



**GOVERNMENT OF GILGIT-BALTISTAN**

**FINANCIAL STATEMENTS**

**FINANCIAL YEAR 2022-23**



**ACCOUNTANT GENERAL, GILGIT-BALTISTAN**



# **GOVERNMENT OF GILGIT-BALTISTAN**



## **FINANCIAL STATEMENTS**

**FINANCIAL YEAR 2022-23**

**ACCOUNTANT GENERAL GILGIT-BALTISTAN**

**Controller General of Accounts, Gilgit-Baltistan, Pakistan**

Office of the CGA Complex Sector G-5/2

Islamabad.

Tel: 051-9201322-25

**Accountant General, Gilgit-Baltistan**

Tel : 05811-920110

Fax: 05811-920428

## **Table of Contents**

Preface	01-02
Auditor General's Report	03-04
Statement of Cash Receipts and Payments	05-05
Statement of Cash Flows	06-06
Statement of Comparison of Budgeted and Actual Amounts by Function	07-07
Statement of Comparison of Budgeted and Actual Amounts by Department	08-08
Notes to the Financial Statements	09-16



## **PREFACE**

I am pleased to present the Audited Financial Statements of the Gilgit-Baltistan Government for the year ended June 30, 2023 together with the Auditor's Report thereon along with the Management Analysis Report.

The Financial Statements of the Gilgit-Baltistan Government for the financial year 2022-2023 have been prepared by the Accountant General Gilgit-Baltistan, under Section 5(a) of the Controller General of Accounts Gilgit-Baltistan (Appointments, Functions and Powers) Act, 2012 and are the responsibility of the Controller General of Accounts, Gilgit-Baltistan.

In response to the changing nature of stakeholder's requirements for ensuring informed decision making based on financial information and development in the public sector accounting standards, the role of CGA has transformed. Stakeholders now expect high quality, reliable and relevant financial reports and the focus of CGA is not limited to reporting historical results, but is now constantly moving towards enhancing public value, by providing the legislature and the executive through the Financial Statements and Management Analysis Report an insight of the Government's Financial Performance.

In December 2000, Auditor General of Pakistan prescribed New Accounting Model (NAM) with the approval of the President of Pakistan under Article 170 of the Constitution of Islamic Republic of Pakistan. NAM, which conforms to international best practices, comprises of seven volumes and is based on Modified Cash Basis of Accounting in which Cash Basis of Accounting is followed, with the following additional concepts:

- Commitment Accounting
- Physical and Financial Assets Accounting
- Liabilities Accounting

Commitment and fixed asset accounting practices are not yet implemented and these Financial Statements have been prepared on Cash Basis of Accounting and do not include accrued receipt and liabilities.

The current Financial Statements have been prepared under NAM and the format of International Public Sector Accounting Standards (IPSAS) Cash Basis Financial Reporting under the Cash Basis of Accounting has been adopted for the preparation of these Financial Statements.

These Financial Statements focus on reporting the budgetary activity of the Government for the financial year as laid down in the financial procedures of the Gilgit-Baltistan Order, 2018 which describes the Government Consolidated Fund and Public Account for which Annual Budget Statements is authorized by the Assembly in the form of budgetary grants.

Finally, it is important to emphasize the value of sustained and dedicated efforts towards excellence in public sector financial accounting and reporting. Moving forward, management and staff of CGA are working closely to address the challenges and issues which can limit the quality, transparency and reliability of financial reports through excellent financial reporting we are committed to support the decision making critical to the nation's fiscal future.

**Islamabad, Pakistan**

**Dated:**

**Controller General of Accounts  
Gilgit-Baltistan/Pakistan**





**AUDITOR GENERAL OF GILGIT-BALTISTAN  
AUDIT HOUSE, CONSTITUTION AVENUE  
ISLAMABAD, PAKISTAN**

---

**AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS**

I have audited the accompanying financial statements of the Government of Gilgit-Baltistan, which comprise the statements of receipts and payments for the year ended 30<sup>th</sup> June 2023, statement of cash flows, statement of comparison of budget and actual amounts by function, statement of comparison of budget, actual expenditure by department and statement of appropriation of grants by object for the year then ended and a summary of significant accounting policies and other explanatory notes.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and proper presentation of these financial statements in accordance with the applicable financial reporting framework. These financial statements have been prepared by the Accountant General GB under Section 5(a) of Gilgit-Baltistan Controller General of Accounts (Appointment, Functions and Powers) Act, 2012.

**Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit in accordance with the requirements of Section 98(6) of Government of Gilgit-Baltistan Order, 2018 read with Section 8 of Auditor General of GB (Functions, Powers and Term and Conditions of Service) Act, 2012. I conducted my audit in accordance with the auditing standards issued by the International Organization of Supreme Audit Institutions (ISSAIs) and other guidance issued by my department. These standards require that I perform procedures including risk assessment to obtain reasonable assurance whether the Financial Statements are free of material misstatement. The audit process includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. It also includes assessing the accounting policies used, as well as evaluating the overall Financial Statements presentation. I believe that my audit provide a reasonable basis for my opinion.


**In my opinion:**

- a. These financial statements properly present, in all material respects, the financial position of the GB Government as at 30<sup>th</sup> June, 2023 and the results of its operations, its cash flow and its expenditures and receipts, by appropriation for the year then ended in accordance with the stated accounting policies of the Government of Gilgit-Baltistan.
- b. The sums expended have been applied, in all material respects, for the purposes authorized by the GB Assembly and have, in all material respects, been booked to the relevant grants and appropriations.

**Other Reports**

Reports covering significant aspects of the financial governance or economical and effective utilization of public resources are submitted separately to the Governor of Gilgit-Baltistan under Section 98(6) of Government of Gilgit-Baltistan Order, 2018.

(Muhammad Ajmal Gondal)



Islamabad, Pakistan  
Date

---

**Auditor General of  
Gilgit-Baltistan**

**Government of Gilgit-Baltistan**  
**Statement of Cash Receipts and Payments**  
**for the Year Ended 30 June, 2023**

	Notes	2022-23 Rupees in Million		2021-22 Rupees in Million	
		Receipts/ Payments Controlled by Provincial Government	Payments by Third Parties	Receipts/ Payments Controlled by Provincial Government	Payments by Third Parties
<b>PROVINCIAL CONSOLIDATED FUND</b>					
<b>RECEIPTS</b>					
Taxation - Provincial Government's Own Collection	8	347.95	-	354.57	-
<b>Non-Tax Revenue and Other Receipts</b>					
General Administration Receipts	9	55.91	-	9.82	-
Economic Services Receipts	10	184.31	-	79.73	-
Community Service Receipts	11	304.50	-	40.92	-
Law & Orders	12	35.10	-	28.74	-
Social Services	13	40.96	-	33.14	-
Profits	14	1,077.01	-	974.37	-
Interest on Loans	15	21.91	-	19.60	-
State Trading Schemes	16	1,669.02	-	1,954.30	-
Extra Ordinary Receipts	17	0.25	-	0.06	-
Development Surcharge and Royalties	18	5.81	-	2.76	-
Other Receipts	19	196.08	-	64.95	-
		<b>3,590.84</b>	<b>-</b>	<b>3,208.37</b>	<b>-</b>
<b>Grants</b>					
Development		18,416.32	-	25,489.95	9.44
Non Development	20	61,201.87	-	55,655.72	-
		<b>79,618.19</b>	<b>-</b>	<b>81,145.67</b>	<b>9.44</b>
<b>Capital Receipts</b>					
Recovery of loans and advances	21	406.51	-	371.55	-
		<b>406.51</b>	<b>-</b>	<b>371.55</b>	<b>-</b>
<b>Total Receipts</b>		<b>83,963.50</b>	<b>-</b>	<b>85,080.16</b>	<b>9.44</b>
<b>PAYMENTS</b>					
<b>Operations</b>					
Salaries and Employees Retirement Benefits	22	41,055.48	-	34,995.06	-
Operating Expenses	23	8,322.84	-	7,824.95	9.44
		<b>49,378.32</b>	<b>-</b>	<b>42,820.01</b>	<b>9.44</b>
<b>Transfers, Grants, Subsidies and Write off Loans</b>					
Grants, Subsidies and Write-off of Loans	24	2,644.48	-	2,578.88	-
Transfer Payments		121.38	-	137.63	-
		<b>2,765.86</b>	<b>-</b>	<b>2,716.51</b>	<b>-</b>
<b>Expenditures on</b>					
Physical Assets	25	14,697.22	-	18,413.83	-
Civil Works		14,650.97	-	12,104.65	-
Repairs and Maintenance		3,998.37	-	5,580.84	-
Project Pre-Investment Analysis		409.32	-	180.56	-
Investments		293.10	-	107.18	-
		<b>34,048.98</b>	<b>-</b>	<b>36,387.06</b>	<b>-</b>
<b>Total Payments</b>		<b>86,193.16</b>	<b>-</b>	<b>81,923.58</b>	<b>9.44</b>
NET PAYMENTS OF PROVINCIAL CONSOLIDATED FUND		(2,229.66)	-	3,156.58	-
NET RECEIPTS/PAYMENTS OF PUBLIC ACCOUNT	26	340.09	-	(88.21)	-
<b>INCREASE/DECREASE IN CASH</b>		<b>(1,889.56)</b>	<b>-</b>	<b>3,068.37</b>	<b>-</b>
CASH AT BEGINNING OF THE YEAR		22,701.45	-	19,633.08	-
<b>INCREASE/DECREASE IN CASH</b>		<b>(1,889.56)</b>	<b>-</b>	<b>3,068.37</b>	<b>-</b>
<b>CASH AT END OF THE YEAR</b>		<b>20,811.89</b>	<b>-</b>	<b>22,701.45</b>	<b>-</b>

The annexed notes 1 to 30 form an integral part of these Financial Statements.

Accountant General (Gilgit Baltistan)

**Government of Gilgit-Baltistan**  
**Statement of Cash Flows**  
**For the Year Ended 30 June, 2023**

	Notes	2022-2023 Rupees in Million	2021-2022 Rupees in Million
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Taxation - Provincial Government's own Collection	8	348	355
Non-Tax Revenue & Other Receipts	9-19	3,591	3,208
Grants - Receipts	20	79,618	81,146
Operations - Payments	22-23	(49,378)	(42,820)
Transfers - Payments	24	(2,766)	(2,717)
<b>Cash from Operating Activities</b>		<b>31,413</b>	<b>39,172</b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Recovery of Loans and Advances	21	407	372
Expenditure on Physical Assets, Civil Works and Others	25	(34,049)	(36,387)
<b>Cash used in Investing Activities</b>		<b>(33,642)</b>	<b>(36,016)</b>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>			
Net Payments of Public Account	26	340	(88)
<b>Cash from Financing Activities</b>		<b>340</b>	<b>(88)</b>
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(1,890)</b>	<b>3,068</b>
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		22,701	19,633
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>		<b>20,811</b>	<b>22,701</b>

The annexed notes 1 to 30 form an integral part of these Financial Statements.

**Accountant General (Gilgit Baltistan)**

**Government of Gilgit-Baltistan**  
**Statement of Comparison of Budgeted and Actual amounts by Function**  
**for the Year Ended June 30, 2023**

	2022-2023 (Rupees in million)			2021-2022 (Rupees in million)		
	Budgeted Amounts		Actual	Budgeted Amounts		Actual
	Original	Revised	Amounts	Original	Revised	Amounts
<b>RECEIPTS</b>						
<b>Revenue</b>						
Taxation	601	293	348	401	401	355
Non-Taxation	118,727	86,702	83,209	105,929	86,034	84,354
<b>Total revenue receipt</b>	<b>119,328</b>	<b>86,995</b>	<b>83,557</b>	<b>106,330</b>	<b>86,435</b>	<b>84,709</b>
<b>Capital</b>						
Domestic Debt	-	-	-	-	-	-
Foreign Debt	-	-	-	-	-	-
Recoveries of Loans and Advances	-	-	407	-	-	372
Recoveries others	-	-	-	-	-	-
	-	-	407	-	-	372
<b>Total Receipts</b>	<b>119,328</b>	<b>86,995</b>	<b>83,964</b>	<b>106,330</b>	<b>86,435</b>	<b>85,081</b>
<b>PAYMENTS</b>						
<b>Expenditure</b>						
General Public Service	28,830	9,750	9,741	23,434	9,417	9,294
Economic Affairs	52,515	42,790	42,739	51,480	43,850	43,253
Public Order and Safety Affairs	7,954	9,062	9,059	7,466	7,606	7,589
Education Affairs and Services	12,158	14,232	14,183	11,005	12,713	12,521
Health Affairs and Services	15,968	8,517	8,505	11,464	8,396	7,306
Recreation, Culture and Religion	302	317	316	65	379	373
Social Protection	815	762	761	661	1,037	1,029
Housing and Community Amenities	786	889	889	354	563	559
	<b>119,328</b>	<b>86,318</b>	<b>86,193</b>	<b>105,930</b>	<b>83,960</b>	<b>81,924</b>
<b>Total Payments</b>	<b>119,328</b>	<b>86,318</b>	<b>86,193</b>	<b>105,930</b>	<b>83,960</b>	<b>81,924</b>

The annexed notes 1 to 30 form an integral part of these Financial Statements.

Accountant General (Gilgit Baltistan)

**Government of Gilgit-Baltistan**  
**Statement of Comparison of Budgeted and Actual Expenditure by Department**  
**for the Year Ended June 30, 2023**

Departments	2022-2023 (Rupees in million)			2021-2022 (Rupees in million)		
	Budgeted Amounts		Actual	Budgeted Amounts		Actual
	Original	Revised	Amounts	Original	Revised	Amounts
GOVERNOR SECRETARIAT/HOUSE	133	154	154	126	153	153
CHIEF MINISTER SECRETARIAT	219	384	384	221	300	300
CHAIRMAN'S INSPECTION TEAM	28	41	41	25	32	32
CHIEF ELECTION COMMISSIONER	102	133	133	96	91	91
CABINET	341	556	556	294	308	308
GILGIT-BALTISTAN LEGISLATIVE ASSEMBLY	285	412	412	248	278	278
SERVICES & GENERAL ADMINISTRATION	330	336	335	277	311	310
HOME & PRISON	7,971	9,355	9,349	7,216	8,115	8,091
PLANNING & DEVELOPMENT DEPARTMENT	462	899	898	338	605	584
AGRICULTURE, LIVESTOCK & FISHERIES	1,499	1,876	1,875	1,301	1,535	1,533
SCHOOL EDUCATION DEPARTMENT	11,635	13,845	13,797	10,138	11,660	11,615
HEALTH DEPARTMENT	6,544	7,201	7,189	5,403	6,496	6,452
LOCAL GOVERNMENT & RURAL DEVELOPMENT	1,350	1,604	1,604	1,148	1,309	1,309
FINANCE DEPARTMENT GILGIT-BALTISTAN	17,298	1,211	1,211	12,699	2,069	2,067
FOREST, WILDLIFE & ENVIRONMENT	891	824	823	723	735	731
LAW & PROSECUTION	402	432	431	362	346	345
SUPREME APPELLATE COURT	365	384	384	348	376	374
CHIEF COURT GILGIT-BALTISTAN	830	1,068	1,067	786	758	756
MINERALS, INDUSTRIES, COMMERCE & LABOUR	137	137	136	111	134	134
TOURISM, SPORTS & CULTURE	220	248	248	184	233	233
REVENUE, Z&U, E&T AND COOPERATIVES	248	270	270	209	231	230
WATER & POWER DEPARTMENT	3,747	4,809	4,805	3,827	6,173	6,170
PUBLIC WORKS DEPARTMENT GILGIT-BALTISTAN	5,058	6,344	6,330	4,655	5,938	5,920
IMPLEMENTATION & COORDINATION	25	28	28	19	26	26
FOOD DEPARTMENT GILGIT-BALTISTAN	369	372	372	283	325	325
GILGIT-BALTISTAN DISASTER MANAGEMENT	146	169	169	157	562	558
INFORMATION DEPARTMENT GILGIT-BALTISTAN	42	153	153	32	186	184
SOCIAL WELFARE, POPULATION WELFARE, WOMEN	411	409	408	350	362	360
ANTI-CORRUPTION DEPARTMENT GB	40	41	41	29	23	23
BOARD OF REVENUE GILGIT-BALTISTAN	52	48	48	55	31	31
INFORMATION TECHNOLOGY DEPARTMENT	223	75	75	20	122	122
WATER MANAGEMENT & IRRIGATION DEPTT	35	27	27	20	15	15
HIGHER, TECHNICAL & SPECIAL EDUCATION	-	10	10	-	-	-
STATE TRADING	10,000	10,177	10,160	10,000	12,423	12,423
DEVELOPMENT	47,888	22,288	22,271	44,229	21,699	19,842
<b>Total Payments</b>	<b>119,328</b>	<b>86,318</b>	<b>86,193</b>	<b>105,929</b>	<b>83,960</b>	<b>81,924</b>

The annexed notes 1 to 30 form an integral part of these Financial Statements.

Accountant General (Gilgit Baltistan)

# **Government of Gilgit-Baltistan**

## **Notes to the Financial Statements**

### **for the Year Ended June 30, 2023**

#### **1. REPORTING ENTITY**

The Government of Gilgit-Baltistan conducts its operations under the Government of Gilgit Baltistan Order, 2018. The Order was made in pursuant to Article 139 of the Constitution of the Islamic Republic of Pakistan, 1973 which envisages the Government to be comprising of departments and attached departments of GB. The Order provides for a Consolidated Fund and Public Account of the GB for which Annual Budget Statement is authorized by the Provincial Assembly in the form of budgetary grants. These financial statements focus on reporting the budgetary activity of the government for the financial year.

The Government of Gilgit-Baltistan Order 2018 confers the powers of defining the form, principles and methods of accounts of GB to the Auditor General of GB and describes Provincial Government as an accounting and reporting entity comprising of;

- a) Centralized Accounting Entities; for which the Accountant General Gilgit-Baltistan has the primary responsibility of accounting and reporting.
- b) Self Accounting Entities; for which the Principal Accounting Officer has the primary responsibility of accounting and reporting. The Self Accounting Entity are Works and Forest Departments.
- c) Exempt Entities; special purpose authorities/organizations and all the government owned corporations/companies which are required to prepare their financial statements under their specific statue or Companies Ordinance, 1984 are classified as exempt entities. Financial statements of these entities are not consolidated in the financial statements of the Council. New investments by the Council in such entities are capitalized and any grants to the entities are classified as an expense of the Council, if any, in the financial year to which they pertain. Return from these entities in the form of dividends or interest is classified as non-tax-revenue.

- 1 Gilgit
- 2 Skardu
- 3 Ghizer
- 4 Ghanche
- 5 Diamer
- 6 Astore
- 7 Hunza
- 8 Nagar
- 9 Kharmang
- 10 Shigar

These financial statements include all centralized and self accounting entities and districts.

#### **2. BASIS OF CONSOLIDATION**

The financial statements have been prepared by consolidating the accounts of all centralized and self accounting entities and ten (10) districts. The assets, liabilities, receipts and expenditure are added together line by line using the same functional/object classification.

#### **3. STATEMENT OF COMPLIANCE**

These financial statements have been prepared with the New Accounting Model (NAM). In December 2000, Auditor General of Pakistan prescribed NAM with the approval of the President of Pakistan under Article 170 of the Constitution of Islamic Republic of Pakistan and the implementation of NAM is an ongoing process. Commitment, asset and liability accounting practices have not yet been implemented and memorandum register for assets and commitments do not exist and accounting for liabilities is not done in accordance with NAM.

**Government of Gilgit-Baltistan  
Notes to the Financial Statements  
for the Year Ended June 30, 2023**

**4. ACCOUNTING CONVENTION AND BASIS OF CONSOLIDATION**

These financial statements have been prepared under the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. Assets and liabilities in the disclosed notes are on a historical cost basis.

These financial statements have been prepared as per the requirements of NAM that supports international best practices. The Government is moving towards full implementation of Cash Basis IPSAS - Financial Reporting under the Cash Basis of Accounting. The statement of cash receipts and payments, statement of comparison of budget and actual amounts by function, statement of comparison of budget and actual expenditure by department and notes forming parts thereof have been prepared on the format of Cash Basis IPSAS - Financial Reporting under the Cash Basis of Accounting. The statement of cash flows as required by IPSAS 2 - Cash Flow Statements has also been presented, as encouraged by Cash

The Financial Statements for the financial year 2022-2023 have been prepared and presented in order to make a fair presentation of all the relevant financial information without making any change in the fundamentals applied and all policies have been applied on a basis consistent with the previous year.

**5. REPORTING AND BUDGET PERIOD**

The reporting and budget period of these consolidated financial statements is the financial year 2022-2023. (from 1 July, 2022 to 30 June 2023)

**6. REPORTING CURRENCY**

The reporting currency of these consolidated financial statements is Pak Rupees.

**7. SIGNIFICANT ACCOUNTING POLICIES**

**7.1 Revenue recognition**

Revenue is recognized on the date of receipt of money by the bank or clearance of cheque. Revenue is recognized on a gross basis and any related costs are recorded separately. Receipts representing recovery of any previous overpayment are adjusted against relevant expenditure, if it occurs in the same financial year.

**7.2 Recognition of expenditure**

Expenditure is recognized on the date when payment is made or cheque is issued. Financial year to which the payments pertain is determined by the date on which a cheque or payment advice is issued. Policies for recognition of expenditure are as follows:

**a) Payments made through cheque**

Expenditure is recognized on the date the cheque is issued.

**b) Inter-government transfers**

Expenditure is recognized on the date the transfer is made by the transferor.

**c) Payments directly in bank accounts**

Expenditure is recognized on the date, payment advice is issued to the bank.



**Government of Gilgit-Baltistan  
Notes to the Financial Statements  
for the Year Ended June 30, 2023**

**d) Direct payments by State Bank of Pakistan (SBP)**

Expenditure is recognized on the date when State Bank of Pakistan advises repayment of loans and other direct payments to the relevant accounting office.

**e) Imprest payments**

Expenditure is recognized when the required claim vouchers are submitted and imprest account is reimbursed.

**7.3 Foreign currency**

Transactions in foreign currencies are recorded in the books at the rates of exchange prevailing on the date of transaction. Exchange differences arising on settlement of these transactions are recognized in the Statement of Receipts and Payments, but are not disclosed separately .

**7.4 Employees benefits**

The government has following plans for its employees:

**a) General Provident Fund**

An employee compulsorily subscribe to the General Provident Fund from the date of appointment and monthly subscription is by way of deduction from monthly payroll at a uniform rate, as advised by the Government for a financial year as laid down in the Provident Funds Act (XIX of 1925) and General Provident Fund Rules. The Government pays interest on provident fund balance and is recorded as expenditure in the financial year.

**b) Pension**

This is entitlement of government employees to a stream of payments after they retire from service. No liability for pension is recognized in the financial statements and pension payments made during the year are recorded as expenditure.

**c) Encashment of leave**

This represents liability arising from entitlements to the various forms of leave earned by government employees. No provision is made and the expenditure is recognized on the basis of payments made during the year.

**7.5 Investments**

All investments acquired by the Provincial Government are initially measured at cost being the fair value of consideration given plus transaction costs that are directly attributable to their acquisition.

Subsequent to initial recognition, investments are carried at historical cost. Any dividends received against investments are recognized when received in the provincial consolidated fund.

**7.6 Cash and cash equivalents**

For the purpose of cash flow statement, cash and cash equivalents comprise cash with National Bank of Pakistan.

**7.7 Liability**

Liabilities are future sacrifices of economic benefits that the government is presently obliged to make as a result of the past transaction. All liabilities are recorded at historical cash value.

**Government of Gilgit-Baltistan  
Notes to the Financial Statements  
for the Year Ended June 30, 2023**

**7.8 Public Debt**

Public Debt comprises cash inflows from banks, similar lending agencies, commercial institutions and amounts owing in respect of non-cash assistance provided by third parties and foreign borrowings. All debts raised are classified as either floating or permanent debts depending on the nature of the transaction.

**7.9 Assets**

Assets are future economic benefits controlled by the government as a result of past transactions or other past events. Assets are recorded at cost and currently no depreciation is charged.

**7.10 Loan and advances**

Loans and advances includes loan and advances due from autonomous bodies, financial and non-financial institutions, to government servants for house building and purchase of conveyances and other loans. Loans to government servants are interest bearing and interest is calculated in accordance with the General Financial Rules.

**7.11 Payments by third parties**

The Government also benefits from goods and services purchased on its behalf as a result of cash payments made by third parties during the period by way of loans and contributions, in the shape of grants and aid. The payments made by the third parties do not constitute cash receipts or payments controlled by the Government as defined in the Cash Basis IPSAS - Financial Reporting under the Cash Basis of Accounting but do benefit the Government, as the Government does not receive cash (including cash equivalents) directly from, or gain control of the bank accounts or similar facility established for its benefit by, the third parties. Payments by third parties, if any, are disclosed in the payments by third parties column on the face of statement of cash receipts and payments and notes to the financial statements.

**Government of Gilgit-Baltistan**  
**Notes to the Financial Statements**  
**for the Year Ended June 30, 2023**

Notes	2022-2023 (Rupees in million)	2021-2022 (Rupees in million)
<b>8 <u>TAXATION - PROVINCIAL GOVERNMENT'S OWN COLLECTION</u></b>		
<b><u>Direct Taxes</u></b>		
Land Revenue	2.33	0.04
Property Tax	10.27	19.34
Taxes on Income	1.99	0.79
	<b>14.59</b>	<b>20.17</b>
<b><u>Indirect Taxes</u></b>		
Receipts Under Motor Vehicles Act	210.26	197.63
Stamp Duties	123.05	136.76
Others	0.05	0.01
	<b>333.36</b>	<b>334.39</b>
<b>Total Tax Revenue</b>	<b>347.95</b>	<b>354.57</b>
<b>9 <u>GENERAL ADMINISTRATION RECEIPTS</u></b>		
Organs of State (Registrations, Land Revenue and others)	54.13	6.68
Fiscal Administration (Pension Contribution)	1.78	3.13
	<b>55.91</b>	<b>9.82</b>
<b>10. <u>ECONOMIC SERVICES RECEIPTS</u></b>		
Food and Agriculture	46.20	23.90
Fisheries and Animal Husbandry	63.99	25.34
Forest	23.38	10.22
Others (Power)	-	-
Other Economic Service Receipts	50.74	20.28
	<b>184.31</b>	<b>79.73</b>
<b>11 <u>COMMUNITY SERVICE RECEIPTS (WORKS)</u></b>		
Community Service Receipts	304.50	40.92
	<b>304.50</b>	<b>40.92</b>
<b>12 <u>LAW &amp; ORDERS</u></b>		
Law & Orders	35.10	28.74
	<b>35.10</b>	<b>28.74</b>
<b>13 <u>SOCIAL SERVICES (EDUCATION &amp; HEALTH)</u></b>		
Social Services	40.96	33.14
	<b>40.96</b>	<b>33.14</b>
<b>14 <u>PROFIT</u></b>		
Sale of Electricity	1,077.01	974.37
	<b>1,077.01</b>	<b>974.37</b>
<b>15 <u>INTEREST ON LOANS</u></b>		
Interest	21.91	19.60
	<b>21.91</b>	<b>19.60</b>
<b>16 <u>STATE TRADING SCHEMES</u></b>		
Sale Proceeds of Wheat	1,669.02	1,954.30
	<b>1,669.02</b>	<b>1,954.30</b>

Notes	2022-2023 (Rupees in million)	2021-2022 (Rupees in million)
<b>17 <u>EXTRAORDINARY RECEIPTS</u></b>		
Sale of Land and other Government Assets	0.25	0.06
	<b>0.25</b>	<b>0.06</b>
<b>18 <u>DEVELOPMENT SURCHARGE AND ROYALTIES</u></b>		
Minerals and Royalties	5.81	2.76
	<b>5.81</b>	<b>2.76</b>
<b>19 <u>OTHER RECEIPTS</u></b>		
Other Receipts (Licenses, Fees, Fines, Recoveries, Registrations, Stores and Misc.)	196.08	64.95
	<b>196.08</b>	<b>64.95</b>
<b>20 <u>GRANTS</u></b>		
<b>(i) <u>Development</u></b>		
Annual Development Programme (ADP)	15,057.15	12,898.54
PSDP	3,359.17	12,412.51
Vertical Projects (EPI, Family Planning, MNCH etc.)	-	178.90
	<b>18,416.32</b>	<b>25,489.95</b>
<b>(ii) <u>Non- Development</u></b>		
Regular Receipts	47,036.00	46,895.72
Receipts from GB Council	3,265.83	-
State Trading Receipts	10,900.04	8,760.00
	<b>61,201.87</b>	<b>55,655.72</b>
<b>(iii). <u>Third Party Receipts</u></b>		
Development Grant	-	9.44
	-	<b>9.44</b>
<b>Total Grants</b>	<b>79,618.19</b>	<b>81,145.67</b>
<b>Total Non Tax Revenue</b>	<b>83,209.03</b>	<b>84,354.04</b>
<b>21 <u>RECOVERY OF LOANS AND ADVANCES</u></b>		
House Building	354.88	316.73
Motor Car	25.79	27.25
Motor Cycle	25.84	27.58
<b>Capital Receipts</b>	<b>406.51</b>	<b>371.55</b>
<b>Grand Total</b>	<b>83,963.50</b>	<b>85,080.16</b>
<b>22 <u>SALARIES AND EMPLOYEES RETIREMENT BENEFITS</u></b>		
Pay of Officers	4,779.90	3,046.28
Pay of Other Staff	15,759.78	10,786.93
Regular Allowances	18,593.24	19,601.52
Other Allowances	1,491.56	1,207.10
Employees Retirement Benefits	431.00	353.23
	<b>41,055.48</b>	<b>34,995.06</b>
<b>23 <u>OPERATING EXPENSES</u></b>		
Operating Expenses	8,322.84	7,824.95
	<b>8,322.84</b>	<b>7,824.95</b>
<b>24 <u>TRANSFERS, GRANTS, SUBSIDIES AND WRITE-OFF LOANS</u></b>		
Grants, Subsidies and Write-off Loans	2,644.48	2,578.88
Transfers	121.38	137.63
	<b>2,765.86</b>	<b>2,716.51</b>

## Notes

**2022-2023**                      **2021-2022**  
**(Rupees in million)**                      **(Rupees in million)**

**25 OTHER EXPENSES****Physical Assets**

Hardware	18.35	0.29
Software	3.70	0.30
Others Assets	10,159.62	12,422.66
Medical Stores	0.25	0.15
News Print	0.30	0.20
Medical Laboratory Equipments	1.10	0.26
Generic Consumables	93.93	93.23
General Utility Chemical	0.20	0.05
Purchase of Transport	332.51	1,310.82
Purchase of Plant and Machinery	2,154.75	1,727.98
Purchase of Furniture and Fixture	192.28	273.59
Purchase of Arms and Ammunitions	7.67	17.21
Purchase of livestock	20.10	7.07
Purchase of other Assets	-	506.44
Land & Buildings	1,523.47	2,052.76
Specific Consumables	-	0.01
Specific Utility Chemical	-	0.01
I.T. Equipment	189.00	0.80
<b>Total Physical Assets</b>	<b>14,697.22</b>	<b>18,413.03</b>
Civil Works	14,650.97	12,104.65
Repairs and Maintenance	3,998.37	5,580.84
Project Pre-Investment Analysis	409.32	180.56
Investments	293.10	107.18
	<b>34,048.98</b>	<b>36,386.26</b>
<b>Third Party Payments</b>		
Operating Expenses	-	9.44
	-	<b>9.44</b>
	<b>86,193.16</b>	<b>81,922.78</b>

**26 NET RECEIPTS/ (PAYMENTS) OF PUBLIC ACCOUNT****Receipts**

Trust and Other Public Accounts	4,782.47	22,766.99
Special Deposits	56.71	17.26
State Provident Fund	2,871.44	1,928.11
	<b>7,710.63</b>	<b>24,712.36</b>

**Payments**

Trust and Other Public Accounts	4,538.04	22,864.36
Special Deposits	40.42	22.53
State Provident Fund	2,792.07	1,913.67
	<b>7,370.53</b>	<b>24,800.57</b>

**Net Public Account Payments/Receipts**                      **340.09**                      **(88.21)**

The public account consist of those moneys received by the Government for which it has a fiduciary duty but not at liberty to appropriate for the general services of Government, unless provided under an Act of Provincial Assembly or Rules made by the Governor. The balances in the public account are carried forward at year end to be used for the specific purpose for which they are established.

**27 ASSETS AND LIABILITIES****Assets**

Long Term Assets	60,456.56	30,699.04
Investments	400.28	107.18
Current Assets	(3,526.83)	(2,823.50)
Cash and Bank	20,811.89	22,701.78
	<b>78,141.90</b>	<b>50,684.50</b>

**Liabilities and Equity**

Current Liabilities	(0.26)	0.06
Deferred Liabilities	177.48	98.11
Special Deposits and Trust Accounts	4795.03	4534.31
Residual Equity	73169.65	46052.02
	<b>78,141.90</b>	<b>50,684.50</b>

Notes	2022-2023 (Rupees in million)	2021-2022 (Rupees in million)
<p><b>28 AUTHORIZATION FOR ISSUE</b> Under section 8 of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Act, 2012, read with Article 98(6) of the Government of Gilgit-Baltistan Order, 2018 the Auditor-General submits the certified Financial Statements of the Government of Gilgit-Baltistan together with the audit reports on these Financial Statements to the Governor of Gilgit-Baltistan who shall cause them to be laid before the Provincial Assembly. These consolidated financial statements have been authorized for issue on _____.</p> <p><b>29 GENERAL</b></p> <p><b>29.1 Level of Precision</b> Figures in these Financial Statements have been rounded off to the nearest million rupees, unless otherwise stated.</p> <p><b>30 Third Party Payment</b> No third party payments (Donor) have been made.</p>		

**Accountant General (Gilgit-Baltistan)**



