

STATE BANK OF PAKISTAN

Balance Sheet as at 30th June, 1986

ISSUE DEPARTMENT

LIABILITIES			ASSETS		
	30th June, 1986 Rupees	30th June, 1985 Rupees		30th June, 1986 Rupees	30th June, 1985 Rupees
Notes held in the Banking Department	196,666,900	225,454,460	I. A. Gold Coin and Bullion ⁽¹⁾	11,080,857,680	9,490,913,450
Notes in Circulation	65,439,820,477	58,633,476,245	Silver Bullion	Nil	Nil
			Special Drawing Rights held with the International Monetary Fund	Nil	Nil
Total Notes Issued	65,636,487,377	58,858,930,705	Approved Foreign Exchange India notes representing assets receivable from the Reserve Bank of India	12,629,104,034	6,051,481,660
				577,574,852	557,175,626
				24,287,536,566	16,099,570,736
			B. Rupee Coin	230,047,636	39,731,113
			Government of Pakistan Securities	40,741,948,189	42,384,963,439
			Internal Bill Of Exchange and other Commercial Paper:-		
			(i) Agricultural Sector	Rs. Nil	
			(ii) Industrial Sector	Rs. Nil	
			(iii) Export Sector	Rs. 78,500,000	
			(iv) Housing Sector	Rs. Nil	
			(v) Others	Rs. Nil	
				78,500,000	78,500,000
				41,050,495,825	42,503,194,552
			II. Held with the Reserve Bank of India pending transfer to Pakistan:-		
			Gold Coin and Bullion ⁽¹⁾	195,875,885	170,743,303
			Sterling Securities	85,045,041	68,499,748
			Government of India Securities	13,548,357	13,069,846
			Rupee Coin	3,985,703	3,852,520
				298,454,986	256,165,417
Total Liabilities	65,636,487,377	58,858,930,705	Total Assets	65,636,487,377	58,858,930,705

STATE BANK OF PAKISTAN

Balance Sheet as at 30th June, 1986

BANKING DEPARTMENT

LIABILITIES			ASSETS					
		30th June, 1986	30th June, 1985			30th June, 1986	30th June, 1985	
		Rupees	Rupees			Rupees	Rupees	
Capital Paid Up		100,000,000	100,000,000	Notes		196,666,900	225,454,460	
Reserve Fund		2,100,000,000	2,100,000,000	Rupee Coin		3,685	3,000	
Rural Credit Fund		1,800,000,000	1,700,000,000	Subsidiary Coins		168,858	53,827	
Industrial Credit Fund		900,000,000	800,000,000	Bills Purchased and Discounted:-				
Export Credit Fund		750,000,000	650,000,000	(a) Internal:-				
Loans Guarantee Fund		300,000,000	300,000,000	(i) Agricultural Sector	Rs.	Nil	Rs. 10,000,000	
Housing Credit Fund		700,000,000	600,000,000	(ii) Industrial Sector	Rs.	Nil	Rs. Nil	
Deposits:-				(iii) Export Sector	Rs.	3,566,738	Rs. 3,566,738	
(a) Federal Government	8,344,629,981	5,402,549,835		(iv) Housing Sector	Rs.	Nil	Rs. Nil	
(b) Provincial Government	6,827,398,541	2,568,262,902		(v) Others	Rs.	33,400,000	Rs. 33,400,000	
(c) Banks ⁽²⁾	9,879,860,901	8,719,036,004	(b) External			Nil	Nil	
(d) Others	19,401,729,542	21,674,655,827	(c) Government Treasury Bills			8,534,959,080	11,946,878,537	
Allocating of Special Drawing rights	3,368,485,025	2,715,148,623	Balances held outside Pakistan ⁽⁵⁾			1,588,134,657	2,536,055,817	
Bills Payable	124,182,096	61,603,572	Special Drawing Rights held with the International Monetary Fund			479,265,871	42,863,305	
Revaluation Account ⁽³⁾	9,365,284,524	7,359,009,638	Loans and Advances to Governments			Nil	Nil	
Other Liabilities ⁽⁴⁾	10,339,874,818	8,612,867,107	Government Debtors balances			Nil	Nil	
			Loans and Advances to Scheduled Banks					
			A. Agricultural Sector	Rs.	12,144,267,473	Rs.	9,276,360,741	
			B. Industrial Sector	Rs.	2,919,054,714	Rs.	2,147,178,215	
			C. Export Sector	Rs.	6,498,413,845	Rs.	5,875,334,474	
			D. Housing Sector	Rs.	692,711	Rs.	692,711	
			E. Others	Rs.	1,794,731,473	Rs.	888,991,474	
			Loans and Advances to Non-Bank Financial Institutions ⁽⁶⁾ :-			23,357,160,216	18,188,557,615	
			A. Agricultural Sector	Rs.	Nil	Rs.	Nil	
			B. Industrial Sector	Rs.	4,919,080,476	Rs.	3,458,341,838	
			C. Export Sector	Rs.	Nil	Rs.	Nil	
			D. Housing Sector	Rs.	8,855,608,347	Rs.	7,799,155,698	
			E. Others	Rs.	69,293,636	Rs.	49,988,000	
			Investments:-			13,843,982,459	11,307,485,536	
			A. Scheduled Banks ⁽⁷⁾	Rs.	2,473,310,785	Rs.	2,473,310,785	
			B. Non-Bank Financial Institutions ⁽⁷⁾	Rs.	1,620,093,800	Rs.	1,390,093,800	
			C. Government Securities ⁽⁸⁾	Rs.	19,197,108,963	Rs.	12,469,283,741	
			D. Others	Rs.	Nil	Rs.	Nil	
			Other Assets			23,290,513,548	16,332,688,326	
						2,973,623,416	2,736,126,347	
Total Liabilities		74,301,445,428	63,363,133,508	Total Assets		74,301,445,428	63,363,133,508	

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

Commitments for forward exchange operations stood at U.S.\$ 1,808.348 million against forward sales and U.S.\$ 10.669 million against forward purchases.

⁽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 and national gains/losses on revaluation of Gold, SDRs, AMUs and Foreign Exchange balances ⁽⁴⁾ Includes Contingency Accounts.

⁽⁵⁾ Includes Cash and Short Term Securities and Asian Monetary Units. ⁽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.

⁽⁸⁾ Valued at Market rate.

REPORT OF THE AUDITORS

TO THE SHAREHOLDERS THE STATE BANK OF PAKISTAN

We have examined the balance sheets of Issue Department and Banking Department of the State Bank of Pakistan as at June 30, 1986 and also the annexed 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 Offices were audited by Hyder Bhimji & Co and of Lahore office by Muniff Ziauddin & 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.

STATE BANK OF PAKISTAN
Profit and Loss Account for the Year ended 30th June,1986

I N C O M E		
	30th June, 1986	30th June, 1985
	<u>Rupees</u>	<u>Rupees</u>
Interest, Discount, Exchange, Commission and Return*,etc.	3,860,449,200	3,629,756,200
EXPENDITURE		
Establishment	461,071,290	385,240,866
Directors' Fees and Expenses	289,615	305,233
Auditors' Fees	40,000	40,000
Rent, Taxes, Insurance, Lighting, etc.	16,158,094	13,771,015
Law Charges	338,602	350,743
Postage and Telegram Charges	3,010,916	2,959,529
Remittance of Treasure	6,619,848	6,366,487
Stationary, etc.	5,697,061	4,913,616
Security Printing (Cheques, Note Forms, etc.)	272,761,055	227,398,858
Depreciation and Repairs to Bank's Property	14,788,120	14,659,401
Agency Charges	53,872,250	8,306,740
SDR Charges	216,331,509	213,867,087
Contribution To Staff and Superannuation Funds	25,000,000	25,000,000
Miscellaneous Expenses	124,470,840	116,576,625
Net Available Balance	2,660,000,000	2,610,000,000
Sub-Total	3,860,449,200	3,629,756,200
Amount transferred to Reserve Fund	Nil	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	100,000,000	200,000,000
Amount transferred to Industrial Credit Fund	100,000,000	200,000,000
Amount transferred to Export Credit Fund	100,000,000	100,000,000
Amount transferred to Loans Guarantee Fund	Nil	Nil
Amount transferred to Housing Credit Fund	100,000,000	100,000,000
Surplus payable to the Federal Government	2,250,000,000	2,000,000,000
Balance carried forward	Nil	Nil
Total	2,660,000,000	2,610,000,000

R E S E R V E F U N D A C C O U N T

By balance on 30th June, 1985	2,100,000,000	2,100,000,000
By transfer from Profit and Loss Account	Nil	Nil
Total	2,100,000,000	2,100,000,000

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

MUHAMMAD YAMIN
Director of Accounts

I. A. HANFI
Deputy Governor

V. A. JAFAREY
Governor

Dated the 13th day of August, 1986