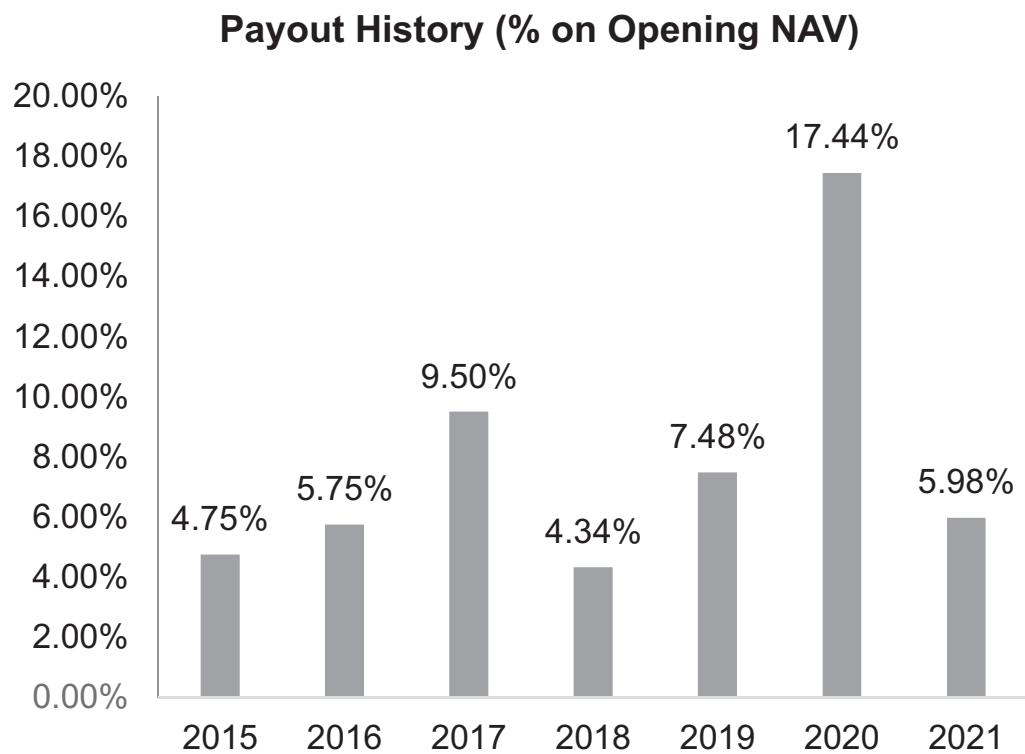
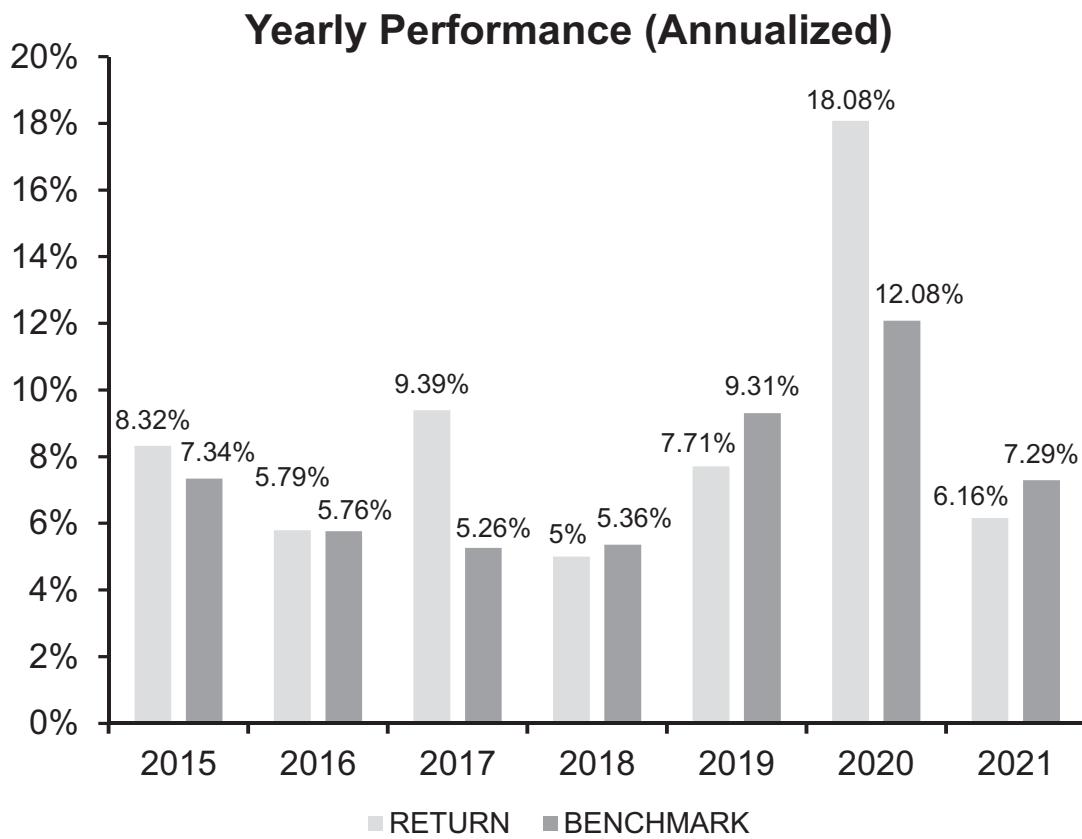
For the Period From 24 November 2014 to 30 June 2015 (Date of Launch: 01 December 2014)

**Relates to announced prices

Note: Past Performance of the Fund is not indicative of future performance, and the price and investment return may go down, as well as up.

Distribution Details

Distribution details	2021	2020	2019	2018	2017	2016	2015
First Inteim Distribution - Cash Dividend (Rs.)	6.04	17.50	4.00	-	-	5.75	2.25
First Inteim Distribution as a % of opening NAV	5.98	17.44	3.99	-	-	5.75	2.25
Distribution date	25-Jun-20	26-Jun-20	18-Jan-19	-	-	24-Jun-16	8-Jun-15
Second Inteim Distribution - Cash Dividend (Rs.)	-	-	3.50	-	-	-	-
Second Inteim Distribution as a % of opening NAV	-	-	3.49	-	-	-	-
Distribution date	-	-	27-Jun-19	-	-	-	-
Final Distribution - Cash Dividend (Rs.)	-	-	-	4.75	9.50	-	2.50
Final Distribution as a % of opening NAV	-	-	-	4.75	9.49	-	2.50
Distribution date	-	-	-	6-Jul-18	7-Jul-17	-	7-Jul-15



TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) and Clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Atlas Sovereign Fund (the Fund) are of the opinion that Atlas Asset Management Limited, being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2021 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Karachi: 30 September 2021

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Atlas Sovereign Fund Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Atlas Sovereign Fund** ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2021, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2021, and of its financial performance, its cash flows and transactions for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Following is the key audit matter:

Key audit matter	How our audit addressed the key audit matter
Net Asset Value (NAV) (Refer notes 4 and 5 to the financial statements)	
Investments and bank balances constitute the most significant component of the NAV. Investments of the Fund as at June 30, 2021 amounted to Rs. 1,187.198 million and balances with banks aggregated to Rs. 1,054.508 million. The existence and proper valuation of investments and existence of bank balances for the determination of NAV of the Fund as at June 30, 2021 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none">Tested the design and operating effectiveness of the key controls for valuation of investments;Obtained independent confirmations for verifying the existence of the investment portfolio and bank balances as at June 30, 2021 and traced balances in these confirmations with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed;Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; andObtained bank reconciliation statements and tested reconciling items on a sample basis.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors of the Management Company for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of directors of the management company is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

-
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with board of directors of the management company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide board of directors of the management company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with board of directors of the management company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirement

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Salman Hussain.

Karachi: 16 September 2021

A. F. Ferguson & Co.
Chartered Accountants

Engagement Partner: Salman Hussain

STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 JUNE 2021

		2021	2020
	Note	----- Rupees -----	
Assets			
Bank balances	4	1,054,508,016	301,477,720
Investments	5	1,187,198,151	1,867,851,534
Mark-up receivable	6	19,723,378	14,446,366
Deposits and other receivable	7	3,197,602	479,185
Total assets		2,264,627,147	2,184,254,805
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	8	2,767,104	3,660,853
Payable to the Central Depository Company of Pakistan Limited - Trustee	9	135,046	139,491
Payable to the Securities and Exchange Commission of Pakistan	10	431,255	495,192
Redemption payable		1,611,019	-
Accrued expenses and other liabilities	11	34,369,690	96,487,696
Total liabilities		39,314,114	100,783,232
NET ASSETS		2,225,313,033	2,083,471,573
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		2,225,313,033	2,083,471,573
CONTINGENCIES AND COMMITMENTS	12		
NUMBER OF UNITS IN ISSUE		22,006,687	20,635,634
NET ASSET VALUE PER UNIT		101.1199	100.9600

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

		2021	2020
	Note	----- Rupees -----	
Income			
Interest Income	13	171,078,212	290,837,766
Capital (loss) / gain on sale of investments - net		(13,174,684)	64,303,878
Net unrealized (loss) / gain on remeasurement of investments classified as 'financial assets at fair value through profit or loss'		(4,948,255)	75,891,034
		(18,122,939)	140,194,912
Total income		152,955,273	431,032,678
Expenses			
Remuneration of Atlas Asset Management Limited - Management Company	8.1	14,139,342	22,252,623
Sindh sales tax on remuneration of the Management Company	8.2	1,838,114	2,892,841
Accounting and operational charges	8.4	3,661,982	3,544,224
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	9.1	1,400,166	1,609,396
Sindh sales tax on Remuneration of Trustee		182,022	209,221
Annual fees to the Securities and Exchange Commission of Pakistan	10.1	431,255	495,192
Auditors' remuneration	15	273,240	359,446
Annual rating fee		402,633	366,235
Annual listing fee		30,138	27,500
Securities transaction cost		2,834	33,969
Printing charges		13,929	28,809
Legal and professional charges		136,560	128,529
Bank charges		35,436	29,277
Provision for Sindh Workers' Welfare Fund	11.1	2,608,153	7,981,108
Total expenses		25,155,804	39,958,370
Net income for the year before taxation		127,799,469	391,074,308
Taxation	16	-	-
Net income for the year after taxation		127,799,469	391,074,308
Earnings per unit	17		
Allocation of net income for the year:			
Net income for the year after taxation		127,799,469	391,074,308
Income already paid on units redeemed		(4,570,766)	(170,717,628)
		123,228,703	220,356,680
Accounting income available for distribution:			
-Relating to capital gains		-	140,194,912
-Excluding capital gains		123,228,703	80,161,768
		123,228,703	220,356,680

The annexed notes from 1 to 30 form an integral part of these financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	----- Rupees-----	
Net income for the year after taxation	127,799,469	391,074,308
Other comprehensive income	-	-
Total comprehensive income for the year	127,799,469	391,074,308

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE YEAR ENDED 30 JUNE 2021

	30 June 2021			30 June 2020		
	Capital Value	Undistributed income	Net Assets	Capital Value	Undistributed income	Net Assets
	Rupees			Rupees		
Net assets at the beginning of the year						
Units Outstanding: 20,635,634 (2020: 20,936,104)	2,073,891,942	9,579,631	2,083,471,573	2,298,220,458	3,016,233	2,301,236,691
Issuance of 7,901,729 units (2020: 23,140,077 units)						
- Capital value (at net asset value per unit at the beginning of the year)	797,758,560	-	797,758,560	2,321,643,925	-	2,321,643,925
- Element of income	16,145,395	-	16,145,395	180,748,638	-	180,748,638
Total proceeds on issuance of units	813,903,955	-	813,903,955	2,502,392,563	-	2,502,392,563
Redemption of 6,530,676 units (2020: 25,440,547 units)						
- Capital value (at net asset value per unit at the beginning of the year)	(659,337,049)	-	(659,337,049)	(2,552,450,127)	-	(2,552,450,127)
- Element of loss	(8,953,708)	(4,570,766)	(13,524,474)	(67,831,814)	(170,717,628)	(238,549,442)
Total payment on redemption of units	(668,290,757)	(4,570,766)	(672,861,523)	(2,620,281,941)	(170,717,628)	(2,790,999,569)
Total comprehensive income for the year						
Refund of Capital	-	127,799,469	127,799,469	-	391,074,308	391,074,308
Cash dividend declared for the year ended 30 June 2021 at the rate of	(7,180,565)	-	(7,180,565)	(106,439,138)	-	(106,439,138)
Rs. 6.04 per unit 25 June 2021 (2020: Rs. 17.5 per unit 26 June 2020)	-	(119,819,876)	(119,819,876)	-	(213,793,282)	(213,793,282)
	(7,180,565)	7,979,593	799,028	(106,439,138)	177,281,026	70,841,888
Net assets at end of the year	2,212,324,575	12,988,458	2,225,313,033	2,073,891,942	9,579,631	2,083,471,573
Units Outstanding: 22,006,687 (2020: 20,634,635)						
Undistributed income brought forward						
- Realised income	-	-	-	-	4,865,277	-
- Unrealised Income / (loss)	-	9,579,631	-	-	(1,849,044)	-
	-	9,579,631	-	-	3,016,233	-
Accounting income available for distribution:						
- Relating to capital gains	-	123,228,703	-	-	140,194,912	-
- Excluding capital gains	-	123,228,703	-	-	80,161,768	-
	-	123,228,703	-	-	220,356,680	-
Distributions during the year:						
Cash dividend declared for the year ended 30 June 2021 at the rate of						
Rs. 6.04 per unit 25 June 2021 (2020: Rs. 17.5 per unit 26 June 2020)	-	(119,819,876)	-	-	(213,793,282)	-
	-	(119,819,876)	-	-	(213,793,282)	-
Undistributed income carried forward						
Undistributed income carried forward	-	12,988,458	-	-	9,579,631	-
- Realised income	-	4,528,613	-	-	-	-
- Unrealised Income	-	8,459,845	-	-	9,579,631	-
	-	12,988,458	-	-	9,579,631	-
Net assets value per unit at beginning of the year			100.96			100.33
Net assets value per unit at end of the year			101.12			100.96

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021	2020
		Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		127,799,469	391,074,308
Adjustments for:			
Interest income		(171,078,212)	(290,837,766)
Capital loss / (gain) on sale of investments - net		13,174,684	(64,303,878)
Net unrealized loss / (gain) on remeasurement of investments classified as 'financial assets at fair value through profit or loss'		4,948,255	(75,891,034)
Provision for Sindh Workers' Welfare Fund		2,608,153	7,981,108
		(150,347,120)	(423,051,570)
Decrease / (Increase) in assets			
Investments		721,954,952	(1,033,906,683)
Profit received on investments and bank balances		106,376,692	116,026,999
Deposits and other receivable		(2,718,417)	(9,775)
		825,613,227	(917,889,459)
(Decrease) / Increase in liabilities			
Payable to Atlas Asset Management Limited - Management Company		(893,749)	1,806,170
Payable to the Central Depository Company of Pakistan Limited - Trustee		(4,445)	(116,423)
Payable to the Securities and Exchange Commission of Pakistan		(63,937)	64,770
Redemption Payable		1,611,019	-
Accrued expenses and other liabilities		(64,726,159)	71,997,655
		(64,077,271)	73,752,172
Net cash generated from / (used in) operating activities		738,988,305	(876,114,549)
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received against issuance of units		813,903,955	2,502,392,563
Amount paid against redemption of units		(672,861,523)	(2,790,999,569)
Refund of Capital		(7,180,565)	(106,439,138)
Cash payout against distribution		(119,819,876)	(213,793,282)
Net cash generated from / (used in) financing activities		14,041,991	(608,839,426)
Net increase / (decrease) in cash and cash equivalents		753,030,296	(1,484,953,975)
Cash and cash equivalents at the beginning of the year		301,477,720	1,786,431,695
Cash and cash equivalents at the end of the year	4	1,054,508,016	301,477,720

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Sovereign 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 May 23, 2017 and September 3, 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, Seventh, Eighth, Ninth and Tenth Supplements dated March 24, 2015, August 3, 2015, June 23, 2016, October 13, 2016, June 2, 2017, April 18, 2018, August 20, 2018, October 2, 2019, October 30, 2019 and April 1, 2020 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 was launched as a money market scheme. Effective from January 2, 2019 the Funds' category was changed to Income Scheme with approval of the SECP. The Fund is listed on Pakistan Stock Exchange Limited. The units of the Fund are being offered for public subscription on a continuous basis from December 1, 2014 and are transferable and redeemable by surrendering them to the Fund.
- 1.3 The objective of the Fund is to provide unit holders competitive returns by investing in a portfolio of medium risk securities including investments in Government securities and debt instruments. The investment objectives and policies are more fully defined in Fund's Offering document.
- 1.4 The title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.5 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company had submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020. Subsequent to the year ended June 30, 2021, the Trust deed has been registered under the Sindh Trusts Act, 2020.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- "Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed."

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

2.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain new standards, interpretations and amendments to the published accounting and reporting standards that are mandatory for the Fund's accounting period beginning on 1 July 2020. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these financial statements.

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

The following amendments would be effective from the dates mentioned below against the respective amendment:

Amendments	Effective date (accounting period beginning on or after)
- IAS 1 - 'Presentation of financial statements' (amendment)	1 January 2023
- IAS 8 - 'Accounting policies, change in accounting estimates and errors' (amendment)	1 January 2023

These amendments may impact the financial statements of the Fund on adoption. The management is currently in the process of assessing the full impact of these amendments on the financial statements of the Fund.

There are certain other standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after 1 July 2021 but are considered not to be relevant or will not have any significant effect on the Fund's operations and, therefore, have not been detailed in these financial statements.

2.4 Critical accounting estimates and judgements

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years of the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets.

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except that investments have been carried at fair value.

2.6 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years.

3.1 Financial assets

3.1.1 Classification and subsequent measurement

Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified based on the business model of the entity as:

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); or
- at fair value through profit or loss (FVPL).

IFRS 9 also provides an option for securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognized at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the Statement of Assets and Liabilities at fair value, with gains and losses recognised in the Income Statement, except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI.

The dividend income from equity securities classified under FVPL is recognised in the Income Statement. The subsequent movement in the fair value of equity securities under FVPL is routed through the Income Statement.

The Fund can only invest in equity securities for the purpose of spread transactions.

3.1.2 Impairment

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and FVOCI. The Fund recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

The 12 months ECL is recorded for all financial assets in which there is no significant increase in credit risk from the date of initial recognition, whereas a lifetime ECL is recorded for all remaining financial assets.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

3.1.2.1 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the Income Statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, in accordance with the provisioning policy duly approved by the Board of Directors.

3.1.3 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

3.1.4 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the Income Statement.

3.1.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

3.1.6 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the Income Statement.

3.2 Financial liabilities

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

3.3 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the 'Statement of Assets and Liabilities' when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.4 Issue and redemption of units

Units issued are recorded at the offer price determined by the management company for the applications received

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

by the distribution company / management company during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price applicable to units for which the distribution company / management company receives redemption application during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the management company may consider to be an appropriate provision of duties and charges.

3.5 Revenue recognition

- Capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Income from investments in government securities and commercial papers is recognised on an accrual basis using effective interest method at the rate of return implicit in the instrument.
- "Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the period in which they arise."
- Interest income on bank balances is recognised on an accrual basis.

3.6 Expenses

All expenses chargeable to the Fund including remuneration of Management Company, Trustee and annual fee of SECP are recognised in the income statement on an accrual basis.

3.7 Provisions

Provisions are recognised when the Fund has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.8 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 ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders. The Fund intends to distribute such income by the year end in order to avail this tax exemption. Accordingly, no provision has been made for current and deferred taxation in these financial statements.

3.9 Distribution to unit holders

Distributions to unit holders are recognised upon declaration and approval by the Investment Committee of the Board of Directors of Management Company under powers delegated to them by the Board of Directors of the Management Company or declaration and approval by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.10 Net asset value per unit

The net asset value (NAV) per unit disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

3.11 Earnings per unit

Earnings per unit is calculated by dividing the net income of the year after taxation of the Fund by the weighted average number of units outstanding during the year.

3.12 Cash and cash equivalents

These comprise balances with banks, cheques in hand and short-term highly liquid investments with original maturities of three months or less.

3.13 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution.

	Note	2021		2020	
		----- Rupees -----		----- Rupees -----	
4 BANK BALANCES					
In local currency					
- Profit and loss sharing accounts	4.1	1,054,508,016		301,477,720	
		1,054,508,016		301,477,720	

4.1 The rate of return on these balances range from 5.50% to 8.25% per annum (June 30, 2020: 6.50% to 8.80% per annum).

	Note	2021		2020	
		----- Rupees -----		----- Rupees -----	
5 INVESTMENTS					
At fair value through profit or loss					
Government Securities					
Market Treasury Bills	5.1		-	1,287,200,883	
Pakistan Investment Bonds	5.2	1,162,799,909		580,650,651	
Commercial Paper	5.3	24,398,242		-	
		1,187,198,151		1,867,851,534	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5.1 Market Treasury Bills - At fair value through profit or loss

Market treasury bills	As at 01 July 2020	Acquired during the year	Sold / matured during the year	As at 30 June 2021	Carrying value	Market value	Market value as a percentage of total investment	Market value as a percentage of net assets
	Face value (Rupees)			(Rupees)		% age		
03 Months - T-bills	-	3,277,500,000	3,277,500,000	-	-	-	-	-
06 Months - T-bills	175,000,000	1,070,000,000	1,245,000,000	-	-	-	-	-
12 Months - T-bills	1,143,045,000	570,000,000	1,713,045,000	-	-	-	-	-
June 30, 2021	1,318,045,000	4,917,500,000	6,235,545,000	-	-	-	-	-
June 30, 2020					1,271,027,821	1,287,200,883	68.91	61.78

5.1.1 The cost of investments as on June 30, 2020 was Rs. 1,198,569,569.

5.1.2 Market Treasury Bills outstanding as at June 30, 2020 carried purchase yields ranging from 7.48% to 14.19% per annum and had maturities between August 27, 2020 and March 11, 2021.

5.2 Pakistan Investment Bonds - At fair value through profit or loss

Pakistan investment bonds	As at 01 July 2020	Acquired during the year	Sold	As at 30 June 2021	Carrying value	Market value	Market value as a percentage of total investment	Market value as a percentage of net assets
	Face value (Rupees)			(Rupees)		% age		
3 Years PIB - fixed rate	470,500,000	50,000,000	325,000,000	195,500,000	198,615,700	195,546,743	16.47	8.79
3 Years PIB - floating rate	-	175,000,000	-	175,000,000	175,623,995	175,210,000	14.76	7.87
5 Years PIB - fixed rate	90,000,000	755,000,000	335,000,000	510,000,000	510,280,649	509,893,181	42.95	22.91
5 Years PIB - floating rate	-	162,500,000	-	162,500,000	163,194,645	162,678,750	13.70	7.31
10 Years PIB - fixed rate	-	50,000,000	-	50,000,000	44,543,800	44,223,735	3.73	1.99
10 Years PIB - floating rate	-	75,000,000	-	75,000,000	75,489,375	75,247,500	6.34	3.38
June 30, 2021	560,500,000	1,267,500,000	660,000,000	1,168,000,000	1,167,748,164	1,162,799,909	97.94	52.25
June 30, 2020					520,932,679	580,650,651	31.09	

5.2.1 The cost of investments as on June 30, 2021 is Rs. 1,154,340,064 (June 30, 2020: Rs. 520,932,679).

5.2.2 These Pakistan Investment Bonds carry purchase yields ranging from 8.12% to 9.78% (June 30, 2020: 11.52% to 14.59%) per annum and will mature between September 19, 2022 and December 10, 2030 (June 30, 2020: September 19, 2022 and September 19, 2024).

5.3 Commercial Papers

Name of the security	As at 01 July 2020	Acquired during the year	Sold / matured during the year	As at 30 June 2021	Carrying value	Market value	Market value as a percentage of total investment	Market value as a percentage of net assets
	Face value (Rupees)			(Rupees)		% age		
K-Electric ICP-18 (A-1+, JCR-VIS)	-	25,000,000	-	25,000,000	24,398,242	24,398,242	2.06	1.10
June 30, 2021	-	25,000,000	-	25,000,000	24,398,242	24,398,242	2.06	1.10
June 30, 2020					-	-	-	-

5.3.1 The cost of investment as on June 30, 2021 is Rs. 23,998,900 (June 30, 2020: Rs Nil).

5.3.2 The Commercial Paper carries profit of 8.32% per annum and will mature on October 19, 2021.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

		Note	2021	2020
			----- Rupees -----	
5.4	Unrealised (loss) / gain on re-measurement of investments classified as financial asset at fair value through profit or loss - net			
	Market value of investments	5.1, 5.2 & 5.3	1,187,198,151	1,867,851,534
	Less: carrying value of investments	5.1, 5.2 & 5.3	1,192,146,406	1,791,960,500
			(4,948,255)	75,891,034
6	MARK-UP RECEIVABLE			
	Mark-up receivable on:			
	Bank balances		538,566	62,997
	Pakistan Investment Bonds		19,184,812	14,383,369
			19,723,378	14,446,366
7	DEPOSITS AND OTHER RECEIVABLE			
	Deposit with Central Depository Company of Pakistan Limited (CDCPL)		202,825	-
	Deposit with National Clearing Company of Pakistan Limited (NCCPL)		2,500,000	-
	Other receivables	7.1	494,777	479,185
			3,197,602	479,185
7.1	As per Clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151. However, during the year ended 30 June 2016, several Companies (including banks) deducted withholding tax on profit on bank deposits paid to the Fund based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT) / 2008-VOL.II-66417-R dated 12 May 2015.			
	In this connection, a petition has been filed in the Supreme Court of Pakistan by the Fund together with other CISs (managed by the Management Company and other Asset Management Companies) to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Pending resolution of the matter, the cumulative amount of withholding tax deducted on profit received by the Fund on bank deposits till June 30, 2021 has been shown as other receivables as, in the opinion of the management, the amount of tax deducted at source will be refunded.			
8	PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - RELATED PARTY			
		Note	2021	2020
			----- Rupees -----	
	Remuneration of the Management Company	8.1	1,248,121	2,036,614
	Sindh sales tax payable on remuneration of the Management Company	8.2	297,284	396,036
	Federal excise duty payable on remuneration of the Management Company	8.3	905,341	905,341
	Accounting and operational charges payable	8.4	316,358	322,862
			2,767,104	3,660,853

- 8.1** The management company has charged remuneration at the rate of 10% of the gross earnings calculated on a daily basis subject to a minimum fee of 0.60% of average daily net assets and maximum fee of 1.00% of average daily net assets. The aforementioned limits were revised and are effective since July 1, 2020. Previously, the management fee was being charged at the rate of 10% of the gross earnings calculated on a daily basis subject to a minimum fee of 0.45% of average daily net assets and maximum fee of 0.80% of average daily net assets.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

The amount of the remuneration is being paid on monthly basis in arrears.

- 8.2** During the year, an amount of Rs. 1,838,114 (2020: Rs. 2,892,841) 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. 1,936,866 (2020: Rs. 2,671,084) has been paid to the Management Company which acts as a collecting agent.
- 8.3** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 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.

During the year ended June 30, 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.

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 July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to 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 provision not been made, the NAV per unit of the Fund would have been higher by Rs 0.04 (June 30, 2020: Rs 0.04) per unit.

- 8.4** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The management company has charged expenses at the rate 0.17% of the average daily net assets of the Fund for the year. The aforementioned rate was revised in the prior period and is effective since March 05, 2020. Previously, the management company has charged expenses at the rate of 0.1% of the average daily net assets of the Fund for the period from July 1, 2019 to September 30, 2019 and at the rate of 0.15% of the average daily net assets of the Fund from October 1, 2019 till March 04, 2020.

9 PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE - RELATED PARTY	Note	2021	2020
		----- Rupees -----	----- Rupees -----
Trustee fee	9.1	119,509	123,443
Sindh sales tax on trustee fee		15,537	16,048
		135,046	139,491

- 9.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.065% (June 30, 2020: 0.065%) of average daily net assets of the Fund during the year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Annual fee payable

	Note	2021	2020
		----- Rupees -----	----- Rupees -----
Annual fee payable	10.1	431,255	495,192

- 10.1** In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

In accordance with the SRO No. 685(I) / 2019 dated June 28, 2019 issued by SECP, the Fund has charged SECP fee at the rate of 0.02% (June 30, 2020: 0.02%) of average daily net assets of the Fund during the year.

11 ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	2021	2020
		----- Rupees -----	----- Rupees -----
Transaction charges payable		1,204	1,204
Auditors' remuneration payable		259,740	252,450
Printing charges payable		2,071	8,025
Withholding tax payable		16,760,259	31,010,400
Capital Gain Tax Payable		1,830	511,711
Dividend payable		4,768,186	54,735,658
Provision for Sindh Workers' Welfare Fund	11.1	12,565,416	9,957,264
Other payables		10,984	10,984
		34,369,690	96,487,696

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

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

12 CONTINGENCIES AND COMMITMENTS

There were no material contingencies and commitments outstanding as at June 30, 2021 and June 30, 2020.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	----- Rupees -----	
13 INTEREST INCOME		
Profit and loss sharing accounts	16,872,215	26,394,655
Government securities - Market Treasury Bills	59,424,508	182,147,241
Government securities - Pakistan Investment Bonds	94,382,147	82,295,870
Commercial papers	399,342	-
	171,078,212	290,837,766
14 TOTAL EXPENSE RATIO		
The Total Expense Ratio (TER) of the Fund as at June 30, 2021 is 1.17% (June 30, 2020: 1.61%) which includes 0.21% (June 30, 2020: 0.45%) 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 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an "income scheme".		
15 AUDITORS' REMUNERATION		
Annual audit fee	165,000	123,750
Half yearly review of condensed interim financial information	82,500	68,750
Certification charges	-	55,000
Code of Corporate Governance	-	50,000
Out of pocket expenses	27,000	25,000
Sindh sales tax on services	19,800	25,800
Prior year adjustment	(21,060)	11,146
	273,240	359,446
16 TAXATION		
The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the management has distributed the required minimum percentage of income earned by the Fund during the year ended June 30, 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.		
The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.		
17 EARNINGS PER UNIT		
Earnings per unit has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.		
18 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS		
18.1 Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

- 18.2** Transactions with connected persons are executed on an arm's length basis and essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 18.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 18.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

	2021	2020
	Rupees	
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	14,139,342	22,252,623
Remuneration paid	14,927,835	20,546,813
Sindh sales tax on remuneration of the Management Company	1,838,114	2,892,841
Redemption of Nil (2020: 416,133) units	-	44,051,586
Accounting and operational charges	3,661,982	3,544,224
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	1,400,166	1,609,396
Sindh sales tax payable on remuneration of the Trustee	182,022	209,221
Remuneration paid	1,404,100	1,712,426
Atlas Foundation (Group Company)		
Issue of 108,965 (2020: 248,631) units	11,054,719	25,944,499
Cash dividend	5,602,613	13,385,013
Redemption of Nil (2020: 272,776) units	-	31,000,000
Outstanding 937,187 (2020: 828,222) units at - net asset value	94,768,256	83,617,293
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Issue of 13,400 (2020: 23,760) units	1,360,000	2,413,064
Cash dividend	-	1,588,864
Redemption of 121,616 (2020: 30,374) units	12,616,863	3,400,000
Outstanding Nil (2020: 108,216) units at - net asset value	-	10,925,487
Atlas Honda Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Issue of 33,063 (2020: 81,925) units	3,338,258	8,238,411
Redemption of Nil (2020: 733,666) units	-	80,000,000
Cash dividend	3,338,258	8,238,411
Outstanding 585,755 (2020: 552,692) units - at net asset value	59,231,487	55,799,784
Atlas Honda Limited (Group Company)		
Issue of 569,416 (2020: 8,647,971) units	57,542,228	940,984,082
Redemption of Nil (2020: 5,497,023) units	-	600,000,000
Cash dividend	61,747,752	84,507,414
Outstanding 10,751,988 (2020: 10,182,572) units at - net asset value	1,087,239,951	1,028,032,469

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	Rupees	Rupees
Shirazi Investments (Private) Limited (Group Company)		
Issue of 51,059 (2020: Nil) units	5,207,306	-
Cash dividend	17,821,688	50,904,638
Redemption of Nil (2020: 4,586,315) units	-	500,000,000
Outstanding 2,959,895 (2020: 2,908,836) units at - net asset value	299,304,286	293,676,083
Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of a Group Company)		
Issue of 238,229 (2020: 510,060) units	24,115,338	54,952,324
Cash dividend	5,050,006	11,406,359
Redemption of 343,763 (2020: 163,837) units	35,000,000	18,000,000
Outstanding 897,575 (2020: 1,003,109) units - at net asset value	90,762,694	101,273,885
Atlas Insurance Limited (Group Company)		
Issue of 986,539 (2020: 9,622,116) units	100,000,000	1,025,733,909
Cash dividend	-	4,321,757
Redemption of 1,813,622 (2020: 8,794,993) units	184,784,214	973,458,719
Outstanding Nil (2020: 827,123) units - at net asset value	-	83,506,338
Atlas Metals (Private) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Issue of 509,042 (2020: Nil) units	52,104,395	-
Cash dividend	1,643,578	-
Outstanding 509,042 (2020: Nil) units - at net asset value	51,474,276	-
Honda Atlas Cars (Pakistan) Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Issue of 723,875 (2020: Nil) units	75,000,000	-
Redemption of 723,875 (2020: Nil) units	75,952,040	-
Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund (Retirement benefit plan of a Group Company)		
Issue of 1,988,000 (2020: Nil) units	206,329,748	-
Cash dividend	5,691,660	-
Outstanding 1,988,000 (2020: Nil) units - at net asset value	201,026,361	-
Batool's Benefit Trust		
Issue of 190,986 (2020: Nil) units	19,458,527	-
Cash dividend	917,921	-
Outstanding 190,986 (2020: Nil) units - at net asset value	19,312,485	-
Directors and their close family members and key management Personnel and executive of the Management Company		
Issue of 94,277 (2020: 297,765) units	9,530,449	30,537,685
Redemption of Nil (2020: 3,224,757) units	-	350,391,371
Cash dividend	9,834,923	10,392,471
Outstanding 814,723 (2020: 720,446) units at - net asset value	82,384,708	72,736,228

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

- 18.5 Other balances due to / from related parties / connected persons are included in the respective notes to the financial statements.
- 18.6 The transactions with related parties / connected persons are in the normal course of business at contracted rates and terms determined in accordance with market rates.

19 FINANCIAL INSTRUMENTS BY CATEGORY

	As at June 30, 2021		
	At amortised cost	At fair value through profit or loss	Total
	----- (Rupees) -----		
Financial assets			
Bank balances	1,054,508,016	-	1,054,508,016
Investments	-	1,187,198,151	1,187,198,151
Mark-up receivable	19,723,378	-	19,723,378
Deposits	2,702,825	-	2,702,825
	1,076,934,219	1,187,198,151	2,264,132,370

	As at June 30, 2021		
	At fair value through profit or loss	At amortised cost	Total
	----- (Rupees) -----		
Financial liabilities			
Payable to Atlas Asset Management Limited - Management Company	-	2,767,104	2,767,104
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	135,046	135,046
Redemption Payable	-	1,611,019	1,611,019
Accrued expenses and other liabilities	-	5,042,185	5,042,185
	-	9,555,354	9,555,354

	As at June 30, 2020		
	At amortised cost	At fair value through profit or loss	Total
	----- (Rupees) -----		
Financial assets			
Bank balances	301,477,720	-	301,477,720
Investments	-	1,867,851,534	1,867,851,534
Mark-up receivable	14,446,366	-	14,446,366
	315,924,086	1,867,851,534	2,183,775,620

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	As at June 30, 2020		
	At fair value through profit or loss	At amortised cost	Total
	----- (Rupees) -----		
Financial liabilities			
Payable to Atlas Asset Management Limited -			
Management Company	-	3,660,853	3,660,853
Payable to the Central Depository Company of			
Pakistan Limited - Trustee	-	139,491	139,491
Accrued expenses and other liabilities	-	55,008,321	55,008,321
	-	58,808,665	58,808,665

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

20.1 The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the management company, Fund's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, credit risk and liquidity risk arising from the financial instruments it holds.

20.2 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in the market interest rates. As of June 30, 2021, the Fund is exposed to such risk in respect of its investments and bank balances. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks and Pakistan Investments bond which expose the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in market interest rates as at June 30, 2021, with all other variables held constant, the net income for the year and net assets would have been higher / lower by Rs. 14.676 million (2020: Rs. 3.014 million).

b) Sensitivity analysis for fixed rate instruments

Presently, the Fund holds Pakistan investment bonds which exposes the Fund to fair value interest rate risk. In case of 100 basis points increase / decrease in market interest rates as at June 30, 2021, with all other variables held constant, the net income for the year and net assets would have been higher / lower by Rs. 7.741 million (2020: Rs. 18.679 million).

The composition of the fund's investment portfolio and interest rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2021 is not necessarily indicative of the impact on the Fund's net assets of the future movements in interest rates.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Yield / interest rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off balance sheet instruments is based on settlement date.

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2021 can be determined as follows:

As at June 30, 2021					
Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
Percentage					(Rupees)
Financial assets					
Bank balances	5.50% - 8.25%	1,054,508,016	-	-	1,054,508,016
Investments	8.12% - 9.78%	24,398,242	413,136,250	749,663,659	1,187,198,151
Mark-up receivable	-	-	-	19,723,378	19,723,378
Deposits	-	-	-	2,702,825	2,702,825
	1,078,906,258	413,136,250	749,663,659	22,426,203	2,264,132,370
Financial liabilities					
Payable to Atlas Asset Management Limited - Management Company	-	-	-	2,767,104	2,767,104
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	-	-	135,046	135,046
Redemption Payable	-	-	-	1,611,019	1,611,019
Accrued expenses and other liabilities	-	-	-	5,042,185	5,042,185
	-	-	-	9,555,354	9,555,354
Total interest rate sensitivity gap	1,078,906,258	413,136,250	749,663,659	12,870,849	2,254,577,016

As at June 30, 2020					
Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
Percentage					(Rupees)
Financial assets					
Bank balances	6.50% - 8.50%	301,477,720	-	-	301,477,720
Investments	7.48% - 14.19%	221,388,932	1,065,811,951	580,650,651	1,867,851,534
Mark-up receivable	-	-	-	14,446,366	14,446,366
	522,866,652	1,065,811,951	580,650,651	14,446,366	2,183,775,620
Financial liabilities					
Payable to Atlas Asset Management Limited - Management Company	-	-	-	3,660,853	3,660,853
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	-	-	139,491	139,491
Accrued expenses and other liabilities	-	-	-	55,008,321	55,008,321
	-	-	-	58,808,665	58,808,665
Total interest rate sensitivity gap	522,866,652	1,065,811,951	580,650,651	(44,362,299)	2,124,966,955

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

(ii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

(iii) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

20.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is therefore to invest the majority of its assets in short-term instruments in order to maintain liquidity.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

	As at June 30, 2021				
	Within 1 month	1 to 3 months	3 to 12 months	1 to 10 years	Total
	Rupees				
Financial assets					
Bank balances	1,054,508,016	-	-	-	1,054,508,016
Investments	-	24,398,242	-	1,162,799,909	1,187,198,151
Mark-up receivable	19,723,378	-	-	-	19,723,378
Deposits	-	-	-	2,702,825	2,702,825
	1,074,231,394	24,398,242		1,165,502,734	2,264,132,370
Financial liabilities					
Payable to Atlas Asset Management Limited - Management Company	2,767,104	-	-	-	2,767,104
Payable to the Central Depository Company of Pakistan Limited - Trustee	135,046	-	-	-	135,046
Redemption Payable	1,611,019	-	-	-	1,611,019
Accrued expenses and other liabilities	5,042,185	-	-	-	5,042,185
	9,555,354	-		-	9,555,354
Net assets	1,064,676,040	24,398,242		1,165,502,734	2,254,577,016

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	As at June 30, 2020				
	Within 1 month	1 to 3 months	3 to 12 months	1 to 10 years	Total
	Rupees				
Financial assets					
Bank balances	301,477,720	-	-	-	301,477,720
Investments	-	221,388,932	1,065,811,951	580,650,651	1,867,851,534
Mark-up receivable	14,446,366	-	-	-	14,446,366
	315,924,086	221,388,932	1,065,811,951	580,650,651	2,183,775,620
Financial liabilities					
Payable to Atlas Asset Management Limited - Management Company	3,660,853	-	-	-	3,660,853
Payable to the Central Depository Company of Pakistan Limited - Trustee	139,491	-	-	-	139,491
Accrued expenses and other liabilities	55,008,321	-	-	-	55,008,321
	58,808,665	-	-	-	58,808,665
Net assets	257,115,421	221,388,932	1,065,811,951	580,650,651	2,124,966,955

20.4 Credit risk

Credit risk arises from the inability of the issuers of the instruments or the counter party to fulfil their obligations. The Fund is exposed to credit risk with respect to its bank balances and interest accrued. The Fund's policy is to enter into financial contracts in accordance with the interest risk management policies and investment guidelines approved by the Investment Committee. As of 30 June 2021, 53.12% (2020: 90.34%) of Fund's net assets are invested in government securities. The Fund's maximum exposure to credit risk (excluding government securities and their related outstanding mark-up) as of June 30, 2021 amounts to Rs. 1,082,147,649 (2020: Rs. 301,540,717).

20.4.1 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements with banks. The credit rating profile of banks is as follows:

Ratings of amounts placed with banks	% of financial assets exposed to credit risk	
	2021	2020
AAA	9.81	91.23
AA+	71.19	8.73
AA	0.01	0.04
A+	18.97	-
AA-	0.02	-
	100.00	100.00

The maximum exposure to credit risk before any credit enhancement as at June 30, 2021 is the carrying amount of the financial assets except for government securities held and their related outstanding mark-up. None of these assets are impaired nor past due but not impaired.

All the balances with banks have investment grade rating and hence are classified as Stage 1 under IFRS 9.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial assets is mainly held with, diverse credit worthy counter parties.

21 FAIR VALUE MEASUREMENT

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

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

Financial assets which are tradeable in an open market are revalued at 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.

21.1 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 June 30, 2021 and June 30, 2020, the Fund held the following financial instruments measured at fair value:

ASSETS	As at June 30, 2021			
	Level 1	Level 2	Level 3	Total
Financial assets 'at fair value through profit or loss'				
Market Treasury Bills	-	-	-	-
Pakistan Investment Bonds	-	1,162,799,909	-	1,162,799,909
Commercial Paper*	-	24,398,242	-	24,398,242
	-	1,187,198,151	-	1,187,198,151

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

ASSETS	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Financial assets 'at fair value through profit or loss'				
Market Treasury Bills	-	1,287,200,883	-	1,287,200,883
Pakistan Investment Bonds	-	580,650,651	-	580,650,651
	-	1,867,851,534	-	1,867,851,534

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

22 UNIT HOLDERS FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. They are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restrictions on the subscription and redemption of units. As required under NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of scheme. The Fund has maintained and complied with the requirement of minimum fund size during the current year.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 20, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

23 UNIT HOLDING PATTERN OF THE FUND

Category	2021			2020		
	Number of unit	Amount (Rupees)	Percentage of total	Number of unit	Amount (Rupees)	Percentage of total
Individuals	98	117,542,660	5.28	89	216,058,163	10.37
Associated Companies / Directors	9	1,629,105,689	73.21	7	1,561,415,195	74.94
Other Corporates	2	23,159,502	1.04	3	30,525,507	1.47
Retirement Funds	7	455,505,182	20.47	8	275,472,708	13.22
	116	2,225,313,033	100.00	107	2,083,471,573	100.00

24 LIST OF BROKERS BY PERCENTAGE OF THE COMMISSION PAID

2021		2020	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Optimus Capital Management (Pvt) Ltd	100%	Arif Habib Limited	54.66%
	100%	Invest Capital Markets Limited	45.34%
			100%

25 MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Mr. M. Abdul Samad	Chief Executive Officer	MBA, M.Com	21 Years
Mr. Ali H. Shirazi	Director	Masters in Law	17.5 years
Mr. Khalid Mehmood	Chief Investment Officer	MBA - Finance	17 Years
Mr. Muhammad Umar Khan	Head of Portfolio Management	MSc - Finance	13 Years
Mr. Fawad Javid	Head of Fixed Income	CMA	13 Years
Mr. Faran-ul-Haq	Head of Equities	MBA, CFA	10 Years

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

26 NAME AND QUALIFICATION OF FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Mr. Fawad Javaid	Head of Fixed Income	CMA	Atlas Money Market Fund Atlas Income Fund Atlas Islamic Income Fund

27 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and attendance of its members are given below:

Particulars	Meeting held on					
	Jul 06, 2020	Sep 10, 2020	Oct 26, 2020	Feb 25, 2021	Apr 29, 2021	Jun 25, 2021
Directors:						
Mr. Iftikhar H. Shirazi	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Tariq Amin	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Frahim Ali Khan	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ali H. Shirazi	Yes	Yes	Yes	Yes	Yes	Yes
Mr. M. Habib-ur-Rahman	Yes	Yes	Yes	Yes	Yes	Yes
Ms Zehra Naqvi	Yes	Yes	Yes	Yes	Yes	Yes
Mr. M. Abdul Samad	Yes	Yes	Yes	Yes	Yes	Yes
Key executives:						
Ms Qurrat-ul-ain Jafari	No	Yes	Yes	Yes	Yes	Yes
Ms Zainab Kazim	Yes	No	No	Yes	Yes	Yes

28 RATING OF THE FUND AND THE MANAGEMENT COMPANY

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

Moreover, PACRA has updated the stability rating of the Fund to "AA- (f)" [2020: "AA (f)"] on 16 April 2021.

29 GENERAL

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

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

29.3 The COVID - 19 pandemic has taken a toll on all economies and emerged as a contagion risk around the globe, including Pakistan. To reduce the impact on businesses and economies in general, regulators / governments across the globe have introduced a host of measures on both the fiscal and economic fronts. The Securities and Exchange Commission of Pakistan (SECP) had provided certain time bound relaxations to CIs operating in Pakistan in order to provide temporary relaxation against covid pandemic. All of the relaxations provided have expired prior to June 30, 2021.

The Management Company is closely monitoring the situation and has invoked required actions to ensure safety and security of the staff and an uninterrupted service to the customers. Business Continuity Plans (BCP) for respective

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

areas are in place and tested. The Management Company has significantly enhanced monitoring for all cyber security risk during these times from its information security protocols. The remote work capabilities were enabled for critical staff and related risk and control measures were assessed to make sure they are fully protected using virtual private network ("VPN") connections. Further, the Management Company has also ensured that its remote access systems are sufficiently resilient to any unwanted cyber-attacks.

30 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 6 September 2021.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas 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

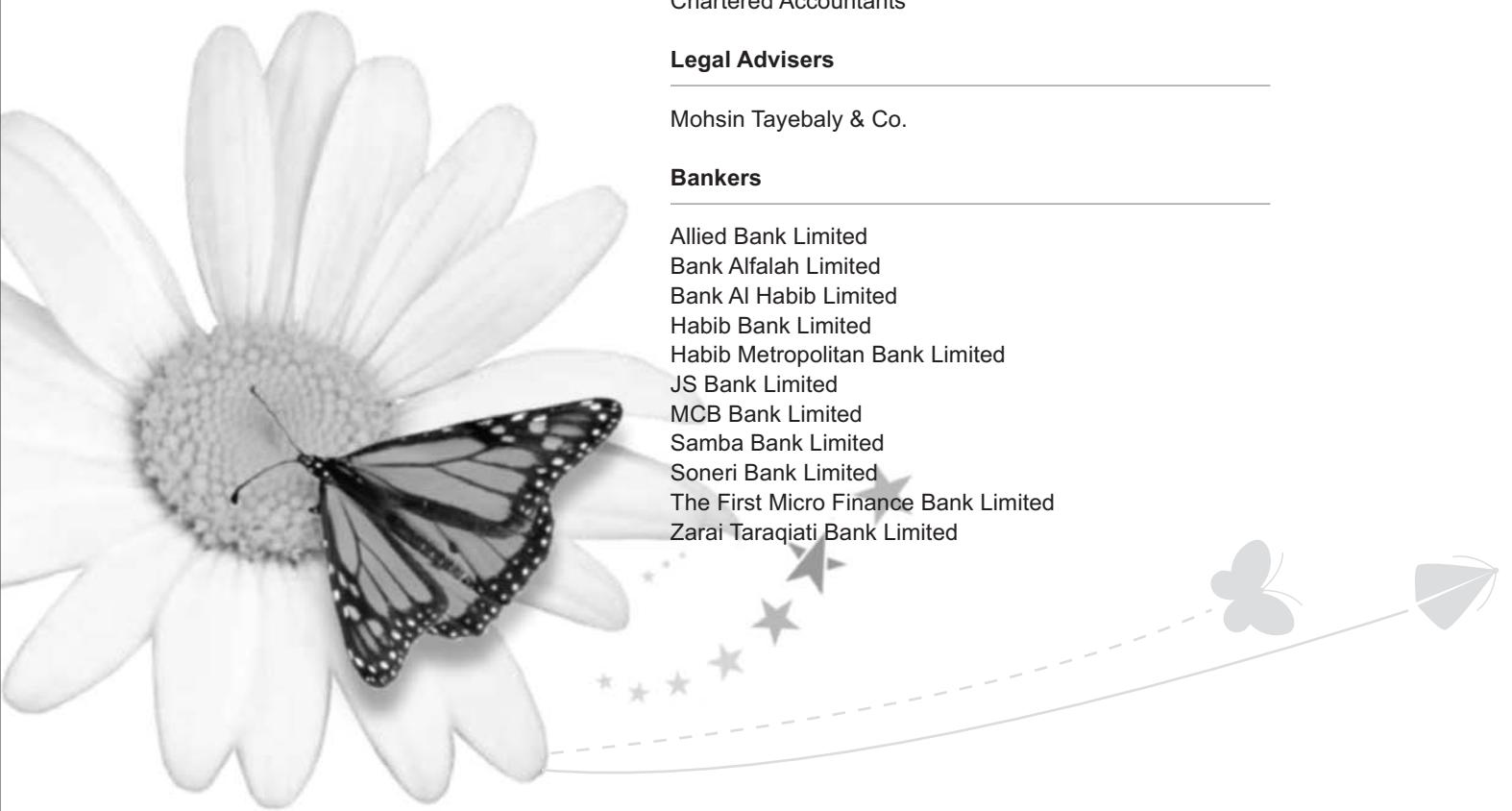
EY Ford Rhodes
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

Allied Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Samba Bank Limited
Soneri Bank Limited
The First Micro Finance Bank Limited
Zarai Taraqiati Bank Limited



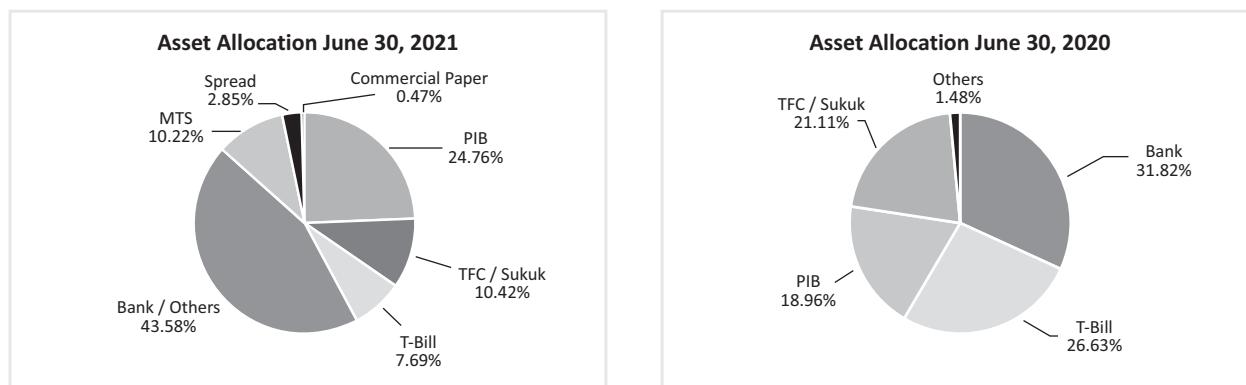
Fund Manager's Report

Atlas Income Fund (AIF) is an Open-ended Income Fund. The objective of AIF is to achieve a good rate of current income (with medium risk) and provide investors with liquidity as well as the facility to join or leave the fund at their convenience. The Fund primarily invests in a diversified portfolio of long, medium and short-term fixed income instruments. The Fund's strategy is based on the conviction that economic environment drives long term performance, and that active management of credit risk can produce consistently superior results. Fundamental and market analysis are used to identify overall portfolio, bond market sectors, yield curve and credit positioning to provide high and sustainable rates of return. The fund employs strategies such as overall portfolio duration and yield curve positioning to deal with market and reinvestment risks.

Atlas Income Fund performance benchmark is average Six Months KIBOR (offer) rate.

The Consumer Price Index (CPI) Inflation averaged at 8.9% during FY21 compared to 10.7% in FY20. Food inflation and rising energy prices remained major contributors to FY21 CPI inflation. During FY21, SBP maintained policy rate at 7.00% with an aim to stimulate economy and boost investor & consumer confidence, given the enforcement of sporadic lockdowns due to the third & fourth wave of the pandemic. Going forward, accommodation witnessed in monetary policy may be reduced if economy reaches full potential and demand side pressures emerge.

The Net Asset Value per unit of Atlas Income Fund increased by 6.99% to Rs. 522.56 as on June 30, 2021. The benchmark average six months KIBOR rate stood at 7.43% during the period under review. AIF total exposure in Bank/Others, Pakistan Investment Bonds, TFC/Sukuk, MTS, Treasury Bills, Spread Transactions and Commercial Papers stood at 43.58%, 24.76%, 10.42%, 10.22%, 7.69%, 2.85% and 0.47% respectively. AIF presents a good investment opportunity for investors to earn competitive returns while taking medium risk. The Net Assets of the Fund stood at Rs. 4.99 billion with 9.55 million units outstanding as of June 30, 2021.



The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Income Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited has approved aggregated interim distribution of Rs 33.25 per unit for the period ended June 30, 2021 (6.65% on the face value of Rs. 500 per unit).

The non-performing assets and provisions, are as detailed below:

(Rupees '000)

Non-compliant Investments	Value of Investment before Provision	Provision Held	Value of Investment After Provision	% of Net Assets	Suspended Markup (fully provided)
Agritech Limited-Sukuk	15,225	(15,225)	-	-	22,340.96
Agritech Limited-PPTFC	29,976	(29,976)	-	-	42,648.82
Agritech Limited-TFC-IV	7,494	(7,494)	-	-	10,926.46
Agritech Limited-TFC II	11,015	(11,015)	-	-	-
Azgard Nine Limited TFC	7,872	(7,872)	-	-	9,078.45
Azgard Nine Limited - V	5,375	(5,375)	-	-	-
Telecard Limited	4,669	(4,669)	-	-	2,001.84
Total	81,626	81,626	-	-	86,996.54

The Administrative Plans:

The Management Company is offering investment plans that allow investors focused combination investment strategic in Atlas Income fund (AIF) and Atlas Stock Market Fund (ASMF). The investment plans were offered from September 2008, and the returns are as under:

Administrative Plans	Proportionate Investment in		Return (period ended)			
	AIF	ASMF	2017-18	2018-19	2019-20	2020-21
Atlas Bachat Plan	85%	15%	3.38%	3.41%	14.5%	12.2%
Atlas Bachat Balanced Plan	50%	50%	0.04%	-5.75%	10.4%	24.4%
Atlas Bachat Growth Plan	15%	85%	-3.31%	-14.91%	6.37%	36.6%

Breakdown of Unit Holding by size:

Type of Investor	No. of Investors	Amount of Investment (Rs.)	Percentage (%)
Individuals	386	658,837,976	13.21%
Associated Companies / Directors	12	3,724,353,571	74.66%
Retirement Funds	20	445,114,087	8.92%
Insurance Companies	1	1,988,604	0.04%
Others	12	158,136,620	3.17%
Total	431	4,988,430,858	100.00%

The Fund has made provision against SWWF, which up till June 30, 2021 amounted to 44,638,021 (Rs. 4.68 per unit). The Scheme has held provision for FED liability that amounted to Rs. 23,582,971 up till June 30, 2021 (Rs. 2.47 per unit).

The Total Expense Ratio (TER) of the Fund is 1.79% including expenses representing Government levy, SWWF and SECP Fee of 0.29%.

During the year under review, the Investment Committee held fifty-two meetings to review investment of the Fund and the Risk Committee held fifteen meetings to review risk management.

Karachi: 6 September 2021

Fawad Javaid
Head of Fixed Income

PERFORMANCE SINCE INCEPTION

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net assets (Rs. in '000)	4,990,461	3,715,448	2,988,495	6,736,308	12,550,927	7,808,327	5,576,232	3,896,867	1,939,998
Number of units in issue	9,550,014	7,151,571	5,820,926	12,545,428	24,501,811	15,273,112	10,928,688	7,734,075	3,851,364
Net asset value per unit (Rs.)	522.56	519.53	513.41	536.95	512.24	511.25	510.24	503.86	503.72
Net income (Rs. in '000)	284,786	499,956	292,891	460,808	213,245	444,672	168,149	184,945	139,186
Earnings per unit (Rs.)	29.82	69.91	50.32	36.73	8.70	29.11	15.39	23.91	36.14
Annual return of the Fund (%)	7.43	16.26	7.33	4.82	5.48	8.02	10.19	8.45	9.58
Offer price ** (Rs.)	522.56	519.53	513.41	536.95	512.24	511.25	510.24	503.80	508.56
Redemption price ** (Rs.)	522.56	519.53	513.41	536.95	512.24	511.25	510.24	503.86	503.52
Highest offer price (Rs.)	555.23	596.65	531.63	536.86	538.50	550.09	565.53	518.68	523.74
Lowest offer price (Rs.)	520.39	514.18	513.06	513.00	510.39	510.77	504.10	502.10	507.30
Highest repurchase price per unit (Rs.)	555.23	596.65	531.63	536.86	538.50	550.09	565.53	518.11	518.55
Lowest repurchase price per unit (Rs.)	520.39	514.18	513.06	513.00	510.39	510.77	504.10	502.10	502.28
Weighted average portfolio (No. of days)	554.78	612.86	774.82	652.86	417.19	845.19	98.20	329.65	59.05

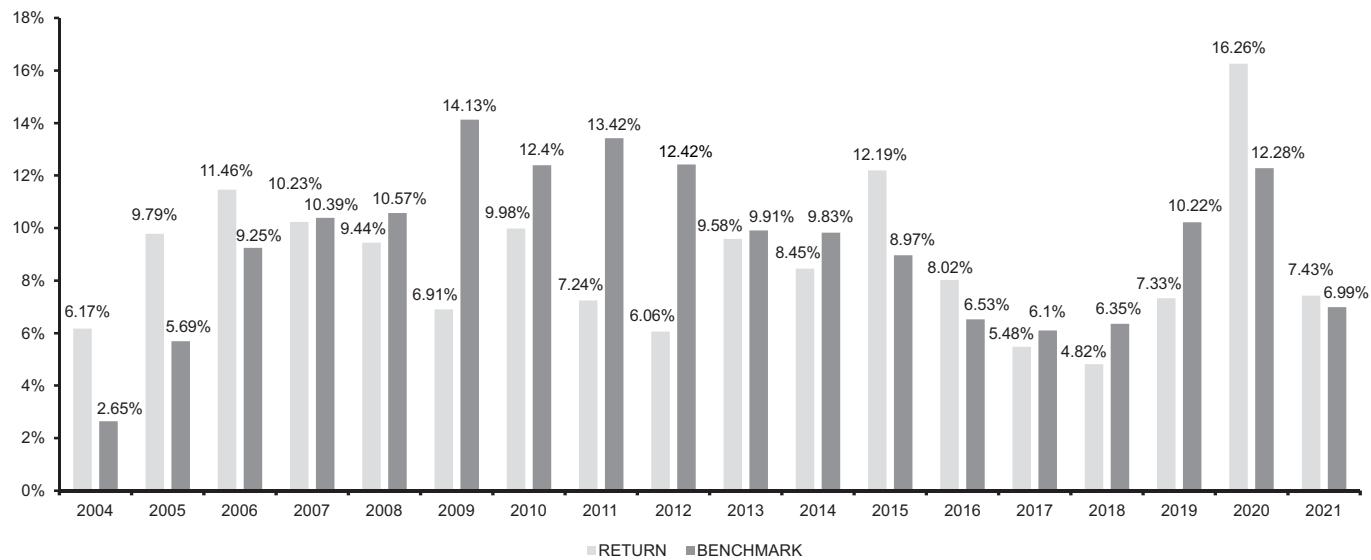
	2012	2011	2010	2009	2008	2007	2006	2005	2004*
Net assets (Rs. in '000)	931,487	786,935	1,282,287	1,748,265	4,150,406	3,853,940	2,675,604	1,153,856	371,324
Number of units in issue	1,855,552	1,530,383	2,509,323	3,403,895	7,930,536	6,988,480	4,796,790	2,101,528	742,343
Net asset value per unit (Rs.)	502.00	514.21	511.01	513.61	523.34	551.47	557.79	549.06	500.21
Net income (Rs. in '000)	53,314	63,171	161,118	154,107	433,326	357,866	276,820	103,093	13,941
Earnings per unit (Rs.)	28.73	41.28	64.21	45.27	54.64	51.21	57.71	49.06	18.78
Annual return of the Fund (%)	6.06	7.24	9.98	6.91	9.44	10.23	11.46	9.79	6.17
Offer price ** (Rs.)	507.02	519.35	516.04	518.75	533.81	557.60	566.65	554.55	505.21
Redemption price ** (Rs.)	502.00	514.21	510.93	513.61	523.34	546.67	555.54	549.06	500.21
Highest offer price (Rs.)	535.51	524.74	525.88	528.18	547.01	557.60	566.79	556.84	529.24
Lowest offer price (Rs.)	483.57	500.55	507.89	474.68	513.92	513.33	511.77	510.90	520.91
Highest repurchase price per unit (Rs.)	530.21	519.54	520.67	517.82	536.28	546.67	555.54	545.92	518.86
Lowest repurchase price per unit (Rs.)	478.78	495.59	501.32	466.39	503.84	503.26	500.45	500.88	510.70
Weighted average portfolio (No. of days)	87.24	67.57	70.58	58.63	76.47	26.19	47.17	21.47	33.70

Date of Launch: 22 March 2004.

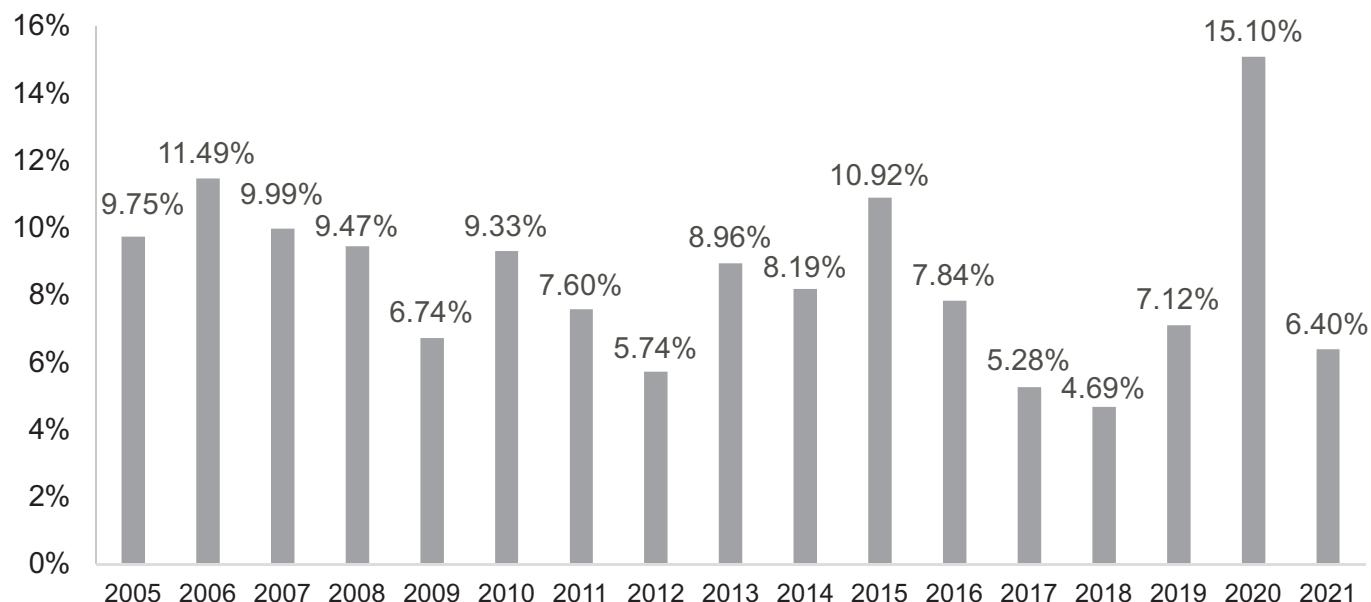
* For the period from 15 September 2003 to 30 June 2004.

** Relates to announced prices.

Yearly Performance (Annualized)



Payout History (% on opening Ex - NAV)



DISTRIBUTION HISTORY

Distribution detail	2021	2020	2019	2018	2017	2016	2015
First Interim distribution cash dividend (Rs.)	28.80	77.50	18.00	-	27.00	40.00	55.00
First Interim distribution as a % of Ex-NAV of units	5.54	15.10	3.51	-	5.28	7.84	10.92
Date of distribution - Interim	25-Jun-21	26-Jun-20	18-Jan-19	-	20-Jun-17	24-Jun-16	29-Jun-15
Second Interim distribution cash dividend (Rs.)	4.45	-	18.50	-	-	-	-
Second Interim distribution as a % of Ex-NAV of units	0.86	-	3.61	-	-	-	-
Date of distribution - Interim	30-Jun-21	-	27-Jun-19	-	-	-	-
Final distribution cash dividend (Rs.)	-	-	-	24	-	-	-
Final distribution as a % of Ex-NAV of units	-	-	-	4.69	-	-	-
Date of distribution	-	-	-	6-Jul-18	-	-	-

Distribution details	2014	2013	2012	2011	2010	2009	2008
First Interim distribution (Bonus)	9.50	12.50	-	-	12.50	13.75	25.00
First Interim distribution as a % of opening Ex-NAV of units	1.89	2.49	-	-	2.49	2.75	4.99
Date of distribution - Interim	4 October 2013	5 October 2012	-	-	27 October 2009	25 October 2008	3 April 2008
Second Interim distribution (Bonus)	9.50	12.50	-	12.50	13.75	7.50	-
Second Interim distribution as a % of opening Ex-NAV of units	1.89	2.49	-	2.49	2.74	1.50	-
Date of distribution - Interim	7 January 2014	4 January 2013	-	11 January 2011	21 January 2010	24 April 2009	-
Third Interim distribution (Bonus)	9.50	10.00	-	12.00	12.50	-	-
Third Interim distribution as a % of opening Ex-NAV of units	1.89	1.99	-	2.39	2.49	-	-
Date of distribution - Interim	4 April 2014	5 April 2013	-	7 April 2011	6 April 2010	-	-
Fourth Interim distribution (Bonus)	12.75	10.00	-	-	-	-	-
Fourth Interim distribution as a % of opening Ex-NAV of units	2.53	1.99	-	-	-	-	-
Date of distribution - Interim	18 June 2014	27 June 2013	-	-	-	-	-
Interim distribution (Bonus)	-	-	28.75	-	-	-	-
Interim distribution as a % of opening Ex-NAV of units	-	-	5.74	-	-	-	-
Date of distribution - Interim	-	-	27 June 2012	-	-	-	-
Final Distribution (Bonus)	-	-	-	13.75	8.00	12.50	22.50
Final Distribution as a % of opening Ex-NAV of units	-	-	-	2.73	1.60	2.50	4.49
Date of distribution - Final	-	-	-	7 July 2011	8 July 2010	3 July 2009	4 July 2008

Distribution details	2007	2006	2005	2004*
Final Distribution (Bonus)	50.00	57.50	48.75	18.75
Final Distribution as a % of opening Ex-NAV of units	9.99	11.49	9.75	3.75
Date of distribution - Final	20 July 2007	19 July 2006	15 July 2005	29 July 2004

* For the period from 15 September 2003 to 30 June 2004.

TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) and Clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Atlas Income Fund (the Fund) are of the opinion that Atlas Asset Management Limited, being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2021 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Karachi: 30 September 2021

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Atlas Income Fund Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Atlas Income Fund** (the Fund), which comprise the statement of assets and liabilities as at 30 June 2021, and the income statement, statement of comprehensive income, cash flows statement and statement of movement in unit holders' fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

Key audit matter	How our audit addressed the key audit matter
Investments in Debt Instruments	
As disclosed in note 5 to the accompanying financial statements of the Fund for the year ended 30 June 2021, the investments held by the Fund comprised of debt investments which represent significant portion of the total assets of the Fund as at the year end. In view of the above, we have considered this area as a key audit matter.	We performed a combination of audit procedures focusing on the existence and valuation of debt investments. Our key procedure included the following: <ul style="list-style-type: none">• We obtained an understanding of fund's process over acquisition, disposals and periodic valuation of investment portfolio and evaluated / tested controls in those areas for the purpose of our audit.• We performed substantive audit procedures on year-end balance of portfolio including review of custodian's statement and valuations on the basis of prices determined by Mutual Funds Association of Pakistan (MUFAP).• We assessed the Fund's compliance with the requirements of

Key audit matter	How our audit addressed the key audit matter
	<p>Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations) in relation to the concentration of debt investments and exposure limits prescribed in such Regulations and the applicability of disclosures in this regard.</p> <ul style="list-style-type: none"> • We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the debt investments portfolio in accordance with the requirements of the Regulations and applicable financial reporting standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

-
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Arslan Khalid.

Karachi: 20 September 2021

EY Ford Rhodes
Chartered Accountants

Engagement Partner: Arslan Khalid

STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 JUNE 2021

		2021	2020
	Note	-----	Rupees -----
Assets			
Cash and bank balances	4	2,146,464,962	1,318,246,149
Investments	5	2,383,532,812	2,762,821,946
Receivable against Margin Trading System		527,223,489	-
Interest / profit accrued	6	45,277,174	49,575,012
Deposits, prepayment and other receivables	7	56,721,155	11,555,833
Total assets		5,159,219,592	4,142,198,940
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	8	32,526,165	31,165,608
Payable to the Central Depository Company of Pakistan Limited - Trustee	9	353,377	265,807
Payable to the Securities and Exchange Commission of Pakistan	10	853,312	665,764
Payable against purchase of investment		18,957,296	-
Payable against redemption of units	11	1,374,017	114,638
Unclaimed dividend		32,852,713	291,511,586
Accrued expenses and other liabilities	12	83,871,854	103,021,494
Total liabilities		170,788,733	426,744,897
NET ASSETS		4,988,430,858	3,715,454,043
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		4,988,430,858	3,715,454,043
CONTINGENCIES AND COMMITMENTS	13		
NUMBER OF UNITS IN ISSUE		9,546,130	7,151,571
NET ASSET VALUE PER UNIT		522.5605	519.5300

The annexed notes from 1 to 33 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021	2020
		Rupees -----	
Income			
Interest income	14	338,419,573	409,606,059
Gain / (loss) from investments at fair value through P&L			
Capital gain on sale of investments - net		20,915,797	51,496,412
Net unrealised gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		2,064,550 22,980,347	93,971,904 145,468,316
Total income		361,399,920	555,074,375
Expenses			
Remuneration of Atlas Asset Management Limited - Management Company	8.1	42,665,757	30,545,740
Sindh Sales Tax on remuneration of the Management Company	8.2	5,546,548	3,970,946
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	9.1	3,199,932	2,496,711
Sindh Sales Tax on remuneration of the Trustee	9.2	415,991	324,572
Annual fees to the Securities and Exchange Commission of Pakistan	10.1	853,312	665,764
Securities transaction cost	15	7,776,686	725,612
Auditors' remuneration	16	652,088	745,135
Accounting and operational charges	17	7,253,179 523,030 30,106 25,769 1,807,320 50,889	4,851,038 475,702 27,500 17,938 302,429 80,128
Annual rating fee			
Annual listing fee			
Printing charges			
Legal and professional charges			
Bank charges			
Provision for Sindh Workers' Welfare Fund	12.1	5,814,127	10,196,903
Total expenses		76,614,734	55,426,118
Net income for the year before taxation		284,785,186	499,648,257
Taxation	19	-	-
Net income for the year after taxation		284,785,186	499,648,257
Earnings per unit	20		
Allocation of net income for the year:			
Net income for the year after taxation		284,785,186	499,648,257
Income already paid on units redeemed		(13,861,520)	(12,697,145)
		270,923,666	486,951,112
Accounting income available for distribution:			
- Relating to capital gains		22,980,347	145,468,316
- Excluding capital gains		247,943,318	341,482,796
		270,923,666	486,951,112

The annexed notes from 1 to 33 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	----- Rupees -----	
Net income for the year after taxation	284,785,186	499,648,257
Other comprehensive income for the year	-	-
Total comprehensive income for the year	284,785,186	499,648,257

The annexed notes from 1 to 33 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE YEAR ENDED 30 JUNE 2021

	2021		
	Capital value	Undistributed income Rupees	Net assets
Capital value	3,527,040,519	-	3,527,040,519
Undistributed income brought forward			
- Realised income	-	104,252,481	104,252,481
- Unrealised income	-	84,161,043	84,161,043
Net assets at the beginning of the year (Units outstanding: 7,151,571) (Rs. 519.5300 per unit)	3,527,040,519	188,413,524	3,715,454,043
Issue of 9,410,509 units	5,055,409,880	-	5,055,409,880
Redemption of 7,015,950 units	(3,744,255,571)	(13,861,520)	(3,758,117,091)
Total comprehensive income for the year	-	284,785,186	284,785,186
Refund of capital	(64,369,228)	-	(64,369,228)
Cash distribution for year the ended 30 June 2021 at Rs. 28.8 per unit declared on 25 June 2021	-	(205,758,085)	(205,758,085)
Cash distribution for year the ended 30 June 2021 at Rs. 4.45 per unit declared on 30 June 2021	-	(38,973,846)	(38,973,846)
Net assets at end of the year (Units outstanding: 9,546,130) (Rs. 522.5605 per unit)	4,773,825,599	214,605,259	4,988,430,858
Undistributed income carried forward			
- Realised income	-	185,109,189	-
- Unrealised income	-	29,496,070	-
	-	214,605,259	-
	2020		
	Capital value	Undistributed income Rupees	Net assets
Capital value	2,848,807,829	-	2,848,807,829
Undistributed income brought forward			
- Realised income	-	154,356,101	154,356,101
- Unrealised loss	-	(14,668,787)	(14,668,787)
Net assets at the beginning of the year (Units outstanding: 5,820,926) (Rs. 513.41 per unit)	2,848,807,829	139,687,314	2,988,495,143
Issue of 4,273,077 units	2,405,968,468	-	2,405,968,468
Redemption of 2,942,432 units	(1,654,704,708)	(12,697,145)	(1,667,401,853)
Total comprehensive income for the year	-	499,648,257	499,648,257
Refund of capital	(73,031,069)	-	(73,031,069)
Cash distribution for year the ended 30 June 2020 at Rs. 77.50 per unit declared on 26 June 2020	-	(438,224,902)	(438,224,902)
Net assets at end of the year (Units outstanding: 7,151,571) (Rs. 519.53 per unit)	3,527,040,520	188,413,524	3,715,454,043
Undistributed income carried forward			
- Realised income	-	104,252,481	-
- Unrealised loss	-	84,161,043	-
	-	188,413,524	-

The annexed notes from 1 to 33 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021	2020
		Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year after taxation		284,785,186	499,648,257
Adjustments for:			
Interest / profit income		(338,419,573)	(409,606,059)
Capital gain on sale of investments - net		(20,915,797)	(51,496,412)
Net unrealised gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(2,064,550)	(93,971,904)
Provision for Sindh Workers' Welfare Fund		5,814,127	10,196,903
		(355,585,793)	(544,877,472)
(Increase)/ (decrease) in assets			
Receivable against Margin Trading System		(527,223,489)	4,041,602
Deposits, prepayment and other receivables		(45,165,322)	(182,974)
		(572,388,811)	3,858,628
(Decrease) / Increase in liabilities			
Payable to Atlas Asset Management Limited - Management Company		1,360,557	1,446,190
Payable to the Central Depository Company of Pakistan Limited - Trustee		87,570	(68,839)
Payable to the Securities and Exchange Commission of Pakistan		187,548	(2,550,347)
Payable against purchase of investment		18,957,296	-
Unclaimed dividend		(258,658,873)	229,943,332
Accrued expenses and other liabilities		(24,963,766)	47,706,831
		(263,029,669)	276,477,167
		(906,219,087)	235,106,580
Interest received		342,717,411	286,799,229
Investments - net		402,269,481	(856,692,076)
Net cash used in operating activities		(161,232,196)	(334,786,267)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		5,055,409,880	2,405,968,468
Net payments against redemption of units		(3,756,857,712)	(1,667,878,188)
Refund of capital		(64,369,228)	(73,031,069)
Dividend distribution		(244,731,931)	(438,224,902)
Net cash generated from financing activities		989,451,009	226,834,309
Net increase/ (decrease) in cash and cash equivalents		828,218,813	(107,951,958)
Cash and cash equivalents at the beginning of the year		1,318,246,149	1,426,198,107
Cash and cash equivalents at the end of the year	4	2,146,464,962	1,318,246,149

The annexed notes from 1 to 33 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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 was 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, Eleventh, Twelfth, Thirteenth and Fourteen 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, 02 June 2017, 02 October 2019, 30 October 2019 and 01 April 2020 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. 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 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 titles to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.
- 1.5 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020. Subsequent to the year ended June 30, 2021, the Trust deed has been registered under the Sindh Trusts Act, 2020.

2 BASIS OF PREPARATION

2.1 Statement of compliance

"These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:"

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

2.2 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2020 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these financial statements.

2.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date (annual periods beginning on or after)
Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16	01 January 2022
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	01 January 2022
Classification of liabilities as current or non-current - Amendment to IAS 1	01 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized
Definition of Accounting Estimates - Amendments to IAS 8	01 January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	01 January 2023

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

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

Standard	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	01 January 2009
IFRS 17 - Insurance Contracts	01 January 2023

2.4 Critical accounting estimates and judgments

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets, and provision under uncertain circumstances such as provision for Sindh Workers' Welfare Fund, taxes recoverable and Federal Excise Duty payable on remuneration of management company as disclosed in notes 10.1, 6.1 and 7.3 respectively.

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except that investments have been carried at fair value.

2.6 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

3.1 Financial instruments

a) Initial recognition and measurement

Financial assets and liabilities, with the exception of bank balances are initially recognised on the trade date, i.e., the date that the Bank becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Bank balances are recognised when funds are transferred to the banks.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss.

b) Classification

Debt instruments

A debt instrument is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at FVTPL. Given the objectives of the Fund, all investments have been classified as FVTPL.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund's business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as: the objectives for the portfolio; how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel; the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed etc.

Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)

As a second step of its classification process the Fund assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

c) Subsequent Measurement

Debt instruments at fair value through profit or loss

Debt instruments at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss..

Interest earned on debt instruments designated at FVTPL is accrued in interest income, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

Debt instruments at Amortised Cost

"Under IFRS 9, after initial measurement, such debt instruments are subsequently measured at amortised cost . Under Regulation 66 of NBFC Regulations, debt securities are required to be carried at fair value. The Fund has not used this classification for its investment portfolio."

Debt instruments at FVOCI

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and foreign exchange gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss. Debt instruments are subject to impairment and the impairment is charged profit or loss.

Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

d) Derecognition

"A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Fund has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Fund has:

- (a) Transferred substantially all of the risks and rewards of the asset; or
- (b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset."

When the Fund has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Fund's continuing involvement in the asset. In that case, the fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the fund has retained. The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

e) Reclassification of financial assets and liabilities

From the application date of IFRS 9, the Fund does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Fund acquires, disposes of, or terminates a business line.

f) Impairment of financial assets

The Fund only considers expected credit losses for bank balances and trade and other receivables. The Fund measures expected credit losses on bank balances using the probability of default (PD) and loss given default (LGD) estimates using the published information about these risk parameters.

g) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h) Determination of fair value

The government securities are valued on the basis of rates announced by the Financial Markets Association of Pakistan.

The debt securities are valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities vide its Circular No. 33 of 2012 dated October 24, 2012.

The equity securities are valued on the basis of closing quoted market prices available at Pakistan Stock Exchange (PSX).

3.2 Cash and cash equivalents

Cash and cash equivalents include deposits with banks and other short term highly liquid investments with original maturities of three months or less.

3.3 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events,

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.4 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received by the Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the distribution company and the management company as processing fee.

Units redeemed are recorded at the redemption price applicable to units for which the distribution company / management company / distributors receives redemption application during business hours of that day. The redemption price shall be equal to NAV as of the close of the business day, less an amount as the management company may consider to be an appropriate provision of duties and charges.

3.5 Distributions to unit holders

Distribution to unit holders is recognised upon declaring and approval by the Distribution Committee of the Board of Directors of the Management Company under powers delegated to them by the Board of Directors of the Management Company or declaration and approval by the Board of Director of the Management Company.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.6 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

"The Securities and Exchange Commission of Pakistan through its SRO 756(I)/2017 dated 03 August 2017 includes a definition and explanation relating to ""element of income"" and excludes the element of income from the expression ""accounting income"" as described in regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. MUFAP, in consultation with the SECP, specified methodology of determination of income paid on units redeemed under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year."

3.7 Revenue recognition

- Income from investments in term finance certificates / sukuks and government securities is recognised on an accrual basis using effective interest method at the rate of return implicit in the instrument.
- Interest income on bank balances, term deposits and MTS transactions is recognised on an accrual basis.
- Gains / (losses) arising on sale of investments are included in the Income Statement on the date at which the transaction takes place.
- Unrealised appreciation / (loss) in the value of investments classified as 'financial assets at fair value through profit or loss' are included in the Income Statement in the period in which they arise.

3.8 Margin Trading System

Transactions of purchase under Margin Trading System (MTS) of marketable securities are entered into contracted rates for specified periods of time. Securities purchased under MTS are not recognised in the Statement of Assets

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

and Liabilities. The amount paid under such agreements is recognised as receivable in respect of MTS. Profit is recognised on an accrual basis using the effective interest method. Cash releases are adjusted against the receivable as a reduction in the amount of receivable. The maximum maturity of an MTS contract is 60 calendar days out of which 25% exposure is automatically released at expiry of every 15th day from the day of contract.

3.9 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company and Trustee and annual fee of the SECP are recognised in the Income Statement on an accrual basis.

3.10 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 ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders.

3.11 Net asset value per unit

The net asset value per unit disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at year end.

3.12 Earnings per unit

Earnings per unit is calculated by dividing the net income of the year before taxation of the Fund by the weighted average number of units outstanding during the year.

4 CASH AND BANK BALANCES	Note	2021		2020	
		Rupees -----			
In local currency					
- Profit and loss sharing accounts	4.1	2,145,467,153		1,188,844,960	
- Current account		5,000		5,000	
- Cheques in hand	4.2	992,808		129,396,189	
		2,146,464,962		1,318,246,149	

4.1 The rate of return on these accounts ranges between 5.5% to 7.95% (2020: 6.00% to 7.80%) per annum.

4.2 This denotes cheque received against issue of units which was deposited and cleared in the bank account subsequent to the year end by 28 July 2021 (2020: 08 July 2020).

5 INVESTMENTS	Note	2021		2020	
		Rupees -----			
At fair value through profit or loss					
Term finance certificates - listed	5.1 & 5.7	37,058,292		324,639,911	
Term finance certificates - unlisted	5.2 & 5.7	298,812,248		185,418,554	
Sukuk certificates	5.3 & 5.7	201,665,984		364,308,040	
Government securities - Market Treasury Bills	5.4	396,979,395		1,103,202,480	
Government securities - Pakistan Investment Bonds	5.5	1,277,512,883		785,252,961	
Islamic commercial paper	5.6	24,398,246		-	
Investment in ordinary shares	5.8	143,201,863		-	
Investment in Future contracts		3,903,900		-	
		2,383,532,812		2,762,821,946	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5.1 Term finance certificates - listed

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

Name of Investee Company	Note	As at 01 July 2020	Purchased during the year	Disposed / matured during the year	As at 30 June 2021	Carrying value as at 30 June 2021	Market value as at 30 June 2021	Market value as a percentage of total investments	Market value as a percentage of net assets	Market value as a percentage of total issue size
					Number of certificates	Rupees		% age		
BANKS										
Habib Bank Limited Tier - II (face value of Rs 100,000 per certificate)		2,945	-	2,945						
Soneri Bank Limited		7,428	-	-	7,428	36,825,928	37,058,292	1.55	0.74	1.24
TELECOMMUNICATION										
Telecard Limited	5.7.1	4,000	-		4,000					
PERSONAL GOODS										
Azgard Nine Limited	5.7.1	5,000	-		5,000					
Total - 30 June 2021						36,825,928	37,058,292	1.55	0.74	1.24
Total - 30 June 2020						325,351,311	527,021,722	11.75	8.74	4.18

5.1.1 The terms and conditions of listed term finance certificates outstanding as at 30 June 2021 are as follows:

Name of the Investee Company	Rating	Tenure	Profit payments / principal redemptions	Maturity date	Rate of return
BANKS					
Soneri Bank Limited	A+	8 years	Semi-annually	July 2023	6 month KIBOR + 1.35%
TELECOMMUNICATION					
Telecard Limited	NPA	15 years	Quarterly	Dec 2020	3 month KIBOR
PERSONAL GOODS					
Azgard Nine Limited	NPA	7 years	Semi-annually	Sept 2012	6 month KIBOR + 2.40%

5.2 Term finance certificates - unlisted

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

Name of Investee Company	Note	As at 01 July 2020	Purchased during the year	Disposed / matured during the year	As at 30 June 2021	Carrying value as at 30 June 2021	Market value as at 30 June 2021	Market value as a percentage of total investments	Market value as a percentage of net assets	Market value as a percentage of total issue size
					Number of certificates	Rupees		% age		
BANKS										
Askari Bank Limited - V		20,000	-	20,000	-	-	-	-	-	-
Bank AL Habib Limited		20,000	-	20,000						
The Bank of Punjab Limited - TFC (Face Value Rs. 99,840)		-	527	-	527	49,974,779	53,141,148	2.23	1.07	2.11
Askari Bank Limited - TFC VII (Face Value Rs. 1,00,000)		-	150	-	150	150,075,000	150,671,100	6.32	3.02	2.50
Samba Bank Limited TFC (Face Value Rs. 100,000)		-	95	-	95	95,000,000	95,000,000	3.99	1.90	0.19
						295,049,779	298,812,248	12.54	5.99	4.80
CHEMICALS										
Agritech Limited - I	5.7.1	2,000	-	-	2,000	-	-	-	-	-
Agritech Limited - II	5.7.1	8,000	-	-	8,000	-	-	-	-	-
Agritech Limited - IV	5.7.1	2,203	-	-	2,203	-	-	-	-	-
PERSONAL GOODS										
Azgard Nine Limited - V	5.7.1	1,075	-	-	1,075	-	-	-	-	-
Total - 30 June 2021						295,049,779	298,812,248	12.54	5.99	4.80
Total - 30 June 2020						196,372,744	185,418,554	6.71	4.99	5.00

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5.2.1 The terms and conditions of unlisted term finance certificates outstanding as at 30 June 2021 are as follows:

Name of the Investee Company	Rating	Tenure	Profit payments / principal redemptions	Maturity date	Rate of return
BANKS					
Askari Bank Limited - TFC VII	AA	10 years	Quarterly	Mar 2030	3 month KIBOR + 1.20%
Samba Bank Limited - TFC	AA-	10 years	Quarterly	Mar 2031	6 month KIBOR + 1.35%
The Bank of Punjab Limited - TFC	AA	10 years	Semi-annually	Dec 2026	6 month KIBOR + 1.00%
CHEMICALS					
Agritech Limited - I	NPA	7 years	Semi-annually	Nov 2014	6 month KIBOR + 1.75%
Agritech Limited - II	NPA	7 years	Semi-annually	Jan 2015	6 month KIBOR + 1.75%
Agritech Limited - IV	NPA	3.5 years	Semi-annually	Jan 2015	-
PERSONAL GOODS					
Azgard Nine Limited - V	NPA	5 years	Semi-annually	Mar 2017	Zero Coupon

5.3 Sukuk certificates

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

Name of Investee Company	Note	As at 01 July 2020	Purchased during the year	Disposed / matured during the year	As at 30 June 2021	Carrying value as at 30 June 2021	Market value as at 30 June 2021	Market value as a percentage of total investments	Market value as a percentage of net assets	Market value as a percentage of total issue size
Number of certificates					Rupees			% age		
CHEMICALS										
Agitech Limited (note 5.7.1)		4,060	-	-	4,060	-	-	-	-	-
BANKS										
Meezan Bank Limited Tier - II - Unlisted (face value of Rs. 1,000,000 per certificate)		47	-	-	47	48,175,000	48,674,234	2.04	0.98	0.67
FERTILIZERS										
Dawood Hercules Corporation Limited Sukuk 2 - Listed (Face Value Rs. 80,000)		2,000	-	2,000	-	-	-	-	-	-
POWER GENERATION & DISTRIBUTION										
The Hub Power Company Limited - Listed (Face value of Rs. 100,000)		1,500	-	-	1,500	153,217,200	152,991,750	6.42	3.07	2.50
Total - 30 June 2021										
Total - 30 June 2020										

5.3.1 The terms and conditions of these sukuk certificates are as follows:

Name of the Investee Company	Rating	Tenure	Profit payments / principal redemptions	Maturity date	Rate of return
Meezan Bank Limited Tier - II	AA	10 years	Semi -annually	Sept 2026	6 month KIBOR + 0.50%
The Hub Power Company Limited	AA+	4 Years	Quarterly	August 2023	3 month KIBOR + 1.90%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5.4 Government securities - Market Treasury Bills

Tenor	As at 01 July 2020	Purchased during the year	Disposed / Matured during the year	As at 30 June 2021	Carrying value as at 30 June 2021	Market value as at 30 June 2021	Market value as a percentage of total investments	Market value as a percentage of net assets
	Face value (Rupees)			Rupees		Percentage		
3 months	-	8,666,285,000	8,266,285,000	400,000,000	396,954,566	396,979,395	16.66	7.96
6 months	300,000,000	1,926,500,000	2,226,500,000	-	-	-	-	-
12 months	835,000,000	1,641,500,000	2,476,500,000	-	-	-	-	-
Total - 30 June 2021	<u>1,135,000,000</u>	<u>12,234,285,000</u>	<u>12,959,285,000</u>	<u>400,000,000</u>	<u>396,954,566</u>	<u>396,979,395</u>	<u>16.66</u>	<u>7.96</u>
Total - 30 June 2020					<u>1,088,005,268</u>	<u>1,103,202,480</u>	<u>39.93</u>	<u>29.69</u>

- 5.4.1** Market treasury bills carry purchase yield of 7.33% to 7.34% per annum (2020:13.30%) per annum and will mature between 29 July 2021 to 12 August 2021 (2020: 24 July 2020). The cost of these investments as on 30 June 2021 is Rs. 393,356,100 (2020: Rs. 1,045,141,985).

5.5 Government securities - Pakistan Investment Bonds

Tenor	As at 01 July 2020	Purchased during the year	Disposed / Matured during the year	As at 30 June 2021	Carrying value as at 30 June 2021	Market value as at 30 June 2021	Market value as a percentage of total investments	Market value as a percentage of net assets
	Face value (Rupees)			Rupees		Percentage		
3 Years	684,000,000	250,000,000	445,000,000	489,000,000	490,263,485	485,323,464	20.36	9.73
5 Years	75,000,000	880,000,000	315,000,000	640,000,000	627,946,005	628,494,291	26.37	12.60
10 Years	-	175,000,000	-	175,000,000	164,576,975	163,695,129	6.87	3.28
Total as at 30 June 2021	<u>759,000,000</u>	<u>1,305,000,000</u>	<u>760,000,000</u>	<u>1,304,000,000</u>	<u>1,282,786,465</u>	<u>1,277,512,883</u>	<u>53.60</u>	<u>25.61</u>
Total - 30 June 2020					<u>613,806,990</u>	<u>607,712,573</u>	<u>37.34</u>	<u>20.34</u>

- 5.5.1** Pakistan Investment Bonds carry purchase yield of 2021 7.8300% to 9.7764% (2020: 11.52% to 12.65%) per annum and will mature on 10 Dec 2030 (2020: between 12 July 2021 and 19 Sept 2024). The cost of these investments is Rs. 1,259,749,272 (2020: Rs.702,513,897).

5.6 Commercial Papers

(Certificates having a face value of Rs. 100,000 each unless stated otherwise)

Name of investee company	As at 01 July 2020	Purchased during the year	Disposed / Matured during the year	As at 30 June 2021	Carrying value as at 30 June 2021	Market value as at 30 June 2021	Market value as a percentage of total investments	Market value as a percentage of net assets
	Number of Certificates			Rupees		Percentage		
K-Electric Islamic commercial paper (ICP-18)	-	25	-	25	24,398,246	24,398,246	1.02	0.49
Total as at 30 June 2021	-	<u>25</u>	-	<u>25</u>	<u>24,398,246</u>	<u>24,398,246</u>	<u>1.02</u>	<u>0.49</u>

- 5.6.1** The nominal value of these commercial papers is Rs. 1,000,000 per certificate with 8.41% expected profit rate.

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5.7 Particulars of non-compliant investments

- 5.7.1** 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	Value before provision	Provision held	Net carrying value	Percentage of	
					Net assets	Gross assets
Rupees						
Listed						
Telecard Limited	Term finance certificate	4,668,990	4,668,990	-	-	-
Azgard Nine Limited	Term finance certificate	8,134,594	8,134,594	-	-	-
		12,803,584	12,803,584			
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	-	-	-
Total - 30 June 2021		81,888,584	81,888,584	-	-	-
Total - 30 June 2020		81,625,501	81,625,501	-	-	-

- 5.7.2** 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 2020: Rs 81.63 million), has been made in accordance with the provisioning requirements specified by the SECP.
- 5.7.3** During the FY 2012-13, the Fund received zero coupon term finance certificates of Azgard Nine Limited having face value of Rs. 5,375,000. These TFCs were received against outstanding mark-up of Azgard Nine Limited's TFCs payable as of 31 March 2012.
- 5.7.4** Atlas Income Fund (AIF) has opted for Option C (of Creditors' Scheme of Arrangement as approved by Lahore High Court (LHC) was implemented from April 29, 2021), which is no waiver of principal or mark-up amount amongst other options available i.e. Option A (waiver of principal and mark-up amount) and Option B (no waiver of principal and but waiver of mark-up amount). AIF hold TFC of Rs.13,509,594 (fully provided for) at face value out of which TFC valuing Rs. 5,375,000 are Zero Coupon TFCs received through conversion of overdue mark-up up till March 31, 2012. Furthermore, accrued mark-up as at April 29, 2021 stands at Rs.8,479,650. Therefore, total accrued mark-up till April 29, 2021 stands at Rs. 13,854,650 that is to be converted into zero coupon PPTFC having maturity on the 10th anniversary as per the arrangement. Following are the details of the option selected by AIF.

Settlement of Accrued Markup and Zero Coupon PPTFC: This amount will be converted into New Zero Coupon PPTFC with one-time bullet payment by ANL on the 10th anniversary

Description	Amount
Outstanding Markup	8,479,650
Zero Coupon PPTFC	5,375,000
Payment received	(4,650)
New Zero Coupon PPTFC	13,850,000

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Settlement of Principal Amount: Principal portion will be converted into Sub PPTFC with repayment period of 10 years while remaining amount will be paid against the sale of Muzaffargah Unit, both accruing markup at 5 percent.

Description	Amount
Outstanding Principal	8,134,594
Payment Received by AIF post settlement of Markup for option A & B creditors and Principal amount for option A creditors from cash proceeds of right issue and sale of Ferozepur	(154,858)
Payment against sale of Muzaffargah Unit (within 2 years)	(1,735,255)
Payment to be made by ANL on future date from internal sources	(204,480)
Issuance of Sub PPTFC	6,040,000

The instrument will continue to remain non-performing as per the provisioning policy for non-performing exposure of collective investment scheme dated February 12,2013 which states "that" The terms and conditions of rescheduled/restructured debt security are fully met for a period of at least one year"

5.8 Listed equity securities

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

Name of Investee Company	As at 01 July 2020	Purchases during the year	Bonus / Right shares during the year	Sales during the year	As at 30 June 2021	Carrying Cost	Market Value	Market Value as a Percentage of total investments	Market Value as a percentage of net assets	Percentage of Paid up capital of investee company held	Number of shares			Rupees			% age		
Banks																			
United Bank Limited	-	500	-	500	-	-	-	-	-	-									
	-	500	-	500	-	-	-	-	-	-									
Textile Composite																			
Nishat (Chunian) Limited	-	1,107,500	-	1,107,500	-	-	-	-	-	-									
Nishat Mills Limited	-	80,500	-	80,500	-	-	-	-	-	-									
	-	1,188,000	-	1,188,000	-	-	-	-	-	-									
Cement																			
D.G. Khan Cement Company Limited	-	475,000	-	142,500	332,500	41,418,925	39,208,400	1.64	0.79	0.08									
Fauji Cement Company Limited	-	11,477,500	-	11,350,500	127,000	2,914,968	2,921,000	0.12	0.06	0.01									
Maple Leaf Cement Factory Limited	-	2,139,500	-	712,500	1,427,000	67,640,831	67,040,460	2.81	1.34	0.13									
Pioneer Cement Limited	-	5,000	-	5,000	-	-	-	-	-	-									
	-	14,097,000	-	12,210,500	1,886,500	111,974,724	109,169,860	4.58	2.19										
Power Generation & Distribution																			
The Hub Power Company Limited	-	461,000	-	461,000	-	-	-	-	-	-									
	-	461,000	-	461,000	-	-	-	-	-	-									
Oil & Gas Marketing Companies																			
Sui Northern Gas Pipelines Limited	-	127,000	-	10,000	117,000	5,717,395	5,683,860	0.24	0.11	0.02									
	-	127,000	-	10,000	117,000	5,717,395	5,683,860	0.24	0.11										

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Name of Investee Company	As at 01 July 2020	Purchases during the year	Bonus / Right shares during the year	Sales during the year	As at 30 June 2021	Carrying Cost	Market Value	Market Value as a Percentage of total investments	Market Value as a percentage of net assets	Percentage of Paid up capital of investee company held
	Number of shares				Rupees			% age		
Oil & Gas Exploration Companies										
Oil & Gas Development Company Limited	-	197,000	-	197,000	-	-	-	-	-	-
Pakistan Petroleum Limited	-	7,500	-	-	7,500	642,749	651,213	0.03	0.01	0.00
	-	204,500	-	197,000	7,500	642,749	651,213	0.03	0.01	
Engineering										
International Steels Limited	-	58,000	-	58,000	-	-	-	-	-	-
Mughal Iron And Steel Industries Ltd	-	92,500	-	2,500	90,000	9,765,000	9,396,000	0.39	0.19	0.03
	-	150,500	-	60,500	90,000	9,765,000	9,396,000	0.39	0.19	
Automobile Assembler										
Pak Suzuki Motor Company Limited	-	31,000	-	31,000	-	-	-	-	-	-
	-	31,000	-	31,000	-	-	-	-	-	-
Transport										
Pakistan International Bulk Terminal Limited	-	5,185,000	-	4,446,500	738,500	5,958,285	8,404,130	0.35	0.17	0.04
	-	5,185,000	-	4,446,500	738,500	5,958,285	8,404,130	0.35	0.17	
Technology & Communications										
Pakistan Telecommunication Company Ltd.	-	200,000	-	-	200,000	2,431,925	2,368,000	0.10	0.05	0.01
	-	200,000	-	-	200,000	2,431,925	2,368,000	0.10	0.05	
Fertilizer										
Engro Fertilizers Limited	-	100,000	-	-	100,000	7,051,000	7,027,000	0.29	0.14	0.01
Fauji Fertilizer Bin Qasim Limited	-	9,871,000	-	9,871,000	-	-	-	-	-	-
	-	9,971,000	-	9,871,000	100,000	7,051,000	7,027,000	0.29	0.14	
Chemicals										
Engro Polymer & Chemicals Limited	-	3,107,500	-	3,107,500	-	-	-	-	-	-
Lotte Chemical Pakistan Limited	-	279,500	-	247,000	32,500	520,000	501,800	0.02	0.01	0.00
	-	3,387,000	-	3,354,500	32,500	520,000	501,800	0.02	0.01	
Foods & Personal Care Products										
Unity Foods Limited	-	41,671,000	-	41,671,000	-	-	-	-	-	-
	-	41,671,000	-	41,671,000	-	-	-	-	-	-
Total as at 30 June 2021										
					144,061,078	143,201,863		6.01	2.87	
Total as at 30 June 2020										
					-	-	-	-	-	-

5.9 The cost of listed equity securities as at 30 June 2021 is Rs. 144,061,078 (30 June 2020: Nil).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021	2020
		----- Rupees -----	-----
6 INTEREST / PROFIT ACCRUED			
Interest / profit accrued on:			
Savings and term deposits		11,784,176	358,431
Margin Trading System		1,445,307	-
Term finance certificates		4,998,463	24,582,029
Sukuk certificates		2,866,548	5,084,306
Pakistan investment bonds		24,182,681	19,550,246
		45,277,174	49,575,012

7 DEPOSITS, PREPAYMENT AND OTHER RECEIVABLES

Central Depository Company of Pakistan Limited (CDC)		100,000	100,000
National Clearing Company of Pakistan Limited (NCCPL)		2,750,000	2,750,000
Margin Deposit - Futures		47,681,770	-
Prepaid annual fee to the NCCPL		-	101,582
Other receivables	7.1	6,189,385	8,604,251
		56,721,155	11,555,833

7.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151. However, during the year ended 30 June 2016, withholding tax on profit on bank deposits and debt securities paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholdee. The amount of tax withheld on profit on bank deposits and debt securities as at 30 June 2021 amounts to Rs. 3.02 million and Rs. 3.17 million (2020: Rs 3.02 million and Rs 5.58 million) respectively.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all Funds managed by the Company to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund on bank deposits and debt securities has been shown as other receivables as at 30 June 2020 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

	Note	2021	2020
		----- Rupees -----	-----
8 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - RELATED PARTY			
Remuneration of the Management Company	8.1	4,169,613	3,123,029
Sindh sales tax payable on remuneration of the Management Company	8.2	4,064,748	3,928,692
Federal excise duty payable on remuneration of the Management Company	8.3	23,582,971	23,582,971
Accounting and operational charges payable	17	708,833	530,916
		32,526,165	31,165,608

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

- 8.1** As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (I) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio. The management company set the maximum limit of 2% of average annual net assets, within allowed expense ratio. The management charged management fee at the rate of 1% (2020: With effect from 10 December 2020 the Management Company decided to revise the management fee from 0.8% to 0.1%. Previously the Management Company was entitled to an amount not exceeding 1.5% of the average annual net assets per annum and therefore charged 0.8% of the average annual net assets per annum.) The fee is payable to the Management Company monthly in arrears.
- 8.2** During the year, an amount of Rs. 5,546,548 (2020: Rs. 3,970,946) 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. 5,410,493 (2020: Rs. 3,835,699) has been paid to the Management Company which acts as a collecting agent.
- 8.3** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund were already subject to provincial sales tax on services levied by the Sindh Revenue Board (as explained in note 8.2 above) which is being charged to the Fund, the Management Company was of the view that further levy of FED was not justified.

On 04 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 previous year, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

With effect from 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 01 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 2020: 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. 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 June 2021 would have been higher by Rs. 2.47 per unit (30 June 2020: Rs. 3.30 per unit).

9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE - RELATED PARTY	Note	2021	2020
		-----	Rupees -----
Trustee fee payable	9.1	312,722	234,227
Sindh sales tax payable on trustee fee	9.2	40,654	30,450
Settlement charges payable		-	1,000
Sindh sales tax payable on settlement charges		-	130
		353,377	265,807

- 9.1** The Trustee is entitled to monthly remuneration for services rendered to the fund at the flat rate of 0.075% p.a. of Net Assets based on the letter no. CDC/CEO/L-112/01/2019 dated 27 June 2019 issued by CDC. However, during the year ended 30 June 2020, the trustee fee was charged in the same manner.
- 9.2** During the year, an amount of Rs. 415,989 (2020: Rs. 324,572) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 405,785 (2020: Rs. 331,971) was paid to the Trustee which acts as a collecting agent.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

2021 2020
Note ----- Rupees -----

Annual fee payable	10.1	853,312	665,764
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- 10.1** In accordance with NBFC regulations, a collective investment scheme (CIS) is required to pay an annual fee to the Securities and Exchange Commission of Pakistan (SECP). Effective from 01 July 2019, the SECP vide SRO No.685(1)2019 dated 28 June 2019 revised the rate of annual fee to 0.02% of net assets on all categories of CISs. Previously, the rate of annual fee in same manner.

11 PAYABLE AGAINST REDEMPTION OF UNITS

This represents payable against units redeemed to the unit holders based on their request for cash payout managed by the Management Company.

12 ACCRUED EXPENSES AND OTHER LIABILITIES

2021 2020
Note ----- Rupees -----

Auditors' remuneration payable		488,258	499,646
NCCPL charges payable		147,733	61,366
Printing charges payable		4,263	5,294
Brokerage payable		3,631,447	84,374
Zakat payable		5,167	1,649
Withholding tax payable		34,002,269	62,697,926
Capital gain tax payable		220,353	513,001
Provision for Sindh Workers' Welfare Fund	12.1	44,638,021	38,823,895
Legal and professional charges payable		400,000	-
Other payable		334,343	334,343
		83,871,854	103,021,494

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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 June 2021 would have been higher by Rs. 4.68 per unit (30 June 2020: Rs. 5.43 per unit).

13 CONTINGENCIES AND COMMITMENTS

- 13.1.1 On October 26, 2018, a show cause notice under section 161 (1A) of the Income Tax Ordinance, 2001 was issued to the taxpayer in respect of monitoring of withholding taxes paid/deducted under various sections of the Income Tax Ordinance, 2001 for tax year 2017 along with reconciliation under rule 44(4) of the Income Tax Rules, 2002.

The Fund had filed an appeal before the Commissioner (Appeals) against the order contending that the Fund had duly deducted and deposited the tax from payments liable to withholding tax and accordingly there was no cause available to the department to pass recovery order for alleged default in withholding tax. It was further explained that the reply furnished including reconciliation of tax deduction on payment of expenses was not duly considered and instead an artificial default was made out by applying incorrect withholding rate on expenses recorded in profit and loss account which included accrual of expenses yet to be paid after year end.

The Commissioner (Appeals) has passed appellate order and upheld the action of Deputy Commissioner Inland Revenue (DCIR) in computing default of withholding tax on amounts inclusive of accruals yet to be paid instead of actual payment as required under section 158 of the Ordinance. He, however, has accepted the Fund's contention that the DCIR had worked out the default by applying incorrect withholding rates. Therefore, he has directed the DCIR to rework the alleged default. The Commissioner (Appeals) has further acknowledged the tax advisor's argument that default was erroneously computed without excluding dividends which were exempted from withholding tax. The DCIR has been directed to rework the default, if any, in respect of payment of dividend.

Furthermore, the Commissioner (Appeals) has not given specific findings on non-consideration of reconciliation of expenses furnished under rule 44(4) and non-application of withholding provisions on reimbursement of certain expenses to the Management Company. However, he remanded back the matter of non-deduction of tax on payments of securities transaction cost which were subject to separate withholding of tax under section 233A by Pakistan Stock Exchange Limited. He has also set aside the default surcharge and penalty for re-adjudication by the tax officer. The effect to the appellate order of the Commissioner (Appeals) is pending.

An appeal has been filed before the Appellate Tribunal against the appellate order of the Commissioner (Appeals) which is pending for hearing. Based on consultation with the tax advisor, the Management Company of the fund is confident that the matter will be decided favorably and hence, no provision is considered necessary in the financial statements.

- 13.1.2 There were no commitments outstanding as at 30 June 2021 and on 30 June 2020.

		2021	2020
	Note	Rupees	Rupees
14 INTEREST / PROFIT INCOME			
Interest / profit on:			
Savings and term deposits		36,080,867	51,575,101
Margin Trading System		37,954,118	1,154,244
Term Finance Certificates	14.1	49,030,681	98,934,655
Sukuk certificates		26,341,577	51,569,314
Islamic Commerical Paper		399,705	51,569,314
Government Securities - Market Treasury Bills		102,694,838	133,166,524
Government Securities - Pakistan Investment Bonds		85,917,788	73,206,221
		338,419,573	461,175,373

- 14.1 This includes mark-up received on non-performing term finance certificates amounting to Rs. Nil (30 June 2020: Nil). Furthermore, in accordance with the requirements specified by the SECP, mark-up on non-performing securities amounting to Rs. 62.65 million (2020: Rs. 62.65 million) based on outstanding principal has not been recognised during the period.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

15 SECURITIES TRANSACTION COST

This represents brokerage, BATS charges, laga / levy and MTS transaction charges to the NCCPL and settlement charges to the CDC.

	2021	2020
	----- Rupees -----	
Audit fee	390,900	354,200
Half yearly review of condensed interim financial information	195,400	177,100
Certification charges	60,500	55,000
Code of Corporate Governance	-	50,000
Out of pocket expenses	30,000	30,000
Sindh sales tax on services	54,144	53,304
Prior year adjustment	(78,856)	25,531
	652,088	745,135

17 ACCOUNTING AND OPERATIONAL CHARGES

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

The Management Company has charged expenses at the rate 0.17% of the average annual net assets of the Fund (2020: 0.1% of the average annual net assets of the Fund for the period from 01 July 2019 to 30 September 2019, 0.15% of the average annual net assets of the Fund from 01 October 2019 till 04 March 2020 and 0.17% of the average annual net assets of the Fund from 05 March 2020 onwards) for allocation of such expenses to the Fund.

18 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 June 2021 is 1.79% (30 June 2020: 1.67%) which includes 0.29% (30 June 2020: 0.45%) 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.

19 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the management has paid the required minimum percentage of income earned by the Fund during the year ended 30 June 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

20 EARNINGS PER UNIT

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

21 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

21.1 Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

- 21.2** Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 21.3** Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 21.4** The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

	2021	2020
	Rupees	
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	42,665,757	30,545,740
Remuneration paid	41,619,173	29,505,379
Sindh Sales Tax on remuneration of the Management Company	5,546,548	3,970,946
Accounting and operational charges billed	7,253,179	4,851,038
Issue of Nil (2020: 11,304) units	-	5,865,296
Dividend declared	3,336,127	6,899,984
Outstanding 100,335 (2020: 100,335) units - at net asset value	52,430,926	52,126,862
Central Depository Company of Pakistan Limited (Trustee)		
Trustee Fee	3,199,932	2,496,711
Sindh Sales Tax on remuneration of Trustee Fee	415,991	324,572
Trustee Fee paid	3,121,436	2,553,631
Settlement charges	-	33,983
Sindh Sales Tax on settlement charges	-	4,418
Atlas Foundation (Trust having common Director / Trustee)		
Issue of 67,402 (2020: 43,458) units	35,133,941	23,735,589
Redemption of 53,763 (2020: 23,074) units	29,329,726	12,000,000
Dividend declared	17,835,312	38,908,113
Outstanding 536,572 (2020: 522,933) units - at net asset value	280,391,373	271,679,336
Atlas Honda Limited (Group Company)		
Issue of 30,502 (2020: 413,663) units	16,040,908	236,155,284
Dividend declared	18,870,483	14,928,829
Outstanding 594,525 (2020: 564,023) units - at net asset value	310,675,541	293,026,919
Atlas Insurance Limited (Group company)		
Issue of 5,331 (2020: 984,558) units	2,803,329	545,386,735
Redemption of Nil (2020: 885,988) units	-	488,994,657
Dividend declared	3,297,830	795,138
Outstanding 103,900.00 (2020: 98,569) units - at net asset value	54,294,061	51,209,765
Batool Benefit Trust (Trust having common Director / Trustee)		
Issue of 60,647 (2020: 1849) units	32,036,817	959,750
Redemption of 5,814 (2020: 34,313) units	3,036,000	18,673,393
Dividend declared	2,257,233	1,128,316
Outstanding 71,241 (2020: 16,408) units - at net asset value	37,227,920	8,524,427

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	----- Rupees -----	
Shirazi Investments (Private) Limited (Group company)		
Issue of 3,880 (2020: 2,052) units	2,022,044	1,089,846
Dividend declared	130,527,271	303,895,415
Outstanding 3,925,643 (2020: 3,921,763) units - at net asset value	2,051,385,734	2,037,473,329
Atlas Honda Limited - Employees Provident Fund (Retirement benefit plan of a Group Company)		
Issue of Nil 1,633 (2020:67,449) units	858,602	39,548,046
Redemption of 41,816 (2020: Nil) units	23,000,000	-
Dividend declared	858,548	-
Outstanding 27,266 (2020:67,449) units - at net asset value	14,248,124	35,041,818
Honda Atlas Cars (Pakistan) Limited - Employees Provident Fund (Retirement benefit plan of Group Company)		
Issue of Nil (2020:19,795) units	-	-
Dividend declared	5,102,561	10,271,881
Outstanding 162,038 (2020: 152,336) units - at net asset value	84,674,812	79,142,868
Atlas Group of Companies - Management Staff Gratuity Fund (Retirement benefit plan of Group Company)		
Issue of 51,588 (2020: Nil) units	27,123,540	-
Dividend declared	1,623,540	-
Outstanding 51,558 (2020: Nil) units - at net asset value	26,941,964	-
Atlas Honda Limited - Non-management Staff Gratuity Fund (Retirement benefit plan of Group Company)		
Issue of 1,970 (2020: 4,259) units	1,035,813	2,210,271
Redemption of 1,855 (2020: Nil) units	1,000,000	-
Dividend declared	1,035,748	2,210,271
Outstanding 2021 32,894 (2020: 32,779) units - at net asset value	17,188,871	17,029,710
Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund (Retirement benefit plan of Group Company)		
Issue of 241,813 (2020: 4,810) units	128,780,169	2,495,727
Dividend declared	8,779,631	2,495,727
Outstanding Units 278,826 (2020: 37,012) units - at net asset value	145,703,317	19,229,093
Atlas Metals (Private) Limited		
Issue of 98,414 (2020: Nil) units	52,378,787	-
Dividend declared	2,592,771	-
Outstanding 98,441 (2020: Nil) units - at net asset value	51,441,626	-
Atlas Autos (Private) Limited		
Issue of 1,660,096 (2020: Nil) units	897,112,103	-
Redemption of 90,506 (2020: Nil) units	50,000,000	-
Dividend declared	49,558,463	-
Outstanding 1,569,589 (2020: Nil) units - at net asset value	820,205,472	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	----- Rupees -----	
Atlas Energy Limited		
Issue of 10,095 (2020: Nil) units	5,827,107	-
Dividend declared	337,358	-
Outstanding 10,695 (2020: Nil) units - at net asset value	5,588,874	-
Directors and their close family members and key management personnel and executive of the Management Company		
Issue of 45,410 (2020: 96,784) units	23,961,246	40,079,942
Redemption of 48,440 (2020: 27,803) units	25,943,742	252,845
Dividend declared	15,802,875	6,644,566
Outstanding 488,479 (2020: 154,935) units - at net asset value	255,259,992	80,493,240

- 21.5** Other balances due to / from related parties / connected persons are included in the respective notes to the financial statements.

22 FINANCIAL INSTRUMENTS BY CATEGORY

	2021		
	At amortised cost	At fair value through profit or loss	At fair value through other comprehensive income
	----- Rupees -----		
Financial assets			
Cash and bank balances	2,146,464,962	-	2,146,464,962
Investments	-	2,383,532,812	2,383,532,812
Receivable against Margin Trading System	527,223,489	-	527,223,489
Interest / profit accrued	45,277,174	-	45,277,174
Deposits and other receivables	2,850,000	-	2,850,000
	2,721,815,625	2,383,532,812	-
	-----	-----	-----
	-----	-----	-----
	2021		
	At fair value through profit or loss	Other financial liabilities	Total
	----- Rupees -----		
Financial liabilities			
Payable to Atlas Asset Management Limited - Management Company	-	32,526,165	32,526,165
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	353,377	353,377
Payable against redemption of units	-	1,374,017	1,374,017
Unclaimed dividend	-	32,852,713	32,852,713
Accrued expenses and other liabilities	-	4,606,045	4,606,045
	-	71,712,316	71,712,316
	-----	-----	-----
	2020		
	At amortised cost	At fair value through profit or loss	At fair value through other comprehensive income
	----- Rupees -----		
Financial assets			
Cash and bank balances	1,318,246,149	-	1,318,246,149
Investments	-	2,762,821,946	2,762,821,946
Interest / profit accrued	49,575,012	-	49,575,012
Deposits and other receivables	2,850,000	-	2,850,000
	1,370,671,161	2,762,821,946	-
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2020		
	At fair value through profit or loss	Other financial liabilities	Total
	Rupees		
Financial liabilities			
Payable to Atlas Asset Management Limited - Management Company	-	31,165,608	31,165,608
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	265,807	265,807
Payable against redemption of units	-	114,638	114,638
Unclaimed dividend	-	291,511,586	291,511,586
Accrued expenses and other liabilities	-	985,023	985,023
	-	324,042,662	324,042,662

23 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, Fund's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

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

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

23.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risks: yield / interest rate risk, currency risk, and price risk.

(i) Yield / interest rate risk

Yield / interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of 30 June 2021, the Fund is exposed to such risk on its balances held with banks, investments in term finance and sukuk certificates and investments in government securities. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds KIBOR based term finance and sukuk certificates and balances with banks which expose the Fund to cash flow interest rate risk. In case of 100 basis points increase/decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Fund would have been higher/lower by Rs. 26.830 million (2020: Rs. 21.140 million).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

b) Sensitivity analysis for fixed rate instruments

As at 30 June 2021, the Fund holds market treasury bills, pakistan investment bonds and Islamic Commercial Papers which are classified as 'financial assets at fair value through profit or loss' exposing the Fund to fair value interest rate risk. In case of 100 basis points increase in rates announced by the Financial Markets Association of Pakistan and with all other variables held constant, the net income for the year and net assets of the Fund would have been lower by Rs. 16.98 million (2020: Rs. 18.940 million). In case of 100 basis points decrease in those rates, the net income for the year and net assets of the Fund would have been higher by Rs. 16.98 million (2020: Rs. 18.940 million).

The composition of the Fund's investment portfolio, KIBOR rates and the rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of 30 June 2021 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

Yield / interest rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on settlement date.

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at 30 June 2021 can be determined as follows:

Effective interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
----- 2021 -----					
					Rupees -----
Financial assets					
Cash and bank balances	5.5% to 7.95%	2,146,459,962	-	-	5,000 2,146,464,962
Investments		-	-	-	-
Receivable against Margin Trading System		-	-	527,223,489	527,223,489
Interest / profit accrued		-	-	45,277,174	45,277,174
Deposits and other receivables		-	-	2,850,000	2,850,000
		2,146,459,962	-	575,355,663	2,721,815,625
Financial liabilities					
Payable to Atlas Asset Management Limited - Management Company		-	-	32,526,165	32,526,165
Payable to the Central Depository Company of Pakistan Limited - Trustee		-	-	353,377	353,377
Payable against redemptions of units		-	-	1,374,017	1,374,017
Unclaimed dividend		-	-	32,852,713	32,852,713
Accrued expenses and other liabilities		-	-	4,606,045	4,606,045
		-	-	71,712,316	71,712,316
On-balance sheet gap (a)		2,146,459,962	-	503,643,347	2,650,103,309
Off-balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total interest rate sensitivity gap (a+b)		2,146,459,962	-		
Cumulative interest rate sensitivity gap		2,146,459,962	2,146,459,962	2,146,459,962	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2020

Effective interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		

Rupees

Financial assets

Cash and bank balances	6.00% - 7.80%	1,318,241,149	-	-	5,000	1,318,246,149
Investments	7.48% - 14.86%	292,752,325	810,450,155	1,659,619,466	-	2,762,821,946
Interest / profit accrued		-	-	-	49,575,012	49,575,012
Deposits and other receivables		-	-	-	2,850,000	2,850,000
		1,610,993,474	810,450,155	1,659,619,466	52,430,012	4,133,493,107

Financial liabilities

Payable to Atlas Asset Management Limited - Management Company	-	-	-	31,165,608	31,165,608
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	-	-	265,807	265,807
Payable against redemptions of units	-	-	-	114,638	114,638
Unclaimed dividend	-	-	-	291,511,586	291,511,586
Accrued expenses and other liabilities	-	-	-	985,023	985,023
	-	-	-	324,042,662	324,042,662
On-balance sheet gap (a)	1,610,993,474	810,450,155	1,659,619,466	(271,612,650)	3,809,450,445
Off-balance sheet financial instruments	-	-	-	-	-
Off-balance sheet gap (b)	-	-	-	-	-
Total interest rate sensitivity gap (a+b)	1,610,993,474	810,450,155	1,659,619,466		
Cumulative interest rate sensitivity	1,610,993,474	2,421,443,629	4,081,063,095		

(ii) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

23.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

	2021						Total
	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	Financial instruments with no fixed maturity	
	Rupees						
Financial assets							
Cash and bank balances	2,146,464,962	-	-	-	-	-	2,146,464,962
Investments	-	-	-	1,022,859,988	628,494,291	-	1,651,354,279
Receivable against Margin Trading System	527,223,489	-	-	-	-	-	527,223,489
Interest / profit accrued	11,784,176	32,047,692	-	-	-	-	43,831,867
Deposits and other receivables	-	-	-	-	-	2,850,000	2,850,000
	2,685,472,627	32,047,692	-	1,022,859,988	628,494,291	2,850,000	4,371,724,597
Financial liabilities							
Payable to Atlas Asset Management Limited - Management Company	32,526,165	-	-	-	-	-	32,526,165
Payable to Central Depository Company of Pakistan Limited - Trustee	353,377	-	-	-	-	-	353,377
Payable against redemption of units	1,374,017	-	-	-	-	-	1,374,017
Unclaimed dividend	32,852,713	-	-	-	-	-	32,852,713
Accrued expenses and other liabilities	3,779,181	826,864	-	-	-	-	4,606,045
	70,885,452	826,864	-	-	-	-	71,712,316
Net assets / (liabilities)	2,614,587,174	31,220,828	-	1,022,859,988	628,494,291	2,850,000	4,300,012,281

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2020						
	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	Financial instruments with no fixed maturity	Total
Rupees							
Financial assets							
Cash and bank balances	1,318,246,149	-	-	-	-	-	1,318,246,149
Investments	-	292,752,325	810,450,155	1,580,700,930	78,918,536	-	2,762,821,946
Receivable against Margin Trading System	-	-	-	-	-	-	-
Interest / profit accrued	358,431	49,216,851	-	-	-	-	49,575,282
Deposits and other receivables	-	-	-	-	-	2,850,000	2,850,000
	1,318,604,580	341,969,176	810,450,155	1,580,700,930	78,918,536	2,850,000	4,133,493,377
Financial liabilities							
Payable to Atlas Asset Management Limited - Management Company	31,165,608	-	-	-	-	-	31,165,608
Payable to Central Depository Company of Pakistan Limited - Trustee	265,807	-	-	-	-	-	265,807
Payable against redemption of units	114,638	-	-	-	-	-	114,638
Unclaimed dividend	291,511,586	-	-	-	-	-	291,511,586
Accrued expenses and other liabilities	145,740	839,283	-	-	-	-	985,023
	323,203,379	839,283	-	-	-	-	324,042,662
Net assets / (liabilities)	995,401,201	341,129,893	810,450,155	1,580,700,930	78,918,536	2,850,000	3,809,450,715

23.3 Credit risk

23.3.1 Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

	2021	2020
	Rupees	
Bank balances and term deposits		
Investments in debt instruments	2,146,464,962	1,318,246,149
Receivable against Margin Trading System	537,536,524	874,366,505
Interest / profit accrued	527,223,489	-
Deposits and other receivables	43,831,867	49,575,012
	2,850,000	2,850,000
	3,257,906,843	2,245,037,666

The maximum exposure to credit risk before any credit enhancement as at 30 June 2021 is the carrying amount of the financial assets. Investment in government securities, however, are not exposed to credit risk and have been excluded from the above analysis as these are guaranteed by the Government of Pakistan.

There is a possibility of default by participants or failure of the financial market / stock exchanges, the depositories, the settlements or clearing systems, etc. Settlement risk on equity securities is considered minimal because of inherent controls established in the settlement process. The Fund's policy is to enter into financial contracts in accordance with internal risk management policies and instruments guidelines approved by the Investment Committee.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

23.3.2 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements with banks and investments in term finance and sukuk certificates. The credit rating profile of banks and issuers of TFCs is as follows:

Rating	% of financial assets exposed to credit risk	
	2021	2020
AAA	3.80	68.21
AA+	70.64	10.78
AA	7.60	14.68
AA-	3.54	4.55
A+	14.43	1.79
	100.00	100.00

The maximum exposure to credit risk before any credit enhancement as at 30 June 2021 is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

All the balances with banks have investment grade rating and hence are classified as Stage 1 under IFRS 9.

23.3.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors affect the group of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's investments in term finance and sukuk certificates are broadly diversified thereby mitigating any significant concentration of credit risk. The table below analyses the Fund's concentration of credit risk by industrial distribution for its exposure in term finance and sukuk certificates:

	% of debt instruments	
	2021	2020
Banks	71.54	63.84
Inv. Banks / Investment Cos. / Securities Cos.	-	18.63
Power Generation & Distribution	28.46	17.52
	100.00	100.00

24 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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 June 2021 and 30 June 2020, the Fund held the following financial instruments measured at fair values:

	Level 1	Level 2	Level 3
	Rupees -----		
2021			
At fair value through profit or loss	-	2,383,532,812	-
At fair value through other comprehensive income	-	-	-
	-	2,383,532,812	-
2020			
At fair value through profit or loss	-	2,762,821,946	-
Available-for-sale	-	-	-
	-	2,762,821,946	-

25 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 24, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

26 UNIT HOLDING PATTERN OF THE FUND

Category	2021			2020		
	Number of unit holders	Investment amount (Rupees)	Percentage of total	Number of unit holders	Investment amount (Rupees)	Percentage of total
Individuals	386	658,837,976	13.21%	348	669,136,803	18.01%
Associated Companies / Directors	12	3,724,353,571	74.66%	9	2,758,952,448	74.26%
Retirement Funds	20	445,114,087	8.92%	13	231,786,190	6.24%
Insurance Companies	1	1,988,604	0.04%	3	19,005,779	0.51%
Others	12	158,136,620	3.17%	11	36,572,823	0.98%
	431	4,988,430,858	100.00%	384	3,715,454,043	100.00%

27 LIST OF BROKERS BY PERCENTAGE OF COMMISSION PAID

Name of broker	2021	Percentage of commission paid	Name of broker	2020	Percentage of commission paid
Topline Securities Limited	57.75		Arif Habib Limited	9.99	
Alfalalah CLSA Securities (Private) Limited	17.24		JS Global Capital Limited	90.01	
Al Habib Capital Markets (Private) Limited	14.08				
Insight Securities (Private) Limited	3.35				
Pearl Securities Limited	3.01				
Shajar Capital Pakistan (Pvt.) Ltd.	2.92				
AKD Securities Limited	1.64				
EFG Hermes Pakistan Limited	0.01				
	100.00				100.00

28 MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Mr. Ali H. Shirazi	Director	Masters in Law	17.5 Years
Mr. M. Abdul Samad	Chief Executive Officer	MBA, M.Com	21 Years
Mr. Khalid Mehmood	Chief Investment Officer	MBA - Finance	17 Years
Mr. Muhammad Umar Khan	Head of Portfolio Management	MSc - Finance	13 Years
Mr. Fawad Javaid	Head of Fixed Income	CMA	13 Years
Mr. Faran-ul-Haq	Head of Equities	M.B.A, CFA	10 Years

29 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Mr. Fawad Javaid	Head of Fixed Income	CMA	Atlas Sovereign Fund Atlas Money Market Fund Atlas Islamic Income Fund Atlas Islamic Money Market Fund

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

30 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and the attendance of its members are given below:

Name of Director	Meeting held on					
	06 July 2020	10 Sep 2020	26 Oct 2020	25 Feb 2021	29 Apr 2021	25 June 2021
Mr. Iftikhar H. Shirazi	P	P	P	P	P	P
Mr. Tariq Amin	P	P	P	P	P	P
Mr. Frahim Ali Khan	P	P	P	P	P	P
Mr. Ali H. Shirazi	P	P	P	P	P	P
Mr. M. Habib-ur-Rahman	P	P	P	P	P	P
Ms Zehra Naqvi	P	P	P	P	P	P
Mr. M. Abdul Samad	P	P	P	P	P	P
Ms Qurrat-ul-ain Jafari (Chief Financial Officer)	L	P	P	P	P	P
Ms Zainab Kazim(Company Secretary)	P	L	L	P	P	P

P Present

L Leave of absence

31 RATING OF THE FUND AND THE MANAGEMENT COMPANY

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

Furthermore, PACRA maintained the stability rating of "AA- (f)" (Double A minus) to the Fund [2020: "AA- (f)" (Double A minus)] on 16 April 2021.

32 GENERAL

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

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

33 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 6 September 2021.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas 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

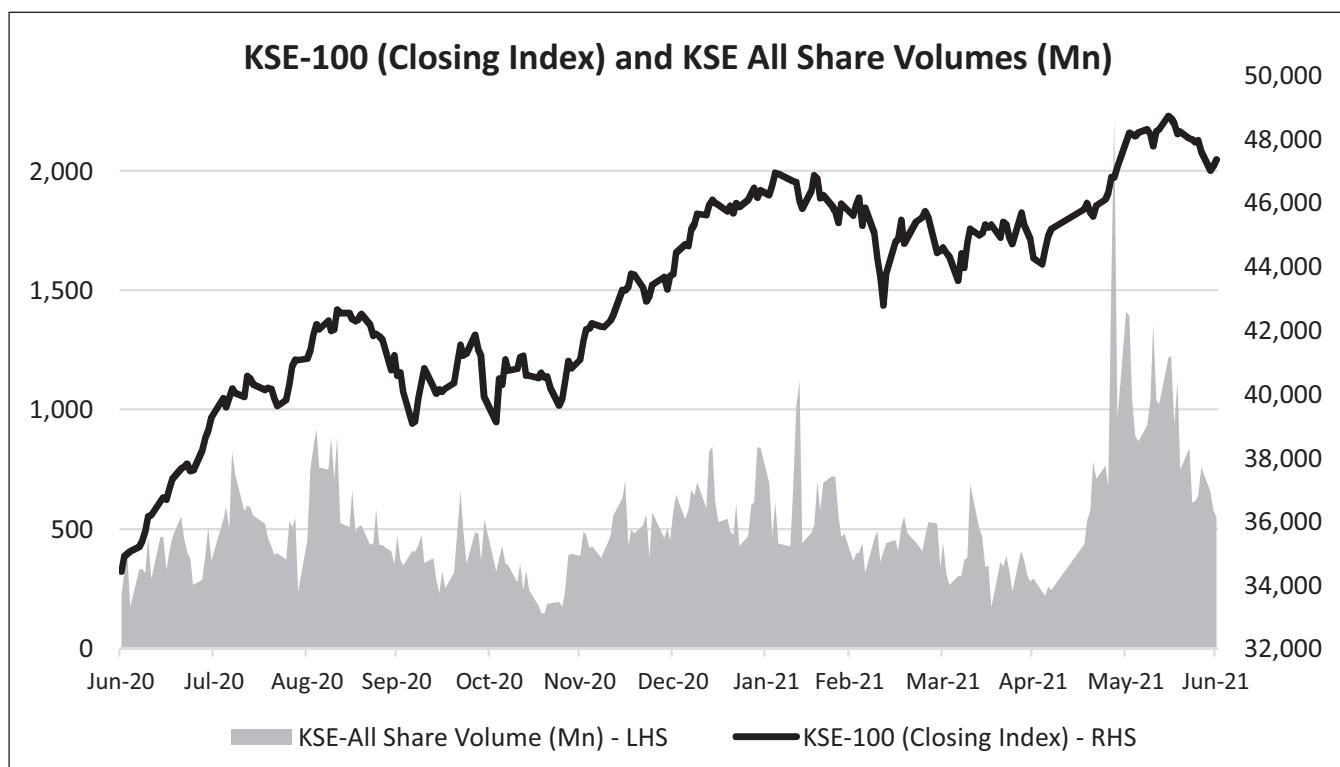
Bank Alfalah Limited
Habib Bank Limited
MCB Bank Limited



Fund Manager's Report

Atlas Stock Market Fund (ASMF) is an open-ended equity fund. The Fund has a high-risk rating and aims to provide unit holders with appreciation in the value of amount invested, modest income, liquidity and the facility to join or leave the fund at their convenience. ASMF investment strategy emphasizes on medium to long-term investment views and involves the application of relative value analysis of various industry sectors. The KSE-100 Index serves as the performance benchmark of Atlas Stock Market Fund.

The KSE-100 index increased 37.6% from 34,421.92 points as on June 30, 2020 to 47,356.02 points as on June 30, 2021. The daily average volume during FY21 increased by 168.8% to 528 million shares compared to daily average of 196 million shares traded in FY20. Net outflow of US \$387 was recorded by Foreign Portfolio Investors during FY21 compared to net outflow of US \$285 million in FY20. On local investors front, Individuals, Companies, Other Organizations and Mutual Funds were net buyers of US \$332 million, US \$138 million, US \$45 million and US \$10 million. Insurance Companies, Broker Proprietary Trading and Banks remained net sellers of US \$10 million, US \$32 million and US \$95 million, respectively. During FY21, sectors that outperformed benchmark KSE-100 index were Technology & Communication, Refinery, Engineering, Cement, Textile Composite and Automobile Assembler that posted 196.4%, 161.1%, 98.1%, 74.9%, 54.9% and 47.2% returns, respectively. Sectors that underperformed KSE-100 index were Power Generation & Distribution Companies, Chemical, Oil & Gas Marketing Companies, Commercial Banks, Fertilizer and Oil & Gas Exploration Companies that posted 32.3%, 29.2%, 22.8%, 21.8%, 7.1% and -1.0% returns, respectively.



The Net Asset Value per unit of Atlas Stock Market Fund increased by 41.87% to Rs. 688.08 as on June 30, 2021. The benchmark KSE-100 index increased by 37.58% during the same period. The KSE-100 index increased from 34,421.92 points as on June 30, 2020 to 47,356.02 points as on June 30, 2021. The ASMF equity portfolio exposure stood at 95.87% that mainly comprised of Commercial Banks, Cement, Oil & Gas Exploration and Fertilizer sectors. ASMF strategy will continue to focus on dividend plays and stocks which are trading at relatively cheap multiple with prospects of earnings growth. The Net Assets of the Fund stood at Rs. 9.86 billion, with 14.33 million units outstanding as of June 30, 2021.



The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Stock Market Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited has approved aggregated interim distribution of Rs. 46.00 per unit for the period ended June 30, 2021 (9.20% on the face value of Rs. 500 per unit).

The Administrative Plans:

The Management Company is offering investment plans that allow investors focused combination investment strategic in Atlas Income fund (AIF) and Atlas Stock Market Fund (ASMF). The investment plans were offered from September 2008, and the returns are as under:

Administrative Plans	Proportionate Investment in		Return (period ended)			
	AIF	ASMF	2017-18	2018-19	2019-20	2020-21
Atlas Bachat Plan	85%	15%	3.38%	3.41%	14.5%	12.2%
Atlas Bachat Balanced Plan	50%	50%	0.04%	-5.75%	10.4%	24.4%
Atlas Bachat Growth Plan	15%	85%	-3.31%	-14.91%	6.37%	36.6%

Breakdown of Unit holding by size:

Type of Investor	No. of Investors	Amount of Investment (Rs.)	Percentage (%)
Individuals	518	1,105,622,063	11.21%
Associated Companies / Directors	11	4,466,274,840	45.29%
Insurance Companies	7	287,928,588	2.92%
Retirement Funds	24	3,662,614,986	37.14%
Others	6	340,029,101	3.45%
Total	566	9,862,469,578	100%

The Fund has made provision against SWWF, which up till June 30, 2021 amounted to Rs. 105,137,220 (Rs. 7.34 per unit). The Scheme has held provision for FED liability that amounted to Rs. 20,301,988 up till June 30, 2021 (Rs. 1.42 per unit).

The Total Expense Ratio (TER) of the Fund is 3.96% including expenses representing Government levy, SWWF and SECP Fee of 1.05%.

During the year under review, the Investment Committee held fifty-two meetings to review investment of the Fund and the Risk Committee held fifteen meetings to review risk management.

Karachi: 6 September 2021

Faran-Ui-Haq
Head of Equities

Supplementary Non Financial Information as required under clause 38 A (g) of NBFC and NE, Regulations, 2008

Summary of actual proxies voted by Atlas Stock Market Fund

ASMF	Resolution	For	Against	Abstain
Number	317	317	-	-
%	100%	100%	-	-

Note: The Proxy voting policy of the Atlas Stock Market Fund (ASMF) is available on the website of Atlas Asset Management Limited and detailed information regarding actual proxies voted by the Company in respect of the Fund is also available without charge, upon request, to all unit holders.

Performance Since Inception

	2021	2020	2019	2018	2017	2016	2015	2014
Net assets (Rs. in '000)	9,862,470	6,841,670	5,044,438	5,375,332	5,527,676	4,017,187	3,304,662	1,049,717
Number of units in issue	14,333,327	13,240,837	10,009,549	8,657,936	8,289,668	7,979,640	6,257,738	2,379,851
Net asset value per unit (Rs.)	688.08	516.71	503.96	620.86	666.82	503.43	528.09	441.08
Net income / (loss) (Rs. in '000)	2,967,720	281,056	(1,171,613)	(255,744)	1,395,859	202,191	544,472	254,583
Earnings / (loss) per unit (Rs.)	207.05	21.23	(117.05)	(29.54)	168.39	25.34	87.01	106.97
Annual return of the Fund (%)	41.87	4.62	(18.83)	(4.75)	33.74	5.05	19.73	30.09
Offer price ** (Rs.)	703.63	528.39	515.35	620.86	666.82	503.43	528.09	441.08
Redemption price ** (Rs.)	688.08	516.71	503.96	620.86	666.82	503.43	528.09	441.08
Distribution Per Unit (Rs.)	46.00	10.50	-	-	15.00	5.00	50.00	75.00
Distribution as a % of opening Ex- NAV of units	8.90	2.08	-	-	3.00	1.05	11.34	18.86
Date of distribution	25-Jun-21	30-Jun-20	-	-	7-Jul-17	11-Jul-16	7-Jul-15	24-Jun-14
Highest offer price (Rs.)	777.15	662.80	651.76	670.30	741.32	519.23	536.44	523.17
Lowest offer price (Rs.)	544.90	412.35	506.30	545.53	519.17	420.92	420.61	423.67
Highest repurchase price per unit (Rs.)	759.97	648.15	645.99	670.30	741.32	519.23	536.44	523.17
Lowest repurchase price per unit (Rs.)	532.85	403.24	495.11	545.53	519.17	420.92	420.61	418.01

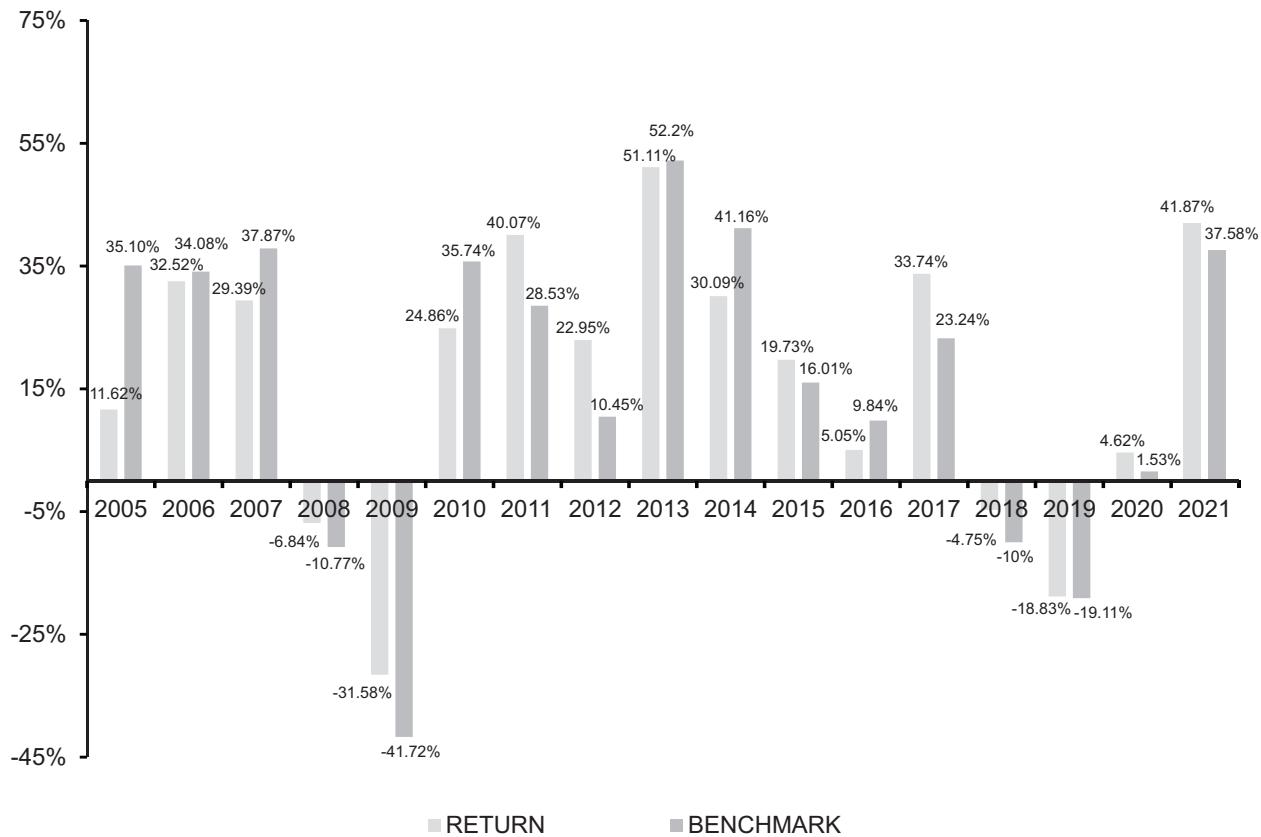
	2013	2012	2011	2010	2009	2008	2007	2006	2005*
Net assets (Rs. in '000)	1,035,727	710,617	650,259	645,129	689,228	1,320,643	1,522,066	1,534,739	918,413
Number of units in issue	1,981,235	1,729,144	1,463,694	1,458,982	1,946,267	2,379,248	2,187,372	2,315,580	1,632,318
Net asset value per unit (Rs.)	522.77	410.96	444.26	442.18	354.13	555.07	695.84	662.79	562.64
Net income / (loss) (Rs. in '000)	350,292	132,635	186,008	199,544	(325,703)	(78,623)	334,451	371,585	103,097
Earnings / (loss) per unit (Rs.)	176.80	76.71	127.08	136.77	(167.35)	(33.05)	152.90	160.47	63.16
Annual return of the Fund (%)	51.11	22.95	40.07	24.86	(31.58)	(6.84)	29.39	32.52	11.62
Offer price ** (Rs.)	533.32	419.21	453.15	451.02	361.21	566.17	709.77	675.85	574.66
Redemption price ** (Rs.)	522.86	410.99	444.26	442.18	354.13	555.07	695.85	662.60	563.39
Distribution Per Unit (Rs.)	125.00	65.00	110.00	125.00	-	37.50	100.00	125.00	62.50
Distribution as a % of opening Ex- NAV of units	36.13	19.45	34.68	35.30	-	6.29	18.59	24.99	12.50
Date of distribution	4-Jul-13	5-Jul-12	7-Jul-11	8-Jul-10	-	4-Jul-08	20-Jul-07	19-Jul-06	15-Jul-05
Highest offer price (Rs.)	561.36	437.30	469.09	525.81	509.76	698.28	710.81	793.44	676.57
Lowest offer price (Rs.)	368.11	308.05	328.38	377.77	211.57	515.74	535.97	507.03	503.86
Highest repurchase price per unit (Rs.)	550.35	428.73	459.89	515.50	499.76	684.59	696.87	777.88	663.30
Lowest repurchase price per unit (Rs.)	360.89	302.01	321.94	370.36	207.42	505.63	525.46	497.09	503.82

* For the period from 24 August 2004 to 30 June 2005 (Date of Launch: 23 November 2004)

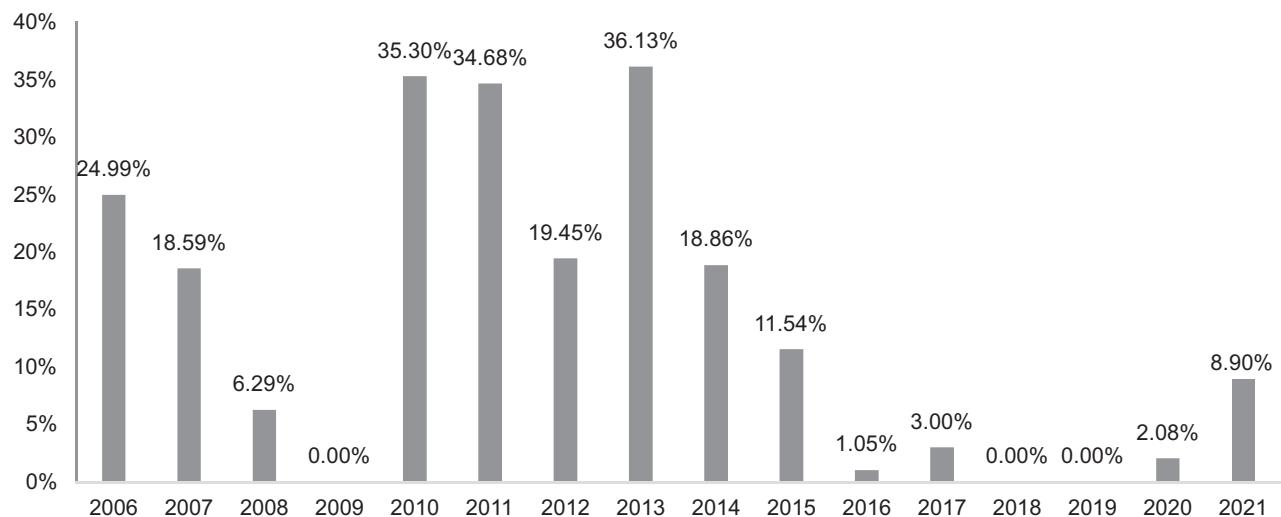
** Relates to announced prices.

Note: Past Performance of the Fund is not indicative of future performance, and the price and investment return may go down, as well as up.

Yearly Performance



Payout History (% on opening Ex - NAV)



TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) and Clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Atlas Stock Market Fund (the Fund) are of the opinion that Atlas Asset Management Limited, being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2021 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: 30 September 2021

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Atlas Stock Market Fund Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Atlas Stock Market Fund** (the Fund), which comprise the statement of assets and liabilities as at 30 June 2021, and the income statement, statement of comprehensive income, cash flows statement and statement of movement in unit holders' fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

Key audit matter	How our audit addressed the key audit matter
1. Equity investments	
As disclosed in note 5 to the accompanying financial statements of the Fund for the year ended 30 June 2021, the investments held by the Fund comprised of listed shares which represent significant portion of the total assets of the Fund as at the year end. In view of the above, we have considered this area as a key audit matter.	We performed a combination of audit procedures focusing on the existence and valuation of investments. Our key procedures included the following: <ul style="list-style-type: none">• We obtained an understanding of fund's process over acquisition, disposals and periodic valuation of investment portfolio and evaluated / tested controls in those areas for the purpose of our audit.• We performed substantive audit procedures on year-end balance of portfolio including review of custodian's statement, related reconciliations and re-performance of investment valuations on the basis of quoted market prices at the Pakistan Stock Exchange Limited as at 30 June 2021.• We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities

Key audit matter	How our audit addressed the key audit matter
	<p>Regulations, 2008 (the Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and the applicability of disclosures in this regard.</p> <ul style="list-style-type: none"> • We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment portfolio in accordance with the requirements of the Regulations and applicable financial reporting standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

-
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Arslan Khalid.

Karachi: 20 September 2021

EY Ford Rhodes
Chartered Accountants

Engagement Partner: Arslan Khalid

STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 JUNE 2021

	Note	2021	2020
		Rupees -----	
ASSETS			
Cash and bank balances	4	311,116,752	75,706,293
Investments	5	9,840,526,442	6,990,442,843
Profit receivable on bank balances		914,389	413,904
Receivable against sale of investments		98,787,808	-
Advances, deposits and other receivables	6	13,529,987	13,529,987
Total assets		10,264,875,378	7,080,093,027
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	7	48,685,188	39,612,278
Payable to the Central Depository Company of Pakistan Limited - Trustee	8	1,046,330	736,735
Payable to the Securities and Exchange Commission of Pakistan	9	1,804,473	1,245,447
Payable against redemption of units	10	114,849	132,732,432
Unclaimed dividend		401,732	401,733
Accrued expenses and other liabilities	11	350,353,228	63,694,863
Total liabilities		402,405,800	238,423,488
NET ASSETS		9,862,469,578	6,841,669,539
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)			
		9,862,469,578	6,841,669,539
CONTINGENCIES AND COMMITMENTS			
NUMBER OF UNITS IN ISSUE	12		
		14,333,327	13,240,837
NET ASSET VALUE PER UNIT		688.0795	516.7098

The annexed notes from 1 to 31 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	Note -----	Rupees -----
INCOME		
Profit on bank balances	8,726,017	14,646,439
Dividend income	496,984,575	310,696,067
Capital gain on sale of investments - net	1,353,182,307	273,277,831
Net unrealised appreciation / (dimunition) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	1,466,596,668 2,819,778,975	(122,783,414) 150,494,417
Total income	3,325,489,567	475,836,923
EXPENSES		
Remuneration of Atlas Asset Management Limited - Management Company	7.1	216,539,759
Sindh sales tax on remuneration of the Management Company	7.2	28,150,169
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	8.1	10,022,490
Sindh sales tax on remuneration of the Trustee	8.2	1,302,924
Annual fee to the Securities and Exchange Commission of Pakistan	9.1	1,804,498
Accounting and operational charges	13	22,415,453
Auditors' remuneration	15	542,045
Annual listing fee		30,138
Legal and professional charges		211,560
Securities transaction cost	16	16,016,268
Printing charges		50,111
Bank charges		118,261
Provision for Sindh Workers' Welfare Fund	11.1	60,565,719
Total expenses	357,769,394	194,780,778
Net income for the year before taxation	2,967,720,173	281,056,145
Taxation	17	-
Net income for the year after taxation	2,967,720,173	281,056,145
Earnings per unit	18	
Allocation of net income for the year:		
- Net income for the year after taxation	2,967,720,173	281,056,145
- Income already paid on units redeemed	(510,989,329)	(9,335,468)
	2,456,730,844	271,720,677
Accounting income / (loss) available for distribution:		
- Relating to capital gains	2,819,778,975	273,277,831
- Excluding capital gains	(363,048,131)	(1,557,154)
	2,456,730,844	271,720,677

The annexed notes from 1 to 31 form an integral part of these financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	----- Rupees-----	
Net income for the year after taxation	2,967,720,173	281,056,145
Other comprehensive income	-	-
Total comprehensive income for the year	2,967,720,173	281,056,145

The annexed notes from 1 to 31 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE YEAR ENDED 30 JUNE 2021

	30 June 2021		
	Capital Value	Undistributed income Rupees	Net Assets
Capital value	6,499,701,211	-	6,499,701,211
Undistributed income brought forward			
- Realised income	-	909,302,970	909,302,970
- Unrealised loss	-	(567,334,642)	(567,334,642)
Net assets at the beginning of the year (Units outstanding: 13,240,837) (Rs. 516.7100 per unit)	6,499,701,211	341,968,328	6,841,669,539
Issue of 9,010,475 units	6,020,267,464	-	6,020,267,464
Redemption of 7,917,985 units	(4,821,246,823)	(510,989,329)	(5,332,236,152)
Refund of capital	(141,588,490)	-	(141,588,490)
Cash dividend declared @ Rs. 46 per unit declared on 25 June 2021	-	(493,362,956)	(493,362,956)
Total comprehensive income for the year	-	2,967,720,173	2,967,720,173
Net assets at end of the year (Units outstanding: 14,333,327) (Rs. 688.0795 per unit)	7,557,133,362	2,305,336,216	9,862,469,578
Undistributed income carried forward			
- Realised income	-	1,331,130,189	-
- Unrealised income	-	974,206,027	-
	-	2,305,336,216	-
	30 June 2020		
	Capital Value	Undistributed income Rupees	Net Assets
Capital value	4,841,549,792	-	4,841,549,792
Undistributed income brought forward			
- Realised income	-	1,073,009,596	1,073,009,596
- Unrealised loss	-	(870,121,506)	(870,121,506)
Net assets at beginning of the year (Unit outstanding: 10,009,549) (Rs. 503.96 per unit)	4,841,549,792	202,888,090	5,044,437,882
Issue of 5,185,957 units	2,704,284,267	-	2,704,284,267
Redemption of 1,954,669 units	(1,038,661,296)	(9,335,468)	(1,047,996,764)
Refund of capital	(7,471,552)	-	(7,471,552)
Cash dividend declared @ Rs. 10.50 per unit declared on 30 June 2020	-	(132,640,439)	(132,640,439)
Total comprehensive income for the year	-	281,056,145	281,056,145
Net assets at end of the year (unit outstanding: 13,240,837) (Rs. 516.71 per unit)	6,499,701,211	341,968,328	6,841,669,539
Undistributed income carried forward			
- Realised income	-	909,302,970	-
- Unrealised loss	-	(567,334,642)	-
	-	341,968,328	-

The annexed notes from 1 to 31 form an integral part of these financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
Note	Rupees -----	Rupees -----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year after taxation	2,967,720,173	281,056,145
Adjustments for:		
Profit on bank balances	(8,726,017)	(14,646,439)
Dividend income	(496,984,575)	(310,696,067)
Capital gain on sale of investments - net	(1,353,182,307)	(273,277,832)
Net unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(1,466,596,668)	122,783,414
Provision for Sindh Workers' Welfare Fund	60,565,719	5,735,840
	(3,264,923,848)	(470,101,084)
(Increase) / decrease in assets		
Receivable against sale of investments	(98,787,808)	53,064,695
	(98,787,808)	53,064,695
Increase in liabilities		
Payable to Atlas Asset Management Limited - Management Company	9,072,910	5,791,994
Payable to the Central Depository Company of Pakistan Limited - Trustee	309,595	135,357
Payable to the Securities and Exchange Commission of Pakistan	559,026	(4,190,177)
Accrued expenses and other liabilities	226,092,646	17,202,136
	236,034,176	18,939,310
Profit received on bank balances	8,225,532	14,520,187
Dividend received	496,984,575	312,799,205
Investments made during the year	(7,243,085,842)	(5,901,324,847)
Investments sold during the year	7,212,781,218	4,048,661,584
	474,905,483	(1,525,343,871)
Net cash generated from / (used in) operating activities	314,948,175	(1,642,384,805)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	6,020,267,464	2,704,284,267
Net payments against redemption of units	(5,464,853,735)	(1,112,099,378)
Refund of capital	(141,588,490)	(7,471,552)
Cash payout against distribution	(493,362,956)	(132,640,439)
Net cash (used in) / generated from financing activities	(79,537,717)	1,452,072,898
Net increase/ (decrease) in cash and cash equivalents	235,410,459	(190,311,907)
Cash and cash equivalents at the beginning of the year	75,706,293	266,018,200
Cash and cash equivalents at the end of the year	311,116,752	75,706,293

The annexed notes from 1 to 31 form an integral part of these financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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, 06 March 2008, 04 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, Ninth, Tenth, Eleventh, Twelfth, Thirteen and Fourteen Supplements dated 21 June 2005, 24 July 2006, 29 October 2007, 06 March 2008, 04 December 2009, 14 October 2013, 24 March 2015, 03 August 2015, 29 September 2016, 02 June 2017, 25 May 2018, 5 September 2019, 25 November 2019 and 01 April 2020 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 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.
- 1.5 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company had submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020. Subsequent to the year ended June 30, 2021, the Trust deed has been registered under the Sindh Trusts Act, 2020.

2 BASIS FOR PREPARATION

2.1 Statement of compliance

"These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:"

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2.2 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2020 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these financial statements.

2.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date (annual periods beginning on or after)
Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16	01 January 2022
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	01 January 2022
Classification of liabilities as current or non-current - Amendment to IAS 1	01 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized
Definition of Accounting Estimates - Amendments to IAS 8	01 January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	01 January 2023

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

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

Standard	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	01 July 2009
IFRS 17 - Insurance Contracts	01 January 2023

2.4 Critical accounting estimates and judgements

The preparation of financial statements in accordance with the approved accounting standards as applicable in Pakistan requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets and provision under uncertain circumstances such as provision for Sindh Workers' Welfare Fund, taxes recoverable and Federal Excise Duty payable on remuneration of management company as disclosed in notes 11.1, 6.1 and 7.3 respectively

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except that investments have been carried at fair value.

2.6 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out as below. These policies have been applied consistently to all years and are set out below:

3.1 Financial instruments

a) Initial recognition and measurement

Financial assets and liabilities, with the exception of bank balances are initially recognised on the trade date, i.e., the date that the Bank becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Bank balances are recognised when funds are transferred to the banks.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss.

b) Classification

Equity Instruments

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. An equity instrument held for trading purposes or in which FVOCI election is not taken is classified as measured at FVTPL. Given the objectives of the Fund, all investments have been classified as FVTPL.

Debt Instruments

A debt instrument is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund's business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as: the objectives for the portfolio; how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel; the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed etc.

Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)

As a second step of its classification process the Fund assesses the contractual terms of financial asset to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

c) Subsequent Measurement

Financial assets (equity and debt instruments) at fair value through profit or loss

Financial assets (both equity and debt) at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss. Dividend income from equity instruments measured at FVTPL is recorded in profit or loss when the right to the payment has been established.

Interest earned on debt instruments designated at FVTPL is accrued in interest income, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

Debt instruments at Amortised Cost

Under IFRS 9, after initial measurement, such debt instruments are subsequently measured at amortised cost . Under Regulation 66 of NBFC Regulations, debt securities are required to be carried at fair value. The Fund has not used this classification for its investment portfolio.

Debt instruments at FVOCI

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

fair value recognised in OCI. Interest income and foreign exchange gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss. Debt instruments are subject to impairment and the impairment is charged profit or loss. The Fund has not used this classification for its investment portfolio.

Equity instruments at FVOCI

Upon initial recognition, the Fund occasionally elects to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of Equity under IAS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by instrument basis. The Fund has not used this classification for its investment portfolio.

Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in profit or loss as other operating income when the right of the payment has been established, except when the Fund benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss.

d) Derecognition

"A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Fund has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Fund has:

- (a) Transferred substantially all of the risks and rewards of the asset; or
- (b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset."

When the Fund has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Fund's continuing involvement in the asset. In that case, the fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the fund has retained. The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

e) Reclassification of financial assets and liabilities

From the application date of IFRS 9, the Fund does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Fund acquires, disposes of, or terminates a business line.

f) Impairment of financial assets

"The Fund only considers expected credit losses for bank balances and trade and other receivables. The Fund measures expected credit losses on using the probability of default (PD) and loss given default (LGD) estimates using the published information about these risk parameters."

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

g) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h) Determination of fair value

The equity securities are valued on the basis of closing quoted market prices available at Pakistan Stock Exchange (PSX)

3.2 Cash and cash equivalents

Cash and cash equivalents include deposits with banks and other short term highly liquid investments with original maturities of three months or less.

3.3 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.4 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / Distributors as processing fee.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company receives redemption application during business hours of that day. The redemption price shall be equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges as processing fee.

3.5 Distribution to unit holders

Distribution to unit holders is recognised upon declaring and approval by the Distribution Committee of the Board of Directors of the Management Company under powers delegated to them by the Board of Directors of the Management Company or declaration and approval by the Board of Director of the Management Company.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.6 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

"The Securities and Exchange Commission of Pakistan through its SRO 756(I)/2017 dated 03 August 2017 includes a definition and explanation relating to ""element of income"" and excludes the element of income from the expression "accounting income" as described in regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. MUFAP, in consultation with the SECP, specified methodology of

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

determination of income paid on units redeemed under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year."

3.7 Revenue recognition

- Dividend income is recognised when the right to receive the dividend is established.
- Interest income on bank balances, placements and deposits is recognised on an accrual basis.
- Gains or losses on sale of investments are included in the Income Statement in the year in which it arises.
- Unrealised appreciation / (loss) in the value of investments classified as 'financial assets at fair value through profit or loss' are included in the Income Statement in the period in which they arise.

3.8 Expenses

All expenses chargeable to the Fund including remuneration of Management Company and Trustee and annual fee of the SECP are recognised in the income statement on an accrual basis.

3.9 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 the fund's accounting income available for distribution by the year end, as cash dividend, to the unitholders.

3.10 Net asset value per unit

The net asset value per unit disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

3.11 Earnings per unit

Earnings per unit (EPU) has not been disclosed as in the opinion of the management determination of cumulative weighted average number of outstanding units for calculation of EPU is not practicable.

4 CASH AND BANK BALANCES	Note	2021		2020	
		Rupees	-----	Rupees	-----
In local currency					
- Profit and loss sharing accounts	4.1	278,461,795		74,051,293	
- Current account		5,000		5,000	
- Cheque in hand	4.2	32,649,957		1,650,000	
		<u>311,116,752</u>		<u>75,706,293</u>	

4.1 The rate of return on these accounts ranges between 5.5% and 7.80% (30 June 2020: 6.00% and 6.50%) per annum.

4.2 These cheques were received against issue of units which were cleared subsequent to the year end by 2nd to 6th July (2020: 06 July 2020).

5 INVESTMENTS	Note	2021		2020	
		Rupees	-----	Rupees	-----
At fair value through profit or loss					
Investments in listed equity securities	5.1	<u>9,840,526,442</u>		<u>6,990,442,843</u>	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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

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

Name of Investee Company	As at 01 July 2020	Purchases during the year	Bonus / rights shares issued during the year	Sales during the year	As at 30 June 2021	Carrying cost	Market value	Market value as a percentage of total investment	Market value as a percentage of net assets	Paid up capital of investee company held
Note	Number of shares				Rupees			% age		
Banks										
Bank Alfalah Limited	3,307,500	4,012,631	-	7,320,131	-	-	-	-	-	-
Bank Al Habib Limited	5,975,175	1,664,175	-	4,333,058	3,306,292	195,885,507	231,837,195	2.36	2.35	0.30
BankIslami Pakistan Limited	8,284,250	-	-	8,284,250	-	-	-	-	-	-
The Bank Of Punjab	5,174,500	-	-	5,174,500	-	-	-	-	-	-
Faysal Bank Limited	5,100,943	1,700,000	-	5,806,000	994,943	15,244,391	16,884,183	0.17	0.17	0.07
Habib Bank Limited	3,633,600	1,453,800	-	382,000	4,705,400	499,734,655	575,799,798	5.85	5.84	0.32
Habib Metropolitan Bank Limited	4,211,500	1,602,000	-	100,000	5,713,500	174,696,560	231,968,100	2.36	2.35	0.55
MCB Bank Limited	415,300	1,053,115	-	682,500	785,915	135,846,715	125,612,794	1.28	1.27	0.07
Meezan Bank Limited	3,161,135	1,581,200	200,063	1,364,500	3,577,898	270,521,603	412,925,208	4.20	4.19	0.25
United Bank Limited	2,078,325	3,215,138	-	335,000	4,958,463	557,600,337	605,924,179	6.16	6.14	0.41
	41,342,228	16,282,059	200,063	33,781,939	24,042,411	1,849,529,767	2,200,951,457	22.37	22.32	
Insurance										
Adamjee Insurance Company Limited	1,576,500	785,500	-	1,692,000	670,000	30,614,172	27,784,900	0.28	0.28	0.19
EFU Life Assurance Limited	-	173,700	-	173,700	-	-	-	-	-	-
IGI Holdings Limited	-	263,900	-	-	263,900	49,475,343	51,080,484	0.52	0.52	0.19
Jubilee Life Insurance Company Limited	-	143,300	-	48,100	95,200	35,517,131	31,868,200	0.32	0.32	0.11
Pakistan Reinsurance Company Limited	1,028,500	150,000	-	-	1,178,500	28,170,840	28,672,905	0.29	0.29	0.39
	2,605,000	1,516,400	-	1,913,800	2,207,600	143,777,486	139,406,489	1.42	1.41	
Textile Composite										
Gul Ahmed Textile Mills Limited	1,850,000	1,575,000	203,000	2,410,000	1,218,000	52,352,180	61,789,140	0.63	0.63	0.24
Interloop Limited	3,000	1,919,000	-	804,500	1,117,500	78,267,799	78,258,525	0.80	0.79	0.13
Kohinoor Textile Mills Limited	1,507,500	931,000	-	1,132,500	1,306,000	56,542,285	98,211,200	1.00	1.00	0.44
Nishat (Chunian) Limited	869,500	-	-	869,500	-	-	-	-	-	-
Nishat Mills Limited	650,000	2,075,500	-	754,000	1,971,500	184,868,252	183,940,950	1.87	1.87	0.56
	4,880,000	6,500,500	203,000	5,970,500	5,613,000	372,030,516	422,199,815	4.29	4.28	
Cement										
Attock Cement Pakistan Limited	388,600	273,500	-	231,000	431,100	59,360,667	77,520,402	0.79	0.79	0.31
Cherat Cement Company Limited	1,309,400	474,600	-	1,186,100	597,900	75,164,264	106,055,502	1.08	1.08	0.31
D.G. Khan Cement Company Limited	987,500	1,070,000	-	392,500	1,665,000	181,228,251	196,336,800	2.00	1.99	0.38
Fauji Cement Company Limited	30,500	8,183,500	-	300,000	7,914,000	173,906,975	182,022,000	1.85	1.85	0.57
Kohat Cement Company Limited	551,500	383,600	-	252,100	683,000	122,981,948	141,032,670	1.43	1.43	0.34
Lucky Cement Limited	740,500	172,000	-	175,500	737,000	383,446,511	636,355,280	6.47	6.45	0.23
Maple Leaf Cement Factory Limited	45,000	1,770,000	-	725,000	1,090,000	50,302,698	51,208,200	0.52	0.52	0.10
Pioneer Cement Limited	3,609,000	-	-	3,419,000	190,000	11,977,600	24,903,300	0.25	0.25	0.08
	7,662,000	12,327,200	-	6,681,200	13,308,000	1,058,368,913	1,415,434,154	14.38	14.35	
Refinery										
Attock Refinery Limited	-	625,000	-	339,500	285,500	65,508,116	73,216,475	0.74	0.74	0.27
Byco Petroleum Pakistan Limited	-	2,500,000	-	2,500,000	-	-	-	-	-	-
National Refinery Limited	-	65,500	-	17,500	48,000	26,437,284	25,113,120	0.26	0.25	0.06
	-	3,190,500	-	2,857,000	333,500	91,945,400	98,329,595	1.00	1.00	

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Name of Investee Company	As at 01 July 2020	Purchases during the year	Bonus / rights shares issued during the year	Sales during the year	As at 30 June 2021	Carrying cost	Market value	Market value as a percentage of total investment	Market value as a percentage of net assets	Paid up capital of investee company held	
Note	Number of shares				Rupees			% age			
Power Generation & Distribution											
The Hub Power Company Limited	6,148,820	1,518,488	-	1,443,500	6,223,808	464,565,510	495,850,783	5.04	5.03	0.48	
Kot Addu Power Company Limited	-	3,208,500	-	1,873,500	1,335,000	55,655,030	59,207,250	0.60	0.60	0.15	
K-Electric Limited (face value Rs. 3.5 per share)	6,750,000	2,750,000	-	-	9,500,000	32,406,501	39,710,000	0.40	0.40	0.03	
Lalpir Power Limited	2,950,000	5,014,000	-	500,000	7,464,000	106,216,845	133,307,040	1.35	1.35	1.97	
Nishat Chunian Power Limited	619,000	-	-	619,000	-	-	-	-	-	-	
Pakgen Power Limited	4,208,500	250,000	-	1,210,500	3,248,000	41,274,156	80,095,680	0.81	0.81	0.87	
	20,676,320	12,740,988	-	5,646,500	27,770,808	700,118,042	808,170,753	8.21	8.19		
Oil & Gas Marketing Companies											
Hi-Tech Lubricants Limited	2,000	1,051,000	-	1,053,000	-	-	-	-	-	-	
Pakistan State Oil Company Limited	1,169,153	739,024	-	475,000	1,433,177	255,633,418	321,389,942	3.27	3.26	0.31	
Shell Pakistan Limited	264,700	-	-	264,700	-	-	-	-	-	-	
Sui Northern Gas Pipelines Limited	1,565,200	4,528,100	-	4,019,202	2,074,098	86,988,213	100,759,681	1.02	1.02	0.33	
	3,001,053	6,318,124	-	5,811,902	3,507,275	342,621,631	422,149,623	4.29	4.28		
Oil & Gas Exploration Companies											
Mari Petroleum Company Limited	353,669	10,000	-	98,620	265,049	331,385,898	404,038,045	4.11	4.10	0.20	
Oil & Gas Development Company Limited	5.3	3,003,100	2,727,000	-	812,000	4,918,100	522,365,287	467,367,043	4.75	4.74	0.11
Pakistan Oilfields Limited	533,020	59,000	-	336,000	256,020	91,191,445	100,836,037	1.02	1.02	0.09	
Pakistan Petroleum Limited	5.3	2,148,602	1,314,000	-	695,000	2,767,602	251,152,419	240,310,882	2.44	2.44	0.10
	6,038,391	4,110,000	-	1,941,620	8,206,771	1,196,095,049	1,212,552,007	12.32	12.29		
Engineering											
Aisha Steel Mills Limited	-	8,400,000	-	8,400,000	-	-	-	-	-	-	
Agha Steel Industries Limited	-	3,163,867	-	3,163,867	-	-	-	-	-	-	
Crescent Steel & Allied Products Limited	-	405,000	-	-	405,000	35,969,364	34,011,900	0.35	0.34	0.52	
International Industries Limited	300,000	635,000	-	466,000	469,000	104,445,667	98,968,380	1.01	1.00	0.36	
International Steels Limited	-	1,440,000	-	946,000	494,000	48,431,062	46,144,540	0.47	0.47	0.11	
Mughal Iron And Steel Industries Ltd	213	605,000	52,834	14,000	644,047	55,783,905	61,722,637	0.63	0.63	0.22	
	300,213	14,648,867	52,834	12,989,867	2,012,047	244,629,998	240,847,457	2.45	2.44		
Automobile Assembler											
Indus Motor Company Limited	71,060	6,400	-	21,260	56,200	57,151,930	70,482,668	0.72	0.71	0.07	
Millat Tractors Limited	84,850	-	10,000	4,850	90,000	56,492,800	97,164,900	0.99	0.99	0.16	
Pak Suzuki Motor Company Limited	-	391,600	-	176,600	215,000	66,837,514	76,419,600	0.78	0.77	0.26	
	155,910	398,000	10,000	202,710	361,200	180,482,245	244,067,168	2.48	2.47		
Automobile Parts & Accessories											
Panther Tyres Limited	-	1,056,863	-	31,500	1,025,363	68,021,704	70,883,344	0.72	0.72	0.73	
Thal Limited (face value Rs. 5 per share)	248,000	147,700	-	-	395,700	144,435,853	167,294,046	1.70	1.70	0.49	
	248,000	1,204,563	-	31,500	1,421,063	212,457,557	238,177,390	2.42	2.41		
Cables & Electrical Goods											
Pak Elektron Limited	-	2,788,000	-	2,788,000	-	-	-	-	-	-	
TPL Corp Limited	-	1,198,500	-	1,198,500	-	-	-	-	-	-	
Waves Singer Pakistan Limited	-	611,500	-	611,500	-	-	-	-	-	-	
	-	4,598,000	-	4,598,000	-	-	-	-	-	-	
Transport											
Pakistan International Bulk Terminal Limited	4,897,500	4,000,000	-	1,497,500	7,400,000	80,010,735	84,212,000	0.86	0.85	0.41	
	4,897,500	4,000,000	-	1,497,500	7,400,000	80,010,735	84,212,000	0.86	0.85		

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Name of Investee Company	As at 01 July 2020	Purchases during the year	Bonus / rights shares issued during the year	Sales during the year	As at 30 June 2021	Carrying cost	Market value	Market value as a percentage of total investment	Market value as a percentage of net assets	Paid up capital of investee company held
Note	Number of shares				Rupees			% age		
Technology & Communications										
Avanceon Limited	-	1,470,500	-	1,470,500	-	-	-	-	-	-
Pakistan Telecommunication Company Ltd.	-	5,276,000	-	50,000	5,226,000	51,765,582	61,875,840	0.63	0.63	0.14
Systems Limited	1,627,050	500	44,000	1,219,850	451,700	75,432,325	253,051,374	2.57	2.57	0.33
TRG Pakistan Limited - Class 'A'	-	6,310,000	-	5,445,000	865,000	107,074,259	143,875,450	1.46	1.46	0.16
	1,627,050	13,057,000	44,000	8,185,350	6,542,700	234,272,166	458,802,664	4.66	4.65	
Fertilizer										
Engro Fertilizers Limited	5.3	3,163,500	2,455,000	-	2,465,000	3,153,500	209,916,321	221,596,445	2.25	2.25
Engro Corporation Limited		1,126,700	1,035,001	-	617,000	1,544,701	464,198,709	455,084,362	4.62	4.61
Fauji Fertilizer Bin Qasim Limited		1,520,500	1,700,000	581,340	1,520,500	2,281,340	46,120,995	44,897,000	0.46	0.46
Fauji Fertilizer Company Limited		1,146,000	447,800	-	638,800	955,000	103,929,749	101,325,500	1.03	1.03
	6,956,700	5,637,801	581,340	5,241,300	7,934,541	824,165,774	822,903,307	8.36	8.34	
Pharmaceuticals										
Abbott Laboratories (Pakistan) Limited		129,200	113,500	-	129,200	113,500	87,584,287	89,932,860	0.91	0.91
AGP Limited		523,000	423,400	-	946,400	-	-	-	-	-
Ferozsons Laboratories Limited		-	42,000	-	26,300	15,700	5,261,733	5,539,274	0.06	0.06
Glaxosmithkline Pakistan Limited		362,000	411,000	-	562,200	210,800	38,195,161	34,923,236	0.35	0.35
Hightnoon Laboratories Limited		132,320	104,650	22,572	-	259,542	131,018,668	155,725,200	1.58	1.58
The Searle Company Limited		706,914	277,395	69,529	851,954	201,884	43,792,478	48,905,399	0.50	0.50
	1,853,434	1,371,945	92,101	2,516,054	801,426	305,852,326	335,025,969	3.40	3.40	
Chemicals										
Archroma Pakistan Limited		113,450	-	-	113,450	-	-	-	-	-
Berger Paints Pakistan Limited		-	489,000	-	489,000	-	-	-	-	-
Engro Polymer & Chemicals Limited		5,340,000	1,356,500	-	4,268,000	2,428,500	87,465,710	114,722,340	1.17	1.16
ICI Pakistan Limited		72,000	40,000	-	72,000	40,000	30,037,586	34,752,000	0.35	0.35
Lotte Chemical Pakistan Limited		5,500,000	500,000	-	6,000,000	-	-	-	-	-
Sitara Chemical Industries Limited		-	167,100	-	167,100	-	-	-	-	-
	11,025,450	2,552,600	-	11,109,550	2,468,500	117,503,295	149,474,340	1.52	1.52	
Paper & Board										
Packages Limited		57,200	182,800	-	32,000	208,000	87,160,675	113,401,600	1.15	1.15
	57,200	182,800	-	32,000	208,000	87,160,675	113,401,600	1.15	1.15	
Leather & Tanneries										
Bata Pakistan Limited		59,600	4,100	-	28,260	35,440	48,194,804	60,758,336	0.62	0.62
Service Global Footwear Limited		-	915,837	-	-	915,837	51,907,553	52,962,854	0.54	0.54
Service Industries Limited		80,475	15,500	136,211	111,350	120,836	40,354,552	71,006,859	0.72	0.72
	140,075	935,437	136,211	139,610	1,072,113	140,456,909	184,728,048	1.88	1.87	
Foods & Personal Care Products										
National Foods Limited		72,200	-	350	72,550	-	-	-	-	-
Al-Tahur Limited		2,462,500	1,675,000	246,250	450,000	3,933,750	65,044,005	91,656,375	0.93	0.93
Shezan International Limited		-	76,000	-	-	76,000	25,370,184	25,183,360	0.26	0.26
Treet Corporation Limited		-	2,000,000	-	843,500	1,156,500	39,281,488	57,235,185	0.58	0.58
Unity Foods Limited		53,000	7,550,000	-	6,771,200	831,800	23,573,345	37,031,736	0.38	0.38
	2,587,700	11,301,000	246,600	8,137,250	5,998,050	153,269,022	211,106,656	2.15	2.14	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Name of Investee Company	As at 01 July 2020	Purchases during the year	Bonus / rights shares issued during the year	Sales during the year	As at 30 June 2021	Carrying cost	Market value	Market value as a percentage of total investment	Market value as a percentage of net assets	Paid up capital of investee company held
	Number of shares				Rupees			% age		
Glass & Ceramics										
Shabbir Tiles & Ceramics Limited (face value Rs. 5 per share)	-	2,751,500	-	1,594,500	1,157,000	39,182,268	38,585,950	0.39	0.39	0.35
Tariq Glass Industries Ltd	230,250	-	-	230,250	-	-	-	-	-	-
	230,250	2,751,500	-	1,824,750	1,157,000	39,182,268	38,585,950	0.39	0.39	
Miscellaneous										
Synthetic Products Enterprises Limited	900,000	-	-	900,000	-	-	-	-	-	-
TPL Properties Limited	-	4,357,000	-	4,357,000	-	-	-	-	-	-
Tri-Pack Films Limited	-	16,500	-	16,500	-	-	-	-	-	-
	900,000	4,373,500	-	5,273,500	-	-	-	-	-	-
Total as at 30 June 2021							8,373,929,774	9,840,526,442	100.00	99.78
Total as at 30 June 2020							7,113,226,257	6,990,442,843		

- 5.2 The cost of listed equity securities as at 30 June 2021 is Rs. 8,866,320,415 (30 June 2020: Rs. 7,557,777,485).
- 5.3 The below investments include following shares which have been pledged with the National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular no. 11 dated 23 October 2007 issued by the SECP:

Name of Investee Company	Number of shares		Market value	
	2021	2020	2021	2020
			Rupees	
Pakistan Petroleum Limited	297,000	297,000	25,788,510	25,773,660
Habib Bank Limited	60,000	60,000	7,342,200	5,812,200
Engro Fertilizers Limited	425,000	425,000	29,864,750	25,619,000
United Bank Limited	170,000	100,000	20,774,000	10,336,000
Oil & Gas Development Company Ltd	100,000	-	9,503,000	-
	1,052,000	882,000	93,272,460	67,540,860

6 ADVANCES, DEPOSITS AND OTHER RECEIVABLES

Security deposits with:

- National Clearing Company of Pakistan Limited (NCCPL)
- Central Depository Company of Pakistan Limited (CDC)

Other receivable

Note	Rupees	
	2021	2020
	2,500,000	2,500,000
	100,000	100,000
6.1	10,929,987	10,929,987
	13,529,987	13,529,987

- 6.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under sections 150 and 151. However, during the year ended 30 June 2016, several companies (including banks) deducted withholding tax on dividend and profit on bank deposits paid to the Fund based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Revenue (CIR) is not produced before him by the withholdee. The amount of tax withheld on dividend and profit on bank deposits aggregates to Rs.10.269 million (30 June 2020: Rs. 10.269 million) and Rs. 0.661 million (30 June 2020: Rs. 0.661 million) respectively.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all Funds managed by the Company to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted from dividend and profit received on bank deposits by the Fund has been shown as other receivables as at 30 June 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

Had the tax recoverable not been recorded in these financial statements, the net asset value of the Fund as at 30 June 2021 would have been lower by Rs. 0.76 per unit (30 June 2020: Rs. 0.82 per unit).

7 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - RELATED PARTY	Note	2021	2020
		----- Rupees -----	----- Rupees -----
Remuneration of the Management Company	7.1	20,250,329	13,608,253
Sindh sales tax payable on remuneration of the Management Company	7.2	5,601,589	4,738,119
Federal Excise Duty payable on remuneration of the Management Company	7.3	20,301,988	20,301,988
Accounting and operational charges	13	2,531,282	963,918
		48,685,188	39,612,278

- 7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (I) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio. The Management Company has charged management fee at the rate of 2.4% per annum of the average annual net assets. Previously, the management was charging the fee at the rate of 2.0% till December 2019, afterwards the rate was increased to 2.4% per annum for rest of the year ending June 2020. The fee is payable to the Management Company monthly in arrears.
- 7.2 During the year, an amount of Rs. 28,150,169 (2020: Rs. 17,965,485) 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. 27,286,699 (2020: Rs. 17,358,618) has been paid to the Management Company which acts as a 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, the Management Company was of the view that further levy of FED was not justified.

On 04 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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

With effect from 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 01 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 2020: 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 June 2021 would have been higher by Rs. 1.42 (30 June 2020: Rs 1.53) per unit.

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE - RELATED PARTY	Note	2021	2020
		----- Rupees -----	----- Rupees -----
Trustee fee payable	8.1	925,955	648,978
Sindh sales tax on trustee fee		120,374	84,367
Settlement charges payable		-	3,000
Sindh sales tax on settlement charges		-	390
		1,046,330	736,735

8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed as follows:

On net assets:	Tariff per annum
- up to Rs 1,000 million	Rs. 0.7 million or 0.20% per annum of Net Assets, whichever is higher
- exceeding Rs 1,000 million	Rs. 2.0 million plus 0.10% per annum of Net Assets amount exceeding Rs 1,000 million

8.2 During the year, an amount of Rs. 1,302,924 (2020: Rs. 939,541) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 1,266,917 (2020: Rs. 923,969) was paid to the Trustee which acts as a collecting agent.

9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2021	2020
		----- Rupees -----	----- Rupees -----
Annual fee payable	9.1	1,804,473	1,245,447

9.1 In accordance with the NBFC Regulations, 2008, a collective investment scheme classified as an equity scheme is required to pay the Securities and Exchange Commission of Pakistan an amount equal to 0.02% of the average annual net assets of the Fund as annual fee.

10 PAYABLE AGAINST REDEMPTION OF UNITS

This represents payable against units redeemed to the unit holders based on their request for cash payout, managed by the Management Company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

11 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2021	2020
		----- Rupees -----	----- Rupees -----
Auditors' remuneration payable		457,002	481,582
Printing charges payable		8,736	-
NCCPL charges payable		25,000	25,000
Transaction charges payable	16	10,051,896	2,919,420
Withholding and capital gain tax payable		50,110,148	15,621,799
Zakat payable		83,816	48,075
Sale Load Payable		68,090	27,614
Other payable		66,820	-
Dividend payable		184,344,500	-
Provision for Sindh Workers' Welfare Fund	11.1	105,137,220	44,571,486
		350,353,228	63,694,976

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

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

Had the provision for SWWF not been recorded in these financial statements, the net asset value of the Fund as at 30 June 2021 would have been higher by Rs. 7.34 per unit (30 June 2020: Rs. 3.37 per unit).

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 June 2021 and 30 June 2020.

13 ACCOUNTING AND OPERATIONAL CHARGES

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

The Management Company has charged expenses at the rate of 0.17% of the average annual net assets of the fund for the period from 01 July 2020 to 02 December 2020 and 0.3% of the average annual net assets of the fund for the period from 03 December 2020 to 30 June 2021 (2020: 0.1% of the average annual net assets of the Fund for the period from

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

01 July 2019 to 30 September 2019, 0.15% of the average annual net assets of the Fund from 01 October 2019 till 04 March 2020 and 0.17% of the average annual net assets of the Fund from 05 March 2020 to 30 June 2020) for allocation of such expenses to the Fund.

14 TOTAL EXPENSE RATIO

'The Total Expense Ratio (TER) of the Fund as at 30 June 2021 is 3.96% (30 June 2020: 3.13%) which includes 1.05% (30 June 2020: 0.46%) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

	2021	2020
	----- Rupees -----	
Annual audit fee	348,825	308,550
Half yearly review of condensed interim financial information	174,500	154,275
Certification charges	60,500	60,500
Code of Corporate Governance	-	50,000
Out of pocket expenses	40,000	77,835
Sindh sales tax on services	49,906	49,866
Prior year adjustment	(131,686)	-
	542,045	701,026

16 SECURITIES TRANSACTION COST

This represents brokerage, federal excise duty and settlement charges.

17 TAXATION

17.1 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 the fund's accounting income available for distribution by the year end, as cash dividend, to the unitholders. Since the management has paid the required minimum percentage of income earned by the Fund during the year ended 30 June 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

18 EARNINGS PER UNIT

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

19 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 19.1** Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 19.2** Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load and other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

- 19.3 Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 19.4 The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

	2021	2020
	Rupees	Rupees
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	216,539,759	138,196,041
Remuneration paid	209,897,683	133,527,830
Sindh Sales Tax on remuneration of the Management Company	28,150,169	17,965,485
Accounting and Operational Charges	22,415,453	9,161,322
Issue of 36,033 (2020: 151,360) units	20,438,462	81,670,898
Redemption of 151,059 (2020: 93,695) units	98,000,000	60,000,000
Dividend declared	3,846,646	1,730,962
Outstanding 91,534 (2020: 206,561) units - at net asset value	62,982,893	106,731,932
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	10,022,490	7,227,237
Sindh Sales Tax on remuneration of the Trustee	1,302,924	939,541
Remuneration paid	9,745,513	7,107,452
Settlement charges	544,123	409,933
Sindh Sales Tax on settlement charges	70,736	53,291
Atlas Battery Limited (Group Company)		
Redemption of Nil (2020: 5) units	-	2,347
Atlas Honda Limited (Group Company)		
Issue of 1,568 units (2020: 1,628) units	1,103,231	785,399
Dividend declared	1,297,919	291,207
Outstanding 29,783 (2020: 28,216) units - at net asset value	20,493,072	14,579,293
Atlas Insurance Limited (Group Company)		
Issue of 223,565 (2020: 113,329) units	141,982,233	60,994,200
Redemption of 49,863 (2020: Nil) units	35,000,000	-
Dividend declared	12,420,148	1,169,647
Outstanding 287,031 (2020: 113,329) units - at net asset value	197,499,863	58,558,370
Atlas Foundation (Group Company)		
Issue of 25,380 (2020: Nil) units	15,095,826	-
Dividend declared	41,073,305	9,125,294
Outstanding 894,455 (2020: 869,076) units - at net asset value	615,456,149	449,060,074
Shirazi Investments (Private) Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Issue of 212 (2020: 4,662) units	149,467	2,273,179
Redemption of 23,299 (2020: Nil) units	16,246,299	-
Dividend declared	149,467	253,524
Outstanding 3,462 (2020: 26,549) units - at net asset value	2,382,131	13,717,921

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	----- Rupees -----	
Atlas Group of Companies Management Staff Gratuity Fund (Retirement Benefit plan of a Group Company)		
Issue of 17,159 (2020: 41,754) units	12,059,118	21,381,155
Redemption of 19,161 (2020: 24,389) units	12,470,000	14,500,000
Dividend declared	5,709,118	1,282,877
Outstanding 132,224 (2020: 134,226) units - at net asset value	90,980,624	69,355,779
Atlas Honda Limited - Non Management Staff Gratuity Fund		
Issue of 1,272 (2020: 445) units	894,893	228,807
Redemption of 2,782 (2020: Nil) units	2,000,000	-
Dividend declared	894,893	228,807
Outstanding 20,725 (2020: 22,236) units - at net asset value	14,261,052	11,489,720
Atlas Honda Limited - Employees Provident Fund (Retirement Benefit plan of a Group Company)		
Issue of 5,583 (2020: 1,998) units	3,929,070	1,026,869
Redemption of 14,380 (2020: Nil) units	10,000,000	-
Dividend delcared	3,929,070	1,026,868
Outstanding 90,998 (2020: 99,795) units - at net asset value	62,613,838	51,565,041
Honda Atlas Cars (Pakistan) Limited - Employees Gratuity Fund (Retirement Benefit plan of a Group Company)		
Issue of 100,625 (2020: 641) units	65,727,936	329,638
Dividend delcared	5,727,936	329,638
Outstanding 132,660 (2020: 32,035) units - at net asset value	91,280,656	16,553,033
Shirazi Investments (Private) Limited (Group Company)		
Issue of Nil (2020: 190,953) units	-	90,000,000
Redemption of 900,747 (2020: Nil)	600,000,000	-
Dividend declared	176,144,046	49,664,639
Outstanding 3,829,218 (2020: 4,729,966) units - at net asset value	2,634,806,675	2,444,020,517
Atlas Metals (Pvt.) Limited (Group Company)		
Issue of 61,896 (2020: Nil) units	42,672,539	-
Dividend delcared	2,672,539	-
Outstanding 61,896 (2020: Nil) units - at net asset value	42,589,708	-
Batool Benefit Trust (Trust having common Director / Trustee)		
Issue of 11,876 (2020: 190,953) units	8,357,395	-
Dividend declared	9,832,229	2,206,007
Outstanding 225,620 (2020: 213,744) units - at net asset value	155,244,767	110,443,716
Directors and their close family members and key management personnel and executive of the Management Company		
Issue of 737,630 (2020: 731,708) units	525,084,005	387,447,549
Redemption of 45,443 (2020: 2,271) units	31,721,096	1,179,369
Dividend declared	92,118,956	8,956,956
Outstanding 2,117,293 (2020: 1,232,151) units - at net asset value	1,456,866,235	636,664,632

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

19.5 Other balances due from / to related parties / connected persons are included in the respective notes to the financial statements.

20 FINANCIAL INSTRUMENTS BY CATEGORY

	----- As at 30 June 2021 -----			
	At amortised cost	At fair value through profit or loss	At fair value through other comprehensive income	Total
----- (Rupees) -----				
Financial assets				
Cash and bank balances	311,116,752	-	-	311,116,752
Investments	-	9,840,526,442	-	9,840,526,442
Profit receivable on bank balances	914,389	-	-	914,389
Receivable against sale of investments	98,787,808	-	-	98,787,808
Advances, deposits and other receivables	2,600,000	-	-	2,600,000
	413,418,949	9,840,526,442	-	10,253,945,391
----- As at 30 June 2021 -----				
	At fair value through profit or loss	At amortised cost		Total
----- (Rupees) -----				
Financial liabilities				
Payable to Atlas Asset Management Limited - Management Company	-	48,685,188	48,685,188	48,685,188
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	1,046,330	1,046,330	1,046,330
Payable against redemption of units	-	114,849	114,849	114,849
Unclaimed dividend	-	401,732	401,732	401,732
Accrued expenses and other liabilities	-	10,610,724	10,610,724	10,610,724
	-	60,858,823	60,858,823	60,858,823
----- As at 30 June 2020 -----				
Loans and receivables	At fair value through profit or loss	Available for sale		Total
----- (Rupees) -----				
Financial assets				
Cash and bank balances	75,706,293	-	-	75,706,293
Investments	-	6,990,442,843	-	6,990,442,843
Profit receivable on bank balances	413,904	-	-	413,904
Receivable against sale of investment	-	-	-	-
Advances, deposits and other receivables	2,600,000	-	-	2,600,000
	78,720,197	6,990,442,843	-	7,069,163,040

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	As at 30 June 2020		
	At fair value through profit or loss	Other financial liabilities	Total
	(Rupees)		
Financial liabilities			
Payable to Atlas Asset Management Limited - Management Company	-	39,612,278	39,612,278
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	736,735	736,735
Payable against purchase of investments	-	-	-
Payable against redemption of units	-	132,732,432	132,732,432
Unclaimed dividend	-	401,733	401,733
Accrued expenses and other liabilities	-	3,453,616	3,453,616
	-	176,936,794	176,936,794

21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, Fund's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, credit risk and liquidity risk arising from the financial instruments it holds.

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

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

21.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

Market risk comprises of three types of risks: yield / interest rate risk, currency risk, and price risk.

(i) Yield / interest rate risk

Yield / interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. As of 30 June 2021, the Fund is exposed to interest rate risk on its balances held with banks. The investment committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which exposes the Fund to cash flow interest rate risk. In case of 100 basis points increase in market interest rates as at 30 June 2021, with all other variables held constant, the net

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

income for the year and net assets would have been higher by Rs. 2,784,618 (2020: Rs. 740,513). In case of 100 basis points decrease in market interest rates as at 30 June 2021, with all other variables held constant, the net income for the year and net assets would have been lower by Rs. 2,784,618 (2020: Rs. 740,513).

b) Sensitivity analysis for fixed rate instruments

Presently, the Fund does not hold any fixed rate instrument that may expose the Fund to fair value interest rate risk.

As stated above out of the total financial assets of Rs. 10,294,829,839 (2020: Rs. 7,069,908,167), assets aggregating to Rs. 278,461,795 (2020: Rs. 74,051,293) are subject to yield / interest rate risk. These represent bank balances having effective yield of 5.5% and 7.80% (2020: 6.00% to 6.5%).

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of 30 June 2020 is not necessarily indicative of the impact on the Fund's net assets of the future movement in profit rates.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund is exposed to equity price risk on investments held by the Fund and classified as 'at fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the Trust Deed. The NBFC Regulations also limit individual equity securities to no more than 10% of net assets and issued capital of the investee company and sector exposure limit to 30% of the net assets.

In case of 5% increase / decrease in PSX 100 index on 30 June 2021, with all other variables held constant, net income of the Fund for the period would increase / decrease by Rs. 492,026,322 (2020: Rs. 349,522,142) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the PSX 100 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the PSX 100 Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of 30 June 2021 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the PSX 100 Index.

21.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to settlement of equity securities and to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is to invest the majority of its assets in investments that are traded in an active market and can be readily disposed of. The Fund's securities are considered readily realisable as these are listed on the Pakistan Stock Exchange Limited.

The Fund can borrow in the short term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, no borrowing was required to be obtained by the Fund during the current year. In addition, as required by SECP, the Fund has arranged committed credit lines from a financial institution equivalent to 10% of net assets of the Fund.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

-----As at 30 June 2021-----						
	Within 1 month	1 to 3 months	3 to 12 months	More than one year	Financial instruments without maturity	Total
-----Rupees-----						
Financial assets						
Cash and bank balances	311,116,752	-	-	-	-	311,116,752
Investments	-	-	-	-	9,840,526,442	9,840,526,442
Profit receivable on bank balances	914,389	-	-	-	-	914,389
Receivable against sale of investments	98,787,808	-	-	-	-	98,787,808
Advances, deposits and other receivables	-	-	-	-	2,600,000	2,600,000
	410,818,949	-	-	-	9,843,126,442	10,253,945,391
Financial liabilities						
Payable to Atlas Asset Management Limited						
- Management Company	48,685,188	-	-	-	-	48,685,188
Payable to the Central Depository Company of Pakistan Limited - Trustee	1,046,330	-	-	-	-	1,046,330
Payable against redemption of units	114,849	-	-	-	-	114,849
Unclaimed dividend	401,732	-	-	-	-	401,732
Accrued expenses and other liabilities	10,076,896	533,827	-	-	-	10,610,724
	60,324,995	533,827	-	-	-	60,858,823
Net assets / (liabilities)	350,493,953	(533,827)	-	-	9,843,126,442	10,193,086,568

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

-----As at 30 June 2020-----

	Within 1 month	1 to 3 months	3 to 12 months	More than one year	Financial instruments without maturity	Total
-----Rupees-----						
Financial assets						
Cash and bank balances	75,706,293	-	-	-	-	75,706,293
Investments	-	-	-	-	6,990,442,843	6,990,442,843
Profit receivable on bank balances	413,904	-	-	-	-	413,904
Advances, deposits and other receivables	-	-	-	-	2,600,000	2,600,000
	76,120,197	-	-	-	6,993,042,843	7,069,163,040
Financial liabilities						
Payable to Atlas Asset Management Limited - Management Company	39,612,278	-	-	-	-	39,612,278
Payable to the Central Depository Company of Pakistan Limited - Trustee	736,735	-	-	-	-	736,735
Payable against redemption of units	132,732,432	-	-	-	-	132,732,432
Unclaimed dividend	401,733	-	-	-	-	401,733
Accrued expenses and other liabilities	2,944,420	509,196	-	-	-	3,453,616
	176,427,598	509,196	-	-	-	176,936,794
Net assets / (liabilities)	(100,307,401)	(509,196)	-	-	6,993,042,843	6,892,226,246

21.3 Credit risk

Credit risk arises from the inability of the issuers of the instruments or the counter party to fulfil their obligations. The Fund is exposed to credit risk with respect to its bank balances, dividend receivable, receivable against sale of investments, receivable against sale of units and security deposit. Credit risk also arises from the inability of the relevant brokerage house or the counter party to fulfil their obligations. There is a possibility of default by participants or failure of the financial markets / stock exchanges, the depositories, the settlements or clearing system, etc. The settlement risk of default on equity securities is considered minimal due to inherent systematic measures taken therein. The Fund's policy is to enter into financial contracts in accordance with internal risk management policies and instrument guidelines approved by the Investment Committee. The Fund's maximum exposure to credit risk as of 30 June 2021 amounts to Rs. 314,785,421 (2020: Rs. 78,720,197).

21.3.1 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks. The credit rating profile of balances with banks is as follows:

Ratings of amounts placed with banks	% of financial assets exposed to credit risk	
	2021	2020
AA+	99.01	95.40
AAA	0.99	4.60
	100.00	100.00

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

The maximum exposure to credit risk before any credit enhancement as at 30 June 2021 is the carrying amount of the financial assets. Investments in equity securities, however, are not exposed to credit risk.

All the balances with banks have investment grade rating and hence are classified as Stage 1 under IFRS 9.

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial assets is mainly held with, diverse credit worthy counter parties.

22 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. Consequently, differences can arise between carrying values and the fair value estimates.

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

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

22.1 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 price (unadjusted) in an active market 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).

The Fund only invests in listed equity securities the fair values of which are based on level 1 valuation technique.

23 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. They are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restrictions on the subscription and redemption of units. As required under NBFC Regulations, every open-end scheme shall maintain a fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has maintained and complied with the requirement of minimum fund size during the current year.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

In accordance with the risk management policies as stated in note 21, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

24 UNIT HOLDING PATTERN OF THE FUND

Category	2021			2020		
	Number of unit holders	Amount (Rupees)	% of total	Number of unit holders	Amount (Rupees)	% of total
Individuals	518	1,105,622,063	11.21	503	578,765,269	8.46
Associated Companies / Directors	11	4,466,274,840	45.29	10	3,605,838,314	52.70
Insurance Companies	7	287,928,588	2.92	5	130,366,510	1.91
Retirement Funds	24	3,662,614,986	37.14	24	2,409,678,700	35.22
Others	6	340,029,101	3.45	6	117,020,746	1.71
	566	9,862,469,578	100.00	548	6,841,669,539	100.00

25 LIST OF TOP TEN BROKERS BY PERCENTAGE OF THE COMMISSION PAID

2021		2020	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
Optimus Capital Management (Pvt.) Limited	7.77	Optimus Capital Management (Pvt) Limited	8.39
Alfalalah CLSA Securities (Private) Limited	7.46	Alfalalah CLSA Securities (Private) Limited	7.71
Topline Securities Limited	6.06	Topline Securities Limited	6.59
Shajar Capital Pakistan (Pvt.) Ltd.	4.71	AKD Securities Limited	6.28
Alfa Adhi Securities (Pvt) Ltd.	4.38	Pearl Securities Limited	5.95
Adam Securities Limited	4.34	Shajar Capital Pakistan (Pvt.) Ltd.	5.35
JS Global Capital Limited	4.29	Habib Metropolitan Financial Services Limited	4.76
AKD Securities Limited	4.21	JS Global Capital Limited	4.65
Summit Capital (Private) Limited	4.05	Next Capital Limited	4.14
Next Capital Limited	3.96	Intermarket Securities Limited	4.11

26 MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Mr. M. Abdul Samad	Chief Executive Officer	MBA, M.Com	21 Years
Mr. Ali H. Shirazi	Director	Masters in Law	17.5 Years
Mr. Khalid Mehmood	Chief Investment Officer	MBA - Finance	17 Years
Mr. Muhammad Umar Khan	Head of Portfolio Management	MSc - Finance	13 Years
Mr. Fawad Javid	Head of Fixed Income	CMA	13 Years
Mr. Faran-ul-Haq	Head of Equities	M.B.A, CFA	10 Years

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

27 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Mr. Faran-ul-Haq	Head of Equities	MBA, CFA	Atlas Islamic Stock Fund Atlas Islamic Fund of Funds Atlas Islamic Dedicated Stock Fund

28 MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The details of the dates of Board meetings of the Management Company of the Fund and the attendance of the members of the Board of Directors are given below:

Name of Director	Meeting held on					
	06 July 2020	10 Sep 2020	26 Oct 2020	25 Feb 2021	29 Apr 2021	25 June 2021
Mr. Iftikhar H. Shirazi	P	P	P	P	P	P
Mr. Tariq Amin	P	P	P	P	P	P
Mr. Frahim Ali Khan	P	P	P	P	P	P
Mr. Ali H. Shirazi	P	P	P	P	P	P
Mr. M. Habib-ur-Rahman	P	P	P	P	P	P
Ms Zehra Naqvi	P	P	P	P	P	P
Mr. M. Abdul Samad	P	P	P	P	P	P
Ms Qurrat-ul-ain Jafari (Chief Financial Officer)	L	P	P	P	P	P
Ms Zainab Kazim(Company Secretary)	P	L	L	P	P	P

P Present

L Leave of absence

29 RATING OF THE FUND AND THE MANAGEMENT COMPANY

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

30 GENERAL

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

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

31 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 6 September 2021.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

توثیق

میجنت کپنی کے بورڈ آف ڈائریکٹر ان، سکیورٹیز اینڈ آئچیشن آف پاکستان کی قابل تدریجیت، مدد اور نہایت کا شکر یادا کرتے ہیں۔ میجنت کپنی کے ملازمین اور ٹریسٹی کا ان کی گلن اور محنت کیلئے، اور میجنت کپنی پر یونٹ ہولڈرز کے اعتماد کا بھی بورڈ شکر یادا کرتا ہے۔

ازطرف اور من جانب بورڈ

فراہیم علی خان

محمد عبدالصمد

ڈائریکٹر

چیف ایگزیکوٹیو فیسر

کراچی: ۲۱ ستمبر، ۲۰۲۱ء

اونیسٹٹوٹ کیٹی۔ اکیاون میئنگ منعقدہ ہوئیں دوران سال اور شریک کی گئی درج ذیل:

•

نمبر شار	ڈائریکٹر کا نام	عہدہ	میئنگ میں شرکت
۱	جناب علی ایچ شیرازی	نان ایگز کیٹوڈ ایکٹر	۲۱
۲	جناب ایم عبدالصمد	چیف ایگز کیٹوڈ آفیسر	۲۷
۳	جناب خالد محمود (ایگز کیٹوڈ منجمنٹ)	چیف اونیسٹٹ آفیسر رکن آئی سی	۵۰
۴	جناب ایم عمر خان (ایگز کیٹوڈ منجمنٹ)	ہیڈ آف پورٹ فولیو منجمنٹ رکن آئی سی	۵۲
۵	جناب فواد جاوید (ایگز کیٹوڈ منجمنٹ)	ہیڈ آف فلکڈ اکٹم رکن آئی سی	۵۲
۶	جناب فاران الحق (ایگز کیٹوڈ منجمنٹ)	ہیڈ آف اکیوٹیو سیکریٹری آئی سی	۵۰

تازہ ترین درجہ بندی:

اٹاٹھ جات میجر کی درجہ بندی

پاکستان کریٹر ریٹنگ اجنبی لمبیڈ (مکرا) نے منجمنٹ کمپنی کی اسیٹ میجر درجہ بندی اے ایم +۲ (اے ایم ٹو پس) ترتیب دی ہے۔

(۲۰۲۰ء اے ایم +۲ (اے ایم ٹو پس)) تاریخ ۲۰۲۰ء ستمبر ۲۰۲۰ء کو یہ درجہ بندی کمپنی کی تجربہ کارٹیں، منظم سرمایہ کاری نظام اور ہم آنک معیاری نظام اور طریقہ کارکی عکاسی کرتی ہے۔

محکم درجہ بندی برائے اے ایم ایف

پکرائے مورخہ ۱۶ اپریل ۲۰۲۱ء کو استحکام فنڈ کیلئے (ڈبل اے پس فنڈ ریٹنگ ”اے اے + (ایف)“ درجہ بندی تکمیل دی ہے۔ فنڈ زکی یہ درجہ بندی ریٹن میں متناسب استحکام کی گرانی اور کم خطرات کا سامنا کرنے کی بہت محدود صلاحیت کو ظاہر کرتی ہے۔

محکم درجہ بندی برائے اے ایس ایف

پکرائے مورخہ ۱۶ اپریل ۲۰۲۱ء کو درجہ بندی برائے استحکام فنڈ کیلئے ”(ڈبل اے مائس فنڈ ریٹنگ) فنڈ زکی یہ درجہ بندی ریٹن میں متناسب گرانی اور کم خطرات کا سامنا کرنے کی بہت محدود صلاحیت کو ظاہر کرتی ہے۔

محکم درجہ بندی برائے اے آئی ایف

پکرائے مورخہ ۱۶ اپریل ۲۰۲۱ء کو استحکام فنڈ کیلئے (ڈبل اے مائس فنڈ ریٹنگ ”اے اے - (ایف)“ درجہ بندی تکمیل دی ہے۔ فنڈ زکی یہ درجہ بندی ریٹن میں متناسب استحکام کی گرانی اور کم خطرات کا سامنا کرنے کی بہت محدود صلاحیت کو ظاہر کرتی ہے۔

آڈیٹر

بورڈ آف ڈائریکٹر ان کی آڈٹ کمیٹی نے اپنی میئنگ منعقدہ ۱ ستمبر ۲۰۲۱ء میں میسر زادے ایف فرگون ایڈٹ کمپنی چارٹرڈ اکاؤنٹنٹس، کراچی کو اٹس سوویرین فنڈ اور اٹس کا بطور اہل آڈیٹر برائے اختتام سال ۲۰۲۲ء جون ۲۰۲۲ء دوبارہ تقری تجویز کیا۔ اور میسر زادے ای وائی فورڈ روڈ، چارٹرڈ اکاؤنٹنٹس، کراچی کو بالترتیب اٹس منی مارکیٹ فنڈ، اٹس اکٹم فنڈ اور اٹس اشک مارکیٹ فنڈ کیلئے دوبارہ بطور اہل آڈیٹر مالیاتی سال ۳۰ جون ۲۰۲۲ کے لیے دوبارہ تقری کی۔

میجنٹ کمپنی اور کمپنی کے بورڈ آف ڈائریکٹریان اس عرصے کے دوران، اے اے ایم ایل کے بورڈ آف ڈائریکٹریز میں شامل ہیں جناب افتخار ایچ شیرازی، چیئرمین ہم سفر ایم ایم علی خان، ڈائریکٹر، مسٹر ایم جبیب الرحمن، ڈائریکٹر، جناب طارق امین، آزاد ڈائریکٹر، مسٹر علی ایچ شیرازی، ڈائریکٹر، محترمہ مزہرہ نقوی، آزاد ڈائریکٹر اور مسٹر محمد عبدالصمد، چیف ایگزیکٹو آفیسر۔

☆ ڈائریکٹری موجودہ کل تعدادے درج ذیل ہیں۔

مرد: ۶

عورت: ۱

☆ بورڈ کی موجودہ تکمیل مندرجہ ذیل ہیں۔

آزاد ڈائریکٹر: *۲

غیر ایگزیکٹو ڈائریکٹر: ۳

ایگزیکٹو ڈائریکٹر: ۱

خواتین ڈائریکٹر: ۱ (*آزاد ڈائریکٹر)

۲۰۲۱-۲۰۲۲ء مالیاتی سال کے دوران چھ بورڈ میئنگ منعقد کی گئیں اور اس میں شرکت کی گئی۔ میئنگز کی تاریخیں اور شریک ہوئے اے ڈائریکٹریان کی تفصیلات، جیسا کہ این بی ایف سی کے قواعد و ضوابط ۲۰۰۸ء کے تحت درکار ہے۔ اے ایم ایف، اے ایم ایف کی مالیاتی تفصیلات کے نوٹس ۲۷، ۲۸، ۳۰ اور ۳۱ میں بالترتیب فسیلک ہیں۔

بورڈ کی میئنگ میں شامل ہیں آٹھ کمپنی، ہیونریوس اینڈ ری مینوریشن کمپنی، اور انویسٹمنٹ کمپنی (جس میں ایگزیکٹو میجنٹ کے افراد شامل ہیں جیسا کہ این بی ایف سی قواعد ۲۰۰۸ء میں درکار ہے)۔ ان میئنگز میں ڈائریکٹریان نے شرکت کی جس کی تفصیل درج ذیل ہے:

آٹھ کمپنی (اے سی)۔ چارے سی میئنگز دوران سال منعقد کی گئیں، اور درج ذیل شرکت کی گئی:

نمبر شمار	ڈائریکٹر کا نام	عہدہ	میئنگ میں شرکت
۱	جناب طارق امین	آزاد ڈائریکٹر	۳
۲	جناب فراہیم علی خان	نان ایگزیکٹو ڈائریکٹر	۳
۳	جناب ایم جبیب الرحمن	نان ایگزیکٹو ڈائریکٹر	۳

ہیونریوس اینڈ ری مینوریشن کمپنی (ایچ آر اینڈ آری)۔ ایک میئنگ منعقد ہو گیں دوران سال اور شرکت کی گئی درج ذیل:

نمبر شمار	ڈائریکٹر کا نام	عہدہ	میئنگ میں شرکت
۱	محترمہ مزہرہ نقوی	آزاد ڈائریکٹر	۲
۲	جناب فراہیم علی خان	نان ایگزیکٹو ڈائریکٹر	۲
۳	جناب علی ایچ شیرازی	نان ایگزیکٹو ڈائریکٹر	۱
۴	جناب ایم عبدالصمد	چیف ایگزیکٹو آفیسر	۲

تقریب آمدنی - اے آئی ایف

مختتم کمپنی کی سرمایہ کاری کمیٹی برائے اے آئی ایف نے اپنے اجلاس کو برائے اختتام مالیاتی سال ۳۰ جون ۲۰۲۱ کیلئے ۲۳۳۔۲۵ روپے فی یونٹ (۵۰:۲۰:۲۰:۷۰) کی قیمت پر ۵۰۰ روپے فی یونٹ کی اصل قیمت پر ۲۵۰ فیصد۔ (۲۰۲۰ء: عبوری منافع ۵۰۔۱۵ فیصد)

تقریب آمدنی۔ اے الیں ایم ایف

مختتم کمپنی کی سرمایہ کاری کمیٹی برائے اے ایم ایف نے اپنے اجلاس کو برائے اختتام مالیاتی سال ۳۰ جون ۲۰۲۱ء کیلئے ۳۶۰.۰۰ روپے فی یونٹ (۱۰.۵۰: ۲۰۲۰) رپورٹ فی یونٹ (پورے سال کیلئے) تعمیم کا اعلان کیا۔ ۵۰۰ روپے فی یونٹ کی اصل قیمت پر ۹.۲۰ فیصد۔ (۲۰۲۰ء: عبوری منافع ۱۰.۲۰ فیصد)

چیئر میں کا چائزہ:

اے ایم ایف، اے ایس ایف، اے آئی ایف، اور اے ایم ایف کی سالانہ رپورٹ میں شامل جائزہ مجملہ طور پر اس سال کے فیڈز کی کارکردگی اور اسکے آئندہ لائچے عمل سے متعلق ہے۔ ڈائریکٹر ان اس جائزے کے مندرجات کی توثیق کرتے ہیں۔

کار پوریت نظم و ضبط:

کمپنی کا رپورٹ لٹم وضبط کے معیارات، ضابطہ اخلاق اور بہترین کاروباری طریقوں پرچتی سے عمل کرنے پر لیقون رکھتی ہے۔ اور یہ سب ملٹس گروپ کی کاروباری تہذیب کا ایک جزو لیے گا۔ جولائی ۲۰۱۲ء میں کارپوریٹ لٹم وضبط کے اصولوں کی منظوری دی گئی جس میں بورڈ کے ممبران، ملازمین اور کمپنی پر مختلف حلقوں، آپس کے معاملات اور معاشرے کی فلاح و بہبود کے سلسلے میں عائد کردہ فرائض اور ذمہ داریوں کو صراحت کے ساتھ بیان کر دیا گیا ہے۔ یہ ضابطہ اخلاق کمپنی کی دیوب سائنس پر دستیاب ہے۔

بورڈ کے ڈائریکٹران کی جانب سے ثویق نامہ

بُوڑا فڈا ریکٹر ز تصدیق کرتا ہے کہ (اے ایم ایف)، (اے ایں ایف)، (اے آئی ایف) اور (اے ایں ایم ایف) کہ:

☆ مفتظم کمپنی کی جانب سے تیارہ کردہ مالیاتی گوشوارے تمام فنڈز کی کارکردگی، سالانہ آمدنی، کیش فلاؤ اور یونٹ ہولڈرز کے سرمائے میں نقل و حرکت کی ایک منصفانہ تصور یہ پیش کرتے ہیں۔

☆ تمام فنڈز کے کھاؤں کو مناس طریقے سے تار کیا گیا۔

★ گوشواروں کی تاریخی میں حساب داری کے اصولوں اور تسلسل کے ساتھ لالہ گوکساروں کی تاریخی میں اختلاط اور فتح فرستگا استعمال کیا جا رہا ہے۔

☆ گوشواروں کی تیاری میں وہ مین الاقوامی معیارات جو پاکستان میں لا گو ہوتے ہیں، کو منظر رکھا گیا ہے اگر کہیں اخراج ہوا ہے تو اسے مناسب طریقے سے ظاہر کر دیا گیا ہے۔

☆ اندروفنی نظم و ضبط کا نظام موئر شرگرانی میں مشکم بندیا دوں برنا فذ ہے۔

☆ فنڈز کے مستقبل بنادوں رہاری رنسے برکوئی شہنیں ہیں۔

☆ اہم مالیاتی اعداد و شمار / کارکردگی کے چارٹ، (اے ایم ایف)، (اے ایس ایف)، (اے آئی ایف)، اور (اے ایس ایم ایف) کی سالانہ روپورٹس کے صفحات ۲۲، ۲۱، ۲۰ اور ۱۹۳ رعلیٰ الترتیب شائع کئے گئے ہیں۔

☆ کفار اور فیصلہ کو اسے ماسکاری کا قدر کے گوشوارے کا اطلاق میں چل فیصلہ نہیں ہوتا کیونکہ کسی لازمی میں کسی شائزہ میں فوائد نہیں ملتے اور اخراجات منتظم کیونکہ رداشت کرتی ہے۔

☆ یوش کی ملکیت کا انداز (اے ایم ایف)، (اے ایس ایف)، (اے آئی ایف)، اور (اے ایس ایم ایف) کے مالیاتی گوشواروں کے علی الترتیب نوش نمبر ۲۲، ۲۳، ۲۴ اور ۲۵ میں دیا گیا ہے۔

ڈاہری یکٹر زر پورٹ:

اٹس ایسیٹ مینجنٹ لمیڈیڈ (اے اے ایم ایل) کے بورڈ آف ڈائرکٹرز، منظم برائے اٹس منی مارکیٹ فنڈ (اے اے ایم ایف)، اٹس سوویرین فنڈ (اے اے ایم ایف)، اٹس اکٹ فنڈ (اے اے ایم ایل) کے ذریعہ میں ایک ملکیتی میانگی برائے اختتام سال ۲۰۲۳ء کے ہمراہ پیش کرتے ہوئے دلی سست محسوس کرتے ہیں۔

آمدن فی پونٹ، مجموعی اثاثہ چات اور خلاصہ فروخت / تلافی

آمدنی فی یونٹ، مجموعی اٹاٹھے جات، اور اے ایم ایف، اے الیں ایف، اے آئی ایف، اور اے الیں ایم ایف کا خلاصہ فروخت/ٹلائی برائے اختتام سال ۳۰ جون ۲۰۲۱ء اور ۳۰ جون ۲۰۲۰ء درج ذیل ہے۔

اٹلس گولڈ فنڈ کی منسوخی

اے جی ایف ۳۰۰ نومبر ۲۰۱۷ء کو منسون خ کر دیا گیا اور سرمایہ داروں کو اس میں مزید سرمایہ لگانے کی پیشکش نہیں کی جاتی۔ سرمایہ داروں کو ۲۹۔۲۰ ملین کی رقم تھی ادا اسکی کی جا چکی ہے۔ تا ہم ۳۲۔۰ ملین روپے تکیں کے ریفنڈ کیم ہیں اور فیڈرل ایکسائزڈ یوٹی اور سندھ ورکز ویکسٹرنز کی مد میں ۱۹۔۲ ملین روپے ہیں جسکی بہت زیادہ محتاط پیش بندی کی گئی ہے۔ ایک بارہہ مسائل حل ہو جائیں تو بونڈ ہولڈر زکو مر یہدا اسکی کی جائے گی۔

تفصیل آمدی ایم الف

مختتم کمپنی کی سرمایہ کاری کمپنی براۓ اے ایم ایف کے بورڈ آف ڈائریکٹر نے اپنے اجلاس کو برائے اختتام مالیاتی سال ۳۰ جون ۲۰۲۱ کیلئے ۳۲.۹۹ روپے فی پونٹ (۵۹.۰۰:۲۰۲۰ روپے فی پونٹ پورے سال کیلئے) تقسیم کا اعلان کیا۔ ۵۰۰ روپے فی پونٹ کی اصل قیمت پر ۶۰ فیصد (۲۰۲۰: ۸۰ فیصد) عبوری منافع (۱۱.۰۰ فیصد)

تفصیل آمدن اے ایک اف



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Atlas Islamic Money Market Fund

Atlas Islamic Income Fund

Atlas Islamic Stock Fund

Atlas Islamic Fund of Funds

Atlas Islamic Dedicated Stock Fund

ANNUAL REPORT

30 June 2021



Managed By

Atlas Asset Management

Rated AM2+ by PACRA
(as of December 24, 2020)



MANAGING TO THE CORE!

Even the most seemingly diminutive of creatures, hold for us an education. They exhibit qualities of organization that are indeed inspirational. Planning, teamwork and controlling are attributes of a successful and solid organizational structure. At Atlas Funds these elements form the core of our institution.

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Diversity

Understanding the social, cultural and financial diversity in our country and coming up with innovative plans to cater distinctive needs



Company Profile

Atlas Asset Management Limited (AAML), an Atlas Group Company, was incorporated on 20th August, 2002 as an unlisted public limited company. AAML as a Non-Banking Finance Company (NBFC) is licensed & regulated by Securities & Exchange Commission of Pakistan to perform Asset Management and Investment Advisory Services as per the NBFC (Establishment and Regulations) Rules, 2003 & NBFC and Notified Entities Regulations, 2008 and as a Pension Fund Manager to manage voluntary pension funds (under Voluntary Pension System Rules, 2005). SECP also issued licenses to the Company to carry out REIT Management Services, Private Equity and Venture Capital Fund Management Services, under rule 5 of the Non-Bankking Finance Companies (Establishment & Regulation) Rules, 2003. AAML manages assets on behalf of retirement funds, welfare organizations, insurance companies, multinationals, NBFCs and individuals.

AAML is a wholly owned subsidiary of Shirazi Investments (Pvt.) Limited (SIL). As the parent company, SIL sponsors Atlas Group projects. Atlas Group is a diversified group dealing in engineering, financial services, power generation, real estate & trading.

AAML strives to be a market leader in providing quality fund management services with customer satisfaction as its aim, and is consistently committed to offering its investors the best possible risk adjusted returns on a diverse range of products, meeting not only the customers' current requirements but also exceeding their future expectations. With its strong emphasis on systems and controls, quality human resource and backing of Atlas Group, AAML enjoys a distinct advantage.



Vision

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



Mutual Funds | Pension Funds | Investment Advisory Services | Private Equity | REIT

Creativity

The ability to creatively inspire innovation and the will to foster positive social and environmental change

Mission

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

Growth | Returns | Tax Savings

Team Work

Giving unparalleled service, creating long-term, win-win relationships and focusing on executional excellence

Organisation

Management Company

Atlas Asset Management Limited

Board of Directors of the Management Company

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

Board Committees

Audit Committee

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

Human Resource & Remuneration Committee

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

Investment Committee

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

Management Committee

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

Risk Management Committee

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

Chief Financial Officer

Ms Qurrat-ul-Ain Jafari

Chief Internal Auditor

Mr. M. Uzair Uddin Siddiqui

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Board of Directors of the Management Company

Mr. Iftikhar H. Shirazi

Chairman

Mr. Iftikhar H. Shirazi graduated with a Bachelor of Science in Finance from Notre Dame De Namur University (formerly College of Notre Dame), USA, and completed his OPM from Harvard Business School, USA. He has over 30 years of corporate management experience, more particularly in the financial and trading sectors. He has to his credit, work experience at Bank of Tokyo-Mitsubishi, Yamaichi Securities, and Toyota Tsusho Corporation.

He is currently Chairman of Shirazi Investments (Pvt) Limited, Atlas Asset Management Limited, Atlas Insurance Limited, Shirazi Trading Company (Private) Limited, Atlas Foundation and Atlas Information Technology Resource Centre. He is also a member of the SAARC Chamber of Commerce & Industry, Karachi Chamber of Commerce & Industry (KCCI) and Pakistan Japan Business Forum. He is also serving on the Board of the Forman Christian College, Ghulam Ishaq Khan Institute of Engineering Science and Technology, British Overseas Association and Employers Federation of Pakistan. He was also a member of the Aga Khan Resource Development Committee and life member of Federation of Pakistan Chambers of Commerce & Industry (FPCCI). He has also served the Management Association of Pakistan as their Vice President.

He also enjoys membership of several other prestigious associations that include, Harvard Club of New York and Pakistan, Young Presidents Organization, Aitchison College Old Boys Association, Government College of Commerce & Economics Old Students Association and English Speaking Union. He was also President of International Club, Notre Dame De Namur University (formerly College of Notre Dame), USA.

Mr. Frahim Ali Khan

Director

Mr. Frahim Ali Khan is a Law graduate from Karachi University. He has also attended Senior Managers' Program at Harvard University, U.S.A., Financial Management Program at Stanford University, U.S.A. and General Management Program at Insead University, France. He joined the Atlas Group in 1967 and has served in different positions. He has over 50 years of experience in General Management, Finance, Investment and Taxation.

He is currently Group Director Financial Affairs and Legal Matters. His other directorships include Atlas Insurance Limited, Atlas Asset Management Limited, Atlas Engineering (Private) Limited, Atlas Autos (Private) Limited, Atlas Metals (Private) Limited, Atlas Power Limited, Atlas Energy Limited, Zhenfa Pakistan New Energy Company Limited, Shirazi Trading Company (Private) Limited, Shirazi Investments (Private) Limited, and Atlas Foundation.

Earlier, he has also served on Atlas Honda Limited and Atlas Battery Limited boards and has been C.E.O of Shirazi Investments (Private) Limited, Shirazi Trading Company (Private) Limited, Atlas Asset Management and former Atlas Investment Bank Limited.

Mr. M. Habib-ur-Rahman

Director

Mr. M. Habib-ur-Rahman is a fellow of the Institute of Chartered Accountants in England & Wales. He has attended management level programme (PMD) at Harvard Business School.

Mr. Habib-ur-Rahman has a long association with Mutual Fund Industry. He held the position of General Manager Finance & Investment with National Investment Trust Limited. He was NIT nominee director on the Board of Karachi Stock Exchange and various listed companies. He worked for NIT for eleven years from 1971 to 1981 and then left NIT to join motorcycle industry, Atlas Honda Limited, where he worked for fourteen years initially as Director Finance and then as Resident Director in-charge Finance, Administration and Production. In 1995 he returned to mutual funds industry. He played an instrumental role in setting ABAMCO Limited that was the first asset management company in the private sector in Pakistan. ABAMCO was initially established as a joint venture among a leading brokerage house in Pakistan, IFC and an asset management company in US. Mr. Habib-ur-Rahman was its chief executive from 1995 to 2003. He was the Chief Executive Officer of Atlas Asset Management Limited from March 2004 till March 2018. He is a founding member and past Chairman/ Director of the Mutual Funds Association of Pakistan (MUFAP). The foundation of MUFAP was laid in 1995. Mr. Habib ur Rahman was Securities and Exchange Commission of Pakistan (SECP) nominee on the Board of Karachi Stock Exchange in 2000, 2001, & 2003. He was a member of SECP Advisory Group on Capital Markets, member of the SECP Enquiry Committee (appointed in 2001) on management of Exposure Rules by KSE/ LSE and member of the SECP Committee (appointed in 2013) to review the 2008 financial crisis in capital market in Pakistan. Presently he also holds directorships in Atlas Insurance Limited & Atlas Foundation.

Mr. Tariq Amin

Independent Director

Mr. Tariq Amin is the Chairman of Orkila Pakistan (Private) Limited, a leading company dealing in chemicals. He is also on the Boards of the Salim Habib Education Foundation and the Education City. He has varied experience both in private and public sectors. He is a law graduate from the University of Karachi. He also holds a Masters degree in English from the University of Karachi and a Post Graduate Diploma in Development Administration from the University of Leeds. Mr. Amin has been past Chairman of the Privatization Commission, Sindh. He has also been President of the Overseas Investors Chambers of Commerce & Industry (OICCI) and also the Chairman of SITE Association of Industry for four years. Mr. Amin was conferred the civil award of Chevalier De L'ordre National Du Merite by the Government of France 2001.

Board of Directors of the Management Company

Mr. Ali H. Shirazi

Director

Mr. Ali H. Shirazi graduated with a BA from Yale University, U.S.A. in 2000 and thereafter completed his Masters in Law from Bristol University, U.K. in 2005. He has worked with the Bank of Tokyo-Mitsubishi in New York as well as American Honda in Torrance, California.

He is member of the Group Executive Committee, responsible for Group's financial services. He is on the Board of Atlas Asset Management Limited, Atlas Foundation, Atlas Insurance Limited, Shirazi Investments (Private) Limited, Shirazi Trading Company (Private) Limited, Techlogix International Limited, National Management Foundation (sponsoring body of LUMS) and Cherat Packaging Limited. Previously he has also served on the Board of National Clearing Company of Pakistan Limited (NCCPL).

He is a 'Certified Director' from the Pakistan Institute of Corporate Governance and in 2018 completed the Owner / President Management Program (OPM) from Harvard Business School.

Ms Zehra Naqvi

Independent Director

Ms. Zehra Naqvi was the Chief Executive Officer of Chubb Insurance Pakistan, (a wholly owned subsidiary of Chubb INA International Holdings Limited, Delaware, USA) from September 2005 to September 2017.

She has over 35 years of work experience in the insurance sector. Prior to joining Chubb and its predecessor companies (CIGNA and ACE) in 1990, she worked with Royal Exchange Assurance, a branch of Guardian Royal Exchange, UK and with Adamjee Insurance Company in Pakistan.

Ms. Naqvi holds a B.Sc. Degree, and an MBA Degree from the Institute of Business Administration, Karachi University. She is a Chartered Insurer from the Chartered Insurance Institute, UK and is a Certified Director from Institute of Chartered Accountants of Pakistan.

She has served as an elected Member of the Executive Committee of the Insurance Association of Pakistan, the Executive Committee of The American Business Council and the Managing Committee of the Overseas Investors Chamber of Commerce & Industry.

Ms. Naqvi has represented the Insurance Association of Pakistan, on the Council of Pakistan Insurance Institute and was Chairperson of the Institute for the term of 2016. She has been a visiting faculty member at the Institute.

Ms. Naqvi has served as an Independent Director on the Board of Abbott Laboratories (Pakistan) Limited. She presently serves as a Non-Executive Director on the Board of Chubb Insurance Pakistan Limited, as an Independent Director on the Boards of Attock Petroleum Limited and IGI Life Insurance Limited.

Mr. Muhammad Abdul Samad

Chief Executive Officer

Mr. Muhammad Abdul Samad has a vast experience of local investment management industry. He joined Atlas Asset Management Limited in November 2005, and has held C-suite positions for over a decade, including the Chief Investment Officer and Chief Operating Officer positions. He is a 'Certified Director' and also attended Advanced Management Program at INSEAD Fontainebleau, France on nomination by the Atlas Group. He has a significant Board experience, where he has served as a director on the board of nineteen listed companies, including Atlas Battery Limited, Lucky Cement, Berger Paints, Mirpurkhas Sugar, amongst others. Currently, he is serving as a Director on the Board of Mutual Funds Association of Pakistan and also Chairman of its Accounts & Taxation Committee.

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Chairman's Review

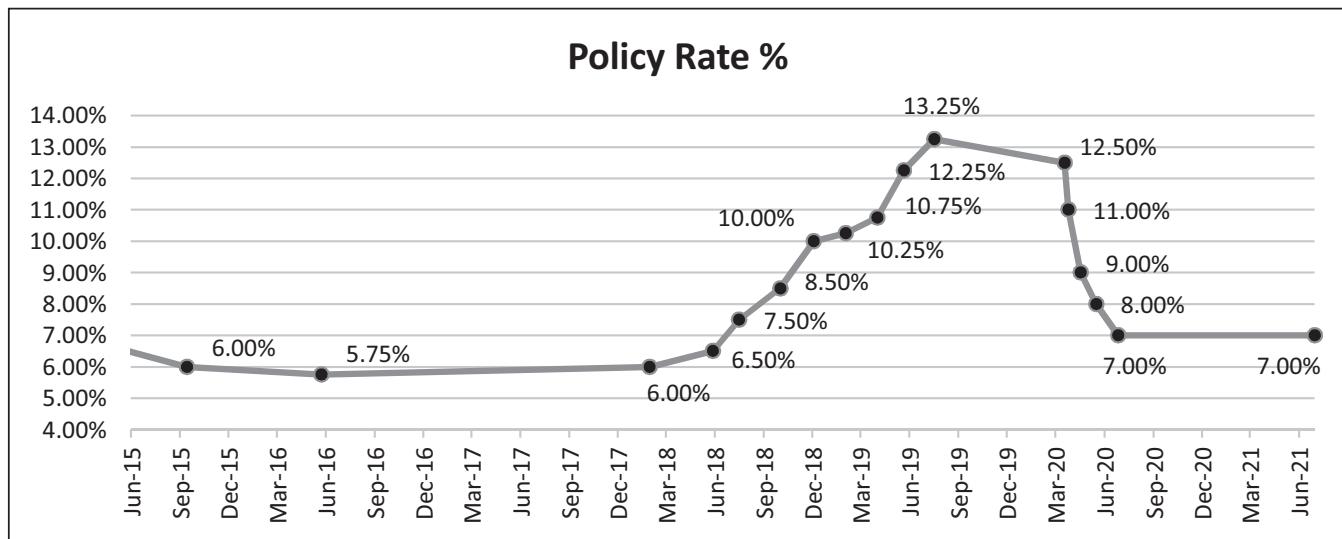
It is my pleasure to present you the Annual Reports of Atlas Islamic Money Market Fund (AIMF), Atlas Islamic Income Fund (AIIF), Atlas Islamic Stock Fund (AISF), Atlas Islamic Dedicated Stock Fund (AIDSF) and Atlas Islamic Fund of Funds (AIFOF) for the financial year ended June 30, 2021.

THE ECONOMY

After witnessing unprecedented challenges in past two years on account of COVID outbreak and macroeconomic stabilization, the economy made sharp recovery in FY21 by posting GDP growth of 3.94% compared to a negative growth of 0.47% in FY20. Economy progressed towards sustainable growth on the back of government's implementation of Rs. 1,240 billion economic stimulus package, SBP's accommodative monetary policy, targeted financial support to public/industries, and ongoing IMF program. During FY21, CAD reduced by 58.37% to US \$1.85 billion compared to US \$4.45 billion in FY20, largely on the back of 26.98% increase in FY21 Worker's Remittances of US \$29.37 billion compared to US \$23.13 billion in FY20. During FY21, Imports and Exports increased by 26.60% and 18.28% to stand at US \$56.41 billion and US \$25.30 billion, respectively. Total liquid Foreign Exchange Reserves increased by 29.18% YoY to US \$24.40 billion as of June 30, 2021 (SBP's share stood at US \$17.30 billion) primarily due to decline in CAD, stark growth in Worker's Remittances, inflows from Multilateral and Bilateral lenders for budgetary support and approval of debt suspension as part of G-20 debt relief deal. Average CPI inflation remained at 8.90% in FY21, within SBP's projected range of 7.00% to 9.00%. The State Bank maintained policy rate at 7.00% throughout FY21 in order to help economy regain growth momentum and ensure liquidity support to households and businesses.

THE MONEY MARKET

SBP maintained policy rate at 7.00% with objective to stimulate economy and boost investor/consumer confidence, given the enforcement of sporadic lockdowns due to third and fourth wave of pandemic. Going forward, change in monetary policy stance may be witnessed if demand side pressures emerge. The Consumer Price Index (CPI) Inflation averaged at 8.90% during FY21 compared to 10.74 % in FY20. Food inflation and rising energy prices remained major contributors to FY21 CPI inflation.



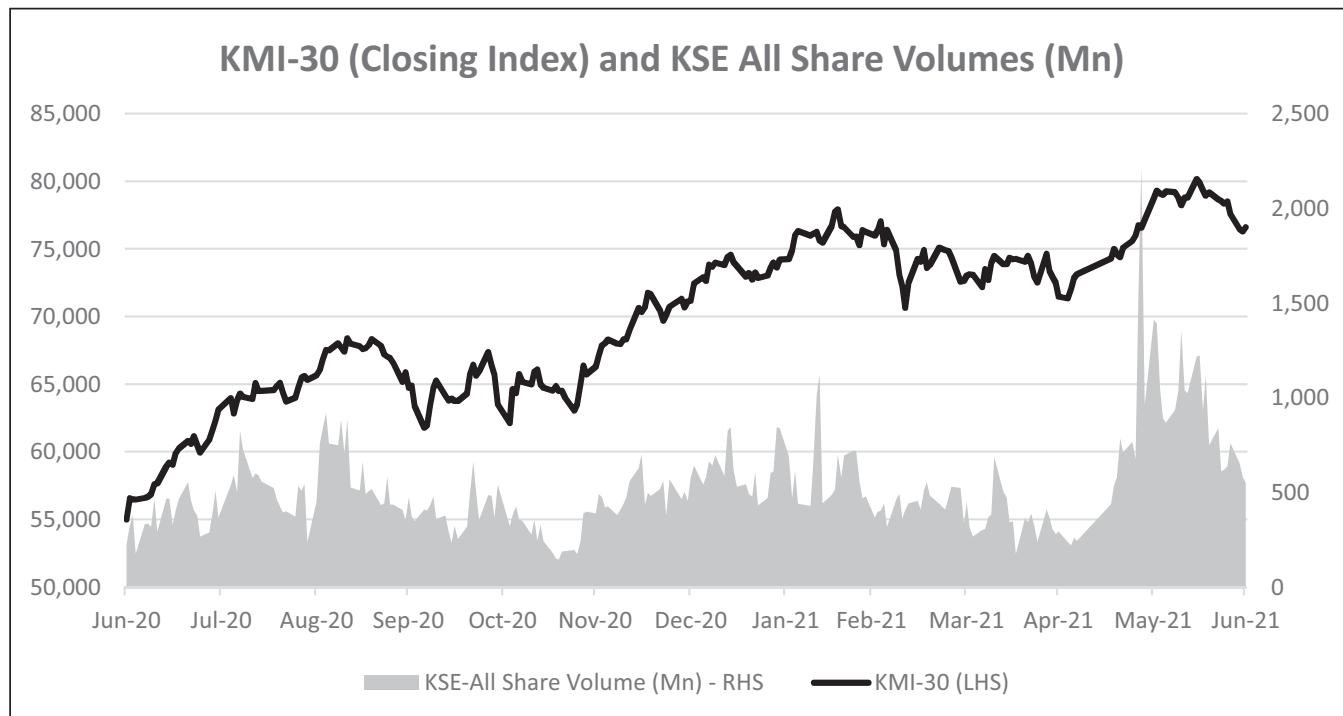
The growth in money supply (M2) witnessed an increase of 13.68% during FY21 that is Rs. 2,859 billion against an expansion of 15.74% (Rs. 2,801 billion) in FY20. Net Foreign Assets (NFA) increased by Rs. 1,008 billion during FY21 compared to an increase of Rs. 991 billion in FY20.

Net Domestic Asset (NDA) of banking system declined by 12.61% or Rs. 1,851 billion during FY21 against a decline of 31.60% or Rs. 2,118 billion during FY20. Credit to private sector increased by Rs. 595 billion in FY21 due to high working capital requirement of corporate sector and a surge in consumer financing.

THE STOCK MARKET

The KMI-30 index increased 39.32% from 54,995.25 points as on June 30, 2020 to 76,621.54 points as on June 30, 2021. The

daily average volume during FY21 increased by 168.80% to 528 million shares compared to daily average of 196 million shares traded in FY20. Net outflow of US \$387 was recorded by Foreign Portfolio Investors during FY21 compared to net outflow of US \$285 million in FY20. On local investors front, Individuals, Companies, Other Organizations and Mutual Funds were net buyers of US \$332 million, US \$138 million, US \$45 million and US \$10 million. Insurance Companies, Broker Proprietary Trading and Banks remained net sellers of US \$10 million, US \$32 million and US \$95 million, respectively.



During the year, new listings on the stock exchange were The Organic Meat Company Limited, TPL Trakker Limited, Agha Steel Industries Limited, Panther Tyres Limited and Service Global Footwear Limited. The amounts raised through IPO by aforementioned companies were Rs. 800 million, Rs. 802 million, Rs. 3,840 million, Rs. 2,632 million and Rs. 2,175 million, respectively. During FY20, no new listings were made on the stock exchange.

The government's FY22 budget is focused on achieving inclusive and sustainable growth. Key budgetary measures include increased development expenditure as well as reduced regulatory duties, custom duties, FED and sales tax on import of raw materials and capital goods. These measures will directly benefit construction and allied industries, as well as export-oriented industries. The FY22 target for growth is set at 4.8% and is focused on striking a balance between COVID related expenditure, controlling fiscal deficit, keeping primary balance at sustainable level, successful continuation of IMF program and keeping development expenditure at sufficient level to support economic activity. The government has budgeted FY22 tax collection (FBR) at Rs. 5,829 billion and expects to achieve it by broadening tax base, strengthening administrative controls and incentivizing economic activity.

MUTUAL FUND INDUSTRY

The assets under management (AUMs) for the mutual funds industry increased by 37.02% to Rs. 1,058.12 billion as at June 30, 2021 from Rs. 772.23 billion as at June 30, 2020. In FY21, Money Market funds (both Conventional and Shariah Compliant) dominated in terms of AUMs representing 44.16% of total mutual fund industry AUMs (Rs. 467.27 billion) followed by Income funds (both Conventional and Shariah Compliant) representing 23.17% of total mutual fund industry AUMs (Rs. 245.20 billion) and Equity Funds representing 22.34% of total mutual fund industry AUMs (Rs. 236.41 billion). The AUM of VPS increased by 27.37% from Rs. 30.74 billion as on June 30, 2020 to Rs. 39.15 billion as on June 30, 2021. The share of Shariah Compliant VPS stood at Rs. 26.20 billion or 66.93% of total VPS.

MUTUAL FUND TAXATION

SINDH WORKER'S WELFARE FUND (SWWF)

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

Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds and pension funds do not qualify as Financial Institutions/ Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognized in the financial statements of the Funds, for the period from May 2, 2015 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognized in the financial statements of the Funds.

FEDERAL EXCISE DUTY (FED)

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

WITHHOLDING TAX

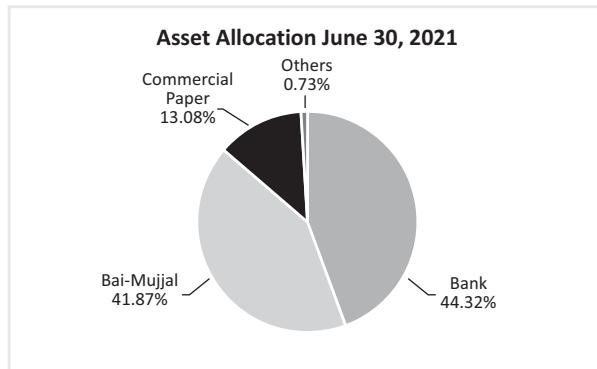
After the promulgation of circular dated May 12, 2015, any person required to withhold income tax, may only allow exemption if a valid exemption certificate under section 159(1) of the Income Tax Ordinance, 2001 issued by the concerned Commissioner of Inland Revenue, is produced before him. So far, Mutual Funds and approved Pension Funds were automatically allowed exemption from withholding tax by virtue of clause 47(B) of Part IV of the Second Schedule to Ordinance. The Company along with other AMCs filed a petition in the Honorable Sindh High Court against the new requirement of FBR. The Honorable Sindh High Court decided that the requirement of obtaining exemption certificate will apply to those entities as well whose income are otherwise exempt from tax. Thereafter, a petition was filed in the Supreme Court of Pakistan (SCP) on January 28, 2016 by the Company along with other AMCs. The SCP granted the petitioners leave to appeal from initial judgement of the SHC. Pending resolution to the matter, the amount of tax withheld is shown in Other Receivables, which is refundable. In the meanwhile, Mutual Funds are obtaining exemption certificates from Commissioner of Income Tax.

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

FUND OPERATIONS - AIMF

The Atlas Islamic Money Market Fund (AIMF) was launched on January 07, 2021. Since its inception, AIMF provided an absolute

return of 2.99% as on June 30, 2021 with an annualized total return of 6.27%. The AIMF exposure in high yielding Shariah Compliant Bank Deposits stood at 44.32%, Bai Muajjal stood at 41.87%, Islamic Commercial Paper stood at 13.08% and Others stood at 0.73%. The Net Assets of your Fund stood at Rs. 636.61 million, with 1.27 million units outstanding as on June 30, 2021.



FUND OPERATIONS - AIIF

The Net Asset Value per unit of Atlas Islamic Income Fund (AIIF) increased by 6.35% to Rs. 505.88 as on June 30, 2021. The AIIF's total exposure in high yielding Shariah Compliant Bank Deposits, Sukuks, Placement with NBFC & Modaraba, Commercial Paper and Others stood at 51.48%, 23.32%, 13.30%, 10.66% and 1.24%, respectively. The Net Assets of the Fund stood at Rs. 2.16 billion, with 4.26 million units outstanding as of June 30, 2021.

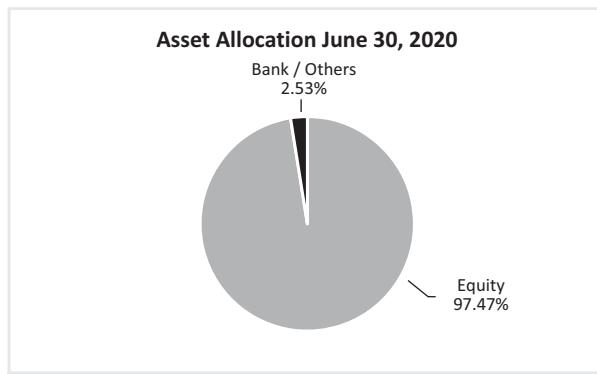
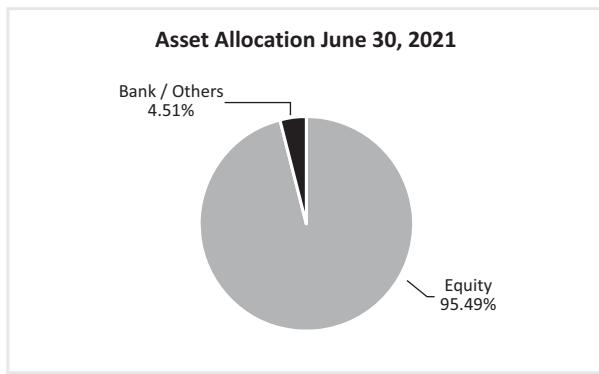


The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Islamic Income Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited has approved aggregated interim distribution of Rs 31.05 per unit for the period ended June 30, 2021 (6.21% on the face value of Rs. 500 per unit).

The Fund has made provision against SWWF, which up till June 30, 2021 amounted to Rs. 10,817,933 (Rs. 2.54 per unit). The scheme has also held provision for FED liability that amounted to Rs. 1,733,902 up till June 30, 2021 (Rs. 0.41 per unit).

FUND OPERATIONS - AISF

The Net Asset Value per unit of Atlas Islamic Stock Fund (AISF) increased by 36.64% to Rs. 573.13 as on June 30, 2021. The benchmark KMI-30 index increased by 39.32% during the same period. The KMI-30 index increased from 54,995.25 points as on June 30, 2020 to 76,621.54 points as on June 30, 2021. AISF's strategy will continue to focus on dividend plays and stocks that are trading at relatively cheap multiple with prospect of earnings growth. AISF equity portfolio exposure stood at 95.49% that mainly comprised of Oil & Gas Exploration, Cement, Fertilizer and Islamic Commercial Banks. The Net Assets of the Fund stood at Rs. 2.71 billion, with 4.72 million units outstanding as of June 30, 2021.



The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Islamic Stock Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited has approved aggregated interim distribution of Rs. 50.00 per unit for the period ended June 30, 2021 (10.00% on the face value of Rs. 500 per unit).

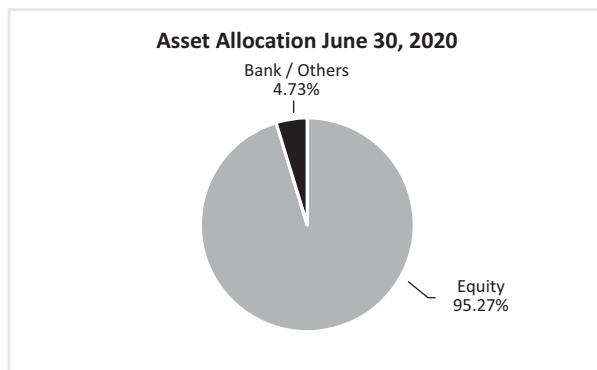
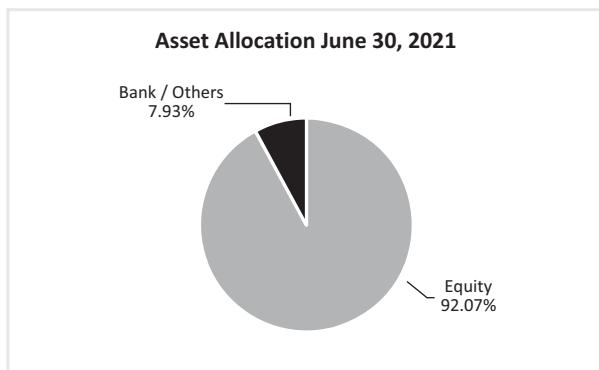
The Fund has made provision against SWWF, which up till June 30, 2021 amounted to Rs. 33,881,485 (Rs. 7.17 per unit). The Scheme has also held provision for FED liability that amounted to Rs. 10,453,385 up till June 30, 2021 (Rs. 2.21 per unit).

FUND OPERATIONS - AIFOF

The Net Asset Value of Atlas Aggressive Allocation Islamic Plan (AAAIP) increased by 28.08% to Rs. 594.48 as on June 30, 2021. AAAIP was 24.39% and 70.73% invested in AIIF and AIDSF, respectively. The Net Asset Value of Atlas Moderate Allocation Islamic Plan (AMAPIP) increased by 21.54% to Rs. 583.38 as on June 30, 2021. AMAIP was 44.83% and 52.24% invested in AIIF and AIDSF, respectively. The Net Asset Value of Atlas Conservative Allocation Islamic Plan (ACAPIP) increased by 14.15% to Rs. 567.10 as on June 30, 2021. ACAIP was 70.28% and 27.98% invested in AIIF and AIDSF, respectively. The Net Asset Value of Atlas Islamic Capital Preservation Plan (AICPP) increased by 12.25% to Rs. 531.32 as on June 30, 2021. AICPP was 94.07% and 5.09% invested in AIIF and AIDSF, respectively. The Net Asset Value of Atlas Islamic Dividend Plan (AIDP) increased by 5.58% (annualized basis) as on June 30, 2021. AIDP was 87.74% invested in AIIF. The Net Assets of AIFOF stood at Rs. 923.46 million as of June 30, 2021.

FUND OPERATIONS - AIDSF

The Net Asset Value per unit of Atlas Islamic Dedicated Stock Fund (AIDSF) increased by 37.80% to Rs. 596.02 as on June 30, 2021. The KMI-30 index increased from 54,995.25 points as on June 30, 2020 to 76,621.54 points as on June 30, 2021. AIDSF strategy will continue to focus on dividend plays and stocks that are trading at relatively cheap multiple with prospects of earnings growth. AIDSF equity portfolio exposure stood at 92.07% that mainly comprised of Oil & Gas Exploration, Cement, Islamic Commercial Banks and Fertilizer. The Net Assets of the Fund stood at Rs. 327.32 million, with 0.55 million units outstanding as of June 30, 2021.



The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Islamic Dedicated Stock Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited has approved aggregated interim distribution of Rs. 12.75 per unit for the period ended June 30, 2021 (2.55% on the face value of Rs. 500 per unit).

RATINGS

- **ASSET MANAGER RATING**

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

- **FUND STABILITY RATING - AIMF**

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

- **FUND STABILITY RATING - AIIF**

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

FUTURE OUTLOOK

In FY22, economic growth is expected to pick up further from 3.94% (FY21) to 4.0% - 5.0% range taking support from measures announced in FY22 budget, accommodative monetary conditions, disbursements under SBP's TERF facility for investment and other refinance facilities. Downside risks to growth stems from resurgence of COVID cases associated with new strains of the virus both globally and domestically. Imports are expected to grow on the back of domestic recovery and rebound in global commodity prices whereby market-based flexible exchange rate system, strong inflows from Worker's Remittances, improving outlook for Exports and appropriate macroeconomic policies will likely contain the Current Account Deficit in a sustainable range of 2.0% - 3.0% of GDP in FY22. Foreign Exchange Reserves will likely continue to improve in FY22 due to adequate availability of external financing and IMF's new SDR allocation of US \$2.80 billion. Inflation is expected to range between 7.0% - 9.0% in FY22. The Monetary Policy Committee expects policy stance to remain accommodative in near term. In case of emergence of demand-led inflationary pressures or current account vulnerabilities, adjustments in policy rate will be made in order to achieve mildly positive real interest rates. Going forward, government's focus towards widening tax base and implementation of measures to support economic recovery will be instrumental in sustaining economic activity, safeguarding jobs and addressing social needs.

روشن شر ریشہ سے ہے خانہ عفرہا!

Hard work always pays rich tribute

ACKNOWLEDGEMENT

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

Karachi: 6 September 2021

Iftikhar H. Shirazi
Chairman

Directors' Report

The Board of Directors of Atlas Asset Management Limited, the Management Company of Atlas Islamic Income Fund (AIIF), Atlas Islamic Stock Fund (AISF), Atlas Islamic Money Market Fund (AIMF), Atlas Islamic Fund of Funds (AIFOF) and Atlas Islamic Dedicated Stock Fund (AIDSF) take pleasure in presenting the Annual Reports along with the audited financial statements and Auditors' Reports thereon of AIIF, AISF, AIMF, AIFOF and AIDSF for the year ended 30 June 2021.

EARNINGS PER UNIT, RETURN, NET ASSETS AND SALES/REDEMPTIONS SUMMARY

Earnings per unit, return, net assets, and summary of sales / redemption of units of the AIIF, AISF, AIDSF and AIFOF, for the year ended 30 June 2021 and 30 June 2020 are as follows:

Particulars	AIIF		AISF		AIDSF		AIMF
	2021	2020	2021	2020	2021	2020	Jan to June 2021
Earnings/ (loss) per unit - Rupees	30.84	47.53	150.55	47.51	224.32	32.82	13.02
Return	6.35%	11.59%	36.64%	7.51%	37.80%	7.15%	6.27%
Net assets - Rupees million	2,157.03	2,134.60	2,706.74	1,823.32	327.32	362.49	636.61
Sales - Rupees million	3,423.39	3,413.33	2,320.72	1,606.15	20.08	163.48	687.25
Sales - in units	6,592,099	6,348,123	4,032,321	3,606,299	36,862	377,585	1,374,497
Redemptions - Rupees million	3,405.45	2,655.07	1,924.84	1,150.61	170.93	82.89	50.64
Redemptions - in units	6,556,098	4,883,006	3,311,130	2,407,893	308,362	177,083	101,271
Units outstanding at year end	4,263,884	4,227,883	4,722,705	4,001,514	549,177	820,677	1,273,226

Particulars	AIFOF June 2021				
	Atlas Aggressive Allocation Islamic Plan (AAAIP)	Atlas Moderate Allocation Islamic Plan (AMAIP)	Atlas Conservative Allocation Islamic Plan (ACAIP)	Atlas Islamic Capital Preservation Plan (AICPP)	Atlas Islamic Dividend Plan (AIDP)
Earnings/ (loss) per unit - Rupees	129.61	106.19	73.57	59.73	27.07
Return	28.08%	21.54%	14.15%	12.25%	5.58%
Net assets - Rupees million	128.49	133.77	138.26	495.77	27.17
Sales - Rupees million	4.17	3.50	2.04	12.40	14.98
Sales - in units	6,671	6,190	3,686	23,351	29,962
Redemptions - Rupees million	0.07	2.63	2.50	2.76	13.95
Redemptions - in units	128	4,578	4,416	5,137	27,897
Units outstanding at year end	216,140	229,306	243,795	933,099	54,336

Particulars	AIFOF June 2020				
	Atlas Aggressive Allocation Islamic Plan (AAAIP)	Atlas Moderate Allocation Islamic Plan (AMAIP)	Atlas Conservative Allocation Islamic Plan (ACAIIP)	Atlas Islamic Capital Preservation Plan (AICPP)	Atlas Islamic Dividend Plan (AIDP)
Earnings/ (loss) per unit - Rupees	44.48	50.27	58.92	47.75	36.40
Return	10.04%	10.95%	12.02%	10.15%	7.28%
Net assets - Rupees million	100.18	112.81	126.61	456.06	26.14
Sales - Rupees million	0.27	3.00	1.32	16.22	128.22
Sales - in units	555	6,139	2,560	32,529	256,433
Redemptions - Rupees million	(0.14)	(0.15)	(1.04)	(0.29)	(102.08)
Redemptions - in units	300	301	2,056	571	204,163
Units outstanding at year end	209,596	227,735	244,525	914,884	52,270

INCOME DISTRIBUTION - AIIF

The Investment Committee of the Management Company of AIIF, under the authority delegated to them by the Board of Directors, approved an interim distribution of Rs. 31.05 (2020: Rs. 57.50) per unit for the FY 2020-21. The total payout for the year works out to 6.21% (2020: 11.50%) on the face value of Rs.500 per unit.

INCOME DISTRIBUTION - AISF

The Investment Committee of the Management Company of AISF, under the authority delegated to them by the Board of Directors, approved an interim distribution of Rs. 50.00 (2020: 6.50) per unit for the FY 2020-21. The total payout for the year works out to 10.00% (2020: 1.30%) on the face value of Rs.500 per unit.

INCOME DISTRIBUTION - AAAIP

The Investment Committee of the Management Company of AAAIP, under the authority delegated to them by the Board of Directors, approved an interim distribution of Rs. 17.60 (2020: 10.50) per unit for the FY 2020-21. The total payout for the year works out to 3.52% (2020: 2.10%) on the face value of Rs.500 per unit.

INCOME DISTRIBUTION - AMAIP

The Investment Committee of the Management Company of AMAIP, under the authority delegated to them by the Board of Directors, approved an interim distribution of Rs. 18.60 (2020: 21.00) per unit for the FY 2020-21. The total payout for the year works out to 3.72% (2020: 4.20%) on the face value of Rs.500 per unit.

INCOME DISTRIBUTION - ACAIP

The Investment Committee of the Management Company of ACAIP, under the authority delegated to them by the Board of Directors, approved an interim distribution of Rs. 23.90 (2020: 37.00) per unit for the FY 2020-21. The total payout for the year works out to 4.78% (2020: 7.40%) on the face value of Rs.500 per unit.

INCOME DISTRIBUTION - AICPP

The Investment Committee of the Management Company of AICPP, under the authority delegated to them by the Board of Directors, approved an interim distribution of Rs. 28.20 (2020: 39.00) per unit for the FY 2020-21. The total payout for the year works out to 5.64% (2020: 7.80%) on the face value of Rs.500 per unit.

INCOME DISTRIBUTION - AIDSF

The Investment Committee of the Management Company of AIDSF, under the authority delegated to them by the Board of Directors, approved an interim distribution of Rs. 12.75 (2020: 1.50) per unit for the FY 2020-21. The total payout for the year works out to 2.55% (2020: 0.30%) on the face value of Rs.500 per unit.

CHAIRMAN'S REVIEW

The review included in the Annual Report of AIIF, AISF, AIMF, AIFOF and AIDSF, deals inter alia with the performance of these Funds for the year and future prospects. The directors endorse the contents of the review.

CORPORATE GOVERNANCE

The Company strongly believes in following the highest standards of Corporate Governance, ethics, and good business practices, which are an integral part of the Atlas Group Culture. The Code of Conduct of the Company, approved in July 2012, defines the obligations and responsibilities of all - the Board members, the employees, and the Company towards the various stakeholders, each other, and the society as a whole. The Code of Conduct is available on the Company's website.

STATEMENT BY THE BOARD OF DIRECTORS

The Board of Directors states for AIIF, AISF, AIMF, AIFOF and AIDSF that:

- The financial statements, prepared by the Management Company of these funds present fairly their state of affairs, the results of operations, comprehensive income for the year, cash flows, and movement in Unit Holders' Funds.
- Proper books of account of these Funds have been maintained.
- Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of the financial statements and any departure there from has been adequately disclosed.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There is no doubt about the Funds' ability to continue as a going concern.
- Statutory payments, taxes, levies properly disclosed in the Financial Statements.
- Summaries of key financial data/ performance tables of AIMF, AIIF, AISF, AIFOF and AIDSF are annexed on pages 23, 56, 96, 137 and 194 respectively, of the Annual Report.
- The statement as to the value of investments of provident fund is not applicable in the case of these funds as these relate to retirement benefits to the employees of the Management Company, and are not chargeable to these Funds.
- The pattern of unit holdings is appended as notes 24, 24, 22, 22 and 22 respectively to the financial statements of AIMF, AIIF, AISF, AIFOF and AIDSF.

BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY AND COMMITTEES THEREOF

During the period, the Board of Directors of AAML included: Mr. Iftikhar H. Shirazi, Chairman, Mr. Frahim Ali Khan, Director, Mr. M. Habib-ur-Rahman, Director, Mr. Tariq Amin, Independent Director, Mr. Ali H. Shirazi, Director, Ms. Zehra Naqvi, Independent Director and Mr. Muhammad Abdul Samad, Chief Executive Officer.

- i. The current total number of Directors is 7 as follows:

- Male: 6
- Female: 1

ii. The current composition of the Board is as follows:

- Independent Directors: 2*
- Non-Executive Directors: 4
- Executive Directors: 1
- Female Director: 1 (*Independent Director)

Six Board Meetings were held and attended during FY 2020-21. The particulars of the dates of meetings, and the directors attending, as required under the NBFC Regulations, 2008, are appended as note 28, 27, 26, 25 and 26 respectively to the financial statements of AIMF, AIIF, AISF, AIFO and AIDSF.

Committees of the Board comprise the Audit Committee, the Human Resource & Remuneration Committee, and the Investment Committee (which includes executive management personnel as required under the NBFC Regulations, 2008). These meetings were attended by the Directors as per the following details:

- **Audit Committee (AC)** - four AC meetings were held during the year, and attended as follows:

Serial no.	Name of Director	Status	Meetings attended
1	Mr. Tariq Amin	Independent Director	4
2	Mr. Frahim Ali Khan	Non-Executive Director	4
3	Mr. M. Habib -ur-Rahman	Non-Executive Director	4

- **Human Resource & Remuneration Committee (HR& RC)** - two meetings were held during the year and attended as follows:

Serial no.	Name of Director	Status	Meetings attended
1	Ms. Zehra Naqvi	Independent Director	2
2	Mr. Frahim Ali Khan	Non-Executive Director	2
3	Mr. Ali H. Shirazi	Non-Executive Director	2
4	Mr. M. Abdul Samad	Chief Executive Officer	2

- **Investment Committee** - fifty one meetings were held during the year and attended as follows:

Serial no.	Name of Director	Status	Meetings attended
1	Mr. Ali H. Shirazi	Non-Executive Director	21
2	Mr. M. Abdul Samad	Chief Executive Officer	47
3	Mr. Khalid Mahmood (executive management)	Chief Investment Officer - Member IC	50
4	Mr. M. Umar Khan (executive management)	Head of Portfolio Management - Member IC	52
5	Mr. Fawad Javaid (executive management)	Head of Fixed Income - Member IC	52
6	Mr. Faran-ul-Haq (executive management)	Head of Equities - Secretary IC	50

CORPORATE SOCIAL RESPONSIBILITIES (CSR) & DONATIONS

As per the CSR / Donations Policy of the Company approved by the Board, each year, the Company makes a contribution of 1% of the Management Company after tax profit to donations. In addition, the Shariah Compliant Atlas Islamic Stock Fund and

Atlas Islamic Income Fund, as per their Constitutive documents, are required to purify their Shariah Non-Compliant (Haram) income from the Fund. Such income, in accordance with the certification by the Shariah Advisor of these funds, is also donated to charitable institutions approved by the Shariah Advisor, on quarterly basis.

RATINGS UPDATE

ASSET MANAGER RATING

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

FUND STABILITY RATING - AIIF

PACRA has maintained the stability rating of the AIIF at "AA - (f)" (Double A Minus f : fund rating) on 16 April 2021. The Fund's rating denotes a very strong capacity to manage relative stability in returns and very low exposure to risks.

FUND STABILITY RATING - AIMF

PACRA has maintained the stability rating of the AIMF at "AA (f)" (Double A: f : fund rating) on 21 April 2021. The Fund's rating denotes a very strong capacity to manage relative stability in returns and very low exposure to risks.

AUDITORS

The Audit Committee of the Board of Directors, in their meeting held on September 01, 2021, recommended the re-appointment of Ms. EY Ford Rhodes, Chartered Accountants, Karachi, being eligible as auditors of Atlas Islamic Income Fund, Atlas Islamic Stock Fund, Atlas Islamic Money Market Fund, Atlas Islamic Fund of Funds and Atlas Islamic Dedicated Stock Fund, for the financial year ending 30 June 2022.

ACKNOWLEDGEMENT

The Board of Directors of the Management Company thanks the Securities and Exchange Commission of Pakistan for their valuable support, assistance and guidance. The Board also thanks the employees of the Management Company and the Trustee, for their dedication and hard work, and the Unit Holders, for their confidence in the Management Company.

For and on behalf of the Board

Muhammad Abdul Samad
Chief Executive Officer

Frahim Ali Khan
Director

Karachi: 6 September 2021

Atlas Islamic 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

Shariah Advisor

Dr. Mufti Hassan Usmani

Auditors

EY Ford Rhodes
Chartered Accountants

Legal Advisers

Bawaney & Partners

Bankers

Askari Bank Limited - Islamic Banking
Dubai Islamic Bank Pakistan Limited



Fund Manager's Report

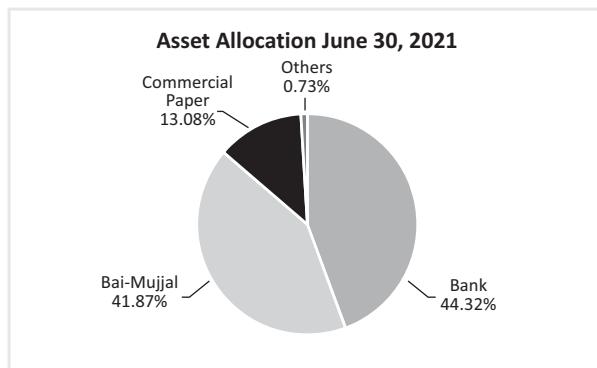
The objective of Atlas Islamic Money Market Fund (AIMF) is to provide competitive return to its investors (with a periodic payout) by investing in low risk, highly liquid and short duration portfolio consisting of Shariah Compliant money market instruments. The Fund invests in Shariah Compliant money market instruments with a maximum time to maturity of six months for any asset whereas, weighted average time to maturity of the fund cannot exceed 90 days. This is intended to reduce risk while maintaining liquidity. The Fund's investment strategy is based on fundamental credit analysis of counterparties. The Fund primarily invests in short term government securities/bank deposits and other short term money market instruments. The Fund will make periodic payout to the unit holders, which shall be reinvested.

Atlas Islamic Money Market Fund benchmark is three (3) months average deposit rates of Three (3) AA rated Islamic Banks or Islamic windows of conventional bank as Selected by MUFAP

The Consumer Price Index (CPI) Inflation averaged at 8.9% during FY21 compared to 10.7% in FY20. Food inflation and rising energy prices remained major contributors to FY21 CPI inflation. During FY21, the SBP maintained policy rate at 7.00% with an aim to stimulate economy and boost investor & consumer confidence, given the enforcement of sporadic lockdowns due to the third & fourth wave of the pandemic. Going forward, accommodation witnessed in monetary policy may be reduced if economy reaches full potential and demand side pressures emerge.

FUND OPERATIONS - AIMF

The Atlas Islamic Money Market Fund (AIMF) was launched on January 07, 2021. Since its inception, AIMF provided an absolute return of 2.99% as on June 30, 2021 with an annualized total return of 6.27%. The AIMF exposure in high yielding Shariah Compliant Bank Deposits stood at 44.32%, Bai Muajjal stood at 41.87%, Islamic Commercial Paper stood at 13.08% and Others stood at 0.73%. The Net Assets of your Fund stood at Rs. 636.61 million, with 1.27 million units outstanding as on June 30, 2021.



Breakdown of Unit holding by size:

Type of Investor	No. of Investors	Amount of Investment (Rs.)	Percentage (%)
Associated Companies	4	362,527,357	56.95%
Individuals	52	43,540,769	6.84%
Others	6	127,836,573	20.08%
Retirement Funds	6	102,708,238	16.13%
Total	68	636,612,937	100.00%

The Fund has made provision against SWWF, which up till June 30, 2021 amounted to Rs. 338,463 (Rs. 0.27 per unit).

The Total Expense Ratio (TER) of the Fund is 0.66% including Government levy, SWWF and SECP Fee of 0.16%.

During the year under review, the Investment Committee held fifty-two meetings to review investment of the Fund and the Risk Committee held fifteen meetings to review risk management.

Fawad Javaid
Head of Fixed Income

Karachi: 6 September 2021

Performance Since Inception

	2021*
Net assets (Rs. in '000)	636,613
Number of units in issue	1,273,226
Net asset value per unit (Rs.)	500.00
Net income / (loss) (Rs. in '000)	16,585
Earnings / (loss) per unit (Rs.)	13.03
Annual return of the Fund (%)	6.27
Offer price ** (Rs.)	500.00
Redemption price ** (Rs.)	500.00
Distribution Per Unit (Rs.)	14.73
Distribution as a % of opening Ex- NAV of units	2.95
Date of distribution ***	Various Dates
Highest offer price (Rs.)	500.00
Lowest offer price (Rs.)	500.00
Highest repurchase price per unit (Rs.)	500.00
Lowest repurchase price per unit (Rs.)	500.00

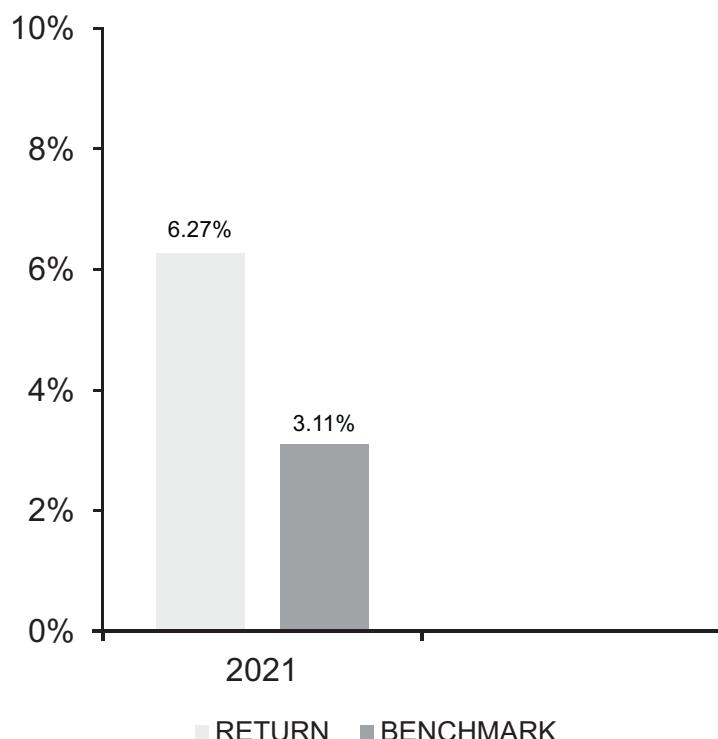
* For the period from 07 January 2021 to 30 June 2021 (Date of Launch: 07 January 2021)

** Relates to announced prices.

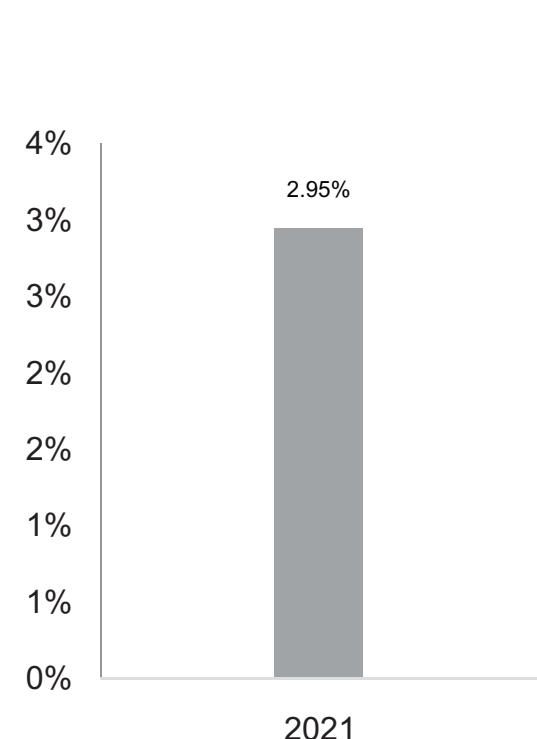
*** Various dates of distributions as the fund distribute its profit on daily basis where applicable.

Note: Past Performance of the Fund is not indicative of future performance, and the price and investment return may go down, as well as up.

Yearly Performance (Annualized)



Payout History (% on Opening NAV)



TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) and Clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Atlas Islamic Money Market Fund (the Fund) are of the opinion that Atlas Asset Management Limited, being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2021 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Karachi: 30 September 2021

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

REVIEW REPORT OF THE SHARIAH ADVISOR

As a Shariah Adviser of the Atlas Islamic Money Market Fund (AIMF), I am issuing this report in accordance with clause 11.4 (c) of the Trust Deed of the Fund. The scope of the report is to express an opinion on the Shariah compliance of the Fund's activities.

It is the responsibility of Atlas Asset Management Limited (AAML), the management company of the Fund, to establish and maintain a system of internal controls to ensure compliance with the Shariah guidelines. As a Shariah Adviser my responsibility is to express an opinion based on my review of the representations made by the management, to the extent where such compliancy can be objectively verified.

As part of my mandate as the Shariah Adviser to the Fund. I have reviewed the following, during the year:

- The modes of investment of Fund's property and its compliance with Shariah guidelines.
- The process of deployment of Fund's property and its compliance with Shariah guidelines.
- The process of purification of income and its compliance with Shariah guidelines.

In light of the above scope, I hereby certify that all the provisions of the scheme and investments made by AIMF for the period ended June 30, 2021 are in compliance with the Shariah principles.

There are investments made by AIMF where investee companies have earned a part of their income from non-compliant sources (e.g. interest income). In such cases, the Management Company, in consultation with me, the Shariah Adviser of the Fund, have determined the Haram portion of the income of the Fund and marked to charity in order to purify the whole income.

Karachi: 30 June 2021

Dr. Mufti Hassan Usmani
Shariah Advisor

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Atlas Islamic Money Market Fund Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Atlas Islamic Money Market Fund** (the Fund), which comprise the statement of assets and liabilities as at 30 June 2021, and the income statement, statement of comprehensive income, cash flows statement and statement of movement in unit holders' fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

Key audit matter	How our audit addressed the key audit matter
Investment in Islamic securities As disclosed in note 5 to the accompanying financial statements of the Fund for the year ended 30 June 2021, the investments held by the Fund comprised of Islamic securities which represent significant portion of the total assets of the Fund as at the year end. In view of the above, we have considered this area as a key audit matter.	We performed a combination of audit procedures focusing on the existence and valuation of Islamic commercial papers and Islamic letter of placements. Our key procedure included the following: <ul style="list-style-type: none">• We obtained an understanding of fund's process over acquisition, disposals and periodic valuation of investment portfolio and evaluated / tested controls in those areas for the purpose of our audit.• We performed substantive audit procedures on year-end balance of portfolio including review of custodian's statement and valuations on the basis of prices determined by Mutual Funds Association of Pakistan (MUFAP).• We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations) in relation to the concentration of Islamic investments portfolio and exposure limits prescribed in such Regulations and the applicability of disclosures in this regard.

Key audit matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> • We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investments portfolio in accordance with the requirements of the Regulations and applicable financial reporting standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

-
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Arslan Khalid.

Karachi: 20 September 2021

EY Ford Rhodes
Chartered Accountants
Engagement Partner: Arslan Khalid

STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 JUNE 2021

30 June

2021

Note ----- Rupees -----

Assets

Bank balances	4	282,877,302
Investments	5	350,806,346
Markup accrued	6	3,364,300
Prepayments and other receivables	7	494,442
Deferred Formation cost	8	782,291
Total assets		638,324,680

Liabilities

Payable to Atlas Asset Management Limited - Management Company	9	897,019
Payable to the Central Depository Company of Pakistan Limited - Trustee	10	53,922
Payable to the Securities and Exchange Commission of Pakistan	11	53,533
Accrued expenses and other liabilities	12	707,269
Total liabilities		1,711,743

NET ASSETS

UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		636,612,937
		636,612,937

CONTINGENCIES AND COMMITMENTS

13

Number of units

1,273,226

----- Rupees -----

500.0000

NET ASSET VALUE PER UNIT

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

INCOME STATEMENT

FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

	From 07 January 2021 to 30 June 2021	Note	---- Rupees ----
Income			
Mark up Income	14		18,424,989
Capital loss on sale of investments - net			(72,909)
Total income			18,352,080
Expenses			
Payable to Atlas Asset Management Company - Management Company	9.1		133,928
Sindh sales tax on remuneration of the Management Company	9.2		17,411
Accounting & Operational charges	15		150,000
Remuneration to the Central Depository Company of Pakistan Limited - Trustee	10.1		174,106
Sindh sales tax on remuneration of the Trustee	10.2		22,634
Annual fee - Securities and Exchange Commission of Pakistan	11.1		53,533
Auditor's remuneration	16		216,000
Transaction Charges			60,810
Amortization of preliminary expenses and floatation costs			61,493
Annual Listing fee			294,040
Fund Rating Fee			78,260
Shariah advisory fee			40,000
Bank charges			9,084
Legal and Professional Charges			123,000
Provision for Sindh Workers' Welfare Fund	12.1		338,356
Total expenses			1,772,655
Net income for the period before taxation			16,579,425
Taxation	18		-
Net income for the period after taxation			16,579,425
Earning per unit		19	
Allocation of net income for the period:			
Net income for the period after taxation			16,579,425
Income already paid on units redeemed			-
			16,579,425
Accounting income available for distribution:			
- Relating to capital gains			-
- Excluding capital gains			16,579,425
			16,579,425

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

From 07
January 2021
to 30 June
2021
---- Rupees ----

Net income for the period after taxation	16,579,425
Other comprehensive income for the period	-
Total comprehensive income for the period	16,579,425

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

	From 07 January 2021 to 30 June 2021		
	Capital value	Undistributed income	Net assets
	----- Rupees-----	----- -----	-----
Issue of 1,374,497 units	687,248,509	-	687,248,509
Redemption of 101,271 units	(50,635,572)	-	(50,635,572)
Dividend Distributions	-	(16,579,425)	(16,579,425)
Total comprehensive income for the period	-	16,579,425	16,579,425
Net assets at end of the year (Units outstanding: 1,273,226) (Rs. 500.00 per unit)	636,612,937	-	636,612,937
Undistributed income carried forward			
- Realised income	-	-	-
- Unrealised income	-	-	-
	-	-	-

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

CASH FLOW STATEMENT

FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

From 07
January 2021 to
30 June 2021

Note ---- Rupees ----

CASH FLOWS FROM OPERATING ACTIVITIES

Net income for the period after taxation	16,579,425
Adjustments for:	
Interest income	(18,424,989)
Loss on sale of investments at fair value through income statement - net	72,909
Amortization of preliminary expenses and floatation costs	61,493
Provision for Sindh Workers' Welfare Fund	338,356
	(17,952,231)
Increase in assets	
Prepaid and other receivables	(494,442)
Deferred Formation cost	(782,290)
	(1,276,733)
Increase in liabilities	
Payable to Atlas Asset Management Company - Management Company	897,018
Payable to Central Depository Company of Pakistan Limited - Trustee	53,922
Payable to the Securities and Exchange Commission of Pakistan	53,533
Accrued expenses and other liabilities	307,420
	1,311,895
Markup received	15,060,688
Investments - net	(350,879,255)
Net cash used in from operating activities	(337,156,210)
CASH FLOWS FROM FINANCING ACTIVITIES	
Receipts against issuance of units	687,248,509
Dividend Distribution	(16,579,425)
Payments against redemption of units	(50,635,572)
Net cash generated from financing activities	620,033,512
Net increase in cash and cash equivalents	282,877,302
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	4 282,877,302

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Money Market Fund (the Fund) is an open-ended Fund constituted under a trust deed entered into on 17 September 2020 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the trustee. The investment activities and administration of the Fund are managed by AAML whose registered office is situated at Ground Floor, Federation House, Shahrah-e-Firdousi, Clifton, Karachi.
- 1.2 The Fund has been categorised as a 'shariah compliant money market scheme' by the Board of Directors of the Management Company pursuant to the provision contained in Circular 07 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs 500 per unit. Thereafter, the units are being offered to the public for subscription on a continuous basis since 07 January 2021, and are transferable and redeemable by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.3 According to the Trust Deed, the objective of Atlas Islamic Money Market Fund (AIMF) is to provide competitive return to its investors (with a periodic payout) by investing in low risk, highly liquid and short duration portfolio consist of Shariah Compliant money market instruments.
- 1.4 The titles to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.
- 1.5 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020. Subsequent to the year ended June 30, 2021, the Trust deed has been registered under the Sindh Trusts Act, 2020.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

2.2 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2020 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these financial statements.

2.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date (annual periods beginning on or after)
Property, Plant and Equipment: Proceeds before Intended Use - Amendments to IAS 16	01 January 2022
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	01 January 2022
Classification of liabilities as current or non-current - Amendment to IAS 1	01 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized
Definition of Accounting Estimates - Amendments to IAS 8	01 January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	01 January 2023

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

2.4 Critical accounting estimates and judgements

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets and provision under uncertain circumstances such as provision for Sindh Workers' Welfare Fund and taxes recoverable on remuneration of management company as disclosed in notes 12.1 and 7.1 respectively.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except that investments have been carried at fair value.

2.6 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

3.1 Financial instruments

a) Initial recognition and measurement

Financial assets and liabilities, with the exception of bank balances are initially recognised on the trade date, i.e., the date that the Bank becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Bank balances are recognised when funds are transferred to the banks.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss.

b) Classification

Debt instruments

A debt instrument is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at FVTPL. Given the objectives of the Fund, all investments have been classified as FVTPL.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund's business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as: the objectives for the portfolio; how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel; the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed etc.

Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)

As a second step of its classification process the Fund assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

c) Subsequent Measurement

Debt instruments at fair value through profit or loss

Debt instruments at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss. Given the objectives of the Fund, all investments have been classified as FVTPL.

Interest earned on debt instruments designated at FVTPL is accrued in interest income, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

Debt instruments at fair value through profit or loss

Under IFRS 9, after initial measurement, such debt instruments are subsequently measured at amortised cost. Under Regulation 66 of NBFC Regulations, debt securities are required to be carried at fair value. The Fund has not used this classification for its investment portfolio.

Debt instruments at FVOCI

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

fair value recognised in OCI. Interest income and foreign exchange gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss. Debt instruments are subject to impairment and the impairment is charged profit or loss. The Fund has not used this classification for its investment portfolio.

Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss.

d) Derecognition

"A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Fund has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Fund has:

- (a) Transferred substantially all of the risks and rewards of the asset; or
- (b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset."

When the Fund has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Fund's continuing involvement in the asset. In that case, the fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the fund has retained. The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

e) Reclassification of financial assets and liabilities

From the application date of IFRS 9, the Fund does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Fund acquires, disposes of, or terminates a business line.

f) Impairment of financial assets

"The Fund only considers expected credit losses for bank balances and trade and other receivables. The Fund measures expected credit losses on bank balances using the probability of default (PD) and loss given default (LGD) estimates using the published information about these risk parameters."

g) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h) Determination of fair value

The debt securities are valued on the basis of rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities vide its Circular No. 33 of 2012 dated October 24, 2012.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

3.2 Cash and cash equivalents

Cash and cash equivalents include deposits with banks and other short term highly liquid investments with original maturities of three months or less.

3.3 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.4 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / Distributors as processing fee.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company receives redemption application during business hours of that day. The redemption price shall be equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges as processing fee.

3.5 Distributions to unit holders

Distribution to unit holders is recognised upon declaring and approval by the Distribution Committee of the Board of Directors of the Management Company under powers delegated to them by the Board of Directors of the Management Company or declaration and approval by the Board of Director of the Management Company.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.6 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

The Securities and Exchange Commission of Pakistan through its SRO 756(I)/2017 dated 03 August 2017 includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. MUFAP, in consultation with the SECP, specified methodology of determination of income paid on units redeemed under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year.

3.7 Revenue recognition

- Interest income on bank balances, placements and deposits is recognised on an accrual basis.
- Gains or losses on sale of investments are included in the Income Statement in the year in which it arises.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

- Unrealised appreciation / (loss) in the value of investments classified as 'financial assets at fair value through profit or loss' are included in the Income Statement in the period in which they arise.

3.8 Expenses

All expenses chargeable to the Fund including remuneration of Management Company and Trustee and annual fee of the SECP are recognised in the income statement on an accrual basis.

3.9 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 the fund's accounting income available for distribution by the year end, as cash dividend, to the unitholders.

3.10 Net asset value per unit

The net asset value per unit disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

3.11 Earnings per unit

Earnings per unit (EPU) has not been disclosed as in the opinion of the management determination of cumulative weighted average number of outstanding units for calculation of EPU is not practicable.

3.12 Preliminary expenses and floatation costs

The Fund has recorded all expenses incurred in connection with the incorporation, registration, establishment and authorization of the Fund as preliminary expenses and floatation costs which are to be amortized by the Fund over a period of five years commencing from January 07, 2021 in accordance with the Trust Deed and the NBFC Regulations.

4 BANK BALANCES	In local currency	2021	
		Note	---- Rupees ----
	- Profit and loss sharing accounts	4.1	282,877,302 282,877,302

4.1 The rate of return on these profit and loss sharing accounts ranges between 4.5% to 6.5% per annum.

5 INVESTMENTS	At fair value through profit or loss	2021	
		Note	---- Rupees ----
	- Investment in Islamic Commercial Paper - Investment in Bai Muajjal	5.1	83,519,658 267,286,688 350,806,346

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

5.1 Investment in Islamic Commercial Paper

Name of the Investee Company	As at 01 July 2020	Purchases during the period	Sold/ matured during the period	As at 30 June 2021	Carrying Value as at 30 June 2021	Market Value as at 30 June 2021	Market Value as a % of net assets of fund	Market Value as a % of total value of investments of fund
				Face Value (Rupees)	Rupees		% age	
K-Electric Limited - Islamic Commercial Paper (ICP-12)	-	150,000,000	150,000,000	-	-	-	-	-
K-Electric Limited - Islamic Commercial Paper (ICP-14)	-	271,000,000	271,000,000	-	-	-	-	-
K-Electric Limited - Islamic Commercial Paper (ICP-16)	-	80,000,000	-	80,000,000	78,627,530	78,627,530	12.35%	22.41%
K-Electric Limited - Islamic Commercial Paper (ICP-17)	-	5,000,000	-	5,000,000	4,892,132	4,892,132	0.77%	1.39%
	-	506,000,000	421,000,000	85,000,000	83,519,662	83,519,662	13.12%	23.81%

- 5.1.1 The nominal value of these commercial papers is Rs 1,000,0000 per certificate with 8.37% to 8.48% expected profit rate.
- 5.1.2 The securities are valued on the basis of amortization to its face value as per the requirements of Circular 33 of 2012 with respect to thinly and non traded debt securities with residual maturity upto six months.

5.2 Investment in Bai Muajjal

Name of the Investee Company	As at 01 July 2020	Purchases during the period	Sold/ matured during the period	As at 30 June 2021	Carrying Value as at 30 June 2021	Market Value as at 30 June 2021	Market Value as a % of net assets of fund	Market Value as a % of total value of investments of fund
				Rupees	% age			
Bai Muajjal (15.02.2021)	-	73,400,600	73,400,600	-	-	-	-	-
Bai Muajjal (17.02.2021)	-	75,414,800	75,414,800	-	-	-	-	-
Bai Muajjal (18.05.2021)	-	88,650,000	-	88,650,000	88,650,000	88,650,000	13.93%	25.27%
Bai Muajjal (19.05.2021)	-	88,677,000	-	88,677,000	88,677,000	88,677,000	13.93%	25.28%
Bai Muajjal (17.06.2021)	-	89,959,688	-	89,959,688	89,959,688	89,959,688	14.13%	25.64%
	-	416,102,088	148,815,400	267,286,688	267,286,688	267,286,688	41.99%	76.19%

- 5.2.1 The rate of return on these investments is 7% and will be matured between 24 August 2021 to 22 September 2021.

6 MARKUP ACCRUED

Markup accrued on:

- Bai Muajjal
- Profit and loss sharing accounts

2021
Note ---- Rupees ----

1,720,878
1,643,422
3,364,300

7 PREPAYMENTS AND OTHER RECEIVABLES

- Unamortized premium on Bai Muajjal
- Prepaid rating fee
- Other receivable

7.1

53,390
96,760
344,291
494,442

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

7.1 As per Clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under sections 150 and 151. However, several banks deducted withholding tax on profit on bank deposits paid to the Fund based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT) /2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced by the withholdee.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favor of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the cumulative amount of withholding tax deducted from profit on bank deposits by the banks has been shown as other receivable as at 30 June 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

Had the Tax recoverable not been recorded in these financial statements of the Fund, the net asset value of the Fund as at 30 June 2021 would have been lower by Rs. 0.27 per unit

		2021	
		Note	---- Rupees ----
8 DEFERRED FORMATION COST	Opening balance	843,783	
	Less: Amortisation for the period	(61,493)	
		782,290	

9 PAYABLE TO THE ATLAS ASSET MANAGEMENT LIMITED MANAGEMENT COMPANY - RELATED PARTY

Remuneration of the Management Company	9.1	24,987
Sindh Sales Tax on remuneration of the Management Company	9.2	3,248
Accounting and operational charges reimbursable by the Fund	15	25,000
Preliminary Expenses and Flotation Cost	9.3	843,783

- 9.1** As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (I) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio. The management company has set the maximum limit of 1% of average annual net assets, within allowed expense ratio. With effect from 07 January 2021 Management Company decided the management fee of 0.05% of average annual net assets. The fee is payable to the Management Company monthly in arrears.
- 9.2** During the year, an amount of Rs. 17,411 was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 14,163 has been paid to the Management Company which acts as the collecting agent.
- 9.3** Formation cost represents expenditure incurred prior to the commencement of the operations of the Fund. These are being amortised over a period of five years commencing from the end of the initial offering period in accordance with the Trust Deed of the Fund and the NBFC Regulations.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN - TRUSTEE - RELATED PARTY

	2021	
	Note	---- Rupees ----
Payable To Trustee	10.1	32,482
SST on Trustee fee Payable		4,223
Settlement charges payable		15,236
SST on Settlement charges	10.2	1,981
		<u>53,922</u>

- 10.1** The trustee is entitled to monthly remuneration for services rendered to the fund at the flat rate of 0.065% p.a. of Net Assets based on the letter no. CDC/CEO/L-112/01/2019 dated June 27, 2019 issued by CDC.
- 10.2** During the year, an amount of Rs. 22,634 was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 18,411 was paid to the Trustee which acts as a collecting agent.

11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

	2021	
	Note	---- Rupees ----
Annual fees payable	11.1	<u>53,533</u>

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

12 ACCRUED EXPENSES AND OTHER LIABILITIES

	2021	
	Note	---- Rupees ----
Auditors' remuneration payable		162,000
Shariah advisory fee payable		20,000
Withholding tax payable		175,747
Transaction charges payable		11,060
Provision for Sindh Workers' Welfare Fund	12.1	<u>338,463</u>
		<u>707,270</u>

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

Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from 07 January 2021 to August 12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund. "

Had the provision for SWWF not been recorded in the financial statements of the Fund for the period from 07 January 2021 to 30 June 2021, the net asset value of the Fund as at 30 June 2021 would have been higher by Re. 0.27 per unit

13 CONTINGENCIES AND COMMITMENTS

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

	2021 ---- Rupees ----
14 MARKUP INCOME	
Markup income on:	
- Profit and loss sharing accounts	12,091,035
- Commercial Paper	2,001,865
- Bai Muajjal	4,332,089
	<u>18,424,989</u>

15 ACCOUNTING AND OPERATIONAL CHARGES

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

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

	2021 ---- Rupees ----
16 AUDITORS' REMUNERATION	
Annual fee	150,000
Certification charges	50,000
Sindh sales tax on services	16,000
	<u>216,000</u>

17 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 June 2021 is 0.66% which includes 0.16% 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.

18 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the management has paid the required minimum percentage of income earned by the Fund during the year ended 30 June 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

19 EARNINGS PER UNIT

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

20 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 20.1** Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 20.2** Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 20.3** Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 20.4** The details of transactions carried out by the Fund with connected persons during the period and balances with them as at the period / year end are as follows:

	2021
	---- Rupees ----
20.5 Transactions during the period	
Atlas Asset Management Limited (Management Company)*	
Remuneration for the period	133,928
Sindh sales tax on remuneration of the Management Company	17,411
Remuneration paid	108,941
Formation cost	61,493
Accounting & operational charges	150,000
Issue of 204,206 units	102,102,756
Redemption of 53,000 units	26,500,000
Dividend Entitlement	2,473,827
Outstanding 151,206 units	75,602,748
Central Depository Company of Pakistan Limited	
Remuneration of the Trustee	174,106
Sindh Sales Tax on remuneration of the Trustee	22,634
Remuneration paid	141,624
Atlas Foundation	
Issue of 102,535 units	51,267,418
Dividend Entitlement	1,491,078
Outstanding 102,535 units	51,267,413
Atlas Honda Limited (Emp.Prov.Fund)	
Issue of 102,989 units	51,494,345
Dividend Entitlement	1,494,345
Outstanding 102,989 units	51,494,345
Atlas Group of Companies, M.S.G.Fund	
Issue of 41,133 units	20,566,365
Dividend Entitlement	566,365
Outstanding 41,133 units	20,566,365

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

2021
---- Rupees ----

Atlas Honda Limited			
Issue of 61,521 units		30,760,454	
Dividend Entitlement		895,787	
Outstanding 61,521 units		30,760,451	
Shirazi Investments (Private) Limited*			
Issue of 410,139 units		205,069,663	
Dividend Entitlement		5,964,311	
Outstanding 410,139 units		205,069,643	
The University of Lahore*			
Issue of 132,535 units		66,267,426	
Dividend Entitlement		1,267,426	
Outstanding 132,535 units		66,267,426	
Atlas Insurance Ltd., Staff Provident Fund Trust			
Issue of 12,334 units		6,166,998	
Dividend Entitlement		166,998	
Outstanding 12,334 units		6,166,998	

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

21. FINANCIAL INSTRUMENTS BY CATEGORY

	As at 30 June 2021			
	At amortised Cost	At fair value through profit or loss	At fair value through other comprehensive income	Total
	----- (Rupees) -----			
Financial assets				
Bank balances	282,877,302	-	-	282,877,302
Investments	-	350,806,346	-	350,806,346
Markup accrued	3,364,300	-	-	3,364,300
Prepayments and other receivables	494,442	-	-	494,442
	286,736,044	350,806,346	-	637,542,390
 As at 30 June 2021				
	At fair value through profit or loss	At amortised Cost	Total	
	----- (Rupees) -----			
Financial liabilities				
Payable to Atlas Asset Management Limited - Management Company	-	897,019	897,019	
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	53,922	53,922	
Accrued expenses and other liabilities	-	193,058	193,058	
	-	1,144,000	1,144,000	

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

22.1 "The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the management company, Fund's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund may be exposed to market risk, credit risk and liquidity risk arising from the financial instruments it holds.

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

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

22.2 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as profit rates, foreign exchange rates and equity prices.

(i) Profit rate risk

Profit rate risk is the risk that the Fund's income will fluctuate due to changes in the market profit rates. As of 30 June 2021, the Fund is exposed to such risk in respect of bank balances and investments. The investment committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which exposes the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in market interest rates as at June 30, 2021, with all other variables held constant, the net income for the year and net assets would have been higher / lower by Rs. 2,828,773.

b) Sensitivity analysis for fixed rate instruments

Presently, the Fund holds Islamic Commercial Paper and Bai Muajjal investment which exposes the Fund to fair value interest rate risk. In case of 100 basis points increase/ decrease in market interest rates as at June 30, 2021, with all other variables held constant, the net income for the year and net assets would have been higher/ lower by Rs 3,508,068.

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of 30 June 2021 is not necessarily indicative of the impact on the Fund's net assets of the future movements in profit rates.

Yield / profit rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off balance sheet instruments is based on settlement date.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at 30 June 2021 can be determined as follows:

----- As at 30 June 2021 -----

	Effective yield / profit rate Percentage	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
Financial Assets						
Bank balances	4.5% to 6.5%	282,877,302	-	-	-	282,877,302
Investments	7%	267,286,172	-	-	83,520,173	350,806,345
Markup accrued	-	-	-	-	3,364,300	3,364,300
Prepayments and other receivables	-	-	-	-	494,442	494,442
		550,163,474	-	-	87,378,915	637,542,389
Financial Liabilities						
Payable to Atlas Asset Management Limited - Management Company	-	-	-	-	897,019	897,019
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	53,922	53,922
Accrued expenses and other liabilities	-	-	-	-	193,058	193,058
		550,163,474	-	-	1,144,000	1,144,000
On-balance sheet gap (a)		550,163,474	-	-	86,234,915	636,398,389
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a + b)		550,163,474	-	-	-	-
Cumulative interest rate sensitivity gap		550,163,474	550,163,474	550,163,474		

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Equity price risk

Equity price risk is the risk that the fair value of equity instruments decreases as a result of changes in the level of equity indices and the value of individual stocks. The Fund does not have any investment in equity securities as of 30 June 2021.

22.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is therefore to invest a majority of its assets in short term instruments in order to maintain liquidity.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

The Fund can borrow in the short term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, no borrowing was required to be obtained by the Fund during the current year.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Financial instruments with no fixed maturity	Total
Rupees						
Assets						
Bank balances	282,877,302	-	-	-	-	282,877,302
Investments	-	345,914,214	-	-	-	350,806,346
Markup accrued	3,364,300	-	-	-	-	3,364,300
Prepayments and other receivables	494,442	-	-	-	-	494,442
	286,736,044	345,914,214	4,892,132	-	-	637,542,390
Liabilities						
Payable to Atlas Asset Management Limited - Management Company	897,018	-	-	-	-	897,018
Payable to the Central Depository Company of Pakistan Limited - Trustee	53,922	-	-	-	-	53,922
Payable to the Securities and Exchange Commission of Pakistan	53,533	-	-	-	-	53,533
Accrued expenses and other liabilities	193,060	-	-	-	-	193,060
	1,197,533	-	-	-	-	1,197,533
Net assets/ (liabilities)	285,538,511	345,914,214	4,892,132	-	-	636,344,857

22.4.1 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks and Bai Muajjal investments. The credit rating profile of above mentioned is as follows:

Ratings of amounts placed with banks and Bai Muajjal investments

	% of financial assets 2021
Ratings of amounts placed with banks	
AA	100.00
	100.00

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

The maximum exposure to credit risk before any credit enhancement as at 30 June 2021 is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

All the balances with banks have investment grade rating and hence are classified as Stage 1 under IFRS 9.

22.5 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Fair value of government securities is determined by reference to the rates announced by Financial Market Association of Pakistan and fair value of corporate sukuks is determined on the basis of rates announced by MUFAP. The fair value of financial assets and liabilities of the Fund, other than government securities, approximates their carrying amount due to short term maturities of these instruments.

22.6 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 June 30 2021, the Fund has investments 'at fair value through profit or loss' measured using level 2 valuation technique.

23 UNIT HOLDERS' FUND RISK MANAGEMENT

The Fund's objective when managing unit holders' funds is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders, to maintain a strong base of assets to meet unexpected losses or opportunities and to ensure reasonable safety of capital. The Fund manages its investment portfolio and other assets by monitoring return on net assets and makes adjustments to it in the light of changes in markets' conditions. The capital structure depends on the issuance and redemption of units.

The Fund has no restrictions on the subscription and redemption of units. As required under the NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs.100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times during the current year.

In accordance with the risk management policies as stated in note 22, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

24 UNIT HOLDING PATTERN OF THE FUND

Category	2021		
	Number of unit holders	Rupees	% of total
Associated Companies	4	362,527,357	56.95%
Individual	52	43,540,769	6.84%
Others	6	127,836,573	20.08%
Retirement Funds	6	102,708,238	16.13%
	68	636,612,937	100.00%

25 LIST OF TOP BROKERS BY PERCENTAGE OF THE COMMISSION PAID

2021	
Name of broker	Percentage of commission paid
Arif Habib Limited	100.00
	100.00

26 THE MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Mr. Ali H. Shirazi	Director	Masters in Law	17.5 Years
Mr. M. Abdul Samad	Chief Executive Officer	MBA, M.Com	21 Years
Mr. Khalid Mehmood	Chief Investment Officer	MBA - Finance	17 Years
Mr. Muhammad Umar Khan	Head of Portfolio Management	MSc - Finance	13 Years
Mr. Fawad Javaid	Head of Fixed Income	CMA	13 Years
Mr. Faran-ul-Haq	Head of Equities	M.B.A, CFA	10 Years

27 NAME AND QUALIFICATION OF FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Mr. Fawad Javaid	Head of Fixed Income	CMA	Atlas Islamic Income Fund Atlas Income Fund Atlas Money Market Fund Atlas Sovereign Fund

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE PERIOD FROM 07 JANUARY 2021 TO 30 JUNE 2021

28 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The details of dates of Board meetings of the Management Company of the Fund, and the attendance of the Board members are given below:

Name of Director	Meeting held on				
	06 July 2020	10 Sep 2020	26 Oct 2020	25 Feb 2021	25 June 2021
Mr. Iftikhar H. Shirazi	P	P	P	P	P
Mr. Tariq Amin	P	P	P	P	P
Mr. Frahim Ali Khan	P	P	P	P	P
Mr. Ali H. Shirazi	P	P	P	P	P
Mr. M. Habib-ur-Rahman	P	P	P	P	P
Ms Zehra Naqvi	P	P	P	P	P
Mr. M. Abdul Samad	P	P	P	P	P
Ms Qurrat-ul-ain Jafari (Chief Financial Officer)	L	P	P	P	P
Ms Zainab Kazim(Company Secretary)	P	L	L	P	P

* Attended through teleconference call.

P Present

L Leave of absence

29 RATING OF THE FUND AND THE MANAGEMENT COMPANY

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

Moreover, PACRA has initialed maintained the stability rating of the Fund at "AA(f)" on 21 April 2021.

30. GENERAL

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

30.2 This is the first year of operations of the Fund, hence there is no comparative information to report in these financial statements.

31 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 6 September 2021.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Islamic Income Fund

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 Hassan Usmani

Auditors

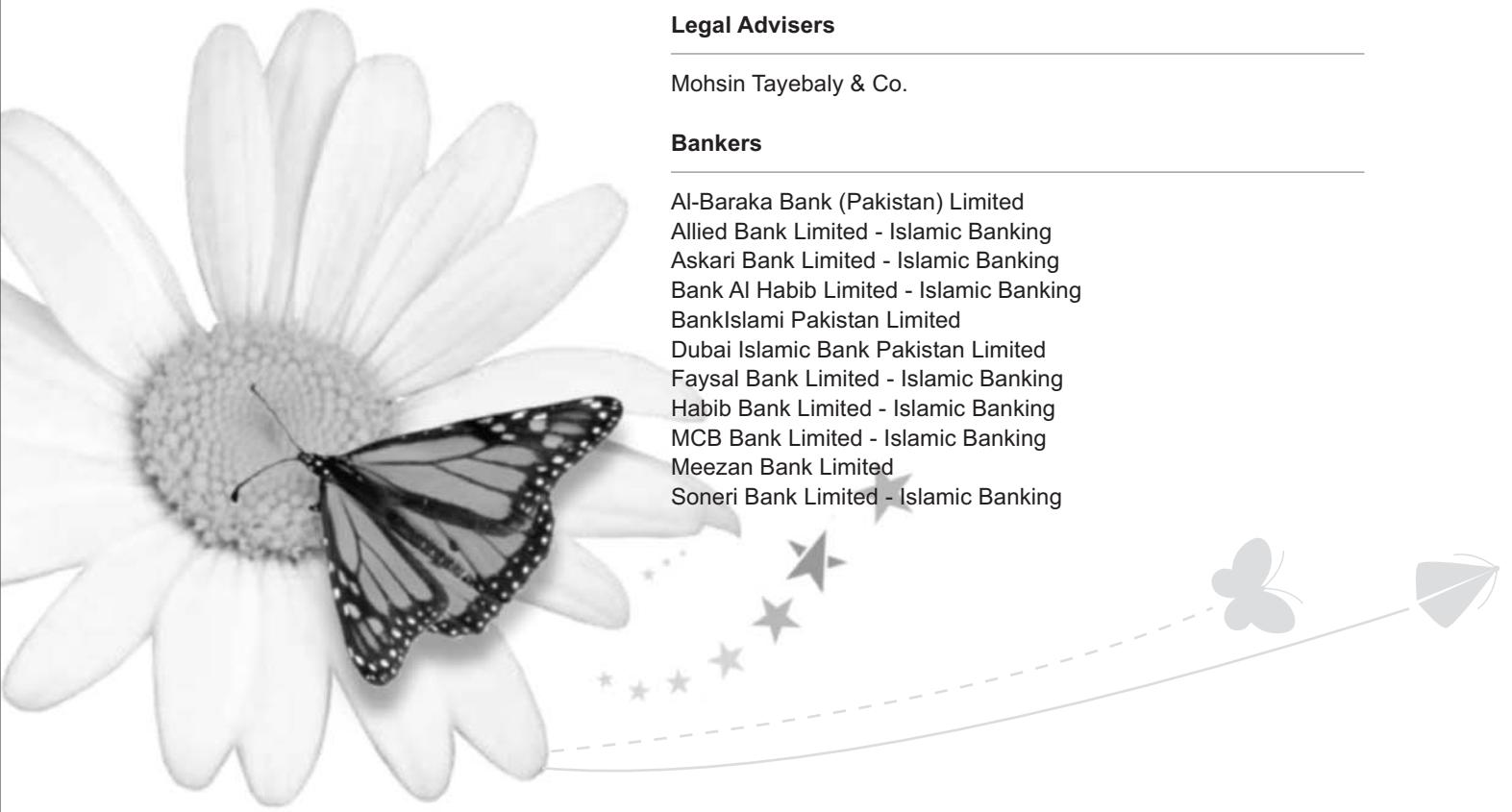
EY Ford Rhodes
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

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



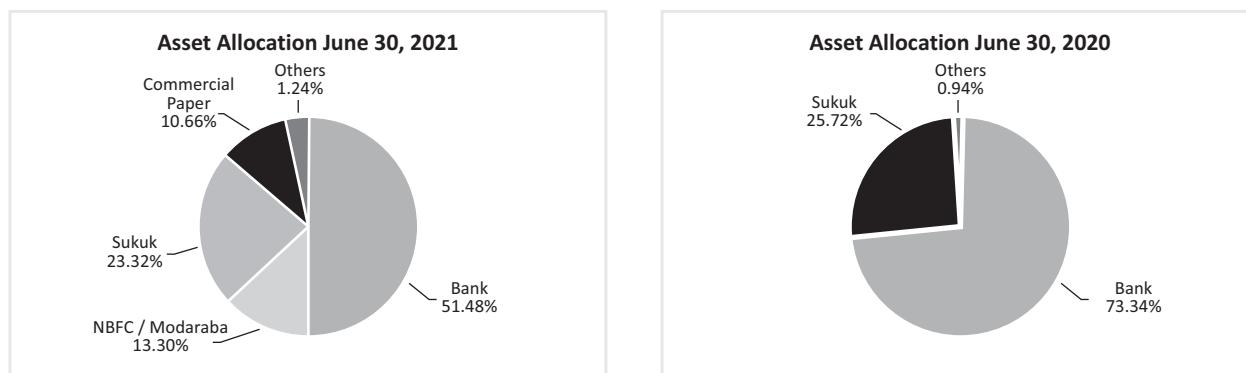
Fund Manager's Report

Atlas Islamic Income Fund (AIIF) is an Open-ended Shariah Compliant Income Fund. The Fund has a medium risk rating and primary objective to provide investors with competitive and stable rate of current income in a Shariah Compliant manner. Secondary objective is to take advantage of opportunities to realize 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. The Fund's strategy is based on the conviction that economic environment drives long term performance and that active management of credit risk can produce consistently superior results. Fundamental and market analysis are used to identify overall portfolio, bond market sectors, yield curve and credit positioning to provide high and sustainable rates of return. The fund employs strategies such as overall portfolio duration and yield curve positioning to deal with market and reinvestment risks.

Atlas Islamic Income Fund benchmark is Six (6) months average deposit rates of three (3) "A" rated scheduled Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP.

The Consumer Price Index (CPI) Inflation averaged at 8.9% during FY21 compared to 10.7% in FY20. Food inflation and rising energy prices remained major contributors to FY21 CPI inflation. During FY21, the SBP maintained policy rate at 7.00% with an aim to stimulate economy and boost investor & consumer confidence, given the enforcement of sporadic lockdowns due to the third & fourth wave of the pandemic. Going forward, accommodation witnessed in monetary policy may be reduced if economy reaches full potential and demand side pressures emerge.

The Net Asset Value per unit of Atlas Islamic Income Fund (AIIF) increased by 6.35% to Rs. 505.88 as on June 30, 2021. The AIIF's total exposure in high yielding Shariah Compliant Bank Deposits, Sukuks, Placement with NBFC & Modaraba, Commercial Paper and Others stood at 51.48%, 23.32%, 13.30%, 10.66% and 1.24%, respectively. The Net Assets of the Fund stood at Rs. 2.16 billion, with 4.26 million units outstanding as of June 30, 2021.



The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Islamic Income Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited has approved aggregated interim distribution of Rs 31.05 per unit for the period ended June 30, 2021 (6.21% on the face value of Rs. 500 per unit).

The Administrative Plans:

The Management Company is offering investment plans that allow investors focused combination investment strategic in Atlas Islamic Income fund (AIIF) and Atlas Islamic Stock Fund (AISF). The investment plans were offered from September 2008, and the returns are as under:

Administrative Plans	Proportionate Investment in		Return (period ended)			
	AIIF	AISF	2017-18	2018-19	2019-20	2020-21
Atlas Bachat Islamic Plan	85%	15%	3.00%	4.37%	11%	10.90%
Atlas Bachat Balanced Islamic Plan	50%	50%	-1.48%	-5.24%	9.55%	21.50%
Atlas Bachat Growth Islamic Plan	15%	85%	-5.96%	-14.84%	8.12%	32.10%

Breakdown of Unit holding by size:

Type of Investor	No. of Investors	Amount of Investment (Rs.)	Percentage (%)
Individuals	1,179	714,627,380	33.13%
Insurance Companies	8	43,021,863	1.99%
Others	16	959,313,756	44.47%
Banks/ DFIs	-	-	-
Associated Companies/ Directors	3	390,847	0.02%
Retirement Funds	21	439,679,669	20.38%
Total	1,227	2,157,033,516	100%

The Fund has made provision against SWWF, which up till June 30, 2021 amounted to Rs. 10,817,933 (Rs. 2.54 per unit). The scheme has also held provision for FED liability that amounted to Rs. 1,733,902 up till June 30, 2021 (Rs. 0.41 per unit).

The Total Expense Ratio (TER) of the Fund is 0.93% including reversal representing Government levy, SWWF and SECP Fee of 0.21%.

During the year under review, the Investment Committee held fifty-two meetings to review investment of the Fund and the Risk Committee held fifteen meetings to review risk management.

Karachi: 6 September 2021

Fawad Javaid
Head of Fixed Income

Performance Since Inception

	2021	2020	2019	2018	2017	2016
Net Assets (Rs. In '000)	2,157,034	2,134,601	1,392,226	872,222	1,614,259	558,553
Number of units in issue	4,263,884	4,227,883	2,762,766	1,653,270	3,210,424	1,113,938
Net assets value per unit (Rs.)	505.88	504.89	503.92	527.57	502.82	501.42
Net income (Rs. in '000)	131,489	200,394	79,290	56,557	37,946	24,901
Earnings per unit (Rs.)	30.84	47.53	28.70	34.21	11.82	22.35
Annual return of the fund (%)	6.35	11.59	8.48	4.92	5.97	4.97
Offer Price ** (Rs.)	505.88	504.89	503.92	527.57	502.82	501.42
Redemption Price ** (Rs.)	505.88	504.89	503.92	527.57	502.82	501.42
Highest offer price per unit (Rs.)	536.58	561.46	526.29	527.41	529.96	526.20
Lowest offer price per unit (Rs.)	505.71	504.14	503.46	503.00	502.10	501.09
Highest repurchase price per unit (Rs.)	536.58	561.46	526.29	527.41	529.96	526.20
Lowest repurchase price per unit (Rs.)	505.71	504.14	503.46	503.00	502.10	501.09
Weighted average portfolio (No. of days)	389.80	443.04	143.77	273.60	144.89	505.79

	2015	2014	2013	2012	2011	2010	2009*
Net Assets (Rs. In '000)	424,447	520,674	526,078	462,315	379,805	346,658	255,864
Number of units in issue	846,460	1,030,979	1,047,317	920,985	738,995	679,312	494,203
Net assets value per unit (Rs.)	501.44	505.03	502.31	501.98	513.95	510.31	517.73
Net income (Rs. in '000)	15,341	39,438	46,785	42,878	31,269	26,824	15,215
Earnings per unit (Rs.)	18.12	38.25	44.67	46.56	42.31	39.49	30.79
Annual return of the fund (%)	7.21	8.22	8.65	10.11	9.90	9.22	11.50
Offer Price ** (Rs.)	501.44	505.03	507.14	506.92	519.09	515.41	522.91
Redemption Price ** (Rs.)	501.44	505.03	502.12	501.90	513.95	510.31	517.73
Highest offer price per unit (Rs.)	540.54	516.35	523.39	522.42	519.09	521.78	543.87
Lowest offer price per unit (Rs.)	501.34	503.08	507.04	506.61	506.42	505.97	506.92
Highest repurchase price per unit (Rs.)	540.54	515.50	518.21	517.25	513.95	518.14	538.49
Lowest repurchase price per unit (Rs.)	501.34	502.92	502.02	501.59	501.41	500.96	506.92
Weighted average portfolio (No. of days)	89.31	151.13	305.85	504.34	311.01	10.96	13.44

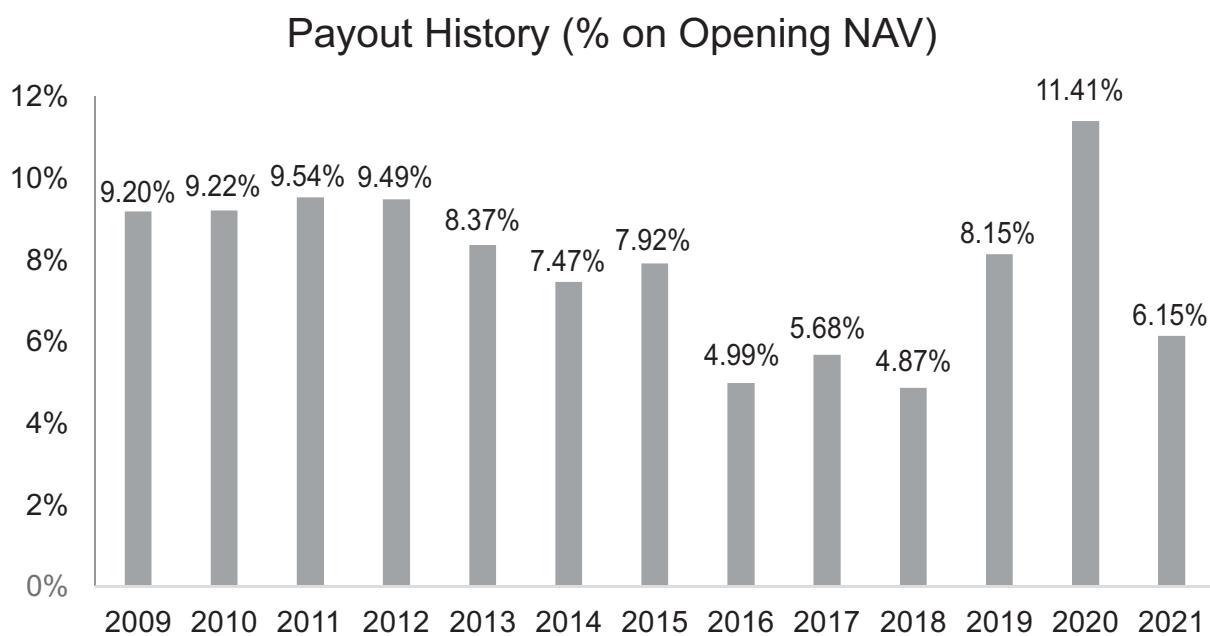
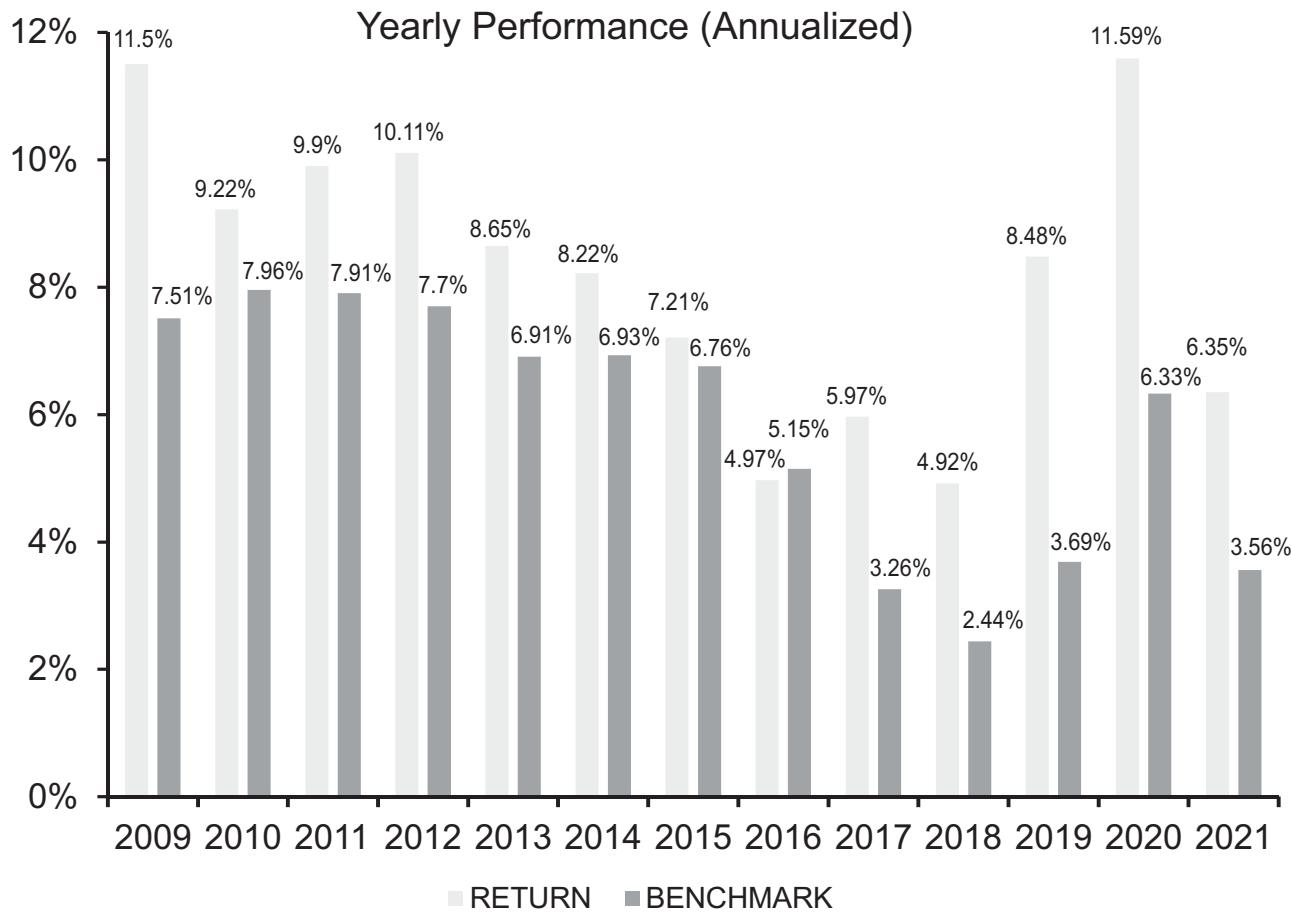
*Period from 16 August 2008 to 30 June 2009 (Date of Launch: 14 October 2008)

** Relates to announced prices.

Note: Past performance of the funds is not indicative of future performance, and the unit price and investment return may go down, as well as up.

Distribution History

Distribution Detail:	2021	2020	2019	2018	2017	2016	2015
First Interim distribution cash dividend (Rs.)	31.05	57.50	18.00	-	28.50	25	40
First Interim distribution as a % of Ex-NAV of units	6.15	11.41	3.58	-	5.68	4.99	7.92
Date of distribution - Interim	28-Jun-21	26-Jun-20	18-Jan-19	-	20-Jun-17	24-Jun-16	29-Jun-15
Second Interim distribution cash dividend (Rs.)	-	-	23.00	-	-	-	-
Second Interim distribution as a % of Ex-NAV of units	-	-	4.57	-	-	-	-
Date of distribution - Interim	-	-	27-Jun-19	-	-	-	-
Final Distribution - Cash Divided (Rs.)	-	-	-	24.50	-	-	-
Final Distribution as a % of Opening Ex-NAV of units	-	-	-	4.87	-	-	-
Distribution date	-	-	-	6-Jul-18	-	-	-



TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) and Clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Atlas Islamic Income Fund (the Fund) are of the opinion that Atlas Asset Management Limited, being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2021 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Karachi: 30 September 2021

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

REVIEW REPORT OF THE SHARIAH ADVISOR

As a Shariah Adviser of the Atlas Islamic Income Fund (AIIF), I am issuing this report in accordance with clause 10.2.6 (e) of the Trust Deed of the Fund. The scope of the report is to express an opinion on the Shariah compliance of the Fund's activities.

It is the responsibility of Atlas Asset Management Limited (AAML), the management company of the Fund, to establish and maintain a system of internal controls to ensure compliance with the Shariah guidelines. As a Shariah Adviser my responsibility is to express an opinion based on my review of the representations made by the management, to the extent where such compliancy can be objectively verified.

As part of my mandate as the Shariah Adviser to the Fund, I have reviewed the following, during the year:

- The modes of investment of Fund's property and its compliance with Shariah guidelines.
- The process of deployment of Fund's property and its compliance with Shariah guidelines.
- The process of purification of income and its compliance with Shariah guidelines.

In light of the above scope, I hereby certify that all the provisions of the scheme and investments made by AIIF for the period ended June 30, 2021 are in compliance with the Shariah principles.

There are investments made by AIIF where investee companies have earned a part of their income from non-compliant sources (e.g. interest income). In such cases, the Management Company, in consultation with me, the Shariah Adviser of the Fund, have determined the Haram portion of the income of the Fund and marked to charity in order to purify the whole income.

Karachi: 30 June 2021

Dr. Mufti Hassan Usmani
Shariah Advisor

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Atlas Islamic Income Fund Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Atlas Islamic Income Fund** (the Fund), which comprise the statement of assets and liabilities as at 30 June 2021, and the income statement, statement of comprehensive income, cash flows statement and statement of movement in unit holders' fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

Key audit matter	How our audit addressed the key audit matter
Investment in Islamic securities	
As disclosed in note 5 to the accompanying financial statements of the Fund for the year ended 30 June 2021, the investments held by the Fund comprised of Islamic securities which represent significant portion of the total assets of the Fund as at the year end. In view of the above, we have considered this area as a key audit matter.	We performed a combination of audit procedures focusing on the existence and valuation of Islamic securities. Our key procedure included the following: <ul style="list-style-type: none">• We obtained an understanding of fund's process over acquisition, disposals and periodic valuation of investments portfolio and evaluated / tested controls in those areas for the purpose of our audit.• We performed substantive audit procedures on year-end balance of portfolio including review of custodian's statement and valuations on the basis of prices determined by Mutual Funds Association of Pakistan (MUFAP).• We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations) in relation to the concentration of investments portfolio and exposure limits prescribed in such Regulations and the applicability of disclosures in this regard.

Key audit matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> • We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investments portfolio in accordance with the requirements of the Regulations and applicable financial reporting standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

-
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Arslan Khalid.

Karachi: 20 September 2021

EY Ford Rhodes
Chartered Accountants
Engagement Partner: Arslan Khalid

STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 JUNE 2021

		2021	2020
	Note	----- Rupees -----	
Assets			
Cash and bank balances	4	1,161,547,092	1,584,796,999
Investments	5	1,066,779,465	555,713,327
Markup accrued	6	27,394,594	19,728,961
Security deposit and other receivables	7	580,800	578,941
Total assets		2,256,301,951	2,160,818,228
Liabilities			
Payable to Atlas Asset Management Limited - Management Company	8	3,206,990	3,093,850
Payable to Central Depository Company of Pakistan Limited - Trustee	9	164,233	149,403
Payable to the Securities and Exchange Commission of Pakistan	10	427,796	373,481
Payable against redemption of units	11	75,723,636	-
Dividend payable		448,433	332,890
Accrued expenses and other liabilities	12	19,297,347	22,267,509
Total liabilities		99,268,435	26,217,133
NET ASSETS		2,157,033,516	2,134,601,095
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		2,157,033,516	2,134,601,095
CONTINGENCIES AND COMMITMENTS	13		
NUMBER OF UNITS IN ISSUE		4,263,884	4,227,883
NET ASSET VALUE PER UNIT		505.8846	504.8865

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021	2020
		Rupees -----	
Income			
Markup income	14	149,644,900	217,945,587
Capital (loss) / gain on sale of investments - net		(207,416)	201,550
Net unrealised gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		1,849,835	558,752
		1,642,419	760,302
Other Income		-	2,014
Total income		151,287,319	218,707,903
Expenses			
Remuneration of Atlas Asset Management Limited - Management Company	8.1	8,555,924	6,777,591
Sindh Sales Tax on remuneration of the Management Company	8.2	1,112,270	881,087
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	1,604,236	1,400,553
Sindh Sales Tax on remuneration of the Trustee	9.2	208,550	182,072
Annual fees - Securities and Exchange Commission of Pakistan	10	427,797	373,480
Accounting and operational charges	15	3,636,267	2,762,881
Auditors' remuneration	16	292,950	368,280
Securities transaction cost		294,983	105,469
Annual listing fee		30,138	27,500
Annual rating fee		363,227	330,412
Printing charges		61,999	20,141
Shariah advisory fee		180,000	180,000
Bank charges		40,561	20,042
Legal and professional charges		306,360	235,460
Provision for Sindh Workers' Welfare Fund	12.1	2,683,441	4,100,859
Total expenses		19,798,703	17,765,827
Net income for the year before taxation		131,488,616	200,942,076
Taxation	18	-	-
Net income for the year after taxation		131,488,616	200,942,076
Earning per unit	19		
Allocation of net income for the year:			
- Net income for the period after taxation		131,488,616	200,942,076
- Income already paid on units redeemed		(26,606,761)	(56,022,614)
		104,881,855	144,919,462
Accounting income available for distribution:			
- Relating to capital gains		1,642,419	760,302
- Excluding capital gains		103,239,436	144,159,160
		104,881,855	144,919,462

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	----- Rupees-----	
Net income for the year after taxation	131,488,616	200,942,076
Other comprehensive income	-	-
Total comprehensive income for the year	131,488,616	200,942,076

The annexed notes from 1 to 30 form an integral part of these financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE YEAR ENDED 30 JUNE 2021

	30 June 2021		
	Capital value	Undistributed income	Net assets
-----Rupees-----			
Capital value	2,122,558,890	-	2,122,558,890
Undistributed income brought forward			
- Realised income	-	43,071,903	43,071,903
- Unrealised loss	-	(31,029,698)	(31,029,698)
Net assets at the beginning of the year (Units outstanding: 4,227,883)	2,122,558,890	12,042,205	2,134,601,095
(Rs. 504.8900 per unit)			
Issue of 6,592,099 units	3,423,385,925	-	3,423,385,925
Redemption of 6,556,098 units	(3,378,839,325)	(26,606,761)	(3,405,446,086)
Total comprehensive income for the year	-	131,488,616	131,488,616
Refund of Capital	(27,830,405)	-	(27,830,405)
Cash distribution for year ended 30 June 2021			
at Rs. 31.05 per unit declared on 28 June 2021	-	(99,165,629)	(99,165,629)
Net assets at end of the year (Units outstanding: 4,263,884)	2,139,275,085	17,758,431	2,157,033,516
(Rs. 505.8846 per unit)			
Undistributed income carried forward			
- Realised income	-	16,233,656	-
- Unrealised income	-	1,524,775	-
	-	17,758,431	-
	30 June 2020		
	Capital value	Undistributed income	Net assets
-----Rupees-----			
Capital value	1,384,052,950		1,384,052,950
Undistributed income brought forward			
- Realised income	-	8,274,469	8,274,469
- Unrealised loss	-	(101,200)	(101,200)
Net assets at the beginning of the year (Units outstanding: 2,762,766)	1,384,052,950	8,173,269	1,392,226,219
(Rs. 503.92 per unit)			
Issue of 6,348,123 units	3,413,327,440	-	3,413,327,440
Redemption of 4,883,006 units	(2,599,049,405)	(56,022,614)	(2,655,072,019)
Total comprehensive income for the year	-	200,942,076	200,942,076
Refund of Capital	(75,772,095)	-	(75,772,095)
Cash distribution for year ended 30 June 2020			
at Rs. 57.5 per unit declared on 26 June 2020	-	(141,050,526)	(141,050,526)
Net assets at end of the year (Units outstanding: 4,227,883)	2,122,558,890	12,042,205	2,134,601,095
(Rs. 504.89 per unit)			
Undistributed income carried forward			
- Realised income	-	43,071,903	-
- Unrealised loss	-	(31,029,698)	-
	-	12,042,205	-

The annexed notes from 1 to 30 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
Note	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	131,488,616	200,942,076
Adjustment for:		
Markup income	(149,644,900)	(217,945,587)
Capital loss/ (gain) on sale of investments - net	207,416	(201,550)
Net unrealised gain on remeasurement of investments classified as 'financial assets at fair value through profit or loss'	(1,849,835)	(558,752)
Provision for Sindh Workers' Welfare Fund	2,683,441	4,100,859
	(148,603,878)	(214,605,030)
Increase in assets		
Security deposit and other receivables	(1,859)	-
(Decrease)/ increase in liabilities		
Payable to Atlas Asset Management Limited - Management Company	113,140	628,506
Payable to Central Depository Company of Pakistan Limited - Trustee	14,830	(31,595)
Payable to the Securities and Exchange Commission of Pakistan	54,315	(327,793)
Dividend payable	115,543	(57,294)
Accrued expenses and other liabilities	(5,653,603)	9,924,348
	(5,355,775)	10,136,172
Markup received	141,979,267	213,303,185
Investments - net	(509,423,719)	(455,054,225)
Net cash used in operating activities	(389,917,348)	(245,277,822)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	3,423,385,926	3,413,327,440
Net payments against redemption of units	(3,329,722,451)	(2,674,878,953)
Refund of Capital	(27,830,405)	(75,772,095)
Dividend distribution	(99,165,629)	(141,050,526)
Net cash (used in)/ generated from financing activities	(33,332,559)	521,625,866
Net (decrease)/ increase in cash and cash equivalents	(423,249,907)	276,348,044
Cash and cash equivalents at the beginning of the year	1,584,796,999	1,308,448,955
Cash and cash equivalents at the end of the year	4	1,161,547,092
		1,584,796,999

The annexed notes from 1 to 30 form an integral part of these financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Income Fund (the Fund) is an open ended Fund constituted under a trust deed entered into on 7 May 2008 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the trustee. The Trust Deed was revised through the First, Second and third Supplemental Trust Deeds dated 23 June 2010, 12 November 2010 and 23 May 2017 respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). Furthermore, the offering document of the Fund has been revised through the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh and Twelfth supplements dated 23 June 2010, 12 November 2010, 20 September 2013, 24 March 2015, 3 August 2015, 30 September 2016, 02 June 2017, 2 October 2019, 30 October 2019, 1 April 2020, 1 June 2020 and 21 December 2021 respectively with the approval of the SECP. The investment activities and administration of the Fund are managed by AAML whose registered office is situated at Ground Floor, Federation House, Shahrah-e-Firdousi, Clifton, Karachi.
- 1.2 The Fund has been categorised as a 'shariah compliant income scheme' by the Board of Directors of the Management Company pursuant to the provision contained in Circular 07 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs 500 per unit. Thereafter, the units are being offered to the public for subscription on a continuous basis since 14 October 2008, and are transferable and redeemable by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.3 According to the Trust Deed, the objective of the Fund is to provide investors with a good and stable rate of current income consistent with long term preservation of capital in a Shariah Compliant manner. A secondary objective is to take advantage of opportunities to realise capital appreciation. The Fund shall seek to provide the investors with a rate of return consistent with a broadly diversified portfolio of long medium, and short term, high quality Islamic income instruments.
- 1.4 Titles to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.
- 1.5 "The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020. Subsequent to the year ended June 30, 2021, the Trust deed has been registered under the Sindh Trusts Act, 2020."

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

- "Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed."

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS

Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

2.2 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2020 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these financial statements.

2.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date (annual periods beginning on or after)
Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16	01 January 2022
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	01 January 2022
Classification of liabilities as current or non-current - Amendment to IAS 1	01 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized
Definition of Accounting Estimates - Amendments to IAS 8	01 January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	01 January 2023

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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

Standard or Interpretation	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	01 January 2009
IFRS 17 - Insurance Contracts	01 January 2023

2.4 Critical accounting estimates and judgements

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets and provision under uncertain circumstances such as provision for Sindh Workers' Welfare Fund, taxes recoverable and Federal Excise Duty payable on remuneration of management company as disclosed in notes 12.1, 7.1 and 8.3 respectively.

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except that investments have been carried at fair value.

2.6 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years and are set out below:

3.1 Financial instruments

a) Initial recognition and measurement

Financial assets and liabilities, with the exception of bank balances, are initially recognised on the trade date, i.e., the date that the Bank becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Bank balances are recognised when funds are transferred to the banks.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss.

b) Classification

Debt instruments

A debt instrument is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at FVTPL. Given the objectives of the Fund, all investments have been classified as FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

"The Fund's business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as: the objectives for the portfolio; how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel; the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed etc."

Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)

As a second step of its classification process the Fund assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

c) Subsequent Measurement

Debt instruments at fair value through profit or loss

Debt instruments at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss.

Interest earned on debt instruments designated at FVTPL is accrued in interest income, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

Debt instruments at Amortised Cost

"Under IFRS 9, after initial measurement, such debt instruments are subsequently measured at amortised cost . Under Regulation 66 of NBFC Regulations, debt securities are required to be carried at fair value. The Fund has not used this classification for its investment portfolio."

Debt instruments at FVOCI

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and foreign exchange gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss. Debt instruments are subject to impairment and the impairment is charged profit or loss. The Fund has not used this classification for its investment portfolio.

Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss.

d) Derecognition

"A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Fund has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Fund has:

- (a) Transferred substantially all of the risks and rewards of the asset; or
- (b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset."

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

When the Fund has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Fund's continuing involvement in the asset. In that case, the fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the fund has retained. The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

e) Reclassification of financial assets and liabilities

From the application date of IFRS 9, the Fund does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Fund acquires, disposes of, or terminates a business line.

f) Impairment of financial assets

"The Fund only considers expected credit losses for bank balances and trade and other receivables. The Fund measures expected credit losses on bank balances using the probability of default (PD) and loss given default (LGD) estimates using the published information about these risk parameters."

The expected credit losses in respect of debt securities are not considered since SECP vide its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated 21 November 2017 has deferred the applicability of above impairment requirements in relation to debt securities for mutual funds and accordingly, basis defined in Circular No. 33 of 2012 dated 24 October 2012 will be followed.

g) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h) Determination of fair value

Debt securities (other than government securities)

The debt securities are valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities vide its Circular No. 33 of 2012 dated October 24, 2012.

Government securities

The government securities are valued on the basis of rates announced by the Financial Markets Association of Pakistan

3.2 Cash and cash equivalents

These comprise balances with banks, cheques in hand and short-term highly liquid investments with original maturities of three months or less.

3.3 Issue and redemption of units

Units issued are recorded at the offer price, determined by the management company for the application received

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

by the management company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the distribution company and the management company as processing fee.

Units redeemed are recorded at the redemption price applicable to units for which the distribution company / management company / distributors receives redemption application during business hours of that day. The redemption price shall be equal to NAV as of the close of the business day, less an amount as the management company may consider to be an appropriate provision of duties and charges.

3.4 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

The Securities and Exchange Commission of Pakistan through its SRO 756(I)/2017 dated 03 August 2017 includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. MUFAP, in consultation with the SECP, specified methodology of determination of income paid on units redeemed under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year.

3.5 Revenue recognition

- Income on bank balances and deposits is recognised on an accrual basis.
- Gain or loss on sale of Shariah compliant debt securities and derivatives is accounted for in the year in which it arises.
- Unrealised gains / (losses) arising on remeasurement of investments classified as 'at fair value through profit or loss' and derivatives are included in the Income Statement in the period in which they arise.

3.6 Expenses

All expenses chargeable to the Fund including remuneration of management company, trustee, and annual fee of the SECP are recognised in the income statement on an accrual basis.

3.7 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.8 Taxation

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders. The Fund intends to distribute such income by the year end in order to avail this tax exemption. Accordingly, no provision has been made for current and deferred taxation in these financial statements.

3.9 Distributions to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Distribution Committee of the Board of Directors of the Management Company under the powers delegated to them by the Board of Directors of the Management Company or declaration and approval by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.10 Net asset value per unit

The net asset value per unit disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at year end.

3.11 Earnings per unit

Earnings per unit is calculated by dividing the net income of the year before taxation of the Fund by the weighted average number of units outstanding during the year.

4 CASH AND BANK BALANCES	Note	2021		2020		
		-----	Rupees	-----	Rupees	
In local currency						
- Profit and loss sharing accounts						
	4.1	1,151,880,873		1,574,256,099		
		5,000		5,000		
	4.2	9,661,219		10,535,900		
		1,161,547,092		1,584,796,999		

- 4.1 The rate of return on these profit and loss sharing accounts ranges between 5.5% to 6.9% (30 June 2020: 6.00% to 7.50%) per annum.
- 4.2 This denotes cheques received against issuance of units which were deposited and cleared in the bank account subsequent to the year end by 28 July 2021 (2020: 7 July 2020).

5 INVESTMENTS	Note	2021		2020		
		-----	Rupees	-----	Rupees	
At fair value through profit or loss						
Debt securities - sukuk certificates						
	5.1	242,211,575		298,635,827		
Islamic commercial paper						
	5.2	240,591,390		-		
Government of Pakistan - Ijarah Sukuk						
	5.3	283,976,500		257,077,500		
Certificate of Musharika						
	5.4	300,000,000		-		
Investment in Bai Muajjal						
	5.5	-		-		
		1,066,779,465		555,713,327		

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5.1 Debt securities - sukuk certificates

Particulars	As at 01 July 2020	Acquired during the year	Disposed during the year	As at 30 June 2021	Carrying value as at 30 June 2021	Market value as at 30 June 2021	Unrealised depreciation as at 30 June 2021	Market value as a percentage of			
								Total Investments	Net Assets	Total Issue Size	
Number of certificates								Rupees		%	
BANKS											
Meezan Bank Limited - Tier I (Face Value Rs. 1,000,000)	50	-	-	50	51,250,000	51,781,100	531,100	4.85%	2.40%	0.71%	
Meezan Bank Limited - Tier II (Face Value Rs. 1,000,000)	50	-	-	50	50,717,800	51,875,000	1,157,200	4.86%	2.40%	1.25%	
Fertilizers											
Dawood Hercules Corporation Limited Sukuk 2 (Face Value Rs. 70,000)	1,000	-	1,000	-	-	-	-	-	-	-	
Dawood Hercules Corporation Limited Sukuk 1 (Face Value Rs. 70,000)	835	-	835	-	-	-	-	-	-	-	
Power Generation & Distribution											
The Hub Power Company Limited (Face Value Rs. 100,000)	550	-	-	550	56,179,640	56,096,975	(82,665)	5.26%	2.60%	7.86%	
Hub Power Holding Limited (Face Value Rs. 100,000)	-	1,000	-	1,000	82,458,500	82,458,500	-	7.73%	3.82%	-	
Total - June 30, 2021					240,605,940	242,211,575	1,605,635	22.70%	11.23%		
Total - June 30, 2020					292,654,575	298,635,827	5,981,252	53.74%	13.99%		

- 5.1.1** The cost of these investments at 30 June 2021 amounted to Rs. 237,458,500 (30 June 2020: Rs. 324,243,025).
- 5.1.2** These carry quarterly and semi annually rate of return ranging from "3 months Kibor + 1%" and "6 months Kibor + 0.5%" to "6 months Kibor + 0.90%" (30 June 2020: "3 months Kibor + 1.00%" to "3 months Kibor + 1.90%" and "6 months Kibor + 0.5%" to "6 months Kibor + 0.90%") respectively, having maturity upto 09 January 2030 (30 June 2020: 09 January 2030).

5.2 Islamic commercial paper

Particulars	As at 01 July 2020	Acquired during the year	Disposed during the year	As at 30 June 2021	Carrying value as at 30 June 2021	Market value as at 30 June 2021	Market value as a percentage of Total Investments	Market value as a percentage of Net Assets	Face Value - Rupees (m)			Rupees	%
									Face Value - Rupees (m)	Rupees	%age		
Face Value - Rupees (m)									Rupees				
K-Electric Limited - ICP 12	-	202	202	-	-	-	-	-					
K-Electric Limited - ICP 16	-	40	-	40	39,496,620	39,496,620	3,70%	1.83%					
K-Electric Limited - ICP 17	-	130	-	130	127,676,576	127,676,576	11.97%	5.92%					
K-Electric Limited - ICP 18	-	75	-	75	73,418,194	73,418,194	6.88%	3.40%					
Total - June 30, 2021					240,591,390	240,591,390	22.55%	11.15%					
Total - June 30, 2020													

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

- 5.2.1** The nominal value of these commercial papers is Rs. 1,000,000 per certificate with 8.41% expected profit rate.
- 5.2.2** The securities are valued on the basis of amortization on its face value as per the requirements of Circular 33 of 2012 with respect to thinly and non trade debt securities with residual maturity of up six months.

5.3 Government of Pakistan - Ijarah Sukuk

Script	As at 01 July 2020	Acquired during the year	Disposed during the year	As at 30 June 2021	Carrying Value as at 30 June 2021	Market Value as at 30 June 2021	Unrealised (diminution) / appreciation as at 30 June 2021	Market value as a percentage of Total Investments	Market value as a percentage of Net Assets
				Face Value - Rupees	Rupees		% age		
Government of Pakistan Ijarah Sukuks	262,500,000	390,000,000	365,000,000	287,500,000	283,732,300	283,976,500	244,200	26.62%	13.17%
Total - 30 June 2021					283,732,300	283,976,500	244,200	26.62%	13.17%
Total - 30 June 2020					262,500,000	257,077,500	(5,422,500)	46.26%	12.04%

- 5.3.1** Investment in GOP Ijarah Sukuks carried mark up ranging between 6.40% to 8.37% (30 June 2020: 6.63% to 7.65%) per annum and were due to mature between 30 April 2025 to 29 July 2025 (30 June 2020: 30 April 2025 to 29 May 2025). As at 30 June 2021, the cost of investments amounted to Rs. 287,204,800. (30 June 2020: Rs. 262,500,000)

5.4 Certificate of Musharika

Investment in Certificate of Musharika carries markup at the rate of 7.25% (30 June 2020: Nil) per annum and is due to mature on 04 August 2021.

5.5 Investment in Bai Muajjal

Name of the Investee Company	As at 01 July 2020	Purchases during the period	Sold/ matured during the period	As at 30 June 2021	Carrying Value as at 30 June 2021	Market Value as at 30 June 2021	Market Value as a % of net assets of fund	Market Value as a % of total value of investments of fund
Bai Muajjal (16.02.2021)	-	100,202,100	100,202,100	-	-	-	-	-
Bai Muajjal (18.02.2021)	-	100,252,600	100,252,600	-	-	-	-	-
		200,454,700	200,454,700	-	-	-	-	-

6 MARKUP ACCRUED

Markup accrued on:

	2021	2020
	Rupees	
- Profit and loss sharing accounts	6,844,088	9,257,007
- Sukuk certificates and GoP Ijarah	17,094,342	10,471,954
- Certificate of Musharika	3,456,164	-
	27,394,594	19,728,961

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 SECURITY DEPOSIT AND OTHER RECEIVABLES	Note	2021	2020
		Rupees -----	
Deposit with Central Depository Company of Pakistan Limited		100,000	100,000
Tax recoverable	7.1	480,800	478,941
		580,800	578,941

7.1 As per Clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under sections 150 and 151. However, several Companies (including banks) deducted withholding tax on dividend and profit on bank deposits paid to the Fund based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT) /2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced by the withholdee.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favor of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the cumulative amount of withholding tax deducted from profit on bank deposits by the Funds has been shown as other receivable as at 30 June 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

"Had the Tax Recoverable not been recorded in these financial statements of the Fund, the net asset value of the Fund as at 30 June 2021 would have been lower by Rs. 0.11 per unit (30 June 2020: Rs. 0.11 per unit)."

8 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - RELATED PARTY	Note	2021	2020
		Rupees -----	
Management fee	8.1	775,248	702,479
Sindh sales tax payable on remuneration of the Management Company	8.2	368,362	358,916
Federal Excise Duty payable on remuneration of the Management Company	8.3	1,733,902	1,733,902
Accounting and operational charges payable	15	329,478	298,553
		3,206,990	3,093,850

8.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (I) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio. The management company set the maximum limit of 1.5% of average annual net assets, within allowed expense. The Management Company has charged its remuneration at rate of 0.40% per annum of the average annual net assets. The Management Company is entitled to an amount not exceeding 2% of the average annual net assets, within allowed expense. With effect from 01 January 2020 Management Company has decided to revise the management fee from 0.3% to 0.4%. The fee is payable to the Management Company monthly in arrears.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

- 8.2** During the year, an amount of Rs. 1,112,270 (2020: Rs. 881,087) was charged on account of sales tax on management fee levied through Sindh Sales Tax on Services Act, 2011, and an amount of Rs. 1,102,824 (2020: Rs. 830,972) has been paid to the Management Company which acts as the collecting agent.
- 8.3** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund were already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 8.2 above, the Management Company was of the view that further levy of FED was not justified.

On 04 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 01 July 2016. However, as a matter of abundant caution the provision for FED made for the period from 13 June 2013 till 30 June 2016 amounting to Rs 1.734 million (30 June 2020: Rs 1.734 million) is being retained in the 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 June 2021 would have been higher by Rs. 0.41 per unit (30 June 2020: Re. 0.41 per unit).

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

		2021	2020
	Note	----- Rupees -----	
Trustee fee payable	9.1	145,338	131,715
Sindh sales tax payable on trustee fee	9.2	18,895	17,123
Settlement charges payable		-	500
Sindh sales tax payable on settlement charges		-	65
		164,233	149,403

- 9.1** The Trustee is entitled to monthly remuneration for services rendered to the fund at the flat rate of 0.075% p.a. of Net Assets based on the letter no. CDC/CEO/L-112/01/2019 dated 27 June 2019 issued by CDC. Previously, the trustee fee was charged in accordance with the following slab rates:

On net assets:

- up to Rs.1,000 million	0.17% per annum of Net Assets
- Rs.1,000 million to Rs.5,000 million	Rs.1.7 million plus 0.085% per annum of Net Assets exceeding Rs.1,000 million
- exceeding Rs.5,000 million	Rs.5.1 million plus 0.07% per annum of Net Assets exceeding Rs.5,000 million

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

9.2 During the year, an amount of Rs. 208,550 (2020: Rs. 182,072) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 206,844 (2020: Rs 185,707) was paid to the Trustee which acts as a collecting agent.

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

	2021	2020
Note	Rupees	Rupees
Annual fee payable	10.1	427,796
		373,481

10.1 In accordance with NBFC regulations, a collective investment scheme (CIS) is required to pay an annual fee to the Securities and Exchange Commission of Pakistan (SECP). Effective from 01 July 2019, the SECP vide SRO No.685(1)2019 dated 28 June 2019 revised the rate of annual fee to 0.02% (30 June 2020: 0.02%) of net assets on all categories of CISs.

11 PAYABLE AGAINST REDEMPTION OF UNITS

This represents payable against units redeemed to the unit holder based on their request for cash payout, managed by the Management Company.

12 ACCRUED EXPENSES AND OTHER LIABILITIES

	2021	2020
Note	Rupees	Rupees
Auditors' remuneration payable	287,550	320,490
Printing charges payable	12,357	-
Payable to shariah advisor	45,000	45,000
Withholding tax and capital gain tax payable	7,540,917	13,172,128
Zakat payable	49,036	50,457
Other payable	544,554	544,554
Provision for Sindh Workers' Welfare Fund	12.1	10,817,933
	19,297,347	8,134,880
	19,297,347	22,267,509

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

Subsequent to the year ended June 30, 2021, SRB through its letter dated August 12, 2021 has intimated MUFAP that the CISs / pension funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. This development was discussed at MUFAP level and has also been taken up with the SECP and all the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds, for the period from May 21, 2015 to August

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

12, 2021, on August 13, 2021. The SECP has given its concurrence for prospective reversal of provision for SWWF. Accordingly, going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

Had the provision for SWWF not been recorded in the financial statements of the Fund for the period from 21 May 2015 to 30 June 2021, the net asset value of the Fund as at 30 June 2021 would have been higher by Rs. 2.54 per unit (2020: Rs. 1.92 per unit).

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 June 2021 and 30 June 2020.

14 MARKUP INCOME	2021	2020
	----- Rupees -----	
Markup income on:		
- Profit and loss sharing accounts	78,062,417	180,473,150
- Sukuk certificates	26,934,830	34,841,408
- Government of Pakistan (GoP) ijarah sukuks	30,555,478	2,631,029
- Commercial paper	5,492,507	-
- Certificate of Musharka	3,456,164	-
- Term deposit receipts	1,664,384	-
- Bai Muajjal	3,479,120	-
	149,644,900	217,945,587

15 ACCOUNTING AND OPERATIONAL CHARGES

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

The Management Company has charged expenses at the rate 0.17% of the average annual net assets of the Fund (2020: 0.1% of the average annual net assets of the Fund for the period from 01 July 2019 to 30 September 2019, 0.15% of the average annual net assets of the Fund from 01 October 2019 till 04 March 2020 and 0.17% of the average annual net assets of the Fund from 05 March 2020 and onwards) for allocation of such expenses to the Fund.

16 AUDITORS' REMUNERATION	2021	2020
	----- Rupees -----	
Audit fee	190,000	175,000
Half yearly review of financial statements	95,000	55,000
Income Certification	60,500	55,000
Code of Corporate Governance	-	50,000
Sindh Sales Tax on services	30,040	28,800
Out of pocket expenses	30,000	25,000
Prior year adjustment	(112,590)	(20,520)
	292,950	368,280

17 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 June 2021 is 0.93% (2020: 0.96%) which includes 0.21% (2020: 0.3%) 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.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

18 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the management has paid the required minimum percentage of income earned by the Fund during the year ended 30 June 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

19 EARNINGS PER UNIT

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

20 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 20.1 Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund directors and their close family members and key management personnel of the Management Company.
- 20.2 Transactions with connected persons essentially comprise sale and repurchase of units, fee on account of managing the affairs of the Fund, sales load and other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 20.3 Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.
- 20.4 The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

	2021	2020
	----- Rupees -----	
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	8,555,924	6,777,591
Remuneration paid	8,483,155	6,392,093
Sindh Sales Tax on remuneration of the Management Company	1,112,270	881,087
Accounting and operational charges	3,636,267	2,762,881
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	1,604,236	1,400,553
Sindh sales tax on remuneration of the Trustee	208,550	182,072
Remuneration paid to the Trustee	1,590,613	1,428,513
Settlement charges	202,500	11,194
Sindh sales tax on settlement charges		1,455
Atlas Honda Limited (Group Company)		
Issue of 2 (2020: 3) units	969	1,636
Dividend declared	1,140	1,925
Outstanding 39 (2020: 37) units - at net asset value	19,549	18,543

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	----- Rupees -----	
Honda Atlas Power Product (Private) Limited		
Issue of 4 (2020: 6) units	1,907	3,220
Dividend declared	2,244	3,788
Outstanding 76 (2020: 72) units - at net asset value	38,464	36,484
Shirazi Investments (Private) Limited (Group Company)		
Issue of Nil (2020: 33) units	-	17,081
Redemption of 3,983 (2020: Nil) units	2,019,812	-
Dividend declared	-	228,502
Outstanding Nil (2020: 3,983) units - at net asset value	-	2,010,840
Atlas Insurance Limited Window Takaful Operations		
Issue of 98,415 (2020: 78,570) units	50,000,000	40,000,000
Redemption of 98,415 (2020: 78,570) units	50,388,503	42,024,750
CDC - Trustee Atlas Islamic Capital Preservation Plan (Atlas Islamic Fund of Fund)		
Issue of 287,134 (2020: 157,383) units	148,821,696	84,049,891
Redemption of 34,559 (2020: 63,831) units	17,500,000	34,000,000
Dividend declared	27,821,696	31,330,235
Outstanding 951,064 (2020: 698,489) units - at net asset value	481,128,597	352,660,251
CDC - Trustee Atlas Aggresive Allocation Islamic Plan (Atlas Islamic Fund of Fund)		
Issue of 16,094 (2020: 23,421) units	8,236,150	12,350,132
Redemption of 4,469 (2020: 28,861) units	2,340,000	15,400,000
Dividend declared	1,876,150	2,164,920
Outstanding 64,135 (2020: 52,511) units - at net asset value	32,444,798	26,512,035
CDC - Trustee Atlas Moderate Allocation Islamic Plan (Atlas Islamic Fund of Fund)		
Issue of 35,907 (2020: 33,588) units	18,582,723	17,583,753
Redemption of 18,956 (2020: 34,049) units	9,980,000	18,150,000
Dividend declared	3,592,723	4,808,641
Outstanding 122,815 (2020: 105,864) units - at net asset value	62,129,986	53,449,498
CDC - Trustee Atlas Conservative Allocation Islamic Plan (Atlas Islamic Fund of Fund)		
Issue of 26,674 (2020: 41,579) units	13,607,868	21,623,611
Redemption of 14,965 (2020: 34,900) units	7,665,000	18,600,000
Dividend declared	5,887,868	9,116,062
Outstanding 201,272 (2020: 189,564) units - at net asset value	101,820,596	95,708,773

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	----- Rupees -----	
CDC - Trustee Atlas Islamic Dividend Plan (Atlas Islamic Fund of Fund)		
Issue of 22,027 (2020: 217,557) units	11,285,202	119,545,675
Redemption of 20,124 (2020: 172,108) units	10,350,000	96,000,000
Dividend declared	1,385,202	354,877
Outstanding 47,352 (2020: 45,449) units - at net asset value	23,954,692	22,946,705
Directors and their close family members and key management personnel of the Management Company		
Issue of 7,120 (2020: 7,342) units	3,671,984	3,820,702
Redemption of 9,608 (2020: 3,115) units	4,913,101	1,692,536
Dividend declared	249,133	258,739
Outstanding 8,457 (2020: 9,001) units - at net asset value	4,278,266	4,544,698

- 20.5** Other balances due from / to related parties / connected persons are included in the respective notes to the financial statements.

21 FINANCIAL INSTRUMENTS BY CATEGORY

	As at 30 June 2021			
	At amortised Cost	At fair value through profit or loss	At fair value through other comprehensive income	Total
	----- (Rupees) -----			
Financial assets				
Cash and bank balances	1,161,547,092	-	-	1,161,547,092
Investments	-	1,066,779,465	-	1,066,779,465
Markup accrued	27,394,594	-	-	27,394,594
Security deposit and other receivables	100,000	-	-	100,000
	1,189,041,686	1,066,779,465	-	2,255,821,151
 Financial liabilities				
Payable to Atlas Asset Management Limited - Management Company	-	3,206,990	3,206,990	
Payable to Central Depository Company of Pakistan Limited - Trustee	-	164,233	164,233	
Payable against redemption of units	-	75,723,636	75,723,636	
Dividend payable	-	448,433	448,433	
Accrued expenses and other liabilities	-	889,462	889,462	
	-	80,432,754	80,432,754	

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	As at 30 June 2020			
	At amortised Cost	At fair value through profit or loss	At fair value through other comprehensive income	Total
	----- (Rupees) -----			
Financial assets				
Cash and bank balances	1,584,796,999	-	-	1,584,796,999
Investments	-	555,713,327	-	555,713,327
Markup accrued	19,728,961	-	-	19,728,961
Security deposit and other receivables	100,000	-	-	100,000
	1,604,625,960	555,713,327	-	2,160,339,287
Financial liabilities				
Payable to Atlas Asset Management Limited - Management Company	-	3,093,850	3,093,850	3,093,850
Payable to Central Depository Company of Pakistan Limited - Trustee	-	149,403	149,403	149,403
Payable against redemption of units	-	-	-	-
Unclaimed Dividend	-	332,890	332,890	332,890
Accrued expenses and other liabilities	-	910,044	910,044	910,044
	-	4,486,187	4,486,187	4,486,187

22 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the management company, Fund's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund may be exposed to market risk, credit risk and liquidity risk arising from the financial instruments it holds.

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

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

22.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as profit rates, foreign exchange rates and equity prices.

(i) Profit rate risk

Profit rate risk is the risk that the Fund's income will fluctuate due to changes in the market profit rates. As of 30 June 2021, the Fund is exposed to such risk in respect of bank balances and corporate sukuk securities. The investment

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks and investment in corporate sukuks which exposes the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in market interest rates as at June 30, 2021, with all other variables held constant, the net income for the year and net assets would have been higher / lower by Rs. 16,780,689 (2020: Rs. 21,299,694).

b) Sensitivity analysis for fixed rate instruments

Presently, the Fund does not hold any fixed rate instrument that may expose the Fund to profit rate risk.

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of 30 June 2021 is not necessarily indicative of the impact on the Fund's net assets of the future movements in profit rates.

Yield / profit rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off balance sheet instruments is based on settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at 30 June 2020 can be determined as follows:

	Effective yield / profit rate	As at 30 June 2021				
		Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	Percentage	(Rupees)				
Financial Assets						
Cash and bank balances	5.5% to 6.9%	1,151,880,873	-	-	9,666,219	1,161,547,091
Investments	7.12% - 8.45%	-	-	1,066,779,465	-	1,066,779,465
Markup accrued	-	-	-	-	27,394,594	27,394,594
Security deposit and other receivables	-	-	-	-	100,000	100,000
		1,151,880,873	-	1,066,779,465	37,160,813	2,255,821,150
Financial Liabilities						
Payable to Atlas Asset Management Limited - Management Company	-	-	-	-	3,206,990	3,206,990
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	164,233	164,233
Payable against redemption of units	-	-	-	-	75,723,636	75,723,636
Unclaimed dividend	-	-	-	-	448,433	448,433
Accrued expenses and other liabilities	-	-	-	-	889,462	889,462
		-	-	-	80,432,754	80,432,754
On-balance sheet gap (a)		1,151,880,873	-	1,066,779,465	(43,271,941)	2,175,388,396
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a + b)		1,151,880,873	-	1,066,779,465		
Cumulative interest rate sensitivity gap		1,151,880,873	1,151,880,873	2,218,660,338		

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

----- As at 30 June 2020 -----

Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
	Percentage	(Rupees)			
Financial Assets					
Cash and bank balances	6.0-7.5	1,574,256,099	-	-	10,540,900
Investments	6.63-15.81	-	-	555,713,327	-
Markup accrued	-	-	-	-	19,728,961
Security deposit and other receivables	-	-	-	-	100,000
		1,574,256,099	-	555,713,327	30,369,861
					2,160,339,287
Financial Liabilities					
Payable to Atlas Asset Management Limited - Management Company	-	-	-	-	3,093,850
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	149,403
Payable against redemption of units	-	-	-	-	-
Unclaimed Dividend	-	-	-	-	332,890
Accrued expenses and other liabilities	-	-	-	-	910,044
		-	-	-	4,486,187
On-balance sheet gap (a)		1,574,256,099		555,713,327	25,883,674
Off-balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total interest rate sensitivity gap (a + b)		1,574,256,099		555,713,327	
Cumulative interest rate sensitivity gap		1,574,256,099	1,574,256,099	2,129,969,426	

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Equity price risk

Equity price risk is the risk that the fair value of equity instruments decreases as a result of changes in the level of equity indices and the value of individual stocks. The Fund does not have any investment in equity securities as of 30 June 2021.

22.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is therefore to invest a majority of its assets in short term instruments in order to maintain liquidity.

The Fund can borrow in the short term to ensure settlement. The maximum amount available to the Fund from the

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, no borrowing was required to be obtained by the Fund during the current year.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

	Within 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Financial instruments with no fixed maturity		Total								
					Rupees										
2021															
Assets															
Cash and bank balances	1,161,547,092	-	-	-	-	-	1,161,547,092								
Investments	-	-	-	1,066,779,465	-	-	1,066,779,465								
Markup accrued	6,844,088	20,550,506	-	-	-	-	27,394,595								
Security deposit and other receivables	-	-	-	100,000	-	-	100,000								
	1,168,391,180	20,550,506	-	1,066,879,465	-	-	2,255,821,151								
Liabilities															
Payable to Atlas Asset Management Limited - Management Company	3,206,990	-	-	-	-	-	3,206,990								
Payable to Central Depository Company of Pakistan Limited - Trustee	164,233	-	-	-	-	-	164,233								
Payable against redemption of units	75,723,636	-	-	-	-	-	75,723,636								
Dividend payable	448,433	-	-	-	-	-	448,433								
Accrued expenses and other liabilities	544,554	-	344,907	-	-	-	889,462								
	80,087,846	-	344,907	-	-	-	80,432,753								
Net assets / (liabilities)	1,088,303,334	20,550,506	(344,907)	1,066,879,465	-	-	2,175,388,398								
2020															
Assets															
Cash and bank balances	1,584,796,999	-	-	-	-	-	1,584,796,999								
Investments	-	-	-	555,713,327	-	-	555,713,327								
Markup accrued	9,257,007	10,471,954	-	-	-	-	19,728,961								
Security deposit and other receivables	-	-	-	478,941	100,000	100,000	578,941								
	1,594,054,006	10,471,954	-	556,192,268	100,000	100,000	2,160,818,228								
Liabilities															
Payable to Atlas Asset Management Limited - Management Company	3,093,850	-	-	-	-	-	3,093,850								
Payable to Central Depository Company of Pakistan Limited - Trustee	149,403	-	-	-	-	-	149,403								
Payable against redemption of units	-	-	-	-	-	-	-								
Dividend payable	332,890	-	-	-	-	-	332,890								
Accrued expenses and other liabilities	544,554	-	365,490	-	-	-	910,044								
	4,120,697	-	365,490	-	-	-	4,486,187								
Net assets / (liabilities)	1,589,933,309	10,471,954	(365,490)	556,192,268	100,000	100,000	2,156,332,041								

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

22.3 Credit risk

Credit risk represents the risk of a loss if counterparties fail to perform as contracted and arises principally from bank balances, investments, profit receivable and deposit and other receivable.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets.

	2021	2020		
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
Rupees				
Bank balances	1,161,547,092	1,161,547,092	1,584,796,999	1,584,796,999
Investments	1,066,779,465	1,066,779,465	555,713,327	555,713,327
Markup accrued	27,394,595	27,394,595	19,728,961	19,728,961
Security deposit and other receivables	580,800	580,800	578,941	578,941
	2,256,301,952	2,256,301,952	2,160,818,228	2,160,818,228

22.3.1 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks, investment in GOP ijarah sukuks and corporate sukuks. The credit rating profile of above mentioned is as follows:

Ratings of amounts placed with banks, investment in GOP ijarah sukuks and corporate sukuk certificates.

	% of financial assets	
	2021	2020
GOP Ijarah Sukuks (Government Guaranteed)	16.92	12.55
Sukuk Certificates	14.43	10.60
AAA	0.44	30.70
AA+	0.00	0.33
AA	0.39	23.11
AA-	0.01	19.67
A+	41.67	3.04
A	26.14	-
	100.00	100.00

The maximum exposure to credit risk before any credit enhancement as at 30 June 2021 is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

All the balances with banks have investment grade rating and hence are classified as Stage 1 under IFRS 9.

22.4 Fair value of financial instruments

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

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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 rates announced by Financial Market Association of Pakistan and fair value of corporate sukuks is determined on the basis of rates announced by MUFAP. The fair value of financial assets and liabilities of the Fund, other than government securities, approximates their carrying amount due to short term maturities of these instruments.

22.5 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 June 2021, the Fund has investments 'at fair value through profit or loss' measured using level 2 valuation technique. Particulars regarding their cost and market value are given in note 5.1.

23 UNIT HOLDERS FUND RISK MANAGEMENT

The Fund's objective when managing unit holders' funds is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders, to maintain a strong base of assets to meet unexpected losses or opportunities and to ensure reasonable safety of capital. The Fund manages its investment portfolio and other assets by monitoring return on net assets and makes adjustments to it in the light of changes in markets' conditions. The capital structure depends on the issuance and redemption of units.

The Fund has no restrictions on the subscription and redemption of units. As required under the NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs.100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times during the current year.

In accordance with the risk management policies as stated in note 22, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

24 UNIT HOLDING PATTERN OF THE FUND

Category	2021			2020		
	Number of unit holders	Rupees	% of total	Number of unit holders	Rupees	% of total
Individuals	1179	714,627,380	33.14%	1049	556,561,919	26.07%
Insurance Companies*	8	43,021,863	1.99%	8	280,140,060	13.12%
Others	16	959,313,756	44.47%	10	294,432,393	13.79%
Banks/ DFIs	-	-	-	5	551,237,880	25.82%
Associated Companies/ Directors	3	390,848	0.02%	4	2,374,411	0.11%
Retirement Funds	21	439,679,669	20.38%	19	449,854,820	21.09%
	1,227	2,157,033,516	100%	1,095	2,134,601,483	100%

* These include investments made by 4 unit linked funds managed by insurance companies.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

25 THE MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Mr. Ali H. Shirazi	Director	Masters in Law	17.5 Years
Mr. M. Abdul Samad	Chief Executive Officer	MBA, M.Com	21 Years
Mr. Khalid Mehmood	Chief Investment Officer	MBA - Finance	17 Years
Mr. Muhammad Umar Khan	Head of Portfolio Management	MSc - Finance	13 Years
Mr. Fawad Javaid	Head of Fixed Income	CMA	13 Years
Mr. Faran-ul-Haq	Head of Equities	M.B.A, CFA	10 Years

26 NAME AND QUALIFICATION OF FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Mr. Fawad Javaid	Head of Fixed Income	CMA	Atlas Sovereign Fund Atlas Money Market Fund Atlas Income Fund Atlas Islamic Money Market Fund

27 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The details of dates of Board meetings of the Management Company of the Fund, and the attendance of the Board members are given below:

Name of Director	Meeting held on					
	06 July 2020	10 Sep 2020	26 Oct 2020	25 Feb 2021	29 Apr 2021	25 June 2021
Mr. Iftikhar H. Shirazi	P	P	P	P	P	P
Mr. Tariq Amin	P	P	P	P	P	P
Mr. Frahim Ali Khan	P	P	P	P	P	P
Mr. Ali H. Shirazi	P	P	P	P	P	P
Mr. M. Habib-ur-Rahman	P	P	P	P	P	P
Ms Zehra Naqvi	P	P	P	P	P	P
Mr. M. Abdul Samad	P	P	P	P	P	P
Ms Qurat-ul-ain Jafari (Chief Financial Officer)	L	P	P	P	P	P
Ms Zainab Kazim(Company Secretary)	P	L	L	P	P	P

P Present

L Leave of absence

28 RATING OF THE FUND AND THE MANAGEMENT COMPANY

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

Moreover, PACRA has maintained the stability rating of the Fund at "AA- (f)" [2020: "AA- (f)"] on 16 April 2021.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

29 GENERAL

The figures have been rounded off to the nearest Rupee.

30 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 6 September 2021.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Islamic Stock Fund

Corporate Information

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 Hassan Usmani

Auditors

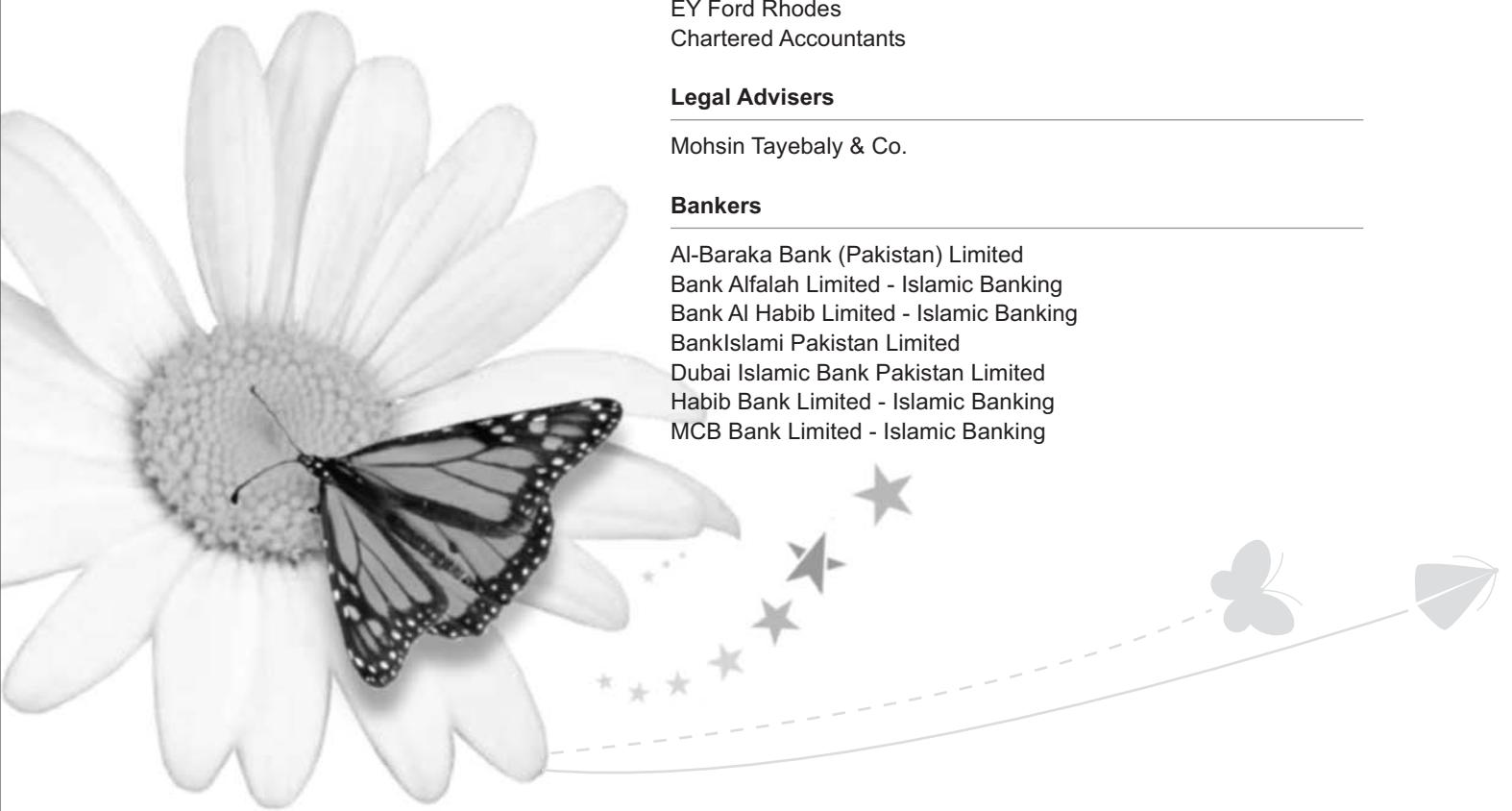
EY Ford Rhodes
Chartered Accountants

Legal Advisers

Mohsin Tayebaly & Co.

Bankers

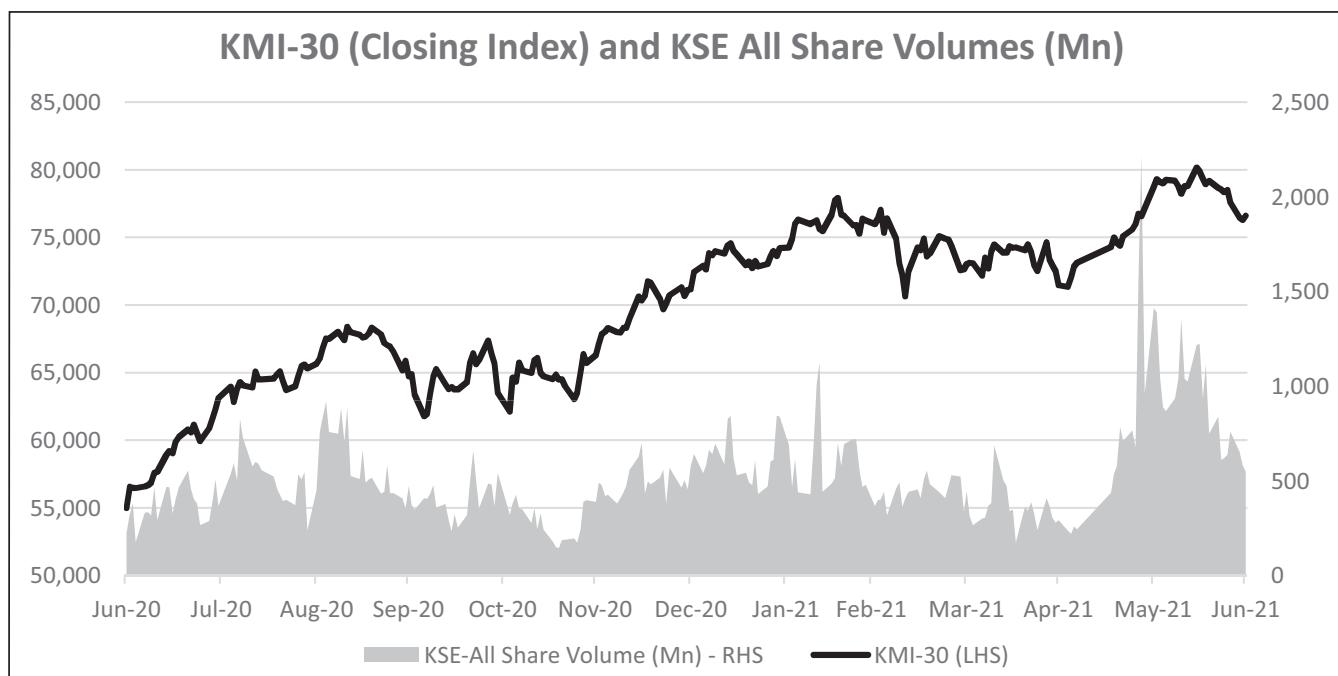
Al-Baraka Bank (Pakistan) Limited
Bank Alfalah Limited - Islamic Banking
Bank Al Habib Limited - Islamic Banking
BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Habib Bank Limited - Islamic Banking
MCB Bank Limited - Islamic Banking



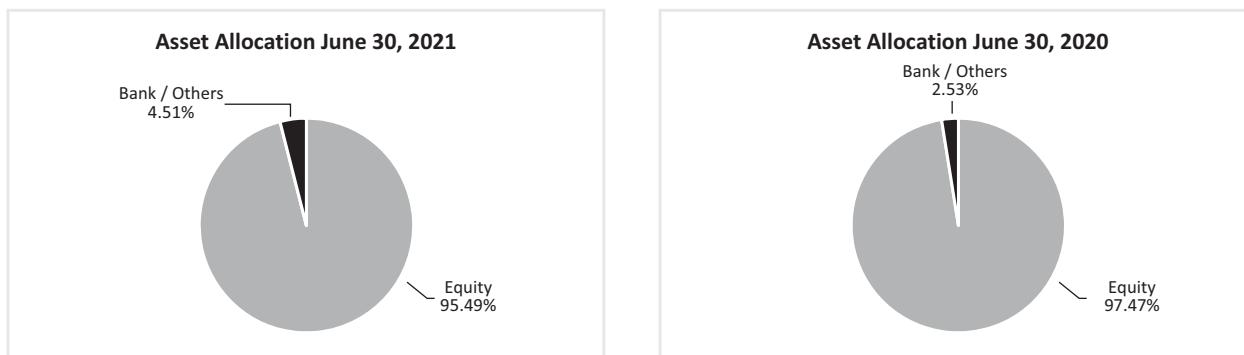
Fund Manager's Report

Atlas Islamic Stock Fund (AISF) is an open-ended equity fund. The fund has a high-risk rating with the objective to provide long term capital growth from an actively managed portfolio invested in Shariah compliant listed companies in Pakistan. The Fund's strategy revolves around Shariah Compliance while making investments in stocks with attractive fundamentals and a potential to outperform the market to generate high returns. The Fund observes the investment limitations as set out by the Shariah code, according to the guidance of the Shariah Advisors and emphasizes on medium to long term investment views, by making investment decisions based upon fundamental analysis. The Fund makes use of portfolio management skills for sector and stock selection in order to efficiently manage the fund's portfolio. The KMI-30 Index serves as the performance benchmark of Atlas Islamic Stock Fund.

The KMI-30 index increased 39.3% from 54,995.25 points as on June 30, 2020 to 76,621.54 points as on June 30, 2021. The daily average volume during FY21 increased by 168.8% to 528 million shares compared to daily average of 196 million shares traded in FY20. Net outflow of US \$387 was recorded by Foreign Portfolio Investors during FY21 compared to net outflow of US \$285 million in FY20. On local investors front, Individuals, Companies, Other Organizations and Mutual Funds were net buyers of US \$332 million, US \$138 million, US \$45 million and US \$10 million. Insurance Companies, Broker Proprietary Trading and Banks remained net sellers of US \$10 million, US \$32 million and US \$95 million, respectively.



The Net Asset Value per unit of Atlas Islamic Stock Fund (AISF) increased by 36.64% to Rs. 573.13 as on June 30, 2021. The benchmark KMI-30 index increased by 39.32% during the same period. The KMI-30 index increased from 54,995.25 points as on June 30, 2020 to 76,621.54 points as on June 30, 2021. AISF's strategy will continue to focus on dividend plays and stocks that are trading at relatively cheap multiple with prospect of earnings growth. AISF equity portfolio exposure stood at 95.49% that mainly comprised of Oil & Gas Exploration, Cement, Fertilizer and Commercial Banks. The Net Assets of the Fund stood at Rs. 2.71 billion, with 4.72 million units outstanding as of June 30, 2021.



The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Islamic Stock Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited has approved aggregated interim distribution of Rs. 50.00 per unit for the period ended June 30, 2021 (10.00% on the face value of Rs. 500 per unit).

The Administrative Plans:

The management company is offering investment plans that allow investors focused combination investment strategic in Atlas Islamic Income fund (AIIF) and Atlas Islamic Stock Fund (AISF). The investment plans were offered from September 2008, and the returns are as under:

Administrative Plans	Proportionate Investment in		Return (period ended)			
	AIIF	AISF	2017-18	2018-19	2019-20	2020-21
Atlas Bachat Islamic Plan	85%	15%	3.00%	4.37%	11%	10.90%
Atlas Bachat Balanced Islamic Plan	50%	50%	-1.48%	-5.24%	9.55%	21.50%
Atlas Bachat Growth Islamic Plan	15%	85%	-5.96%	-14.84%	8.12%	32.10%

Breakdown of Unit holding by size:

Type of Investor	No. of Investors	Amount of Investment (Rs.)	Percentage (%)
Individuals	674	467,448,693	17.27%
Retirement Funds	10	818,818,774	30.25%
Associated Companies/ Directors	8	917,582,392	33.90%
Others	9	366,607,606	13.54%
Insurance Companies	3	136,283,984	5.03%
Total	704	2,706,741,450	100.00%

The Fund has made provision against SWWF, which up till June 30, 2020 amounted to Rs. 33,881,485 (Rs. 4.84 per unit). The Scheme has also held provision for FED liability that amounted to Rs. 10,453,385 up till June 30, 2021 (Rs. 2.21 per unit).

The Total Expense Ratio (TER) of the Fund is 4.00% including expenses representing Government levy, SWWF and SECP Fee of 1.00%.

During the year under review, the Investment Committee held fifty-one meetings to review investment of the Fund and the Risk Committee held twenty meetings to review risk management.

Karachi: 6 September 2021

Faran-Ul-Haq
Head of Equities

Supplementary Non Financial Information as required under clause 38 A (g) of NBFC and NE Regulations, 2008

Summary of actual proxies voted by Atlas Islamic Stock Fund

AISF	Resolution	For	Against	Abstain
Number	187	187	-	-
%	100%	100%	-	-

Note: The Proxy voting policy of the Atlas Islamic Stock Fund (AISF) is available on the website of Atlas Asset Management Limited and detailed information regarding actual proxies voted by the Company in respect of the Fund is also available without charge, upon request, to all unit holders.

Performance Since Inception

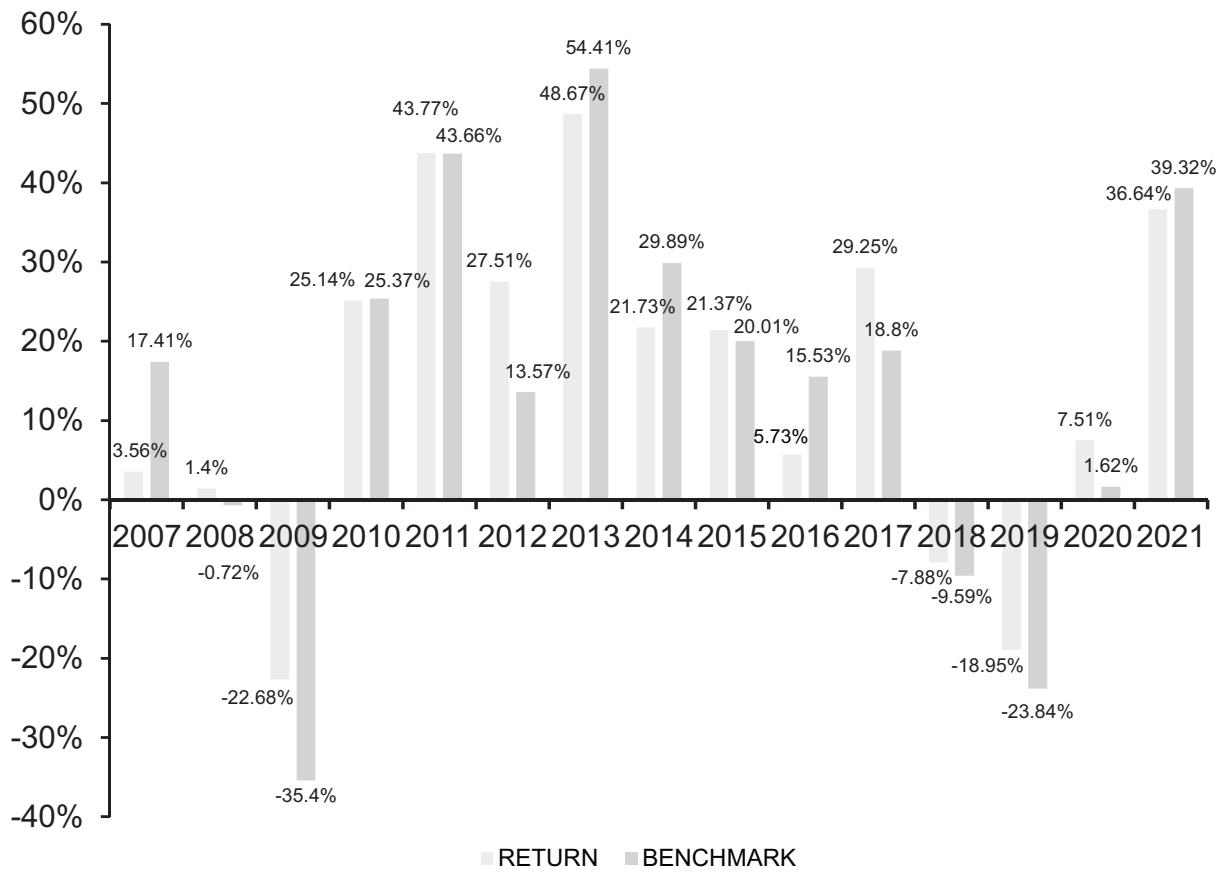
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007*
Net Assets (Rs. in '000)	2,706,741	1,823,315	1,204,994	2,262,189	2,478,898	1,411,789	1,415,763	809,364	974,606	510,953	318,777	252,773	417,775	597,788	512,580
Number of units in issue	4,722,705	4,001,514	2,803,109	4,265,137	4,058,678	2,987,494	2,854,233	1,980,470	2,015,536	1,317,773	779,243	521,664	1,078,902	1,172,525	989,930
Net assets value per unit (Rs.)	573.13	455.66	429.88	530.39	610.77	472.57	496.02	408.67	483.55	387.74	409.09	484.55	387.22	509.83	517.79
Net (loss) / income (Rs. in '000)	711,018	190,108	(284,783)	(184,177)	562,154	80,049	250,274	137,439	320	110,717	97,396	114,084	(122,217)	9,319	17,489
Earnings per unit (Rs.)	150.55	47.51	(101.60)	(43.18)	138.51	26.79	87.69	69.40	158.69	84.02	124.99	218.69	(113.28)	7.95	17.67
Annual return of the fund (%)	36.64	7.51	(18.95)	(7.88)	29.25	5.73	21.37	21.73	48.67	27.51	43.77	25.14	(22.68)	1.40	3.56
Offer Price ** (Rs.)	586.08	465.96	439.60	530.39	610.77	472.57	496.02	408.67	488.45	391.64	413.18	489.40	391.09	514.93	522.97
Redemption Price ** (Rs.)	573.13	455.66	429.88	530.39	610.77	472.57	496.02	408.67	476.36	381.94	402.95	477.28	381.41	502.18	510.03
Distribution (Rs.)	50.00	6.50	-	-	35.00	-	50.00	45.00	110.00	62.50	105.00	200.00	-	9.00	15.00
Distribution as a % of Opening Ex- NAV of units	10.97	1.51	-	-	7.41	-	12.23	12.05	33.82	20.55	36.90	51.65	-	1.79	3.00
Date of Distribution	28-Jun-21	30-Jun-20	-	-	7-Jul-17	-	7-Jul-15	24-Jun-14	4-Jul-13	5-Jul-12	7-Jul-11	8-Jul-10	-	4-Jul-08	20-Jul-07
Highest offer price per unit (Rs.)	657.67	577.53	570.53	595.15	677.62	488.05	507.30	453.25	513.39	405.82	423.05	562.83	488.69	603.50	525.33
Lowest offer price per unit (Rs.)	481.07	351.78	427.74	484.26	493.88	390.34	388.08	381.62	340.83	288.51	293.27	409.30	238.43	464.43	508.46
Highest redemption price per unit (after applicable back-end load) (Rs.)	643.14	564.77	557.92	595.15	677.62	488.05	507.30	453.25	500.69	392.85	412.58	548.90	476.59	588.56	512.33
Lowest redemption price per unit (after applicable back-end load) (Rs.)	470.44	344.01	418.29	484.26	493.88	390.34	388.08	381.62	332.40	281.37	286.01	399.17	232.53	452.93	495.88

*Period from 17 October 2006 to 30 June 2007 (Date of Launch: January 15, 2007)

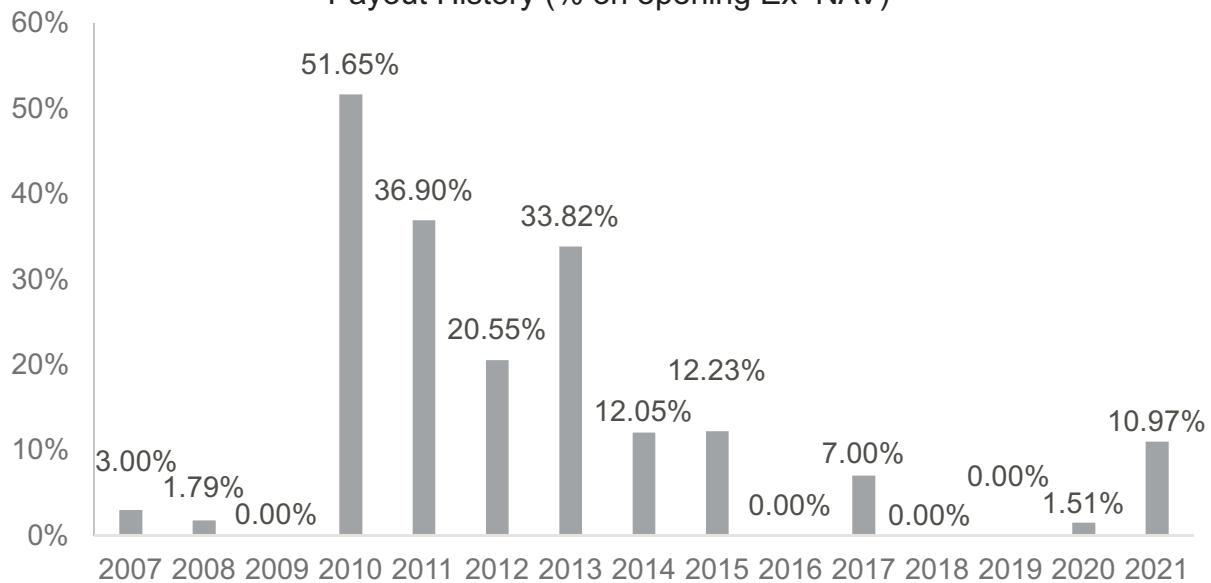
** Relates to announced prices.

Note: Past performance of the funds is not indicative of future performance, and the unit price and investment return may godown, as well as up.

Yearly Performance



Payout History (% on opening Ex-NAV)



TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) and Clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Atlas Islamic Stock Fund (the Fund) are of the opinion that Atlas Asset Management Limited, being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2021 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Karachi: 30 September 2021

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

REVIEW REPORT OF THE SHARIAH ADVISOR

As a Shariah Adviser of the Atlas Islamic Stock Fund (AISF), I am issuing this report in accordance with clause 2.3.4 (V) of the Trust Deed of the Fund. The scope of the report is to express an opinion on the Shariah compliance of the Fund's activities.

It is the responsibility of Atlas Asset Management Limited (AAML), the management company of the Fund, to establish and maintain a system of internal controls to ensure compliance with the Shariah guidelines. As a Shariah Adviser my responsibility is to express an opinion, based on my review of the representations made by the management, to the extent where such compliance can be objectively verified.

For screening investment in equities, I have advised a criteria on the basis of the following: (i) nature of business, (ii) interest bearing debt in relation to the total assets, (iii) illiquid assets in relation to the total assets, (iv) investment in non-Shariah compliant activities to total assets and income from non-compliant investments to gross revenues, and (v) net liquid assets per share vs. share price.

As part of my mandate as the Shariah Adviser to the Fund, I have reviewed the following, during the year:

- The modes of investment of Fund's property and its compliance with Shariah guidelines.
- The process of deployment of Fund's property and its compliance with Shariah guidelines.
- The process of purification of income and its compliance with Shariah guidelines.

In light of the above scope, I hereby certify that all the provisions of the scheme and investments made by the Fund for the year ended June 30, 2021 are in compliance with the Shariah principles.

There are investments made by AISF where investee companies have earned a part of their income from non-compliant sources (e.g. interest income). In such cases, the Management Company, in consultation with me, the Shariah Adviser of the Fund, have determined the Haram portion of the income of the Fund and marked to charity in order to purify the whole income.

Karachi: 30 June 2021

Dr. Mufti Hassan Usmani
Shariah Advisor

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Atlas Islamic Stock Fund Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Atlas Islamic Stock Fund** (the Fund), which comprise the statement of assets and liabilities as at 30 June 2021, and the income statement, statement of comprehensive income, cash flows statement and statement of movement in unit holders' fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

Key audit matter	How our audit addressed the key audit matter
Equity investments As disclosed in note 5 to the accompanying financial statements of the Fund for the year ended 30 June 2021, the investments held by the Fund comprised of listed shares which represent significant portion of the total assets of the Fund as at the year end. In view of the above, we have considered this area as a key audit matter.	We performed a combination of audit procedures focusing on the existence and valuation of investments. Our key procedures included the following: <ul style="list-style-type: none">• We obtained an understanding of fund's process over acquisition, disposals and periodic valuation of investment portfolio and evaluated / tested controls in those areas for the purpose of our audit.• We performed substantive audit procedures on year-end balance of portfolio including review of custodian's statement, related reconciliations and re-performance of investment valuations on the basis of quoted market prices at the Pakistan Stock Exchange Limited as at 30 June 2021.• We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and the applicability of disclosures in this regard.

Key audit matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> • We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment portfolio in accordance with the requirements of the Regulations and applicable financial reporting standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

-
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Arslan Khalid.

Karachi: 20 September 2021

EY Ford Rhodes
Chartered Accountants
Engagement Partner: Arslan Khalid

STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 JUNE 2021

	Note	2021	2020
		Rupees -----	
ASSETS			
Bank balances	4	79,257,880	42,077,624
Investments	5	2,680,575,760	1,834,162,742
Profit receivable on bank balances		352,047	261,877
Receivable against sale of investments		38,060,666	-
Dividend receivable		3,801,825	138,000
Advance, security deposits and other receivables	6	5,197,419	5,197,419
Total assets		2,807,245,597	1,881,837,662
LIABILITIES			
Payable to Atlas Asset Management Limited - Management Company	7	18,770,072	16,364,057
Payable to Central Depository Company of Pakistan Limited - Trustee	8	346,485	266,731
Payable to the Securities and Exchange Commission of Pakistan	9	476,814	289,352
Payable against redemption of units	10	1,384,692	17,508,280
Accrued expenses and other liabilities	11	79,526,084	24,094,124
Total liabilities		100,504,147	58,522,544
NET ASSETS		2,706,741,450	1,823,315,118
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		2,706,741,450	1,823,315,118
CONTINGENCIES AND COMMITMENTS	12		
NUMBER OF UNITS IN ISSUE		4,722,705	4,001,514
NET ASSET VALUE PER UNIT		573.1337	455.6563

The annexed notes from 1 to 29 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021	2020
		Rupees -----	
INCOME			
Profit on bank balances		3,365,522	5,800,719
Dividend income		111,751,534	65,485,654
Capital gain on sale of investments - net		351,052,100	115,862,830
Net unrealised gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.1	340,329,557	53,142,025
		691,381,657	169,004,855
Total income		806,498,713	240,291,228
EXPENSES			
Remuneration of Atlas Asset Management Limited - Management Company	7.1	57,217,097	32,145,340
Sindh sales tax on remuneration of the Management Company	7.2	7,438,223	4,178,894
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	3,384,045	2,446,737
Sindh sales tax on remuneration of the Trustee	8.2	439,926	318,076
Annual fee - Securities and Exchange Commission of Pakistan	9	476,815	289,377
Accounting and operational charges	13	5,946,720	2,134,859
Shariah advisory fee		200,000	291,667
Auditors' remuneration	15	349,916	456,945
Securities transaction cost		5,195,952	3,786,441
Annual listing fee		30,138	27,500
Printing charges		58,512	-
Provision for Sindh Workers Welfare Fund		14,510,562	3,879,735
Legal and professional charges		211,560	195,500
Bank charges		21,686	32,228
Total expenses		95,481,152	50,183,299
Net income for the year before taxation		711,017,561	190,107,929
Taxation	16	-	-
Net income for the year after taxation		711,017,561	190,107,929
Earnings per unit	17		
Allocation of net income for the year			
- Net earnings for the year after taxation		711,017,561	190,107,929
- Income already paid on units redeemed		(180,874,776)	(17,889,423)
		530,142,785	172,218,506
Accounting income available for distribution:			
-Relating to capital gains		691,381,657	169,004,855
-Excluding capital gains		(161,238,872)	3,213,651
		530,142,785	172,218,506

The annexed notes from 1 to 29 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	----- Rupees-----	
Net income for the year after taxation	711,017,561	190,107,929
Other comprehensive income / (loss)	-	-
Total comprehensive income for the year	711,017,561	190,107,929

The annexed notes from 1 to 29 form an integral part of these financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE YEAR ENDED 30 JUNE 2021

	30 June 2021		
	Capital value	Undistributed income	Net assets
	----- Rupees-----		
Capital value	1,452,346,030	-	1,452,346,030
Undistributed income brought forward			
- Realised income	-	410,531,817	410,531,817
- Unrealised loss	-	(39,562,729)	(39,562,729)
Net assets at the beginning of the year (Units outstanding: 4,001,514)	1,452,346,030	370,969,088	1,823,315,118
(Rs. 455.660 per unit)			
Issue of 4,032,321 units	2,320,718,135	-	2,320,718,135
Redemption of 3,311,130 units	(1,743,960,643)	(180,874,776)	(1,924,835,419)
Total comprehensive income for the year	-	711,017,561	711,017,561
Refund of element	(72,607,527)	-	(72,607,527)
Final cash dividend declared for the year ended 30 June 2021	-	(146,586,050)	(146,586,050)
Rs. 50 per unit declared on 28 June 2021	-	(4,280,368)	(4,280,368)
Shariah non-compliant income set-aside for charity	-	-	-
Net assets at end of the year (Units outstanding: 4,722,705)	1,956,495,995	750,245,455	2,706,741,450
(Rs. 573.1337 per unit)			
Undistributed income carried forward			
- Realised income	-	443,117,090	-
- Unrealised income	-	307,128,365	-
	-	750,245,455	-
	30 June 2020		
	Capital value	Undistributed income	Net assets
	----- Rupees-----		
Capital value	982,676,383	-	982,676,383
Undistributed income brought forward			
- Realised income	-	429,780,302	429,780,302
- Unrealised loss	-	(207,463,077)	(207,463,077)
Net assets at the beginning of the year (Units outstanding: 2,803,109)	982,676,383	222,317,225	1,204,993,608
(Rs. 429.88 per unit)			
Issue of 3,606,299 units	1,606,149,166	-	1,606,149,166
Redemption of 2,407,893 units	(1,132,724,951)	(17,889,423)	(1,150,614,374)
Total comprehensive income for the year	-	190,107,929	190,107,929
Refund of element	(3,754,568)	-	(3,754,568)
Final cash dividend declared for the year ended 30 June 2020	-	(22,177,847)	(22,177,847)
Rs. 6.5 per unit declared on 30 June 2020	-	(1,388,796)	(1,388,796)
Shariah non-compliant income set-aside for charity	-	-	-
Net assets at end of the year (Units outstanding: 4,001,514)	1,452,346,030	370,969,088	1,823,315,118
(Rs. 455.66 per unit)			
Undistributed income carried forward			
- Realised income	-	410,531,817	-
- Unrealised loss	-	(39,562,729)	-
	-	370,969,088	-

The annexed notes from 1 to 29 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	Note -----	Rupees-----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year after taxation	711,017,561	190,107,929
Adjustments for:		
Profit on bank balances	(3,365,522)	(5,800,719)
Dividend income	(111,751,534)	(65,485,654)
Capital gain on sale of investments - net	(351,052,100)	(115,862,830)
Net unrealised gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(340,329,558)	(53,142,025)
Provision for Sindh Workers Welfare Fund	14,510,562	3,879,735
	(791,988,151)	(236,411,493)
(Increase) / Decrease in assets		
Security deposits and other receivable	-	72,714,091
Receivable against sale of investments	(38,060,666)	-
	(38,060,666)	72,714,091
Increase in liabilities		
Payable to Atlas Asset Management Limited - Management Company	2,406,015	1,484,262
Payable to Central Depository Company of Pakistan Limited - Trustee	79,754	30,792
Payable to the Securities and Exchange Commission of Pakistan	187,462	(1,273,847)
Payable against purchase of investments	(16,123,588)	-
Accrued expenses and other liabilities	36,641,029	1,329,744
	23,190,672	1,570,951
Profit received on bank balances	3,275,352	6,584,787
Dividend received	108,087,709	65,888,811
Investments made during the year	(2,278,885,747)	(1,568,362,351)
Investments sold during the year	2,123,854,385	1,097,008,540
Net cash used in from operating activities	(139,508,884)	(370,898,735)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net receipts from issuance of units	2,320,718,135	1,606,149,166
Net payments against redemption of units	(1,924,835,419)	(1,323,510,276)
Refund of capital	(72,607,527)	(3,754,568)
Dividend paid	(146,586,050)	(22,177,847)
Net cash generated from financing activities	176,689,139	256,706,475
Net increase / (decrease) in cash and cash equivalents during the year	37,180,256	(114,192,260)
Cash and cash equivalents at the beginning of the year	42,077,624	156,269,884
Cash and cash equivalents at the end of the year	4	79,257,880
		42,077,624

The annexed notes from 1 to 29 form an integral part of these financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Stock Fund (the Fund) is an open-ended collective investment scheme constituted under a trust deed entered into on 12 September 2006 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed has been revised through the First, Second, Third, Fourth and Fifth Supplemental Trust Deeds dated 29 October 2007, 6 March 2008, 4 December 2009, 23 June 2010 and 23 May 2017, respectively with the approval of the Securities and Exchange Commission of Pakistan (SECP). In addition, the Offering Document of the Fund was also revised through the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth, Eleventh, Twelfth and Thirteen Supplements dated 29 October 2007, 6 March 2008, 4 December 2009, 23 June 2010, 20 September 2013, 24 March 2015, 29 September 2016, 2 June 2017, 25 May 2018, 5 September 2019, 25 November 2019, 1 April 2020 and 1 June 2020 respectively, with the approval of the SECP. The investment activities and administration of the Fund are managed by AAML whose registered office is situated at Ground Floor, Federation House, Shahrah-e-Firdousi, Clifton, Karachi.
- 1.2 The Fund has been categorised as a 'shariah compliant equity scheme' by the Board of Directors of the Management Company pursuant to the provision contained in Circular 07 of 2009. The Fund is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs. 500 per unit. Thereafter, the units are being offered to the public for subscription on a continuous basis from 15 January 2007 and are transferable and redeemable by surrendering them to the Fund.
- 1.3 According to the Trust Deed, the objective of the Fund is to provide one window facility to investors to invest in diversified and professionally managed investment portfolio of shariah compliant securities such as equities, cash and/or near cash Shariah Compliant instruments including cash in bank accounts (excluding term deposit receipts) and Shariah Compliant government securities not exceeding 90 days' maturity. The investment objectives and policies are fully defined in the Fund's Offering Document.
- 1.4 The titles of the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.5 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020. Subsequent to the year ended June 30, 2021, the Trust deed has been registered under the Sindh Trusts Act, 2020.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

"These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:"

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- "Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed."

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2.2 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2020 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these financial statements.

2.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date (annual periods beginning on or after)
Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16	01 January 2022
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	01 January 2022
Classification of liabilities as current or non-current - Amendment to IAS 1	01 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized
Definition of Accounting Estimates - Amendments to IAS 8	01 January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	01 January 2023

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

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

Standard or Interpretation	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	01 July 2009
IFRS 17 - Insurance Contracts	01 January 2023

2.4 Critical accounting estimates and judgements

The preparation of financial statements in accordance with the approved accounting standards as applicable in Pakistan requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets and provision under uncertain circumstances such as provision for Sindh Workers' Welfare Fund, taxes recoverable and Federal Excise Duty payable on remuneration of management company as disclosed in notes 11.2, 6.1 and 7.3 respectively

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except that investments have been carried at fair value.

2.6 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out as below. These policies have been applied consistently to all years and are set out below:

3.1 Financial instruments

a) Initial recognition and measurement

Financial assets and liabilities, with the exception of bank balances are initially recognised on the trade date, i.e., the date that the Bank becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Bank balances are recognised when funds are transferred to the banks.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss.

b) Classification

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. An equity instrument held for trading purposes or in which FVOCI election is not taken is classified as measured at FVTPL. Given the objectives of the Fund, all investments have been classified as FVTPL.

Debt instruments

A debt instrument is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund's business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as: the objectives for the portfolio; how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel; the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed etc.

Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)

As a second step of its classification process the Fund assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

c) Subsequent Measurement

Financial assets (equity and debt instruments) at fair value through profit or loss

Financial assets (both equity and debt) at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss. Dividend income from equity instruments measured at FVTPL is recorded in profit or loss when the right to the payment has been established.

Interest earned on debt instruments designated at FVTPL is accrued in interest income, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

Debt instruments at Amortised Cost

"Under IFRS 9, after initial measurement, such debt instruments are subsequently measured at amortised cost. Under Regulation 66 of NBFC Regulations, debt securities are required to be carried at fair value. The Fund has not used this classification for its investment portfolio."

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Debt instruments at FVOCI

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and foreign exchange gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss. Debt instruments are subject to impairment and the impairment is charged profit or loss. The Fund has not used this classification for its investment portfolio.

Equity instruments at FVOCI

Upon initial recognition, the Fund occasionally elects to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of Equity under IAS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by instrument basis.

Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in profit or loss as other operating income when the right of the payment has been established, except when the Fund benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss.

d) Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Fund has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Fund has:

- (a) Transferred substantially all of the risks and rewards of the asset; or
- (b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Fund has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Fund's continuing involvement in the asset. In that case, the fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the fund has retained. The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

e) Reclassification of financial assets and liabilities

From the application date of IFRS 9, the Fund does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Fund acquires, disposes of, or terminates a business line.

f) Impairment of financial assets

The Fund only considers expected credit losses for bank balances and trade and other receivables. The Fund measures expected credit losses on bank balances using the probability of default (PD) and loss given default (LGD) estimates using the published information about these risk parameters.

g) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h) Determination of fair value

The equity securities are valued on the basis of closing quoted market prices available at Pakistan Stock Exchange (PSX).

3.2 Cash and cash equivalents

Cash and cash equivalents include deposits with banks and other short term highly liquid investments with original maturities of three months or less.

3.3 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.4 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / Distributors as processing fee.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company receives redemption application during business hours of that day. The redemption price shall be equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges as processing fee.

3.5 Distribution to unit holders

Distribution to unit holders is recognised upon declaring and approval by the Distribution Committee of the Board of Directors of the Management Company under powers delegated to them by the Board of Directors of the Management Company or declaration and approval by the Board of Director of the Management Company.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.6 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

"The Securities and Exchange Commission of Pakistan through its SRO 756(I)/2017 dated 03 August 2017 includes a definition and explanation relating to ""element of income"" and excludes the element of income from the expression ""accounting income"" as described in regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. MUFAP, in consultation with the SECP, specified methodology of determination of income paid on units redeemed under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year."

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

3.7 Revenue recognition

- Dividend income is recognised when the right to receive the dividend is established.
- Interest income on bank balances, placements and deposits is recognised on an accrual basis.
- Gains or losses on sale of investments are included in the Income Statement in the year in which it arises.
- Unrealised appreciation / (loss) in the value of investments classified as 'financial assets at fair value through profit or loss' are included in the Income Statement in the period in which they arise.

3.8 Expenses

All expenses chargeable to the Fund including remuneration of Management Company and Trustee and annual fee of SECP are recognised in the income statement on an accrual basis.

3.9 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 the fund's accounting income available for distribution by the year end, as cash dividend, to the unitholders.

3.10 Net asset value per unit

The net asset value per unit disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

3.11 Earnings per unit

Earnings per unit (EPU) has not been disclosed as in the opinion of the management determination of cumulative weighted average number of outstanding units for calculation of EPU is not practicable.

4 BANK BALANCES	Note	2021		2020	
		-----	Rupees	-----	Rupees
In local currency					
- Profit and loss sharing accounts	4.1	47,467,565		38,649,598	
- Current account		1,477,487		79,208	
- Cheque in hand	4.2	30,312,828		3,348,818	
		<u>79,257,880</u>		<u>42,077,624</u>	

4.1 The rate of return on these profit and loss sharing accounts ranges between 5.00% to 6.90% (30 June 2020: 7.35% to 7.75%) per annum.

4.2 This denotes cheques received against issue of units which were deposited and cleared in the bank account subsequent to the year end by 06 August 2021 (30 June 2020: 20 July 2020).

5 INVESTMENTS	Note	2021		2020	
		-----	Rupees	-----	Rupees
At fair value through profit or loss					
- Listed equity securities	5.1	<u>2,680,575,760</u>		<u>1,834,162,742</u>	

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5.1 Listed equity securities

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

Name of Investee Company	As at 01 July 2020	Purchases during the year	Bonus / Right shares during the year	Sales during the year	As at 30 June 2021	Carrying Cost	Market Value	Market Value as a Percentage of total investments	Market Value as a percentage of net assets	Percentage of Paid up capital of investee company held
Note	Number of shares				Rupees			% age		
Banks										
Bankislami Pakistan Limited	3,122,100	1,700,000	-	4,822,100	-	-	-	-	-	-
Meezan Bank Limited	2,043,692	1,161,284	160,319	1,137,500	2,227,795	174,818,161	257,109,821	9.59	9.50	0.16
	5,165,792	2,861,284	160,319	5,959,600	2,227,795	174,818,161	257,109,821	9.59	9.50	
Textile Composite										
Interloop Limited	438	743,000	-	371,500	371,938	25,718,330	26,046,818	0.97	0.96	0.04
Kohinoor Textile Mills Limited	400,500	289,000	-	247,500	442,000	18,647,691	33,238,400	1.24	1.23	0.15
Nishat Mills Limited	425,000	636,000	-	460,500	600,500	55,659,359	56,026,650	2.09	2.07	0.17
	825,938	1,668,000		1,079,500	1,414,438	100,025,380	115,311,868	4.30	4.26	
Cement										
Attock Cement Pakistan Limited	170,400	120,000	-	162,900	127,500	17,537,950	22,927,050	0.86	0.85	0.09
Cherat Cement Company Limited	333,500	185,000	-	385,500	133,000	18,325,013	23,591,540	0.88	0.87	0.07
D.G. Khan Cement Company Limited	356,500	375,000	-	249,500	482,000	55,311,778	56,837,440	2.12	2.10	0.11
Fauji Cement Company Limited	500,000	2,752,000	-	850,000	2,402,000	48,218,851	55,246,000	2.06	2.04	0.17
Gharibwal Cement Limited	-	806,500	-	806,500	-	-	-	-	-	-
Kohat Cement Company Limited	200,450	193,500	-	147,900	246,050	48,588,699	50,806,865	1.90	1.88	0.12
Lucky Cement Limited	343,000	183,000	-	196,800	329,200	189,073,234	284,244,448	10.60	10.50	0.10
Maple Leaf Cement Factory Limited	-	1,095,000	-	600,000	495,000	23,443,550	23,255,100	0.87	0.86	0.05
	1,903,850	5,710,000		3,399,100	4,214,750	400,499,075	516,908,443	19.29	19.10	
Refinery										
Attock Refinery Limited	-	215,000	-	115,000	100,000	23,151,285	25,645,000	0.96	0.95	0.09
National Refinery Limited	-	18,000	-	4,000	14,000	7,721,204	7,324,660	0.27	0.27	0.02
	-	233,000		119,000	114,000	30,872,489	32,969,660	1.23	1.22	
Power Generation & Distribution										
The Hub Power Company Limited	2,393,280	1,486,000	-	2,285,591	1,593,689	131,401,598	126,969,203	4.74	4.69	0.12
K-Electric Limited (face value Rs. 3.5 per share)	3,200,000	2,100,000	-	35,000	5,265,000	18,771,624	22,007,700	0.82	0.81	0.02
	5,593,280	3,586,000		2,320,591	6,858,689	150,173,222	148,976,903	5.56	5.50	
Oil & Gas Marketing Companies										
Attock Petroleum Limited	66,800	-	-	66,800	-	-	-	-	-	-
Hi-Tech Lubricants Limited	37,000	489,500	-	526,500	-	-	-	-	-	-
Pakistan State Oil Company Limited	476,012	316,000	-	341,000	451,012	81,632,245	101,139,441	3.77	3.74	0.10
Shell Pakistan Limited	101,300	10,000	-	111,300	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	840,200	1,257,276	-	1,394,700	702,776	29,948,396	34,140,858	1.27	1.26	0.11
	1,521,312	2,072,776		2,440,300	1,153,788	111,580,641	135,280,299	5.04	5.00	
Oil & Gas Exploration Companies										
Mari Petroleum Company Limited	85,790	27,900	-	17,900	95,790	125,014,833	146,021,318	5.45	5.39	0.07
Oil & Gas Development Company Limited	1,973,712	894,465	-	473,000	2,395,177	257,299,645	227,613,670	8.49	8.41	0.06
Pakistan Oilfields Limited	165,700	87,894	-	171,000	82,594	30,250,757	32,530,473	1.21	1.20	0.03
Pakistan Petroleum Limited	882,970	1,230,000	-	507,000	1,605,970	149,120,455	139,446,375	5.20	5.15	0.06
	3,108,172	2,240,259		1,168,900	4,179,531	561,685,690	545,611,836	20.35	20.16	
Engineering										
Agha Steel Industries Limited	-	968,967	-	968,967	-	-	-	-	-	-
International Industries Limited	75,500	155,000	-	78,000	152,500	33,961,168	32,180,550	1.20	1.19	0.12
International Steels Limited	-	902,000	-	745,000	157,000	15,391,789	14,665,370	0.55	0.54	0.04
Mughal Iron And Steel Industries Ltd	-	185,000	-	27,000	158,000	15,096,142	16,495,200	0.62	0.61	0.05
	75,500	2,210,967		1,818,967	467,500	64,449,099	63,341,120	2.37	2.34	
Automobile Assembler										
Indus Motor Company Limited	-	29,000	-	29,000	-	-	-	-	-	-
Millat Tractors Limited	37,000	8,000	3,750	15,900	32,850	23,376,249	35,465,189	1.32	1.31	0.06
Pak Suzuki Motor Company Limited	-	132,000	-	47,500	84,500	25,062,192	30,034,680	1.12	1.11	0.10
	37,000	169,000	3,750	92,400	117,350	48,438,441	65,499,869	2.44	2.42	
Automobile Parts & Accessories										
Panther Tyres Limited	-	356,506	-	5,000	351,506	23,335,152	24,299,610	0.91	0.90	0.25
Thal Limited (face value Rs. 5 per share)	-	113,000	-	-	113,000	51,159,186	47,774,140	1.78	1.77	0.14
	-	469,506		5,000	464,506	74,494,338	72,073,750	2.69	2.66	

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Name of Investee Company	As at 01 July 2020	Purchases during the year	Bonus / Right shares during the year	Sales during the year	As at 30 June 2021	Carrying Cost	Market Value	Market Value as a Percentage of total investments	Market Value as a percentage of net assets	Percentage of Paid up capital of investee company held
Note	Number of shares				Rupees			% age		
Cables & Electrical Goods										
Pak Elektron Limited	-	475,000	-	475,000	-	-	-	-	-	-
Waves Singer Pakistan Limited	-	250,000	-	250,000	-	-	-	-	-	-
	-	725,000	-	725,000	-	-	-	-	-	-
Transport										
Pakistan International Bulk Terminal Limited	-	1,000,000	-	50,000	950,000	11,501,343	10,811,000	0.40	0.40	0.05
	-	1,000,000	-	50,000	950,000	11,501,343	10,811,000	0.40	0.40	0.05
Technology & Communications										
Avanceon Limited	-	395,000	-	395,000	-	-	-	-	-	-
Pakistan Telecommunication Company Ltd. Systems Limited	-	2,898,000	-	545,000	2,353,000	23,273,375	27,859,520	1.04	1.03	0.06
	328,000	23,000	12,000	241,000	122,000	20,685,466	68,346,840	2.55	2.53	0.09
	328,000	3,316,000	12,000	1,181,000	2,475,000	43,958,841	96,206,360	3.59	3.55	
Fertilizer										
Engro Fertilizers Limited	1,284,681	1,423,625	-	1,502,850	1,205,456	79,996,539	84,707,393	3.16	3.13	0.09
Engro Corporation Limited	421,656	437,284	-	221,440	637,500	191,283,512	187,813,875	7.01	6.94	0.11
Fatima Fertilizer Company Limited	69,000	-	-	69,000	-	-	-	-	-	-
	1,775,337	1,860,909	-	1,793,290	1,842,956	271,280,051	272,521,268	10.17	10.07	
Pharmaceuticals										
Abbott Laboratories (Pakistan) Limited	55,000	33,550	-	55,000	33,550	26,136,972	26,583,678	0.99	0.98	0.03
AGP Limited	500	112,500	-	113,000	-	-	-	-	-	-
Glaxosmithkline Pakistan Limited	85,000	137,900	-	157,900	65,000	11,726,534	10,768,550	0.40	0.40	0.02
Hignoon Laboratories Limited	59,855	34,000	9,385	-	103,240	50,886,520	61,944,000	2.31	2.29	0.27
The Searle Company Limited	187,872	89,500	-	171,500	105,872	23,403,956	25,686,665	0.96	0.95	0.04
	388,227	407,450	9,385	497,400	307,662	112,153,982	124,982,893	4.66	4.62	
Chemicals										
Berger Paints Pakistan Limited	-	140,000	-	140,000	-	-	-	-	-	-
Dyneal Pakistan Limited	-	33,000	-	33,000	-	-	-	-	-	-
Engro Polymer & Chemicals Limited	1,862,500	827,500	-	1,540,000	1,150,000	46,018,268	54,326,000	2.03	2.01	0.13
ICI Pakistan Limited	20,000	30,000	-	29,000	21,000	16,941,653	18,244,800	0.68	0.67	0.02
Lotte Chemical Pakistan Limited	1,000,000	900,000	-	1,900,000	-	-	-	-	-	-
Sitara Chemical Industries Limited	-	69,400	-	61,400	8,000	3,037,131	2,816,000	0.11	0.10	0.04
	2,882,500	1,999,900	-	3,703,400	1,179,000	65,997,053	75,386,800	2.82	2.79	
Paper & Board										
Packages Limited	33,500	70,500	-	26,500	77,500	32,752,539	42,253,000	1.58	1.56	0.09
	33,500	70,500	-	26,500	77,500	32,752,539	42,253,000	1.58	1.56	
Leather & Tanneries										
Bata Pakistan Limited	16,000	500	-	7,720	8,780	11,976,271	15,052,432	0.56	0.56	0.12
Service Global Footwear Limited	-	225,000	36,014	-	261,014	14,772,915	15,094,440	0.56	0.56	0.13
	16,000	225,500	36,014	7,720	269,794	26,749,186	30,146,872	1.12	1.11	
Foods & Personal Care Products										
At-Tahur Limited	697,500	607,000	99,750	-	1,404,250	23,840,805	32,719,025	1.22	1.21	0.79
Treet Corporation Limited	-	310,000	-	35,000	275,000	11,445,157	13,609,755	0.51	0.50	0.16
Unity Foods Limited	-	2,635,000	-	2,286,500	348,500	10,277,588	15,515,220	0.58	0.57	0.04
	697,500	3,552,000	99,750	2,321,500	2,027,750	45,563,550	61,844,000	2.31	2.28	
Glass & Ceramics										
Shabbir Tiles & Ceramics Limited (face value Rs. 5 per share)	-	1,095,000	-	695,000	400,000	13,253,122	13,340,000	0.50	0.49	0.12
Tariq Glass Industries Ltd	155,000	-	-	155,000	-	-	-	-	-	-
	155,000	1,095,000	-	850,000	400,000	13,253,122	13,340,000	0.50	0.49	
Miscellaneous										
Synthetic Products Enterprises Limited	163,500	-	-	163,500	-	-	-	-	-	-
Siddiqsons Tin Plate Limited	-	200,000	-	200,000	-	-	-	-	-	-
	163,500	200,000	-	363,500	-	-	-	-	-	-
Total as at 30 June 2021						2,340,246,204	2,680,575,760	100.00	99.03	
Total as at 30 June 2020						1,781,020,716	1,834,162,744	100.00	99.03	

5.2 The cost of listed equity securities as at 30 June 2021 is Rs. 2,373,447,395 (30 June 2020: Rs. 1,873,725,471).

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

- 5.3 Investments include shares which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades:

	Number of shares		Market value	
	2021	2020	2021	2020
	----- Rupees-----			
The Hub Power Company Limited	-	200,000	-	14,500,000
Pakistan Petroleum Company Limited	135,000	135,000	11,722,050	11,715,300
Pakistan State Oil Company Limited	110,000	110,000	24,667,500	17,397,600
Lucky Cement Limited	75,000	75,000	64,758,000	34,618,500
Engro Corporation Limited	55,000	-	16,203,550	-
	375,000	520,000	117,351,100	78,231,400

6 ADVANCE, SECURITY DEPOSITS AND OTHER RECEIVABLES

Note	2021	2020
	----- Rupees-----	
Held with:		
- National Clearing Company of Pakistan Limited	2,500,000	2,500,000
- Central Depository Company of Pakistan Limited	100,000	100,000
Other receivable	6.1	2,597,419
	5,197,419	5,197,419

- 6.1 As per Clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under sections 150 and 151. However, several Companies (including banks) deducted withholding tax on dividend and profit on bank deposits paid to the Fund based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced by the withholdee. Such deductions aggregate to Rs. 2.597 million (30 June 2020: 2.597 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all Funds managed by the Company to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted from dividend and profit received on bank deposits by the Funds has been shown as tax recoverable as at 30 June 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Had the Tax recoverable not been recorded in these financial statements of the Fund, the net asset value of the Fund as at 30 June 2021 would have been lower by Rs. 0.55 per unit (30 June 2020: Rs. 0.64 per unit).

7 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - RELATED PARTY	Note	2021	2020
		-----	Rupees -----
Remuneration of the Management Company	7.1	5,386,550	3,625,897
Sindh sales tax payable on remuneration of the Management Company	7.2	2,256,816	2,027,926
Federal Excise Duty payable on remuneration of the Management Company	7.3	10,453,385	10,453,385
Accounting and operational charges payable	13	673,321	256,849
		18,770,072	16,364,057

- 7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (I) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio. The Management Company has charged management fee at the rate of 2.4% per annum of the average annual net assets. Previously, the management was charging the fee at the rate of 2.0% till December 2019, afterwards the rate was increased to 2.4% per annum for rest of the year ending June 2020. The fee is payable to the Management Company monthly in arrears.
- 7.2 During the year, an amount of Rs. 7,438,223 (2020: Rs. 4,178,894) 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. 7,209,334 (2020: Rs. 4,023,698) has been paid to the Management Company which acts as the collecting agent.
- 7.3 The Finance Act, 2013 has enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from 13 June 2013. As the asset management services rendered by the Management Company of the Fund are already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund as explained in note 7.2 above, the Management Company is of the view that further levy of FED is not justified.

On 04 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 01 July 2016. However, as a matter of abundant caution the provision for

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

FED made for the period from 13 June 2013 till 30 June 2016 amounting to Rs 10.453 million (30 June 2020: 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 June 2021 would have been lower by Rs 2.21 per unit (30 June 2020: Rs 2.61 per unit).

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN - TRUSTEE - RELATED PARTY

		2021	2020
	Note	-----	Rupees -----
Trustee fee	8.1	306,631	233,046
Sindh sales tax payable on trustee fee	8.2	39,854	30,295
Settlement charges		-	3,000
Sindh sales tax payable on settlement charges		-	390
		346,485	266,731

8.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the trust deed as follows:

On net assets:

- up to Rs. 1,000 million	Rs. 0.7 million or 0.20% per annum of Net Asset Value whichever is higher
- On an amount exceeding Rs.1,000 million	Rs. 2.0 million plus 0.10% per annum of Net Asset Value exceeding Rs. 1,000 million

8.2 During the year, an amount of Rs. 439,926 (2020: Rs. 318,076) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 430,366 (2020: Rs. 314,274) was paid to the Trustee which acts as a collecting agent.

9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

		2021	2020
	Note	-----	Rupees -----
Annual fee payable	9.1	476,814	289,352

9.1 In accordance with the NBFC Regulations, 2008, a collective investment scheme classified as an equity scheme is required to pay the Securities and Exchange Commission of Pakistan an amount equal to 0.02% of the average annual net assets of the Fund as annual fee.

10 PAYABLE AGAINST REDEMPTION OF UNITS

This represents payable against units redeemed to the unit holders based on their request for cash payout, managed by the Management Company.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

11 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2021	2020
		-----	Rupees -----
Auditors' remuneration payable		330,421	355,967
Printing charges payable		14,033	-
Rating fee payable		140,000	140,000
Charity payable	11.1	1,579,943	261,000
Transaction charges payable		2,324,516	238,712
Withholding tax and capital gain payable		14,830,976	3,318,111
Payable to shariah advisor		50,001	66,667
Provision for Sindh Workers' Welfare Fund	11.2	33,881,485	19,370,923
Zakat payable		57,205	72,760
Dividend payable		26,047,520	-
Others		269,984	269,984
		79,526,084	24,094,124

11.1 The Shariah Advisor of the Fund has certified an amount of Rs. 4,280,368 (30 June 2020: Rs. 1,388,796) against dividend income, as Shariah non-compliant income during the year, which has accordingly been marked to charity.

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

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

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 June 2021 would have been higher by Rs. 7.17 per unit (30 June 2020: Rs. 4.84 per unit).

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 June 2021 and 30 June 2020.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

13 ACCOUNTING AND OPERATIONAL CHARGES

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

The Management Company has charged expenses at the rate of 0.17% of the average annual net assets of the fund for the period from 01 July 2020 to 02 December 2020 and 0.30% of the average annual net assets of the fund for the period from 03 December 2020 to 30 June 2021(2020: 0.1% of the average annual net assets of the Fund for the period from 01 July 2019 to 30 September 2019, 0.15% of the average annual net assets of the Fund from 01 October 2019 till 04 March 2020 and 0.17% of the average annual net assets of the Fund from 05 March 2020 for allocation of such expenses to the Fund).

14 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 June 2021 is 4.00% (30 June 2020: 3.46%) which includes 1.00% (30 June 2020: 0.64%) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

	2021	2020
	----- Rupees -----	
Audit fee	222,100	200,000
Half yearly review of financial statements	111,000	72,600
Certification charges	60,500	110,500
Out of pocket expenses	40,000	30,000
Sindh sales tax on services	34,688	33,048
Prior year adjustment	(118,372)	10,797
	349,916	456,945

16 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of the fund's accounting income available for distribution by the year end, as cash dividend, to the unitholders. Since the management has paid the required minimum percentage of income earned by the Fund during the year ended 30 June 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

17 EARNING PER UNIT

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

18 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

18.1 Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Management Company or the net assets of the Fund, directors, their close family members and key management personnel of the Management Company or for any of the connected persons of the Management Company.

- 18.2** Transactions with connected persons essentially comprise issue and redemption of units, fee on account of managing the affairs of the Fund, sales load and other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 18.3** Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC regulations and the Trust Deed.
- 18.4** The details of transactions carried out by the Fund with connected persons during the year and the balances with them at the year end are as follows:

	2021	2020
	Rupees	
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	57,217,097	32,145,340
Remuneration paid	55,456,443	30,951,521
Sindh sales tax on remuneration of the Management Company	7,438,223	4,178,894
Accounting and operational charges	5,946,720	2,134,859
Remuneration payable to the Management Company	5,386,550	3,625,897
Issue of 21,777 (2020: 36,766) units	10,303,519	15,240,853
Dividend declared	2,904,036	236,623
Outstanding 58,622 (2020:36,846) units - at net asset value	33,598,630	16,789,185
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	3,384,045	2,446,737
Sindh sales tax on remuneration of the Trustee	439,926	318,076
Remuneration paid	3,310,461	2,417,487
Remuneration payable to the Trustee	306,631	233,046
Settlement charges	192,075	112,883
Sindh sales tax on settlement charges	24,970	14,675
Atlas Insurance Limited (Group company)		
Issue of 249,093 (2020: 641,787) units	148,800,726	253,679,091
Redemption of 261,423 (2020: Nil) units	157,455,660	-
Dividend declared	29,197,792	2,932,830
Outstanding 629,456 (2020: 641,787) units - at net asset value	360,762,619	292,436,618
Atlas Insurance Limited - Window Takaful Operation		
Issue of 47,099 (2020: Nil) units	25,000,000	-
Redemption of 47,099 (2020: Nil) units	25,567,750	-
Atlas Foundation (Group company)		
Issue of 1,285 (2020: Nil) units	659,142	-
Dividend declared	5,241,628	673,723
Outstanding 104,935 (2020: 103,650) units - at net asset value	60,141,610	47,229,030

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	----- Rupees -----	
Atlas Honda Limited (Group Company)		
Issue of 13,071 (2020: 2,672) units	7,568,436	1,186,405
Dividend declared	8,904,042	1,143,628
Outstanding 191,152 (2020: 178,081) units - at net asset value	109,555,795	81,144,311
Atlas Honda Limited Employee Provident Fund (Retirement benefit plan of group company)		
Issue of 8,587 (2020: 1,638) units	4,971,936	744,568
Dividend declared	4,971,936	744,568
Redemption of 16,748 (2020: Nil) units	10,000,000	-
Outstanding 108,026 (2020: 116,187) units - at net asset value	61,913,186	52,941,568
Atlas Group of Companies, Management Staff Gratuity Fund (Retirement benefit plan of group company)		
Issue of 20,295 (2020: 47,517)	11,843,858	20,988,226
Redemption of 18,201 (2020: 30,082) units	9,969,716	15,500,000
Dividend declared	7,193,858	918,655
Outstanding 156,301 (2020: 154,208) units - at net asset value	89,581,735	70,266,580
Batools Benefit Trust (Trust having common Director / Trustee)		
Issue of 8,126 (2020: 1,329)	4,705,011	604,307
Dividend declared	5,535,307	710,950
Outstanding 118,832 (2020: 110,706) units - at net asset value	68,106,706	50,444,358
Shirazi Investments (Private) Limited (Group Company)		
Issue of Nil (2020: 442,192) units	-	180,000,000
Dividend declared	22,109,596	2,874,247
Outstanding 442,192 (2020: 442,192) units - at net asset value	253,435,088	201,489,168
Shirazi Investments (Private) Limited Employee Provident Fund (Retirement benefit plan of group company)		
Issue of 441 (2020: 5,219) units	255,225	2,197,542
Dividend declared	255,225	183,628
Redemption of 25,721 (2020: Nil) units	15,240,102	-
Outstanding 5,545 (2020: 30,826) units - at net asset value	3,178,203	14,045,961
Directors and their close family members and key management personnel and executives of the Management Company		
Issue of 39,474 (2020: 20,968) units	21,642,324	9,043,754
Redemption of 21,616 (2020: 14,351) units	12,520,109	6,471,155
Dividend declared	8,408,164	10,631,052
Outstanding 180,136 (2020: 134,720) units - at net asset value	103,243,267	61,386,454

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

18.5 Other balances due from / to related parties / connected persons are included in the respective notes to the financial statements.

19 FINANCIAL INSTRUMENTS BY CATEGORY

	-----As at 30 June 2021-----			
	At amortised Cost	At fair value through profit or loss	At fair value through other comprehensive income	Total
	----- (Rupees) -----			
Financial Assets				
Bank balances	79,257,880	-	-	79,257,880
Investments	-	2,680,575,760	-	2,680,575,760
Profit receivable on bank balances	352,047	-	-	352,047
Receivable against sale of investments	38,060,666	-	-	38,060,666
Dividend receivable	3,801,825	-	-	3,801,825
Security Deposit	2,600,000	-	-	2,600,000
	124,072,418	2,680,575,760	-	2,804,648,178

	-----As at 30 June 2021-----		
	At fair value through profit or loss	At amortised cost	Total
	----- (Rupees) -----		
Financial Liabilities			
Payable to Atlas Asset Management Limited - Management Company	-	18,770,072	18,770,072
Payable to Central Depository Company of Pakistan Limited - Trustee	-	346,485	346,485
Payable against redemption of units	-	1,384,692	1,384,692
Accrued expenses and other liabilities	-	4,766,102	4,766,102
	-	25,267,351	25,267,351

	----- As at 30 June 2020 -----			
	At amortised Cost	At fair value through profit or loss	At fair value through other comprehensive income	Total
	----- (Rupees) -----			
Financial Assets				
Bank balances	42,077,624	-	-	42,077,624
Investments	-	1,834,162,742	-	1,834,162,742
Profit receivable on bank balances	261,877	-	-	261,877
Receivable against sale of investments	-	-	-	-
Dividend receivable	138,000	-	-	138,000
Security Deposit	2,600,000	-	-	2,600,000
	45,077,501	1,834,162,742	-	1,879,240,243

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	-----As at 30 June 2020-----		
	At fair value through profit or loss	At amortised cost	Total
	-----(Rupees)-----		
Financial Liabilities			
Payable to Atlas Asset Management Limited - Management	-	16,364,057	16,364,057
Payable to Central Depository Company of Pakistan Limited - Trustee	-	266,731	266,731
Payable against redemption of units	-	17,508,280	17,508,280
Accrued expenses and other liabilities	-	1,405,090	1,405,090
	-	35,544,158	35,544,158

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

- 20.1** The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, Fund's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, credit risk and liquidity risk arising from the financial instruments it holds.

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

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

20.2 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as profit rates, foreign exchange rates and equity prices.

(i) Profit rate risk

Profit rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market profit rates. As of 30 June 2021, the Fund is exposed to such risk on its balances held with banks. The investment committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which exposes the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in market interest rates as at 30 June 2021, with all other variables held constant, the net income for the year and net assets would have been higher / lower by Rs. 489,438 (2020: Rs. 386,496).

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

b) Sensitivity analysis for fixed rate instruments

Presently, the Fund does not hold any fixed rate instrument that may expose the Fund to fair value profit rate risk. The composition of the Fund's investment portfolio and profit rates are expected to change overtime. Accordingly, the sensitivity analysis prepared as of 30 June 2021 is not necessarily indicative of the impact on the Fund's net assets of the future movement in profit rates.

Yield / profit rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off balance sheet instruments is based on settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at 30 June 2021 can be determined as follows:

Effective yield / profit rate	2021				
	Exposed to yield / profit rate risk		Not exposed to yield / profit rate risk	Total	
	Upto three months	More than three months and upto one year			
Percentage ----- (Rupees)-----					
Financial Assets					
Bank balances	5.90 - 6.90	79,257,880	-	-	79,257,880
Investments		-	2,680,575,760	2,680,575,760	5,361,151,520
Profit receivable on bank balances		-	-	352,047	352,047
Receivable against sale of investments		-	-	38,060,666	38,060,666
Dividend receivable		-	-	3,801,825	3,801,825
Security Deposit		-	-	2,600,000	2,600,000
	79,257,880	-	2,680,575,760	2,725,390,297	5,485,223,938
Financial Liabilities					
Payable to Atlas Asset Management Limited - Management Company		-	-	18,770,072	18,770,072
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	346,485	346,485
Payable against redemption of units		-	-	1,384,692	1,384,692
Accrued expenses and other liabilities		-	-	4,766,102	4,766,102
	-	-	-	25,267,351	25,267,351
On-balance sheet gap (a)	79,257,880	-	2,680,575,760	2,700,122,946	5,459,956,587
Off-balance sheet financial instruments					
Off-balance sheet gap (b)	-	-	-	-	-
Total interest rate sensitivity gap (a + b)	79,257,880	-	2,680,575,760		
Cumulative interest rate sensitivity gap	79,257,880	79,257,880	2,759,833,640		

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Effective yield / profit rate	2020				
	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
Percentage ----- (Rupees) -----					
Financial Assets					
Bank balances	7.35 - 7.75	42,077,624	-	-	42,077,624
Investments	-	-	-	1,834,162,742	1,834,162,742
Profit receivable on bank balances	-	-	-	261,877	261,877
Receivable against sale of investments	-	-	-	-	-
Dividend receivable	-	-	-	138,000	138,000
Security Deposit	-	-	-	2,600,000	2,600,000
	42,077,624	-	-	1,837,162,619	1,879,240,243
Financial Liabilities					
Payable to Atlas Asset Management Limited - Management Company	-	-	-	16,364,057	16,364,057
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	266,731	266,731
Payable against redemption of units	-	-	-	17,508,280	17,508,280
Accrued expenses and other liabilities	-	-	-	1,405,090	1,405,090
	-	-	-	35,544,158	35,544,158
On-balance sheet gap (a)	42,077,624	-	-	1,801,618,461	1,843,696,085
Off-balance sheet financial instruments	-	-	-	-	-
Off-balance sheet gap (b)	-	-	-	-	-
Total interest rate sensitivity gap (a + b)	42,077,624	-	-		
Cumulative interest rate sensitivity gap	42,077,624	42,077,624	42,077,624		

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Equity price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund is exposed to equity price risk on investments held by the Fund and classified as 'at fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the Trust Deed. The NBFC Regulations also limit individual equity securities to no more than 15% of net assets and issued capital of the investee company and sector exposure limit to 40% of the net assets.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

In case of 5% increase / decrease in KMI 30 index on 30 June 2021, with all other variables held constant, net income of the Fund for the period would increase / decrease by Rs. 134,028,788 (2020: 91,708,137) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KMI 30 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI 30 Index, is expected to change overtime. Accordingly, the sensitivity analysis prepared as of 30 June 2021 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI 30 Index.

20.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to the daily settlement of equity securities and to daily redemptions, if any. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed of. The Fund's listed securities are considered readily realisable, as they are listed on the Pakistan Stock Exchange Limited.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The fund did not withhold any redemptions during the year.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

As at 30 June 2021					
	Within 1 month	1 to 3 months	3 to 12 months	More than 1 year	Financial instruments without fixed maturity
Rupees					
Financial Assets					
Bank balances	79,257,880	-	-	-	-
Investments	-	-	-	-	2,680,575,760
Profit receivable on bank balances	352,047	-	-	-	-
Receivable against sale of investments	38,060,666	-	-	-	-
Dividend receivable	3,801,825	-	-	-	-
Security Deposit	-	-	-	-	2,600,000
	121,472,418	-	-	-	2,683,175,760
					2,804,648,178
Financial Liabilities					
Payable to Atlas Asset Management Limited - Management Company	18,770,072	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	346,485	-	-	-	-
Payable against redemption of units	1,384,692	-	-	-	-
Accrued expenses and other liabilities	2,324,516	2,017,570	424,016	-	-
	22,825,765	2,017,570	424,016	-	4,766,102
					25,267,351
Net assets / (liabilities)	98,646,653	(2,017,570)	(424,016)	-	2,683,175,760
					2,779,380,827

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

----- As at 30 June 2020 -----

	Within 1 month	1 to 3 months	3 to 12 months	More than 1 year	Financial instruments without fixed maturity	Total
----- Rupees -----						
Financial Assets						
Bank balances	42,077,624	-	-	-	-	42,077,624
Investments	-	-	-	-	1,834,162,742	1,834,162,742
Profit receivable on bank balances	261,877	-	-	-	-	261,877
Receivable against sale of investments	-	-	-	-	-	-
Dividend receivable	138,000	-	-	-	-	138,000
Security Deposit	-	-	-	-	2,600,000	2,600,000
	42,477,501	-	-	-	1,836,762,742	1,879,240,243
Financial Liabilities						
Payable to Atlas Asset Management Limited - Management Company	16,364,057	-	-	-	-	16,364,057
Payable to Central Depository Company of Pakistan Limited - Trustee	266,731	-	-	-	-	266,731
Payable against purchase of investments	-	-	-	-	-	-
Payable against redemption of units	17,508,280	-	-	-	-	17,508,280
Accrued expenses and other liabilities	238,712	756,394	409,984	-	-	1,405,090
	34,377,780	756,394	409,984	-	-	35,544,158
Net assets / (liabilities)	8,099,721	(756,394)	(409,984)	-	1,836,762,742	1,843,696,085

20.4 Credit risk

Credit risk represents the risk of a loss if counterparties fail to perform as contracted and arises principally from bank balances, investments, profit receivable and deposit and other receivable.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets.

	2021		2020	
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
Bank balances	79,257,880	79,257,880	42,077,624	42,077,624
Profit receivable on bank balances	352,047	352,047	261,877	261,877
Receivable against sale of investments	38,060,666	38,060,666	-	-
Dividend receivable	3,801,825	3,801,825	138,000	138,000
Security Deposit	2,600,000	2,600,000	2,600,000	2,600,000
	124,072,418	124,072,418	45,077,501	45,077,501

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in equity securities of Rs 2.69 million (2020: Rs 1.83 million) are not exposed to credit risk.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

20.4.1 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks. The credit rating profile of balances with banks is as follows:

Ratings of amounts placed with banks	% of financial assets exposed to credit risk	
	2021	2020
AAA	6.78	12.17
AA+	1.77	0.22
AA	0.02	0.02
A+	88.70	87.59
A	2.74	-
	100.00	100.00

The maximum exposure to credit risk before any credit enhancement as at 30 June 2020 is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

All the balances with banks have investment grade rating and hence are classified as Stage 1 under IFRS 9.

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Funds portfolio of financial assets is mainly held with credit worthy counterparties.

20.5 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

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.

20.6 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 Pakistan Stock Exchange Limited (Level 1). Fair value of remaining financial assets is not significantly different from their carrying value.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. They are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restrictions on the subscription and redemption of units. As required under the NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of the scheme. The Fund has maintained and complied with the requirement of minimum fund size during the current year.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 20, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

22 UNIT HOLDING PATTERN OF THE FUND

Category	2021			2020		
	Number of unit holders	Rupees	% of total	Number of unit holders	Rupees	% of total
Individuals	674	467,448,694	17.27	654	206,527,611	11.33
Retirement Funds	10	818,818,774	30.25	12	565,800,982	31.03
Associated Companies/ Directors	8	917,582,392	33.90	8	733,737,798	40.24
Others	9	366,607,606	13.54	7	163,347,245	8.96
Insurance Companies	3	136,283,984	5.03	3	153,901,482	8.44
	704	2,706,741,450	100.00	684	1,823,315,118	100.00

23 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

Name of broker	2021	Percentage of commission paid	Name of broker	2020	Percentage of commission paid
	2021			2020	
Optimus Capital Management (Pvt) Ltd	7.35%	7.35%	Optimus Capital Management (Pvt) Ltd	7.76%	7.76%
Topline Securities Limited	6.88%	6.88%	Taurus Securities Limited	7.06%	7.06%
BIPL Securities Limited	5.27%	5.27%	Habib Metropolitan Financial Services Limited	6.62%	6.62%
ABA Ali Habib Securities (Pvt) Limited	5.24%	5.24%	Alfalal securities (Private) Limited	6.36%	6.36%
Ismail Iqbal Securities (Pvt) Ltd	4.89%	4.89%	Shajar Capital Pakistan (Private) Limited	5.66%	5.66%
Alfalal CLSA Securities (Private) Limited	4.89%	4.89%	Topline Securities Limited	5.49%	5.49%
Next Capital Limited	4.33%	4.33%	AKD Securities Limited	5.48%	5.48%
JS Global Capital Limited	4.26%	4.26%	Pearl Securities Limited	5.21%	5.21%
Foundation Securities (Private) Limited	4.22%	4.22%	Insight Securities (Private) Limited	5.03%	5.03%
Intermarket Securities Limited	3.99%	3.99%	BMA Capital Management Limited	4.81%	4.81%

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

24 THE MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Mr. Ali H. Shirazi	Director	Masters in Law	17.5 Years
Mr. M. Abdul Samad	Chief Executive Officer	MBA, M.Com	21 Years
Mr. Khalid Mehmood	Chief Investment Officer	MBA - Finance	17 Years
Mr. Muhammad Umar Khan	Head of Portfolio Management	MSc - Finance	13 Years
Mr. Fawad Javaid	Head of Fixed Income	CMA	13 Years
Mr. Faran-ul-Haq	Head of Equities	M.B.A, CFA	10 Years

25 NAME AND QUALIFICATION OF FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Mr. Faran-ul-Haq	Head of Equities	MBA, CFA	Atlas Stock Market Fund Atlas Islamic Dedicated Stock Fund Atlas Islamic Fund of Funds

26 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The details of dates of Board meetings of the Management Company of the Fund, and the attendance of the Board members are given below:

Name of Director	Meeting held on					
	06 July 2020	10 Sep 2020	26 Oct 2020	25 Feb 2021	29 Apr 2021	25 June 2021
Mr. Iftikhar H. Shirazi	P	P	P	P	P	P
Mr. Tariq Amin	P	P	P	P	P	P
Mr. Frahim Ali Khan	P	P	P	P	P	P
Mr. Ali H. Shirazi	P	P	P	P	P	P
Mr. M. Habib-ur-Rahman	P	P	P	P	P	P
Ms Zehra Naqvi	P	P	P	P	P	P
Mr. M. Abdul Samad	P	P	P	P	P	P
Ms Qurrat-ul-ain Jafari (Chief Financial Officer)	L	P	P	P	P	P
Ms Zainab Kazim(Company Secretary)	P	L	L	P	P	P

P Present

L Leave of absence

27 RATING OF THE MANAGEMENT COMPANY

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

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

28 GENERAL

- 28.1 Figures have been rounded off to the nearest Rupee.
- 28.2 Units have been rounded off to the nearest decimal place.

29 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 6 September 2021.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Islamic Fund of Funds

Corporate Information

Trustee

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

Shariah Advisor

Dr. Mufti Muhammad Wasih Fasih Butt

Auditors

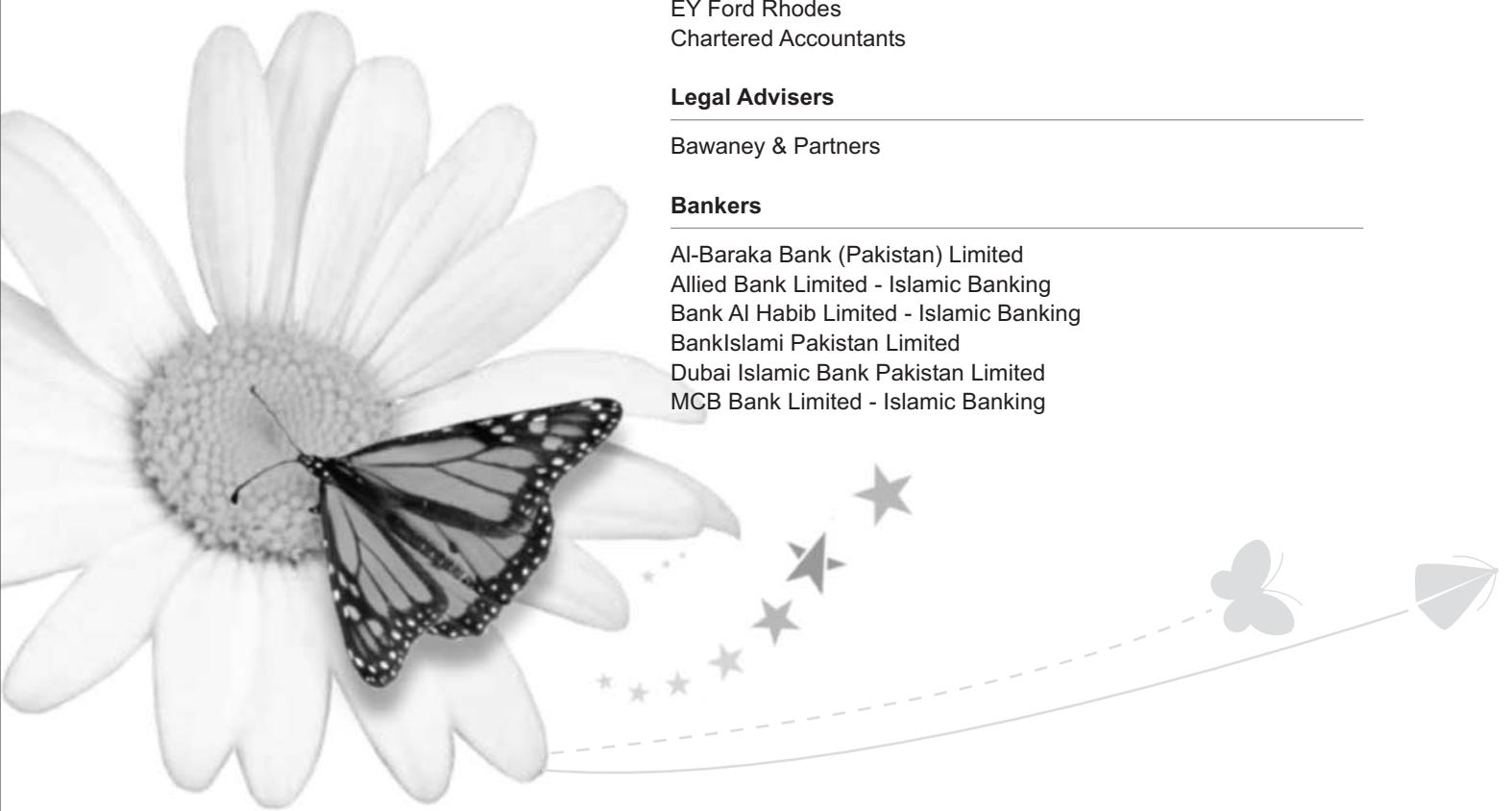
EY Ford Rhodes
Chartered Accountants

Legal Advisers

Bawaney & Partners

Bankers

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



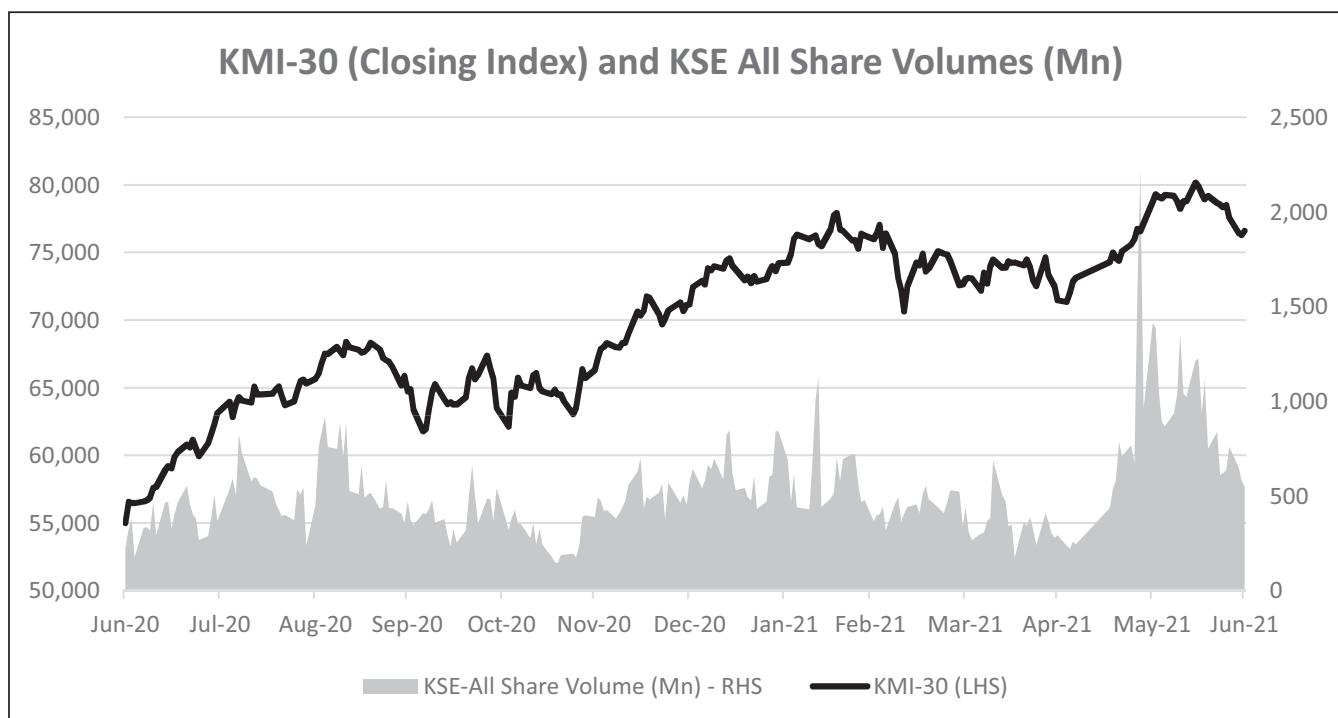
Fund Manager's Report

The objective of Atlas Islamic Fund of Funds (AIFOF) is to provide unit holders the opportunity to earn potentially high returns through investment as per respective Allocation Plans by investing in Shariah Compliant Fixed Income Schemes (Atlas Islamic Income Fund) and Shariah Compliant Equity based Collective Investment Schemes (Atlas Islamic Dedicated Stock Fund). Currently AIFOF comprises of five plans i.e. Atlas Aggressive Allocation Islamic Plan (AAAIIP), Atlas Moderate Allocation Islamic Plan (AMAIP), Atlas Conservative Allocation Islamic Plan (ACAIP), Atlas Islamic Capital Preservation Plan (AICPP) and Atlas Islamic Dividend Plan (AIDP). The AAAIP and AMAIP have a high-risk rating, while the ACAIP, AICPP and AIDP have a medium risk rating, respectively.

The benchmark of each allocation Plan will be the weighted average return of KMI-30 Index, and Six months average deposit rates of three (3) A rated Islamic Banks or Islamic windows of conventional banks as selected by MUFAP based on the actual proportion of investment in Equity, Income schemes and bank deposit made by the respective allocation Plan.

THE STOCK MARKET

The KMI-30 index increased 39.32% from 54,995.25 points as on June 30, 2020 to 76,621.54 points as on June 30, 2021. The daily average volume during FY21 increased by 168.80% to 528 million shares compared to daily average of 196 million shares traded in FY20. Net outflow of US \$387 was recorded by Foreign Portfolio Investors during FY21 compared to net outflow of US \$285 million in FY20. On local investors front, Individuals, Companies, Other Organizations and Mutual Funds were net buyers of US \$332 million, US \$138 million, US \$45 million and US \$10 million. Insurance Companies, Broker Proprietary Trading and Banks remained net sellers of US \$10 million, US \$32 million and US \$95 million, respectively.



The Net Asset Value of Atlas Aggressive Allocation Islamic Plan (AAAIIP) increased by 28.08% to Rs. 594.48 as on June 30, 2021. AAAIP was 24.39% and 70.73% invested in AIIF and AIDSF, respectively. The Net Asset Value of Atlas Moderate Allocation Islamic Plan (AMAIP) increased by 21.54% to Rs. 583.38 as on June 30, 2021. AMAIP was 44.83% and 52.24% invested in AIIF and AIDSF, respectively. The Net Asset Value of Atlas Conservative Allocation Islamic Plan (ACAIP) increased by 14.15% to Rs. 567.10 as on June 30, 2021. ACAIP was 70.28% and 27.98% invested in AIIF and AIDSF, respectively. The Net Asset Value of Atlas Islamic Capital Preservation Plan (AICPP) increased by 12.25% to Rs. 531.32 as on June 30, 2021. AICPP was 94.07% and 5.09% invested in AIIF and AIDSF, respectively. The Net Asset Value of Atlas Islamic Dividend Plan (AIDP) increased by 5.58% (annualized basis) as on June 30, 2021. AIDP was 87.74% invested in AIIF. The Net Assets of AIFOF stood at Rs. 923.46 million as of June 30, 2021.

Breakdown of Unit holding by type for Atlas Aggressive Allocation Islamic Plan (AAAIP) is as follows:

Type of Investor	No. of Investors	Amount of Investment (Rs.)	Percentage (%)
Individual	9	4,482,854	3.49%
Associated companies / Directors	2	124,008,104	96.51%
Total	11	128,490,959	100.00%

Breakdown of Unit holding by type for Atlas Moderate Allocation Islamic Plan (AMAIP) is as follows:

Type of Investor	No. of Investors	Amount of Investment (Rs.)	Percentage (%)
Individual	12	11,284,460	8.44%
Associated companies / Directors	2	122,487,443	91.56%
Total	14	133,771,902	100.00%

Breakdown of Unit holding by type for Atlas Conservative Allocation Islamic Plan (ACAIPI) is as follows:

Type of Investor	No. of Investors	Amount of Investment (Rs.)	Percentage (%)
Individual	18	1,135,574	0.82%
Associated companies / Directors	2	137,119,865	99.18%
Total	20	138,255,440	100.00%

Breakdown of Unit holding by type for Atlas Islamic Capital Preservation Plan (AICPP) is as follows:

Type of Investor	No. of Investors	Amount of Investment (Rs.)	Percentage (%)
Individual	31	37,641,399	7.59%
Retirement Funds	2	6,032,961.79	1.22%
Associated companies / Directors	2	236,476,847	47.70%
Others	2	215,619,168	43.49%
Total	37	495,770,376	100.00%

Breakdown of Unit holding by type for Atlas Islamic Dividend Plan (AIDP) is as follows:

Type of Investor	No. of Investors	Amount of Investment (Rs.)	Percentage (%)
Individual	4	5,846,015	21.52%
Associated companies / Directors	1	21,321,967	78.48%
Total	5	27,167,982	100.00%

The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Islamic Fund of Funds, under the authority delegated by the Board of Directors of Atlas Asset Management Limited has approved aggregate distribution of Rs 17.60 per unit for AAAIP, Rs. 18.60 for AMAIP, Rs. 23.90 for ACAIP and Rs. 28.20 for AICPP for the period ended June 30, 2021.

The Expense Ratio of AAAIP is 0.88%, AMAIP is 0.79%, ACAIP is 0.66%, AICPP is 0.58% and AIDP is 0.74% including expenses representing Government levy of AAAIP is 0.51%, AMAIP is 0.42%, ACAIP is 0.30%, AICPP is 0.26% and AIDP is 0.15%.

During the year under review, the Investment Committee held fifty-two meetings to review investment of the Fund and the Risk Committee held fifteen meetings to review risk management.

Karachi: 6 September 2021

Faran-Ul-Haq
Head of Equities

Performance Since Inception

30 June 2021					
	AAAIPI	AMAIPI	ACAIPI	AICPP	AIDP
Net Assets (Rs. in '000)	128,491	133,772	138,255	495,770	27,168
Number of units in issue	216,140	229,306	243,795	933,099	54,336
Net assets value per unit (Rs.)	594.48	583.38	567.10	531.32	500.00
Net (loss) / income (Rs. in '000)	28,014	24,350	17,936	55,728	1,471
Earnings per unit (Rs.)	129.61	106.19	73.57	59.72	27.07
Annual return of the fund (%)	28.08	21.54	14.15	12.25	5.58
Offer Price *** (Rs.)	607.92	596.56	579.92	-	500.00
Redemption Price *** (Rs.)	594.48	583.38	567.10	516.31	500.00
Distribution (Rs.)	17.60	18.60	23.90	28.20	27.03
Distribution as a % of Opening Ex- NAV of units	3.68	3.75	4.62	5.66	5.41
Date of Distribution	29-Jun-21	29-Jun-21	29-Jun-21	29-Jun-21	
Highest offer price per unit (Rs.)	640.39	625.57	609.02	-	500.00
Lowest offer price per unit (Rs.)	500.24	515.62	535.34	-	499.84
Highest redemption price per unit (after applicable back-end load) (Rs.)	626.24	611.74	595.56	543.84	500.00
Lowest redemption price per unit (after applicable back-end load) (Rs.)	489.19	504.23	523.51	489.07	499.84

30 June 2020					
	AAAIPI	AMAIPI	ACAIPI	AICPP	AIDP**
Net Assets (Rs. in '000)	100,177	112,808	126,610	456,056	26,135
Number of units in issue	209,596	227,735	244,525	914,884	52,270
Net assets value per unit (Rs.)	477.95	495.35	517.78	498.49	500.00
Net (loss) / income (Rs. in '000)	9,323	11,447	14,408	43,685	1,903
Earnings per unit (Rs.)	44.48	50.26	58.92	47.75	36.41
Annual return of the fund (%)	10.04	10.95	12.02	10.15	7.28
Offer Price *** (Rs.)	488.75	506.54	529.48	-	500.00
Redemption Price *** (Rs.)	477.95	495.35	517.78	484.41	500.00
Distribution (Rs.)	10.50	21.00	37.00	39.00	9.54
Distribution as a % of Opening Ex- NAV of units	2.37	4.51	7.47	7.99	1.91
Date of Distribution	30-Jun-20	30-Jun-20	30-Jun-20	30-Jun-20	
Highest offer price per unit (Rs.)	562.55	568.17	576.49	-	500.00
Lowest offer price per unit (Rs.)	404.92	441.81	493.22	-	499.47
Highest redemption price per unit (after applicable back-end load) (Rs.)	550.12	555.61	563.75	541.92	500.00
Lowest redemption price per unit (after applicable back-end load) (Rs.)	395.97	432.05	482.32	457.87	499.47

30 June 2019*					
	AAAIPI	AMAIPI	ACAIPI	AICPP	
Net Assets (Rs. in '000)	92,924	103,279	120,868	430,862	
Number of units in issue	209,341	221,897	244,021	882,926	
Net assets value per unit (Rs.)	443.89	465.44	495.32	487.99	
Net (loss) / income (Rs. in '000)	(11,616)	(7,620)	(1,223)	(14,540)	
Earnings per unit (Rs.)	(55.49)	(34.34)	(5.01)	(16.47)	
Annual return of the fund (%)	(11.22)	(6.91)	(0.94)	(2.40)	
Offer Price *** (Rs.)	453.92	475.96	506.51	-	
Redemption Price *** (Rs.)	443.89	465.44	495.32	474.20	
Distribution (Rs.)	-	-	-	-	
Distribution as a % of Opening Ex- NAV of units	-	-	-	-	
Date of Distribution	-	-	-	-	
Highest offer price per unit (Rs.)	527.31	523.37	518.75	517.05	
Lowest offer price per unit (Rs.)	444.39	467.22	498.89	-	
Highest redemption price per unit (after applicable back-end load) (Rs.)	515.66	511.80	507.29	500.00	
Lowest redemption price per unit (after applicable back-end load) (Rs.)	434.57	456.89	487.86	466.47	

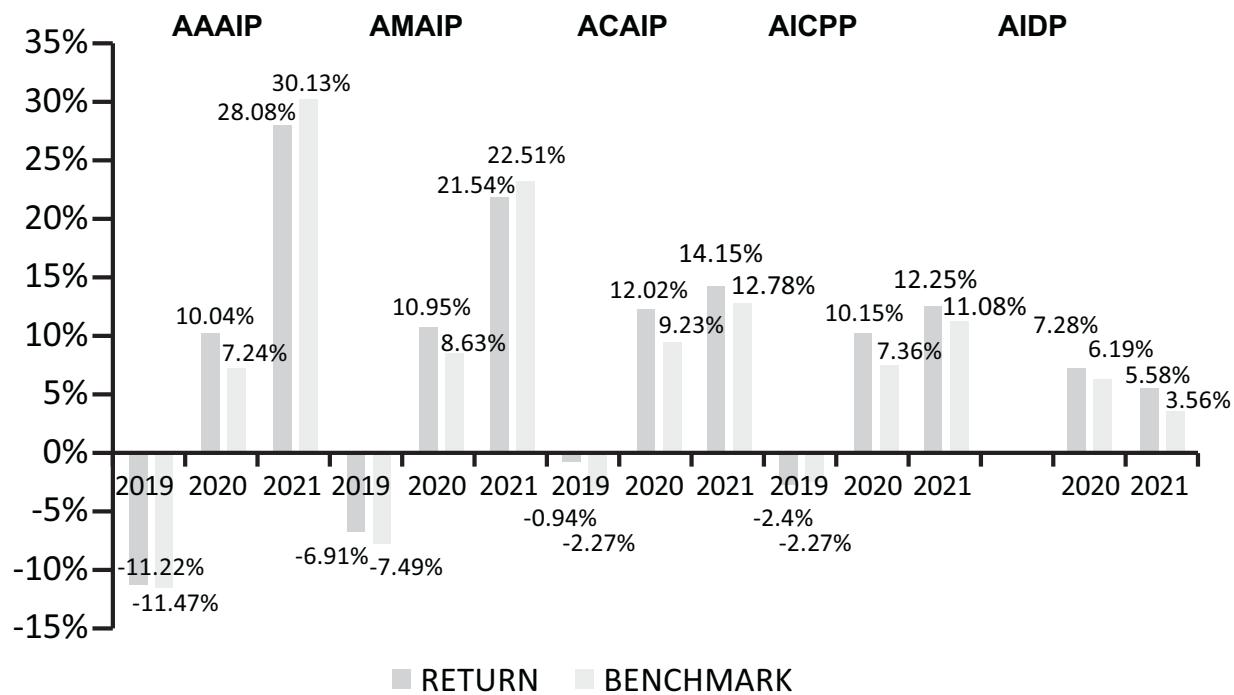
*Period from 07 January 2019 to 30 June 2019 (Date of Launch: January 07, 2019)

**Period from 16 March 2020 to 30 June 2020 (Date of Launch: January 16, 2020)

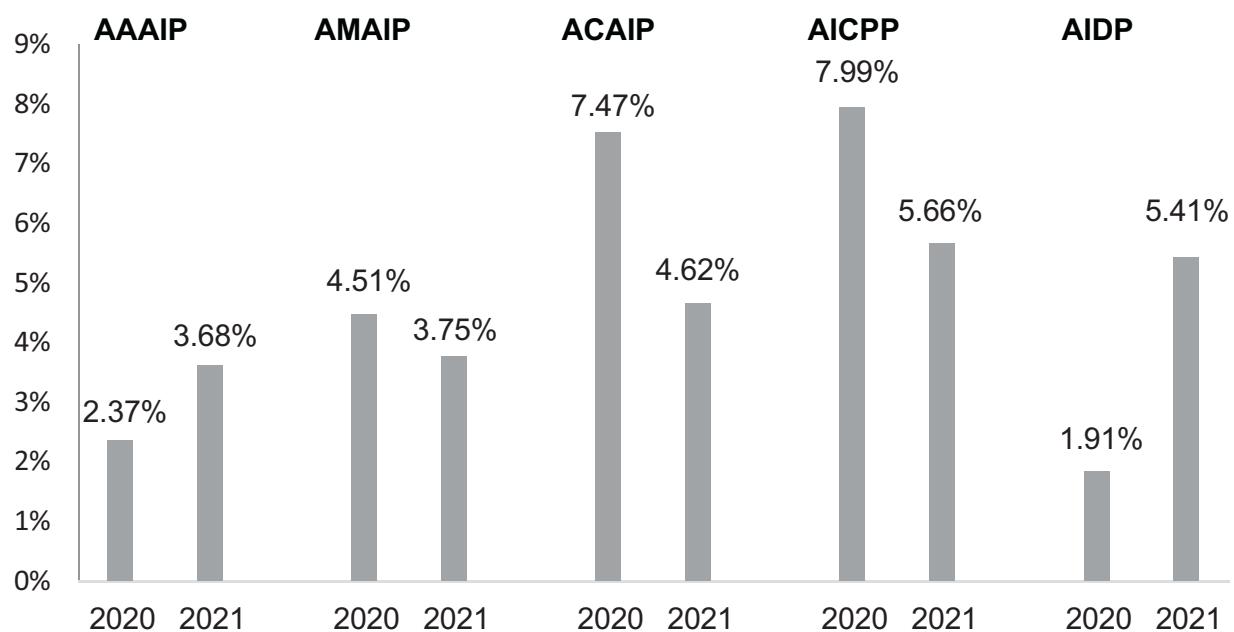
*** Relates to announced prices.

Note: Past performance of the funds is not indicative of future performance, and the unit price and investment return may go down, as well as up.

Yearly Performance



Payout History (% on opening Ex - NAV)



TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) and Clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Atlas Islamic Fund of Funds (the Fund) are of the opinion that Atlas Asset Management Limited, being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2021 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Karachi: 30 September 2021

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

REVIEW REPORT OF THE SHARIAH ADVISOR

As a Shariah Adviser of the Atlas Islamic Fund of Funds (AIFOF), I am issuing this report in accordance with clause 11.3 (b) of the Trust Deed of the Fund. The scope of the report is to express an opinion on the Shariah compliance of the Fund's activities.

It is the responsibility of Atlas Asset Management Limited (AAML), the management company of the Fund, to establish and maintain a system of internal controls to ensure compliance with the Shariah guidelines. As Shariah Adviser, my responsibility is to express an opinion based on my review of the representations made by the management, to the extent where such compliance can be objectively verified.

For screening investment in equities, I have advised a criteria and procedure to be followed in ensuring Shariah compliance in equity investments.

As part of my mandate as the Shariah Adviser to the Fund, I have reviewed the following, during the year:

- The modes of investment of Fund's property and its compliance with Shariah guidelines.
- The process of deployment of Fund's property and its compliance with Shariah guidelines.
- The process of purification of income and its compliance with Shariah guidelines.

In light of the above scope, I hereby certify that all the provisions of the scheme and investments made by the Fund for the year ended June 30, 2021 are in compliance with the Shariah principles.

There are investments made by AIFOF where investee companies have earned a part of their income from non-compliant sources (e.g. interest income). In such cases, the Fund Manager, in consultation with me, the Shariah Board of the Fund, have determined the Haram portion of the income of the Fund and marked to charity in order to purify the whole income.

Karachi: 30 June 2021

Dr. Mufti Muhammad Wasie Fasih Butt
Shariah Advisor

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Atlas Islamic Fund of Funds Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Atlas Islamic Fund of Funds** (the Fund), which comprise the statement of assets and liabilities as at 30 June 2021, and the income statement, statement of comprehensive income, cash flows statement and statement of movement in unit holders' fund for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2021, and of its financial performance and its cash flows for the period then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

Key audit matter	How our audit addressed the key audit matter
Investment in units of mutual funds	
As disclosed in note 5 to the accompanying financial statements of the Fund for the period ended 30 June 2021, the investments held by the Fund comprised of units of mutual funds which represent significant portion of the total assets of the Fund as at the period end. In view of the above, we have considered this area as a key audit matter.	We performed a combination of audit procedures focusing on the existence and valuation of investments. Our key procedures included the following: <ul style="list-style-type: none">• We obtained an understanding of fund's process over acquisition, disposals and periodic valuation of investment portfolio and evaluated / tested controls in those areas for the purpose of our audit.• We performed substantive audit procedures on period-end balance of portfolio including review of custodian's statement, related reconciliations and re-performance of investment valuations on the basis of net asset values declared by the respective mutual funds.• We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations) in relation to the concentration of investment in units of mutual funds and exposure limits prescribed in such Regulations and the applicability of disclosures in this regard.

Key audit matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> • We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investments in units of mutual funds portfolio in accordance with the requirements of the Regulations and applicable financial reporting standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

-
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Arslan Khalid.

Karachi: 20 September 2021

EY Ford Rhodes
Chartered Accountants
Engagement Partner: Arslan Khalid

STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 JUNE 2021

Note	2021						2020					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
ASSETS												
Bank balances	4	4,268,055	3,920,135	554,548	3,951,358	3,260,822	15,944,918	465,585	1,550,174	382,627	6,662,587	3,357,209
Investments - net	5	126,533,606	134,529,047	142,353,795	507,138,596	23,964,693	934,509,737	101,926,792	116,682,490	134,087,076	468,438,739	22,946,705
Receivable against sale of investments												
Profit receivable on deposit with banks	6	2,110,000	-	1,825,000	-	3,935,000	-	-	-	-	-	-
Other receivables	7	8,042	17,536	16,468	192,708	18,658	253,422	2,585	5,157	1,886	205,585	31,351
Deferred Formation cost												
Total assets		132,920,864	138,587,890	144,872,238	511,437,808	27,301,048	955,231,955	102,573,798	117,415,046	134,650,009	475,515,623	26,335,265
LIABILITIES												
Payable to Atlas Asset Management Company - Management Company	8	39,205	21,759	42,521	81,052	6,864	191,432	14,666	16,831	19,816	75,342	6,703
Payable to the Central Depository Company of Pakistan Limited - Trustee	9	8,555	8,726	9,382	33,046	1,763	61,472	6,614	7,522	8,673	30,639	5,144
Payable to the Securities and Exchange Commission of Pakistan	10	23,851	25,904	27,688	98,034	5,414	180,890	19,765	22,292	25,701	91,396	4,871
Accrued expenses and other liabilities	11	4,470,390	4,759,599	6,557,206	15,455,269	119,025	31,341,489	2,355,580	4,560,793	7,986,056	19,261,755	186,890
Total liabilities		4,542,001	4,815,988	6,616,798	15,667,431	133,066	31,775,296	2,396,645	4,607,438	8,040,246	19,459,132	20,160
NET ASSETS		128,490,961	133,771,902	138,255,440	495,770,377	27,167,982	923,456,682	100,177,153	112,807,608	126,609,763	456,056,491	26,135,105
UNIT HOLDER'S FUND (AS PER STATEMENT ATTACHED)												
NUMBER OF UNITS IN ISSUE		216,140	229,306	243,795	933,099	54,336		209,596	227,735	244,525	914,884	52,270
NET ASSET VALUE PER UNIT		594.4797	583.3773	567.0963	531.3157	500.0000		477.9500	495.3500	517.7800	498.4900	500.0000
FACE VALUE PER UNIT		500.0000	500.0000	500.0000	500.0000	500.0000		500.0000	500.0000	500.0000	500.0000	500.0000
Contingencies and commitments	12											
The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.												

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

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman
Director

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

Note	2021						2020						For the period from 16 March 2020 to 30 June 2020		
	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	Aggressive Allocation	Moderate Allocation	Conservative Allocation
	Rupees						Rupees								
INCOME															
Profit on deposits with banks															
Dividend income															
Gain / (loss) from investments at fair value through P&L															
Capital gain on sale of investments at fair value through income statement - net															
Net unrealised appreciation / (dramption) on re-measurement of investments classified as financial assets at fair value through profit or loss ¹	5.1	23,795,761	18,329,314	10,331,286	3,684,706	(70,039)	56,071,028	4,440,550	3,539,712	1,976,171	3,501,006	(1,924,685)	11,532,754	26,729,970	26,729,970
Total income															
EXPENDITURE															
Management fee	8.1	5,427	17,068	10,265	40,789	34,151	107,700	6,956	8,098	7,835	67,204	33,359	123,452		
Sindh sales tax on remuneration of the Management Company	8.2	7,06	2,219	1,334	5,303	4,440	14,001	904	1,053	1,019	8,737	4,337	16,050		
Accounting & Operational charges	16	202,828	220,180	235,351	833,287	46,091	1,537,685	144,397	161,832	186,138	66,179	40,267	1,194,413		
Trustee fee	9.1	83,763	90,663	96,909	343,118	18,949	633,401	68,674	79,021	89,955	39,198	57,149	74,636		
Sindh sales tax on remuneration of the Trustee	9.2	10,889	11,786	12,598	44,605	2,463	82,341	9,058	10,143	11,694	41,585	2,156	16,581		
Annual fee - Securities and Exchange Commission of Pakistan	10.1	23,882	25,904	27,688	98,034	5,414	180,902	19,785	22,292	25,701	91,397	4,871	164,046		
Auditor's remuneration	13	17,011	34,324	34,673	127,397	6,790	220,795	47,332	37,800	46,310	8,533	351,643	8,533		
Amortization of preliminary expenses and flotation costs		56,053	56,053	56,053	-	224,212	56,054	56,053	56,054	56,053	-	224,212	56,053		
Annual Listing fee		3,987	4,307	4,594	16,288	899	30,036	3,244	3,643	4,201	14,942	719	26,749		
Printing charges		2,400	2,680	2,983	10,738	611	19,422	834	2,500	2,555	2,500	-	8,419		
Legal and Professional Charges		42,800	42,800	43,480	74,520	33,600	236,400	72,434	89,100	89,100	55,767	-	306,401		
Shariah advisory fee		12,763	13,977	15,050	55,466	2,351	99,607	6,389	7,183	8,283	29,444	1,434	52,732		
Bank charges		19,988	21,161	21,226	4,060	12,645	42,030	92,968	4,102	3,237	3,668	812	12,745		
Settlement charges		-	2,511	-	2,511	5,022	-	-	-	-	-	-	-		
Provision for Sindh Workers' Welfare Fund	11.1	571,775	486,984	368,034	1,137,344	30,067	2,602,145	190,260	233,618	284,049	89,1523	38,829	1,648,279		
Net income for the period before taxation	1.053,316	1,023,637	910,239	2,847,581	200,909	6,035,681	628,247	715,318	826,161	2,459,155	151,898	4,777,898	16,765,695	-	
Taxation	28,013,567	24,350,182	17,935,667	55,729,862	1,470,789	127,500,066	9,322,755	11,447,292	14,408,397	43,084,618	1,902,633	-	80,765,695	-	
Net income for the period after taxation	15	-	-	-	-	-	-	-	-	-	-	-	-	-	
Earnings per unit															
Allocation of net income for the period:															
Net income for the period after taxation															
Income already paid on units redeemed															
Accounting income available for distribution:															
-Relating to capital gains															
-Excluding capital gains															
Total	29,065,813	25,373,819	18,845,906	58,577,443	(3,044,833)	1,671,698	9,951,002	12,162,730	15,234,558	46,140,773	1,902,633	-	1,902,633	-	1,902,633
For the period from 16 March 2020 to 30 June 2020	9,321,406	11,447,292	14,387,780	43,084,618	1,902,633	-	43,084,618	1,902,633	-	43,084,618	1,902,633	-	43,084,618	1,902,633	1,902,633

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited (Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2021

	For the period from 16 March 2020 to 30 June 2020					
	2021					
Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total Islamic Plan	Aggressive Allocation
Islamic Plan	Islamic Plan	Islamic Plan	Plan	Plan	Islamic Plan	Moderate Allocation
						Conservative Allocation
						Islamic Capital Preservation Plan
						Dividend Plan
						Total Plan
----- Rupees -----						
Net income for the period after taxation	28,013,567	24,350,182	17,935,667	55,729,862	1,470,789	127,500,067
Other Comprehensive income / (loss)	-	-	-	-	-	-
Total comprehensive income for the period	28,013,567	24,350,182	17,935,667	55,729,862	1,470,789	127,500,067

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUND

FOR THE YEAR ENDED 30 JUNE 2021

	2021						2020						For the period from 16 March 2020 to 30 June 2020		
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total			
Capital Value															
Un distributed Income															
- Realised income															
- Unrealised (loss)															
Net assets at the beginning of the year															
(Units: AA/AlP 209,596, AM/AlP 227,735, AC/AlP 244,525, AC/PP 914,884 & AlDP 52,270)															
Issue of units															
Capital value (at net assets value per unit at the beginning of period)															
Aggressive - units 6,877 (2020: 5,556)															
Moderate - units 6,130 (2020: 5,139)															
Conservative - units 3,688 (2020: 2,580)															
Preservation - units 7,335 (2020: 32,529)															
Dividend - units 23,962 (2020: 26,433)															
Total proceeds on issuance of units															
4,169,779															
Redemption of units															
Capital value (at net assets value per unit at the beginning of period)															
Aggressive - units 128 (2020: 30)															
Moderate - units 4,578 (2020: 301)															
Conservative - units 4,416 (2020: 2,056)															
Preservation - units 5,137 (2020: 571)															
Dividend - units 27,891 (2020: 2,04,163)															
Income paid on redemption of unit															
Total Comprehensive income for the period															
Refund of Capital															
Distributions during the period															
Net income for the period less distribution															
Net assets at the end of the period															
(Units: AA/AlP 16,140, AM/AlP 228,306, AC/AlP 243,795, AC/PP 983,099 & AlDP 54,336)															
(2020: Units: AA/AlP 209,596, AM/AlP 227,735, AC/AlP 244,525, AC/PP 914,884 & AlDP 52,270)															
Capital Value															
Un distributed Income															
- Realised income															
- Unrealised income/(loss)															
Net assets at the end of the period															
Net assets value per unit at beginning of the period															
Net assets value per unit at end of the period															
Net assets value per unit at end of the period	477,950	493,350	517,700	498,490	500,000		443,89	465,44	495,52	481,99					
Net assets value per unit at end of the period	594,479	583,373	567,063	531,315	500,000		477,95	495,35	517,78	498,49	500,00				

The aforesaid notes 1 to 27 form an integral part of these condensed interim financial statements.

For Atlas Asset Management Limited (Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

Note	2021							2020							For the period from 16 March 2020 to 30 June 2020					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total		
	Rupess							Rupess												
CASH FLOWS FROM OPERATING ACTIVITIES																				
Net income for the period after taxation																				
Adjustments for:																				
Profit on deposits with banks																				
Dividend income																				
Gain on sale of investments at fair value through income statement - net																				
Net unrealised (appreciation) / diminution on re-measurement of investments classified as financial assets at fair value through profit or loss																				
Provision for Sindh Workers Welfare Fund																				
(Increase) / decrease in assets																				
Other receivables																				
Receivable against sale of investment																				
Deferred Formation cost																				
Increase / (decrease) in assets																				
Payable to Atlas Asset Management Company - Management Company																				
Payable to Central Depository Company of Pakistan Limited - Trustee																				
Payable to the Securities and Exchange Commission of Pakistan																				
Accrued expenses and other liabilities																				
Interest received																				
Dividend received																				
Investments made during the period																				
Investments sold during the period																				
Net cash generated / (used) in operating activities																				
Receipts against issuance of units																				
Dividend Paid																				
Refund of Capital																				
Payments against redemption of units																				
Net cash generated / (used) in financing activities																				
Net increase / (decrease) in cash and cash equivalents																				
Cash and cash equivalents at the beginning of the year																				
Cash and cash equivalents at the end of the year	4	4,258,055	3,920,135	554,548	3,951,358	3,260,822	15,944,918		465,585	1,550,174	382,627	6,662,587	3,357,209	12,418,162		7,825,894	2,021,345	-	12,313,469	

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1

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

1.2

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

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

During the period, Atlas Islamic Dividend Plan (AIDP) was launched on March 16, 2020 through one day IPO. It is also a Shariah Compliant Allocation Plan under Atlas Islamic Fund of Funds,

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

Atlas Aggressive Allocation Islamic Plan (AAAlP)

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

Atlas Moderate Allocation Islamic Plan (AMAIP)

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

Atlas Conservative Allocation Islamic Plan (ACAIP)

The "Conservative Allocation Islamic Plan" is a Shariah Compliant Allocation Plan under the Atlas Islamic Fund of Funds and primarily aims to provide stable

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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

Atlas Islamic Capital Preservation Plan (AICPP)

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

Atlas Islamic Dividend Plan (AIDP)

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

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

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

1.5 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020. Subsequent to the year ended June 30, 2021, the Trust deed has been registered under the Sindh Trusts Act, 2020.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIII A of the repealed Companies Ordinance, 1984; and

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2020 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these financial statements.

2.3 **Standards, interpretations and amendments to approved accounting standards that are not yet effective**

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation

Effective date (annual periods beginning on or after)

Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16	01 January 2022
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	01 January 2022
Classification of liabilities as current or non-current - Amendment to IAS 1	01 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized
Definition of Accounting Estimates - Amendments to IAS 8	01 January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	01 January 2023

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application. Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Standard or Interpretation	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	01 July 2009
IFRS 17 - Insurance Contracts	01 January 2023
2.4 Critical accounting estimates and judgements	
	<p>The preparation of financial statements in accordance with the approved accounting standards as applicable in Pakistan requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.</p>
	<p>The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets and provision under uncertain circumstances such as provision for Sindh Workers' Welfare Fund and taxes recoverable as disclosed in notes 11.1 and 6.1 respectively.</p>
2.5 Accounting convention	
	<p>These financial statements have been prepared under the historical cost convention except that investments have been carried at fair value.</p>
2.6 Functional and presentation currency	
	<p>These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.</p>
3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	
	<p>The principal accounting policies applied in the preparation of these financial statements are set out as below. These policies have been applied consistently to all years and are set out below:</p>
3.1 Financial instruments	
a) Initial recognition and measurement	
	<p>Financial assets and liabilities, with the exception of bank balances, are initially recognised on the trade date, i.e., the date that the Fund becomes a party to the contractual provisions of the instrument. This includes regular way trades; purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Bank balances are recognised when funds are transferred to the banks.</p>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss.

b)

Classification

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. An equity instrument held for trading purposes or in which FVOCI election is not taken is classified as measured at FVTPL.

Debt instruments

A debt instrument is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at FVTPL. Given the objectives of the Fund, all investments have been classified as FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund's business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as: the objectives for the portfolio; how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel; the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed etc.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)

As a second step of its classification process the Fund assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

c) Subsequent Measurement

Financial assets (equity and debt instruments) at fair value through profit or loss

Financial assets (both equity and debt) at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss. Dividend income from equity instruments measured at FVTPL is recorded in profit or loss when the right to the payment has been established.

Interest earned on debt instruments designated at FVTPL is accrued in interest income, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

Debt instruments at Amortised Cost

"Under IFRS 9, after initial measurement, such debt instruments are subsequently measured at amortised cost. Under Regulation 66 of NBFC Regulations, debt securities are required to be carried at fair value. The Fund has not used this classification for its investment portfolio."

Debt instruments at FVOCI

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and foreign exchange gains and losses are recognised in profit or loss in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss. Debt instruments are subject to impairment and the impairment is charged profit or loss. The Fund has not used this classification for its investment portfolio.

Equity instruments at FVOCI

Upon initial recognition, the Fund occasionally elects to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of Equity under IAS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by instrument basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in profit or loss as other operating income when the right of the payment has been established, except when the Fund benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCL are not subject to an impairment assessment.

Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss.

d) Derecognition

"A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Fund has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Fund has:

- (a) Transferred substantially all of the risks and rewards of the asset; or
- (b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset."

When the Fund has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Fund's continuing involvement in the asset. In that case, the fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the fund has retained. The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

e) Reclassification of financial assets and liabilities

From the application date of IFRS 9, the Fund does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Fund acquires, disposes of, or terminates a business line.

f) Impairment of financial assets

"The Fund only considers expected credit losses for bank balances and trade and other receivables. The Fund measures expected credit losses on bank balances using the probability of default (PD) and loss given default (LGD) estimates using the published information about these risk parameters."

The expected credit losses in respect of debt securities are not considered since SECP vide its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated 21 November 2017 has deferred the applicability of above impairment requirements in relation to debt securities for mutual funds and accordingly, basis defined in Circular No. 33 of 2012 dated 24 October 2012 will be followed.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

g) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h) Determination of fair value

The fair value of unit of mutual funds is determined based on the net asset value declared by respect mutual funds.

3.2 Cash and cash equivalents

These comprise balances with banks, cheques in hand and short-term highly liquid investments with original maturities of three months or less.

3.3 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.4 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / Distributors as processing fee.

Units redeemed are recorded at the redemption price applicable to units for which the distribution company / management company / distributors receives redemption application during business hours of that day. The redemption price shall be equal to NAV as of the close of the business day, less an amount as the management company may consider to be an appropriate provision of duties and charges.

3.5 Distribution to unit holders

Distributions to the unit holders are recognised upon declaration and approval by the Distribution Committee of the Board of Directors of the Management Company under the powers delegated to them by the Board of Directors of the Management Company or declaration and approval by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFA) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

3.6 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

The Securities and Exchange Commission of Pakistan through its SRO 756(I)/2017 dated 03 August 2017 includes a definition and explanation relating to "element of income" and excludes the element of income from the expression "accounting income" as described in regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. MUFAF, in consultation with the SECP, specified methodology of determination of income paid on units redeemed under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year.

3.7 Revenue recognition

- Dividend income is recognised when the right to receive the dividend is established.
- Interest income on bank balances, placements and deposits is recognised on an accrual basis.
- Gains or losses on sale of investments are included in the Income Statement in the year in which it arises.
- Unrealised appreciation / (loss) in the value of investments classified as financial assets at fair value through profit or loss' are included in the Income Statement in the period in which they arise.

3.8 Expenses

All expenses chargeable to the Fund including remuneration of Management Company and Trustee and annual fee of SECP are recognised in the income statement on an accrual basis.

3.9 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 ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders. The Fund intends to distribute such income by the year end in order to avail this tax exemption. Accordingly, no provision has been made for current and deferred taxation in these financial statements.

3.10 Net asset value per unit

The net asset value per unit disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

3.11 Earnings per unit

Earnings per unit (EPU) has not been disclosed as in the opinion of the management determination of cumulative weighted average number of outstanding units for calculation of EPU is not practicable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

4 BANK BALANCES

BANK BALANCES						
	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation	Islamic Dividend Plan	Total
Note	Islamic Plan	Islamic Plan	Islamic Plan	Plan	Plan	-----
4.1	4,258,055	3,920,135	554,548	3,951,358	3,260,822	15,944,918
						----- Rupees -----
In local currency						
Profit and loss sharing accounts						

In local currency
Profit and loss sharing accounts

	Profit and loss sharing accounts	4.1	465,585	1,550,174	386
4.1	These carry interest rate ranging between 5.5% to 6.9% (30 June 2020: 6.50% to 9.90%) per annum.		465,585	1,550,174	386

5 INVESTMENTS - NET

Rupees -						
Allocation	Allocation	Allocation	Preservation	Dividend	Total	
Islamic Plan	Islamic Plan	Islamic Plan	Plan	Plan		
4.1	465,585	1,550,174	382,627	6,662,587	3,357,209	12,418,182
	465,585	1,550,174	382,627	6,662,587	3,357,209	12,418,182

Units of Mutual Funds - listed

At fair value through profit or loss

Units of Mutual Funds - listed

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

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

5.1.1 Units of Mutual Funds

Name of the investee company	As at 01 July 2020	Purchases during the period	Sales during the period	As at 30 June 2021	Carrying Value as at 30 June 2021	Market Value as at 30 June 2021	Appreciation/ (depreciation) as at 30 June 2021	Market Value as a % of net assets of Plan	Market Value as a % of total value of investments of Plan								
----- Number of units -----																	
----- Rupees -----																	
----- %age -----																	
Aggressive Allocation Plan																	
Atlas Islamic Income Fund	52,511	16,094	4,469	64,135	32,486,099	32,444,788	(41,311)	25.25	25.64								
Atlas Islamic Dedicated Stock Fund	170,738	3,275	16,151	157,862	70,251,746	94,088,818	23,837,072	73.23	74.36								
223,249	19,369	20,620	221,997	102,737,845	126,533,606	23,795,761	98.48	100.00									
Moderate Allocation Plan																	
Atlas Islamic Income Fund	105,864	35,907	18,956	122,815	62,142,715	62,129,988	(12,727)	46.44	46.18								
Atlas Islamic Dedicated Stock Fund	140,894	12,727	32,150	121,471	54,057,018	72,399,059	18,342,041	54.12	53.82								
246,758	48,634	51,106	244,285	116,199,733	134,529,047	18,329,314	100.56	100.00									
Conservative Allocation Plan																	
Atlas Islamic Income Fund	189,564	26,674	14,965	201,272	101,758,254	101,820,600	62,346	73.65	71.53								
Atlas Islamic Dedicated Stock Fund	86,888	1,411	20,292	68,006	30,264,255	40,533,195	10,268,940	29.32	28.47								
276,451	28,085	35,258	269,279	132,022,509	142,353,795	10,331,286	102.97	100.00									
Islamic Capital Preservation Plan																	
Atlas Islamic Income Fund	698,489	287,134	34,559	951,064	484,033,441	481,728,612	(2,904,829)	97.05	94.87								
Atlas Islamic Dedicated Stock Fund	262,120	905	219,386	43,639	19,420,449	26,009,984	6,589,535	5.25	5.13								
960,609	288,039	253,945	994,703	503,453,890	507,138,596	3,684,706	102.30	100.00									
Islamic Dividend Plan																	
Atlas Islamic Income Fund	45,449	22,027	20,124	47,352	24,024,732	23,954,693	(70,039)	88.17	100.00								
45,449	22,027	20,124	47,352	24,024,732	23,954,693	(70,039)	88.17	100.00									
Total as at 30 June 2021	1,752,516	406,154	381,053	1,777,617	878,438,709	934,509,737	56,071,028										
Total as at 30 June 2020	1,572,278	685,324	505,087	1,752,516	837,548,988	843,051,742	11,532,754										

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

6 OTHER RECEIVABLES

Note	2021					
	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
	Rupees					
6.1	-	-	-	-	52,347	52,347
	11,150	9,063	10,318	43,037	14,528	88,096
	11,150	9,063	10,318	43,037	66,875	140,443
----- 2020 -----						
	Rupees					
6.1	10,674	9,063	10,318	40,550	-	70,605

Advance tax receivable

6.1 As per Clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under sections 150 and 151. However, several banks deducted withholding tax on profit on bank deposits paid to the Fund based on the interpretation issued by FBR vide letter C. no. 1 (43) DG (WHT)/2008-VOL-II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced by the withholdee.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all Funds managed by the Company to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted from the profit received on bank deposits by the Funds has been shown as other receivable as at 30 June 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

Had the Tax Recoverable not been recorded in these financial statements of the Fund, the net asset value of the Fund as at 30 June 2021 would have been lower by, AAAIP Rs. 0.05 per unit, AMAIP Rs. 0.04 per unit, ACAIP Rs. 0.04 per unit, AICPP Rs. 0.05 per unit, AIDP Rs. 0.26 per unit (30 June 2020 AAAIP Rs. 0.05 per unit, AMAIP Rs. 0.04 per unit, ACAIP Rs. 0.04 per unit, AICPP Rs. 0.04 per unit, AIDP Rs. 0.00 per unit)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

7 DEFERRED FORMATION COST

Note	2021					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Opening balance	168,162	168,162	168,162	168,162	-	672,648
Less: Amortisation for the period	56,053	56,053	56,053	56,053	-	224,212

112,109

112,109

112,109

112,109

448,436

Note	2020					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Opening balance	224,215	224,215	224,215	224,215	-	896,860
Less: Amortisation for the period	56,053	56,053	56,053	56,053	-	224,212

168,162

168,162

168,162

168,162

672,648

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

8 PAYABLE TO THE ATLAS ASSET MANAGEMENT LIMITED

- Management Company

Note	2021					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
						Rupees

Remuneration of the Management Company	8.1	3,069	2,659	1,603	2,408	2,722	12,462
Sindh Sales Tax on remuneration of the Management Company	8.2	399	346	208	313	354	1,620
Front and backend load payable to the Management Company		-	-	-	7,339	-	7,339
Accounting and operational charges reimbursable by the Fund							170,011
		35,737	18,754	40,710	71,022	3,788	
		39,205	21,759	42,521	81,082	6,864	191,432

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

Note	2020					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Remuneration of the Management Company Sindh Sales Tax on remuneration of the Management Company	8.1	302	588	143	4,901	2,707
Front and backend load payable to the Management Company	8.2	39	76	18	637	352
Accounting and operational charges reimbursable by the Fund		113	-	1,017	3,955	-
		<u>14,212</u>	<u>16,167</u>	<u>18,638</u>	<u>65,849</u>	<u>3,644</u>
		<u>14,666</u>	<u>16,831</u>	<u>19,816</u>	<u>75,342</u>	<u>6,703</u>
						<u>118,510</u>
						<u>133,358</u>

- 8.1** In accordance with the provisions of the NBFC Regulations, no Management fee shall be charged in case the investment of the fund is made in CIS of Atlas Asset Management Limited (AAML). Further as per the amendments made in the NBFC Regulations, 2008 vide SRO 6339 (I) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio. The management company has set the limit of 1% of the average annual net assets, within allowed expense ratio limit in case investment is made in Cash/ Near Cash instruments, savings and term deposits made with Islamic banks or Islamic banking windows of commercial banks and therefore has charged its remuneration accordingly. The remuneration for the last period ended 30 June 2020 was also charged in the same manner.
- 8.2** During the period, an amount of Rs. 14,000 (2020: 16,050) 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. 13,502 (2020: 16,400) has been paid to the Management Company which acts as a collecting agent.

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

Note	2021					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Trustee fee						
Sindh Sales Tax payable on trustee fee	9.1	7,571 984	7,722 1,004	8,303 1,079	29,244 3,802	1,560 203 54,401 7,072
	<u>8,555</u>	<u>8,726</u>	<u>9,382</u>	<u>33,046</u>	<u>1,763</u>	<u>61,473</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Note	2020					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
9.1	5,853	6,656	7,675	27,114	1,501	48,799
9.2	761	866	998	3,525	195	6,345
	<u>6,614</u>	<u>7,522</u>	<u>8,673</u>	<u>30,639</u>	<u>1,696</u>	<u>55,144</u>

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

Net assets Fee

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

9.2 During the year, an amount of Rs. 82,342 (2020: 74,636) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 81,615 (2020: 87,932) was paid to the Trustee which acts as a collecting agent.

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Note	2021					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
				Rupees		
10.1	23,851	25,904	27,688	98,034	5,414	180,891
	<u>23,851</u>	<u>25,904</u>	<u>27,688</u>	<u>98,034</u>	<u>5,414</u>	<u>180,891</u>
2020						
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
				Rupees		
10.1	19,785	22,292	25,701	91,396	4,871	164,045
	<u>19,785</u>	<u>22,292</u>	<u>25,701</u>	<u>91,396</u>	<u>4,871</u>	<u>164,045</u>

Annual SECP fee payable

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

10.1 In accordance with NBFC regulations, a collective investment scheme (CIS) is required to pay an annual fee to the Securities and Exchange Commission of Pakistan (SECP). With effect from 01 July 2019, the SECP vide SRO No.685(1)2019 dated 28 June 2019 revised the rate of annual fee to 0.02% per annum of the average annual net assets on all categories of CISs. Previously, the rate of annual fee for the last period ended 30 June 2020 was also charged in the same manner.

11 ACCRUED EXPENSES AND OTHER LIABILITIES

2021					
Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
..... Rupees					
Auditors' remuneration payable	32,825	35,627	38,000	134,913	7,495
Withholding tax payable	554,558	637,044	877,802	3,779,433	29,596
Shariah advisory fee payable	3,263	3,524	3,780	13,323	770
Provision for Sindh Workers' Welfare Fund	761,966	763,894	693,415	2,028,833	68,845
Dividend Payable	3,117,778	3,319,508	4,912,023	9,498,524	-
Legal & professional charges payable	-	-	12,186	-	2,319
Other payable	-	-	-	-	10,000
Capital gain tax payable	-	-	-	-	10,000
	4,470,390	4,759,599	6,537,206	15,455,269	119,025
..... Rupees					
2020					
Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
..... Rupees					
Auditors' remuneration payable	46,970	36,111	41,949	145,180	8,533
Withholding tax payable	330,680	710,474	1,352,186	5,075,503	138,382
Shariah advisory fee payable	2,402	2,589	2,814	7,767	1,146
Printing charges payable	921	477	-	-	16,718
Provision for Sindh Workers' Welfare Fund	190,260	233,618	294,049	891,523	38,829
Annual rating fee payable	16,495	16,513	16,411	5,526	1,648,279
Dividend Payable	1,767,852	3,560,551	6,278,647	13,136,256	54,945
	2,355,580	4,560,333	7,986,056	19,261,755	186,890
					34,350,614

11.1 "As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment located in the Province of Sindh, the total income of which in any

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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

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

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 June 2021 would have been higher by Rs. 3.53 per unit (30 June 2020: Rs. 0.91 per unit), Rs. 3.33 per unit (30 June 2020: Rs. 1.03 per unit), Rs. 2.84 per unit (30 June 2020: Rs. 1.20 per unit), Rs. 2.17 per unit (30 June 2020: Rs. 0.97 per unit) and Rs. 1.27 per unit (30 June 2020: 0.74) per unit for AAAIP, AMAIP, ACAIP, AICPP and AIDP respectively.

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 June 2021 and 30 June 2020.

13 AUDITORS' REMUNERATION

2021						
Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	
		 Rupees			
29,980	32,554	34,719	122,949	6,797	227,000	
3,302	3,585	3,824	13,541	749	25,000	
3,962	4,302	4,588	16,249	898	30,000	
2,980	3,235	3,451	12,219	676	22,560	
(23,213)	(9,353)	(11,909)	(36,961)	(2,330)	(83,765)	
17,011	34,324	34,673	127,997	6,790	220,795	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

For the period from
16 March 2020
to 30 June 2020

Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Rupees					
41,112	29,326	33,825	120,296	5,792	230,352
6,369	7,153	8,250	29,341	1,413	52,525
2,802	3,147	3,630	12,910	622	23,111
3,184	3,576	4,125	14,670	706	26,262
(6,135)	(5,403)	(3,520)	34,451	-	19,393
47,332	37,800	46,310	211,668	8,533	351,643

14 TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund is as follows:

Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan
Rupees				
0.88	0.79	0.66	0.58	0.74
0.51	0.42	0.30	0.26	0.15

For the period from
16 March 2020
to 30 June 2020

Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan
Rupees				
0.62	0.64	0.64	0.54	0.12
0.22	0.26	0.24	0.23	0.01

Total expense ratio
Government Levies and SECP Fee

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

15 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the management has paid the required minimum percentage of income earned by the Fund during the year ended 30 June 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

16 ACCOUNTING AND OPERATIONAL CHARGES

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

The Management Company has charged expenses at the rate of 0.17% of the average annual net assets of the Fund (2020: 0.11% of the average annual net assets of the Fund for the period from 01 July 2019 to 30 September 2019, 0.15% of the average annual net assets of the Fund from 01 October 2019 till 04 March 2020 and 0.17% of the average annual net assets of the Fund from 05 March 2020 onwards) for allocation of such expenses to the Fund.

17 EARNING PER UNIT

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

18 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include Atlas Asset Management Limited being the Management Company the Central Depository Company Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

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

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

	2021					
	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital	Islamic Preservation	Total
	Islamic Plan	Islamic Plan	Islamic Plan			Rupees
Atlas Asset Management Limited - Management Company						
Remuneration for the period	5,427	17,068	10,265	40,789	34,151	107,700
Sindh sales tax on remuneration of the Management Company	706	2,219	1,334	5,302	4,440	14,001
Remuneration paid	2,660	14,997	8,806	43,282	34,136	103,880
Formation cost	56,053	56,053	56,053	56,053	-	224,212
Accounting & operational charges	202,829	220,180	235,351	833,287	46,019	1,537,665
Issuance in amounts	-	-	-	-	962,176	962,176
Issue of units	-	-	-	-	1,924	1,924
Redemption in amount	-	-	-	-	-	-
Redemption of units	-	-	-	-	-	-
Dividend declared	181,790	165,877	1,007,478	-	962,176	2,317,321
Central Depository Company of Pakistan Limited - Trustee						
Remuneration of the Trustee	83,763	90,663	96,909	343,118	18,949	633,402
Sindh Sales Tax on remuneration of the Trustee	10,857	11,786	12,598	44,605	2,463	82,310
Remuneration paid	84,023	91,567	98,559	349,551	17,388	641,087
Shirazi Investments (Private) Limited - Group Company						
Dividend declared	3,486,185	3,153,632	4,771,373	9,498,524	-	20,909,714
Atlas Honda Limited - Group Company						
Issuance in amounts	-	-	-	10,131,059	-	10,131,059
Issue of units	-	-	-	19,079	-	19,079
Atlas Islamic Dedicated Stock Fund -						
Fund managed by Management Company						
Purchase in Rupees	1,970,975	7,516,618	849,091	544,858	-	10,881,542
Purchase of units	3,275	12,727	1,411	905	-	18,319
Redemption in Rupees	8,430,000	17,390,000	10,545,000	117,000,000	-	153,365,000
Redemption of units	16,151	32,150	20,292	209,180	-	277,774
Dividend Entitlement	1,970,975	849,091	1,516,618	544,858	-	4,881,542

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

	2021				
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan
Rupees					

Atlas Islamic Income Fund -

Fund managed by Management Company

Purchase in Rupees	8,236,150	18,582,723	13,607,868	148,821,697	11,285,202	200,533,639
Purchase of units	16,094	35,907	26,674	287,134	22,027	387,835
Redemption in Rupees	2,340,000	9,980,000	7,665,000	17,500,000	10,350,000	47,835,000
Redemption of units	4,469	18,956	14,965	34,559	20,124	93,073
Dividend Entitlement	1,876,150	3,592,723	5,887,868	27,821,697	1,385,202	40,563,639

Directors and their close family members and key management personnel of the Management Company

Issuance in amounts	4,000,000	248,338	-	229,949	4,478,287
Issue of units	6,387	427	-	433	7,247
Dividend declared	112,417	292,162	-	270,528	675,107

For the period from

16 March 2020
to 30 June 2020

	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Rupees						

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

Atlas Asset Management Limited - Management Company	2020
Remuneration for the period	6,956
Sindh sales tax on remuneration of the Management Company	904
Remuneration paid	7,691
Formation cost	56,054
Accounting & operational charges	144,397
Issuance in amounts	94,539
Issue of units	199
Dividend declared	2,079,826
	212,654
	1,470,262

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

For the period from
16 March 2020
to 30 June 2020

	2020					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation	Islamic Dividend Plan	Total
Rupees						
Central Depository Company of Pakistan Limited - Trustee						
Remuneration of the Trustee	69,674	78,021	89,955	319,888	16,581	574,119
Sindh Sales Tax on remuneration of the Trustee	9,058	10,143	11,694	41,585	2,156	74,636
Remuneration paid	71,651	79,991	92,233	328,451	15,080	587,406
Shirazi Investments (Private) Limited - Group Company						
Dividend declared	106,462	4,188,885	7,386,644	15,454,419	-	27,136,411
Atlas Honda Limited - Group Company						
Issuance in amounts	-	-	-	13,136,256	-	13,136,256
Issue of units	-	-	-	26,389	-	26,389
Dividend declared	-	-	-	15,454,419	-	15,454,419
Lucky Commodities (Private) Limited (Unit Holder with more than 10% holding)						
Issuance in amounts	-	-	-	-	100,392,307	100,392,307
Issue of units	-	-	-	-	200,785	200,785
Dividend declared	-	-	-	-	491,012	491,012
Atlas Islamic Dedicated Stock Fund -						
Fund managed by Management Company						
Purchase in Rupees	15,655,237	18,360,624	18,727,686	34,391,846	-	87,135,393
Purchase of units	38,049	44,751	45,638	83,358	-	211,796
Redemption in Rupees	9,380,000	10,620,000	11,840,000	48,000,000	-	79,840,000
Redemption of units	18,725	21,305	23,689	107,619	-	171,338
Dividend Entitlement	255,237	210,624	129,889	391,846	-	987,598
Atlas Islamic Income Fund -						
Fund managed by Management Company						
Purchase in Rupees	12,350,132	17,583,753	21,623,611	84,049,891	119,545,675	255,153,062
Purchase of units	23,421	33,588	41,579	157,383	217,557	473,528
Redemption in Rupees	15,400,000	18,150,000	18,600,000	34,000,000	96,000,000	182,150,000
Redemption of units	28,861	34,049	34,900	63,831	172,108	333,748
Dividend Entitlement	2,710,132	5,463,753	9,783,611	36,049,891	2,345,675	54,007,387

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

For the period from
16 March 2020
to 30 June 2020

	2020					2021	
	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital	Islamic Dividend	Islamic Plan	Total
Directors and their close family members and key management personnel of the Management Company							
Issuance in amounts	-	178,247	-	231,860	-	-	410,107
Issue of units	-	5,353	-	2,463	-	-	7,816
Redemption in Rupees	2,998	-	-	-	-	-	2,998
Redemption of units	7	4,993	-	1,997	-	-	6,997
Dividend declared	-	209,702	-	272,776	-	-	482,478

18.2 Details of balances with related parties as at the period / year end are as follows:

	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation	Islamic Dividend Plan	Rupees	
						Islamic Plan	Islamic Plan
Atlas Asset Management Limited (Management Company)							
Remuneration payable to the management company	3,069	2,659	1,603	2,408	2,722	12,462	
Sindh Sales tax payable on remuneration of the Management Company	399	346	208	313	354	1,620	
Sales Load Payable	-	-	-	7,339	-	7,339	
Accounting and operational charges payable	35,737	18,754	40,710	71,022	3,788	170,011	
Outstanding amount - at net asset value	6,140,364	6,120,57	23,905,318	-	21,321,132	57,487,571	
Outstanding units	10,329	10,492	42,154	-	42,642	105,617	
Central Depository Company of Pakistan Limited (Trustee)							
Trustee fee payable	7,571	7,722	8,303	29,244	1,560	54,401	
Sindh Sales tax payable on remuneration of trustee	984	1,004	1,079	3,802	203	7,072	
Shirazi Investments (Private) Limited - Group Company							
Outstanding amount - at net asset value	117,753,765	116,366,681	113,214,554	210,542,965	-	557,877,965	
Outstanding units	198,079	199,471	199,639	396,267	-	993,456	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

	2021					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Atlas Honda Limited						
Outstanding amount - at net asset value	-	-	-	234,700,628	-	234,700,628
Outstanding units	-	-	-	441,735	-	441,735
Atlas Islamic Dedicated Stock Fund						
Outstanding amount - at net asset value	94,088,818	72,399,059	40,533,195	26,009,984	-	233,031,056
Outstanding units	157,862	121,471	68,006	43,639	-	390,979
Atlas Islamic Income Fund						
Outstanding amount - at net asset value	32,444,788	62,129,988	101,820,600	481,128,612	23,954,693	701,478,681
Outstanding units	64,135	122,815	201,272	951,064	47,352	1,386,638
Directors and their close family members and key management personnel of the Management Company						
Outstanding amount - at net asset value	3,797,149	9,412,528	-	5,327,103	-	18,536,780
Outstanding units	6,387	16,135	-	10,026	-	32,548
2020						
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
	Rupees -----					
Atlas Asset Management Limited (Management Company)						
Remuneration payable to the management company	302	588	143	4,901	2,707	8,641
Sindh Sales tax payable on remuneration of the Management Company	39	76	18	637	352	1,122
Sales Load Payable	113	-	1,017	3,955	-	5,085
Accounting and operational charges payable	14,212	16,167	18,638	65,849	3,644	118,510
Outstanding amount - at net asset value	4,936,732	5,197,180	21,826,444	-	20,078,461	52,038,817
Outstanding units	10,329	10,492	42,154	-	40,157	103,132

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

	2020					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Central Depository Company of Pakistan Limited (Trustee)						
Trustee fee payable	5,853	6,656	7,675	27,114	1,501	48,799
Sindh Sales tax payable on remuneration of trustee	761	866	998	3,525	195	6,345
Shirazi Investments (Private) Limited - Group Company						
Outstanding amount - at net asset value	94,671,714	98,807,813	103,369,096	197,535,218	-	494,383,841
Outstanding units	198,079	199,471	199,639	396,267	-	993,456
Atlas Honda Limited						
Outstanding amount - at net asset value	-	-	-	210,689,683	-	210,689,683
Outstanding units	-	-	-	422,656	-	422,656
Lucky Commodities (Private) Limited (Unit Holder with more than 10% holding)						
Outstanding amount - at net asset value	-	-	-	-	100,392,307	100,392,307
Outstanding units	-	-	-	-	200,785	200,785
Atlas Islamic Dedicated Stock Fund						
Outstanding amount - at net asset value	75,414,757	62,232,992	38,378,242	115,778,488	-	291,804,479
Outstanding units	170,737	140,894	86,887	262,120	-	660,639
Atlas Islamic Income Fund						
Outstanding amount - at net asset value	26,512,035	53,449,498	95,708,774	352,660,251	22,946,705	528,330,558
Outstanding units	52,511	105,864	189,564	698,489	45,449	1,046,428
Directors and their close family members and key management personnel of the Management Company						
Outstanding amount - at net asset value	-	5,125,040	-	3,718,744	-	8,843,784
Outstanding units	-	10,346	-	7,460	-	17,806

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

19 FINANCIAL INSTRUMENTS BY CATEGORY

30 June 2021				Aggressive Allocation Islamic Plan			Moderate Allocation Islamic Plan		
	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total
Financial assets									
Bank balances	4,258,055	-	4,258,055	3,920,135	-	3,920,135	3,920,135	-	3,920,135
Investments - net	-	126,533,606	126,533,606	-	134,529,047	-	-	134,529,047	-
Profit receivable on deposit with banks	8,042	-	8,042	17,536	-	17,536	17,536	-	17,536
	4,266,097	126,533,606	130,799,703	3,937,671	134,529,047	138,466,718			
 Financial liabilities									
Payable to Atlas Asset Management Limited - Management Company	-	39,205	39,205	-	21,759	21,759	-	8,726	8,726
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	8,555	8,555	-	3,358,661	3,358,661	-	3,358,661	3,358,661
Accrued expenses and other liabilities	-	3,153,866	3,153,866	-	3,389,146	3,389,146	-		
	3,201,626	3,201,626							
 30 June 2021									
Conservative Allocation Islamic Plan				Islamic Capital Preservation Plan					
	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Total
Financial assets									
Bank balances	554,548	-	554,548	3,951,358	-	3,951,358	-	-	-
Investments - net	-	142,353,795	142,353,795	-	507,138,596	-	-	507,138,596	-
Profit receivable on deposit with banks	16,468	-	16,468	192,708	-	192,708	-	-	192,708
	571,016	142,353,795	142,924,811	4,144,066	507,138,596	511,282,662			

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

	Conservative Allocation Islamic Plan			Islamic Capital Preservation Plan		
	At fair value through profit or loss	At amortised Cost	Total	At fair value through profit or loss	At amortised Cost	Total
----- Rupees -----						

	At fair value through profit or loss	At amortised Cost	Total	At fair value through profit or loss	At amortised Cost	Total
----- Rupees -----						

30 June 2021

	Daily Islamic Dividend Plan		
	At amortised Cost	At fair value through profit or loss	At fair value through other comprehensive income
----- Rupees -----			

	At fair value through profit or loss	At amortised Cost	Total
----- Rupees -----			

	At fair value through profit or loss	At amortised Cost	Total
----- Rupees -----			

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

19 FINANCIAL INSTRUMENTS BY CATEGORY

30 June 2020

	Aggressive Allocation Islamic Plan						Moderate Allocation Islamic Plan						
	At amortised Cost	At fair value through profit or loss	At fair value through other comprehensive income	Total	At amortised Cost	At fair value through profit or loss	At fair value through other comprehensive income	Total	At amortised Cost	At fair value through profit or loss	At fair value through other comprehensive income	Total	
Rupees													
Financial assets													
Bank balances	465,585	-	-	465,585	1,550,174	-	-	1,550,174	5,157	-	-	5,157	
Investments - net	-	101,926,792	-	101,926,792	115,682,490	-	-	115,682,490	2,585	5,157	-	5,157	
Profit receivable on deposit with banks	2,585	-	-	2,585	1,555,331	115,682,490	-	117,237,821	468,170	101,926,792	-	102,394,962	
Financial liabilities													
Payable to Atlas Asset Management Limited - Management Company	-	14,666	14,666	-	16,831	14,666	16,831	-	7,522	7,522	-	7,522	
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	6,614	6,614	-	-	3,323	3,323	-	3,066	3,066	-	3,066	
Accrued expenses and other liabilities	-	3,323	3,323	-	-	-	-	-	27,419	27,419	-	27,419	
Conservative Allocation Islamic Plan													
30 June 2020													
At fair value through profit or loss						At fair value through profit or loss						At fair value through profit or loss	
At amortised Cost	At fair value through other comprehensive income	Total	At amortised Cost	At fair value through profit or loss	Total	At amortised Cost	At fair value through other comprehensive income	Total	At amortised Cost	At fair value through profit or loss	Total	At fair value through other comprehensive income	Total
Rupees						Rupees						Rupees	
Financial assets													
Bank balances	382,627	-	382,627	6,662,587	6,662,587	-	-	-	-	-	-	6,662,587	
Investments - net	-	134,087,016	-	134,087,016	-	468,438,739	-	-	-	-	-	468,438,739	
Profit receivable on deposit with banks	1,886	-	1,886	205,585	205,585	-	-	-	-	-	-	205,585	
	384,513	134,087,016	-	134,471,529	6,868,172	468,438,739	-	-	-	-	-	475,306,911	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Financial Liabilities	Conservative Allocation Islamic Plan			Islamic Capital Preservation Plan		
	At fair value through profit or loss	At amortised cost	Total	At fair value through profit or loss	At amortised cost	Total
Payable to Atlas Asset Management Limited - Management Company	-	19,816	19,816	-	75,342	75,342
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	8,673	8,673	-	30,639	30,639
Accrued expenses and other liabilities	-	2,814	2,814	-	7,767	7,767
	31,303	31,303	113,748	113,748		

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, Fund's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, credit risk and liquidity risk arising from the financial instruments it holds.

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

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

20.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as profit rates, foreign exchange rates and equity prices.

(i) Profit rate risk

"Profit rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market profit rates. As of 30 June 2020, the Fund is exposed to such risk on its balances held with banks. The investment committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within acceptable limits."

a) Sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased the income statement by Rs. 42,581 (2020: Rs. 4,656), Rs. 39,201 (2020: Rs. 15,502), Rs. 5,545 (2020: Rs. 3,826), Rs. 29,514 (2020: Rs. 66,626) and Rs. 32,608 (2020: Rs. 33,572) for AAIP,

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

AMAP, ACAIP, AICPP and AIDP respectively and consequently statement of movement in unit holders' fund would be affected by the same amount. The analysis assumes that all other variables remain constant.

b) Sensitivity analysis for fixed rate instruments

Presently, the Fund does not hold any fixed rate instrument that may expose the Fund to fair value profit rate risk.

The composition of the Fund's investment portfolio and profit rates are expected to change overtime. Accordingly, the sensitivity analysis prepared as of 30 June 2021 is not necessarily indicative of the impact on the Fund's net assets of the future movement in profit rates.

Yield / profit rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off balance sheet instruments is based on settlement date.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2021 can be determined as follows:

Financial assets							
Bank balances	-	5.5% to 6.9%	4,258,055	4,258,055	4,258,055	3,920,135	3,920,135
Investments	-	-	-	-	-	134,529,047	134,529,047
Profit receivable on deposit with banks	-	-	8,042	8,042	8,042	17,536	17,536
Financial liabilities							
Payable to Atlas Asset Management Limited - Management Company	-	-	-	-	-	-	-
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	-	39,205	39,205	39,205	24,759	24,759
Accrued expenses and other liabilities	-	-	8,555	8,555	8,555	8,726	8,726
On-balance sheet gap (a)							
Off-balance sheet financial instruments	-	-	-	-	-	-	-
Off-balance sheet gap (b)	-	-	-	-	-	-	-
Total interest rate sensitivity gap (a+b)	4,258,055	-	3,920,135	3,920,135	3,920,135	131,157,436	135,077,571
Cumulative interest rate sensitivity gap	4,258,055	4,258,055	4,258,055	4,258,055	4,258,055	3,920,135	3,920,135

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

30 June 2021

Conservative Allocation Islamic Plan						Islamic Capital Preservation Plan							
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk			Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk		
	Upto three months	More than three months	More than one year	Upto three months and upto one year	More than one year	Total		Upto three months and upto one year	More than one year	Total	Upto three months and upto one year	More than one year	Total
Rupees													
5.5% to 6.9%	554,548	-	-	142,353,795	142,353,795	554,548	5.5% to 6.9%	3,951,358	-	-	507,138,596	507,138,596	
Bank balances	-	-	-	16,468	16,468	-	Bank balances	-	-	192,708	192,708		
Investments	-	-	-	-	-	-	Investments	-	-	-	-	-	
Profit receivable on deposit with banks	-	-	-	-	-	-	Profit receivable on deposit with banks	-	-	-	-	-	
Rupees													
5.5% to 6.9%	554,548	-	-	142,370,263	142,324,811	3,951,358	5.5% to 6.9%	3,951,358	-	-	507,331,304	507,331,304	
Financial assets	-	-	-	-	-	-	Financial assets	-	-	-	-	-	
Payable to Atlas Asset Management Limited - Management Company	-	-	-	42,521	42,521	-	Payable to Atlas Asset Management Limited - Management Company	-	-	81,082	81,082		
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	-	-	9,382	9,384	-	Payable to the Central Depository Company of Pakistan Limited - Trustee	-	-	33,046	33,046		
Accrued expenses and other liabilities	-	-	-	4,962,989	4,965,989	-	Accrued expenses and other liabilities	-	-	9,646,760	9,646,760		
Rupees													
On-balance sheet gap (a)	554,548	-	-	5,017,892	5,017,892	-	On-balance sheet gap (a)	-	-	9,760,888	9,760,888		
Off-balance sheet financial instruments	-	-	-	137,352,371	137,906,914	-	Off-balance sheet financial instruments	-	-	497,570,416	497,570,416		
Off-balance sheet gap (b)	-	-	-	-	-	-	Off-balance sheet gap (b)	-	-	-	-		
Total interest rate sensitivity gap (a+b)	554,548	-	-	3,951,358	3,951,358	-	Total interest rate sensitivity gap (a+b)	3,951,358	3,951,358	-	-		
Cumulative interest rate sensitivity gap	554,548	554,548	554,548	3,951,358	3,951,358	3,951,358	Cumulative interest rate sensitivity gap	3,951,358	3,951,358	-	-		

30 June 2021

Daily Dividend Plan													
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk			Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk		
	Upto three months	More than three months	More than one year	Upto three months and upto one year	More than one year	Total		Upto three months and upto one year	More than one year	Total	Upto three months and upto one year	More than one year	Total
Rupees													
5.5% to 6.9%	3,260,822	-	-	-	-	-	5.5% to 6.9%	3,260,822	-	-	3,260,822	-	-
Bank balances	-	-	-	-	-	-	Bank balances	-	-	-	23,954,693	23,984,693	18,658
Investments	-	-	-	-	-	-	Investments	-	-	-	6,864	6,864	531
Profit receivable on deposit with banks	-	-	-	-	-	-	Profit receivable on deposit with banks	-	-	-	20,583	20,583	-
Rupees													
Payable to Atlas Asset Management Limited - Management Company	3,260,822	-	-	-	-	-	Payable to Atlas Asset Management Limited - Management Company	3,260,822	-	-	23,954,372	27,206,195	-
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-	-	Payable to the Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-	-
Accrued expenses and other liabilities	-	-	-	-	-	-	Accrued expenses and other liabilities	-	-	-	-	-	-
Rupees													
Off-balance sheet gap (a)	3,260,822	-	-	-	-	-	Off-balance sheet gap (a)	3,260,822	-	-	-	-	-
Total interest rate sensitivity gap (a+b)	3,260,822	3,260,822	3,260,822	3,260,822	3,260,822	3,260,822	Total interest rate sensitivity gap (a+b)	3,260,822	3,260,822	3,260,822	-	-	-
Cumulative interest rate sensitivity gap	3,260,822	3,260,822	3,260,822	3,260,822	3,260,822	3,260,822	Cumulative interest rate sensitivity gap	3,260,822	3,260,822	3,260,822	-	-	-

Off-balance sheet gap (b)

Total interest rate sensitivity gap (a+b)

Cumulative interest rate sensitivity gap

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30 June 2020

Aggressive Allocation Islamic Plan							Moderate Allocation Islamic Plan								
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk			Total	Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk			Total
	Upto three months	More than three months	More than one year	Upto three months and upto one year	More than one year	Not exposed to yield / profit rate risk			Upto one year	More than one year	Not exposed to yield / profit rate risk	Upto one year	More than one year	Not exposed to yield / profit rate risk	
6.50 - 7.00	465,585	-	-	-	-	465,585	465,585	6.50 - 7.00	1,550,174	-	-	-	-	1,550,174	
Bank balances	-	-	-	-	-	101,926,792	101,926,792	Bank balances	-	-	-	-	-	115,682,490	
Investments	-	-	-	-	-	2,585	2,585	Investments	-	-	-	-	-	115,682,490	
Profit receivable on deposit with banks	-	-	-	-	-	101,929,377	102,394,962	Profit receivable on deposit with banks	-	-	-	-	-	3,066	
Financial liabilities	465,585	465,585	465,585	465,585	465,585	14,666	14,666	Financial liabilities	1,550,174	1,550,174	1,550,174	1,550,174	1,550,174	115,682,490	
Payable to Atlas Asset Management Limited - Management Company	-	-	-	-	-	6,614	6,614	Payable to Atlas Asset Management Limited - Management Company	-	-	-	-	-	7,522	
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-	3,323	3,323	Payable to the Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-	3,066	
Accrued expenses and other liabilities	-	-	-	-	-	2,585	2,585	Accrued expenses and other liabilities	-	-	-	-	-	5,157	
On-balance sheet gap (a)	465,585	465,585	465,585	465,585	465,585	24,603	24,603	On-balance sheet gap (a)	1,550,174	1,550,174	1,550,174	1,550,174	1,550,174	27,419	
Off-balance sheet financial instruments	-	-	-	-	-	101,904,774	102,370,359	Off-balance sheet financial instruments	-	-	-	-	-	115,682,490	
Off-balance sheet gap (b)	-	-	-	-	-	-	-	Off-balance sheet gap (b)	-	-	-	-	-	-	
Total interest rate sensitivity gap (a+b)	465,585	465,585	465,585	465,585	465,585	1,550,174	1,550,174	Total interest rate sensitivity gap (a+b)	1,550,174	1,550,174	1,550,174	1,550,174	1,550,174	27,419	
Cumulative interest rate sensitivity gap	465,585	465,585	465,585	465,585	465,585	1,550,174	1,550,174	Cumulative interest rate sensitivity gap	1,550,174	1,550,174	1,550,174	1,550,174	1,550,174	27,419	
30 June 2020	Conservative Allocation Islamic Plan							Islamic Capital Preservation Plan							
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk			Total	Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk			Total
	Upto three months	More than three months	More than one year	Upto three months and upto one year	More than one year	Not exposed to yield / profit rate risk			Upto three months	More than three months and upto one year	More than one year	Upto one year	More than one year	Not exposed to yield / profit rate risk	
6.50 - 7.00	382,627	-	-	-	-	382,627	382,627	6.50 - 9.90	6,662,587	-	-	-	-	6,662,587	6,662,587
Bank balances	-	-	-	-	-	134,087,016	134,087,016	Bank balances	-	-	-	-	-	468,438,739	468,438,739
Investments	-	-	-	-	-	1,886	1,886	Investments	-	-	-	-	-	205,585	205,585
Profit receivable on deposit with banks	-	-	-	-	-	134,088,902	134,471,529	Profit receivable on deposit with banks	-	-	-	-	-	468,644,324	475,306,911
Financial assets	382,627	382,627	382,627	382,627	382,627	134,088,902	134,471,529	Financial assets	6,662,587	6,662,587	6,662,587	6,662,587	6,662,587	468,644,324	475,306,911
Payable to Atlas Asset Management Limited - Management Company	-	-	-	-	-	19,816	19,816	Payable to Atlas Asset Management Limited - Management Company	-	-	-	-	-	75,342	75,342
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-	8,673	8,673	Payable to the Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	-	30,639	30,639
Accrued expenses and other liabilities	-	-	-	-	-	2,814	2,814	Accrued expenses and other liabilities	-	-	-	-	-	7,767	7,767
On-balance sheet gap (a)	382,627	382,627	382,627	382,627	382,627	31,303	31,303	On-balance sheet gap (a)	-	-	-	-	-	113,748	113,748
Off-balance sheet financial instruments	-	-	-	-	-	134,057,599	134,440,226	Off-balance sheet financial instruments	-	-	-	-	-	468,530,576	475,193,163
Off-balance sheet gap (b)	-	-	-	-	-	-	-	Off-balance sheet gap (b)	-	-	-	-	-	-	-
Total interest rate sensitivity gap (a+b)	382,627	382,627	382,627	382,627	382,627	31,303	31,303	Total interest rate sensitivity gap (a+b)	-	-	-	-	-	113,748	113,748
Cumulative interest rate sensitivity gap	382,627	382,627	382,627	382,627	382,627	31,303	31,303	Cumulative interest rate sensitivity gap	-	-	-	-	-	113,748	113,748

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Effective yield / profit rate	Daily Dividend Plan				
	Exposed to yield / profit rate risk	More than three months and upto one year	More than one year	Not exposed to yield / profit rate risk	Total
Rupees					
6.5	3,357,209	-	-	22,946,705	3,357,209
-	-	-	-	31,351	22,946,705
3,357,209	3,357,209	3,357,209	3,357,209	22,978,056	26,335,265

Financial assets

Payable to Atlas Asset Management Limited - Management Company
Payable to the Central Depository Company of Pakistan Limited - Trustee
Accrued expenses and other liabilities

Financial liabilities

Payable to Atlas Asset Management Limited - Management Company
Payable to the Central Depository Company of Pakistan Limited - Trustee
Accrued expenses and other liabilities

On-balance sheet gap (a)

Off-balance sheet financial instruments

Off-balance sheet gap (b)

Total interest rate sensitivity gap (a+b)

Cumulative interest rate sensitivity gap

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates.
The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

A reasonably possible change of 5% increase or decrease in fair values of investee funds at the reporting date would have increased / decreased the income statement and statement of comprehensive income by Rs 6,326,680 (30 June 2020: 5,096,340), Rs. 6,726,452 (30 June 2020: 5,784,125), Rs 7,117,690 (30 June 2020: 6,704,351), Rs. 25,356,930 (30 June 2020: 23,421,934) and Rs. 1,197,735 (30 June 2020: 1,147,335) for AAAIP, AMAIP, ACAIP, AICPP and AIDP respectively and consequently statement of movement in unit holders' fund would be affected by the same amount. The analysis assumes that all other variables remain constant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

20.2 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to the daily settlement of equity securities and to daily redemptions, if any. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed off. The Fund's listed securities are considered readily realisable, as they are listed on the Pakistan Stock Exchange Limited.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The fund did not withhold any redemptions during the year.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

30 June 2021										
	Aggressive Allocation Islamic Plan					Moderate Allocation Islamic Plan				
	Within 1 month	1 to 3 months	3 to 12 months	More than 1 year	Financial instruments without fixed maturity	Within 1 month	1 to 3 months	3 to 12 months	More than 1 year	Financial instruments without fixed maturity
Financial assets										
Bank balances	4,258,055	-	-	-	4,258,055	3,920,135	-	-	-	3,920,135
Investments	-	-	-	-	126,533,606	126,533,606	-	-	-	134,529,047
Profit receivable on deposit with banks	8,042	-	-	-	8,042	17,536	-	-	-	17,536
	4,266,097	-	-	-	126,533,606	130,799,703	3,937,671	-	-	134,529,047
										138,466,778
Financial liabilities										
Payable to Atlas Asset Management Limited - Management Company	39,205	-	-	-	39,205	21,759	-	-	-	21,759
Payable to the Central Depository Company of Pakistan Limited - Trustee	8,555	-	-	-	8,555	8,726	-	-	-	8,726
Accrued expenses and other liabilities	-	3,153,866	-	-	3,153,866	-	3,358,661	-	-	3,358,661
	47,760	3,153,866	-	-	3,201,627	30,485	3,358,661	-	-	3,399,145
Net assets / (liabilities)	4,218,337	(3,153,866)	-	-	126,533,606	127,598,076	3,907,186	(3,358,661)	-	134,529,047
										135,077,572

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

30 June 2021

	Conservative Allocation Islamic Plan					Islamic Capital Preservation Plan				
	Within 1 month	1 to 3 months	3 to 12 months	More than 1 year	Financial instruments without fixed maturity	Within 1 month	1 to 3 months	3 to 12 months	More than 1 year	Financial instruments without fixed maturity
Financial assets	Rupees									
Bank balances	554,548	-	-	-	554,548	7,825,894	-	-	-	7,825,894
Investments	-	-	-	-	142,353,795	142,353,795	-	-	-	423,128,705
Profit receivable on deposit with banks	16,468	-	-	-	16,468	235,529	-	-	-	235,529
Financial liabilities	Rupees									
Payable to Atlas Asset Management Limited - Management Company	42,521	-	-	-	42,521	81,082	-	-	-	81,082
Payable to the Central Depository Company of Pakistan Limited - Trustee	9,383	-	-	-	9,382	33,046	-	-	-	33,046
Accrued expenses and other liabilities	-	4,965,989	-	-	4,965,989	-	9,646,760	-	-	9,646,760
	51,904	4,965,989	-	-	5,017,892	114,128	9,646,760	-	-	9,760,888
Net assets / (liabilities)	519,112	(4,965,989)	-	-	142,353,795	137,906,919	7,947,395	(9,646,760)	-	423,128,705
30 June 2021	Rupees									
Financial assets	Rupees									
Bank balances	3,260,822	-	-	-	-	-	-	-	-	3,260,822
Investments	-	-	-	-	23,954,693	-	23,954,693	-	-	23,954,693
Profit receivable on deposit with banks	18,658	-	-	-	-	-	18,658	-	-	18,658
Financial liabilities	Rupees									
Payable to Atlas Asset Management Limited - Management Company	6,864	-	-	-	-	-	-	-	-	6,864
Payable to the Central Depository Company of Pakistan Limited - Trustee	1,763	-	-	-	-	-	-	-	-	1,763
Accrued expenses and other liabilities	8,627	-	20,583	-	-	-	-	-	-	20,583
Net assets / (liabilities)	3,270,853	(20,583)	-	-	23,954,693	27,234,713	27,234,713	20,583	-	27,204,962

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

30 June 2020

	Aggressive Allocation Islamic Plan						Moderate Allocation Islamic Plan					
	Within 1 month	1 to 3 months	3 to 12 months	More than 1 year	Financial instruments without fixed maturity	Total	Within 1 month	1 to 3 months	More than 1 year	Financial instruments without fixed maturity	Total	
Rupees												
Financial assets												
Bank balances	465,585	-	-	-	465,585	1,550,174	-	-	-	-	1,550,174	
Investments	-	-	-	-	101,926,792	101,926,792	-	-	-	-	115,682,490	
Profit receivable on deposit with banks	2,385	-	-	-	2,385	5,157	-	-	-	-	5,157	
	468,170				101,926,792	102,394,982	1,555,331				115,682,490	117,237,821
Financial liabilities												
Payable to Atlas Asset Management Limited - Management Company	14,666	-	-	-	14,666	16,831	-	-	-	-	16,831	
Payable to the Central Depository Company of Pakistan Limited - Trustee	6,614	-	-	-	6,614	7,522	-	-	-	-	7,522	
Accrued expenses and other liabilities	-	2,024,900	-	-	2,024,900	-	3,849,860	-	-	-	3,849,860	
	21,280	2,024,900			2,024,900	24,353	3,849,860				3,874,213	
	446,980	(2,024,900)			101,926,792	100,348,782	1,531,978	(3,849,860)			115,682,490	
Net assets / (liabilities)												
Conservative Allocation Islamic Plan												
Financial						Financial						
Within 1 month	1 to 3 months	3 to 12 months	More than 1 year	Financial instruments without fixed maturity	Total	Within 1 month	1 to 3 months	3 to 12 months	More than 1 year	Financial instruments without fixed maturity	Total	
Rupees												
Financial assets												
Bank balances	382,627	-	-	-	382,627	7,825,894	-	-	-	-	7,825,894	
Investments	-	-	-	-	134,087,016	134,087,016	-	-	-	-	423,128,705	
Profit receivable on deposit with banks	1,886	-	-	-	1,886	235,529	-	-	-	-	235,529	
	384,513				134,087,016	134,471,529	8,061,423				423,128,705	
Financial liabilities												
Payable to Atlas Asset Management Limited - Management Company	19,816	-	-	-	19,816	75,342	-	-	-	-	75,342	
Payable to the Central Depository Company of Pakistan Limited - Trustee	8,673	-	-	-	8,673	30,639	-	-	-	-	30,639	
	28,489	6,633,870			28,489	6,662,359	105,981	14,186,252			14,186,252	
	356,024	(6,633,870)			134,058,527	127,809,170	7,955,442	(14,186,252)			423,128,705	
Net assets / (liabilities)												

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

	Daily Dividend Plan				
	Within 1 month	1 to 3 months	3 to 12 months	More than 1 year	Financial instruments without fixed maturity
Financial assets					
Bank balances	3,357,209	-	-	-	3,357,209
Investments	-	-	-	22,946,705	22,946,705
Profit receivable on deposit with banks	31,351	-	-	-	31,351
Financial liabilities					
Payable to Atlas Asset Management Limited - Management Company	6,703	-	-	-	6,703
Payable to the Central Depository Company of Pakistan Limited - Trustee	1,696	-	-	-	1,696
Accrued expenses and other liabilities	-	48,508	-	-	48,508
Net assets / (liabilities)	3,388,560	48,508	-	22,946,705	26,335,265

20.3 Credit risk

Credit risk represents the risk of a loss if counterparties fail to perform as contracted and arises principally from bank balances, investments and profit receivable on bank balances.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets.

30 June 2021

Balance as per statement of assets and liabilities												
Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	Aggressive Allocation	Moderate Allocation	Conservative Allocation	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	
Ruppes												
Bank balances	4,258,055	3,920,135	554,548	3,951,358	3,260,922	15,944,918	4,258,055	3,920,135	554,548	3,951,358	3,260,822	15,944,918
Investments	126,533,606	134,529,047	142,353,795	507,138,596	23,954,693	934,509,737	126,533,606	134,529,047	142,353,795	507,138,596	23,954,693	934,509,737
Profit receivable on bank balances	8,042	17,536	16,468	192,708	18,658	253,412	8,042	17,536	16,468	192,708	18,658	25,342
130,799,703	138,466,718	142,324,811	511,282,662	27,234,173	950,708,067	130,799,702	138,466,718	142,324,811	511,282,662	27,234,173	950,708,066	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

30 June 2020

	Balance as per statement of assets and liabilities						Maximum exposure					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
Bank balances	465,585	1,550,174	382,627	6,662,587	3,357,209	12,418,182	405,585	1,550,174	382,627	6,662,587	3,357,209	12,418,182
Investments	101,926,792	115,682,490	134,087,016	468,438,739	22,946,705	843,081,742	101,926,792	115,682,490	134,087,016	468,438,739	22,946,705	843,081,742
Profit receivable on bank balances	2,585	5,157	1,886	205,585	31,351	246,564	2,585	5,157	1,886	205,585	31,351	246,564
	102,394,902	117,237,821	134,471,529	475,306,911	26,332,265	855,746,488	102,394,902	117,237,821	134,471,529	475,306,911	26,332,265	855,746,488

20.3.1 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks. The credit rating profile of balances with banks is as follows:

Ratings of amount placed with Banks

	% of financial assets exposed to credit risk					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
AAA	1.44	2.44	1.14	0.34	-	3.88
A+	95.79	57.79	96.41	-	-	250
AA	-	-	-	99.66	0.29	99.95
A	2.77	39.77	2.45	-	99.71	144.69
	100.00	100.00	100.00	100.00	100.00	500.00

30 June 2020

	Balance as per statement of assets and liabilities						Maximum exposure					
	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan	Total
AAA	1.04	1.61	(5.19)	0.01	-	0.08	-	-	-	-	-	0.08
AA+	-	-	-	0.33	-	13.69	-	-	-	-	-	13.69
A+	-	-	-	99.66	-	49.69	-	-	-	-	-	49.69
AA	96.18	58.00	102.59	-	-	4.34	-	-	-	-	-	4.34
A	2.78	40.39	2.60	-	100.00	32.20	-	-	-	-	-	32.20
	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

The maximum exposure to credit risk before any credit enhancement as at 30 June 2021 is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

All the balances with Banks have investment grade rating and hence are classified as Stage 1 under IFRS 9.

Fair value of financial instruments

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

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

Financial assets which are tradeable 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.
- Fair values of investments in units of mutual funds are determined based on redemption prices disclosed at the Mutual Funds Association of Pakistan (MUFFAP) as at the close of the business days which is considered as Level 1 valuation. Fair value of remaining financial assets is not significantly different from their carrying value.

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. They are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

The Fund has no restrictions on the subscription and redemption of units. As required under the NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of the scheme. The Fund has maintained and complied with the requirement of minimum fund size during the current year.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 20, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

22 UNIT HOLDING PATTERN OF THE FUND

30 June 2021

Category	Number of unit holders	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan						
		Number of Rupees	% of total	Number of Rupees	% of total	Number of Rupees	% of total	Number of Rupees	% of total	Number of Rupees	% of total	
Individuals	9	4,482,854	3.49	12	11,284,460	8.44	18	1,135,574	0.82	31	37,641,399	7.59
Retirement Funds	-	-	-	-	-	-	-	-	-	2	6,032,961.79	1.22
Associated Companies/ Directors	2	124,008,104	96.51	2	122,487,443	91.56	2	137,119,865	99.18	2	236,476,847	47.70
Others	-	-	-	-	-	-	-	-	-	2	215,619,168	43.49
	11	128,490,959	100.00	14	133,771,902	100.00	20	138,255,440	100.00	37	495,770,376	100.00

30 June 2020

Category	Number of unit holders	Aggressive Allocation Islamic Plan	Moderate Allocation Islamic Plan	Conservative Allocation Islamic Plan	Islamic Capital Preservation Plan	Islamic Dividend Plan						
		Number of Rupees	% of total	Number of Rupees	% of total	Number of Rupees	% of total	Number of unit holders	Rupees	% of total		
Individuals	8	568,393	0.57	14	8,804,124	7.80	19	1,416,623	1.12	35	36,374,849	7.98
Retirement Funds	-	-	-	-	-	-	-	2	5,371,747.73	1.18		
Associated Companies/ Directors	2	99,608,760	99.43	2	104,003,485	92.20	2	125,193,140	98.88	2	212,251,069	46.54
Others	-	-	-	-	-	-	-	2	202,055,825	44.30		
Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	
Banks/DFIs	-	-	-	-	-	-	-	-	-	-	-	
	10	100,177,153	100.00	16	112,807,608	100.00	21	126,609,763	100.00	41	456,056,491	100.00

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

23 THE MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Mr. Ali H. Shirazi	Director	Masters in Law	17.5 years
Mr. M. Abdul Samad	Chief Executive Officer	MBA, M.Com	21 Years
Mr. Khalid Mahmood	Chief Investment Officer	MBA - Finance	17 Years
Mr. Muhammad Umar Khan	Head of Portfolio Management	MSC - Finance	13 Years
Mr. Fawad Javaid	Head of Fixed Income	CIMA	13 Years
Mr. Faran-ul-Haq	Head of Equities	M.B.A., CFA	10 Years

24 NAME AND QUALIFICATION OF FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Mr. Faran-ul-Haq	Head of Equities	MBA, CFA	Atlas Stock Market Fund Atlas Islamic Stock Fund Atlas Islamic Dedicated Stock Fund

25 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The details of dates of Board meetings of the Management Company of the Fund, and the attendance of the Board members are given below:

Name of Director	Meeting held on				
	06 July 2020	10 September 2020	26 October 2020	25 February 2021	29 April 2021
Mr. Iftikhar H. Shirazi	P	P	P	P	P
Mr. Tariq Amin	P	P	P	P	P
Mr. Frahim Ali Khan	P	P	P	P	P
Mr. Ali H. Shirazi	P	P	P	P	P
Mr. M. Habib-ur-Rahman	P	P	P	P	P
Ms Zehra Naqvi	P	P	P	P	P
Mr. M. Abdul Samad	P	P	P	P	P
Ms Qurrat-ul-ein Jafari (Chief Financial Officer)	L	P	P	P	P
Ms Zainab Kazim(Company Secretary)	P	L	P	P	P

P Present
L Leave of absence

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

26 GENERAL

- 26.1 Figures have been rounded off to the nearest Rupee unless otherwise stated.
- 26.2 Units have been rounded off to the nearest decimal place.
- 27.3 For AIDP, the comparative figures are for the period from 16 March 2020 to 30 June 2020 and hence are not comparable with the current year figures.

27 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 6 September 2021.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

Atlas Islamic Dedicated Stock Fund

Corporate Information

Trustee

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

Shariah Advisor

Dr. Mufti Muhammad Wasih Fasih Butt

Auditors

EY Ford Rhodes
Chartered Accountants

Legal Advisers

Bawaney & Partners

Bankers

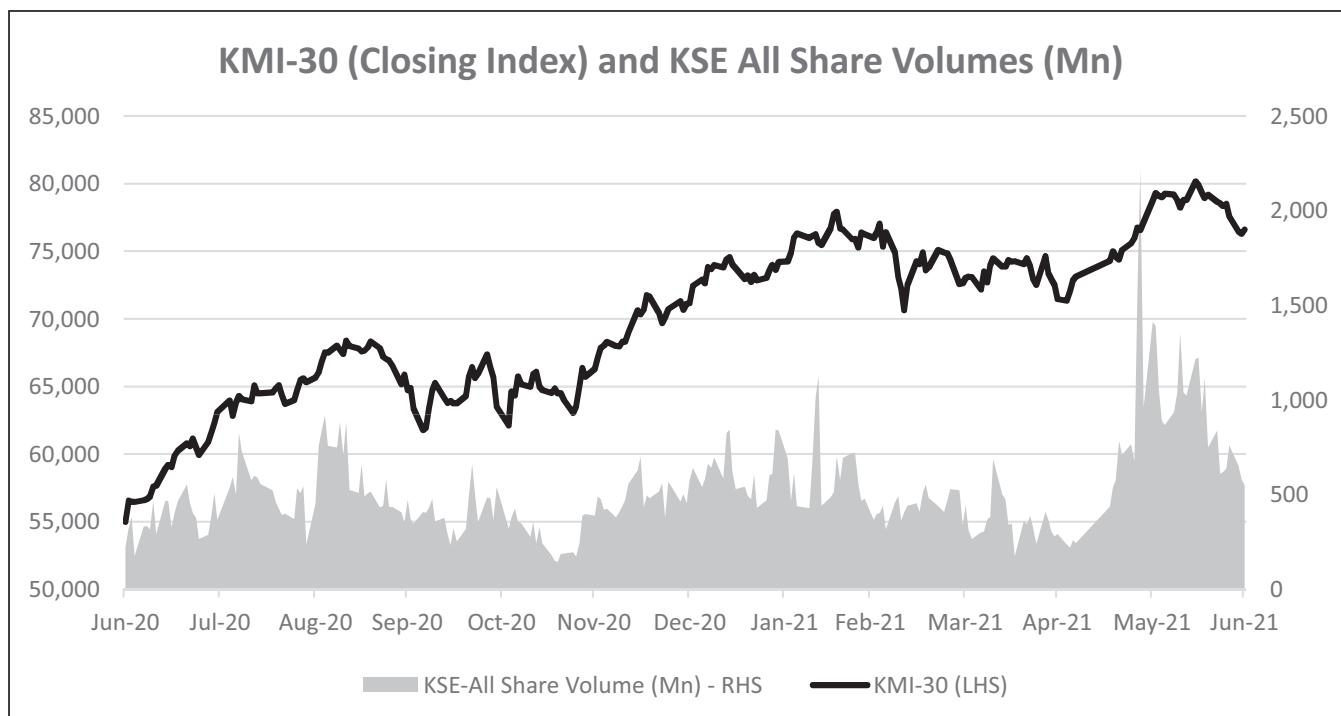
Al-Baraka Bank (Pakistan) Limited
BankIslami Pakistan Limited



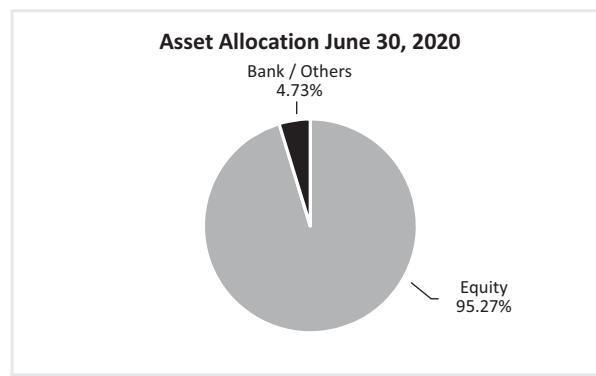
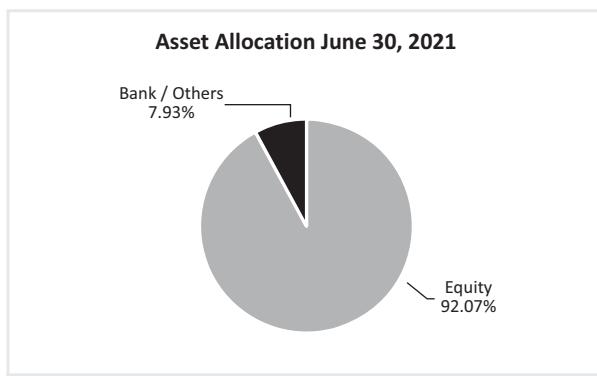
Fund Manager's Report

Atlas Islamic Dedicated Stock Fund (AIDSF) is an open-ended equity fund. The fund has a high-risk rating with the objective to provide long term capital growth from an actively managed portfolio invested in Shariah compliant listed companies in Pakistan. The Fund's strategy revolves around Shariah Compliance while making investments in stocks with attractive fundamentals and a potential to outperform the market to generate high returns. The Fund observes the investment limitations as set out by the Shariah code, according to the guidance of the Shariah Advisors and emphasizes on medium to long term investment views, by making investment decisions based upon fundamental analysis. The Fund makes use of portfolio management skills for sector and stock selection in order to efficiently manage the fund's portfolio. The KMI-30 Index serves as the performance benchmark of Atlas Islamic Dedicated Stock Fund.

The KMI-30 index increased 39.32% from 54,995.25 points as on June 30, 2020 to 76,621.54 points as on June 30, 2021. The daily average volume during FY21 increased by 168.80% to 528 million shares compared to daily average of 196 million shares traded in FY20. Net outflow of US \$387 was recorded by Foreign Portfolio Investors during FY21 compared to net outflow of US \$285 million in FY20. On local investors front, Individuals, Companies, Other Organizations and Mutual Funds were net buyers of US \$332 million, US \$138 million, US \$45 million and US \$10 million. Insurance Companies, Broker Proprietary Trading and Banks remained net sellers of US \$10 million, US \$32 million and US \$95 million, respectively.



The Net Asset Value per unit of Atlas Islamic Dedicated Stock Fund (AIDSF) increased by 37.80% to Rs. 596.02 as on June 30, 2021. The KMI-30 index increased from 54,995.25 points as on June 30, 2020 to 76,621.54 points as on June 30, 2021. AIDSF strategy will continue to focus on dividend plays and stocks that are trading at relatively cheap multiple with prospects of earnings growth. AIDSF equity portfolio exposure stood at 92.07% that mainly comprised of Oil & Gas Exploration, Cement, Islamic Commercial Banks and Fertilizer. The Net Assets of the Fund stood at Rs. 327.32 million, with 0.55 million units outstanding as of June 30, 2021.



The Investment Committee of Atlas Asset Management Limited, the Management Company of Atlas Islamic Dedicated Stock Fund, under the authority delegated by the Board of Directors of Atlas Asset Management Limited has approved aggregated interim distribution of Rs. 12.75 per unit for the period ended June 30, 2021 (2.55% on the face value of Rs. 500 per unit).

Breakdown of Unit Holding By Size:

Type of Investor	No. of Investors	Amount of Investment (Rs.)	Percentage (%)
Fund of Funds	4	233,031,115	71.19%
Retirement Funds	2	94,289,557	28.81%
Total	6	327,320,672	100.00%

The Fund has made provision against SWWF, which up till June 30, 2021 amounted to Rs. 3,063,673 (Rs. 5.58 per unit).

The Total Expense Ratio (TER) of the Fund is 4.32% including expenses representing Government levy and SECP Fee of 1.07%.

During the year under review, the Investment Committee held fifty-two meetings to review investment of the Fund and the Risk Committee held fifteen meetings to review risk management.

Karachi: 6 September 2021

Faran-Ui-Haq
Head of Equities

Supplementary Non Financial Information as required under clause 38 A (g) of NBFC and NE Regulations, 2008

Summary of actual proxies voted by Atlas Islamic Dedicated Stock Fund

	Resolution	For	Against	Abstain
Number	197	197	-	-
(%)	100%	100%	-	-

Note: The Proxy voting policy of the Atlas Islamic Dedicated Stock Fund (AISF) is available on the website of Atlas Asset Management Limited and detailed information regarding actual proxies voted by the Company in respect of the Fund is also available without charge, upon request, to all unit holders.

Performance Since Inception

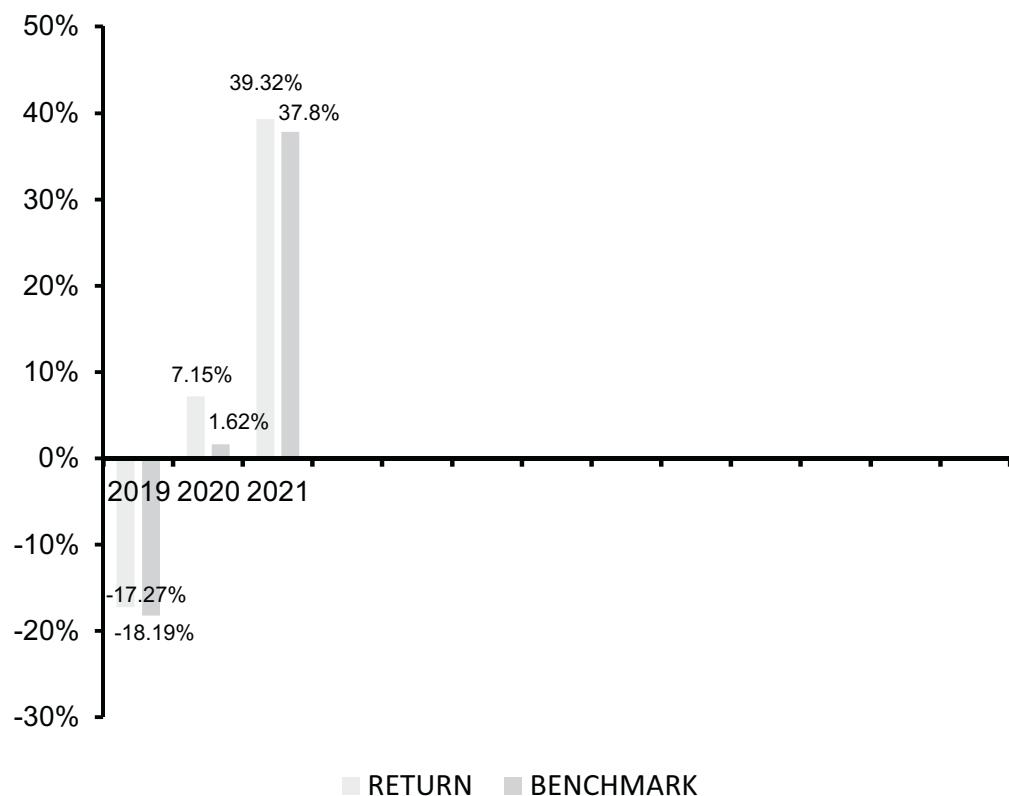
	2021	2020	2019*
Net Assets (Rs. in '000)	327,321	362,489	256,527
Number of units in issue	549,177	820,677	620,181
Net assets value per unit (Rs.)	596.02	441.69	413.63
Net (loss) / income (Rs. in '000)	123,189	26,931	(52,158)
Earnings per unit (Rs.)	224.32	32.82	(84.10)
Annual return of the fund (%)	39.32	7.15	(17.27)
Offer Price ** (Rs.)	609.49	451.68	422.98
Redemption Price ** (Rs.)	596.02	441.69	413.63
Distribution (Rs.)	12.75	1.50	-
Distribution as a % of Opening Ex- NAV of units	2.89	0.36	-
Date of Distribution	28-Jun-21	30-Jun-20	-
Highest offer price per unit (Rs.)	643.52	549.41	533.64
Lowest offer price per unit (Rs.)	465.70	340.50	411.79
Highest redemption price per unit (after applicable back-end load) (Rs.)	629.30	537.27	521.85
Lowest redemption price per unit (after applicable back-end load) (Rs.)	455.41	332.97	402.69

*Period from 10 January 2019 to 30 June 2019 (Date of Launch: January 10, 2019)

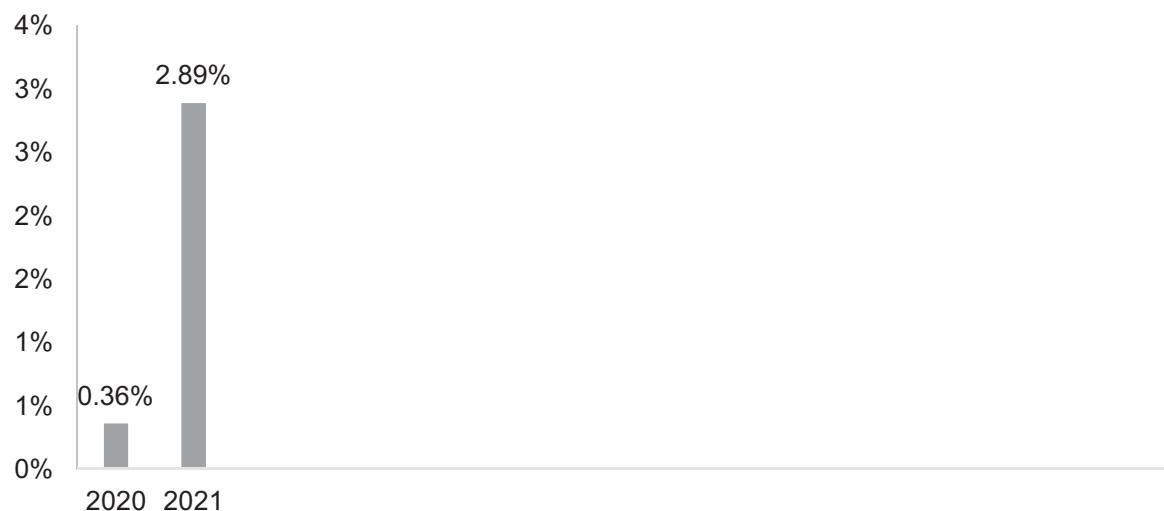
** Relates to announced prices.

Note: Past performance of the funds is not indicative of future performance, and the unit price and investment return may go down, as well as up.

Yearly Performance



Payout History (% on opening Ex - NAV)



TRUSTEE REPORT TO THE UNIT HOLDERS

Report of the Trustee pursuant to Regulation 41(h) and Clause 9 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Atlas Islamic Dedicated Stock Fund (the Fund) are of the opinion that Atlas Asset Management Limited, being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2021 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund; and
- (iii) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Karachi: 30 September 2021

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

REVIEW REPORT OF THE SHARIAH ADVISOR

As a Shariah Adviser of the Atlas Islamic Dedicated Stock Fund (AIDSF), I am issuing this report in accordance with clause 11.3 (b) of the Trust Deed of the Fund. The scope of the report is to express an opinion on the Shariah compliance of the Fund's activities.

It is the responsibility of Atlas Asset Management Limited (AAML), the management company of the Fund, to establish and maintain a system of internal controls to ensure compliance with the Shariah guidelines. As Shariah Adviser, my responsibility is to express an opinion based on my review of the representations made by the management, to the extent where such compliance can be objectively verified.

For screening investment in equities, I have advised a criteria on the basis of the following: (i) nature of business, (ii) interest bearing debt in relation to the total assets, (iii) illiquid assets in relation to the total assets, (iv) investment in non-Shariah compliant activities to total assets and income from non-compliant investments to gross revenues, and (v) net liquid assets per share vs. share price.

As part of my mandate as the Shariah Adviser to the Fund, I have reviewed the following, during the year:

- The modes of investment of Fund's property and its compliance with Shariah guidelines.
- The process of deployment of Fund's property and its compliance with Shariah guidelines.
- The process of purification of income and its compliance with Shariah guidelines.

In light of the above scope, I hereby certify that all the provisions of the scheme and investments made by the Fund for the year ended June 30, 2020 are in compliance with the Shariah principles.

There are investments made by AIDSF where investee companies have earned a part of their income from non-compliant sources (e.g. interest income). In such cases, the Fund Manager, in consultation with me, the Shariah Board of the Fund, have determined the Haram portion of the income of the Fund and marked to charity in order to purify the whole income.

Dr. Mufti Muhammad Wasie Fasih Butt
Shariah Advisor

Karachi: 30 June 2021

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Atlas Islamic Dedicated Stock Fund Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Atlas Islamic Dedicated Stock Fund** (the Fund), which comprise the statement of assets and liabilities as at 30 June 2021, and the income statement, statement of comprehensive income, cash flows statement and statement of movement in unit holders' fund for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2021, and of its financial performance and its cash flows for the period then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

Key audit matter	How our audit addressed the key audit matter
Equity investments As disclosed in note 5 to the accompanying financial statements of the Fund for the period ended 30 June 2021, the investments held by the Fund comprised of listed shares which represent significant portion of the total assets of the Fund as at the year end. In view of the above, we have considered this area as a key audit matter.	We performed a combination of audit procedures focusing on the existence and valuation of investments. Our key procedures included the following: <ul style="list-style-type: none">• We obtained an understanding of fund's process over acquisition, disposals and periodic valuation of investment portfolio and evaluated / tested controls in those areas for the purpose of our audit.• We performed substantive audit procedures on period-end balance of portfolio including review of custodian's statement, related reconciliations and re-performance of investment valuations on the basis of quoted market prices at the Pakistan Stock Exchange Limited as at 30 June 2021.• We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and the applicability of disclosures in this regard.

Key audit matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> • We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment portfolio in accordance with the requirements of the Regulations and applicable financial reporting standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

-
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Arslan Khalid.

Karachi: 20 September 2021

EY Ford Rhodes
Chartered Accountants
Engagement Partner: Arslan Khalid

STATEMENT OF ASSETS AND LIABILITIES

AS AT 30 JUNE 2021

		2021	2020
	Note	Rupees-----	
ASSETS			
Bank balances	4	13,799,438	11,892,473
Investments	5	310,475,376	357,745,101
Receivable against sale of investment		8,924,517	1,615,350
Profit receivable on bank balances		21,761	166,871
Dividend receivable		121,000	-
Deferred formation cost	6	444,430	666,645
Advances,deposits and other receivables	7	3,412,741	3,412,741
Total assets		337,199,262	375,499,181
LIABILITIES			
Payable against redemption of units		4,795,000	9,000,000
Payable to Atlas Asset Management Limited - Management Company	8	852,066	868,226
Payable to Central Depository Company of Pakistan Limited - Trustee	9	63,934	71,475
Payable to the Securities and Exchange Commission of Pakistan	10	75,204	68,922
Payable against purchase of investments		-	1,607,480
Accrued expenses and other liabilities	11	4,092,386	1,394,336
Total liabilities		9,878,590	13,010,439
NET ASSETS		327,320,672	362,488,742
UNIT HOLDERS' FUNDS (AS PER STATEMENT ATTACHED)		327,320,672	362,488,742
CONTINGENCIES AND COMMITMENTS	12		
NUMBER OF UNITS IN ISSUE		549,177	820,677
NET ASSET VALUE PER UNIT		596.0206	441.6900

The annexed notes from 1 to 29 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

INCOME STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021	2020
		Rupees	
INCOME			
Profit on bank balances	4	280,510	723,662
Dividend income		17,643,039	15,978,413
Capital gain on sale of investments - net		72,006,775	30,115,901
Net unrealised gain / (loss) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	5.1	49,487,364 121,494,139	(7,395,464) 22,720,437
Total Income		139,417,688	39,422,512
EXPENSES			
Remuneration of Atlas Asset Management Limited - Management Company	8.1	9,023,172	7,391,393
Sindh sales tax on remuneration of the Management Company	8.2	1,173,012	960,881
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	751,931	689,211
Sindh sales tax on remuneration of the Trustee	9.2	97,752	89,597
Annual fee - Securities and Exchange Commission of Pakistan	10	75,204	68,922
Accounting and operational charges	13	911,598 80,005	510,264 52,500
Shariah advisory fee		223,992	363,152
Auditors' remuneration	15	842,914 14,767	1,222,677 20,601
Securities transaction cost		222,215	222,215
Printing charges		236,400	223,067
Amortisation of formation cost	6	30,138	125,616
Legal and professional charges		2,514,053	549,620
Annual listing fee		31,944	1,398
Provision for Sindh Workers Welfare Fund		16,229,097	12,491,114
Bank charges			
Net income for the period before taxation		123,188,591	26,931,398
Taxation	16	-	-
Net income for the period after taxation		123,188,591	26,931,398
Earnings per unit	17		
Allocation of net income for the year			
- Net income for the year after taxation		123,188,591	26,931,398
- Income already paid on units redeemed		(34,096,666)	(3,443,166)
Accounting income/(Loss) available for distribution:		89,091,925	23,488,232
-Relating to capital gains		121,494,139	30,115,901
-Excluding capital gains		(32,402,214)	(6,627,669)
		89,091,925	23,488,232

The annexed notes from 1 to 29 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	2021	2020
	----- Rupees-----	
Net income for the period after taxation	123,188,591	26,931,398
Other comprehensive income / (loss)	-	-
Total comprehensive income for the period	123,188,591	26,931,398

The annexed notes from 1 to 29 form an integral part of these financial statements.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND FOR THE YEAR ENDED 30 JUNE 2021

	30 June 2021		
	Capital Value	Undistributed income	Net Assets
	Rupees		
Capital value	392,806,970	-	392,806,970
Undistributed income brought forward			
- Realised loss	-	(727,396)	(727,396)
- Unrealised loss	-	(29,590,832)	(29,590,832)
Net assets at the beginning of the period (Units outstanding: 820,677)	392,806,970	(30,318,228)	362,488,742
(Rs. 441.6900 per unit)			
Issue of 36,862 units	20,079,900	-	20,079,900
Redemption of 308,362 units	(136,830,065)	(34,096,666)	(170,926,731)
Refund of capital	(183,862)	-	(183,862)
Final cash dividend declared for the year ended 30 June 2021			
Rs. 12.75 per unit declared on 28 June 2021	-	(6,672,861)	(6,672,861)
Total comprehensive income for the period	-	123,188,591	123,188,591
Shariah non-compliant income set-aside for charity	-	(653,107)	(653,107)
Net assets at end of the period (Units outstanding: 549,177)	275,872,943	51,447,729	327,320,672
(Rs. 596.0206 per unit)			
Undistributed income carried forward			
- Realised gain	-	18,532,020	-
- Unrealised gain	-	32,915,709	-
	-	51,447,729	-
	30 June 2020		
	Capital Value	Undistributed income	Net Assets
	Rupees		
Capital value	308,793,987	-	308,793,987
Undistributed income brought forward			
- Realised loss	-	(3,739,329)	(3,739,329)
- Unrealised loss	-	(48,527,514)	(48,527,514)
Net assets at the beginning of the period (Units outstanding: 620,181)	308,793,987	(52,266,843)	256,527,144
(Rs. 413.63 per unit)			
Issue of 377,585 units	163,479,190	-	163,479,190
Redemption of 177,083 units	(79,449,451)	(3,443,166)	(82,892,617)
Refund of capital	(16,756)	-	(16,756)
Final cash dividend declared for the year ended 30 June 2020			
Rs. 1.5 per unit declared on 30 June 2020	-	(1,210,093)	(1,210,093)
Total comprehensive income for the period	-	26,931,398	26,931,398
Shariah non-compliant income set-aside for charity	-	(329,525)	(329,525)
Net assets at end of the period (Units outstanding: 820,677)	392,806,970	(30,318,228)	362,488,742
(Rs. 441.69 per unit)			
Undistributed income carried forward			
- Realised loss	-	(727,396)	-
- Unrealised loss	-	(29,590,832)	-
	-	(30,318,228)	-

The annexed notes from 1 to 29 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

	Note	2021	2020
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income / (loss) for the period after taxation		123,188,591	26,931,398
Adjustments for:			
Profit on bank balances		(280,510)	(723,662)
Dividend income		(17,643,039)	(15,978,413)
Capital (gain) / loss on sale of investments - net		(72,006,775)	(30,115,901)
Net unrealised loss on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(49,487,364)	7,395,464
Provision for Sindh Workers' Welfare Fund		-	549,620
Amortisation of formation cost		222,215	222,215
		(139,195,473)	(38,650,677)
Increase in assets			
Receivable against sale of investments		(7,309,167)	(682,450)
Advances, deposits and other receivables		-	102,837
		(7,309,167)	(579,613)
(Decrease) / Increase in liabilities			
Payable to Atlas Asset Management Limited - Management Company		(16,160)	(756,188)
Payable to Central Depository Company of Pakistan Limited - Trustee		(7,541)	16,665
Payable to the Securities and Exchange Commission of Pakistan		6,282	(35,552)
Payable against redemption of units		(4,205,000)	9,000,000
Payable against purchase of investments		(1,607,480)	1,607,480
Accrued expenses and other liabilities		2,698,050	542,637
		(3,131,849)	10,375,042
Profit received on bank balances		425,621	578,256
Dividend received		17,522,039	16,410,288
Investments made during the period		(230,684,873)	(369,878,231)
Investments sold during the period		399,448,737	283,185,763
Net cash generated / (used in) operating activities		160,263,626	(71,627,774)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from issuance of units		20,079,900	163,479,190
Net payments against redemption of units		(170,926,731)	(82,892,617)
Shariah non-compliant income set-aside for charity		(653,107)	(329,525)
Refund of capital		(183,862)	(16,756)
Cash payout against distribution		(6,672,861)	(1,210,093)
Net cash (used in) / generated from financing activities		(158,356,661)	79,030,199
Net increase in cash and cash equivalents during the period		1,906,965	7,402,425
Cash and cash equivalents at the beginning of the period		11,892,473	4,490,047
Cash and cash equivalents at the end of the period	4	13,799,438	11,892,473

The annexed notes from 1 to 29 form an integral part of these financial statements.

For Atlas Asset Management Limited
(Management Company)

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Atlas Islamic Dedicated Stock Fund (the Fund) is an open-ended shariah compliant scheme constituted under a trust deed entered into on 03 September 2018 between Atlas Asset Management Limited (AAML) as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The offering document of the Fund has been revised through the First, Second, Third and Fourth supplements date 8 August 2019, 5 September 2019, 25 November 2019 and 1 April 2020 respectively with the approval of SECP. The investment activities and administration of the Fund are managed by AAML whose registered office is situated at Ground Floor, Federation House, Shahrah-e-Firdousi, Clifton, Karachi. The Fund was authorised by the Securities and Exchange Commission of Pakistan as a unit trust scheme on 09 October 2018.
- 1.2 The Fund is an open-ended Shariah compliant fund and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered to public (IPO) on 10 January 2019. The units are transferable and can also be redeemed by surrendering to the Fund.
- 1.3 According to the Trust Deed, the principal activity of the Fund is to provide capital appreciation to investors schemes by investing in Shariah Compliant equity securities.
- 1.4 The titles of the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.
- 1.5 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020. Subsequent to the year ended June 30, 2021, the Trust deed has been registered under the Sindh Trusts Act, 2020.

2 BASIS OF PREPARATION

2.1 Statement Of Compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

2.2 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2020 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these financial statements.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2.3 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date (annual periods beginning on or after)
Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16	01 January 2022
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	01 January 2022
Classification of liabilities as current or non-current - Amendment to IAS 1	01 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized
Definition of Accounting Estimates - Amendments to IAS 8	01 January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	01 January 2023

The above standards and amendments are not expected to have any material impact on the Fund's financial statements in the period of initial application.

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

Standard or Interpretation	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	01 July 2009
IFRS 17 - Insurance Contracts	01 January 2023

2.4 Critical accounting estimates and judgements

The preparation of financial statements in accordance with the approved accounting standards as applicable in Pakistan requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets and provision under uncertain circumstances such as provision for Sindh Workers' Welfare Fund and taxes recoverable as disclosed in notes 11.2, and 7.1 respectively.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except that investments have been carried at fair value.

2.6 Functional and presentation currency

These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out as below.

3.1 Financial instruments

a) Initial recognition and measurement

Financial assets and liabilities, with the exception of bank balances are initially recognised on the trade date, i.e., the date that the Bank becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place. Bank balances are recognised when funds are transferred to the banks.

All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss.

b) Classification

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. An equity instrument held for trading purposes or in which FVOCI election is not taken is classified as measured at FVTPL. Given the objectives of the Fund, all investments have been classified as FVTPL.

Debt instruments

A debt instrument is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at FVTPL.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

"The Fund's business model is not assessed on an instrument by instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as: the objectives for the portfolio; how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel; the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed etc."

Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)

As a second step of its classification process the Fund assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVPL.

c) Subsequent Measurement

Financial assets (equity and debt instruments) at fair value through profit or loss

Financial assets (both equity and debt) at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss. Dividend income from equity instruments measured at FVTPL is recorded in profit or loss when the right to the payment has been established.

Interest earned on debt instruments designated at FVTPL is accrued in interest income, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

Debt instruments at Amortised Cost

"Under IFRS 9, after initial measurement, such debt instruments are subsequently measured at amortised cost. Under Regulation 66 of NBFC Regulations, debt securities are required to be carried at fair value. The Fund has not used this classification for its investment portfolio."

Debt instruments at FVOCI

FVOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest income and foreign exchange gains and losses are recognised in profit or loss

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

in the same manner as for financial assets measured at amortised cost. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss. Debt instruments are subject to impairment and the impairment is charged profit or loss. The Fund has not used this classification for its investment portfolio.

Equity instruments at FVOCI

Upon initial recognition, the Fund occasionally elects to classify irrevocably some of its equity investments as equity instruments at FVOCI when they meet the definition of Equity under IAS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by instrument basis. The Fund has not used this classification for its investment portfolio.

Gains and losses on these equity instruments are never recycled to profit. Dividends are recognised in profit or loss as other operating income when the right of the payment has been established, except when the Fund benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss.

d) Derecognition

"A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Fund has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Fund has:

- (a) Transferred substantially all of the risks and rewards of the asset; or
- (b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset."

When the Fund has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Fund's continuing involvement in the asset. In that case, the fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the fund has retained. The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

e) Reclassification of financial assets and liabilities

From the application date of IFRS 9, the Fund does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Fund acquires, disposes of, or terminates a business line.

f) Impairment of financial assets

"The Fund only considers expected credit losses for bank balances and trade and other receivables. The Fund measures expected credit losses on bank balances using the probability of default (PD) and loss given default (LGD) estimates using the published information about these risk parameters."

g) Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

h) Determination of fair value

The equity securities are valued on the basis of closing quoted market prices available at Pakistan Stock Exchange (PSX).

3.2 Cash and cash equivalents

Cash and cash equivalents include deposits with banks and other short term highly liquid investments with original maturities of three months or less.

3.3 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

3.4 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / Distributors as processing fee.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company receives redemption application during business hours of that day. The redemption price shall be equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges as processing fee.

3.5 Distribution to unit holders

Distribution to unit holders is recognised upon declaring and approval by the Distribution Committee of the Board of Directors of the Management Company under powers delegated to them by the Board of Directors of the Management Company or declaration and approval by the Board of Director of the Management Company.

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.6 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

"The Securities and Exchange Commission of Pakistan through its SRO 756(I)/2017 dated 03 August 2017 includes a definition and explanation relating to ""element of income"" and excludes the element of income from the expression ""accounting income"" as described in regulation 63 (amount distributable to unit holders) of the NBFC Regulations. As per the notification, element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the revised regulations also specify that element of income is a transaction of capital nature and the receipt and payment of element of income shall be taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund will be refunded on units in the same proportion as dividend bears to accounting income available for distribution. MUFAP, in consultation with the SECP, specified methodology of

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

determination of income paid on units redeemed under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year."

3.7 Revenue recognition

- Dividend income is recognised when the right to receive the dividend is established.
- Interest income on bank balances, placements and deposits is recognised on an accrual basis.
- Gains or losses on sale of investments are included in the Income Statement in the year in which it arises.
- Unrealised appreciation / (loss) in the value of investments classified as 'financial assets at fair value through profit or loss' are included in the Income Statement in the period in which they arise.

3.8 Expenses

All expenses chargeable to the Fund including remuneration of Management Company and Trustee and annual fee of SECP are recognised in the income statement on an accrual basis.

3.9 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 ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed among the unit holders. The Fund intends to distribute such income at the year end in order to avail this tax exemption. Accordingly, no provision is made for current and deferred taxation in these financial statements.

3.10 Net asset value per unit

The net asset value per unit disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

3.11 Earnings per unit

Earnings per unit (EPU) has not been disclosed as in the opinion of the management determination of cumulative weighted average number of outstanding units for calculation of EPU is not practicable.

4 BANK BALANCES	Note	2021		2020	
		Rupees -----			
In local currency					
- Profit and loss sharing accounts	4.1	<u>13,799,438</u>		<u>11,892,473</u>	

4.1 The rate of return on these profit and loss sharing accounts ranges between 6.00% to 6.90% (30 June 2020: 6.50% to 7.00%) per annum.

5 INVESTMENTS	Note	2021		2020		
		Rupees -----				
At fair value through profit or loss						
- Listed equity securities	5.1	<u>310,475,376</u>		<u>357,745,101</u>		

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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

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

Name of Investee Company	As at 01 July 2020	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 30 June 2021	Average cost as at 30 June 2021	Market value as at 30 June 2021	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid up capital of the Investee Company
Note	Number of shares				Rupees			% age		
Banks										
Bankislami Pakistan Limited	819,100	270,000	-	1,089,100	-	-	-	-	-	-
Meezan Bank Limited	5.3	448,400	117,000	27,340	329,500	263,240	18,698,106	30,380,528	9.79	9.28
	1,267,500	387,000	27,340	1,418,600	263,240	18,698,106	30,380,528	9.79	9.28	0.02
Textile Composite										
Interloop Limited	-	100,000	-	80,000	20,000	1,409,997	1,400,600	0.45	0.43	0.00
Kohinoor Textile Mills Limited	91,000	20,000	-	65,500	45,500	1,685,310	3,421,600	1.10	1.05	0.02
Nishat Mills Limited	1,500	128,000	-	72,000	57,500	5,222,187	5,364,750	1.73	1.64	0.02
	92,500	248,000	-	217,500	123,000	8,317,494	10,186,950	3.28	3.11	
Cement										
Attock Cement Pakistan Limited	54,100	6,000	-	43,100	17,000	2,300,222	3,056,940	0.98	0.93	0.01
Cherat Cement Company Limited	66,850	22,400	-	71,800	17,450	2,278,512	3,095,281	1.00	0.95	0.01
D.G. Khan Cement Company Limited	71,500	38,500	-	57,000	53,000	6,012,822	6,249,760	2.01	1.91	0.01
Fauji Cement Company Limited	-	405,000	-	73,500	331,500	6,927,436	7,624,500	2.46	2.33	0.02
Gharibwal Cement Limited	100,000	100,000	-	200,000	-	-	-	-	-	-
Kohat Cement Company Limited	36,500	8,000	-	27,000	17,500	2,955,273	3,613,575	1.16	1.10	0.01
Lucky Cement Limited	69,600	1,500	-	33,750	37,350	17,494,640	32,249,484	10.39	9.85	0.01
Maple Leaf Cement Factory Limited	-	95,000	-	25,000	70,000	3,226,000	3,288,600	1.06	1.00	0.01
	398,550	676,400	-	531,150	543,800	41,194,905	59,178,140	19.06	18.08	
Refinery										
Attock Refinery Limited	-	32,000	-	21,700	10,300	2,388,820	2,641,435	0.85	0.81	0.01
National Refinery Limited	-	2,500	-	500	2,000	1,102,169	1,046,380	0.34	0.32	0.00
	-	34,500	-	22,200	12,300	3,490,989	3,687,815	1.19	1.13	
Power Generation & Distribution										
The Hub Power Company Limited	455,903	208,000	-	492,903	171,000	14,553,062	13,623,570	4.39	4.16	0.01
K-Electric Limited (face value Rs. 3.5)	505,500	300,000	-	90,000	715,500	2,505,411	2,990,790	0.96	0.91	0.00
	961,403	508,000	-	582,903	886,500	17,058,473	16,614,360	5.35	5.08	
Oil & Gas Marketing Companies										
Attock Petroleum Limited	7,500	-	-	7,500	-	-	-	-	-	-
Hi-Tech Lubricants Limited	40,000	90,000	-	130,000	-	-	-	-	-	-
Pakistan State Oil Company Limited	75,400	15,200	-	39,100	51,500	8,416,505	11,548,875	3.72	3.53	0.01
Shell Pakistan Limited	20,000	4,500	-	24,500	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	96,000	138,500	-	189,500	45,000	1,915,650	2,186,100	0.70	0.67	0.01
	238,900	248,200	-	390,600	96,500	10,332,155	13,734,975	4.42	4.20	

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Name of Investee Company	As at 01 July 2020	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 30 June 2021	Average cost as at 30 June 2021	Market value as at 30 June 2021	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid up capital of the Investee Company										
Note	Number of shares				Rupees			% age												
Oil & Gas Exploration Companies																				
Man Petroleum Company Limited	17,368	1,000	-	6,840	11,528	14,562,848	17,573,168	5.66	5.37	0.01										
Oil & Gas Development Company Limited	5.3	281,400	60,000	-	50,500	290,900	31,859,032	27,644,227	8.90	8.45	0.01									
Pakistan Oilfields Limited		45,800	4,000	-	37,300	12,500	4,444,610	4,923,250	1.59	1.50	0.00									
Pakistan Petroleum Limited	5.3	248,840	42,000	-	76,800	214,040	19,091,446	18,585,093	5.99	5.68	0.01									
	593,408	107,000	-	171,440	528,968	69,957,935	68,725,738	22.14	21.00											
Engineering																				
Agha Steel Industries Limited	-	137,394	-	137,394	-	-	-	-	-	-										
International Industries Limited	15,880	25,500	-	29,380	12,000	2,716,426	2,532,240	0.82	0.77	0.01										
International Steels Limited	-	120,000	-	108,500	11,500	1,127,322	1,074,215	0.35	0.33	0.00										
Mughal Iron And Steel Industries Ltd	-	11,000	1,760	4,760	8,000	677,229	835,200	0.27	0.26	0.00										
	15,880	293,894	1,760	280,034	31,500	4,520,978	4,441,655	1.43	1.36											
Automobile Assembler																				
Indus Motor Company Limited	-	4,500	-	4,500	-	-	-	-	-	-										
Millat Tractors Limited	6,200	900	675	2,000	5,775	3,961,907	6,234,748	2.01	1.90	0.01										
Pak Suzuki Motor Company Limited	-	14,500	-	5,000	9,500	2,831,389	3,376,680	1.09	1.03	0.01										
	6,200	19,900	675	11,500	15,275	6,793,295	9,611,428	3.10	2.94											
Automobile Parts & Accessories																				
Panther Tyres Limited	-	42,080	-	10,500	31,580	2,086,362	2,183,125	0.70	0.67	0.02										
Thal Limited (face value Rs. 5)	-	19,400	-	1,500	17,900	8,081,288	7,567,762	2.44	2.31	0.02										
	-	61,480	-	12,000	49,480	10,167,650	9,750,887	3.14	2.98											
Cables & Electrical Goods																				
Pak Elektron Limited	-	60,000	-	60,000	-	-	-	-	-	-										
	-	60,000	-	60,000	-	-	-	-	-	-										
Transport																				
Pakistan International Bulk Terminal Limited	-	150,000	-	5,000	145,000	1,754,009	1,650,100	0.53	0.50	0.01										
	-	150,000	-	5,000	145,000	1,754,009	1,650,100	0.53	0.50											
Technology & Communications																				
Avanceon Limited	-	65,500	-	65,500	-	-	-	-	-	-										
Pakistan Telecommunication Company Ltd.	-	360,000	-	65,000	295,000	2,914,276	3,492,800	1.12	1.07	0.01										
Systems Limited	60,000	-	2,000	47,200	14,800	2,471,331	8,291,256	2.67	2.53	0.01										
	60,000	425,500	2,000	177,700	309,800	5,385,607	11,784,056	3.80	3.60											
Fertilizer																				
Engro Fertilizers Limited	269,500	120,000	-	260,000	129,500	8,459,402	9,099,965	2.93	2.78	0.01										
Engro Corporation Limited (Note # 5.3)	86,420	27,500	-	43,920	70,000	20,659,616	20,622,700	6.64	6.30	0.01										
	355,920	147,500	-	303,920	199,500	29,119,018	29,722,665	9.57	9.08											

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Name of Investee Company	As at 01 July 2020	Purchases during the period	Bonus / right shares issued during the period	Sales during the period	As at 30 June 2021	Average cost as at 30 June 2021	Market value as at 30 June 2021	Market value as a percentage of total investments	Market value as a percentage of net assets	Paid-up value of shares held as a percentage of total paid up capital of the Investee Company										
	Number of shares				Rupees			% age												
Pharmaceuticals																				
Abbott Laboratories (Pakistan) Limited	8,500	-	-	8,500	-	-	-	-	-	-										
Agp Limited	42,000	16,000	-	58,000	-	-	-	-	-	-										
Glaxosmithkline Pakistan Limited	20,200	26,000	-	25,200	21,000	3,844,658	3,479,070	1.12	1.06	0.01										
Highnoon Laboratories Limited	10,395	2,500	1,289	-	14,184	6,773,300	8,510,400	2.74	2.60	0.04										
The Searle Company Limited	35,400	7,000	3,413	28,313	17,500	3,697,418	4,245,850	1.37	1.30	0.01										
	116,495	51,500	4,702	120,013	52,684	14,315,375	16,235,320	5.23	4.96											
Chemicals																				
Berger Paints Pakistan Limited	-	22,500	-	22,500	-	-	-	-	-	-										
Dyneal Pakistan Limited	-	10,500	-	10,500	-	-	-	-	-	-										
Engro Polymer & Chemicals Limited	325,000	60,000	-	285,500	99,500	3,831,582	4,700,380	1.51	1.44	0.01										
ICI Pakistan Limited	4,650	5,500	-	10,150	-	-	-	-	-	-										
Lotte Chemical Pakistan Limited	-	180,000	-	180,000	-	-	-	-	-	-										
Sitara Chemical Industries Limited	-	11,600	-	7,800	3,800	1,441,434	1,337,600	0.43	0.41	0.02										
	329,650	290,100	-	516,450	103,300	5,273,016	6,037,980	1.94	1.84											
Paper & Board																				
Packages Limited	6,000	8,100	-	2,700	11,400	4,876,111	6,215,280	2.00	1.90	0.01										
Security Papers Limited	-	5,000	-	5,000	-	-	-	-	-	-										
	6,000	13,100	-	7,700	11,400	4,876,111	6,215,280	2.00	1.90											
Leather & Tanneries																				
Bata Pakistan Limited	4,420	-	-	3,400	1,020	1,369,962	1,748,688	0.56	0.53	0.01										
Service Global Footwear Limited	-	25,000	-	-	25,000	1,424,995	1,445,750	0.47	0.44	0.01										
	4,420	25,000	-	3,400	26,020	2,794,957	3,194,438	1.03	0.98											
Foods & Personal Care Products																				
At-Tahur Limited	228,500	-	20,850	40,000	209,350	3,279,183	4,877,855	1.57	1.49	0.12										
Treet Corporation Limited	-	40,000	-	13,000	27,000	1,132,616	1,336,230	0.43	0.41	0.02										
Unity Foods Limited	-	343,500	-	308,500	35,000	1,007,963	1,558,200	0.50	0.48	0.00										
	228,500	383,500	20,850	361,500	271,350	5,419,762	7,772,285	2.50	2.37											
Glass & Ceramics																				
Shabbir Tiles & Ceramics Limited (face value Rs. 5)	-	160,000	-	113,500	46,500	1,518,176	1,550,775	0.50	0.47	0.01										
Tariq Glass Industries Ltd	37,000	-	-	37,000	-	-	-	-	-	-										
	37,000	160,000	-	150,500	46,500	1,518,176	1,550,775	0.50	0.47											
Miscellaneous																				
Synthetic Products Enterprises Limited	25,500	-	-	25,500	-	-	-	-	-	-										
Siddiqsons Tin Plate Limited	-	100,000	-	100,000	-	-	-	-	-	-										
	25,500	100,000	-	125,500	-	-	-	-	-	-										
Total as at 30 June 2021						260,988,012	310,475,376	100.00	94.85											
Total as at 30 June 2020						365,140,564	357,745,101	100.00	96.81											

5.2 The cost of listed equity securities as at 30 June 2021 is Rs. 277,559,667 (30 June 2020 is Rs. 387,335,932).

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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

	Number of shares		Market value	
	2021	2020	2021	2020
	----- Rupees -----			
Engro Corporation Limited	4,500	4,500	1,325,745	1,318,140
Meezan Bank Limited	7,500	1,000	865,575	68,850
Oil & Gas Development Company Limited	50,000	50,000	4,751,500	5,450,000
Pakistan Petroleum Limited	30,000	30,000	2,604,900	2,603,400
	92,000	85,500	9,547,720	9,440,390

6 DEFERRED FORMATION COST

Deferred	2021	2020
Amortisation of formation cost	----- Rupees -----	----- Rupees -----
	666,645	888,860
	(222,215)	(222,215)
	444,430	666,645

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

7 ADVANCES, DEPOSITS AND OTHER RECEIVABLES

	2021	2020
Note	----- Rupees -----	
Security deposits with:		
- National Clearing Company of Pakistan Limited (NCCPL)	2,500,000	2,500,000
- Central Depository Company of Pakistan Limited (CDC)	100,000	100,000
Tax recoverable	7.1	812,741
		812,741
	3,412,741	3,412,741

7.1 As per Clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under sections 150 and 151. However, several Companies (including banks) deducted withholding tax on dividend and profit on bank deposits paid to the Fund based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced by the withholdee. Such deductions aggregate to Rs. 0.81 million (2020: 0.81 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all Funds managed by the Company to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted from dividend and profit received on bank deposits by the Funds has been shown as other receivable as at 30 June 2021 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Had the Tax Recoverable not been recorded in these financial statements of the Fund, the net asset value of the Fund as at 30 June 2021 would have been lower by Rs. 1.48 per unit (30 June 2020: Rs. 0.99 per unit).

8 PAYABLE TO ATLAS ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY - RELATED PARTY

		2021	2020
	Note	Rupees	Rupees
Remuneration of the Management Company	8.1	678,938	723,020
Sindh sales tax payable on remuneration of the Management Company	8.2	88,261	93,992
Accounting and operational charges payable	13	84,867	51,214
		852,066	868,226

8.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (I) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio. The management company has set the maximum limit of 2.5% of average annual net assets, within allowed expense. In prior year on 01 March 2020 Management Company decided to revise the management fee from 2.00% to 2.40. However, the rate remained at 2.4% during the current year. The fee is payable to the Management Company monthly in arrears.

8.2 During the year, an amount of Rs. 1,173,012 (2020: 960,881) 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. 1,178,743 (2020: 923,443) has been paid to the Management Company which acts as the collecting agent.

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

		2021	2020
	Note	Rupees	Rupees
Trustee fee	9.1	56,578	60,251
Sindh sales tax payable on trustee fee	9.2	7,356	7,834
Settlement charges		-	3,000
Sindh sales tax payable on settlement charges		-	390
		63,934	71,475

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

9.2 During the year, an amount of Rs. 97,752 (2020: Rs. 89,597) was charged on account of sales tax on remuneration of the Trustee levied through Sindh Sales Tax on Services Act, 2011 and an amount of Rs. 98,299 (2020: Rs. 87,419) was paid to the Trustee which acts as a collecting agent.

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

		2021	2020
	Note	Rupees	Rupees

Annual fee payable	10.1	75,204	68,922
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10.1 In accordance with the NBFC Regulations, 2008, a collective investment scheme classified as an equity scheme is required to pay the Securities and Exchange Commission of Pakistan an amount equal to 0.02% of the average annual net assets of the Fund as annual fee.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

11 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2021	2020
		----- Rupees -----	----- Rupees -----
Auditors' remuneration payable		249,913	276,589
Transaction charges payable		479,905	394,618
Withholding tax and capital gain payable		55,141	104,745
Payable to Shariah Advisor		20,010	15,000
Provision for Sindh Workers' Welfare Fund	11.2	3,063,673	549,620
Printing charges payable		12,520	-
Charity payable	11.1	211,224	53,764
		4,092,386	1,394,336

11.1 The Shariah Advisor of the Fund, has certified an amount of Rs. 653,106 (30 June 2020: Rs. 329,525) against dividend income, as Shariah non-compliant income during the period, which has accordingly been marked to charity.

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

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

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 June 2021 would have been higher by Rs. 5.58 per unit (30 June 2020: Rs. 0.67 per unit).

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at 30 June 2021 and 30 June 2020.

13 ACCOUNTING AND OPERATIONAL CHARGES

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

The Management Company has charged expenses at the rate 0.17% of the average annual net assets of the Fund for the period from July 01 2020 to 02 December 2020 and 0.3% of the average annual net assets of the Fund from 03 December

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2020 to 30 June 2021 (2020: 0.1% of the average annual net assets of the Fund for the period from 01 July 2019 to 30 September 2019, 0.15% of the average annual net assets of the Fund from 01 October 2019 till 04 March 2020 and 0.17% of the average annual net assets of the Fund from 05 March 2020) for allocation of such expenses to the Fund.

14 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at 30 June 2021 is 4.36% which includes 1.07% (30 June 2020 is 3.62 which includes 0.53%) representing government levies on the Fund such as sales taxes, annual fee to the SECP, etc. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

15 AUDITORS' REMUNERATION

Audit fee
Half Yearly fee
Certification charges
Code of Corporate Governance
Out of pocket expenses
Sindh sales tax on services
Prior year adjustment

	2021	2020
	----- Rupees -----	
Audit fee	151,300	165,000
Half Yearly fee	75,700	40,000
Certification charges	30,000	22,000
Code of Corporate Governance	-	50,000
Out of pocket expenses	25,000	25,000
Sindh sales tax on services	22,560	24,160
Prior year adjustment	(80,568)	36,992
	223,992	363,152

16 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unitholders. Since the management has paid the required minimum percentage of income earned by the Fund during the year ended 30 June 2021 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

17 EARNINGS PER UNIT

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

18 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

- 18.1 Connected persons include Atlas Asset Management Limited being the Management Company, the Central Depository Company Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of the Fund, directors and their close family members and key management personnel of the Management Company.
- 18.2 Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 18.3 Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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

	2021	2020
	----- Rupees -----	
Atlas Asset Management Limited (Management Company)		
Remuneration of the Management Company	9,023,172	7,391,393
Remuneration paid	9,067,255	7,103,406
Sindh sales tax on remuneration of the Management Company	1,173,012	960,881
Accounting and operational charges	911,598	510,264
Central Depository Company of Pakistan Limited (Trustee)		
Remuneration of the Trustee	751,931	689,211
Sindh sales tax on remuneration of the Trustee	97,752	89,597
Remuneration paid	755,604	672,464
Settlement charges	31,771	29,354
Sindh sales tax on settlement charges	4,130	3,816
Shirazi Investments (Private) Limited Employee Provident Fund		
Issue of 19,728 (2020: 10,497) units	9,921,558	5,015,691
Redemption of 21,544 (2020: Nil) units	12,380,733	-
Dividend declared	108,381	15,691
Outstanding 8,681 (2020: 10,497) units - at net asset value	5,173,787	4,636,206
Atlas Aggressive Allocation Islamic Plan		
Issue of 3,275 (2020: 38,049) units	1,970,976	15,655,237
Redemption of 16,151 (2020: 18,725) units	8,430,000	9,380,000
Dividend declared	1,970,976	255,237
Outstanding of 157,862 (2020: 170,738) units at net asset value	94,088,818	75,413,050
Atlas Group of Companies, Management Staff Gratuity Fund (Retirement benefit plan of group company)		
Issue of 9,022 (2020: 155,163) units	5,276,800	71,223,560
Redemption of 9,051 (2020: 5,616) units	4,970,000	3,000,000
Dividend declared	1,866,800	206,804
Outstanding of 149,518 (2020: 149,547) units at net asset value	89,115,763	66,053,424
Atlas Moderate Allocation Islamic Plan		
Issue of 12,727 (2020: 44,751) units	7,516,618	18,360,624
Redemption of 32,150 (2020: 21,305) units	17,390,000	10,620,000
Dividend declared	1,516,618	210,624
Outstanding 121,471 (2020: 140,894) units at net asset value	72,399,074	62,231,583
Atlas Conservative Allocation Islamic Plan		
Issue of 1,411 (2020: 45,638) units	849,091	18,729,889
Redemption of 20,292 (2020: 23,689) units	10,545,000	11,840,000
Dividend declared	849,091	129,889
Outstanding 68,006 (2020: 86,888) units at net asset value	40,533,210	38,377,373
Atlas Islamic Capital Preservation Plan		
Issue of 905 (2020: 83,358) units	544,858	34,391,846
Redemption of 209,180 (2020: 107,619) units	117,000,000	48,000,000
Dividend declared	544,858	391,846
Outstanding of 53,846 (2020: 262,120) units at net asset value	32,093,325	115,775,867

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

18.5 Other balances due from / to related parties / connected persons are included in the respective notes to the financial statements.

19 FINANCIAL INSTRUMENTS BY CATEGORY

	----- As at 30 June 2021 -----			
	Amortised Cost	At fair value through profit or loss	At fair value through other comprehensive income	Total
----- (Rupees) -----				
Financial Assets				
Bank balances	13,799,438	-	-	13,799,438
Investments	-	310,475,376	-	310,475,376
Receivable against sale of investment	8,924,517	-	-	8,924,517
Profit receivable on bank balances	21,760	-	-	21,760
Dividend receivable	121,000	-	-	121,000
Advances, deposits and other receivables	2,600,000	-	-	2,600,000
	25,466,715	310,475,376	-	335,942,091
----- As at 30 June 2021 -----				
At fair value through profit or loss				
----- (Rupees) -----				
Financial Liabilities				
Payable to Atlas Asset Management Limited- Management Company	-	852,066	852,066	852,066
Payable to Central Depository Company of Pakistan Limited - Trustee	-	63,934	63,934	63,934
Payable against redemptions of units	-	4,795,000	4,795,000	4,795,000
Accrued expenses and other liabilities	-	973,572	973,572	973,572
	-	6,684,572	-	6,684,572
----- As at 30 June 2020 -----				
	Amortised Cost	At fair value through profit or loss	At fair value through other comprehensive income	Total
	----- (Rupees) -----			
Financial Assets				
Bank balances	11,892,473	-	-	11,892,473
Investments	-	357,745,101	-	357,745,101
Receivable against sale of investment	1,615,350	-	-	1,615,350
Profit receivable on bank balances	166,871	-	-	166,871
Advances, deposits and other receivables	2,600,000	-	-	2,600,000
	16,274,694	357,745,101	-	374,019,795

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

	----- As at 30 June 2020 -----		
	At fair value through profit or loss	At amortised cost	Total
	----- (Rupees) -----		
Financial Liabilities			
Payable to Atlas Asset Management Limited- Management Company	-	868,226	868,226
Payable to Central Depository Company of Pakistan Limited - Trustee	-	71,475	71,475
Payable against redemptions of units	-	9,000,000	9,000,000
Payable against purchase of investments	-	1,607,480	1,607,480
Accrued expenses and other liabilities	-	739,971	739,971
	-	12,287,152	12,287,152

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

20.1 The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, Fund's constitutive documents and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, credit risk and liquidity risk arising from the financial instruments it holds.

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

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

20.2 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as profit rates, foreign exchange rates and equity prices.

(i) Profit rate risk

Profit rate risk is the risk that the value of the financial instrument will fluctuate due to changes in the market profit rates. As of 30 June 2021, the Fund is exposed to such risk on its balances held with banks. The investment committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within acceptable limits.

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks which exposes the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in market interest rates as at 30 June 2021, with all other variables held constant, the net income for the year and net assets would have been higher / lower by Rs. 137,994 (30 June 2020: 118,925).

b) Sensitivity analysis for fixed rate instruments

Presently, the Fund does not hold any fixed rate instrument that may expose the Fund to fair value profit rate risk. The composition of the Fund's investment portfolio and profit rates are expected to change overtime. Accordingly, the sensitivity analysis prepared as of 30 June 2021 is not necessarily indicative of the impact on the Fund's net assets of the future movement in profit rates.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Yield / profit rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off balance sheet instruments is based on settlement date.

The fund's profit rate sensitivity related to financial assets and financial liabilities as at 30 June 2021 can be determined as follows:

As at 30 June 2021					
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
Percentage					(Rupees)
Financial Assets					
Bank balances	13,799,438	-	-	-	13,799,438
Investments	-	-	-	310,475,376	310,475,376
Receivable against sale of investment	-	-	-	8,924,517	8,924,517
Profit receivable on bank balances	-	-	-	21,760	21,760
Dividend receivable	-	-	-	121,000	121,000
Advances,deposits and other receivables	-	-	-	2,600,000	2,600,000
	13,799,438	-	-	322,142,653	335,942,091
Financial Liabilities					
Payable to Atlas Asset Management Limited - Management Company	-	-	-	852,066	852,066
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	63,934	63,934
Payable against redemption of units	-	-	-	4,795,000	4,795,000
Payable against purchase of investment	-	-	-	-	-
Accrued expenses and other liabilities	-	-	-	973,572	973,572
	-	-	-	6,684,572	6,684,572
On-balance sheet gap (a)	13,799,438	-	-	315,458,082	329,257,520
Off-balance sheet financial instruments					
Off-balance sheet gap (b)					
Total interest rate sensitivity gap (a + b)	13,799,438	-	-		
Cumulative interest rate sensitivity gap	13,799,438	13,799,438	13,799,438		

As at 30 June 2020					
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
Percentage					(Rupees)
Financial Assets					
Bank balances	11,892,473	-	-	-	11,892,473
Investments	-	-	-	357,745,101	357,745,101
Receivable against sale of investment	-	-	-	1,615,350	1,615,350
Profit receivable on bank balances	-	-	-	166,871	166,871
Dividend receivable	-	-	-	-	-
Advances,deposits and other receivables	-	-	-	2,600,000	2,600,000
	11,892,473	-	-	362,127,322	374,019,795
Financial Liabilities					
Payable to Atlas Asset Management Limited - Management Company	-	-	-	868,226	868,226
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	71,475	71,475
Payable against redemption of units	-	-	-	9,000,000	9,000,000
Payable against purchase of investment	-	-	-	1,607,480	1,607,480
Accrued expenses and other liabilities	-	-	-	739,971	739,971
	-	-	-	12,287,152	12,287,152
On-balance sheet gap (a)	11,892,473	-	-	349,840,170	361,732,643
Off-balance sheet financial instruments					
Off-balance sheet gap (b)					
Total interest rate sensitivity gap (a + b)	11,892,473	-	-		
Cumulative interest rate sensitivity gap	11,892,473	11,892,473	11,892,473		

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instruments will fluctuate because of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(iii) Equity price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund is exposed to equity price risk on investments held by the Fund and classified as 'at fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the Trust Deed. The NBFC Regulations also limit individual equity securities to no more than 15% of net assets and issued capital of the investee company and sector exposure limit to 40% of the net assets.

In case of 5% increase / decrease in KMI 30 index on 30 June 2021, with all other variables held constant, net income of the Fund for the period would increase / decrease by Rs. 15,523,769 (30 June 2020: Rs. 17,887,255) and the net assets of the Fund would increase/ decrease by the same amount as a result of gains / losses on equity securities at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KMI 30 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI 30 Index, is expected to change overtime. Accordingly, the sensitivity analysis prepared as of 30 June 2021 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KMI 30 Index.

20.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to the daily settlement of equity securities and to daily redemptions, if any. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed of. The Fund's listed securities are considered readily realisable, as they are listed on the Pakistan Stock Exchange Limited.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The fund did not withhold any redemptions during the period.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

----- As at 30 June 2021 -----

	Within 1 month	1 to 3 months	3 to 12 months	More than 1 year	Financial instruments without fixed maturity	Total
----- Rupees -----						
Financial Assets						
Bank balances	13,799,438	-	-	-	-	13,799,438
Investments	-	-	-	-	310,475,376	310,475,376
Receivable against sale of investment	8,924,517	-	-	-	-	8,924,517
Profit receivable on bank balances	21,760	-	-	-	-	21,760
Dividend receivable	121,000	-	-	-	-	121,000
Advances, deposits and other receivables	-	-	-	-	2,600,000	2,600,000
	22,866,715	-	-	-	313,075,376	335,942,092
Financial Liabilities						
Payable to Atlas Asset Management Limited - Management Company	4,795,000	-	-	-	-	4,795,000
Payable to Central Depository Company of Pakistan Limited - Trustee	63,934	-	-	-	-	63,934
Payable against redemption of units	4,795,000	-	-	-	-	4,795,000
Accrued expenses and other liabilities	479,905	282,443	-	-	-	762,348
	10,133,839	282,443	-	-	-	10,416,282
Net assets / (liabilities)	12,732,877	(282,443)	-	-	313,075,376	325,525,809

----- As at 30 June 2020 -----

	Within 1 month	1 to 3 months	3 to 12 months	More than 1 year	Financial instruments without fixed maturity	Total
----- Rupees -----						
Financial Assets						
Bank balances	11,892,473	-	-	-	-	11,892,473
Investments	-	-	-	-	357,745,101	357,745,101
Receivable against sale of investment	1,615,350	-	-	-	-	1,615,350
Profit receivable on bank balances	166,871	-	-	-	-	166,871
Dividend receivable	-	-	-	-	-	-
Advances, deposits and other receivables	-	-	-	-	2,600,000	2,600,000
	13,674,694	-	-	-	360,345,101	374,019,795
Financial Liabilities						
Payable to Atlas Asset Management Limited - Management Company	868,226	-	-	-	-	868,226
Payable to Central Depository Company of Pakistan Limited - Trustee	71,475	-	-	-	-	71,475
Payable against redemption of units	9,000,000	-	-	-	-	9,000,000
Payable against purchase of investments	1,607,480	-	-	-	-	1,607,480
Accrued expenses and other liabilities	394,618	345,353	-	-	-	739,971
	11,941,799	345,353	-	-	-	12,287,152
Net assets / (liabilities)	1,732,895	(345,353)	-	-	360,345,101	361,732,643

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

20.4 Credit risk

Credit risk represents the risk of a loss if counterparties fail to perform as contracted and arises principally from bank balances, investments, receivable against sale of investment, profit receivable on bank balances and advances, deposits and other receivables.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets.

	2021		2020	
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
Bank balances	13,799,438	13,799,438	11,892,473	11,892,473
Receivable against sale of investment	8,924,517	8,924,517	1,615,350	1,615,350
Profit receivable on bank balances	21,760	21,760	166,871	166,871
Dividend receivable	121,000	121,000	-	-
Advances, deposits and other receivables	337,199,262	337,199,262	2,600,000	2,600,000
	360,065,977	360,065,977	16,274,694	16,274,694

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in equity securities of Rs 310.48 million is not exposed to credit risk (2020: 357.745 million).

20.4.1 Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks. The credit rating profile of balances with banks is as follows:

Ratings of amounts placed with banks	% of financial assets exposed to credit risk	
	2021	2020
A+	5%	30%
A	95%	70%
	100%	100%

The maximum exposure to credit risk before any credit enhancement as at 30 June 2021 is the carrying amount of the financial assets. None of these assets are impaired nor past due but not impaired.

All the balances with banks have investment grade rating and hence are classified as Stage 1 under IFRS 9.

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial assets is mainly held with credit worthy counterparties.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

20.5 Fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction.

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.

20.6 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 Pakistan Stock Exchange Limited (Level 1). Fair value of remaining financial assets is not significantly different from their carrying value.

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. They are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the 'Statement of Movement in Unit Holders' Fund'.

The Fund has no restrictions on the subscription and redemption of units. As required under the NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of the scheme. The Fund has maintained and complied with the requirement of minimum fund size during the current period.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 20, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

22 UNIT HOLDING PATTERN OF THE FUND

Category	2021			2020		
	Number of unit holders	Rupees	% of total	Number of unit holders	Rupees	% of total
Fund of Funds	4	233,031,115	71.19%	4	291,798,306	80.50%
Retirement Funds	2	94,289,557	28.81%	2	70,690,436	19.50%
	4	327,320,672	100.00%	6	362,488,742	100.00%

23 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

Name of broker	Percentage of commission paid	2020	
		Name of broker	Percentage of commission paid
Optimus Capital Management (private) Limited	9.21%	Optimus Capital Management (private) Limited	9.13%
Topline Securities Limited	7.61%	Habib Metropolitan Financial Services Limited	7.97%
Taurus Securities Limited	7.55%	Standard Capital Securities (Pvt) Limited	7.69%
Intermarket Securities Limited	6.50%	Topline Securities Limited	7.38%
Alfalah CLSA Securities (Private) Limited	5.89%	Next Capital Limited	7.04%
Shajar Capital Pakistan (Pvt.) Ltd.	5.74%	Shajar Capital Pakistan (Pvt) Limited	6.78%
Pearl Securities Limited	5.27%	BIPL Securities Limited	6.20%
Ismail Iqbal Securities (Pvt) Ltd	4.93%	Taurus Securities Limited	5.85%
Alfa Adhi Securities (Pvt) Ltd.	4.93%	Insight Securities (Private) Limited	5.69%
Standard Capital Securities (Pvt) Limited	4.79%	Pearl Securities Limited	5.47%

24 THE MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

Name	Designation	Qualification	Overall experience
Mr. Ali H. Shirazi	Director	Masters in Law	17.5 Years
Mr. M. Abdul Samad	Chief Executive Officer	MBA, M.Com	21 Years
Mr. Khalid Mehmood	Chief Investment Officer	MBA - Finance	17 Years
Mr. Muhammad Umar Khan	Head of Portfolio Management	MSc - Finance	13 Years
Mr. Fawad Javaid	Head of Fixed Income	CMA	13 Years
Mr. Faran-ul-Haq	Head of Equities	M.B.A, CFA	10 Years

25 NAME AND QUALIFICATION OF FUND MANAGER

Name	Designation	Qualification	Other Funds managed by the Fund Manager
Mr. Faran-ul-Haq	Head of Equities	MBA, CFA	Atlas Stock Market Fund Atlas Islamic Stock Fund Atlas Islamic Fund of Funds

NOTES TO AND FORMING PART OF THESE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

26 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The details of dates of Board meetings of the Management Company of the Fund, and the attendance of the Board members are given below:

Name of Director	Meeting held on					
	06 July 2020	10 Sep 2020	26 Oct 2020	25 Feb 2021	29 Apr 2021	25 June 2021
Mr. Iftikhar H. Shirazi	P	P	P	P	P	P
Mr. Tariq Amin	P	P	P	P	P	P
Mr. Frahim Ali Khan	P	P	P	P	P	P
Mr. Ali H. Shirazi	P	P	P	P	P	P
Mr. M. Habib-ur-Rahman	P	P	P	P	P	P
Ms Zehra Naqvi	P	P	P	P	P	P
Mr. M. Abdul Samad	P	P	P	P	P	P
Ms Qurrat-ul-ain Jafari (Chief Financial Officer)	L	P	P	P	P	P
Ms Zainab Kazim(Company Secretary)	P	L	L	P	P	P

P Present

L Leave of absence

27 RATING OF THE MANAGEMENT COMPANY

The Pakistan Credit Rating Agency Limited (PACRA) maintained the asset manager rating of the Management Company to AM2+ (AM Two Plus) (30 June 2020: AM2+) on 24 December 2020. The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and processes.

28 GENERAL

28.1 Figures have been rounded off to the nearest Rupee.

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

29 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Management Company on 6 September 2021.

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

Qurrat-ul-Ain Jafari
Chief Financial Officer

Muhammad Abdul Samad
Chief Executive Officer

Iftikhar H. Shirazi
Chairman

Tariq Amin
Director

شریعہ ایڈ وائر کی رپورٹ کا جائزہ:

ٹلس اسلام ڈیکٹیویٹ اسٹاک فنڈ (اے آئی ڈی ایس ایف) کے شرعی مشیر کی حیثیت سے، میں یہ رپورٹ فنڈ کے ٹرست ڈیپی کی شن ۱۱.۳ (b) کے مطابق جاری کر رہا ہوں۔ رپورٹ کا دائرہ کار فنڈ کی سرگرمیوں کی شرعی تعییں پر رائے کا اظہار کرنا ہے۔

یہ فنڈ کی میجنٹ کمپنی ٹلس ایسٹ میجنٹ لمیڈ (اے اے ایم ایل) کی ذمہ داری ہے کہ وہ شرعی ہدایات کی تعیین کے لیے اندر وی کنٹرول کا نظام قائم اور برقرار کرے۔ بطور شرعی مشیر، میری ذمہ داری ہے کہ میجنٹ کی طرف سے کی گئی نمائندگیوں کے جائزے کی بنیاد پر رائے کا اظہار کروں، اس حد تک کہ اس طرح کی تعییں پر تصدیق کی جاسکے۔

معاملات میں سرمایہ کاری کی تشخیص کے لئے مجھے درج ذیل کی بنیاد پر عمل کرنے کی ہدایت کی ہے (۱) کاروبار کی نوعیت (۲) امنیت،حوالہ کل اٹاٹجات میں ڈپیٹ (۳) کل اٹاٹجات کے تعلق غیر لیکوڈ اٹاٹجات (۴) کل اٹاٹجات کی سرگرمیوں میں شریعت کے بغیر سرمایہ کاری اور (۵) فی شیئر بحوالہ شیئر کی قیمت کا صاف اٹاٹجات۔

فنڈ کے شرعی مشیر کی حیثیت سے میرے مینڈیٹ کے حصے کے طور پر، میں نے سال کے دوران درج ذیل کا جائزہ لیا ہے۔

- فنڈ پر اپرٹی کی سرمایہ کاری کے طریقے اور شرعی ہدایات کی تعییں۔
- فنڈ پر اپرٹی کی تعیناتی کا عامل اور اس کی شرعی ہدایات کی تعییں۔
- آمدنی کو پاک کرنے کا عامل اور اس کی شرعی ہدایات کی تعییں۔

ذکورہ بالا دائرہ کاری روشنی میں، میں نے اس کے ذریعے تصدیق کرتا ہوں کہ ۳۰ جون ۲۰۲۱ کو ختم ہونے والے سال کے لیے اے آئی ڈی ایس ایف کی جانب سے ایکم کی تمام دفعات اور سرمایہ کاری شرعی اصولوں کے مطابق ہے۔

اے آئی ڈی ایس ایف کی جانب سے سرمایہ کاری کی گئی ہے جہاں سرمایہ کارکمپنیوں نے اپنی آمدنی کا ایک حصہ غیر مطابقت پذیر ذرائع سے حاصل کیا ہے (جیسے سود کی آمدنی)۔ ایسے معاملات میں، فنڈ میجر، فنڈ کے شرعی مشیر نے میری مشاہدات سے، فنڈ کی آمدنی کے حرام حصہ کا تعین کیا ہے اور پوری آمدنی کو پاک کرنے کے لیے صدقہ کا نشان لگادیا ہے۔

کراچی ۳۰ جون، ۲۰۲۱

ڈاکٹرمفتی محمد صیبٹ

شرعیہ ایڈ وائر

شرعیہ ایڈ وائر کی رپورٹ کا جائزہ:

ٹلس اسلام فنڈ اوف فنڈ (اے آئی ایف او ایف) کے شرعی مشیر کی حیثیت سے، میں یہ رپورٹ فنڈ کے ٹرست ڈیڑ کی حق ۱۱.۳(b) کے مطابق جاری کر رہا ہوں۔ رپورٹ کا دائزہ کار فنڈ کی سرگرمیوں کی شرعی تعییں پر رائے کا اظہار کرنا ہے۔

یہ فنڈ کی میجنٹ کمپنی ٹلس ایسٹ میجنٹ لمیٹڈ (اے اے ایم ایل) کی ذمہ داری ہے کہ وہ شرعی ہدایات کی تعلیم کو تینی بنانے کے لیے اندر وی کنٹرول کا نظام قائم اور برقرار کرے۔ بطور شرعی مشیر، میری ذمہ داری ہے کہ میجنٹ کی طرف سے کی گئی نمائندگیوں کے جائزے کی بنیاد پر رائے کا اظہار کروں، اس حد تک کہ اس طرح کی تعلیم کی معروضی طور پر قدمیں کی جاسکے۔

فنڈ کے شرعی مشیر کی حیثیت سے میرے میئنٹریٹ کے حصے کے طور پر، میں نے سال کے دوران درج ذیل کا جائزہ لیا ہے۔

- فنڈ زپر اپٹی کی سرمایکاری کے طریقے اور شرعی ہدایات کی تعییں۔
- فنڈ زپر اپٹی کی تعیناتی کا عمل اور اس کی شرعی ہدایات کی تعلیم۔
- آمدی کو پاک کرنے کا عمل اور اس کی شرعی ہدایات کی تعلیم۔

مذکورہ بالا دائرہ کار کی روشنی میں، میں نے اس کے ذریعے قدمیں کرتا ہوں کہ ۳۰ جون ۲۰۲۱ کو ختم ہونے والے سال کے لیے اے آئی ایف او ایف کی جانب سے اسکیم کی تمام دفعات اور سرمایکاری شرعی اصولوں کے مطابق ہے۔

اے آئی ایف کی جانب سے سرمایکاری کی گئی ہے جہاں سرمایکار کمپنیوں نے اپنی آمدی کا ایک حصہ غیر مطابقت پذیر ذرائع سے حاصل کیا ہے (جیسے سود کی آمدی)۔ ایسے معاملات میں، فنڈ نیجہ، فنڈ کے شرعی مشیر نے میری مشاورت سے، فنڈ کی آمدی کے حرام حصے کا تین کیا ہے اور پوری آمدی کو پاک کرنے کے لیے صدقہ کا نشان لگادیا ہے۔

کراچی ۳۰ جون، ۲۰۲۱
ڈاکٹر مفتی محمد صی بٹ
شرعیہ ایڈ وائر

اٹس اسلامک اشٹاک فنڈ (اے آئی ایس ایف) کے شرعی مشیر کی حیثیت سے، میں یہ رپورٹ فنڈ کے ٹرست ڈیٹ کی شق ۲.۳.۲ (۷) کے مطابق جاری کر رہا ہوں۔ رپورٹ کا دائرہ کار فنڈ کی سرگرمیوں کی شرعی قابل پر رائے کا اظہار کرنا ہے۔

یہ فنڈ کی میجنت کمپنی اٹس ایسیٹ میجنت لیمیٹڈ (اے اے ایم ایل) کی ذمہ داری ہے کہ وہ شرعی ہدایات کی تعلیم کو تینی ہنانے کے لیے اندر وی کانٹرول کا نظام قائم اور برقرار رکھے۔ بطور شرعی مشیر، میری ذمہ داری ہے کہ میجنت کی طرف سے کی گئی نمائندگیوں کے جائزے کی بنیاد پر رائے کا اظہار کروں، اس حد تک کہ اس طرح کی تعلیم پر تقدیم کی جاسکے۔

معاملات میں سرمایہ کاری کی تشخیص کے لئے مجھے درج ذیل کی بنیاد پر عمل کرنے کی ہدایت کی ہے (۱) کاروبار کی نوعیت (۲) اٹریسٹ بحوالہ کل اٹاٹھ جات میں ڈپیٹ (۳) کل اٹاٹھ جات کے متعلق غیر لیکوڈ اٹاٹھ جات (۴) کل اٹاٹھ جات کی سرگرمیوں میں شریعت کے بغیر سرمایہ کاری اور (۵) فی شیئر بحوالہ شیئر کی قیمت کا صاف اٹاٹھ جات۔

فنڈ کے شرعی مشیر کی حیثیت سے میرے مینڈیٹ کے حصے کے طور پر، میں نے سال کے دوران درج ذیل کا جائزہ لیا ہے۔

- فنڈ پر اپرٹی کی سرمایہ کاری کے طریقے اور شرعی ہدایات کی تعلیم۔
- فنڈ پر اپرٹی کی تعیناتی کا عمل اور اس کی شرعی ہدایات کی تعلیم۔
- آمدی کو پاک کرنے کا عمل اور اس کی شرعی ہدایات کی تعلیم۔

مذکورہ بالا دائرہ کارکی روشنی میں، میں نے اس کے ذریعے تقدیم کرتا ہوں کہ ۳۰ جون ۲۰۲۱ کو ختم ہونے والے سال کے لیے اے آئی ایس ایف کی جانب سے ایکم کی تمام دفاتر اور سرمایہ کاری شرعی اصولوں کے مطابق ہے۔

اے آئی ایس ایف کی جانب سے سرمایہ کاری کی گئی ہے جہاں سرمایہ کارکمپنیوں نے اپنی آمدی کا ایک حصہ غیر مطابقت پذیرہ رائے سے حاصل کیا ہے (جیسے سوکی آمدی)۔ ایسے معاملات میں، فنڈ نیجہ، فنڈ کے شرعی مشیر نے میری مشاورت سے، فنڈ کی آمدی کے حرام حصہ کا قیمن کیا ہے اور پوری آمدی کو پاک کرنے کے لیے صدقہ کا نشان لگادیا ہے۔

کراچی: ۳۰ جون، ۲۰۲۱
ڈاکٹر مفتی حسان عثمانی
شرعیہ ایڈوائز

شرعيہ ایڈ وائر کی رپورٹ کا جائزہ:

ٹلس اسلامک اکم فنڈ (اے آئی آئی ایف) کے شرعی مشیر کی حیثیت سے، میں یہ رپورٹ فنڈ کے فرست ڈیٹ کی شق (۱۰.۲.۶) کے مطابق چاری کر رہا ہوں۔ رپورٹ کا دائرہ کار فنڈ کی سرگرمیوں کی شرعی تعییں پر رائے کا اظہار کرنا ہے۔

یہ فنڈ کی میجنٹ کپنی ٹلس ایسیٹ میجنٹ لمبینڈ (اے اے ایم ایل) کی ذمہ داری ہے کہ وہ شرعی ہدایات کی تعیین بنا نے کے لیے اندر وی کنٹرول کا نظام قائم اور برقرار کرے۔ بطور شرعی مشیر، میری ذمہ داری ہے کہ میجنٹ کی طرف سے کی گئی نمائندگیوں کے جائزے کی بنیاد پر رائے کا اظہار کروں، اس حد تک کہ اس طرح کی تعییں پر تصدیق کی جاسکے۔

فنڈ کے شرعی مشیر کی حیثیت سے میرے مینٹیٹ کے حصے کے طور پر، میں نے سال کے دوران درج ذیل کا جائزہ لیا ہے۔

- فنڈ زپر اپرٹی کی سرمایہ کاری کے طریقے اور شرعی ہدایات کی تعییں۔
- فنڈ زپر اپرٹی کی تعیناتی کا عمل اور اس کی شرعی ہدایات کی تعییں۔
- آمدنی کو پاک کرنے کا عمل اور اس کی شرعی ہدایات کی تعییں۔

مذکورہ بالا دائرہ کار کی روشنی میں، میں نے اس کے ذریعے تصدیق کرتا ہوں کہ ۳۰ جون ۲۰۲۱ کو ختم ہونے والے سال کے لیے اے آئی آئی ایف کی جانب سے اسکیم کی تمام دفاتر اور سرمایہ کاری شرعی اصولوں کے مطابق ہے۔

اے آئی آئی ایف کی جانب سے سرمایہ کاری کی گئی ہے جہاں سرمایہ کار کپنیوں نے اپنی آمدنی کا ایک حصہ غیر مطابقت پذیر ذرائع سے حاصل کیا ہے (جیسے سود کی آمدنی)۔ ایسے معاملات میں، فنڈ میجر، فنڈ کے شرعی مشیر نے میری مشاورت سے، فنڈ کی آمدنی کے حرام حصے کا تعین کیا ہے اور پوری آمدنی کو پاک کرنے کے لیے صدقہ کا نشان لگا دیا ہے۔

کراچی: ۳۰ جون، ۲۰۲۱ء

ڈاکٹر مفتی حسان حنفی

شرعیہ ایڈ وائر

شرعیہ ایڈ وائر کی رپورٹ کا جائزہ:

اٹس اسلامک منی مارکیٹ فنڈ (اے آئی ایم ایف) کے شرعی مشیر کی حیثیت سے، میں یہ رپورٹ فنڈ کے ٹرست ڈیکٹ کی شق ۱۱.۲ (c) کے مطابق جاری کر رہا ہوں۔ رپورٹ کا دائرہ کار فنڈ کی سرگرمیوں کی شرعی قیمت پر رائے کا اظہار کرنا ہے۔

یہ فنڈ کی میجنٹ کپنی اٹس ایسیٹ میجنٹ لمبینڈ (اے اے ایم ایل) کی ذمہ داری ہے کہ وہ شرعی ہدایات کی قیمت کو تینی بنانے کے لیے اندروں کاٹرول کا نظام قائم اور برقرار کرے۔ بطور شرعی مشیر، میری ذمہ داری ہے کہ میجنٹ کی طرف سے کی گئی نمائندگیوں کے جائزے کی بیان پر رائے کا اظہار کروں، اس حد تک کہ اس طرح کی قیمت پر تدبیح کی جاسکے۔

فنڈ کے شرعی مشیر کی حیثیت سے میرے میمنٹو کے حصے کے طور پر، میں نے سال کے دوران درج ذیل کا جائزہ لیا ہے۔

- فنڈ پر اپرٹی کی سرمایہ کاری کے طریقے اور شرعی ہدایات کی قیمت۔
- فنڈ پر اپرٹی کی تینانی کا عمل اور اس کی شرعی ہدایات کی قیمت۔
- آمدنی کو پاک کرنے کا عمل اور اس کی شرعی ہدایات کی قیمت۔

مذکورہ بالا دائرہ کار کی روشنی میں، میں نے اس کے ذریعے تصدیق کرتا ہوں کہ ۳۰ جون ۲۰۲۱ کو ختم ہونے والے سال کے لیے آئی ایم ایف کی جانب سے اسکیم کی تمام دفاتر اور سرمایہ کاری شرعی اصولوں کے مطابق ہے۔

اے آئی ایم ایف کی جانب سے سرمایہ کاری کی گئی ہے جہاں سرمایہ کار کپنیوں نے اپنی آمدنی کا ایک حصہ غیر مطابقت پذیر ذرائع سے حاصل کیا ہے (جیسے سود کی آمدنی)۔ ایسے معاملات میں، فنڈ نے میری مشاورت سے، فنڈ کی آمدنی کے حرام حصے کا تین کیا ہے اور پوری آمدنی کو پاک کرنے کے لیے صدقہ کا نشان لگادیا ہے۔

کراچی: ۳۰ جون، ۲۰۲۱ء

ڈاکٹر مفتی حسان حنفی

شرعیہ ایڈ وائر

توثیق

میجنٹ کپنی کے بورڈ آف ڈائریکٹر ان، سکیورٹیز ایڈاپکچن کمیشن آف پاکستان کی قابل قدر رحمائی، مدد اور رہنمائی کا شکر یہ ادا کرتے ہیں۔ میجنٹ کپنی کے ملازمین اور ٹرینی کا ان کی لگن اور محنت کیلئے، اور میجنٹ کپنی پر یونٹ ہولڈرز کے اعتماد کا بھی بورڈ شکر یہ ادا کرتا ہے۔

ازطرف اور مجاہب بورڈ

فراہیم علی خان
ڈائریکٹر

محمد عبدالصمد
چیف ایگزیکٹو آفیسر

کراچی: ۶ ستمبر، ۲۰۲۱ء

اویسٹھ کمیٹی۔ اکیاون میئنگ منعقد ہوئیں دوران سال اور شریک کی گئی درج ذیل:

نمبر شمار	ڈاکٹریٹ کا نام	عہدہ	میئنگ میں شرکت
۱	جناب علی ایچ شیرازی	نان ایگزیکٹو ائریکٹر	۲۱
۲	جناب ایم عبدالصمد	چیف ایگزیکٹو آفیسر	۳۷
۳	جناب خالد محمود (ایگزیکٹو مینجنٹ)	چیف اویسٹھ آفیسر رکن آئی سی	۵۰
۴	جناب ایم عمر خان (ایگزیکٹو مینجنٹ)	ہیڈ آف پورٹ فولیو مینجنٹ رکن آئی سی	۵۲
۵	جناب فواد جاوید (ایگزیکٹو مینجنٹ)	ہیڈ آف فکٹہ ائم۔ رکن آئی سی	۵۲
۶	جناب فاران الحق (ایگزیکٹو مینجنٹ)	ہیڈ آف اکیوٹر۔ سیکریٹری آئی سی	۵۰

ادارے پر عائد معاشرتی ذمہ داریاں اور (سی ایس آر) عطیات

بورڈ سے منظور شدہ کمپنی کے عطیات دینے کے اصول و ضوابط کے تحت ہر سال کمپنی کے منافع، بعد ازاں ملکی محصول، کا ایک فیصد عطیہ کرتی ہے۔ اس کے علاوہ شرعی اصولوں پر گل بیرا "ٹلس اسلام اسٹاک فنڈ" اور "ٹلس اسلام اکٹھ فنڈ" کی تابعیتی مسٹاویریات کے تحت یہ لازم ہے کہ فنڈ زکی آمدی کو اس میں شامل حرام جزو سے پاک کیا جائے۔ شرعی مشیر کی تصدیق کے بعد اس طرح کی آمدی کو سہ ماہی بندی پر، شرعی مشیر کی جانب سے منظور کردہ خیراتی اداروں کو عطیہ کر دیا جاتا ہے۔

تازہ ترین درجہ بندی

اٹاٹھ جات نیجر کی درجہ بندی

پاکستان کریئٹریٹ رینگ اچھی لیمیٹڈ (پکر) نے مینجنٹ کمپنی کی اسیٹ میجر درجہ بندی اے ایم ٹولپس (ترتیب دی ہے)۔

تاریخ ۲۳ دسمبر ۲۰۲۰ء کو یہ درجہ بندی کمپنی کی تجربہ کارٹی، مٹھم سرمایہ کاری نظام اور ہم آہنگ معیاری نظام اور طریقہ کارکی عکاسی کرتی ہے (۲۰۲۰ء: اے ایم ٹولپس)

مشکم درجہ بندی۔ اے آئی آئی ایف

پکرانے اے آئی آئی ایف کی درجہ بندی برائے استحکام فنڈ ترتیب دی ہے (اے اے - (ایف) " (ڈبل اے مائیں: فنڈریٹ) تاریخ ۱۶ اپریل ۲۰۲۱ء کو۔ فنڈ زکی یہ درجہ بندی ریٹرن میں متناسب استحکام کی گرانی اور کم خطرات کا سامنا کرنے کی بہت مضبوط صلاحیت کو ظاہر کرتی ہے۔

مشکم درجہ بندی۔ اے آئی ایم ایف

پکرانے اے آئی ایم ایف کی درجہ بندی برائے استحکام فنڈ ترتیب دی ہے (اے اے (ایف) " (ڈبل اے: فنڈریٹ) تاریخ ۲۱ اپریل ۲۰۲۱ء کو۔ فنڈ زکی یہ درجہ بندی ریٹرن میں متناسب استحکام کی گرانی اور کم خطرات کا سامنا کرنے کی بہت مضبوط صلاحیت کو ظاہر کرتی ہے۔

آڈیٹر

بورڈ آف ڈاکٹریٹ ان کی آڈٹ کمیٹی نے اپنی میئنگ نے منعقدہ اگسٹ ۲۰۲۱ء میں، بیس رزائی والی فورڈ روڈز، چارٹرڈ اکاؤنٹنٹس کراچی، کو ٹلس اسلام اکٹھ اسٹاک فنڈ، ٹلس اسلام منی مارکیٹ فنڈ، ٹلس اسلام فنڈ را اور ٹلس اسلام اکٹھ فنڈ کیلئے دوبارہ بطور اہل تقری کیلئے تجویز کیا، برائے اختتام سال ۲۰۲۰ء۔

جون ۲۰۲۲ء۔

- ☆ کفاقتی فنڈ کی سرمایہ کاری کی قدر کے گوشوارے کا اطلاق میوچل فنڈ پرنسیپس ہوتا کیوں کہ ملازمین کے ریٹائرمنٹ فوائد سے متعلق اخراجات معمولی کمپنی برداشت کرتی ہے۔
- ☆ پیش کی تکمیل کا انداز اے آئی ایم ایف، اے آئی آئی ایف، اے آئی ایس ایف اور اے آئی ڈی ایس ایف کے مالیاتی گوشواروں کے علی الترتیب نوٹس نمبر ۲۲، ۲۲، ۲۲، اور ۲۲ میں دیا گیا ہے۔

میونجمنٹ کمپنی اور کمپنی کے بورڈ آف ڈائریکٹر

اس عرصے کے دوران، اے اے ایم ایل کے بورڈ آف ڈائریکٹرز میں شامل ہیں۔ جناب افشا رائچ شیرازی، چیفر میں، مسٹر فہیم علی خان، ڈائریکٹر، مسٹر ایم حبیب الرحمن، ڈائریکٹر، جناب طارق امین، آزاد ڈائریکٹر، مسٹر علی ایچ شیرازی، ڈائریکٹر، محترمہ زہرہ نقوی، آزاد ڈائریکٹر اور مسٹر محمد عبدالصمد، چیف ایگزیکٹو فیسر۔

☆ ڈائریکٹرز کی موجودہ کل تعدادے درج ذیل ہیں۔

مرد: ۶
عورت: ۱

☆ بورڈ کی موجودہ تکمیل مندرجہ ذیل ہیں۔

آزاد ڈائریکٹر: ۲
غیر ایگزیکٹو ڈائریکٹر: ۳
ایگزیکٹو ڈائریکٹر: ۱
خواتین ڈائریکٹر: ۱ (آزاد ڈائریکٹر)

۲۰۲۱-۲۰۲۱ء مالیاتی سال کے دوران چھ بورڈ میئنگ منعقد کی گئیں اور اس میں شرکت کی گئی۔ میئنگ کی تاریخیں اور شریک ہونیوالے ڈائریکٹران کی تفصیلات، جیسا کہ این بی ایف سی کے قواعد و ضوابط ۲۰۰۸ء کے تحت درکار ہے۔ اے آئی ایم ایف، اے آئی آئی ایف، اے آئی ایس ایف اور اے آئی ڈی ایس ایف کی مالیاتی تفصیلات کے نوٹس ۲۸، ۲۷، ۲۶، اور ۲۶ میں بالترتیب شامل ہیں۔

بورڈ کی کمیٹیوں میں شامل ہیں آڈٹ کمیٹی، ہیومن ریسورس ایڈری مینوریشن کمیٹی، اور انویسٹمنٹ کمیٹی (جس میں ایگزیکٹو میونجمنٹ کے افراد شامل ہیں جیسا کہ این بی ایف سی قواعد ۲۰۰۸ء میں درکار ہے)۔ ان میئنگ میں ڈائریکٹران نے شرکت کی جس کی تفصیل درج ذیل ہے:

آڈٹ کمیٹی (اے سی)۔ چاراے سی میئنگ دوران سال منعقد کی گئیں، اور درج ذیل شرکت کی گئی:

نمبر شمار	ڈائریکٹر کا نام	عہدہ	میئنگ میں شرکت
۱	جناب طارق امین	آزاد ڈائریکٹر	
۲	جناب فراہیم علی خان	نان ایگزیکٹو ڈائریکٹر	
۳	جناب ایم حبیب الرحمن	نان ایگزیکٹو ڈائریکٹر	

ہیومن ریسورس ایڈری مینوریشن کمیٹی (ایچ آر اینڈ آر سی)۔ ایک میئنگ منعقد ہوئیں دوران سال اور شرکت کی گئی درج ذیل:

نمبر شمار	ڈائریکٹر کا نام	عہدہ	میئنگ میں شرکت
۱	محترمہ زہرہ نقوی	آزاد ڈائریکٹر	
۲	جناب فراہیم علی خان	نان ایگزیکٹو ڈائریکٹر	
۳	جناب علی ایچ شیرازی	نان ایگزیکٹو ڈائریکٹر	
	جناب ایم عبد الصمد	چیف ایگزیکٹو فیسر	

تقریبی آمدن۔ اے آئی سی پی پی

نتظام کمپنی کی سرمایہ کاری کمیٹی برائے اے آئی سی پی پی کے بورڈ آف ڈائریکٹرز نے اپنے اجلاس کو برائے اختتام مالیاتی سال ۳۰ جون ۲۰۲۱ء کیلئے ۲۸،۲۰۰ روپے فی یونٹ نتظم کمپنی کا اعلان کیا۔ ۵۰۰ روپے فی یونٹ کی اصل قیمت پر ۵.۶۲ فیصد (۲۰۲۰ء: ۸۰، ۷۰ فیصد)۔

تقریبی آمدن۔ اے آئی ڈی ایس ایف

نتظام کمپنی کی سرمایہ کاری کمیٹی برائے اے آئی ڈی ایس ایف کے بورڈ آف ڈائریکٹرز نے اپنے اجلاس کو برائے اختتام مالیاتی سال ۳۰ جون ۲۰۲۱ء کیلئے ۷۵.۲۰ روپے فی یونٹ نتظم کمپنی کا اعلان کیا۔ ۵۰۰ روپے فی یونٹ کی اصل قیمت پر ۲.۵۵ فیصد (۲۰۲۰ء: ۳۰، ۳۰ فیصد)۔

چیئر میں کا جائزہ:

اے آئی آئی ایف، اے آئی ایم ایف، اے آئی ایم ایف اور اے آئی ڈی ایف اور اے آئی ڈی ایف کی سالانہ رپورٹ میں شامل جائزہ مجملہ طور پر اس سال کے فنڈرز کی کارکردگی اور اسکے آئندہ لامعکل سے متعلق ہے۔ ڈائریکٹران اس جائزے کے مندرجات کی توثیق کرتے ہیں۔

کارپوریٹ نظم و ضبط:

کمپنی کارپوریٹ نظم و ضبط کے معیارات، ضابطہ اخلاق اور بہترین کاروباری طریقوں پرستی سے عمل کرنے پر یقین رکھتی ہے۔ اور یہ سب اٹس گروپ کی کاروباری تہذیب کا ایک جزو لا یہاں ہے۔ جولائی ۲۰۱۲ء میں کارپوریٹ نظم و ضبط کے اصولوں کی منظوری دی گئی جس میں بورڈ کے ممبران، ملازمین اور کمپنی پر مختلف حلقوں، آپس کے معاملات اور معاشرے کی فلاح و بہبود کے سلسلے میں عائد کردہ فرائض اور ذمہ داریوں کو صراحت کے ساتھ بیان کر دیا گیا ہے۔ یہ ضابطہ اخلاق کمپنی کی ویب سائٹ پر دستیاب ہے۔

بورڈ کے ڈائریکٹران کی جانب سے ٹوٹیں نامہ

بورڈ آف ڈائریکٹرز تصدیق کرتا ہے کہ اے آئی آئی ایف، اے آئی ایم ایف، اے آئی ایم ایف اور اے آئی ڈی ایس ایف کہ:

☆ نتظام کمپنی کی جانب سے تیارہ کردہ مالیاتی گوشوارے تمام فنڈرز کی کارکردگی، سالانہ آمد فی، کیش فلو اور یونٹ ہولڈرز کے سرماۓ میں نقل و حرکت کی ایک منصفانہ تصویر پیش کرتے ہیں۔

☆ تمام فنڈرز کے کھاتوں کو مناسب طریقہ سے تیار کیا گیا ہے۔

☆ گوشواروں کی تیاری میں حسابداری کے اصولوں کو تسلیم کے ساتھ لائگیا جا رہا ہے اور گوشواروں کی تیاری میں احتیاط اور فرم فرست کا استعمال کیا جا رہا ہے۔

☆ گوشواروں کی تیاری میں وہ ہیں الاقوامی معیارات جو پاکستان میں لا گو ہوتے ہیں، کو مد نظر رکھا گیا ہے اگر اگر کہیں اخراج ہوا ہے تو اسے مناسب طریقے سے ظاہر کر دیا گیا ہے۔

☆ اندروئنی نظم و ضبط کا نظام مورث نگرانی میں مستحکم بنیادوں پر نافذ ہے۔

☆ فنڈر کے مستقل بنیادوں پر جاری رہنے پر کوئی شبہ نہیں ہے۔

☆ مالی اعداد و شمار میں قانونی ادائیگی، تجسس، محصولات کا صحیح اکشاف کیا گیا ہے۔

☆ اہم مالیاتی اعداد و شمار کا کارکردگی کے چارٹ، (اے آئی ایم ایف)، (اے آئی آئی ایف)، (اے آئی ایف اور اے آئی ڈی ایس ایف) کی سالانہ رپورٹ کے صفات ۱۳۷، ۹۶، ۵۲، ۲۳ اور ۱۹۳ پر علی الترتیب شائع کئے گئے ہیں۔

اے آئی ایف او ایف جون ۲۰۲۰ء						تفصیلات
اٹس اسلامک ڈیویٹڈ پلان	اٹس اسلامک کمپنی پریزرویشن پلان	اٹس اسلامک کمپنی پریزرویشن پلان	اٹس کنٹررویشن اسلامک پلان	اٹس مودریٹ ایلوکیشن اسلامک پلان	اٹس ایگریسو ایلوکیشن اسلامک پلان	
۳۶.۲۰	۳۷.۷۵	۵۸.۷۲	۵۰.۲۷	۳۳.۳۸		آمدنی/(خسارہ) فی یونٹ-روپے
۷۲.۱۲	۱۰.۱۵	۱۲.۰۲	۱۰.۹۵	۱۰.۰۳		ریٹرن-فیصد
۱۲۸.۲۲	۱۶.۲۲	۱.۳۲	۳.۰۰	۰.۲۷		مجموعی اٹاٹجات-میں روپے
۲۵۶،۳۳۳	۳۲،۵۲۹	۲،۵۱۰	۶،۱۳۹	۵۵۵		فروخت - بالحاظ یونٹس
(۱۰۲.۰۸)	(۰.۲۹)	(۱.۰۳)	(۰.۱۵)	(۰.۱۳)		ریٹرن-میں روپے
۲۰۲،۱۲۳	۵۷۱	۲،۰۵۶	۳۰۱	۳۰۰		ریٹرن-بالحاظ یونٹس
۵۲،۲۷۰	۹۱۳،۸۸۳	۲۲۳،۵۲۵	۲۲۷،۷۳۵	۲۰۹،۵۹۶		یونٹ بقا یا جات بوقت اختتام سال

تفصیل آمدن۔ اے آئی آئی ایف

نتظام کمپنی کی سرمایہ کاری کمیٹی برائے اے آئی آئی ایف کے بورڈ آف ڈائریکٹرز نے اپنے اجلاس کو برائے اختتام مالیاتی سال ۳۰ جون ۲۰۲۱ء کیلئے ۳۱.۰۵ روپے فی یونٹ ۵۰:۲۰۲۰ء روپے فی یونٹ پورے سال کیلئے تفصیل کا اعلان کیا۔ ۵۰۰ روپے فی یونٹ کی اصل قیمت پر ۶.۲۱ فیصد (۲۰۲۰ء: ۵.۰۰ فیصد)۔

تفصیل آمدن۔ اے آئی ایس ایف

نتظام کمپنی کی سرمایہ کاری کمیٹی برائے اے آئی ایس ایف کے بورڈ آف ڈائریکٹرز نے اپنے اجلاس کو برائے اختتام مالیاتی سال ۳۰ جون ۲۰۲۱ء کیلئے ۵۰۰.۰۰ روپے فی یونٹ (۲۰۲۰ء: ۵۰۰.۰۰ روپے فی یونٹ کی اصل قیمت پر ۱۰.۰۰ فیصد)۔

تفصیل آمدن۔ اے آئی پی

نتظام کمپنی کی سرمایہ کاری کمیٹی برائے اے آئی پی کے بورڈ آف ڈائریکٹرز نے اپنے اجلاس کو برائے اختتام مالیاتی سال ۳۰ جون ۲۰۲۱ء کیلئے ۷۰.۷۰ اروپے فی یونٹ (۲۰۲۰ء: ۵۰.۵۰ اروپے فی یونٹ پورے سال کیلئے) تفصیل کا اعلان کیا۔ ۵۰۰ روپے فی یونٹ کی اصل قیمت پر ۳.۵۲ فیصد (۲۰۲۰ء: ۳.۰۰ فیصد)۔

تفصیل آمدن۔ اے ایم اے آئی پی

نتظام کمپنی کی سرمایہ کاری کمیٹی برائے اے ایم اے آئی پی کے بورڈ آف ڈائریکٹرز نے اپنے اجلاس کو برائے اختتام مالیاتی سال ۳۰ جون ۲۰۲۱ء کیلئے ۶۰.۱۸ اروپے فی یونٹ (۲۰۲۰ء: ۲۱.۰۰ روپے فی یونٹ پورے سال کیلئے) تفصیل کا اعلان کیا۔ ۵۰۰ روپے فی یونٹ کی اصل قیمت پر ۲.۷۸ فیصد (۲۰۲۰ء: ۲.۰۰ فیصد)۔

تفصیل آمدن۔ اے سی اے آئی پی

نتظام کمپنی کی سرمایہ کاری کمیٹی برائے اے سی اے آئی پی کے بورڈ آف ڈائریکٹرز نے اپنے اجلاس کو برائے اختتام مالیاتی سال ۳۰ جون ۲۰۲۱ء کیلئے ۹۰.۲۳ روپے فی یونٹ (۲۰۲۰ء: ۳۷.۰۰ روپے فی یونٹ پورے سال کیلئے) تفصیل کا اعلان کیا۔ ۵۰۰ روپے فی یونٹ کی اصل قیمت پر ۲.۷۸ فیصد (۲۰۲۰ء: ۲.۰۰ فیصد)۔

ڈائریکٹر پورٹ:

ٹیکسٹ میخت لمیڈیا، (اے اے ایم ایل) نتھم برائے ٹیکسٹ اسلاک ایک فنڈ (اے آئی آئی ایف)، ٹیکسٹ اسلاک ایک فنڈ (اے آئی ایم ایف)، ٹیکسٹ اسلاک ایک فنڈ آف فنڈز (اے آئی ایف اور ایف)، اور ٹیکسٹ اسلاک ڈیکیڈ ایکسٹ ایک فنڈ (اے آئی ڈی ایس ایف)، کے ڈائریکٹر صاحبان مذکورہ فنڈز کے آڈٹ شدہ مالیاتی تابع برائے اختتام سال ۲۰۲۱ء، آڈٹریزکی رپورٹ کے ہمراہ پیش کرتے ہوئے دلی سرت محسوں کرتے ہیں۔

آمدنی فی یونٹ، ریٹرن، مجموعی اٹاٹھ جات اور خلاصہ فروخت / تلائی

آمدنی فی یونٹ، ریٹرن، مجموعی اٹاٹھ جات، اور اے آئی آئی ایف، اے آئی ایم ایف، اے آئی ایف اور اے آئی ڈی ایس ایف کا خلاصہ فروخت / تلائی برائے اختتام سال ۲۰۲۱ء اور ۳۰ جون ۲۰۲۰ء درج ذیل ہیں۔

اے آئی ایم ایف	اے آئی ڈی ایس ایف	اے آئی ایس ایف	اے آئی ایف	اے آئی آئی ایف	تفصیلات
جنوری تا جون ۲۰۲۱ء	۲۰۲۰ء	۲۰۲۱ء	۲۰۲۰ء	۲۰۲۱ء	
۱۳۰۰۲	۳۲۰۸۲	۲۲۲۰۳۲	۳۲۰۵۱	۱۵۰۰۵۵	۳۲۰۵۳
۴۰۷	۷۱۵	۳۲۰۸۰	۷۰۵۱	۳۲۰۳۶	۱۱۰۵۹
۲۳۶۰۶۱	۳۲۲۰۳۹	۳۲۲۰۳۲	۱,۸۲۳۰۳۲	۲,۷۰۶۰۷۲	۲,۱۳۳۰۶۰
۲۸۷۰۲۵	۱۶۳۰۳۸	۲۰۰۸	۱,۶۰۶۰۱۵	۲,۳۲۰۰۷۲	۳,۳۱۳۰۳۳
۱,۳۲۲۰۳۹۷	۳۲۲۰۵۸۵	۳۲۰۸۲۲	۳,۶۰۶۰۲۹۹	۳,۰۳۲۰۳۲۱	۲,۳۳۸۰۱۲۳
(۵۰۰۰۲۳)	(۸۲۰۸۹)	(۱۷۰۰۹۳)	(۱,۱۵۰۰۱۱)	(۱,۹۲۳۰۸۲)	(۳,۲۵۵۰۰۷)
۱۰۱۰۲۲۱	۱۷۷۰۰۸۳	۳۰۸۰۳۶۲	۲,۳۰۷۰۸۹۳	۳,۳۱۱۰۱۳۰	۳,۸۸۳۰۰۰۲
۱,۳۲۲۰۳۲۶	۸۲۰۰۲۷۷	۵۰۳۹۰۱۷۷	۳,۰۰۱۰۵۱۳	۳,۷۲۲۰۰۰۵	۳,۲۲۲۰۸۸۳
					یونٹ بھائی جات بوقت اختتام سال

اے آئی ایف اور ایف جون ۲۰۲۱ء					
ٹیکسٹ اسلاک ڈیکیڈ پلان	ٹیکسٹ اسلاک کمپیوٹر پریزرویشن پلان	ٹیکسٹ اسلاک ایلوکیشن پلان	ٹیکسٹ موڈریٹ ایلوکیشن اسلاک پلان	ٹیکسٹ ایگریسیو ایلوکیشن اسلاک پلان	تفصیلات
۲۷۰۰۷	۵۹۰۷۳	۷۳۰۵۷	۱۰۶۰۱۹	۱۲۹۰۲۱	آمدنی (خسارہ) فی یونٹ - روپے
۵۰۵۸	۱۲۰۲۵	۱۲۰۱۵	۲۱۰۵۳	۲۸۰۰۸	ریٹرن - فیصد
۲۷۰۱۷	۳۹۵۰۷۷	۱۳۸۰۲۶	۱۳۳۰۷۷	۱۲۸۰۳۹	مجموعی اٹاٹھ جات - ملین روپے
۱۳۰۹۸	۱۲۰۳۰	۲۰۰۳	۳۰۵۰	۳۰۱۷	فروخت - ملین روپے
۲۹۰۹۶۲	۲۳۰۳۵۱	۳۰۰۲۸۶	۶۱۹۰	۶۰۲۷۱	فروخت - بالحاظ یونٹ
(۱۳۰۹۵)	(۲۰۰۷۶)	(۲۰۰۵۰)	(۲۰۰۲۳)	(۰۰۰۷)	ریٹیکشن - ملین روپے
۲۷۰۸۹۷	۵۰۱۳۷	۳۰۳۱۶	۳۰۵۷۸	۱۲۸	ریٹیکشن - بالحاظ یونٹ
۵۰۳۳۶	۹۳۳۰۹۹	۲۲۳۰۹۵	۲۲۹۰۳۰۶	۲۱۶۰۱۳۰	یونٹ بھائی جات بوقت اختتام سال



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