



Empowering
Communities today for
Brighter Futures
Tomorrow





Content

- 02 | Vision
- 03 | Mission
- 04 | Atlas Way
- 06 | Key Information
- 07 | Board of Directors
- 10 | Notice of Annual General Meeting
- 11 | Chairman's Review
- 15 | Directors' Report
- 17 | Independent Auditors' Report
- 20 | Financial Statements



Vision

Serve the 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 Systems

- 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.



Key Information

Board of Directors

Iftikhar H. Shirazi
Chairman

Frahim Ali Khan
Director

M. Habib Ur Rehman
Director

Ali H. Shirazi
Director

Sohail Ahmed
Director

Noorullah R. Hassan
Director

Chief Executive Officer

Noorullah R. Hassan

Company Secretary

Arsalan Faiyaz

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

Registered Office

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

Karachi, 75600

Phone: (92-21)111-745-745
35369471-4

Fax: (92-21) 35879713

Email: info@afn.atlas.pk

Website: www.afn.atlas.pk

Lahore Office

64, Block-XX, Phase III,
Khyaban-e-Iqbal, DHA, Lahore

Phone: (92-42) 37132611-18

Fax: (92-42) 37132622

Email: lhr@afn.atlas.pk

Sheikhupura Institute

26-27 KM, Lahore-Sheikhupura Road,

Sheikhupura Phone:

(92-42-111-236-236

Email: info@avti.org

Website:

www.avti.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), USA., and completed his OPM from Harvard Business School, USA. He has over 30 years of corporate management experience, more particularly in the financial and trading sectors. 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, Atlas Vocational Training Institute, 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), USA.



Mr. Frahim Ali Khan

Director

Mr. Frahim Ali Khan is a Law graduate from Karachi University. He has also attended Senior Managers' Program at Harvard University, USA, Financial Management Program at Stanford University, USA, 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, Atlas Foundation, and Atlas Vocational Training Institute.

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. M. Habib-ur-Rehman

Director

Mr. M. Habib-ur-Rahman 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 Securities and Exchange Commission of Pakistan (SECP) nominee on the Board of Karachi Stock Exchange in 2000, 2001, & 2003. He has also been a member of SECP Advisory Group on Capital Markets, a 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.



Mr. Ali H. Shirazi

Director

Mr. Ali H. Shirazi graduated with a B.A. from Yale University, USA, in 2000 and thereafter completed his Masters in Law from Bristol University, UK, in 2005. He has worked with the Bank of Tokyo-Mitsubishi in New York as well as American Honda in Torrance, California. He is 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, National Foods Limited, Cherat Packaging Limited, Pakistan Cables Limited, Shirazi Investments (Private) Limited, Shirazi Trading Company (Private) Limited, Atlas Foundation, Atlas Vocational Training Institute, National Management Foundation (sponsoring body of LUMS), and Pakistan Society for Training and Development. Previously, he has also served on the Board of National Clearing Company of Pakistan Limited (NCCPL).

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



Suhail Ahmed

Director

Mr. Suhail Ahmed is the Group Director Auto Parts of Atlas Group and Chief Executive Officer of Atlas Autos (Pvt.) Limited. He obtained Masters degree in Economics and thereafter obtained a degree in Law from University of Karachi. He also attended various courses including Advanced Management Program at Harvard University, USA.

He has over 40 years of experience in General Management, Finance, Investment and Taxation. Currently, his other directorships include Atlas DID (Pvt.) Limited, Atlas Engineering (Pvt.) Limited, Atlas GCI (Pvt.) Limited and Atlas Metals (Pvt.) Limited. He is also a member of Group Executive Committee.



Mr. Noorullah R. Hassan

Director

Mr. Noorullah is the Chief Executive Officer of Shirazi Investments (Private) Limited (SIL), Atlas Foundation, and Atlas Vocational Training Institute. He brings over 30 years of management experience within the Atlas Group and beyond. He earned his Bachelor of Commerce degree in 1987 from the University of Karachi, Pakistan. In 1990, he passed the examinations of the Institute of Cost & Management Accountants of Pakistan (ICMAP), followed by the Chartered Institute of Management Accountants (CIMA), UK, in 1992. He also completed the Program for Management Development (PMD) at Harvard Business School, USA, in 2001.

In February 1992, Mr. Noorullah joined Atlas Honda Limited as Manager Cost before transitioning to the holding company, SIL, in January 1995. Prior to his tenure with Atlas, he gained experience at Adamjee Insurance, Apollo Textile Mills, and several other organizations. Additionally, he has served as a director of Aga Khan Planning & Building Services and as a trustee of Ismailia Charitable Trust.

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, 28 October 2024 at 11:30 a.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 Extra Ordinary General Meeting held on December 2, 2023.
2. To receive, consider and adopt the Annual Audited Financial Statements of Atlas Foundation for the year ended June 30, 2024 together with Auditors' and Directors' reports thereon.
3. To appoint auditors and fix their remuneration for the year ending June 30, 2025. 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



Arsalan Faiyaz
Company Secretary

Karachi: October 7, 2024

NOTES:

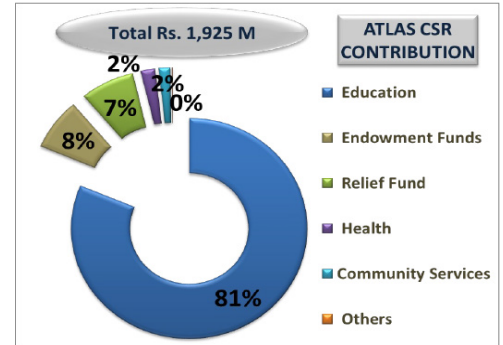
1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint another member, as a proxy to attend and vote on his/her behalf. Proxies in order to be effective must be received at the Registered Office of Atlas Foundation Company not less than 48 hours before the time of meeting.
2. No person shall act as proxy unless he is a member of the Atlas Foundation.
3. 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.
4. 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 2024.

The Foundation

Atlas Foundation upholds the corporate social responsibilities of the Atlas Group by actively participating in initiatives that promote professional education centers, improve healthcare services, support law enforcement agencies, and enhance the overall quality of life. The Board is deeply committed to aligning Atlas Foundation's long-term vision with a focus on achieving sustainable and meaningful societal impact through immediate and lasting efforts. These initiatives include the establishment of the Atlas Vocational Training Institute, the development of a research center at LUMS, ongoing operational support for Atlas-TCF Schools, the creation of endowment funds in collaboration with leading institutions, the construction of hostels and boarding facilities at prominent educational establishments, the refurbishment of operating theaters, and the construction of a Rehabilitation Centre at the Burns Centre. Additionally, the Foundation supports various organizations that uphold patriotic values and contribute to the advancement of Pakistan. As of June 2024, Atlas Foundation has contributed Rs. 1,925 million towards CSR activities other than the contribution towards Atlas Vocational Training Institute project.



Atlas Vocational Training Institute

Your Foundation established the Atlas Vocational Training Institute in August 2018 to provide specialized training in Motorcycle Mechanic, Welder, Machinist, and General Fittings trades across the Sheikhupura district. The Institute is accredited by the Technical Education & Vocational Training Authority (TEVTA) and National Vocational and Technical Training Commission (NAVTTTC). It is certified and registered with the Punjab Skills Development Authority (PSDA), which offers valuable support to students enrolled at AVTI. Since its inception, 1,141 students have received vocational training and job opportunities within the Group.



In March 2024, the Atlas Vocational Training Institute transitioned into an independent entity, incorporated as a non-profit organization under section 42 of the Companies Act 2017. The Institute is now managed by an independent team under the governance of a Board of Directors. However, Atlas Foundation will continue to extend its support to the Institute.

Programs and Activities

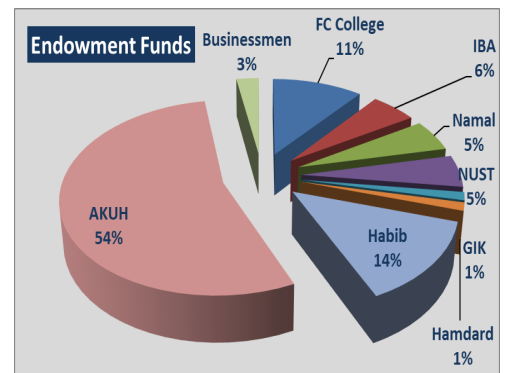
The Citizen Foundation - Atlas Campus and Sacha Soda Schools

Continuing its commitment to education at the school level, your Foundation has established a primary and secondary school in Sheikhupura in partnership with The Citizens Foundation. In addition to the Atlas Campus, the Foundation supports three other campuses in Sacha Soda, Sheikhupura. These initiatives primarily benefit children from underprivileged backgrounds. Through this program, your Foundation allocated Rs. 30.9 million to these campuses during the 2023-24 period, positively impacting the lives of over 1,000 students each year.



Endowment Fund with Renowned Institutions

On the professional front, Atlas Foundation has established several endowment funds to provide scholarships to students demonstrating talent and financial need. These scholarships are offered in collaboration with prestigious educational institutions, including the Institute of Business Administration, National University of Sciences & Technology, Habib University, Forman Christian College, Namal University, Ghulam Ishaq Khan Institute of Engineering Sciences and Technology, Hamdard University, Shalamar Institute of Health Sciences, and Aga Khan University Hospital.



To enhance its impact over the long term, the Foundation has devised strategies to augment the size of its endowments. As of June 2024, 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

Atlas Foundation entered into a contract on 31 August 2022 with the National Management Foundation to support research and enrich the learning opportunities available to the community. This collaboration aimed to establish the LUMS Central Building Complex within the Lahore University of Management Sciences premises. As against its commitment to contribute Rs. 1.5 billion, in three years, Atlas Foundation paid Rs. 1,075 million till 30 June 2024. The construction of the Complex, named Yusuf H. Shirazi Complex, is expected to be completed within three years.



Aitchison College – A New Senior School Boarding House

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' was inaugurated on 23 September 2023.



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.

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 under an agreement of Rs. 100 million with AKUH. This 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 Aga Khan University in Pakistan. The Foundation made a substantial initial payment of Rs. 60 million towards this scholarship fund, with the remaining balance payable over the subsequent two years. In FY 2025, AKUH will begin offering scholarships to deserving female students.

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 educational 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. 7.10 million to facilitate education and vocational skills training for 75 deaf children and adolescents nationwide. This support includes a contribution of Rs. 1.70 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.

Your Foundation contributed Rs.2.8 m for the financial inclusion of PWDs at NOWPDP's Center of Excellence for Financial Inclusion (CEFI). The objective of the collaboration was to sponsor the skills-development training of 40 PWDs to equip them with market-relevant skills, thus providing them with a



competitive edge as prospective members of the workforce. During the year, NOWPDP successfully trained 40 PWDs in trades, including Computer Operation, Graphic Design, English Language Proficiency, and Skills Enhancement, that were best suited to their competencies. Among the 40 PWDs, 17 have already been facilitated in finding placements at reputable institutions.

Rehabilitation Centre at the Friends of Burn Centre

After completion of a comprehensive renovation of two Operation Theatres at the Friends of Burn Centre (FOBC), Atlas Foundation pledged a sum of Rs. 20 million to construct a Physiotherapy Complex and procure essential physiotherapy equipment at the Centre in a collaborative effort to offer cost-free care and medical attention to burn victims in need. The Complex was inaugurated on 10 October 2023. Since its inauguration, the project has substantially impacted the community, having successfully served 3,704 patients besides conducting 5,320 operations from its first project 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. These projects aim 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) plays an active role in improving law and order. Your Foundation has been instrumental in supporting the Committee by helping integrate modern technology and enhancing technical and managerial capabilities. This support has been consistently provided for the past ten years, with the Foundation's total contribution reaching Rs. 10 million. Notably, this year's contribution is Rs. 1 million.



Operating Performance

The Foundation's total revenue surged by 131% to Rs. 1,104.62 million this year, up from Rs. 844.81 million last year. This growth was primarily driven by unrealized gains of Rs. 397.13 million, a significant improvement from the previous year's loss of Rs. 17 million.

This year, contributions from donations, dividends, and rental income amounted to Rs. 444.01 million, Rs. 191.28 million, and Rs. 42.84 million, respectively. In comparison, last year's figures were Rs. 691.43 million, Rs. 74.72 million, and Rs. 38.95 million, respectively. With the additional contributions from Group companies for the LUMS projects, the Foundation's Corporate Social Responsibility expenditures totaled Rs. 576.61 million, compared to Rs. 853.86 million last year.

Administrative expenses were within the designated limits, totaling Rs. 32.04 million. The Foundation recorded a surplus before tax of Rs. 495.97 million this year, contrasting sharply with the previous year's deficit of Rs. 42.24 million. This positive variance is largely due to the substantial increase in unrealized gains and dividend income.

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 2024-25 financial budget, including essential CSR initiatives and capital expenditure necessities.

Human Resource Development

The “Atlas Way” serves as the cornerstone for talent acquisition and management within the Foundation, prioritizing integrity, merit, experience, and skill as essential qualities. Your Foundation upholds the core values of the 3Rs - Respect, Recognition, and Reward - alongside the Atlas Group’s philosophy of “Organization Development through Self Development.” Significant investments are being made to support associates’ growth and foster a culture of continuous learning. The Foundation cultivates a corporate environment that encourages creativity, autonomy, and the development of technical and leadership skills.

As part of the Atlas Group’s ongoing efforts to advance HR best practices, the Board of Directors of your Foundation has revised the Gratuity payment schedule. This adjustment increases long-term benefits by 50% in a phased approach aimed at recognizing and rewarding long-term association with the Group. Further, recognizing the importance of succession planning, your Foundation is committed to nurturing potential talent for future leadership roles. Individual Development Plans (IDPs) are designed to outline current and required competencies, learning and development goals, performance expectations, and career progression. This approach also plays a key role in retaining high-potential employees within the Foundation.

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 continue its commitment to education and healthcare by undertaking projects through reputable non-profit organizations driven by a philosophy of creating significant and widespread impact. The Foundation remains dedicated to realizing meaningful initiatives through its programs in collaboration with partner organizations, universities, and hospitals. Additionally, the Foundation plans to broaden its reach by partnering with more organizations to benefit the community through sustainable socio-economic development. Throughout this period, the Foundation has prioritized its strategic goals to ensure long-term, sustainable growth. All these efforts will be guided by the ongoing direction of the CSR Committee and the Board, in alignment with the Foundation’s mission and values.

اللّٰهُمَّ ارحم الراحمين

(God, please have mercy on these lovers of clean intention.)

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 wish to express my profound gratitude for the exceptional contributions and unwavering dedication of the late Mr. Jawed Iqbal Ahmed. His leadership, insight, and commitment were pivotal in guiding the organization through challenges and successes.

Additionally, I wish to acknowledge the continuous assistance from entities including the Securities and 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: 7 October 2024

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 2024 and the auditor's report thereon.

Operating Results

	Year ended 30 June 2024	Year ended 30 June 2023
	----- Rupees -----	
Total income (excluding restricted funds)	1,104,615,282	844,806,202
Expenses		
Corporate Social Responsibility-related expense	576,606,702	853,860,010
Administrative expense	32,040,536	33,186,114
Total expenses	608,647,238	887,046,124
Surplus/(Deficit) before taxation	495,968,044	(42,239,922)
Taxation	29,819,817	19,392,357
Surplus/(Deficit) after taxation	466,148,227	(61,632,279)

Chairman's Review

The Chairman's Review deals inter alia with the performance of the Foundation for the year ended 30 June 2024 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 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 that the overall CSR expenditure aligns with the guidelines and approved limits and complies with regulatory requirements.

The Board is comprised of six (6) Non-Executive Directors. During the year, four (4) Board meetings were held. The attendance of the directors is as under:

Name	Designation	Status	Meetings Attended	Leave Granted
Mr. Iftikhar H. Shirazi	Chairman	Re-elected on 03.12.2023	3	1
Mr. Jawaid Iqbal Ahmed	Director	Re-elected on 03.12.2023	4	-
Mr. Frahim Ali Khan	Director	Re-elected on 03.12.2023	4	-
Mr. M. Habib-Ur-Rahman	Director	Re-elected on 03.12.2023	3	1
Mr. Ali H. Shirazi	Director	Re-elected on 03.12.2023	4	-
Mr. Noorullah	Director	Re-elected on 03.12.2023	4	-

Group Executive Committee

The Group Executive Committee is responsible for setting overall corporate objectives and strategies, identifying opportunities, monitoring group business strategies and plans, and developing group members as leaders of their respective fields.

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 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 technical 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 is responsible 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 2024 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.

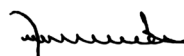
The value of investments based on their respective audited accounts as of 30 June 2024 is:

- Provident Fund Rs. 3,813,418
- Gratuity Fund Rs. 4,904,773

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



Fahim Ali Khan
Director

Karachi: 7 October 2024

**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, 2024, 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, comprising material accounting policy information 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, 2024 and of the surplus and other comprehensive income, 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 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;

Date: October 7, 2024

UDIN :AR202410104qhV3NYU8b



Statement of Financial Position

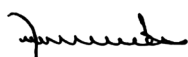
AS AT JUNE 30, 2024

	Note	2024 ----- Rupees -----	2023 -----
ASSETS			
Non current assets			
Property and equipment	5	516,355,321	533,606,441
Intangible assets	6	91,844	137,080
Investment properties	7	106,286,828	109,572,149
Investments	8	356,910,402	289,390,121
Long term loans and deposits	9	709,136	756,457
		980,353,531	933,462,248
Current assets			
Stores and spares		813,127	2,263,860
Deposits, prepayments and other receivable	10	693,435	2,465,771
Short term investments	11	1,511,810,813	1,053,946,962
Bank balances	12	34,053,517	11,804,427
		1,547,370,892	1,070,481,020
Total assets		2,527,724,423	2,003,943,268
LIABILITIES			
Non current liabilities			
Long term vehicle deposits from employees		618,452	460,524
Deferred liabilities - employee benefits	13	8,448,014	7,574,595
		9,066,466	8,035,119
Current liability			
Accrued and other liabilities	14	4,051,447	1,714,028
Total liabilities		13,117,913	9,749,147
NET ASSETS		2,514,606,510	1,994,194,121
Represented By:			
Members' contribution and reserves / funds		2,161,870,036	1,708,977,928
Unrealised gain on revaluation of available-for-sale investments		352,736,474	285,216,193
		2,514,606,510	1,994,194,121

Contingencies and commitments

15

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



Chief Executive Officer



Director



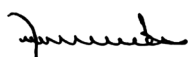
Chairman

Statement of Income and Expenditure

FOR THE YEAR ENDED JUNE 30, 2024

Note	General / Unrestricted Fund	Capital Asset Fund	2024	General / Unrestricted Fund	Capital Asset Fund	2023	
----- Rupees -----							
INCOME							
Donations	16	444,011,317	-	444,011,317	691,431,465	-	691,431,465
Punjab skill development fund, tuition and other fee		9,823,977	-	9,823,977	16,203,295	-	16,203,295
Restricted funds - opening balance		-	267,494,233	267,494,233	-	281,572,877	281,572,877
Restricted funds - closing balance		-	(254,119,521)	(254,119,521)	-	(267,494,233)	(267,494,233)
Capital asset fund utilised during the year		-	13,374,712	13,374,712	-	14,078,644	14,078,644
Rental income	17	42,841,801	-	42,841,801	38,947,092	-	38,947,092
Net gain on redemption of investments	18	6,150,766	-	6,150,766	26,421,893	-	26,421,893
Unrealised loss on investment at fair value through profit & loss	11.2	397,131,639	-	397,131,639	(16,996,531)	-	(16,996,531)
Dividend income	19	191,281,070	-	191,281,070	74,720,344	-	74,720,344
Total income		1,091,240,570	13,374,712	1,104,615,282	830,727,558	14,078,644	844,806,202
EXPENSES							
Corporate Social Responsibility - related expenses							
Donations	20	500,411,226	-	500,411,226	780,700,375	-	780,700,375
Project related expenses	21	62,820,764	13,374,712	76,195,476	59,080,991	14,078,644	73,159,635
		563,231,990	13,374,712	576,606,702	839,781,366	14,078,644	853,860,010
General and administrative expenses	22	32,040,536	-	32,040,536	33,186,114	-	33,186,114
Total expenses		595,272,526	13,374,712	608,647,238	872,967,480	14,078,644	887,046,124
Surplus / (deficit) before taxation		495,968,044	-	495,968,044	(42,239,922)	-	(42,239,922)
Levies and income taxation	23	(29,819,817)	-	(29,819,817)	(19,392,357)	-	(19,392,357)
Surplus / (deficit) after taxation		466,148,227	-	466,148,227	(61,632,279)	-	(61,632,279)

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



Chief Executive Officer



Director



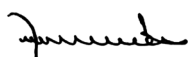
Chairman

Statement of Comprehensive Income

FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	----- Rupees -----	
Surplus / (deficit) after taxation	466,148,227	(61,632,279)
Other items of comprehensive income not to be reclassified to statement of income and expenditure in subsequent periods		
Net unrealised gain on revaluation of investments at fair value through other comprehensive income	67,520,281	59,866,066
Actuarial gain / (loss)	118,593	(159,923)
Total comprehensive income / (loss) for the year	<u>533,787,101</u>	<u>(1,926,136)</u>

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



Chief Executive Officer



Director



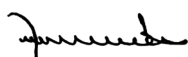
Chairman

Statement of Changes in Net Assets

FOR THE YEAR ENDED JUNE 30, 2024

	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, 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 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
Surplus for the year	-	-	466,148,227	-	-	466,148,227
Utilization of capital asset fund	-	-	-	(13,374,712)	-	(13,374,712)
Other comprehensive (loss) / income	-	-	118,593	-	67,520,281	67,638,874
Total comprehensive (loss) / income for the year	-	-	466,266,820	(13,374,712)	67,520,281	520,412,389
Balance as at June 30, 2024	20,000	41,930,751	1,865,799,764	254,119,521	352,736,474	2,514,606,510

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



Chief Executive Officer



Director



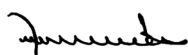
Chairman

Statement of Cashflows

FOR THE YEAR ENDED JUNE 30, 2024

	Note	2024 ----- Rupees -----	2023 -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus / (deficit) after taxation		495,968,044	(42,239,922)
Adjustments for:			
Depreciation and amortisation		29,788,129	30,413,023
Utilization of capital asset fund	21.1	(13,374,712)	(14,078,644)
Net gain on redemption of investments	18	(6,150,766)	(26,421,893)
Unrealized loss on investment at fair value - through profit or loss		(397,131,639)	16,996,531
Dividend income	19	(191,281,070)	(74,720,344)
Provision / (reversal) for compensated absences		534,892	(1,103,572)
Provision for long service award		338,527	1,210,194
Provision for gratuity		2,955,376	494,124
		(78,353,219)	(109,450,503)
Decrease / (increase) in deposits, prepayments - and other receivables (excluding tax)		1,772,336	(561,331)
Decrease in stores and spares		1,450,733	1,011,601
Decrease in accrued and other liabilities		(499,364)	(129,646)
Cash used in operations		(75,629,514)	(109,129,879)
Dividend received		191,281,070	74,720,344
Income tax paid		(29,819,817)	(19,392,357)
Contribution to gratuity		-	(697,913)
Long term loans and deposits - net		205,249	471,691
Net cash generated from / (used in) operating activities		86,036,988	(54,028,114)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		(10,545,998)	(5,179,665)
Sale proceeds of vehicle		1,339,546	2,813,320
Purchase of investments		(486,907,612)	(534,557,637)
Proceeds from sale / redemption of investments		432,326,166	592,204,104
Net cash (used in) / generated from investing activities		(63,787,898)	55,280,122
Net increase in cash and cash equivalents		22,249,090	1,252,008
Cash and cash equivalents at beginning of the year		11,804,427	10,552,419
Cash and cash equivalents at end of the year		34,053,517	11,804,427

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, 2024

1 THE COMPANY AND ITS OPERATIONS

1.1 Atlas Foundation (the Foundation) was incorporated on September 2, 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 was formed for promoting welfare, educational, charitable and other useful activities. The registered office of the Foundation is located at 2nd Floor, Federation House, Shara-e-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 the historical cost convention except for certain financial instruments, which are carried at fair values 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 areas 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 & 11
- Accounting for retirement benefits	14

3 NEW AND AMENDED STANDARDS AND INTREPRETATIONS

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, 2023:

(a) IAS 1: Disclosure of Accounting Policies

Effective date: January 1, 2023

Amendments to IAS 1, 'Presentation of Financial Statements' includes requiring companies 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 a company's financial statements.

(b) IAS 8: Definition of accounting estimates

Effective date: January 1, 2023

The International Accounting Standards Board (the Board) has issued these 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.

The other new standards, amendments to published accounting and reporting standards and interpretations that are mandatory in Pakistan for the financial year beginning on July 1, 2023 are considered not to be relevant or to have any significant effect on the Foundation's financial reporting and operations.

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, 2023 and have not been early adopted by the Foundation:

(a) IAS 1: Classification of liabilities as current or non current

Effective date: 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.

(b) IFRS 16: Sale and Leaseback transaction

Effective date: 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 recognises 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.

(c) IAS 21: Lack of exchangeability

Effective date: January 1, 2025

Amendments to IAS 21 'The effects of Changes in Foreign Exchange Rates' address situations where a currency may lack exchangeability, often due to government-imposed controls. In such cases, companies must estimate a spot exchange rate reflecting orderly transactions at the measurement date. The amendments provide flexibility, allowing the use of observable rates without adjustment or other estimation techniques, provided they meet the estimation objective. The assessment considers factors like the availability of multiple rates, purpose, nature, and update frequency. The amendments requires new disclosures, including the nature and financial impact of non-exchangeability, the spot exchange rate used, the estimation process, and associated risks.

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 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Property and equipment

Property 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, 2024. 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, 2024.

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

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

4.8 Taxation

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.

In accordance with Income Tax Ordinance, 2001 (Ordinance), computation of final taxes is not based on taxable income and as per revised guidance mentioned in note 4.8.1, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these financial statements. Further, the Foundation designate the amount calculated on taxable income using the notified tax rate as an income tax within the scope of IAS 12 'Income Taxes' and recognise it as current income tax expense. Any excess over the amount designated as income tax, is then recognised as a levy falling under the scope of IFRIC 21/IAS 37.

4.8.1 Restatement

During the year the Institute of Chartered Accountant of Pakistan (ICAP) have withdrawn the Technical Release 27 "IAS 12, Income Taxes (Revised 2012)" and issued guidance - "IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes". The said guidance requires certain amounts of tax paid under minimum and final tax regime to be shown separately as a levy instead of showing it in current tax.

Accordingly, the impact has been incorporated in these financial statements retrospectively in accordance with the requirement of International Accounting Standard (IAS 8) - 'Accounting Policies, Change in Accounting Estimates and Errors'. There has been no effect on the statement of financial position and the the statement of cash flows as a result of this change.

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

	2024	2023
	----- Rupees -----	
Operating fixed assets	515,119,246	533,606,441
Capital work in progress	1,236,075	-
	<u>516,355,321</u>	<u>533,606,441</u>

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, 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	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
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	8,261,122	350,696	2,658,390	231,759	129,805,141	331,591,245	9,772,872	19,444,167	15,492,389	3,072,948	2,599,584	5,167,948	5,158,180	533,606,441
As at July 01, 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	8,261,122	350,696	2,658,390	231,759	129,805,141	331,591,245	9,772,872	19,444,167	15,492,389	3,072,948	2,599,584	5,167,948	5,158,180	533,606,441
Year ended June 30, 2024														
Opening net book value	8,261,122	350,696	2,658,390	231,759	129,805,141	331,591,245	9,772,872	19,444,167	15,492,389	3,072,948	2,599,584	5,167,948	5,158,180	533,606,441
Additions	615,277	26,500	-	7,847,546	-	-	-	-	-	820,600	-	-	-	9,309,923
Disposals														
- Cost	-	-	-	(1,339,546)	-	-	-	-	-	-	-	-	-	(1,339,546)
- Accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	(1,339,546)	-	-	-	-	-	-	-	-	-	(1,339,546)
Depreciation charged	(865,463)	(107,858)	(265,839)	(1,347,952)	-	(16,579,563)	(977,291)	(1,944,419)	(1,549,240)	(1,011,557)	(259,959)	(516,795)	(1,031,636)	(26,457,572)
Closing net book value	8,010,936	269,338	2,392,551	5,391,807	129,805,141	315,011,682	8,795,581	17,499,748	13,943,149	2,881,991	2,339,625	4,651,153	4,126,544	515,119,246
As at June 30, 2024														
Cost	18,233,396	1,334,290	8,317,300	6,890,373	129,805,141	428,363,559	16,284,574	29,152,471	25,680,460	12,652,845	4,228,201	8,515,425	8,358,247	697,816,282
Accumulated depreciation	(10,222,460)	(1,064,952)	(5,924,749)	(1,498,566)	-	(113,351,877)	(7,488,993)	(11,652,723)	(11,737,311)	(9,770,854)	(1,888,576)	(3,864,272)	(4,231,703)	(182,697,036)
Net Book Value	8,010,936	269,338	2,392,551	5,391,807	129,805,141	315,011,682	8,795,581	17,499,748	13,943,149	2,881,991	2,339,625	4,651,153	4,126,544	515,119,246
Depreciation rate (% - per annum)	10	30	10	20	-	5	10	10	10	30	10	10	20	

6 INTANGIBLE ASSETS

This represent computer software license:

Net book value at the beginning of the year
Amortisation charge

	2024	2023
	----- Rupees -----	
	137,080	204,597
	(45,236)	(67,517)
	<u>91,844</u>	<u>137,080</u>
Annual rate of amortisation	<u>33%</u>	<u>33%</u>

6.1 Amortisation charge for the year 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, 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	<u>20,514,952</u>	<u>23,350,772</u>	<u>111,961</u>	<u>69,052,697</u>	<u>113,030,382</u>
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	<u>20,514,952</u>	<u>23,350,772</u>	<u>106,363</u>	<u>65,600,062</u>	<u>109,572,149</u>
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	<u>20,514,952</u>	<u>23,350,772</u>	<u>106,363</u>	<u>65,600,062</u>	<u>109,572,149</u>
Year ended June 30, 2024					
Opening net book value	20,514,952	23,350,772	106,363	65,600,062	109,572,149
Depreciation	-	-	(5,318)	(3,280,003)	(3,285,321)
Closing net book value	<u>20,514,952</u>	<u>23,350,772</u>	<u>101,045</u>	<u>62,320,059</u>	<u>106,286,828</u>
As at June 30, 2024					
Cost	20,514,952	23,350,772	562,500	116,486,194	160,914,418
Accumulated depreciation	-	-	(461,455)	(54,166,135)	(54,627,590)
Net Book Value	<u>20,514,952</u>	<u>23,350,772</u>	<u>101,045</u>	<u>62,320,059</u>	<u>106,286,828</u>
Depreciation rate (% - per annum)	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>	

7.2 The aggregate fair value of the above properties as of June 30, 2024 was Rs.430 million (2023: 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

2024	2023	Name of Company	2024		2023	
			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	487	485	257
643,742	643,742	Atlas Battery Limited	500,293	190,463,946	500,293	131,574,427
4,109,777	4,109,777	Atlas Insurance Limited	3,673,148	166,445,969	3,673,148	157,815,437
			<u>4,173,926</u>	<u>356,910,402</u>	<u>4,173,926</u>	<u>289,390,121</u>

9 LONG TERM LOANS AND DEPOSITS

	2024	2023
	Note -----	Rupees -----
Considered good		
Security deposits	9.1	93,600
Loans and advances to:		
Other employees	9.2	1,276,166
Less: amount due within twelve months and shown under current assets		(660,630)
Other employees		(730,405)
		<u>709,136</u>
		<u>756,457</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.0.847 million (2023: Rs.0.802 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

	2024	2023
	Note -----	Rupees -----
Current portion of long term loans	9	660,630
Prepayments		
Other advances and prepayments		154,677
Other prepayments		101,889
Receivables from International consulting associates (Private) Limited		1,478,800
		<u>32,805</u>
		1,735,366
Other receivable	10.1	646,441
Provision against other receivable		(646,441)
		-
		<u>693,435</u>
		<u>2,465,771</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

2024	2023	Name of Mutual Fund	2024		2023	
			Carrying value	Fair value	Carrying value	Fair value
--- Number of units ---			----- Rupees -----			
95,999	-	- Atlas Income Fund	50,434,979	50,591,626	-	-
837,984	1,064,878	Atlas Money Market Fund	425,317,440	427,865,480	539,994,999	541,497,769
496,798	-	- Atlas Sovereign Fund	50,448,873	50,728,076	-	-
969,466	894,455	Atlas Stock Market Fund	588,477,882	982,625,631	530,948,494	512,449,193
			<u>1,114,679,174</u>	<u>1,511,810,813</u>	<u>1,070,943,493</u>	<u>1,053,946,962</u>

11.2 Unrealized gain / (loss) on remeasurement of investments at fair value through profit or loss

	2024	2023
	----- Rupees -----	
Market value of investments	1,511,810,813	1,053,946,962
Carrying value of investments	(1,114,679,174)	(1,070,943,493)
	<u>397,131,639</u>	<u>(16,996,531)</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	-	98,367	2,368	95,999
Atlas Money Market Fund	1,064,879	611,591	838,486	837,984
Atlas Sovereign Fund	-	496,798	-	496,798
Atlas Stock Market Fund	894,456	75,010	-	969,466

12 BANK BALANCES

	2024	2023
Note	----- Rupees -----	
Current account	2,965,183	954,649
PLS saving account	12.1 31,088,334	10,849,778
	<u>34,053,517</u>	<u>11,804,427</u>

12.1 These carry mark-up at the rates upto 20.5% (2023: 19.5%) per annum.

13 DEFERRED LIABILITIES - EMPLOYEE BENEFITS

	2024	2023
Note	----- Rupees -----	
Provision for compensated absences	13.1 4,191,023	3,656,131
Provision for long service award	4,256,991	3,918,464
	<u>8,448,014</u>	<u>7,574,595</u>

13.1 The provision is made in accordance with the latest actuarial valuation conducted by an independent valuer as of June 30, 2024.

14 ACCRUED AND OTHER LIABILITIES

	2024	2023
Note	----- Rupees -----	
Auditors' remuneration	560,617	531,332
Payable to gratuity fund	14.1 3,490,830	654,047
Accrued expenses	-	528,649
	<u>4,051,447</u>	<u>1,714,028</u>

14.1 Payable to staff gratuity fund	2024	2023
	----- Rupees -----	
14.1.1 Reconciliation of obligations as at year end		
Present value of defined benefit obligation	8,283,426	4,241,189
Fair value of plan assets	(4,904,773)	(5,122,231)
Payable to other atlas group	112,177	1,535,089
Net liability at year end	<u>3,490,830</u>	<u>654,047</u>
14.1.2 Movement in the present value of defined benefit obligation		
Present value of defined benefit obligation - at beginning of the year	4,241,189	4,730,380
Current service cost	366,815	405,687
Past service cost	2,610,019	-
Interest cost	709,305	659,823
Liability in respect of Inter Group Transfers	(112,177)	(1,535,089)
Actuarial loss / (gain)	468,275	(19,612)
Present value of defined benefit obligation at year end	<u>8,283,426</u>	<u>4,241,189</u>
14.1.3 Movement in fair value of plan assets		
Fair value of plan assets at beginning of the year	5,122,231	4,032,467
Expected return on plan assets	730,763	571,386
Contributions made by the foundation	-	697,913
Actual benefits paid from the fund during the year	(1,535,089)	-
Actuarial gain / (loss)	586,868	(179,535)
Fair value of plan assets at year end	<u>4,904,773</u>	<u>5,122,231</u>
14.1.4 Expense recognised in the statement of income and expenditure		
Current service costs	366,815	405,687
Past service cost	2,610,019	-
Interest costs	709,305	659,823
Expected return on assets	(730,763)	(571,386)
Charge for the year	<u>2,955,376</u>	<u>494,124</u>
14.1.5 Re-measurement recognised in other comprehensive income		
Loss due to change in financial assumptions	238,329	48,965
Loss / (gain) due to change in demographic assumptions	-	59,076
(Gain) / loss due to change in experience adjustments	229,946	(127,653)
Loss on re-measurement of plan assets	(586,868)	179,535
	<u>(118,593)</u>	<u>159,923</u>
14.1.6 Movement in the net defined benefit liability		
Net liability at beginning of the year	654,047	697,913
Charge for the year	2,955,376	494,124
Contributions made by the foundation	-	(697,913)
Actuarial gain / (loss)	(118,593)	159,923
Net liability at end of the year	<u>3,490,830</u>	<u>654,047</u>
14.1.7 Actual return on plan assets	<u>1,314,204</u>	<u>385,248</u>
14.1.8 Plan assets comprise of:		
Cash and Cash equivalents	2,659	3,940
Mutual fund securities	4,592,129	4,338,161
Debt instruments	309,985	780,130
	<u>4,904,773</u>	<u>5,122,231</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:

	2024	2023
Discount rate at June 30, Expected rate of increase in future salaries	14.75%	16.25%
- first year	18.00%	15.00%
- long term	13.75%	15.25%
Demographic assumptions		
- Mortality rates	SLIC (2001-05)-1 Moderate	SLIC (2001-05)-1 Moderate
- Rates of employee turnover		

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%	(549,936)	650,010
Future salary increase	1.00%	610,999	(524,726)

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 The Board of Trustees, passed the resolutions by circulation, on June 10, 2024, approved the revision of the existing gratuity payable criteria. The new criteria changes from 15 days' last drawn basic salary for each year of eligible service to a graduated scale of gratuity payable based on the length of eligible service, effective from June 1, 2024 resulting the past service cost.

14.1.12 Expected charge of gratuity for the year ending June 30, 2025 is Rs.1,101,928.

14.1.13 The weighted average duration of gratuity scheme is 7.20 years (2023: 6.99 years).

14.1.14 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, 2024	273,830	5,227,776	1,197,925	33,753,761	40,453,292
As at June 30, 2023	109,607	199,871	4,024,552	18,947,294	23,281,324

15 CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

There were no known contingencies as at June 30, 2024 and June 30, 2023.

15.2 Commitments

Commitments in respect of donation contracts amounting to Rs.465 million(2023: Rs.932.7 million).

16 DONATIONS

2024 **2023**
----- Rupees -----

Local donations
Received from related parties:

Atlas Honda Limited	131,030,430	128,196,490
Atlas Battery Limited	61,981,160	71,376,620
Atlas Insurance Limited	28,226,210	20,956,270
Atlas Power Limited	30,244,770	70,000,000
Atlas Engineering (Private) Limited	1,875,000	10,000,000
Atlas Asset Management Limited	7,085,524	1,168,669
Atlas Hitec (Private) Limited	766,734	833,327
Shirazi Trading Company (Private) Limited	3,735,718	13,356,823
Atlas Autos (Private) Limited	73,669,450	84,954,670
Atlas Energy Limited	1,094,351	1,800,743
Shirazi Investments (Private) Limited	100,000,000	257,000,000
Atlas Solar Limited (formerly	2,458,956	6,361,371
Honda Atlas Power Products (Private) Limited	200,000	-
Atlas DID (Private) Limited	527,803	275,482
Atlas Metals (Private) Limited	115,211	-
Directors	1,200,000	1,200,000
	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
	444,011,317	691,431,465

17 RENTAL INCOME

2024 **2023**
----- Rupees -----

Rental income from related parties:

Atlas Honda Limited	33,453,348	30,412,135
Atlas Battery Limited	2,752,447	2,502,224
Shirazi Trading Company (Private) Limited	4,573,263	4,157,512
Atlas Insurance Limited	2,062,743	1,875,221
	42,841,801	38,947,092

**18 NET GAIN ON REDEMPTION OF INVESTMENTS
Related Parties**

2024 **2023**
----- Rupees -----

Atlas Income Fund	1,326,166	25,370,158
Atlas Money Market Fund	4,824,600	239,812
Atlas Sovereign Fund	-	1,185,915
Atlas Islamic Stock Fund	-	(373,992)
	6,150,766	26,421,893

19 DIVIDEND INCOME - related parties

2024 **2023**
----- Rupees -----

Listed companies

Atlas Honda Limited	47	24
Atlas Battery Limited	6,437,420	20,921,620
Atlas Insurance Limited	12,329,331	22,090,055
	18,766,798	43,011,699
Mutual funds		
Atlas Income Fund	542,309	-
Atlas Money Market Fund	81,967,792	30,995,936
Atlas Sovereign Fund	558,655	-
Atlas Islamic Money Market Fund	-	712,709
Atlas Stock Market Fund	89,445,516	-
	172,514,272	31,708,645
	191,281,070	74,720,344

20 DONATIONS

2024 2023
----- Rupees -----

Donations given to:

The Citizen Foundation - School	29,400,000	27,621,711
Flood relief activities	2,712,443	61,464,145
National Management Foundation (LUMS Project)	425,000,000	650,000,000
Aitchison College	1,500,000	1,500,000
Friend of Burns Centre	12,277,603	7,936,000
Community services	3,251,640	2,579,709
The Liver Foundation	2,250,000	2,250,000
Network Organization Working People Disability Pakistan	-	3,600,000
Citizens-Police Liaison Committee	1,000,000	1,000,000
Family Education Services Foundation	1,700,000	1,500,000
The Aga Khan University Hospital	20,000,000	20,000,000
Milestone Charitable Trust	1,000,000	1,000,000
Fatima Thalassemia & Blood Bank	-	65,500
Others	319,540	183,310
	<u>500,411,226</u>	<u>780,700,375</u>

20.1 Mr. Ali 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

2024 2023
----- Rupees -----

	Note	2024	2023
Salaries and other benefits		29,934,463	26,569,647
Tools and spares		2,417,761	1,706,237
Depreciation and amortisation	21.1	10,540,984	11,098,158
Utilities		3,202,886	3,643,582
Security expenses		3,216,680	2,690,901
Travelling and entertainment		898,552	1,270,522
Vehicle running expenses		47,710	81,950
Internet and cloud service charges		653,795	745,209
Insurance		1,640,799	1,875,461
Repair and maintenance		8,673,364	7,250,353
Printing and stationery		211,185	212,431
Legal and professional fee		300,734	89,692
Uniforms		327,550	609,000
Convocation expense		394,000	997,500
Miscellaneous expenses		360,301	240,348
		<u>62,820,764</u>	<u>59,080,991</u>

21.1 Depreciation - project related

Depreciation on property & equipment capitalised - from capital asset fund	13,374,712	14,078,644
Depreciation on other project related property and equipment	10,540,984	11,098,158
	<u>23,915,696</u>	<u>25,176,802</u>
Utilization of capital asset fund	(13,374,712)	(14,078,644)
	<u>10,540,984</u>	<u>11,098,158</u>

22 GENERAL AND ADMINISTRATIVE EXPENSES

Salaries and other benefits	17,639,650	15,047,908
Property tax	1,037,833	1,037,833
Depreciation	5,872,433	5,179,510
Utilities	1,212,886	740,652
Vehicle running expenses	208,000	59,346
Internet charges	212,494	278,318
Auditors' remuneration	560,617	509,652
Fees and subscription	-	899,000
Legal and professional fee	429,719	625,035
Insurance	1,545,217	1,535,381
Printing and stationery	8,710	-
Travelling and entertainment	65,977	174,250
Staff training	43,702	36,264
Bank charges	3,191,298	6,699,012
Repair and maintenance	3,191,298	6,699,012
CDC charges and other miscellaneous expenses	12,000	363,953
	<u>32,040,536</u>	<u>33,186,114</u>

22.1 Auditors' remuneration	2024	2023
	----- Rupees -----	
Annual audit fee	332,750	302,500
Audit fee for provident / gratuity funds	186,340	169,400
Sindh Sales tax	41,527	37,752
	560,617	509,652

23 LEVIES AND INCOME TAXATION

Final taxes	23.1	28,692,161	11,208,052
Income tax		1,127,656	8,184,305
		29,819,817	19,392,357

23.1 This represents final taxes paid under sections 150 of Income Tax Ordinance, 2001 (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.

23.2 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	
	2024	2023
Managerial remuneration	11,849,301	9,785,138
Bonus	3,002,667	2,717,035
Medical expenses	449,599	294,469
	15,301,567	12,796,642
Number of persons	3	2

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
Atlas Vocational Training Institute	

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	2024 ----- Rupees -----	2023
	Rental income	42,841,801	39,927,092
	Donations received	444,011,317	691,431,465
	Donation paid	425,000,000	650,000,000
	Dividend income	191,281,070	74,720,344
	Investments made	486,907,612	534,557,637
Associated Companies - under common management / common directorship / group companies	Sale proceeds from disposal - of investments	432,326,166	592,204,104
	Insurance expenses	2,319,872	3,266,000
	Bonus shares received	-	16,699,150
	Sale of fixed assets	2,702,320	-
	Purchase of fixed assets	6,561,300	-
	Sale of fixed assets	-	2,702,320
	Contribution paid to:		
	Staff gratuity fund	-	697,913
	Employees' provident fund	-	23,600
	Pension fund	2,491,342	1,195,997

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, 2024, 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.93.436 million (2023: Rs.67.167 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
2024						
	----- Rupees -----					
Accrued and other liabilities	-	3,490,830	560,617	-	-	4,051,447
2023						
	----- Rupees -----					
Accrued and other liabilities	528,649	654,047	531,332	-	-	1,714,028

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:

	2024	2023
	----- Rupees -----	
Long term loans & deposits	709,136	756,457
Bank balance	34,053,517	11,804,427
Investment in mutual funds	1,511,810,813	1,053,946,962
Deposits, prepayments and other receivable	693,435	2,465,771
	<u>1,547,266,901</u>	<u>1,068,973,617</u>

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, 2024 and June 30, 2023:

	2024	2023
	----- Rupees -----	
Investments by rating category		
AA, AA-, AA+	35.0%	51.4%
Unrated	65.0%	48.6%
	<u>100%</u>	<u>100%</u>

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).

	2024			
	Level 1	Level 2	Level 3	Total
	----- Rupees -----			
Investment in related parties - fair value through profit or loss				
- Mutual funds	1,511,810,813	-	-	1,511,810,813
Investment in related parties - comprehensive income				
- Listed Shares	356,910,402	-	-	356,910,402
	<u>1,868,721,215</u>	<u>-</u>	<u>-</u>	<u>1,868,721,215</u>
	2023			
	Level 1	Level 2	Level 3	Total
	----- 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>

There were no transfer amongst the levels during the current and preceding year. The Foundation'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)

2024 **2023**
----- Rupees -----

Size of the Fund	3,813,418	3,318,702
------------------	-----------	-----------

27.1 The foundation has not made any investments out of the provident fund as at June 30, 2024 (2023: Nil).

27.2 Number of employees

2024 **2023**

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.

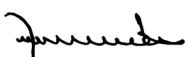
28.4 The number of employees as of balance sheet date was 22 (2023: 31).

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 October 7, 2024.



Chief Executive Officer



Director



Chairman

Atlas Foundation

2nd Floor, Federation House,

Sharae Firdousi,

Clifton, Karachi, 75600

Phones: (92-21) 111-745-745 ,35369471-4

Fax: (92-21) 35879713

Email: info@afn.atlas.pk

Website: www.afn.atlas.pk