

WHAT COMES
FROM THE
SOCIETY
SHOULD BE SHARED WITH THE
SOCIETY



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VISION

Serve Community for a brighter future.

MISSION

Betterment of Society with particular emphasis on health and education and to provide assistance to the needy and deserving without discrimination, directly and/or through organizations of repute in the field of Health, Education and general welfare.

ATLAS WAY

Atlas Culture

- Corporate Governance
- Respect, Recognition and Reward
- Value of time
- Recruitment and career advancement based on integrity, merit, experience and skills
- Education and training of staff and descendants
- Self reliance
- Leading by example
- Humility and Excellence
- Living within one's means, saving for the future and donating for good cause
- To be happy and healthy



Atlas System

- Management by Objectives (MBO) to align activities towards agreed company goals
- Implementing 7S vision (Strategy, Structure, System, Style, Staff, Skills and Shared values) for the company
- Inducting and retaining competent and skilled staff - right man for the right job
- Using BCG model for strategic direction
- Creating value through implementation of internal controls (SOPs and policy manuals)
- Management development to produce performers, organization builders and strategists
- Active participation in management meetings for continuous performance improvement
- Ensuring accuracy and control of information/data through efficient MIS
- Judicious sharing of profitability between employee bonuses, dividend payout and profit retention

شاہیں کا جہاں اور
(We look beyond horizons)



KEY INFORMATION

Board of Directors

Iftikhar H. Shirazi
Chairman

Frahim Ali Khan
Director

Jawaid Iqbal Ahmed
Director

Habib Ur Rehman
Director

Ali H. Shirazi
Director

Noorullah R. Hassan
Director

Chief Executive Officer

Noorullah R. Hassan

Company Secretary

Ahsan Shahab

Investment Committee

Frahim Ali Khan
Chairman

Ali H. Shirazi
Member

Noorullah R. Hassan
Member

Kamran K. Naqvi
Secretary

CSR Committee

Frahim Ali Khan
Chairman

Ali H. Shirazi
Member

Noorullah R. Hassan
Member

Irfan Ibrahim Bhaiyat
Secretary

Auditors

Shinewing Hameed
Chaudhri & Co
Chartered Accountants

Legal Advisors

Mohsin Tayebaly & Co.

Tax Advisor

EY Ford Rhodes
Chartered Accountants

Bankers

Bank Al-Habib Limited

Habib Bank Limited

Register Office

2nd Floor, Federation House,
Sharae Firdousi, Clifton,

Karachi, 75600

Phone: (92-21)111-745-745

35369471-4

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64, Block-XX, Phase III,
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Fax: (92-42) 37132622

Email: lhr@afn.atlas.pk

Multan Office

Khasra No. 155-156, Taraf
Saddu Hassam, Azmat Wasti
Road, Multan

Phone: (92-61) 111-112-411,
4570431-4

Fax: (92-61) 45486280

Email: mul@afn.atlas.pk

BOARD OF DIRECTORS



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), U.S.A., and completed his O.P.M. from Harvard Business School, U.S.A. He has over 30 years of corporate management experience, more particularly in the financial and trading sectors. To his credit, he has work experience at the Bank of Tokyo-Mitsubishi, Yamaichi Securities, and Toyota Tsusho Corporation.

He is currently Chairman of Shirazi Investments (Private) 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, the Federation of Pakistan Chambers of Commerce & Industry (FPCCI), and the Karachi Chamber of Commerce & Industry (KCCI). He is also serving on the Board of the Forman Christian College, Ghulam Ishaq Khan Institute of Engineering Science and Technology and British Overseas School Association. He was also a member of the Aga Khan Resource Development Committee and FPCCI Executive Committee. He has also served the Management Association of Pakistan as their Vice President.

He also enjoys membership in several other prestigious associations, including 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 the International Club, Notre Dame De Namur University (formerly College of Notre Dame), U.S.A.

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 the Board of Director's Program at Insead University, France.

He has over 50 years of experience in General Management, Finance, Investment and Taxation. He joined the Atlas Group in 1967 and has served in different positions. Currently, his directorships include Atlas Asset Management Limited, Atlas Power Limited, Atlas Solar Limited, Atlas Energy Limited, Atlas Insurance Limited, Shirazi Investments (Private) Limited, Atlas Engineering (Private) Limited, Atlas Autos (Private) Limited, Atlas Metals (Private) Limited, Shirazi Trading Company (Private) Limited, and Atlas Foundation.

Earlier, he has also served on the Boards of Atlas Honda Limited, Atlas Battery Limited, and Atlas Bank Limited (former), and has been CEO of Shirazi Investments (Private) Limited, Shirazi Trading Company (Private) Limited, Atlas Asset Management Limited and Atlas Investment Bank Limited (former).



Mr. Jawaid Iqbal Ahmed
Director

Mr. Jawaid Iqbal Ahmed is an AMP from Harvard Business School, Boston, USA, and IPBM from IMD Lausanne, Switzerland. He is also MBA from IBA Karachi University. He has over 56 years of experience in Pakistan's industrial and financial markets. He spearheaded Atlas Group joint venture partnerships with Honda Japan, JSB Japan, Bank of Tokyo, Asian Development Bank, and ING.

He worked in Atlas Group in various capacities, including serving as a member Group Executive Committee and Group Advisory Board of the Group and as a director on the Board of Atlas Honda Limited, Atlas Battery Limited, Atlas Insurance Limited, Atlas Asset Management Limited, Atlas Engineering Limited, and Honda Atlas Cars (Pakistan) Limited.

He has been associated with philanthropic activities for the last 37 years. Currently, he serves on the Board of Atlas Foundation, Atlas Power Limited, and Honda Atlas Power Products (Private) Limited.



Mr. M. Habib-ur-Rehman
Director



Mr. M. Habib-ur-Rehman is an FCA from the Institute of Chartered Accountants in England & Wales and has attended a management level program (PMD) from Harvard Business School, USA. He has been a founding member and past Chairman / Director of the Mutual Funds Association of Pakistan. He played an instrumental role in setting up the first open-end mutual fund in the private sector in Pakistan. He has been a Securities and Exchange Commission of Pakistan (SECP) nominee on the Board of Karachi Stock Exchange in 2000, 2001, & 2003, and has also been a member of SECP Advisory Group on Capital Markets, member of the SECP Enquiry Committee (appointed in 2001) on the management of Exposure Rules by KSE / LSE and member of the SECP Enquiry Committee (appointed in 2013) on 2008 financial crisis. He was the Chief Executive Officer of Atlas Asset Management Limited from March 2004 till March 2018 and also served as a Member Group Advisory Board, Atlas Group.

He is 'Founding Director' of Atlas Foundation and serves on the Board of Atlas Insurance Limited and Atlas Asset Management Limited.



Mr. Ali H. Shirazi
Director

Mr. Ali H. Shirazi graduated with a B.A. from Yale University, U.S.A., in 2000 and thereafter completed his Masters in Law from Bristol University, U.K., in 2005. During the period, he worked for the Bank of Tokyo-Mitsubishi in New York as well as American Honda in Torrance, California. He is Atlas Group Director Financial Services and President / Chief Executive of Atlas Battery Limited. He serves on the board of Atlas Asset Management Limited, Atlas Insurance Limited, Shirazi Investments (Private) Limited, National Management Foundation (sponsoring body of LUMS), National Foods Limited, Cherat Packaging Limited, Pakistan Cables Limited and Pakistan Society for Training and Development. Previously, he has also served on the Board of the 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 (O.P.M.) from Harvard Business School.



Mr. Noorullah R. Hassan
Director

Mr. Noorullah is the Chief Executive Officer of Shirazi Investments (Private) Limited (SIL) and Atlas Foundation. He has over 30 years of management experience within and outside the Atlas Group. He did a Bachelor of Commerce in 1987 from the University of Karachi, Pakistan.

He passed examinations of the Institute of Cost & Management Accountants of Pakistan (ICMAP) in 1990 and the Chartered Institute of Management Accountants - UK (CIMA) in 1992. He also completed the Program for Management Development (PMD) from Harvard Business School, the USA, in 2001.

In February 1992, he joined Atlas Honda Limited as Manager Cost and later transferred to the holding company - SIL in January 1995. Earlier, he worked for Adamjee Insurance, Apollo Textiles Mills, and a few other organizations. He also served as Director, Aga Khan Planning & Building Services and Trustee, Ismailia Charitable Trust.

ATLAS FOUNDATION KEY INFORMATION

The Foundation

Atlas Foundation fulfills the Corporate Social Responsibilities of the Atlas Group, playing its role in promoting centers of professional education, contributing to health facilities, helping law enforcement agencies, and improving the quality of life. The Board is very vigorous in aligning the Atlas Foundation's long-term direction to ensure sustainable contribution to society through a combination of short and long-term initiatives. This includes establishing Atlas Vocational Institute, operational support to Atlas-TCF Schools, creating Endowment Funds with well-recognized institutes, and constructing Hostels and boarding house in Educational institutions of repute. Besides that, it also helps various organizations project the spirit of patriotism and work for a better Pakistan

Atlas Vocational Training Institute

Atlas Foundation fulfills the Corporate Social Responsibilities of the Atlas Group, playing its role in promoting centers of professional education, contributing to health facilities, helping law enforcement agencies, and improving the quality of life. The Board is very vigorous in aligning the Atlas Foundation's long-term direction to ensure sustainable contribution to society through a combination of short and long-term initiatives. This includes establishing Atlas Vocational Institute, operational support to Atlas-TCF Schools, creating Endowment Funds with well-recognized institutes, and constructing Hostels and boarding house in Educational institutions of repute. Besides that, it also helps various organizations project the spirit of patriotism and work for a better Pakistan



The performance of the Vocational Institute remained excellent. AVTI gained tremendous achievement with a 100% passing result with the highest grades. Of 256 passing students, 247 were placed with Atlas Group, while 9 arranged their self-employment.

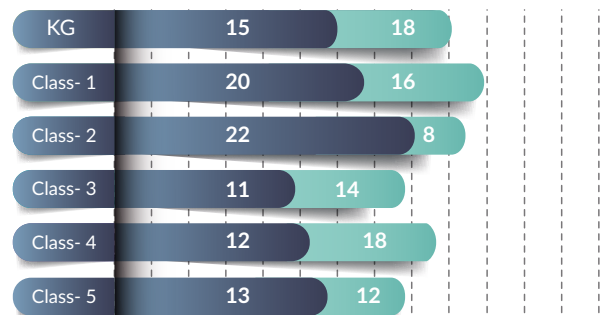
EDUCATION SUPPORT PROGRAM

Atlas Foundation has continued to support the school by meeting the operational expenses of both primary and secondary sections of The Citizen Foundation. The student strength in the primary section is 359 and the Secondary section is 291 with an encouraging total female strength of 342 in both schools (total 650 students).

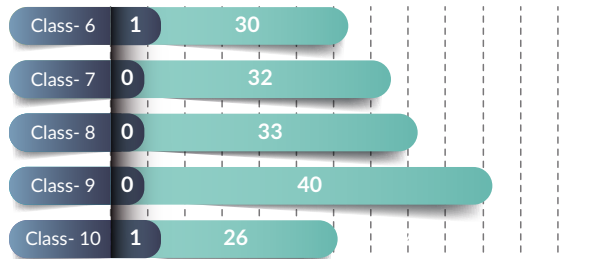
TCF School – Atlas Campus



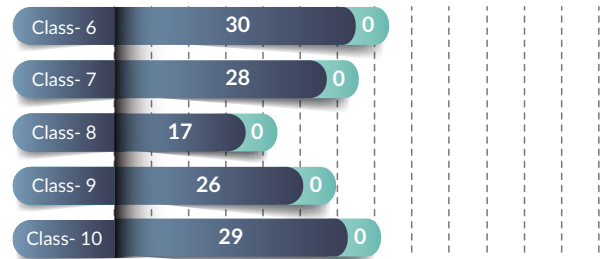
Primary Morning (180 Students)



Primary Afternoon (179 Students)



Secondary Morning (161 Students)



Secondary Afternoon (130 Students)

Boys Girls

Three campuses of The Citizen Foundation located at Sacha Soda, Sheikhpura are provided continual operational support since 2018 to meet the operational expenses. The student strength in both primary sections is 321 and in secondary section 98 with 244 girls' students and 175 boys' students (total 419 students).

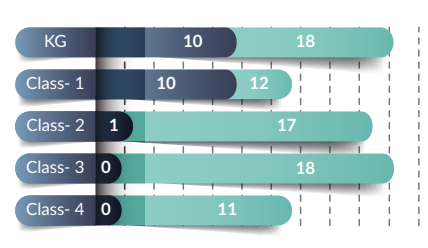
TCF School – Sucha Soda Campuses



Campus I (162 Students)



Campus II (159 Students)



Campus III (98 Students)

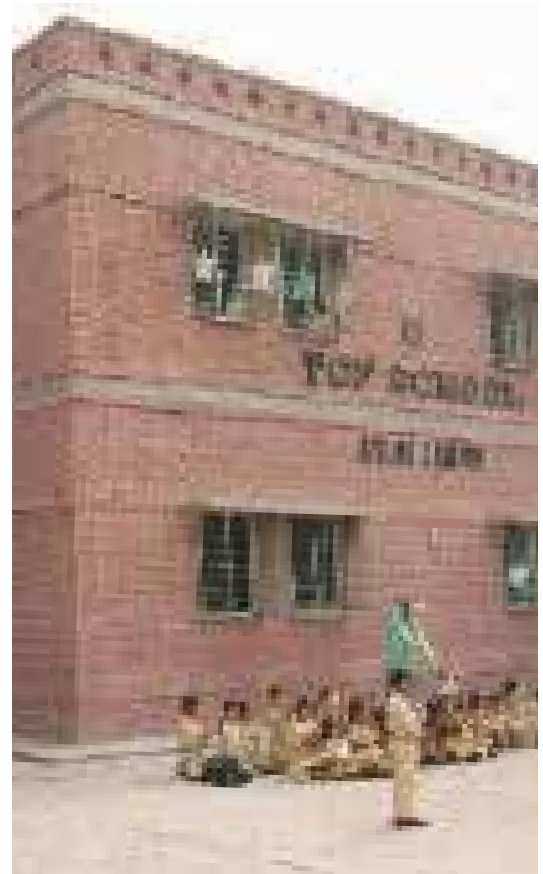
FOUNDATION CONTRIBUTION

Year	Million
2022-23	17.60
2021-22	16.00

Atlas Primary Campus



Atlas Secondary Campus



FOUNDATION CONTRIBUTION

Year	Million
2022-23	11.20
2021-22	10.20

AITCHISON COLLEGE

A NEW SENIOR SCHOOL BOARDING HOUSE

Since Independence Aitchison College has given way to an egalitarian mix of pupils drawn from all parts of the country. & Atlas foundation's collaboration with Aitchison stems from the belief that without quality education, there will be no better future leaders

Agreement Signing Ceremony

Atlas Foundation executed an agreement for the construction of a new senior school Boarding House at the College. A cheque of Rs. 120 m was handed over to the Aitchison Principal.



Ground Breaking Ceremony

The groundbreaking ceremony was held on 22nd September 2021 attended by the Chairman Atlas Foundation Group President, CEO Atlas Foundation and Mr. Nisar Zaman.



Construction in Progress

Construction completion and opening is targeted for September 2022 but may take few months more



AGA KHAN UNIVERSITY HOSPITAL

The Aga Khan University Hospital strives to set the standard of excellence & medical professionalism at its hospitals, clinics and academic institutions. By Collaborating with AKU, Atlas Foundation has been privileged to provide critical support and financial aid to health systems for communities most in need.

Agreement Signing Ceremony

01 Atlas Foundation executed an endowed scholarship agreement of Rs. 100 m with AKUH on 1st February 2022. This will enable the University to provide need-based financial assistance to deserving female students enrolled in health-related full-time programs, including medical and nursing students, being offered by the Aga Khan University in Pakistan.

02 Paid Rs. 20 m as the first payment of above scholarship fund. Rest of the amount will be paid before 2026 in instalments.

03 The signing ceremony was attended by the Chairman-AF, Mr. Iftikhar H. Shirazi, Directors-AF Mr. Frahim Ali Khan and Mr. Ali H. Shirazi, and CEO-AF Mr. Noorullah R. Hassan. The President and other distinguished guests from AKU were part of the ceremony.



EDUCATION SUPPORT

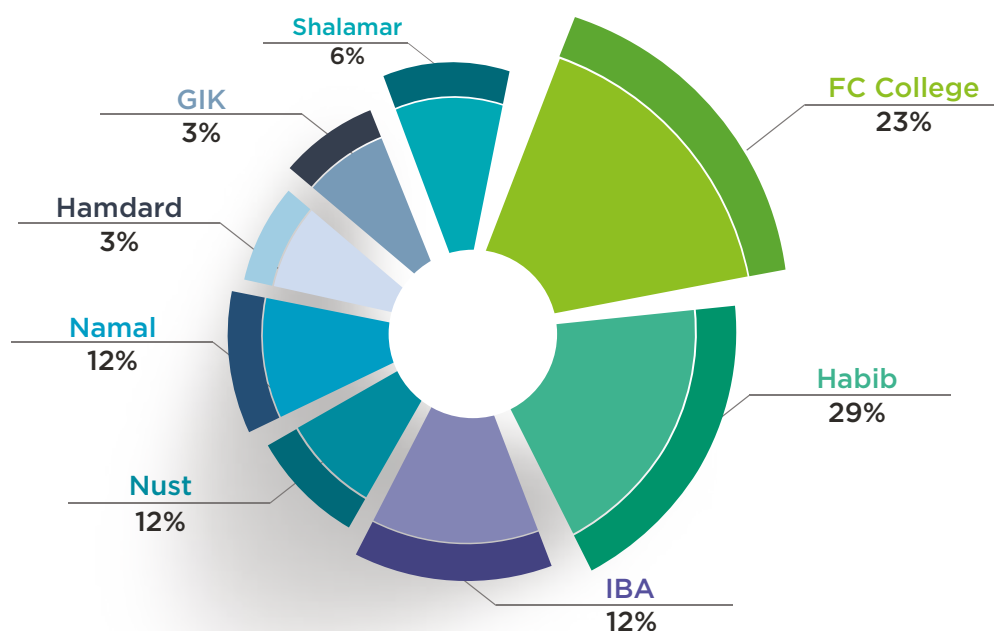
PROGRAM PROFESSIONAL UNIVERSITY LEVEL

Atlas Foundation has established Endowment funds with seven well-known higher-education institutions for providing scholarships to talented and needy students. To-date the total endowment funds raised to Rs. 85 m, ranging between Rs. 2.5 m to Rs. 25 m.

ATLAS ENDOWMENT FUNDS

S. No.	Institute	Rs. in Mln	Dedication	No. of Students Awarded Scholarship
1	FC College	20.00	Girls Hostel (Hall)	19
2	Habib	25.00	-	1
3	IBA	10.00	Networking Room	3
4	Nust	10.00	Board Room	1
5	Namal	10.00	Board Room	4
6	Hamdard	2.50	Auditorium	4
7	GIK	2.50	-	1
8	Shalamar	5.00	Audio Visual Room	1

Atlas Endowment Funds



EDUCATION SUPPORT

SPECIAL CHILDREN/PERSONS

All children need encouragement, and support in the academic world. Especially children with learning disabilities. With Atlas Foundation's mission to support educational aid to children across Pakistan, we strive to provide positive reinforcement to organizations working with special children. With these collaborations we ensure that our children can emerge with a strong sense of self-worth, confidence, and the determination to keep going even when things are tough.

Education of Deaf Children

Family Educational Services Foundation (FESF) works to respond to the educational needs of the most disenfranchised and neglected members of civil society. Its Deaf Reach Schools, Training Centers, and Colleges provide formal education, academic literacy, and vocational skills training to deaf children and youth in an enabling environment where students can excel.

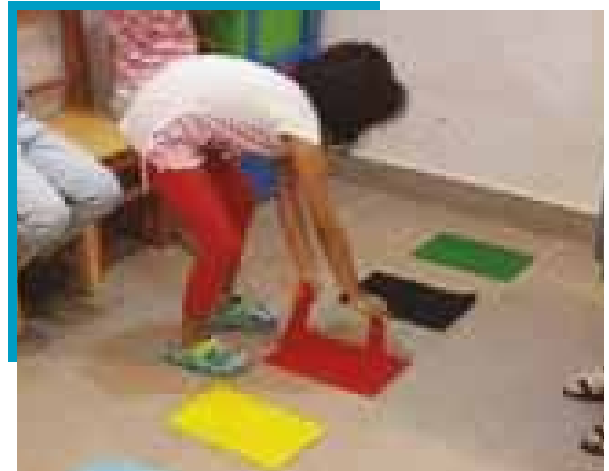
Continuing the project in the third year, Atlas Foundation sponsored a classroom of 15 students at the Deaf Reach School, Karachi. In this connection, the contribution of Rs. 1.08 m was made under an agreement executed between Atlas Foundation and FESF.

Family Education Services Foundation



Supporting Children with Developmental Disabilities

Milestone Charitable Trust



Milestone provides formal education to special children with mild to moderate developmental disabilities and language disorders, including Autism, Down syndrome, Cerebral palsy, Fragile X syndrome, and Asperger's syndrome. During the year, Atlas Foundation continued its support of Rs. 1 m to Milestone Charitable Trust for expanding its operation in the area.



Vocational Training to the People Working with Disabilities

Network of Organization Working with People with Disabilities, Pakistan (NOWPDP) operates in the development sector, focusing on inclusion through the empowerment of persons with disabilities. Its mission is to promote an inclusive society through holistic and sustainable endeavors in education and economic empowerment.

Atlas Foundation provides regular support to NOWPDP for the training of persons with disabilities at mainstream vocational training centers and provision of support for job placement/self-employment. During the year, NOWPDP conducted skills-based training classes for Persons with Disabilities (PWDs) in multiple trades. These included the trades of Data Entry Operators, Call Center Training, Stitching, and Embroidery. These skills in particular were chosen after extensive research conducted by NOWPDP, commissioned by the British Council that highlighted the skills most in demand for PWDs. During the year, a contribution of PKR 2 m was made for the skills-based training of 40 Persons with Disabilities.



NOWPDP Training Center Graduation Ceremony



HEALTH PROGRAMS

Atlas Foundations mission is to provide care that becomes more efficient, more personalized, and ultimately more human. With our collaborations in the health sector supports organizations work effectively within hospitals, connect with patients, and conduct lifesaving medical operations.

Inauguration of Two Operation Theaters

The Foundation, under a partnership to provide free care and treatment to the needy burns victims/patients executed a project of procurement and installation of the latest equipment required for the Operation Theatre of the Friends of Burn Centre along with its complete renovation at the total cost of Rs. 18 m. The project executed under an agreement between Atlas Foundation and the Friends of Burn Centre on 12 October 2020. The operation theaters inaugurated on 2nd November 2021.

Friends of Burn Centers



Under its health program, Atlas Foundation continued its contribution of Rs. 2.25 m in the third year to the Liver Foundation that is having a separate specialized Clinic to provide treatment of all liver diseases. In this program, The Liver Foundation, in collaboration with Aga Khan University, has been working for the poor communities of Malir District and making three union councils of Malir District (UC 9 and UC 10) free of hepatitis C. Under this program, the Liver Foundation treated 1,388 patients till 30 March 2022 out of the contribution provided by the Foundation.



The Foundation continued to make an annual contribution of Rs. 1 m to CPLC (Citizens- Police Liaison Committee) Endowment Fund to upgrade the technical and managerial skills of CPLC staff and acquire modern technology.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the members of Atlas Foundation will be held on Monday, 23 October 2023 at 2:30 p.m. at the Registered Office, 2nd Floor, Federation House, Sharae Firdousi, Clifton, Karachi to transact the following business:

1. To confirm the minutes of the Annual General Meeting held on October 28, 2022.
2. To receive, consider and adopt the Annual Audited Financial Statements of Atlas Foundation for the year ended June 30, 2023 together with Auditors' and Directors' reports thereon.
3. To appoint auditors and fix their remuneration for the year ending June 30, 2024. The present auditors M/s. ShineWing Hameed Chaudhri & Co., Chartered Accountants, retire and being eligible, offer themselves for reappointment.
4. To transact any other business as may be placed before the meeting with the permission of the Chair.

By Order of the Board



Ahsan Shahab
Company Secretary

Karachi: September 21, 2023

NOTES:

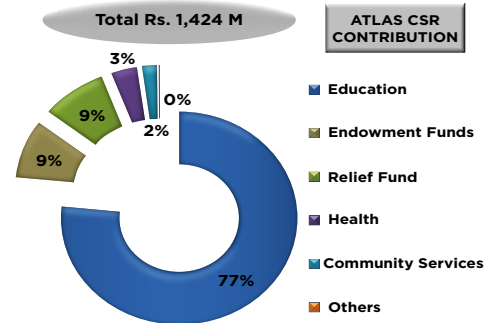
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint another member, as a proxy to attend and vote on his/her behalf. Proxies in order to be effective must be received at the Registered Office of Atlas Foundation Company not less than 48 hours before the time of meeting.
3. No person shall act as proxy unless he is a member of the Atlas Foundation.
4. The signature of member on Proxy Application Form must agree with the specimen signature registered with the Atlas Foundation. Revenue stamp of Rupee one should be affixed on the Proxy Application Form.
5. Members are requested to notify the Company immediately of the change in their addresses, if any.

CHAIRMAN'S REVIEW

It is my pleasure to present the Annual Report and performance review of the Atlas Foundation on behalf of the Board for the year ended 30 June 2023.

The Foundation

Atlas Foundation fulfills the corporate social responsibilities of the Atlas Group by actively engaging in endeavors that promote professional education centers, enhance healthcare facilities, support law enforcement agencies, and elevate overall quality of life. The Board is firmly committed to aligning Atlas Foundation's long-term vision, ensuring a sustainable and meaningful societal impact through immediate and enduring initiatives. These initiatives encompass the establishment of Atlas Vocational Training Institute, the creation of a research center at LUMS, consistent operational backing for Atlas-TCF Schools, the formation of endowed funds in partnership with prestigious institutions, and the construction of hostels and boarding facilities in esteemed educational establishments. Furthermore, the Foundation extends its support to various organizations that embody the principles of patriotism and contribute to the betterment of Pakistan. Atlas Foundation has contributed Rs. 1,424 m under CSR activities till June 2023.



Atlas Vocational Training Institute

The noteworthy initiative led by Atlas Foundation, the Atlas Vocational Training Institute located in Sheikhpura, offers specialized training across distinct trades: Motorcycle Mechanic, Welder, and Machinist. Accredited by the Technical Education & Vocational Training Authority (TEVTA), the Institute holds certification and registration with the Punjab Skills Development Fund (PSDF), which provides valuable support to students enrolled at AVTI.



The Foundation believes that offering skill training in trades aligned with market demands can yield significantly more benefits for individuals who might not have access to higher education. Elevating the unskilled population to proficiency and expertise through professional training can lead to measurable life improvements. Atlas Vocational Training Institute remains steadfast in its dedication to delivering top-notch education and training opportunities to students from marginalized backgrounds and low-income households. The endeavors undertaken by the Institute are poised to make substantial contributions to the overall social welfare of society and amplify the Foundation's positive impact.

Programs and Activities

The Citizen Foundation - Atlas Campus and Sacha Soda Schools

Persisting in its commitment to education at the school level, your Foundation established a primary and secondary school in Sheikhpura in partnership with The Citizen Foundation. Furthermore, it expanded the scope of its educational support initiative by incorporating three additional campuses in Sacha Soda, Sheikhpura. This expansion aimed to ensure the ongoing operational sustenance of the schools, encompassing the coverage of annual operating expenses. The primary beneficiaries of this endeavor are primarily children hailing from underprivileged backgrounds, including those belonging to families of farmers and laborers who reside in the neighboring regions. Through this program, your Foundation allocated Rs. 28.8 million to these campuses during the 2022-23 period, thus positively impacting over 1,000 students each year.



Endowment Fund with Renowned Institutions

On the professional front, Atlas Foundation has established multiple endowment funds to offer scholarships to students who exhibit talent and financial need. The Foundation provides these scholarships in collaboration with esteemed educational institutions such as the Institute of Business Administration, National University of Science & Technology, Habib University, Foremen Christian College, Namal University, Ghulam Ishaq Khan Institute of Engineering Sciences and Technology, Hamdard University, and Shalamar Institute of Health Science.

To enhance its impact over the long term, the Foundation has devised strategies to augment the size of its endowments and incorporate additional institutions into its initiatives. As of June 2023, the Foundation has accumulated a cumulative sum of Rs. 185 million in endowment funds, with contributions spanning from Rs. 2.5 million to Rs. 100 million, in collaboration with renowned higher education institutions.

LUMS Central Building Complex

To support research and enrich the learning opportunities available to the community, Atlas Foundation entered into a contract on August 31, 2022, with the National Management Foundation. This collaboration aimed to establish the LUMS Central Building Complex within the Lahore University of Management Sciences premises. The Foundation committed a generous donation of up to Rs. 1.5 billion, payable over three years, and marked the commencement of this endeavor by presenting a check of Rs. 650 million during the ceremony. The upcoming complex will bear the name Yusuf H. Shirazi Complex.



Aitchison College - A New Senior School Boarding House

Since the nation's Independence, Aitchison College has embraced a diverse student body from various regions, promoting equality among its pupils. The basis of the partnership between Atlas Foundation and Aitchison College is upon the conviction that a promising future necessitates exemplary education, as quality education lays the Foundation for the emergence of capable leaders.



In the preceding year, your organization generously donated Rs. 120 million as per an arrangement with Aitchison College. This contribution aimed to fund the construction of a novel senior school Boarding House, thereby expanding the college's ability to accommodate students on campus. This arrangement allows students to receive an education from the college while enjoying a nurturing residential environment akin to a home away from home. The Boarding House, named Shirazi House, is set to be officially inaugurated in September 2023, according to the management's schedule.



Aga Khan University Hospital Endowed Scholarship

The Aga Khan University Hospital strives to set a standard of excellence and uphold medical integrity throughout its medical facilities, clinics, and educational institutions. Through its collaboration with AKUH, the Atlas Foundation has been honored to extend crucial assistance and financial support to healthcare systems that cater to the most underserved communities.

Your Foundation successfully established an endowed scholarship agreement amounting to Rs. 100 million with AKUH. This significant Agreement empowers Aga Khan University Hospital to offer essential financial aid to deserving female students enrolled in full-time health-related programs, encompassing medical and nursing studies, within the Aga Khan University in Pakistan. The Foundation made a substantial initial payment of Rs. 40 million towards this scholarship fund, with the remaining balance payable over the subsequent three years.

Family Education Services Foundation Project - Sponsorship Program

The Family Educational Services Foundation (FESF) dedicates itself to actively addressing the educational needs of society's most underserved and neglected segments. Through its Deaf Reach Schools, Training Centers, and Colleges, the FESF offers formal education, academic literacy, and vocational skills training to deaf children and young individuals, creating an inclusive environment that fosters their academic and personal growth. In line with this mission, the Foundation extended its support by sponsoring a classroom for 15 students at the Deaf Reach School, Karachi – an initiative of FESF.



The Atlas Foundation has contributed Rs. 5.40 million to facilitate education and vocational skills training for 60 deaf children and adolescents nationwide. This support includes a contribution of Rs. 1.08 million made during the current year.

Partnership with NOWPDP for Training & Creating Self Employment

Through its collaboration with the Network of Organizations Working with People with Disabilities, Pakistan (NOWPDP), the Atlas Foundation assumes a central role in integrating one of the underserved segments of Pakistan's population – individuals with disabilities. The Foundation actively supports these individuals in their journey towards life transformation. The project focuses on furnishing training and avenues for self-employment to those with hearing-speech and physical impairments, particularly from underprivileged backgrounds. This includes a diverse range of training, encompassing preparation for business endeavors.



In 2022-23, your Foundation contributed Rs.2.8 million, aiming to provide vocational training to 40 individuals with disabilities at the NOWPDP

Training Center. This project will further deliver skills-development training in various trades, including Computer Operation, Graphic Design, English Language Proficiency, and Skills Enhancement, thereby equipping these individuals for meaningful engagement and self-sufficiency.

Physiotherapy Complex at the Friends of Burn Centre

Atlas Foundation embarked on its inaugural project with the Friends of Burn Centre (FOBC) in a collaborative effort to offer cost-free care and medical attention to burn victims in need. This initiative involved acquiring essential equipment and comprehensively renovating two Operation Theatres. Since its inauguration in November 2021, the project has substantially impacted the community, having successfully conducted 3,964 operations up to this point. The Centre's yearly outpatient department (OPD) activity encompasses approximately 18,000 patients, distributed with a ratio of 4:5:9 among males, females, and pediatric cases, respectively.



In the fiscal year 2022-23, the Board of Directors of Atlas Foundation approved implementing an additional initiative in collaboration with FOBC. Following the formal Agreement signed on March 14, 2023, your Foundation pledged a sum of Rs. 20 million to construct a Physiotherapy Complex and procure essential physiotherapy equipment. Your Foundation plans to finish the project by September 2023. The project aims to extend significant benefits to a wide range of underprivileged patients, contributing to the community's general well-being.

The Liver Foundation - Treatment of Patients

Atlas Foundation upheld its commitment by donating Rs. 2.25 million to The Liver Foundation, an entity distinguished by its dedicated clinic for addressing diverse liver ailments. Through this initiative, The Liver Foundation, in partnership with Aga Khan University, has diligently served underprivileged communities within the Malir District. Notably, their efforts have successfully eliminated hepatitis C from three specific union councils within the districts UC 9 and UC 10. Thanks to the Foundation's financial support, 2,132 patients have received treatment as an integral aspect of this program.



CPLC Safety & Security Program

The Citizens-Police Liaison Committee (CPLC) actively contributes to enhancing the state of law and order. Your Foundation has played a pivotal role in aiding the Committee's efforts by facilitating the integration of modern technology and elevating technical and managerial proficiencies. This assistance has remained steadfastly provided for nine years, resulting in the Foundation's cumulative contribution amounting to Rs. 9 million. Notably, this year's contribution includes a sum of Rs. 1 million.



Citizens Police
Liaison Committee

Flood Relief Activities

Benefitting from the generous assistance of Atlas Group Companies and its international collaborators, Honda Motor and DIDO, your Foundation successfully conducted relief operations in areas affected by flooding. Through these initiatives, the Foundation distributed essential supplies such as food packages, shelters, tents, and water purification systems to individuals impacted by the floods. The assistance is distributed effectively through an extensive network of 10,000 touchpoints, spanning Atlas Honda motorcycle dealerships and community networks.



Operating Performance

The Foundation experienced a significant surge in total revenue, escalating by 502% to Rs. 845.76 million this year, compared to the previous year's figure of Rs. 140.51 million. This significant rise was mainly due to the Group's increased donations, notably towards projects such as the LUMS initiative and flood relief endeavors. Furthermore, the Foundation witnessed a reduction in its unrealized investment losses, which decreased from Rs. 96.71 million to Rs. 17 million compared to the previous year.

Contributions in the form of donations, dividends, and rental income showcased remarkable growth of 483%, 24%, and 8%, reaching Rs. 691.41 million, Rs. 74.60 million, and Rs. 38.95 million, respectively, this year - contrasts the figures of Rs. 118.58 million, Rs. 60.08 million, and Rs. 35.93 million from the prior year. The Foundation's Corporate Social Responsibilities related expenditures significantly increased, reaching Rs. 851.78 million compared to the previous year's Rs. 250.95 million.

While administrative expenses observed a 23% uptick, they remained within the designated limits. The Foundation posted a deficit before tax amounting to Rs. 40.09 million this year, in contrast to the previous year's deficit of Rs. 138.23 million. This variance can be attributed mainly to the intensified CSR initiatives undertaken.

Performance of the Board

The Foundation's Board of Directors rigorously follows all pertinent regulations and guidelines. Comprising esteemed business professionals, these Board members bring forth their expertise, extensive experience, and strong ethical values, thus enhancing the Board's efficacy. The Board has established well-defined policies and procedures, fostering a professional corporate environment prioritizing prompt disclosure, accountability, upstanding ethical principles, and adherence to pertinent laws, regulations, and corporate governance standards.

Throughout the assessed period, the Board has dutifully fulfilled its responsibilities towards the Foundation, actively participating in all strategic matters. Apart from scrutinizing and endorsing financial outcomes, the Board consistently provides invaluable guidance to the management team. This guidance encompasses performance monitoring and targeted focus on areas with significant risk. Additionally, the Board members meticulously reviewed and sanctioned the FY 2023-24 financial budget, Atlas Vocational Training Institute budget, and other essential CSR initiatives and capital expenditure necessities.

Human Resource Development

The Foundation consistently upholds the Atlas Group's guiding principle and philosophy of "Organization Development through Self Development." It has directed resources towards cultivating its staff to establish a dynamic learning environment. Over the past year, the Foundation has undertaken several initiatives to foster associates' dedication to the organization, actively contributing to individual and business objectives.

A sustained corporate culture fosters innovation, self-sufficiency, and the enhancement of technical and leadership competencies. The Foundation has implemented a reliable Performance Management Review Process to ensure equitable acknowledgment of employees' performance and chart out talented individuals' career trajectories. Upholding a strict stance, your Foundation maintains a zero-tolerance approach to unethical business practices or individual conduct.

Health, Safety, and Environment

The Foundation strongly emphasizes enhancing the working conditions for its associates, striving to establish an environment that is both healthy and secure while also ensuring their comfort. In addition to adhering to international Health, Safety, and Environment (HSE) standards, the Institute conducts training and awareness sessions for associates to attain "zero incidents and zero injuries."

Way Forward

Atlas Foundation will persist in its dedication to education and healthcare by engaging in projects facilitated by reputable non-profit organizations, guided by the ethos of making substantial and widespread contributions. The Foundation will remain committed to realizing impactful initiatives, such as the LUMS Research Complex, the AKUH Endowed Fund program, the Aitchison New Boys Hostel, and establishing a Physiotherapy Centre at the Burns Centre, Civil Hospital Karachi.

Additionally, the Foundation will expand its scope by collaborating with more partnering organizations, like GIZ. It will work towards establishing AVTI as a sustainable institution poised to benefit the community through sustainable socio-economic development. All these endeavors will be undertaken under the ongoing guidance of the CSR Committee and the Board, aligning with the Foundation's mission and principles. The Foundation emphasized its strategic goals to ensure sustainable, long-term growth throughout this period.



ہمیشہ بہتر کیلئے تیار رہیں اور بہتر کیلئے تیار رہیں
(Always strive for the best.)

Acknowledgments

I am grateful to the Board of Directors, the CSR Committee, the Investment Committee, and the Group Management Audit team for their invaluable contributions and involvement in providing management guidance and support. My sincere appreciation goes out to Chief Executive Mr. Noorullah R. Hassan and his dedicated team for their unwavering commitment and tireless efforts in reinforcing the Foundation's mission.

I also wish to acknowledge the continuous assistance from entities including the Securities & Exchange Commission of Pakistan, the Federal Board of Revenue, the Pakistan Centre for Philanthropy, our banking partners, auditors, legal and tax advisors, as well as other service providers who have played a pivotal role in nurturing the growth of the Foundation.

Iftikhar H. Shirazi
Chairman

Karachi: 21 September 2023

Directors' Report

The Directors of Atlas Foundation are pleased to submit their report together with the audited financial statements for the year ended 30 June 2023 and the auditor's report thereon.

Operating Results

	Year ended 30 June 2023	Year ended 30 June 2022
	----- Rupees -----	
Total income (excluding restricted funds)	844,806,202	140,511,923
Expenses		
Corporate Social Responsibility-related expense	853,860,010	250,948,446
Administrative expense	33,186,114	27,790,656
Total expenses	887,046,124	278,739,102
(Deficit) / Surplus before taxation	(42,239,922)	(138,227,179)
Taxation	19,392,357	9,880,562
(Deficit) / Surplus after taxation	(61,632,279)	(148,107,741)

Chairman's Review

The Chairman's Review deals inter alia with the performance of the Foundation for the year ended 30 June 2023 and future prospects. The Directors endorse the contents of the Chairman's Review.

Board of Directors

The Board of Directors is responsible for and oversees the governance, culture, and management of Corporate Social Responsibilities. Its role includes the CSR Committee's constitution and its terms of reference approval. It reviews and monitors the CSR's strategic and operational approach for the betterment of the community. The Board is also responsible for approving the Foundation's CSR budget and CSR action plan, as recommended by the CSR Committee. It also ensures the overall CSR expenditure aligns with the guidelines and approved limits and complies with the regulatory requirements.

The Board is comprised of six Non-Executive Directors. During the year, four (4) Board meetings were held. The attendance of the directors is as under:

Name	Designation	Meetings Attended	Leave Granted
Mr. Iftikhar H. Shirazi	Chairman	3	1
Mr. Jawaid Iqbal Ahmed	Director	4	-
Mr. Frahim Ali Khan	Director	4	-
Mr. M. Habib-Ur-Rahman	Director	4	-
Mr. Ali H. Shirazi	Director	4	-
Mr. Noorullah	Director	4	-

Group Human Resource Committee

The Group Human Resource Committee is responsible for creating and maintaining a conducive work environment that instills trust and ensures respect, fair treatment, development opportunities, and grooming and making succession plans for all employees. The Committee also determines the remuneration package for the management staff.

Group IT Resource Center.

The Group IT Resource Center is responsible for providing insight into the various technological aspects of information systems. The objective of the Center is to introduce leading-edge technology and IT initiatives to automate information delivery and accessibility of data for the enhancement of time and cost-efficiency.

Management Committee

The Management Committee acts at the operational level in an advisory capacity to the CEO, providing recommendations relating to CSR and other corporate affairs. In addition, the Committee has responsibility for reviewing long-term plans and capital and expense budget development. The Committee is also responsible for maintaining a healthy environment within and outside the Foundation.

Investment Committee

The primary responsibility of the Committee is to assist the Board in discharging its responsibilities in overseeing the Foundation's investment portfolio, including developing, reviewing, and recommending to the Board investment strategies and investment guidelines.

CSR Committee

The CSR Committee reviews the Corporate Social Responsibility performance to assess the effectiveness of its programs. It is also responsible for reviewing and recommending the Board proposals on CSR programs/projects, besides recommending the annual budget for the Foundation's CSR activities.

Principal Activities

Atlas Foundation is engaged in social welfare activities with a prime focus on the education and health sectors.

Auditors

The present Auditors M/s. ShineWing Hameed Chaudhri & Co., Chartered Accountants retire and, being eligible, offer themselves for reappointment.

Statement on Financial Reporting Framework

- The financial statements prepared by the management of the Foundation present fairly the result of its operations, cash flows, and changes in net assets.
- Proper books of account of the Foundation have been maintained.
- Appropriate accounting policies have been consistently applied in preparing 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 financial statements.
- The system of internal controls is sound in design and has been effectively implemented and monitored.

Material Changes

There have been no material changes since 30 June 2023 to the date of the report, and the Foundation has not entered into any commitment during this period, which would have an adverse impact on the Foundation's financial position.

Employees' Retirement Benefits

The Foundation operates defined contribution plans for its permanent employees through a recognized provident fund or voluntary pension scheme. All the newly appointed employees are offered the voluntary pension scheme only. However, those employees who are provident fund trust members can opt for either of the two above-mentioned defined contribution plans.

The Foundation also operates a non-contributory gratuity fund scheme for its employees.

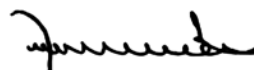
The value of investments based on their respective audited accounts as of 30 June 2023 is:

- | | |
|------------------|---------------|
| • Provident Fund | Rs. 3,318,702 |
| • Gratuity Fund | Rs. 5,122,231 |

Acknowledgment

The Board of Directors would like to place on record their sincere appreciation for the hard work and dedication shown by the management and employees of the Foundation.

On behalf of the Board of Directors



Noorullah
Chief Executive Officer



Frahim Ali Khan
Director

Karachi: 21 September 2023

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ATLAS FOUNDATION****REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

Opinion

We have audited the annexed financial statements of Atlas Foundation (the Foundation), which comprise the statement of financial position as at June 30, 2023, and the statement of income and expenditure, the statement of comprehensive income, the statement of changes in net assets, the statement of cash flows, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of income and expenditure, the statement of comprehensive income, the statement of changes in net assets and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Foundation's affairs as at June 30, 2023 and of the deficit and other comprehensive loss, the changes in net assets and its cash flows for the year then ended.

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Foundation 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.

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises of the Directors' 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 the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) 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 Foundation'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 Foundation or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Foundation's financial reporting process.

Auditors' 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 auditors' 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 Foundation'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 Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Foundation 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Foundation as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of income and expenditure, the statement of comprehensive income, the statement of changes in net assets and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Foundation's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditors' report is Osman Hameed Chaudhri.

Shinewing Hameed Chaudhri & Co.

SHINEWING HAMEED CHAUDHRI & CO.
CHARTERED ACCOUNTANTS
KARACHI;

September 21, 2023

UDIN : AR202310104hTxI1YK2H

STATEMENT OF FINANCIAL POSITION

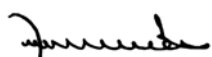
AS AT JUNE 30, 2023

	Note	2023 ----- Rupees -----	2022 ----- Rupees -----
ASSETS			
Non current assets			
Property and equipment	5	533,606,441	558,127,369
Intangible assets	6	137,080	204,597
Investment properties	7	109,572,149	113,030,382
Investments	8	289,390,121	229,524,055
Long term loans and deposits	9	756,457	1,174,423
		933,462,248	902,060,826
Current assets			
Stores and spares		2,263,860	3,275,461
Deposits, prepayments and other receivable	10	2,465,771	1,904,440
Short term investments	11	1,053,946,962	1,102,168,067
Bank balances	12	11,804,427	10,552,419
		1,070,481,020	1,117,900,387
Total assets		2,003,943,268	2,019,961,213
LIABILITIES			
Non current liabilities			
Long term vehicle deposits from employees		460,524	406,799
Deferred liabilities - employee benefits	13	7,574,595	7,467,973
		8,035,119	7,874,772
Current liability			
Accrued and other liabilities	14	1,714,028	1,887,540
Total liabilities		9,749,147	9,762,312
NET ASSETS		1,994,194,121	2,010,198,901
Represented By:			
Members' contribution and reserves / funds		1,708,977,928	1,784,848,774
Unrealised gain on revaluation of available-for-sale investments		285,216,193	225,350,127
		1,994,194,121	2,010,198,901

Contingencies and commitments

15

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



Chief Executive Officer



Director



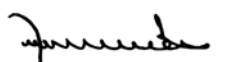
Chairman

STATEMENT OF INCOME AND EXPENDITURE

FOR THE YEAR ENDED JUNE 30, 2023

Note	General / Unrestricted Fund	Capital Asset Fund	2023	General / Unre- stricted Fund	Capital Asset Fund	2022	
----- Rupees -----							
INCOME							
Donations	16	691,431,465	-	691,431,465	118,579,915	-	118,579,915
Punjab skill development fund, tution and other fee		16,203,295	-	16,203,295	7,447,584	-	7,447,584
Restricted funds - opening balance		-	281,572,877	281,572,877	-	296,392,502	296,392,502
Restricted funds - closing balance		-	(267,494,233)	(267,494,233)	-	(281,572,877)	(281,572,877)
Capital asset fund utilised during the year		-	14,078,644	14,078,644	-	14,819,625	14,819,625
Rental income	17	38,947,092	-	38,947,092	35,932,380	-	35,932,380
Net gain on redemption of investments	18	26,421,893	-	26,421,893	360,711	-	360,711
Unrealised loss on investment at fair value through profit & loss	11.2	(16,996,531)	-	(16,996,531)	(96,707,352)	-	(96,707,352)
Dividend income	19	74,720,344	-	74,720,344	60,079,060	-	60,079,060
Total income		830,727,558	14,078,644	844,806,202	125,692,298	14,819,625	140,511,923
EXPENSES							
Corporate Social Responsibility - related expenses							
Donations	20	780,700,375	-	780,700,375	176,739,115	-	176,739,115
Project related expenses	21	59,080,991	14,078,644	73,159,635	59,389,706	14,819,625	74,209,331
		839,781,366	14,078,644	853,860,010	236,128,821	14,819,625	250,948,446
General and administrative expenses	22	33,186,114	-	33,186,114	27,790,656	-	27,790,656
Total expenses		872,967,480	14,078,644	887,046,124	263,919,477	14,819,625	278,739,102
Deficit before taxation		(42,239,922)	-	(42,239,922)	(138,227,179)	-	(138,227,179)
Taxation	23	(19,392,357)	-	(19,392,357)	(9,880,562)	-	(9,880,562)
Deficit after taxation		(61,632,279)	-	(61,632,279)	(148,107,741)	-	(148,107,741)

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


Chief Executive Officer


Director

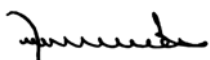

Chairman

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2023

	2023	2022
	----- Rupees -----	
Deficit after taxation	(61,632,279)	(148,107,741)
Other items of comprehensive income not to be reclassified to statement of income and expenditure in subsequent periods		
Net unrealised gain / (loss) on revaluation of investments at fair value through other comprehensive income	59,866,066	(46,229,300)
Actuarial loss	(159,923)	(323,856)
Total comprehensive income / (loss) for the year	<u>(1,926,136)</u>	<u>(194,660,897)</u>

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



Chief Executive Officer



Director



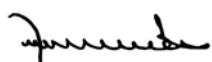
Chairman

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2023

	Members' contribution and reserves / funds				Unrealised gain / (loss) on investments at fair value through other comprehensive income	Total
	Members contribution	Capital reserves	General fund	Capital asset fund		
	----- Rupees -----					
Balance as at June 30, 2021	20,000	41,930,751	1,609,756,743	296,392,502	271,579,427	2,219,679,423
Deficit for the year	-	-	(148,107,741)	-	-	(148,107,741)
Utilization of capital asset fund	-	-	-	(14,819,625)	-	(14,819,625)
Other comprehensive loss	-	-	(323,856)	-	(46,229,300)	(46,553,156)
Total comprehensive - loss for the year	-	-	(148,431,597)	(14,819,625)	(46,229,300)	(209,480,522)
Balance as at June 30, 2022	20,000	41,930,751	1,461,325,146	281,572,877	225,350,127	2,010,198,901
Deficit for the year	-	-	(61,632,279)	-	-	(61,632,279)
Utilization of capital asset fund	-	-	-	(14,078,644)	-	(14,078,644)
Other comprehensive (loss) / income	-	-	(159,923)	-	59,866,066	59,706,143
Total comprehensive (loss) / income for the year	-	-	(61,792,202)	(14,078,644)	59,866,066	(16,004,780)
Balance as at June 30, 2023	20,000	41,930,751	1,399,532,944	267,494,233	285,216,193	1,994,194,121

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



Chief Executive Officer



Director



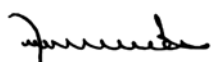
Chairman

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 ----- Rupees -----	2022 -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Deficit before taxation		(42,239,922)	(138,227,179)
Adjustments for:			
Depreciation and amortisation		30,413,023	31,811,433
Utilization of capital asset fund	21.1	(14,078,644)	(14,819,625)
Net gain on redemption of investments	18	(26,421,893)	(360,711)
Unrealized loss on investment at fair value - through profit or loss		16,996,531	96,707,352
Loss on disposal of property and equipment	22	-	21,178
Dividend income	19	(74,720,344)	(60,079,060)
(Reversal) / provision for compensated absences		(1,103,572)	313,680
Provision for long service award		1,210,194	545,524
Provision for gratuity		494,124	374,057
		(109,450,503)	(83,713,351)
(Increase) / decrease in deposits, prepayments - and other receivables (excluding tax)		(561,331)	2,109,654
Decrease in stores and spares		1,011,601	-
Decrease in accrued and other liabilities		(129,646)	(5,796,504)
Cash used in operations		(109,129,879)	(87,400,201)
Dividend received		74,720,344	118,880,180
Income tax paid		(19,392,357)	(9,880,562)
Contribution to gratuity		(697,913)	(213,104)
Long term loans and deposits - net		471,691	(901,321)
Net cash (used in) / generated from operating activities		(54,028,114)	20,484,992
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		(5,179,665)	(13,338,554)
Sale proceeds of vehicle		2,813,320	1,172,044
Purchase of investments		(534,557,637)	(74,913,828)
Proceeds from sale / redemption of investments		592,204,104	73,500,000
Net cash generated from / (used in) investing activities		55,280,122	(13,580,338)
Net increase in cash and cash equivalents		1,252,008	6,904,654
Cash and cash equivalents at beginning of the year		10,552,419	3,647,765
Cash and cash equivalents at end of the year		11,804,427	10,552,419

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



Chief Executive Officer



Director



Chairman

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023

1 THE COMPANY AND ITS OPERATIONS

1.1 Atlas Foundation (the Foundation) was incorporated on September 02, 1986 as a Public Company Limited by Guarantee under section 42 of the Companies Act, 2017 in pursuance of license issued by the Securities and Exchange Commission of Pakistan, as a not for profit organization.

1.2 The Foundation is currently engaged in promoting welfare, educational, charitable and other useful activities. The registered office of the Foundation is located at 2nd Floor, Federation House, Sharae Firdousi, Clifton, Karachi.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Accounting Standard for Not for Profit Organisations (NPOs) issued by the Institute of Chartered Accountants of Pakistan (ICAP); and
- Provision of and directives issued under the Companies Act, 2017.

Where provision of and directives issued under the Companies Act, 2017 differ from the IFRS, the provision of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

These financial statements have been prepared under historical cost convention except for investments which are accounted for as stated in note 4.6 below and staff retirement benefit - gratuity which is carried at present value of defined benefit obligation net of fair value of plan assets.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is the functional and presentation currency of the Foundation.

2.4 Critical accounting estimates and judgements

The preparation of financial statements in conformity with approved accounting standards requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amount of assets, liabilities, income and expenses.

The estimates and judgements are based on historical experience and various other factors that are believed to be reasonable under the circumstances and are continually evaluated. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods. Judgements made by management in application of the approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in respective policy note. The are as involving significant estimates or judgements are:

	Note
- Determining the residual values and useful lives of property and equipment	5
- Determining the residual values and useful lives of intangible assets	6
- Determining the residual values and useful lives of investment properties	7
- Classification and valuation of investments	8
- Accounting for retirement benefits	14

3 NEW AND AMENDED STANDARDS AND INTERPRETATIONS

3.1 Standards, amendments to approved accounting standards effective in the current year

New and amended standards mandatory for the first time for the financial year beginning July 1, 2022:

- (a) Amendments to IAS 37 'Provisions, Contingent Liabilities and Contingent Assets' is applicable for accounting periods beginning on or after January 1, 2022. Under IAS 37, a contract is 'onerous' when the unavoidable costs of meeting the contractual obligations – i.e. the lower of the costs of fulfilling the contract and the costs of terminating it – outweigh the economic benefits. The amendments clarify that the 'costs of fulfilling a contract' comprise both the incremental costs – e.g. direct labour and materials; and an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract.
- (b) Amendment to IAS 16 'Property, plant and Equipment' is applicable on accounting periods beginning on or after January 1, 2022. The amendments prohibit the foundation from deducting from the cost of property, plant and equipment amounts received from selling items produced while the foundation is preparing the asset for its intended use. Instead, the foundation will recognise such sales proceeds and related cost in profit or loss. The amendments apply retrospectively, but only to items of PPE made available for use on or after the beginning of the earliest period presented in the financial statements in which the foundation first applies the amendments.

3.2 Standards, amendments to approved accounting standards and interpretations that are not yet effective and have not been early adopted by the Foundation

The following new standards and amendments to approved accounting standards are not effective for the financial year beginning on July 1, 2022 and have not been early adopted by the Foundation:

- (a) Amendments to IAS 1, 'Presentation of Financial Statements' is applicable on accounting periods beginning on or after January 1, 2023. The amendments includes requiring the foundation to disclose their material accounting policies rather than their significant accounting policies, clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed and also clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to the foundation's financial statements.
- (b) Amendments to IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' will be applicable on accounting periods beginning on or after January 1, 2023. The International Accounting Standards Board (the Board) has issued amendments to end diversity in treatment of accounting estimates and clarified how companies should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates. Developing an accounting estimate includes both selecting a measurement technique (estimation or valuation technique) – e.g. an estimation technique used to measure a loss allowance for expected credit losses when applying IFRS 9 Financial Instruments; and – choosing the inputs to be used when applying the chosen measurement technique – e.g. the expected cash outflows for determining a provision for warranty obligations when applying IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The effects of changes in such inputs or measurement techniques are changes in accounting estimates.
- (c) Amendments to IAS 12, 'Income taxes' will be applicable on accounting periods beginning on or after January 1, 2023. The amendments narrow the scope of the initial recognition exemption (IRE) so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, the foundation will need to recognise a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning provision.
- (d) Amendments to IAS 1, 'Presentation of Financial Statements' is applicable on accounting periods beginning on or after January 1, 2024. Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of this amendments, the requirement for a right to be unconditional has been removed and instead, the amendments requires that a right to defer settlement must have substance and exist at the end of the reporting period. This right may be subject to a company complying with conditions (covenants) specified in a loan arrangement. At October 31, 2022, after reconsidering certain aspects of the amendments, the IASB reconfirmed that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current. Covenants with which the company must comply after the reporting date (i.e. future covenants) do not affect a liability's classification at that date. However, when non-current liabilities are subject to future covenants, companies will now need to disclose information to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.
- (e) Amendments to IAS 16, 'Sale and leaseback transaction' is applicable on accounting periods beginning on or after January 1, 2024. Amendments impact how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction. On initial recognition, the seller-lessee includes variable lease payments when it measures a lease liability arising from a sale-and-leaseback transaction.

After initial recognition, the seller-lessee applies the general requirements for subsequent accounting of the lease liability such that it recognizes no gain or loss relating to the right of use it retains. The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered.

The management anticipates that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures. There are a number of other standards, amendments and interpretations to the published standards that are not yet effective and are also not relevant to the Foundation and, therefore, have not been presented here.

4 SIGNIFICANT ACCOUNTING POLICIES

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

4.1 Property and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment if any except for freehold land, which is recorded at cost less accumulated impairment, if any. Depreciation is calculated at the rates specified in note 5.1 to the financial statements on reducing balance method. Full month's depreciation is charged from the month of acquisition and no depreciation in the month of disposal.

The asset's residual values and useful life are reviewed at each financial year end and adjusted if impact on depreciation is significant.

The gain or loss on disposal or retirement of an asset is represented as the difference between the sale proceeds and the carrying amount of the asset which is recognised in profit and loss account. Maintenance and normal repairs are charged to profit and loss account. Major renewals and improvements are capitalized.

Capital work-in-progress is stated at cost accumulated upto the reporting date less accumulated impairment loss, if any. Capital work-in-progress is recognized as an operating fixed asset when it is made available for its intended use.

4.2 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any. Intangible assets are amortised on reducing balance method whereby the cost of an asset is written-off over its estimated useful life at the rate specified in note 6 to the financial statements.

4.3 Investment properties

Properties held for long-term rental yield or for capital appreciation or both are classified as investment properties.

Investment properties are carried at cost less accumulated depreciation except for freehold land, which is recorded at cost less accumulated impairment, if any. Depreciation is calculated at the rates specified in note 7.1 to the financial statements on reducing balance method. Full month's depreciation is charged from the month of acquisition and no depreciation in the month of disposal.

The gain or loss on disposal or retirement of an asset is represented as the difference between the sale proceeds and the carrying amount of the asset which is recognised in profit and loss account. Maintenance and normal repairs are charged to profit and loss account as and when incurred. Major repairs and renewals are capitalized.

4.4 Impairment of assets

The carrying amounts of operating fixed assets and investment properties are reviewed at each statement of financial position date to assess whether they are recorded in excess of their recoverable amounts, and where carrying value exceeds estimated recoverable amount, assets are written down to their estimated recoverable amount.

4.5 Revenue recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Foundation and the amount of revenue and the associated cost incurred or to be incurred can be measured reliably.

- gain or loss on sale / redemption of investments is accounted for in the period in which it arises;
- dividend income is recognised when the Foundation's right to receive payment is established;
- donation income is recorded on receipt basis at their fair values;
- rental income is recognised on a time proportion basis over the lease terms;
- tuition and other fee is recorded on receipt basis at their fair values; and
- donation that is restricted by the donors are recognized in restricted fund while all other donations are recognized in general fund.

4.6 Employee retirement benefits and other obligations

4.6.1 Gratuity scheme

The Foundation operates an approved funded gratuity scheme in respect for all permanent employees who have completed the minimum qualifying period of service for entitlement of gratuity. The scheme defines the amounts of benefit that an employee will receive on or after retirement subject to a minimum qualifying period of service under the scheme. The amounts of retirement benefits are usually dependent on one or more factors such as age, years of service and salary. The liability recognised in respect of gratuity scheme is the present values of the defined benefit obligations under the scheme at the balance sheet date less the fair value of respective plan assets.

The gratuity is calculated annually by independent actuaries using the Projected Unit Credit Method. The most recent valuation in this regard was carried out as at June 30, 2023. The present values of the obligations are determined by discounting the estimated future cash outflows using interest rates of high quality government securities that have terms to maturity approximating to the terms of the related obligations.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised directly in equity in the statement of comprehensive income in the period in which they arise. All past service costs are recognised at the earlier of when the amendments or curtailment occurs and when the Foundation has recognised related retirement or termination benefits.

4.6.2 Employee compensated absences

The Foundation accounts for all accumulated compensated absences when employees render services that increase their entitlement to future compensated absences. Accrual for compensated absences is made in accordance with the independent actuarial valuation. The latest actuarial valuation was carried out as of June 30, 2023.

4.6.3 Long service award

The Foundation makes provision for long service award to which employees are entitled after the completion of each five year of their service, with a minimum of 15 years of service.

4.6.4 Pension Fund

The Foundation makes contribution to voluntary pension scheme for all permanent employees. Equal contributions are made by the Foundation and the employees to the fund at the rate of 11 percent of basic salary.

4.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and liabilities, with the exception of bank balances, loans and advances to employees /counter parties and due to counterparties, are initially recognised on the trade date, i.e., the date that the foundation 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.

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.

Classification

In accordance with IFRS 9, the foundation classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

Financial assets

The foundation classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss on the basis of both:

- The entity's business model for managing the financial assets
- The contractual cash flow characteristics of The financial asset

Financial assets measured at fair value through other comprehensive income (FVOCI)

(a) 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. On de-recognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit or loss. Debt instruments are subject to impairment under Expected Credit Loss model. The ECLs for debt instruments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the profit and loss upon de-recognition of the assets.

(b) Equity instruments at FVOCI

Upon initial recognition, the foundation elects to classify irrevocably 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. The foundation's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. 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 foundation 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 assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets at amortized cost are subject to impairment under Expected Credit Loss model.

Financial assets measured at fair value through profit or loss

A financial asset is measured at fair value through profit or loss if:

(a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

(b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

or

(c) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

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, if any.

De-recognition

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 foundation 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 foundation 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 Foundation 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 foundation's continuing involvement in the asset. In that case, the foundation 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 foundation has retained. The foundation derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

Impairment of financial assets

Financial assets at fair value through profit or loss are not subject to impairment under IFRS 9.

The Foundation holds only trade receivables with no financing component and which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply an approach similar to the simplified approach for expected credit losses (ECL) under IFRS 9 to all its trade receivables. Therefore, the Foundation does not track changes in credit risk, but instead, recognises a loss allowance based on lifetime ECLs at each reporting date.

The Foundation's approach to ECLs reflects a probability-weighted outcome, 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 forecasts of future economic conditions.

The Foundation uses the provision matrix as a practical expedient to measuring ECLs on trade receivables, based on days past due for groupings of receivables with similar loss patterns. Receivables are grouped based on their nature. The provision matrix is based on historical observed loss rates over the expected life of the receivables and is adjusted for forward-looking estimates.

Offsetting of financial assets and liabilities

Financial assets and financial liabilities are only offset and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognised amount and the Foundation intends to either settle on a net basis or to realise the asset and settle the liability simultaneously.

4.8 Taxation

Current

The charge for current taxation is based on taxable income at the current rates of taxation after taking into account applicable tax credits, rebates and exemptions available, if any.

Deferred

Deferred tax is calculated using the liability method on all temporary differences at the statement of financial position date, between the tax base of the assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that the deductible temporary differences will reverse in the future and sufficient taxable profits will be available against which the deductible temporary differences and unused tax losses can be utilised.

The carrying amount of all deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or subsequently enacted at the statement of financial position date.

4.9 General fund

Donations received for ongoing operations, without any restrictions on utilization, are classified as unrestricted funds. These donations are recognised as income when received in the general fund. The expenses incurred against such funds are recognised in the income and expenditure account as and when incurred.

4.10 Capital asset fund

Restricted donations received for capital expenditure purpose are initially recorded under restricted fund and once the funds are fully utilised for the purpose they are obtained, are transferred to capital asset fund. The transferred restricted fund balance in the capital asset fund is depreciated and adjusted against the credit in the income arising due to utilisation of such funds, over the period of the useful life of underlying asset, resulting in nil impact on the income of the Foundation.

5 PROPERTY AND EQUIPMENT

2023 2022

----- Rupees -----

Operating fixed assets

533,606,441

558,127,369

5.1 Operating fixed assets

	General Assets				Program Assets									Total
	Office equipment	Computers	Generators	Vehicle	Land - freehold	Building on freehold land	Furniture and fixtures	Office equipment	Tools	Computers	Air conditioner	Generators	Vehicle	
----- Rupees -----														
As at July 01, 2021														
Cost	13,951,351	836,086	8,317,300	2,282,717	120,642,837	437,525,863	16,171,574	22,716,507	25,680,460	10,571,725	4,228,201	8,515,425	5,746,247	677,186,293
Accumulated depreciation	(7,750,546)	(713,618)	(5,035,336)	(880,611)	-	(60,949,438)	(4,240,003)	(5,689,254)	(6,554,056)	(6,535,094)	(1,018,839)	(2,135,243)	(1,631,799)	(103,133,837)
Net Book Value	<u>6,200,805</u>	<u>122,468</u>	<u>3,281,964</u>	<u>1,402,106</u>	<u>120,642,837</u>	<u>376,576,425</u>	<u>11,931,571</u>	<u>17,027,253</u>	<u>19,126,404</u>	<u>4,036,631</u>	<u>3,209,362</u>	<u>6,380,182</u>	<u>4,114,448</u>	<u>574,052,456</u>
Year ended June 30, 2022														
Opening net book value	6,200,805	122,468	3,281,964	1,402,106	120,642,837	376,576,425	11,931,571	17,027,253	19,126,404	4,036,631	3,209,362	6,380,182	4,114,448	574,052,456
Additions	3,260,895	471,704	-	3,303,491	-	-	-	6,302,464	-	-	-	-	-	13,338,554
Disposals														
- Cost	-	-	-	(2,046,335)	-	-	-	-	-	(109,000)	-	-	-	(2,155,335)
- Accumulated depreciation	-	-	-	885,193	-	-	-	-	-	76,920	-	-	-	962,113
	-	-	-	(1,161,142)	-	-	-	-	-	(32,080)	-	-	-	(1,193,222)
Depreciation charged	(695,778)	(93,177)	(328,197)	(623,507)	-	(18,370,706)	(1,193,153)	(1,863,532)	(1,912,640)	(1,207,884)	(320,936)	(638,018)	(822,889)	(28,070,417)
Closing net book value	<u>8,765,922</u>	<u>500,995</u>	<u>2,953,767</u>	<u>2,920,948</u>	<u>120,642,837</u>	<u>358,205,719</u>	<u>10,738,418</u>	<u>21,466,185</u>	<u>17,213,764</u>	<u>2,796,667</u>	<u>2,888,426</u>	<u>5,742,164</u>	<u>3,291,559</u>	<u>558,127,369</u>
As at July 01, 2022														
Cost	17,212,246	1,307,790	8,317,300	3,539,873	120,642,837	437,525,863	16,171,574	29,018,971	25,680,460	10,462,725	4,228,201	8,515,425	5,746,247	688,369,512
Accumulated depreciation	(8,446,324)	(806,795)	(5,363,533)	(618,925)	-	(79,320,144)	(5,433,156)	(7,552,786)	(8,466,696)	(7,666,058)	(1,339,775)	(2,773,261)	(2,454,688)	(130,242,141)
Net Book Value	<u>8,765,922</u>	<u>500,995</u>	<u>2,953,767</u>	<u>2,920,948</u>	<u>120,642,837</u>	<u>358,205,719</u>	<u>10,738,418</u>	<u>21,466,185</u>	<u>17,213,764</u>	<u>2,796,667</u>	<u>2,888,426</u>	<u>5,742,164</u>	<u>3,291,559</u>	<u>558,127,369</u>
Year ended June 30, 2023														
Opening net book value	8,765,922	500,995	2,953,767	2,920,948	120,642,837	358,205,719	10,738,418	21,466,185	17,213,764	2,796,667	2,888,426	5,742,164	3,291,559	558,127,371
Additions	691,873	259,770	-	-	-	-	113,000	133,500	-	1,369,520	-	-	2,612,000	5,179,663
Re-classification	-	-	-	-	9,162,304	(9,162,304)	-	-	-	-	-	-	-	-
Disposals														
- Cost	(286,000)	(259,770)	-	(3,157,500)	-	-	-	-	-	-	-	-	-	(3,703,270)
- Accumulated depreciation	4,767	51,954	-	833,229	-	-	-	-	-	-	-	-	-	889,950
	(281,233)	(207,816)	-	(2,324,271)	-	-	-	-	-	-	-	-	-	(2,813,320)
Depreciation charged	(915,440)	(202,253)	(295,377)	(364,918)	-	(17,452,170)	(1,078,546)	(2,155,518)	(1,721,375)	(1,093,239)	(288,842)	(574,216)	(745,379)	(26,887,273)
Closing net book value	<u>8,261,122</u>	<u>350,696</u>	<u>2,658,390</u>	<u>231,759</u>	<u>129,805,141</u>	<u>331,591,245</u>	<u>9,772,872</u>	<u>19,444,167</u>	<u>15,492,389</u>	<u>3,072,948</u>	<u>2,599,584</u>	<u>5,167,948</u>	<u>5,158,180</u>	<u>533,606,441</u>
As at June 30, 2023														
Cost	17,618,119	1,307,790	8,317,300	382,373	129,805,141	428,363,559	16,284,574	29,152,471	25,680,460	11,832,245	4,228,201	8,515,425	8,358,247	689,845,905
Accumulated depreciation	(9,356,997)	(957,094)	(5,658,910)	(150,614)	-	(96,772,314)	(6,511,702)	(9,708,304)	(10,188,071)	(8,759,297)	(1,628,617)	(3,347,477)	(3,200,067)	(156,239,464)
Net Book Value	<u>8,261,122</u>	<u>350,696</u>	<u>2,658,390</u>	<u>231,759</u>	<u>129,805,141</u>	<u>331,591,245</u>	<u>9,772,872</u>	<u>19,444,167</u>	<u>15,492,389</u>	<u>3,072,948</u>	<u>2,599,584</u>	<u>5,167,948</u>	<u>5,158,180</u>	<u>533,606,441</u>
Depreciation rate (% - per annum)	<u>10</u>	<u>30</u>	<u>10</u>	<u>20</u>	<u>-</u>	<u>5</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>30</u>	<u>10</u>	<u>10</u>	<u>20</u>	

5.2 Details of operating assets disposed off during the year

	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain	Method of disposal	Sold to
----- Rupees -----							
Items with individual net book value exceeding Rs. 500,000							
Motor vehicles							
							Ex-Employee
Honda city	3,157,500	833,229	2,324,271	2,324,271	-	Company policy	M/S Atlas Honda Limited - a related party.
	3,157,500	833,229	2,324,271	2,324,271	-		
Various assets having net book value upto Rs. 500,000 each	545,770	56,721	489,049	489,049	-		
June 30, 2023	3,703,270	889,950	2,813,320	2,813,320	-		
June 30, 2022	2,155,335	962,114	1,193,221	1,172,043	(21,178)		

6 INTANGIBLE ASSETS

This represent computer software license:

Net book value at the beginning of the year
Amortisation charge

Annual rate of amortisation

	2023	2022
----- Rupees -----		
	204,597	305,369
	(67,517)	(100,772)
	137,080	204,597
	33%	33%

6.1 Amortisation charge for the year Rs.67,517 (2022: Rs.100,772) has been grouped under project related expenses (Note 21).

7 INVESTMENT PROPERTIES

7.1 Investment properties

	Lease Freehold		Building on Freehold Land		Total
	Lahore	Multan	Lahore	Multan	
----- Rupees -----					
As at July 01, 2021					
Cost	20,514,952	23,350,772	562,500	116,486,194	160,914,418
Accumulated depreciation	-	-	(444,646)	(43,799,145)	(44,243,791)
Net Book Value	20,514,952	23,350,772	117,854	72,687,049	116,670,627
Year ended June 30, 2022					
Opening net book value	20,514,952	23,350,772	117,854	72,687,049	116,670,627
Depreciation	-	-	(5,893)	(3,634,352)	(3,640,245)
Closing net book value	20,514,952	23,350,772	111,961	69,052,697	113,030,382
As at June 30, 2022					
Cost	20,514,952	23,350,772	562,500	116,486,194	160,914,418
Accumulated depreciation	-	-	(450,539)	(47,433,497)	(47,884,036)
Net Book Value	20,514,952	23,350,772	111,961	69,052,697	113,030,382
Year ended June 30, 2023					
Opening net book value	20,514,952	23,350,772	111,961	69,052,697	113,030,382
Depreciation	-	-	(5,598)	(3,452,635)	(3,458,233)
Closing net book value	20,514,952	23,350,772	106,363	65,600,062	109,572,149
As at June 30, 2023					
Cost	20,514,952	23,350,772	562,500	116,486,194	160,914,418
Accumulated depreciation	-	-	(456,137)	(50,886,132)	(51,342,269)
Net Book Value	20,514,952	23,350,772	106,363	65,600,062	109,572,149
Depreciation rate (% - per annum)	-	-	5	5	

7.2 The aggregate fair value of the above properties as of June 30, 2023 was Rs. 430 million (2022: Rs. 430 million) determined as a result of a valuation by M/s. Surval Engineers, Surveyors and Technical Consultants - an independent professional valuer.

8 INVESTMENTS

8.1 Shares - related parties at fair value through other comprehensive income

2023	2022	Name of Company	2023		2022	
			Cost	Fair value	Cost	Fair value
--- Number of shares ---			----- Rupees -----			
		Listed - shares (These are fully paid ordinary shares of Rs.10 each)				
1	1	Atlas Honda Limited	485	257	485	378
643,742	514,994	Atlas Battery Limited	500,293	131,574,427	500,293	88,532,619
4,109,777	2,568,611	Atlas Insurance Limited	3,673,148	157,815,437	3,673,148	140,991,058
			<u>4,173,926</u>	<u>289,390,121</u>	<u>4,173,926</u>	<u>229,524,055</u>

8.2 Reconciliation of movement in shares

Name of Companies	At the beginning of the year	Bonus units / shares	At the end of the year
Listed - shares			
Atlas Honda Limited	1	-	1
Atlas Battery Limited	514,994	128,748	643,742
Atlas Insurance Limited	2,568,611	1,541,166	4,109,777

9 LONG TERM LOANS AND DEPOSITS

Considered good

	Note	2023	2022
		----- Rupees -----	----- Rupees -----
Security deposits	9.1	93,600	93,600
Loans and advances to:			
Other employees	9.2	1,393,262	1,666,128
Less: amount due within twelve months and shown under current assets		(730,405)	(585,305)
Other employees		<u>756,457</u>	<u>1,174,423</u>

9.1 Represents security deposits paid to Lahore Electric Supply Corporation and Sui Northern Gas Pipelines Limited.

9.2 These represent interest free loans and advances provided to employees as per the terms of employment. Loans aggregating Rs. 0.802 million (2022: Rs.1.263 million) are provided for purchase of motorcycles and are repayable in forty eight equal monthly instalments. These loans are secured against respective motorcycles and employees' vested retirement benefits. Advances are unsecured and are repayable in eighteen equal monthly instalments.

10 DEPOSITS, PREPAYMENTS & OTHER RECEIVABLES

	Note	2023	2022
		----- Rupees -----	----- Rupees -----
Current portion of long term loans	9	730,405	585,305
Prepayments			
Other advances and prepayments		154,677	198,382
Other prepayments		101,889	183,745
Receivables from Punjab Skill Development Fund (PSDF)		-	937,008
Receivables from International consulting associates (Private) Limited		1,478,800	-
		<u>1,735,366</u>	<u>1,319,135</u>
Other receivable	10.1	646,441	646,441
Provision against other receivable		(646,441)	(646,441)
		<u>2,465,771</u>	<u>1,904,440</u>

10.1 Represents the balance of the sale consideration in respect of sale of shares of Atlas Bank Limited (merged with Summit Bank Limited) which has been fully provided.

11 SHORT TERM INVESTMENTS

11.1 Mutual fund units - related parties at fair value through profit or loss

2023 --- Number of units ---	2022	Name of Mutual Fund	2023		2022	
			Carrying value	Fair value	Carrying value	Fair value
			----- Rupees -----			
-	607,376	Atlas Income Fund	-	-	317,391,333	317,939,009
-	110,762	Atlas Islamic Money Market Fund	-	-	55,381,070	55,381,070
1,064,878	50,873	Atlas Money Market Fund	539,994,999	541,497,769	25,736,929	25,818,047
-	937,187	Atlas Sovereign Fund	-	-	94,768,155	94,899,859
894,455	894,456	Atlas Stock Market Fund	530,948,494	512,449,193	615,456,148	530,948,494
-	156,149	Atlas Islamic Stock Fund	-	-	90,141,784	77,181,588
			<u>1,070,943,493</u>	<u>1,053,946,962</u>	<u>1,198,875,419</u>	<u>1,102,168,067</u>

11.2 Unrealized loss on remeasurement of investments at fair value through profit or loss

	2023	2022
	----- Rupees -----	
Market value of investments	1,053,946,962	1,102,168,067
Carrying value of investments	(1,070,943,493)	(1,198,875,419)
	<u>(16,996,531)</u>	<u>(96,707,352)</u>

11.3 Reconciliation of movement in units

Name of Mutual Funds	At the beginning of the year	Acquired during the year	Redeemed during the year	At the end of the year
Mutual Funds				
Atlas Income Fund	607,376	25	607,401	-
Atlas Income Money Market Fund	110,762	1,212	111,974	-
Atlas Money Market Fund	50,873	1,052,824	38,818	1,064,879
Atlas Sovereign Fund	937,187	-	937,187	-
Atlas Stock Market Fund	894,456	-	-	894,456
Atlas Islamic Stock Fund	156,149	-	156,149	-

12 BANK BALANCES

	2023	2022
	----- Rupees -----	
Current account	954,649	358,647
PLS saving account	12.1 10,849,778	10,193,772
	<u>11,804,427</u>	<u>10,552,419</u>

12.1 These carry mark-up at the rates upto 19.5% (2022: 12.5%) per annum.

13 DEFERRED LIABILITIES - EMPLOYEE BENEFITS

	2023	2022
	----- Rupees -----	
Provision for compensated absences	13.1 3,656,131	4,759,703
Provision for long service award	3,918,464	2,708,270
	<u>7,574,595</u>	<u>7,467,973</u>

13.1 The provision is made in accordance with the latest actuarial valuation conducted by an independent valuer as of June 30, 2023.

14 ACCRUED AND OTHER LIABILITIES

	2023	2022
Note	----- Rupees -----	-----
Auditors' remuneration	531,332	485,000
Payable to gratuity fund	654,047	697,913
Accrued expenses	528,649	704,627
	<u>1,714,028</u>	<u>1,887,540</u>
14.1 Payable to staff gratuity fund		
14.1.1 Reconciliation of obligations as at year end		
Present value of defined benefit obligation	4,241,189	4,730,380
Fair value of plan assets	(5,122,231)	(4,032,467)
Payable to other atlas group	1,535,089	-
Net liability at year end	<u>654,047</u>	<u>697,913</u>
14.1.2 Movement in the present value of defined benefit obligation		
Present value of defined benefit obligation - at beginning of the year	4,730,380	3,917,752
Current service cost	405,687	353,738
Interest cost	659,823	402,661
Liability in respect of Inter Group Transfers	(1,535,089)	-
Actuarial (loss) / gain	(19,612)	56,229
Present value of defined benefit obligation at year end	<u>4,241,189</u>	<u>4,730,380</u>
14.1.3 Movement in fair value of plan assets		
Fair value of plan assets at beginning of the year	4,032,467	3,704,648
Expected return on plan assets	571,386	382,342
Contributions made by the foundation	697,913	213,104
Actual benefits paid from the fund during the year	-	-
Actuarial loss	(179,535)	(267,627)
Fair value of plan assets at year end	<u>5,122,231</u>	<u>4,032,467</u>
14.1.4 Expense recognised in the statement of income and expenditure		
Current service costs	405,687	353,738
Interest costs	659,823	402,661
Expected return on assets	(571,386)	(382,342)
Charge for the year	<u>494,124</u>	<u>374,057</u>
14.1.5 Re-measurement recognised in other comprehensive income		
Loss due to change in financial assumptions	48,965	70,457
Loss / (gain) due to change in demographic assumptions	59,076	(82,093)
(Gain) / loss due to change in experience adjustments	(127,653)	67,865
Loss on re-measurement of plan assets	179,535	267,627
	<u>159,923</u>	<u>323,856</u>
14.1.6 Movement in the net defined benefit liability		
Net liability at beginning of the year	697,913	213,104
Charge for the year	494,124	374,057
Contributions made by the foundation	(697,913)	(213,104)
Actuarial loss	159,923	323,856
Net liability at end of the year	<u>654,047</u>	<u>697,913</u>
14.1.7 Actual return on plan assets	<u>385,248</u>	<u>126,279</u>
14.1.8 Plan assets comprise of:		
Cash and Cash equivalents	3,940	23,548
Mutual fund securities	4,338,161	2,879,569
Debt instruments	780,130	1,129,350
	<u>5,122,231</u>	<u>4,032,467</u>

14.1.9 The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment policy.

14.1.10 Significant actuarial assumptions and sensitivity:

	2023	2022
Discount rate at June 30, Expected rate of increase in future salaries	16.25%	13.50%
- first year	15.00%	12.00%
- long term	15.25%	12.50%
Demographic assumptions		
- Mortality rates	SLIC (2001-05)-1	
- Rates of employee turnover	Moderate	Light

The sensitivity of the defined benefit obligation to changes in principal assumption is:

	Change in assumptions	Increase in assumptions	Decrease in assumptions
		----- Rupees -----	
Discount rate	1.00%	3,966,063	4,562,769
Future salary increase	1.00%	4,543,102	3,978,906

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognised within the statement of financial position.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

14.1.11 Expected charge of gratuity for the year ending June 30, 2024 is Rs.345,357.

14.1.12 The weighted average duration of gratuity scheme is 6.99 years (2022: 11.39 years).

14.1.13 Expected maturity analysis of undiscounted retirement benefit plan:

	Less than a year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
	----- Rupees -----				
As at June 30, 2023	109,607	199,871	4,024,552	18,947,294	23,281,324
As at June 30, 2022	81,013	89,779	3,507,814	7,828,822	11,507,428

15 CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

There were no known contingencies as at June 30, 2023 and June 30, 2022.

15.2 Commitments

Commitments in respect of donation contracts amounting to Rs. 932.7 million (2022: Rs. 10.7 million).

16 DONATIONS

2023 **2022**
----- Rupees -----

Local donations
Received from related parties:

Atlas Honda Limited	128,196,490	51,523,990
Atlas Battery Limited	71,376,620	12,046,577
Atlas Insurance Limited	20,956,270	11,831,971
Atlas Power Limited	70,000,000	22,822,540
Atlas Engineering (Private) Limited	10,000,000	850,110
Atlas Asset Management Limited	1,168,669	2,463,809
Atlas Hitec (Private) Limited	833,327	434,126
Shirazi Trading Company (Private) Limited	13,356,823	2,349,142
Atlas Autos (Private) Limited	84,954,670	12,646,440
Atlas Energy Limited	1,800,743	311,210
Shirazi Investments (Private) Limited	257,000,000	-
Atlas Solar Limited (formerly Zhenfa Pakistan New Energy Company Limited)	6,361,371	-
Honda Atlas Power Products (Private) Limited	200,000	-
Atlas DID (Private) Limited	275,482	-
Directors	1,200,000	1,300,000
	667,680,465	118,579,915

Foreign donations

Honda Motor Co. Limited - Japan	21,767,200	-
Daido Kogyo Co. Limited - Japan	991,900	-
Daido Sittipol Co. Limited - Thailand	991,900	-
	23,751,000	-
	691,431,465	118,579,915

17 RENTAL INCOME

2023 **2022**
----- Rupees -----

Rental income from related parties:

Atlas Honda Limited	30,412,135	27,647,429
Atlas Battery Limited	2,502,224	2,274,679
Shirazi Trading Company (Private) Limited	4,157,512	3,779,439
Atlas Insurance Limited	1,875,221	1,704,694
Atlas Asset Management Limited	-	526,139
	38,947,092	35,932,380

18 NET GAIN ON REDEMPTION OF INVESTMENTS

2023 **2022**
----- Rupees -----

Related parties

Atlas Income Fund	25,370,158	-
Atlas Money Market Fund	239,812	360,711
Atlas Sovereign Fund	1,185,915	-
Atlas Islamic Stock Fund	(373,992)	-
	26,421,893	360,711

19 DIVIDEND INCOME - related parties

2023 **2022**
----- Rupees -----

Listed companies

Atlas Honda Limited	24	27
Atlas Battery Limited	20,921,620	1,791,284
Atlas Insurance Limited	22,090,055	16,345,707
	43,011,699	18,137,018
Mutual funds		
Atlas Income Fund	-	25,818,004
Atlas Money Market Fund	30,995,936	4,826,172
Atlas Sovereign Fund	-	6,785,229
Atlas Islamic Money Market Fund	712,709	4,512,637
	31,708,645	41,942,042
	74,720,344	60,079,060

20 DONATIONS**Donations given to:**

	2023	2022
	----- Rupees -----	
The Citizen Foundation - School	27,621,711	26,850,000
Flood relief activities	61,464,145	-
National Management Foundation (LUMS Project)	650,000,000	-
Aitchison College	1,500,000	120,000,000
Friend of Burns Centre	7,936,000	-
Community services	2,579,709	1,878,275
The Liver Foundation	2,250,000	2,250,000
Network Organization Working People Disability Pakistan	3,600,000	2,000,000
Citizens-Police Liaison Committee	1,000,000	1,000,000
Family Education Services Foundation	1,500,000	1,080,000
The Aga Khan University Hospital	20,000,000	20,000,000
Milestone Charitable Trust	1,000,000	1,250,000
Fatima Thalassemia & Blood Bank	65,500	-
Others	183,310	430,840
	<u>780,700,375</u>	<u>176,739,115</u>

20.1 Mr. Ali H. Shirazi, a director of the Foundation also holds the directorship office in National Management Foundation. Apart from him none of the other directors or their spouses have any interest in the above donations.

21 PROJECT RELATED EXPENSES

	2023	2022
	----- Rupees -----	
	Note	
Salaries and other benefits	26,569,647	27,903,717
Tools and spares	1,706,237	713,432
Depreciation and amortisation	21.1 11,098,158	11,610,905
Utilities	3,643,582	4,621,913
Security expenses	2,690,901	4,739,506
Travelling and entertainment	1,270,522	718,960
Vehicle running expenses	81,950	12,350
Internet and cloud service charges	745,209	1,737,483
Insurance	1,875,461	1,880,230
Repair and maintenance	7,250,353	4,123,869
Printing and stationery	212,431	59,263
Legal and professional fee	89,692	199,720
Uniforms	609,000	320,600
Convocation expense	997,500	-
Miscellaneous expenses	240,348	747,758
	<u>59,080,991</u>	<u>59,389,706</u>

21.1 Depreciation - project related

Depreciation on property & equipment capitalised - from capital asset fund	14,078,644	14,819,625
Depreciation on other project related property and equipment	11,098,158	11,610,905
	<u>25,176,802</u>	<u>26,430,530</u>
Utilization of capital asset fund	(14,078,644)	(14,819,625)
	<u>11,098,158</u>	<u>11,610,905</u>

22 GENERAL AND ADMINISTRATIVE EXPENSES

Salaries and other benefits	15,047,908	12,074,991
Property tax	1,037,833	1,074,787
Depreciation	5,179,510	5,380,903
Utilities	740,652	736,004
Vehicle running expenses	59,346	205,357
Internet charges	278,318	415,150
Auditors' remuneration	22.1 509,652	485,000
Fees and subscription	899,000	-
Legal and professional fee	625,035	740,780
Insurance	1,535,381	1,263,761
Printing and stationery	-	11,616
Travelling and entertainment	174,250	103,745
Staff training	-	40,000
Bank charges	36,264	31,234
Repair and maintenance	6,699,012	4,658,557
Loss on disposal of Property and equipment	-	21,178
CDC charges and other miscellaneous expenses	363,953	547,593
	<u>33,186,114</u>	<u>27,790,656</u>

22.1 Auditors' remuneration	2023	2022
	----- Rupees -----	
Annual audit fee	302,500	275,000
Audit fee for provident / gratuity funds	169,400	154,000
Sindh Sales tax	37,752	56,000
	<u>509,652</u>	<u>485,000</u>

23 TAXATION

Current	<u>19,392,357</u>	<u>9,880,562</u>
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The tax credit available under section 100C of Income Tax Ordinance, 2001 is applicable on donation received and profit on debt.

24 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

	Executives	
	2023	2022
Managerial remuneration	9,785,138	7,905,336
Bonus	2,717,035	2,852,509
Medical expenses	294,469	160,000
	<u>12,796,642</u>	<u>10,917,845</u>
Number of persons	<u>2</u>	<u>2</u>

24.1 Executive means any employee whose basic salary exceeds Rs.1,200,000 per year.

24.2 No remuneration is being paid by the Foundation to its Directors and Chief Executive Officer.

25 RELATED PARTIES

Related parties comprise of associated companies (through common directorship), staff retirement funds, Directors and key management personnel, their close relatives and members of the Foundation. Balances with / investment in related parties are disclosed separately in the respective notes to the financial statements. There are no transactions with key management personnel other than those disclosed in financial statements or under their terms of employment. The outstanding balances with related parties are disclosed in respective notes to the financial statements.

25.1 Name and nature of relationship

a) Associated Companies - under common management / common directorship / group companies

Atlas Honda Limited	Atlas Power Limited
Shirazi Trading (Private) Limited	Atlas Engineering (Private) Limited
Atlas Insurance Limited	Atlas Battery Limited
Atlas Asset Management Limited	Shirazi Investments (Private) Limited
Atlas Autos (Private) Limited	Atlas Hitec (Private) Limited
Atlas DID (Private) Limited	Atlas Solar Limited
Honda Atlas Power Product (Private) Limited	Atlas Energy Limited
National Management Foundation	Honda Motor Company - Japan
Daido Kogyo Co. Limited - Japan	Daido Sittipol Co. Limited - Thailand

25.2 Transactions with related parties

The details of transactions with related parties during the year are as follows:

Nature of relationship	Nature of transaction	2023 ----- Rupees -----	2022
Associated Companies - under common management / common directorship / group companies	Rental income	39,927,092	35,932,380
	Donations received	691,431,465	118,579,915
	Donation paid	650,000,000	-
	Dividend income	74,720,344	60,079,060
	Investments made	534,557,637	74,913,828
	Sale proceeds from disposal - of investments	592,204,104	73,500,000
	Insurance expenses	3,266,000	3,735,384
	Bonus shares received	16,699,150	-
	Sale of fixed assets	2,702,320	-
	Contribution paid to:		
	Staff gratuity fund	697,913	213,104
	Employees' provident fund	23,600	129,876
	Pension fund	1,195,997	1,052,228

26 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

26.1 The Foundation's objective in managing risk is the creation and protection of the Foundation's assets. The Board of Directors of the Foundation supervises the overall risk management approach within the Foundation. The Foundation is exposed to market risk, credit risk and liquidity risk arising from the financial instruments it holds.

26.2 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 value of the financial instrument will fluctuate due to changes in the market interest rates. As of June 30, 2023, the Foundation is not exposed to such risk in respect of bank balances, loans and advances and borrowings.

(ii) Foreign exchange risk

Foreign currency risk is the risk of exposures to movement in foreign exchange rates. Foundation's risk is limited to the extent of investment in foreign companies and dividend income from such companies. As of the balance sheet date, the Foundation is not exposed to such risk.

(ii) Equity price risk

Equity price risk is the risk of volatility in share prices resulting from their dependence on market sentiments, speculative activities, supply and demand for shares and liquidity in the market. The value of investments may fluctuate due to change in business cycles affecting the business of the investee Company, change in business circumstances of the investee Company, its business sector, industry and / or the economy in general. The Foundation estimates that a 5% increase in the overall equity prices in the market with all other factors remaining constant would increase the Foundation's equity by Rs.14.470 million (2022: Rs.11.476 million) and a 5% decrease would result in a decrease in the Foundation's equity by the same amount. However, in practice, the actual results may differ from the sensitivity analysis.

26.3 Liquidity risk

Liquidity risk is defined as the risk that the Foundation will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk arises because of the possibility that the Foundation could be required to pay its liabilities earlier than expected.

The table below summarises the maturity profile of the Foundation's financial liabilities. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date.

	Within 1 month	Within 1 to 3 months	Within 3 to 12 months	Within 1 to 5 years	More than 5 years	Total
2023						
----- Rupees -----						
Accrued and other liabilities	528,649	654,047	531,332	-	-	1,714,028
2022						
----- Rupees -----						
Accrued and other liabilities	704,627	697,913	485,000	-	-	1,887,540

26.4 Credit risk

Credit risk arises from the inability of the issuers of the instruments, the relevant financial institutions or counter party to fulfil their obligations. The Foundation's exposure to credit risk is as follows:

	2023	2022
----- Rupees -----		
Long term loans & deposits	756,457	1,174,423
Bank balance	11,804,427	10,552,419
Investment in mutual funds	1,053,946,962	1,102,168,067
Deposits, prepayments and other receivable	2,465,771	1,904,440
	1,068,973,617	1,115,799,349

Details of the credit ratings of the bank balances are as follows:

Bank balances by rating category

AAA	100%	100%
-----	------	------

The analysis below summarizes the credit quality of the Foundation's investment in mutual funds units as at June 30, 2023 and June 30, 2022:

	2023	2022
Investments by rating category		
AA, AA-, AA+	51.4%	45%
Unrated	48.6%	55%
	100%	100%

26.5 Fair value of financial instruments

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

26.5.1 Fair value hierarchy

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

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using 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).

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

	2023			Total
	Level 1	Level 2	Level 3	
	----- Rupees -----			
Investment in related parties - fair value through profit or loss				
- Mutual funds	1,053,946,962	-	-	1,053,946,962
Investment in related parties - comprehensive income				
- Listed Shares	289,390,121	-	-	289,390,121
	<u>1,343,337,083</u>	<u>-</u>	<u>-</u>	<u>1,343,337,083</u>
	2022			
	Level 1	Level 2	Level 3	Total
	----- Rupees -----			
Investment in related parties - fair value through profit or loss				
- Mutual funds	1,102,168,067	-	-	1,102,168,067
Investment in related parties - comprehensive income				
- Listed Shares	229,524,055	-	-	229,524,055
	<u>1,331,692,122</u>	<u>-</u>	<u>-</u>	<u>1,331,692,122</u>

There were no transfer amongst the levels during the current and preceding year. The Company's policy is to recognise transfer into and transfer out of fair value hierarchy levels as at the end of the reporting periods.

26.5.2 Valuation techniques used in determination of fair values within level 1.

Fair values of investments in units of mutual funds are determined based on redemption prices disclosed at the mutual funds Association of Pakistan (MUFAP) as at the close of the business days.

26.6 Capital management

The Foundation's objectives when managing capital are to safeguard the Foundation's ability to continue as a going concern in order to continue with its welfare activities. The Foundation is not subject to any externally imposed capital requirements. The Foundation manages its capital structure and makes adjustment to it in the light of changes in economic conditions.

27 EMPLOYEES' PROVIDENT FUND (the Fund)**2023** **2022**
----- Rupees -----

Size of the Fund	3,318,702	2,817,464
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27.1 The foundation has not made any investments out of the provident fund as at June 30, 2023 (2022: Nil).

27.2 Number of employees**2023** **2022**

Employees as on year end	1	1
Average number of employees	1	1

28 GENERAL

28.3 Figures in the financial statements have been rounded off to the nearest Rupee.

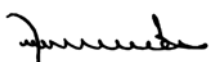
28.4 The number of employees as of balance sheet date was 31 (2022: 31).

29 CORRESPONDING FIGURES

The corresponding figures have been rearranged and reclassified, where consider necessary for the purpose of comparison and better presentation the effect of which is not material.

30 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Foundation on September 21, 2023.



Chief Executive Officer



Director



Chairman



Atlas Foundation

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