



Financial Statements of the Government of Balochistan 2022-2023





**Financial Statements
of the
Government of Balochistan
2022-2023**

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PREFACE

I am pleased to present the Financial Statements of the Government of Balochistan for the year ended 30 June, 2023 together with the Auditor's Report thereon.

The Financial Statements of the Government of Balochistan for the financial year 2022-23 have been prepared by the Accountant General Balochistan under Section 5 of the Controller General of Accounts (Appointment, Functions and Powers) Ordinance, 2001 and are the responsibility of the Controller General of Accounts (CGA).

In response to the changing nature of stakeholders' requirements for making informed decision making based on financial information and developments 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 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, though cash basis of accounting is followed, the following additional concepts were introduced:

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

Commitment, asset and liability accounting practices are not yet implemented and these financial statements have been prepared on cash basis of accounting and do not include accrued receipts and liabilities.

The current year's 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 Constitution which describes the Government as Provincial Consolidated Fund and Public Account for

which Annual Budget Statement is authorized by the Provincial 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.

“Sd/-”
Controller General of Accounts
Islamabad, Pakistan



Auditor General of Pakistan
Audit House, Constitution Avenue
Islamabad, Pakistan

Auditor's Report

I have audited the accompanying financial statements of the Government of Balochistan, which comprise the statements of receipts and payments for the year ended 30th 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit in accordance with the requirement of Articles 169 and 170 (2) of the Constitution of the Islamic Republic of Pakistan read with Section 7 of the Auditor-General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001. I conducted my audit in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) and others 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 provides a reasonable basis for my opinion.

In my opinion:

- a) These financial statements properly present, in all material respects, the financial position of the Government of Balochistan as on 30th 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 Balochistan.
- b) The sums expended have been applied, in all material respects, for the purposes authorized by the Provincial 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 under Article 171 of the Constitution of the Islamic Republic of Pakistan.

Islamabad, Pakistan
Date: 19.12.2023

“Sd/-”
(Muhammad Ajmal Gondal)
Auditor-General of Pakistan

GOVERNMENT OF BALOCHISTAN
Statement of Cash Receipts and Payments
For the Year Ended 30 June 2023

	<i>Note</i>	2023 (Rupees in million)		2022 (Rupees in million)	
		Receipts / Payments controlled by the Government	Payments by Third Parties	Receipts / Payments controlled by the Government	Payments by Third Parties
PROVINCIAL CONSOLIDATED FUND					
RECEIPTS					
<i>Taxation- Transfers from Federal Government</i>	8	387,949	-	295,728	-
<i>Taxation- Provincial Government's Own Collection</i>	9	25,945	-	23,503	-
<i>Non-Tax Revenue and Other Receipts</i>					
General Administration	10	1,175	-	1,244	-
Economic Services	11	1,248	-	2,484	-
Development Surcharge and Royalties	12	18,234	-	14,084	-
Dividend and Profit Share	13	2,898	-	1,201	-
Others	14	3,549	-	2,680	-
		27,104	-	21,693	-
<i>Grants and Aid</i>	15	28,699	-	30,505	-
<i>Borrowings</i>					
Receipts of Debt	16	9,972	-	6,096	-
<i>Capital Receipts</i>					
Recovery of Loans and Advances	17	828	-	837	-
<i>Trading Activities</i>	18	11,435	-	4,754	-
<i>Recoveries of Investment</i>	19	-	-	-	-
<i>Direct Payments by Lending / Donor agencies</i>	28	-	-	-	-
TOTAL RECEIPTS		491,932	-	383,116	-

GOVERNMENT OF BALOCHISTAN
Statement of Cash Receipts and Payments
For the Year Ended 30 June 2023

	Note	2023 (Rupees in million)		2022 (Rupees in million)	
		Receipts/ Payments controlled by the Government	Payments by Third Parties	Receipts/ Payments controlled by the Government	Payments by Third Parties
PAYMENTS					
<i>Operations</i>					
Salaries and Employee Benefits	20	228,060	-	188,551	-
Project Preinvestment Analysis		132	-	391	-
Operating Expenses		58,449	-	45,043	-
		286,641		233,985	
<i>Transfers</i>					
Grants, Subsidies and Write-off of Loans	21	57,913	-	45,193	-
Other Transfer Payments		1,418	-	921	-
		59,331		46,114	
<i>Expenditure on</i>					
Physical Assets		19,111	-	10,563	-
Civil Works		109,952	-	86,382	-
Repairs and Maintenance		4,598	-	3,981	-
		133,661		100,926	
<i>Debt and Interest Payments</i>					
Principal Repayment of Debt	23	8,694	-	6,323	-
Interest Payments	24	3,941	-	2,607	-
		12,635		8,930	
<i>Other Payments</i>					
Loans and Advances	22	6,073	-	-	-
Investments		5,600	-	14,300	-
<i>Direct Payments by Lending / Donor agencies</i>					
	28	-	-	-	-
TOTAL PAYMENTS		503,941	-	404,255	-
NET RECEIPT/ (PAYMENT) OF PROVINCIAL CONSOLIDATED FUND		(12,009)	-	(21,139)	-
NET RECEIPT OF PUBLIC ACCOUNT	25.1	9,462	-	228	-
INCREASE IN CASH		(2,547)	-	(20,911)	-
CASH AT BEGINNING OF THE YEAR		25,553	-	46,464	-
INCREASE IN CASH		(2,547)	-	(20,911)	-
CASH AT END OF THE YEAR	26	23,006	-	25,553	-

The annexed notes 1 to 33 form an integral part of these financial statements.

"Sd/-"
Accountant General Balochistan

GOVERNMENT OF BALOCHISTAN
Statement of Cash Flows
For the Year Ended 30 June 2023

	2023 Rupees in million	2022 Rupees in million
CASH FLOWS FROM OPERATING ACTIVITIES		
Taxation - Transfers from Federal Government	8 387,949	295,728
Taxation - Provincial Government's Own Collection	9 25,945	23,503
Non-Tax Revenue and Other Receipts	27,104	21,693
Grants and Aid - Receipts	15 28,699	30,505
State Trading - Receipts	18 11,435	4,754
Operations - Payments	(286,641)	(233,985)
Interest Payments	24 (3,941)	(2,607)
Transfers - Payments	(59,331)	(46,114)
Cash from Operating Activities	131,219	93,477
CASH FLOWS FROM INVESTING ACTIVITIES		
Recoveries of Loans and Advances	17 828	837
Recovery of Investment	19 -	-
Expenditure on Physical Assets, Civil Works and Others	(133,661)	(100,926)
Payments of Loans and Advances	22 (6,073)	-
Investments	(5,600)	(14,300)
Cash used in Investing Activities	(144,506)	(114,389)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts of Debt	16 9,972	6,096
Principal Repayments of Debt	23 (8,694)	(6,323)
Net Receipt of Public Account	25.1 9,462	228
Cash used in Financing Activities	10,740	1
NET INCREASE IN CASH AND CASH EQUIVALENTS	(2,547)	(20,911)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	25,553	46,464
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	26 23,006	25,553

The annexed notes 1 to 33 form an integral part of these financial statements.

"Sd/-"
Accountant General Balochistan

GOVERNMENT OF BALOCHISTAN
Statement of Comparison of Budget and Actual Amounts by Function
For the Year Ended 30 June 2023

	2023 (Rupees in Million)			2022 (Rupees in Million)		
	Budgeted Amounts		Actual	Budgeted Amounts		Actual
	Original	Revised	Amounts	Original	Revised	Amounts
RECEIPTS						
<i>Revenue</i>						
Taxation	389,699	419,829	415,353	337,526	336,926	320,882
Non-Taxation	126,672	68,358	51,891	127,468	52,604	49,230
Income from Property and Enterprise	6,656	5,344	14,333	5,680	5,009	5,955
Total revenue receipts	523,027	493,531	481,577	470,674	394,539	376,067
<i>Capital</i>						
Receipt of Debt	2,900	6,073	9,527	11,300	3,806	6,212
Recoveries of Loans and Advances	2,541	1,244	828	1,791	860	837
Recoveries of Investment	111	-	-	111	-	-
Total capital receipts	5,552	7,317	10,355	13,202	4,666	7,049
TOTAL RECEIPTS	528,579	500,848	491,932	483,876	399,205	383,116
PAYMENTS						
<i>Revenue</i>						
General Public Services	80,565	85,828	70,394	87,281	78,044	56,381
Public Order and Safety Affairs	56,022	59,739	55,797	52,789	49,777	43,880
Economic Affairs	66,871	72,656	50,958	61,180	57,435	40,989
Environment Protection	491	374	360	538	444	300
Housing and Community Amenities	27,074	30,098	20,227	26,132	26,094	18,821
Health Affairs and Services	43,814	32,566	31,041	38,530	40,362	27,361
Recreation, Culture and Religion	3,660	4,532	4,044	3,719	3,965	3,343
Education Affairs and Services	83,212	78,827	75,769	71,904	70,263	65,902
Social Protection	5,009	13,952	13,360	4,788	5,207	4,467
Total revenue payments	366,718	378,572	321,950	346,861	331,591	261,444
<i>Capital</i>						
General Public Services	6,838	6,403	19,561	7,735	2,584	21,581
Public Order and Safety Affairs	4,460	1,102	1,073	2,121	1,503	1,366
Economic Affairs	136,750	83,994	94,462	133,877	74,647	76,713
Environment Protection	23,581	17,739	17,621	15,499	11,677	11,593
Housing and Community Amenities	16,047	10,273	10,234	9,527	4,706	4,651
Health Affairs and Services	14,302	8,269	7,685	15,292	7,348	6,320
Recreation, Culture and Religion	9,850	5,395	5,238	10,583	4,773	4,106
Education Affairs and Services	20,314	10,037	9,161	18,714	8,141	7,950
Social Protection	14,786	19,255	16,956	23,873	10,731	8,531
Total capital payment	246,928	162,467	181,991	237,221	126,110	142,811
TOTAL PAYMENTS	613,646	541,039	503,941	584,082	457,701	404,255

The annexed notes 1 to 33 form an integral part of these financial statements.

"Sd/-"
Accountant General Balochistan

GOVERNMENT OF BALOCHISTAN
Statement of Comparison of Budget and Actual Expenditure by Departments
For the Year Ended 30 June 2023

DEPARTMENTS	2023 (Rupees in million)			2022 (Rupees in million)		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Revised		Original	Revised	
Service & General Administration	3,640	4,063	3,883	3,433	3,737	3,459
Excise, Taxation & Administration	1,576	1,505	1,383	1,298	1,222	1,046
Stamps	53	55	40	53	52	48
Emplee: Retirement Benefits (Pension)	48,339	50,986	50,774	46,685	41,423	40,540
Administration of Justice	4,821	5,052	4,796	4,057	3,679	3,696
Law & Parliamentary Affairs	724	754	691	644	691	639
Provincial Ombudsman	325	356	300	294	259	233
Balochistan Police	30,044	30,392	29,397	29,152	25,538	23,888
Balochistan Levies	14,092	17,207	15,980	12,958	12,444	10,945
Jails and Detention Places	1,935	1,847	1,237	1,881	1,870	1,219
Civil Defence	186	185	165	219	206	195
Communication & Works	13,424	12,889	9,916	6,748	6,557	5,998
Public Health Engineering	6,289	6,503	6,129	5,752	5,594	4,645
B-WASA	1,750	4,409	4,359	1,658	2,059	2,008
Colleges, Higher & Technical Edu:	12,713	14,678	13,869	11,736	11,333	10,723
Secondary Education	63,443	57,639	55,691	53,256	51,727	48,266
Archives, Museums & Libraries	501	438	266	560	397	260
Health Affairs Department	50,169	38,564	36,836	44,694	47,165	33,872
Population Welfare	1,340	1,016	989	1,225	1,017	942
Labour & Manpower Department	2,546	1,744	1,648	2,309	2,152	1,336
Sports, Recreation & Youth Affairs	1,240	1,673	1,664	1,495	1,526	1,137
Social Security & Social Welfare	2,414	2,107	1,692	2,226	1,995	1,674
Provincial Disaster Manag:Authority	1,190	10,862	10,637	1,180	2,061	1,875
Religious Affairs Department	937	916	701	847	683	566
Food Department	801	784	716	721	688	655
Agriculture Department	11,702	12,923	12,329	10,595	9,754	9,035
Land Revenue Department	346	323	255	330	289	251
Live Stock & Dairy Development	4,967	4,529	4,382	4,526	4,058	3,827
Forest & Wildlife Department	1,786	1,545	1,236	1,540	1,275	1,121
Fisheries Department	1,245	1,494	1,365	1,168	1,199	1,072
Cooperative Department	234	176	149	204	140	130
Irrigation Department	3,477	4,071	3,989	3,154	2,796	2,596
Local Govt: & Rural Development	18,469	18,635	9,323	18,261	18,033	11,801
Industries Department	2,145	2,232	1,840	1,921	2,083	1,921
Stationery and Printing Department	154	160	134	154	133	57
Mines & Mineral Development	3,202	2,603	1,860	3,767	4,399	3,119
Loan & Subsidies	3,510	6,073	6,073	685	3,584	684
Prosecution Department	529	479	323	439	348	294
Transport Department	194	200	134	509	473	190
Culture Services	539	505	328	491	647	582
Women Development Department	283	215	195	313	280	161
Investments	8,000	5,500	5,500	14,050	14,050	14,050
Energy Department	6,794	7,092	5,064	7,260	7,567	5,280
Information Technology Department	539	792	649	457	418	326
Environment Control Department	491	374	361	538	444	300
Urban Planning & Development	370	314	299	318	290	254
Planing and Development Department	1,014	2,439	2,416	1,382	1,738	1,679
Information Department	708	918	898	675	882	851
Inter Provincial Coordination Deptt:	64	62	56	66	54	43
Chief Minister Secretariat	1,037	1,005	931	959	911	757
Home & Tribal Affairs Department	3,007	3,108	2,567	2,815	4,452	2,493
Board of Revenue & Administration	4,486	4,434	3,925	4,179	3,956	3,549
Finance Department	2,076	1,886	1,689	5,080	1,620	1,447
Minorities Affairs Department	292	302	258	296	253	239
Building, Physical Planning & Housing	-	-	-	7,045	4,327	3,771
Governor Secretariat	322	354	319	295	266	228
Provincial Assembly	2,330	2,061	1,411	1,753	1,560	1,245
Debt Servicing & Other Obligations	2,163	3,433	3,433	3,196	2,275	2,275
Principal Re-Payment of Debt	5,256	7,885	7,885	4,663	5,014	5,014
State Trading-Food	10,495	13,826	12,471	8,696	5,948	5,342
Development	246,928	162,467	156,135	237,221	126,110	118,406
Payments of Provincial Government	613,646	541,039	503,941	584,082	457,701	404,255
TOTAL PAYMENTS	613,646	541,039	503,941	584,082	457,701	404,255

The annexed notes 1 to 33 form an integral part of these financial statements.

"Sd/-"

Accountant General Balochistan

GOVERNMENT OF BALOCHISTAN

Notes to the Financial Statements

For the Year Ended 30 June 2023

1. REPORTING ENTITY

Provincial Government Balochistan (the Government) conducts its operations under the Rules of Business 2012. These rules were made pursuant to Article 139 of the Constitution of the Islamic Republic of Pakistan, 1973 (the Constitution) and envisages Provincial Government as comprising of Provincial and their attached departments. Financial procedures of the Constitution describe the Government as Provincial Consolidated Fund and Public Account of the Province 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.

Article 170 of the Constitution confers the powers of defining the form, principles and methods of the accounts of the Province to the Auditor General of Pakistan, with the approval of the President. New Accounting Model was prescribed by the Auditor General of Pakistan in 2000 which describes Provincial Government as an accounting and reporting entity comprising of;

- a) Centralized Accounting Entities; for which the Accountant General has the primary responsibility for accounting and reporting.
- b) Self Accounting Entities; There are no Self Accounting Entities for which the Principal Accounting Officer has the primary responsibility for accounting and reporting.
- 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 Statute or Companies Ordinance, 1984 are classified as exempt entities. Financial statements of these entities are not consolidated in the financial statements of the Provincial Government. New investments made by the Provincial Government in such entities are capitalized and any grants to the entities are classified as an expense of the Provincial Government, if any, in the financial year to which they pertain. Return from these entities in the form of dividend or interest is classified in the consolidated fund as non-tax revenue.

These financial statements include all centralized accounting entities.

2. BASIS OF CONSOLIDATION

These financial statements have been prepared by consolidating the accounts of all centralized accounting entities. Material inter-government transactions have been eliminated in consolidation.

3. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance 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 on-going process. However commitment, asset and liability accounting practices have not yet been implemented and memorandum registers for assets and commitments do not exist and accounting of liabilities is not done in accordance with NAM.

4. ACCOUNTING CONVENTION AND BASIS OF PREPARATION

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. Government of Pakistan is moving towards full implementation of the International Public Sector Accounting Standards (IPSASs) issued by the International Federation of Accountants (IFAC). The implementation process initially includes the adoption of Cash Basis IPSAS - Financial Reporting under the Cash Basis of Accounting. The statement of cash receipts and payments, statements of comparison of budget and actual amounts by function, statements of comparison of budget and actual expenditure by departments and notes forming part 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 Basis IPSAS.

The financial statements for the financial year 2022-23 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.

GOVERNMENT OF BALOCHISTAN

Notes to the Financial Statements

For the Year Ended 30 June 2023

5. REPORTING AND BUDGET PERIOD

The reporting and budget period of these financial statements is the financial year 2022-23 (from 1 July, 2022 to 30 June, 2023).

6. REPORTING CURRENCY

The reporting currency of these financial statements is Pak Rupee which is Provincial Government's functional and presentational currency.

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 the 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

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 the payment advice is issued to the Bank.

d) Direct payments by the 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 the transaction. Exchange differences arising on settlement of these transactions are recognized in the statement of cash receipts and payments, but are not disclosed separately.

GOVERNMENT OF BALOCHISTAN

Notes to the Financial Statements

For the Year Ended 30 June 2023

7.4 Employee benefits

The government has following plans for its employees:

a) **General Provident Fund**

An employee compulsorily subscribes to the General Provident Fund from the date of appointment and monthly subscription is by way of deduction from the monthly payroll at a uniform rate of subscription, 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**

The 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

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 made by the 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 dividend 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 of cash with the State 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 transactions. All liabilities are recorded at historical cash value.

7.8 Public debt

Public Debt comprises of 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 Loans and advances

These include loans and advances due from autonomous bodies, financial and non-financial institutions, Government servants for house building, purchase of conveyance 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 the 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 BALOCHISTAN
Notes to the Financial Statements
For the Year Ended 30 June 2023

	<i>Note</i>	2023 Rupees in million	2022 Rupees in million
8. TAXATION - TRANSFERS FROM FEDERAL GOVERNMENT			
<i>Direct Taxes</i>			
Income Tax		156,160	110,134
		156,160	110,134
<i>Indirect Taxes</i>			
Sales Tax		157,433	128,242
Custom Duty		55,418	39,700
Federal Excise		18,926	17,623
Capital Value Tax - On Movable Property		12	29
		231,789	185,594
		<u>387,949</u>	<u>295,728</u>
9. TAXATION - PROVINCIAL GOVERNMENT'S OWN COLLECTION			
<i>Direct Taxes</i>			
Property Tax		305	307
Land Revenue		414	773
Tax on Profession		45	27
		764	1,107
<i>Indirect Taxes</i>			
Sales Tax on Services		19,349	17,385
Receipts Under Motor Vehicles Act		833	880
Stamp Duties		552	464
Provincial Excise		850	805
Capital Value Tax - On Immovable Property		240	156
Others		3,357	2,706
		25,181	22,396
		<u>25,945</u>	<u>23,503</u>
10. GENERAL ADMINISTRATION RECEIPTS			
Fiscal Administration		194	118
Organs of State		67	103
Community Services		125	128
Social Services		307	240
Economic Regulations		9	8
Law and Order		473	647
		<u>1,175</u>	<u>1,244</u>

GOVERNMENT OF BALOCHISTAN
Notes to the Financial Statements
For the Year Ended 30 June 2023

	<i>Note</i>	2023 Rupees in million	2022 Rupees in million
11. ECONOMIC SERVICES - RECEIPTS			
Cooperation, Irrigation and Embankment Drainage		179	488
Food and Agriculture		352	256
Fisheries and Animal Husbandry		153	99
Forest		80	62
Others		484	1,579
		<u>1,248</u>	<u>2,484</u>
12. DEVELOPMENT SURCHARGE AND ROYALTIES - RECEIPTS			
Development Surcharge on Gas - Federal Receipts	<i>12.1</i>	353	1,642
Royalty on Natural Gas and Crude Oil - Federal Receipts	<i>12.2</i>	11,868	6,797
Federal Excise Duty on Natural Gas - Receipts		1,458	1,651
Mineral Royalties - Provincial Receipts		1,219	2,279
Mineral Royalties from Saindak - Provincial Receipts		1,881	1,692
Mineral Royalties from Chamalang - Provincial Receipts		6	23
Mineral Royalties from Duddar		1,449	877
		<u>18,234</u>	<u>14,961</u>

12.1 The development surcharge on natural gas is levied under the Natural Gas Development Surcharge Ordinance, 1967. In pursuance of the said Ordinance, the federal government has to fix the sale price for the consumers and prescribe a price for the gas companies. The difference between the two prices is the margin available to the Government as development surcharge. The surcharge on natural gas is transferred to the Provinces according to the production of gas in a Province.

12.2 Royalty on crude oil and natural gas is received under the Pakistan Petroleum Production Rules, 1949 at the rate of 12.5% on the well head value of production. Federal Government collects royalty on crude oil and natural gas which is transferred to the Provinces on well head production basis after deduction of 2% collection charges.

12.3 Mineral Royalties are Provincial Government's own collection from mineral resources extracted from various areas.

	<i>Note</i>	2023 Rupees in million	2022 Rupees in million
13. DIVIDEND AND PROFIT SHARE			
Dividends Receipts	<i>13.1</i>	2,898	1,201
		<u>2,898</u>	<u>1,201</u>
13.1 Dividends Receipts			
Non-Financial Institutions		<u>2,898</u>	<u>1,201</u>

GOVERNMENT OF BALOCHISTAN
Notes to the Financial Statements
For the Year Ended 30 June 2023

	<i>Note</i>	2023 Rupees in million	2022 Rupees in million
14. OTHER RECEIPTS			
Extra Ordinary Receipts - Sale of Land and Others		2,600	904
Miscellaneous Receipts - Recovery of Overpayments and Others		949	1,776
		<u>3,549</u>	<u>2,680</u>
15. GRANTS & AID			
Development Grants-Federal Receipts-C03603 & C03601		28,672	20,204
Non Development Grants-Federal Receipts C03604		27	10,180
Other Non Development Grants-Foreign Aided Project Grants Funded Receipt-C03634		-	121
		<u>28,699</u>	<u>30,505</u>
16. RECEIPTS OF DEBT			
Permanent Debt - Federal Government (Foreign Lenders)		9,972	6,096
		<u>9,972</u>	<u>6,096</u>
17. RECOVERY OF LOANS AND ADVANCES			
Non-financial Institutions (Food)		809	809
Government Servants		19	28
		<u>828</u>	<u>837</u>
18. STATE TRADING - RECEIPTS			
Sale of Wheat		11,435	4,754
19. RECOVERY OF INVESTMENTS			
Interest Receipts on Investments		-	-
Investment Receipts		-	-
		<u>-</u>	<u>-</u>
20. SALARIES AND EMPLOYEE BENEFITS			
Pay of Officers		31,474	20,756
Pay of Other Staff		77,120	50,781
Allowances		68,801	76,540
Retirement Benefits		50,665	40,474
		<u>228,060</u>	<u>188,551</u>
21. GRANTS, SUBSIDIES AND WRITE-OFF OF LOANS			
Subsidies		4,147	5,091
Grants Domestic		53,766	40,102
		<u>57,913</u>	<u>45,193</u>
22. LOAN & ADVANCES			
Loan & Advances(Food)		6,073	-
		<u>6,073</u>	<u>-</u>
23. PRINCIPAL REPAYMENT OF DEBT			
Domestic Debt	<i>23.1</i>	7,885	5,014
Floating Debt (State Trading)		809	1,309
		<u>8,694</u>	<u>6,323</u>
23.1 Domestic Debt			
Permanent Debt	<i>23.1.1</i>	7,885	5,014

23.1.1 This represents borrowings from Federal Government. Repayment period and interest rate for these borrowings are determined in accordance with terms and conditions of each loan.

GOVERNMENT OF BALOCHISTAN
Notes to the Financial Statements
For the Year Ended 30 June 2023

		2023	2022
	<i>Note</i>	Rupees in million	Rupees in million
24. SERVICING OF DEBT			
Permanent Domestic Debt - Federal Government		166	167
Permanent Foreign Debt - Federal Government		722	508
Interest Payment - GP Fund		2,545	1,600
Interest Payment - Food Account		508	332
		<u>3,941</u>	<u>2,607</u>
25. NET RECEIPT OF PUBLIC ACCOUNT			
<i>Receipts</i>			
Trust and other Public Accounts		1,070,905	900,172
Special Deposits		23,147	18,356
General Provident Fund		10,554	6,863
		<u>1,104,606</u>	<u>925,391</u>
<i>Payments</i>			
Trust and other Public Accounts		1,068,373	900,089
Special Deposits		20,720	16,590
General Provident Fund		6,051	8,484
		<u>1,095,144</u>	<u>925,163</u>
	<i>25.1</i>	<u>9,462</u>	<u>228</u>

25.1 The Public Account consists 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.

		2023	2022
	<i>Note</i>	Rupees in million	Rupees in million
26. BOOK BALANCE			
Provincial Government's Balance		23,006	25,553
		<u>23,006</u>	<u>25,553</u>

GOVERNMENT OF BALOCHISTAN
Notes to the Financial Statements
For the Year Ended 30 June 2023

27. ASSETS AND LIABILITIES	<i>Note</i>	2023 Rupees in million	2022 Rupees in million
<i>Assets</i>			
Long Term Assets		1,190,347	1,008,356
Long Term Investment	27.1	13	14
Short Term Investments	27.2.1	5,193	5,193
Loans and Advances		8,002	2,757
Current Assets		(1,522)	(1,042)
Book Balance	26	23,006	25,553
		<u>1,225,039</u>	<u>1,040,831</u>
<i>Liabilities and equity</i>			
Public Debt		76,728	51,357
Special Deposits and Trust Accounts		63,810	54,104
Current Liabilities		255	141,326
Deferred Liabilities		(1,664)	(1,402)
Residual Equity		1,085,910	795,446
		<u>1,225,039</u>	<u>1,040,831</u>

27.1 Long term investment

Investment in Shares

Financial Institutions	No. of Shares	Par value Rupees	2023 Rupees in million	2022 Rupees in million
ADBP 1974-75 Converted to ZTBL	37,875	10	0.379	0.379
Balochistan Cooperative Bank Limited	26,500	200	5.300	5.300
IDBP	606	100	0.061	0.061
Equity Participants Fund Karachi	3,595	100	-	0.359
Non-financial Institutions				
Bolan Mining Enterprise (Joint Venture)			4.000	4.000
Charsada Sugar Mills	575	100	0.058	0.058
Hub Power Company Limited	358,607	10	3.586	3.586
Total Consolidated Fund Investment			<u>13.384</u>	<u>13.743</u>

27.1.1 The Equity Participation Fund Karachi was voluntarily wound up during the financial year 2011-12. Upon winding up, the Fund was taken over by the Industrial Development Bank Limited (IDBP/ IDBL).

27.2.1 Short term investment

Treasury Bills	27.2.1	5,193	5,193
		<u>5,193</u>	<u>5,193</u>

28. THIRD PARTY PAYMENTS

The information related to Third Party Payments was not provided by the Government of Balochistan.

28.1 Third Party Payments are those payments which are made directly by the Lending or Donor Agencies to the project authorities. These amounts are reflected in the Public Sector Development Programme as Foreign Project Assistance (FPA), and are not part of the Provincial Consolidated Fund. Further, these amounts include both foreign currency loans and donations from various International Organisations.

GOVERNMENT OF BALOCHISTAN
Notes to the Financial Statements
For the Year Ended 30 June 2023

		2023 Rupees in million	2022 Rupees in million
29. INVESTMENTS -PUBLIC ACCOUNT FUNDS	<i>Note</i>		
Benevolent Fund		18,297	19,682
Pension Fund		17,647	16,391
Group Insurance		1,882	1,807
General Provident Fund		21,386	18,353
Balochistan Education Endowment Fund		9,850	8,930
Balochistan Investment Fund		1,118	3,295
Balochistan Awami Endowment Fund		6,234	4,200
Artist Welfare Fund		200	200
Disaster Management Authority Fund		2,105	2,142
Professional Developmnet Program Fund		2,022	2,042
Hawkers Welfare Fund		2,023	2,023
Viability Gap Fund		1,252	1,144
Offender Rehabilitation and Social Integration Fund		626	572
Project Development Fund		1,252	1,145
Balochistan Employees Housing finance Fund		3,000	3,000
Balochistan Enterprise Development Fund		2,000	2,000
Balochistan Lawyer's Welfare Endowment Fund		50	50
Balochistan Minorities Welfare Fund		500	500
Balochistan Special Persons support Fund (KUMAK)		2,035	2,035
Balochistan Women Economic Empowerment Fund		500	500
Balochistan Fishermen Welfare Endowment Fund		1,000	1,000
Balochistan Flood Relief and Rehabilitation Fund		1,806	-
Chief Minister Balochistan Relief Fund for Affectiees of Turkia		6	-
Food Security Fund		2,065	2,066
Corona Virus Emergency Fund		1,437	1,381
	29.1	100,293	94,458

29.1 Government of Balochistan has made Investment Acts for General Provident Fund, Pension Fund, Group Insurance and Benevolent Fund as a guideline for making investments to meet its Public Accounts Liability.

		2023 Rupees in million	2022 Rupees in million
30. CASH AND BANK BALANCE - PUBLIC ACCOUNT FUND			
Benevolent Fund		16,253	18,297
Pension Fund		20,290	17,647
Group Insurance		1,557	1,882
General Provident Fund		21,520	21,386
Balochistan Education Endowment Fund		9,003	9,850
Balochistan Investment Fund		1,582	1,118
Balochistan Awami Endowment Fund		6,089	6,234
Artist Welfare Fund		406	400
Disaster Management Authority Fund		2,149	2,105
Professional Developmnet Program Fund		2,080	2,022
Hawkers Welfare Fund		2,023	2,023
Viability Gap Fund		1,366	1,251
Offender Rehabilitation and Social Integration Fund		673	1,126
Project Development Fund		1,017	1,252
Balochistan Employees Housing finance Fund		3,444	3,000
Balochistan Enterprise Development Fund		2,281	2,000
Balochistan Lawyer's Welfare Endowment Fund		57	50
Balochistan Minorities Welfare Fund		564	500
Balochistan Special Persons support Fund (KUMAK)		2,359	2,035
Balochistan Women Economic Empowerment Fund		571	500
Balochistan Fishermen Welfare Endowment Fund		1,137	1,000
Balochistan Flood Relief and Rehabilitation Fund		311	-
Chief Minister Balochistan Relief Fund for Affectiees of Turkia		6	-
Food Security Fund		2,132	2,065
Corona Virus Emergency Fund		110	1,437
	30.1	98,980	99,180

30.1 These balances represent the closing cash balances in various commercial bank accounts opened for the purpose of managing investments out of public account. The cash balance includes amount invested as deposits in banks presented in note 30.

GOVERNMENT OF BALOCHISTAN
Notes to the Financial Statements
For the Year Ended 30 June 2023

31 LOAN/ LIABILITY OF FOOD DEPARTMENT & UNIVERSITY OF BALOCHISTAN

31.1 An amount of Rs.3,219,498,325/- loan from various Commercial Banks and Rs.7,690,500,000/- loan from Government of Balochistan was taken by Food Department. The total amount of outstanding loan of Food Department is Rs.10,909,998,325/-.

31.2 An amount of Rs.377,000,000/- loan given to University of Balochistan by Government of Balochistan.

32. AUTHORIZATION FOR ISSUE

Under section 7 of the Auditor General's (Functions, Powers and Terms and Conditions of Service) Ordinance, 2001, read with Article 171 of the Constitution, the Auditor - General submits the certified financial statements of the Government of Balochistan together with the audit report on these financial statements to the Governor of Balochistan who shall cause them to be laid before the Provincial Assembly. These financial statements have been authorized for issue on 19.12.2023.

33. GENERAL

33.1 Level of Precision

Figures in these financial statements have been rounded off to the nearest million of rupees, unless otherwise stated.

33.2 Corresponding Figures

Corresponding figures, wherever necessary, have been rearranged and reclassified for the purposes of comparison.

"Sd/-"

Accountant General Balochistan