

STATE BANK OF PAKISTAN

Balance Sheet as at 30th June, 1988

ISSUE DEPARTMENT

LIABILITIES			ASSETS		
	30th June, 1988 Rupees	30th June, 1987 Rupees		30th June, 1988 Rupees	30th June, 1987 Rupees
Notes held in the Banking Department	208,569,460	320,631,023	I. A. Gold Coin and Bullion ⁽¹⁾	15,022,561,423	14,791,813,459
Notes in Circulation	90,997,178,846	77,475,594,187	Silver Bullion	Nil	Nil
			Special Drawing Rights held with the International Monetary Fund	Nil	Nil
Total Notes Issued	91,205,748,306	77,796,225,210	Approved Foreign Exchange	7,079,895,244	12,389,646,229
			India notes representing assets receivable from the Reserve Bank of India	557,277,145	580,754,622
				22,659,733,812	27,762,214,310
			B. Rupee Coin	307,978,361	343,888,678
			Government of Pakistan Securities	67,777,048,464	49,241,129,811
			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
				68,163,526,825	49,663,518,489
			II. Held with the Reserve Bank of India pending transfer to Pakistan:-		
			Gold Coin and Bullion ⁽¹⁾	263,903,187	260,637,268
			Sterling Securities	101,659,072	92,225,734
			Government of India Securities	13,072,228	13,622,946
			Rupee Coin	3,853,182	4,006,463
				382,487,669	370,492,411
Total Liabilities	91,205,748,306	77,796,225,210	Total Assets	91,205,748,306	77,796,225,210

STATE BANK OF PAKISTAN

Balance Sheet as at 30th June, 1988

BANKING DEPARTMENT

LIABILITIES			ASSETS				
	30th June, 1988 Rupees	30th June, 1987 Rupees		30th June, 1988 Rupees		30th June, 1987 Rupees	
Capital Paid Up	100,000,000	100,000,000	Notes	208,569,460		320,631,023	
Reserve Fund	2,500,000,000	2,250,000,000	Rupee Coin	6,060		6,225	
Rural Credit Fund	1,900,000,000	1,900,000,000	Subsidiary Coins	439,304		194,723	
Industrial Credit Fund	1,000,000,000	1,000,000,000	Bills Purchased and Discounted:-				
Export Credit Fund	850,000,000	850,000,000	(a) Internal:-				
Loans Guarantee Fund	300,000,000	300,000,000	(i) Agricultural Sector	Rs. Nil	Rs. 20,000,000		
Housing Credit Fund	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	56,966,738	
Deposits:-			(b) External	Nil	Nil	Nil	
(a) Federal Government	11,284,556,747	8,976,290,080	(c) Government Treasury Bills	6,733,168,996		19,771,862,423	
(b) Provincial Government	10,050,407,011	10,206,157,361	Balances held outside Pakistan ⁽⁵⁾	439,317,099		1,648,592,223	
(c) Banks ⁽²⁾	13,951,506,281	19,728,815,866	Special Drawing Rights held with the International Monetary Fund	192,452,277		268,327,444	
(d) Others	8,874,165,096	12,374,852,651	Loans and Advances to Governments	117,900,000		100,000,000	
Allocating of Special Drawing rights	4,020,239,850	3,778,702,480	Government Debtors balances				
Bills Payable	90,568,089	393,965,705	Loans and Advances to Scheduled Banks				
Revaluation Account ⁽³⁾	13,838,205,350	12,217,680,056	A. Agricultural Sector	Rs. 17,498,254,353	Rs. 14,590,869,677		
Other Liabilities ⁽⁴⁾	11,140,695,700	11,644,706,209	B. Industrial Sector	Rs. 4,017,823,045	Rs. 3,424,493,651		
			C. Export Sector	Rs. 10,297,534,241	Rs. 8,148,185,345		
			D. Housing Sector	Rs. 692,711	Rs. 692,711		
			E. Others	Rs. 1,821,221,720	Rs. 1,867,471,474	28,031,712,858	
			Loans and Advances to Non-Bank Financial Institutions ⁽⁶⁾ :-				
			A. Agricultural Sector	Rs. Nil	Rs. Nil		
			B. Industrial Sector	Rs. 7,095,788,411	Rs. 6,517,791,043		
			C. Export Sector	Rs. Nil	Rs. Nil		
			D. Housing Sector	Rs. 11,745,846,533	Rs. 10,295,846,533		
			E. Others	Rs. 373,703,669	Rs. 305,856,726	17,119,494,302	
			Investments:-				
			A. Scheduled Banks ⁽⁷⁾	Rs. 6,999,352,205	Rs. 6,812,500,785		
			B. Non-Bank Financial Institutions ⁽⁷⁾	Rs. 1,737,903,305	Rs. 1,619,369,800		
			C. Government Securities ⁽⁸⁾	Rs. 7,526,077,135	Rs. 7,251,328,088		
			D. Others	Rs. Nil	Rs. Nil	15,683,198,673	
			Other Assets	16,263,332,645	16,263,332,645	3,420,183,776	
Total Liabilities	80,600,344,124	86,421,170,408	Total Assets	80,600,344,124		86,421,170,408	

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

Commitments for forward exchange operations stood at U.S.\$ 2,352.504 million against forward sales and U.S.\$ 28.165 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 on revaluation of Gold. ⁽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⁾ Valued at cost.

⁽⁸⁾ Valued at Market rate.

REPORT OF THE AUDITORS

TO THE SHAREHOLDERS OF 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, 1988 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 correct 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 21st day of August 1988

Hyder Bhimji & Co
Chartered Accountants

Muniff Ziauddin & Co
Chartered Accountants

STATE BANK OF PAKISTAN
Profit and Loss Account for the Year ended 30th June,1988

I N C O M E		
	30th June, 1988	30th June, 1987
	<u>Rupees</u>	<u>Rupees</u>
Interest, Discount, Exchange, Commission and Return*, etc.	3,914,526,085	3,738,529,721
EXPENDITURE		
Establishment	649,427,799	481,432,889
Directors' Fees and Expense	266,458	241,486
Auditors' Fees	50,000	50,000
Rent, Taxes, Insurance, Lighting, etc.	23,219,993	18,428,677
Law Charges	1,413,421	310,408
Postage and Telegram Charges	4,862,665	3,592,233
Remittance of Treasure	7,730,129	8,905,935
Stationary, etc.	5,299,944	5,692,195
Security Printing (Cheques, Note Forms, etc.)	287,962,835	298,945,246
Depreciation and Repairs to bank's Property	16,652,753	15,233,788
Agency Charges	85,440,892	66,200,189
SDR Charges	264,920,102	209,235,670
Contribution To Staff and Superannuation Funds	25,000,000	25,000,000
Contribution To Staff Welfare Fund	95,200,000	Nil
Miscellaneous Expenses	187,079,094	145,261,005
Net Available Balance	2,260,000,000	2,460,000,000
Sub-Total	3,914,526,085	3,738,529,721
Amount transferred to Reserve Fund	250,000,000	150,000,000
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	100,000,000
Amount transferred to Industrial Credit Fund	Nil	100,000,000
Amount transferred to Export Credit Fund	Nil	100,000,000
Amount transferred to Loans Guarantee Fund	Nil	Nil
Amount transferred to Housing Credit Fund	Nil	Nil
Surplus payable to the Federal Government	2,000,000,000	2,000,000,000
Balance carried forward	Nil	Nil
Total	2,260,000,000	2,460,000,000

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

By balance on 30th June, 1987	2,250,000,000	2,100,000,000
By transfer from Profit and Loss Account	250,000,000	150,000,000
Total	2,500,000,000	2,250,000,000

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

TAMIZUDDIN
 Director of Accounts.

Deputy Governor

I. A. HANFI
 Governor

Dated the 21st day of August, 1988