

STATE BANK OF PAKISTAN

Balance Sheet as at 30th June, 1989

ISSUE DEPARTMENT

| LIABILITIES | | | ASSETS | | |
|--------------------------------------|---------------------------|---------------------------|--|---------------------------|---------------------------|
| | 30th June, 1989 Rupees | 30th June, 1988 Rupees | | 30th June, 1989 Rupees | 30th June, 1988 Rupees |
| Notes held in the Banking Department | 292,277,562 | 208,569,460 | I. A. Gold Coin and Bullion ⁽¹⁾ | 15,077,865,342 | 15,022,561,423 |
| Notes in Circulation | 100,689,332,665 | 90,997,178,846 | Silver Bullion | Nil | Nil |
| | | | Special Drawing Rights held with the International Monetary Fund | Nil | Nil |
| Total Notes Issued | 100,981,610,227 | 91,205,748,306 | Approved Foreign Exchange | 6,001,637,130 | 7,079,895,244 |
| | | | India notes representing assets receivable from the Reserve Bank of India | 553,784,645 | 557,277,145 |
| | | | | 21,633,287,117 | 22,659,733,812 |
| | | | B. Rupee Coin | 453,834,237 | 307,978,361 |
| | | | Government of Pakistan Securities | 78,426,803,323 | 67,777,048,464 |
| | | | 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 |
| | | | | 78,959,137,560 | 68,163,526,825 |
| | | | II. Held with the Reserve Bank of India pending transfer to Pakistan:- | | |
| | | | Gold Coin and Bullion ⁽¹⁾ | 264,319,634 | 263,903,187 |
| | | | Sterling Securities | 108,045,233 | 101,659,072 |
| | | | Government of India Securities | 12,990,303 | 13,072,228 |
| | | | Rupee Coin | 3,830,380 | 3,853,182 |
| | | | | 389,185,550 | 382,487,669 |
| Total Liabilities | 100,981,610,227 | 91,205,748,306 | Total Assets | 100,981,610,227 | 91,205,748,306 |

STATE BANK OF PAKISTAN

Balance Sheet as at 30th June, 1989

BANKING DEPARTMENT

| LIABILITIES | | | ASSETS | | | | | |
|--------------------------------------|-----------------------|-----------------------|---|--|--|-----------------------|-----------------------|--|
| | | | 30th June, 1989 | | | 30th June, 1988 | | |
| | | | Rupees | | | Rupees | | |
| Capital Paid Up | | 100,000,000 | Notes | | | 292,277,562 | | |
| Reserve Fund | | 2,500,000,000 | Rupee Coin | | | 1,161 | | |
| Rural Credit Fund | | 1,900,000,000 | Subsidiary Coins | | | 349,103 | | |
| Industrial Credit Fund | | 1,000,000,000 | Bills Purchased and Discounted:- | | | | | |
| Export Credit Fund | | 850,000,000 | (a) Internal:- | | | | | |
| Loans Guarantee Fund | | 300,000,000 | (i) Agricultural Sector | | | Rs. | Nil | |
| Housing Credit Fund | | 700,000,000 | (ii) Industrial Sector | | | Rs. | Nil | |
| Deposits:- | | | (iii) Export Sector | | | Rs. | 3,566,738 | |
| (a) Federal Government | 11,324,260,480 | 11,284,556,747 | (iv) Housing Sector | | | Rs. | Nil | |
| (b) Provincial Government | 7,679,595,412 | 10,050,407,011 | (v) Others | | | Rs. | 33,400,000 | |
| (c) Banks ⁽²⁾ | 15,846,281,082 | 13,951,506,281 | (b) External | | | Rs. | Nil | |
| (d) Others | 16,471,629,913 | 8,874,165,096 | (c) Government Treasury Bills | | | Rs. | 10,688,480,454 | |
| Allocating of Special Drawing rights | 4,481,691,989 | 4,020,239,850 | Balances held outside Pakistan ⁽⁵⁾ | | | Rs. | 3,411,381,079 | |
| Bills Payable | 97,186,039 | 90,568,089 | Special Drawing Rights held with the International Monetary Fund | | | Rs. | 119,733,196 | |
| Revaluation Account ⁽³⁾ | 13,863,049,841 | 13,838,205,350 | Loans and Advances to Governments | | | Rs. | 214,400,000 | |
| Other Liabilities ⁽⁴⁾ | 11,212,118,593 | 11,140,695,700 | Government Debtors balances | | | Rs. | Nil | |
| | | | Loans and Advances to Scheduled Banks | | | | | |
| | | | A. Agricultural Sector | | | Rs. | 19,752,146,176 | |
| | | | B. Industrial Sector | | | Rs. | 4,456,031,983 | |
| | | | C. Export Sector | | | Rs. | 10,963,920,053 | |
| | | | D. Housing Sector | | | Rs. | 692,711 | |
| | | | E. Others | | | Rs. | 1,644,961,720 | |
| | | | Loans and Advances to Non-Bank Financial Institutions ⁽⁶⁾ :- | | | Rs. | 36,817,752,643 | |
| | | | A. Agricultural Sector | | | Rs. | Nil | |
| | | | B. Industrial Sector | | | Rs. | 7,623,738,987 | |
| | | | C. Export Sector | | | Rs. | Nil | |
| | | | D. Housing Sector | | | Rs. | 13,701,846,533 | |
| | | | E. Others | | | Rs. | 524,609,670 | |
| | | | Investments:- | | | | | |
| | | | A. Scheduled Banks ⁽⁷⁾ | | | Rs. | 7,363,207,715 | |
| | | | B. Non-Bank Financial Institutions ⁽⁷⁾ | | | Rs. | 1,754,747,105 | |
| | | | C. Government Securities ⁽⁸⁾ | | | Rs. | 916,759,684 | |
| | | | D. Others | | | Rs. | Nil | |
| | | | Other Assets | | | Rs. | 10,034,714,504 | |
| Total Liabilities | 88,325,813,349 | 80,600,344,124 | Total Assets | | | 88,325,813,349 | 80,600,344,124 | |

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

Commitments for forward exchange operations stood at U.S.\$ 618.505 million against forward sales and U.S.\$ 116.325 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, 1989 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 Ford Rhodes, Robson, Morrow 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 20th day of August 1989

Ford. Rhodes. Robson. Morrow
Chartered Accountants

Muniff Ziauddin & Co
Chartered Accountants

STATE BANK OF PAKISTAN
Profit and Loss Account for the Year ended 30th June,1989

| I N C O M E | | |
|---|----------------------|----------------------|
| | 30th June, 1989 | 30th June, 1988 |
| | <u>Rupees</u> | <u>Rupees</u> |
| Interest, Discount, Exchange, Commission and Return*,etc. | 1,805,433,797 | 3,914,526,085 |
| EXPENDITURE | | |
| Establishment | 659,480,056 | 649,427,799 |
| Directors' Fees and Expense | 306,806 | 266,458 |
| Auditors' Fees | 50,000 | 50,000 |
| Rent, Taxes, Insurance, lighting, etc. | 23,298,192 | 23,219,993 |
| Law Charges | 1,377,115 | 1,413,421 |
| Postage and Telegram Charges | 3,693,663 | 4,862,665 |
| Remittance of Treasure | 3,162,340 | 7,730,129 |
| Stationary, etc. | 6,226,090 | 5,299,944 |
| Security Printing (Cheques, Note Forms, etc.) | 276,599,610 | 287,962,835 |
| Depreciation and Repairs to bank's Property | 16,705,596 | 16,652,753 |
| Agency Charges | 152,704,301 | 85,440,892 |
| SDR Charges | 303,212,666 | 264,920,102 |
| Contribution To Staff and Superannuation Funds | 25,000,000 | 25,000,000 |
| Contribution To Staff Welfare Fund | Nil | 95,200,000 |
| Miscellaneous Expenses | 183,849,169 | 187,079,094 |
| Net Available Balance | 149,768,193 | 2,260,000,000 |
| Sub-Total | 1,805,433,797 | 3,914,526,085 |
| Amount transferred to Reserve Fund | Nil | 250,000,000 |
| 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 | Nil |
| Amount transferred to Industrial Credit Fund | Nil | Nil |
| Amount transferred to Export Credit Fund | Nil | Nil |
| Amount transferred to Loans Guarantee Fund | Nil | Nil |
| Amount transferred to Housing Credit Fund | Nil | Nil |
| Surplus payable to the Federal Government | 139,768,193 | 2,000,000,000 |
| Balance carried forward | Nil | Nil |
| Total | 149,768,193 | 2,260,000,000 |

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

| | | |
|--|----------------------|----------------------|
| By balance on 30th June, 1988 | 2,500,000,000 | 2,250,000,000 |
| By transfer from Profit and Loss Account | Nil | 250,000,000 |
| Total | 2,500,000,000 | 2,500,000,000 |

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

SIRAJ ISMAIL KHAN
Director of Accounts.

I. H. QARNI
Deputy Governor.

I. A. HANFI
Governor.

Dated the 20th day of August, 1989