

STATE BANK OF PAKISTAN

Balance Sheet as at 30th June, 1999

ISSUE DEPARTMENT

LIABILITIES			ASSETS			
	30th June, 1999 Rupees	30th June, 1998 Rupees		30th June, 1999 Rupees		30th June, 1998 Rupees
Notes held in the Banking Department	120,048,466	153,400,900	I. A. Gold Coin and Bullion ⁽¹⁾	27,614,725,710		27,833,546,503
Notes in Circulation	305,206,399,468	289,844,359,915	Silver Bullion	Nil		Nil
			Special Drawing Rights held with the International Monetary Fund	Nil		Nil
Total Notes Issued	305,326,447,934	289,997,760,815	Approved Foreign Exchange	75,279,227,208		18,718,578,080
			India notes representing assets receivable from the Reserve Bank of India	511,938,315		468,247,443
				103,405,891,233		47,020,372,026
			B. Rupee Coin	1,835,494,433		1,417,508,335
			Government of Pakistan Securities	184,269,989,200		225,757,089,660
			Internal Bill Of Exchange and other Commercial Paper:-			
			(i) Agricultural Sector Rs. Nil		Rs. Nil	
			(ii) Industrial Sector Rs. 5,078,500,000		Rs. 5,078,500,000	
			(iii) Export Sector Rs. Nil		Rs. Nil	
			(iv) Housing Sector Rs. 10,000,000,000		Rs. 10,000,000,000	
			(v) Others Rs. Nil	15,078,500,000	Rs. Nil	15,078,500,000
				201,183,983,633		242,253,097,995
			II. Held with the Reserve Bank of India pending transfer to Pakistan:-			
			Gold Coin and Bullion	452,301,831		457,749,228
			Sterling Securities	268,705,364		252,285,815
			Government of India Securities	12,008,700		10,983,829
			Rupee Coin	#####		#####
				736,573,068		724,290,794
Total Liabilities	305,326,447,934	289,997,760,815	Total Assets	305,326,447,934		289,997,760,815

STATE BANK OF PAKISTAN

Balance Sheet as at 30th June, 1999

BANKING DEPARTMENT

LIABILITIES			ASSETS		
	30th June, 1999 Rupees	30th June, 1998 Rupees		30th June, 1999 Rupees	30th June, 1998 Rupees
Capital Paid Up	100,000,000	100,000,000	Notes	120,048,466	153,400,900
Reserve Fund	9,000,000,000	4,000,000,000	Rupee Coin	35	21
Rural Credit Fund	2,600,000,000	2,600,000,000	Subsidiary Coins	17,658	259,800
Industrial Credit Fund	1,600,000,000	1,600,000,000	Bills Purchased and Discounted:-		
Export Credit Fund	1,500,000,000	1,500,000,000	(a) Internal:-		
Loans Guarantee Fund	900,000,000	500,000,000	(i) Agricultural Sector	Rs. Nil	Rs. Nil
Housing Credit Fund	4,700,000,000	700,000,000	(ii) Industrial Sector	Rs. Nil	Rs. Nil
			(iii) Export Sector	Rs. 3,566,738	Rs. 3,566,738
			(iv) Housing Sector	Rs. Nil	Rs. Nil
			(v) Others	Rs. 33,400,000	Rs. 33,400,000
Deposits:-			(b) External	36,966,738	36,966,738
(a) Federal Government	4,587,797,626	9,184,736,151	(c) Government Treasury Bills	Nil	Nil
(b) Provincial Government	9,001,854,742	1,136,677,989		3,241,925,737	3,431,735,000
(c) Banks ⁽²⁾	85,184,876,672	71,374,888,526			
(d) Others	213,851,426,296	89,072,934,730			
Allocating of Special Drawing rights	11,718,123,719	10,464,029,872	Balances held outside Pakistan in Approved Foreign Exchange ⁽³⁾	14,015,731,301	23,893,670,276
Bills Payable	251,528,116	113,756,465	Special Drawing Rights held with the International Monetary Fund	35,595,139	114,685,863
Revaluation Account ⁽³⁾	25,225,584,450	25,560,553,924	Loans and Advances to Governments	300,000,000	300,000,000
Other Liabilities ⁽⁴⁾	89,213,848,996	36,762,743,381	Government Debtors balances	7,623,743,708	5,930,446,161
			Loans and Advances to Scheduled Banks		
			A. Agricultural Sector	Rs. 49,383,252,593	Rs. 47,383,145,571
			B. Industrial Sector	Rs. 6,728,510,017	Rs. 7,633,644,077
			C. Export Sector	Rs. 81,345,915,523	Rs. 53,943,972,977
			D. Housing Sector	Rs. Nil	Rs. Nil
			E. Others	Rs. 9,785,645,052	Rs. 9,594,621,720
				147,243,323,185	118,555,384,345
			Loans and Advances to Non-Bank Financial Institutions ⁽⁶⁾ :-		
			A. Agricultural Sector	Rs. Nil	Rs. Nil
			B. Industrial Sector	Rs. 4,106,549,786	Rs. 4,640,150,473
			C. Export Sector	Rs. Nil	Rs. Nil
			D. Housing Sector	Rs. 6,496,300,000	Rs. 6,496,300,000
			E. Others	Rs. 32,058,964,371	Rs. 12,630,574,542
				42,661,814,157	23,767,025,015
			Investments ⁽⁷⁾ :-		
			A. Scheduled Banks	Rs. 39,829,246,754	Rs. 39,802,813,696
			B. Non-Bank Financial Institutions	Rs. 2,067,587,105	Rs. 2,067,587,105
			C. Government Securities	Rs. 179,323,055,822	Rs. 8,922,592,507
			D. Others	Rs. Nil	Rs. Nil
				221,219,889,681	50,792,993,308
			Other Assets	22,935,984,812	27,693,753,611
Total Liabilities	459,435,040,617	254,670,321,038	Total Assets	459,435,040,617	254,670,321,038

Notes: Entire Capital paid up vests in the Federal Government.

Commitments for forward exchange operations stood at U.S.\$ 5,101.5 million against forward sales.

(1) Gold in pursuance of Section 30(2) of the State Bank of Pakistan Act, 1956 has been valued at market value of fine gold contents thereof on the basis of gold rates obtaining in London Bullion Market.

(2) Refers to scheduled banks. (3) Represents unrealised appreciation/depreciation on revaluation of Gold. (4) Includes Contingency Accounts.

(5) Includes Cash and Short Term Securities. (6) Returns on Profit and Loss sharing accounts included in Loans and Advances is accounted for when declared by the loanees. (7) Principally valued at cost.

The assets and liabilities of Pakistan Banking Council (dissolved) has been assumed by the Bank as on January 21, 1997 in pursuance of the Banks Nationalisation Act, 1974 (as modified up to June 7, 1997). However incorporation of the same in the books of account of the Bank has been deferred due to certain pending policy decisions.

REPORT OF THE AUDITORS

TO THE SHAREHOLDERS

We have examined the balance sheets of Issue Department and Banking Department of the State Bank of Pakistan as at June 30, 1999 and also the Profit and loss account for the year ended on that date with the books and records maintained at Central Directorate and with returns submitted and certified by the Chief Managers of the respective offices and branches including returns received from Dacca Office and Chittagong, Sylhet and Rajshahi Branches till December 3, 1971 and Khulna and Bogra Branches till November 26, 1971. The Books of account of Karachi, Quetta and Faisalabad Offices were audited by M/s. Ford, Rhodes, Robson, Morrow and of Lahore, Peshawar and Rawalpindi Offices by M/s. Sidat Hyder Qamar & Co., while the books of the Central Directorate were audited jointly.

(2) Events have rendered impossible the verification of assets held with the Reserve Bank of India pending transfer to Pakistan and balances pertaining to transactions in Former East Pakistan included in the Balance sheets of the Issue and Banking Departments.

Reliability of the aforesaid balances is subject to a final settlement between the Government of Pakistan and the Government of India and Bangladesh respectively.

(3) Subject to the contents of the preceding paragraph we report that, in our opinion the balance sheets are full and fair balance sheets containing all necessary particulars prescribed by the State Bank of Pakistan Act, 1956 and are properly drawn up in accordance with the Act and such balance sheets exhibit a true and fair view of the State of the Bank's affairs according to the best of our information and explanations given to us and as shown by the books of the Bank.

Karachi, the 24th day of August 1999

Sidat Hyder Qamar & Co.
Chartered Accountants

Ford, Rohdes, Robson, Morrow
Chartered Accountants

STATE BANK OF PAKISTAN

Profit and Loss Account for the Year ended 30th June,1999

I N C O M E		
	30th June, 1999	30th June, 1998
	Rupees	Rupees
Interest, Discount, Exchange, Commission and Return*,etc	27,989,845,785	28,319,982,875
EXPENDITURE		
Establishment	2,258,458,829	3,406,716,547
Directors' Fees and Expenses	361,607	521,328
Auditors' Fees	260,000	260,000
Rent, Taxes, Insurance, Lighting, etc	113,861,425	96,720,209
Law Charges	35,942,367	14,385,948
Postage and Telegram Charges	26,872,889	18,001,155
Remittance of Treasure	14,213,403	12,054,257
Stationary, etc	10,549,321	11,366,921
Depreciation and Repairs to Bank's Property	118,491,705	66,697,094
Agency Charges	784,992,935	541,286,809
SDR Charges	412,663,109	429,590,479
Contribution To Staff and Superannuation Funds	Nil	Nil
Contribution to Staff welfare Fund	Nil	Nil
Miscellaneous Expenses	357,983,067	396,230,070
Sub-Total	4,134,650,657	4,993,830,817
Security Printing (Cheques,Note Forms, etc)	1,099,500,732	1,322,017,932
Net Available Balance	22,746,694,396	22,004,134,126
Total	27,980,845,785	28,319,982,875
Amount transferred to Reserve Fund	5,000,000,000	Nil
Amount set aside for payment Dividend at the rate of 10 percent per annum	10,000,000	10,000,000
Amount transferred to Rural Credit Fund	Nil	Nil
Amount transferred to Industrial Credit Fund	Nil	Nil
Amount transferred to Export Credit Fund	Nil	Nil
Amount transferred to Loans Guarantee Fund	634,697,000	Nil
Amount transferred to Housing Credit Fund	4,000,000,000	Nil
Amount appropriated for Reserve Fund for Exchange rate Differential	4,000,000,000	Nil
Surplus payable to the Federal Government	9,101,997,396	21,994,134,126
Balance carried forward	Nil	Nil
Total	22,746,694,396	22,004,134,126

RESERVE FUND ACCOUNT

By balance on 30th June,	4,000,000,000	4,000,000,000
By transfer from Profit and Loss Account	5,000,000,000	Nil
Total	9,000,000,000	4,000,000,000

*Return means income from non-bearing scheme/investments.

MUHAMMAD AMIN QURESHI
Director of Accounts

MUKHTAR NABI QURESHI
Deputy Governor

DR. MUHAMMAD YAQUB
Governor