



**GOVERNMENT OF GILGIT-BALTISTAN**

**FINANCIAL STATEMENTS**

**FINANCIAL YEAR 2023-24**



**ACCOUNTANT GENERAL, GILGIT-BALTISTAN**

# **GOVERNMENT OF GILGIT-BALTISTAN**



## **FINANCIAL STATEMENTS**

**FINANCIAL YEAR 2023-2024**

**ACCOUNTANT GENERAL GILGIT-BALTISTAN**

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## **PREFACE**

I am pleased to present the Audited Financial Statements of the Gilgit-Baltistan Government for the year ended June 30, 2024 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 2023-2024 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**

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**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> day of June 2024, 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 Gilgit-Baltistan 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 Gilgit-Baltistan (Functions, Powers and Term and Conditions of Service) Act, 2012. I conducted my audit in accordance with the International Standard 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 Gilgit-Baltistan Government as at 30<sup>th</sup> day of June, 2024 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 Gilgit-Baltistan 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.

Islamabad, Pakistan  
Date 18 DEC 2024

  
(Muhammad Ajmal Gondal)  
Auditor-General of Gilgit-Baltistan

**Government of Gilgit-Baltistan**  
**Statement of Cash Receipts and Payments**  
**for the Year Ended 30 June, 2024**

|   | Notes | 2023-24 Rupees in Million                     |                           | 2022-23 Rupees in Million                     |                           |
|---|-------|---|---------------------------|---|---------------------------|
|   |       | Receipts/Payments Controlled by GB Government | Payments by Third Parties | Receipts/Payments Controlled by GB Government | Payments by Third Parties |
| <b>GILGIT-BALTISTAN CONSOLIDATED FUND</b>                     |       |   |                           |   |                           |
| <b>RECEIPTS</b>   |       |   |                           |   |                           |
| Taxation - Gilgit-Baltistan Government's Own Collection       | 8     | 372.40  | -                         | 347.95  | -                         |
| <b>Non-Tax Revenue and Other Receipts</b>                     |       |   |                           |   |                           |
| General Administration Receipts                               | 9     | 16.96   | -                         | 55.91   | -                         |
| Economic Services Receipts                                    | 10    | 190.72  | -                         | 184.31  | -                         |
| Community Service Receipts                                    | 11    | 101.49  | -                         | 304.50  | -                         |
| Law & Orders  | 12    | 39.94   | -                         | 35.10   | -                         |
| Social Services   | 13    | 59.50   | -                         | 40.96   | -                         |
| Profits   | 14    | 1,594.97                                      | -                         | 1,077.01                                      | -                         |
| Interest on Loans   | 15    | 26.86   | -                         | 21.91   | -                         |
| State Trading Schemes   | 16    | 2,866.54                                      | -                         | 1,669.02                                      | -                         |
| Extra Ordinary Receipts                                       | 17    | 0.22  | -                         | 0.25  | -                         |
| Development Surcharge and Royalties                           | 18    | 4.30  | -                         | 5.81  | -                         |
| Other Receipts  | 19    | 542.44  | -                         | 196.08  | -                         |
|   |       | <b>5,443.94</b>                               | -                         | <b>3,590.84</b>                               | -                         |
| <b>Grants</b>   |       |   |                           |   |                           |
| Development   | 20    | 24,949.97                                     | -                         | 18,416.32                                     | -                         |
| Non Development   |       | 73,588.00                                     | -                         | 61,201.87                                     | -                         |
| Foreign Grants  |       | 2,234.26                                      | -                         | -   | -                         |
|   |       | <b>100,772.24</b>                             | -                         | <b>81,145.67</b>                              | -                         |
| <b>Capital Receipts</b>                                       |       |   |                           |   |                           |
| Recovery of loans and advances                                | 21    | 431.04  | -                         | 406.51  | -                         |
|   |       | <b>431.04</b>                                 | -                         | <b>371.55</b>                                 | -                         |
| <b>Total Receipts</b>   |       | <b>107,019.62</b>                             | -                         | <b>85,456.02</b>                              | -                         |
| <b>PAYMENTS</b>   |       |   |                           |   |                           |
| <b>Operations</b>   |       |   |                           |   |                           |
| Salaries and Employees Retirement Benefits                    | 22    | 49,601.18                                     | -                         | 41,055.48                                     | -                         |
| Operating Expenses  | 23    | 9,739.33                                      | -                         | 8,322.84                                      | -                         |
|   |       | <b>59,340.51</b>                              | -                         | <b>49,378.32</b>                              | -                         |
| <b>Transfers, Grants, Subsidies &amp; Loan &amp; Advances</b> |       |   |                           |   |                           |
| Grants, Subsidies and Write-off of Loans                      | 24    | 3,231.72                                      | -                         | 2,644.48                                      | -                         |
| Transfer Payments   |       | 147.71  | -                         | 121.38  | -                         |
|   |       | <b>3,379.42</b>                               | -                         | <b>2,765.86</b>                               | -                         |
| <b>Expenditures on</b>  |       |   |                           |   |                           |
| Loan & Advances   | 25    | 50.00   | -                         | -   | -                         |
| Physical Assets   |       | 20,955.95                                     | -                         | 14,697.22                                     | -                         |
| Civil Works   |       | 20,590.92                                     | -                         | 14,650.97                                     | -                         |
| Repairs and Maintenance                                       |       | 3,569.71                                      | -                         | 3,998.37                                      | -                         |
| Project Pre-Investment Analysis                               |       | 349.43  | -                         | 409.32  | -                         |
| Investments   |       | 398.26  | -                         | 293.10  | -                         |
|   |       | <b>45,914.27</b>                              | -                         | <b>34,048.98</b>                              | -                         |
| <b>Total Payments</b>   |       | <b>108,634.20</b>                             | -                         | <b>86,193.16</b>                              | -                         |
| NET PAYMENTS OF GB CONSOLIDATED FUND                          |       | (1,614.58)                                    | -                         | (2,229.66)                                    | -                         |
| NET RECEIPTS OF PUBLIC ACCOUNT                                | 26    | 909.42  | -                         | 340.09  | -                         |
| <b>DECREASE IN CASH</b>                                       |       | <b>(705.16)</b>                               | -                         | <b>(1,889.56)</b>                             | -                         |
| CASH AT BEGINNING OF THE YEAR                                 |       | 20,811.89                                     | -                         | 22,701.45                                     | -                         |
| DECREASE IN CASH  |       | (705.16)                                      | -                         | (1,889.56)                                    | -                         |
| <b>CASH AT END OF THE YEAR</b>                                |       | <b>20,106.73</b>                              | -                         | <b>20,811.89</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, 2024**

|   | Notes | 2023-2024<br>Rupees in Million | 2022-2023<br>Rupees in Million |
|---|-------|--------------------------------|--------------------------------|
| <b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>      |       |                                |                                |
| Taxation - Gilgit-Baltistan Government's own Collection | 8     | 372                            | 348                            |
| Non-Tax Revenue & Other Receipts                        | 9-19  | 5,444                          | 3,591                          |
| Grants - Receipts                                       | 20    | 100,772                        | 79,618                         |
| Operations - Payments                                   | 22-23 | (59,341)                       | (49,378)                       |
| Transfers - Payments                                    | 24    | (3,379)                        | (2,766)                        |
| <b>Cash from Operating Activities</b>                   |       | <b>43,869</b>                  | <b>31,413</b>                  |
| <b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>      |       |                                |                                |
| Recovery of Loans and Advances                          | 21    | 431                            | 407                            |
| Expenditure on Physical Assets, Civil Works and Others  | 25    | (45,914)                       | (34,049)                       |
| <b>Cash used in Investing Activities</b>                |       | <b>(45,483)</b>                | <b>(33,642)</b>                |
| <b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>      |       |                                |                                |
| Net Payments of Public Account                          | 26    | 909                            | 340                            |
| <b>Cash from Financing Activities</b>                   |       | <b>909</b>                     | <b>340</b>                     |
| <b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>        |       | <b>(705)</b>                   | <b>(1,890)</b>                 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR      |       | 20,811                         | 22,701                         |
| <b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>     |       | <b>20,106</b>                  | <b>20,811</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, 2024**

|                                  | 2023-2024 (Rupees in million) |                |                | 2022-2023 (Rupees in million) |               |                |
|----------------------------------|-------------------------------|----------------|----------------|-------------------------------|---------------|----------------|
|                                  | Budgeted Amounts              |                | Actual Amounts | Budgeted Amounts              |               | Actual Amounts |
|                                  | Original                      | Revised        |                | Original                      | Revised       |                |
| <b><u>RECEIPTS</u></b>           |                               |                |                |                               |               |                |
| <b><u>Revenue</u></b>            |                               |                |                |                               |               |                |
| Taxation                         | 2,264                         | -              | 372            | 601                           | 293           | 348            |
| Non-Taxation                     | 137,908                       | -              | 106,216        | 118,727                       | 86,702        | 83,209         |
| <b>Total revenue receipt</b>     | <b>140,172</b>                | <b>-</b>       | <b>106,589</b> | <b>119,328</b>                | <b>86,995</b> | <b>83,557</b>  |
| <b><u>Capital</u></b>            |                               |                |                |                               |               |                |
| Domestic Debt                    | -                             | -              | -              | -                             | -             | -              |
| Foreign Debt                     | -                             | -              | -              | -                             | -             | -              |
| Recoveries of Loans and Advances | -                             | -              | 431            | -                             | -             | 407            |
| Recoveries others                | -                             | -              | -              | -                             | -             | -              |
|                                  | -                             | -              | <b>431</b>     | -                             | -             | <b>407</b>     |
| <b>Total Receipts</b>            | <b>140,172</b>                | <b>-</b>       | <b>107,020</b> | <b>119,328</b>                | <b>86,995</b> | <b>83,964</b>  |
| <b><u>PAYMENTS</u></b>           |                               |                |                |                               |               |                |
| <b><u>Expenditure</u></b>        |                               |                |                |                               |               |                |
| General Public Service           | 33,113                        | 13,600         | 13,572         | 28,830                        | 9,750         | 9,741          |
| Economic Affairs                 | 46,569                        | 54,333         | 54,285         | 52,515                        | 42,790        | 42,739         |
| Public Order and Safety Affairs  | 9,416                         | 10,488         | 10,474         | 7,954                         | 9,062         | 9,059          |
| Education Affairs and Services   | 14,250                        | 17,435         | 17,387         | 12,158                        | 14,232        | 14,183         |
| Health Affairs and Services      | 10,949                        | 10,917         | 10,879         | 15,968                        | 8,517         | 8,505          |
| Recreation, Culture and Religion | 293                           | 301            | 299            | 302                           | 317           | 316            |
| Social Protection                | 989                           | 954            | 951            | 815                           | 762           | 761            |
| Housing and Community Amenities  | 570                           | 788            | 788            | 786                           | 889           | 889            |
|                                  | <b>116,150</b>                | <b>108,816</b> | <b>108,634</b> | <b>119,328</b>                | <b>86,318</b> | <b>86,193</b>  |
| <b>Total Payments</b>            | <b>116,150</b>                | <b>108,816</b> | <b>108,634</b> | <b>119,328</b>                | <b>86,318</b> | <b>86,193</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, 2024**

| Departments                              | 2023-2024 (Rupees in million) |                |                | 2022-2023 (Rupees in million) |               |                |
|--|-------------------------------|----------------|----------------|-------------------------------|---------------|----------------|
|  | Budgeted Amounts              |                | Actual Amounts | Budgeted Amounts              |               | Actual Amounts |
|  | Original                      | Revised        |                | Original                      | Revised       |                |
| GOVERNOR SECRETARIAT/HOUSE               | 151                           | 195            | 195            | 133                           | 154           | 154            |
| CHIEF MINISTER SECRETARIAT               | 232                           | 369            | 369            | 219                           | 384           | 384            |
| CHAIRMAN'S INSPECTION TEAM               | 33                            | 46             | 46             | 28                            | 41            | 41             |
| CHIEF ELECTION COMMISSIONER              | 141                           | 170            | 170            | 102                           | 133           | 133            |
| CABINET                                  | 335                           | 407            | 407            | 341                           | 556           | 556            |
| GILGIT-BALTISTAN LEGISLATIVE ASSEMBLY    | 370                           | 435            | 435            | 285                           | 412           | 412            |
| SERVICES & GENERAL ADMINISTRATION        | 325                           | 426            | 419            | 330                           | 336           | 335            |
| HOME & PRISON                            | 9,229                         | 11,744         | 11,719         | 7,971                         | 9,355         | 9,349          |
| PLANNING & DEVELOPMENT DEPARTMENT        | 649                           | 724            | 722            | 462                           | 899           | 898            |
| AGRICULTURE, LIVESTOCK & FISHERIES       | 2,056                         | 2,001          | 1,999          | 1,499                         | 1,876         | 1,875          |
| SCHOOL EDUCATION DEPARTMENT              | 12,179                        | 15,151         | 15,107         | 11,635                        | 13,845        | 13,797         |
| HEALTH DEPARTMENT                        | 7,815                         | 9,049          | 9,009          | 6,544                         | 7,201         | 7,189          |
| LOCAL GOVERNMENT & RURAL DEVELOPMENT     | 1,592                         | 1,775          | 1,775          | 1,350                         | 1,604         | 1,604          |
| FINANCE DEPARTMENT GILGIT-BALTISTAN      | 21,952                        | 2,021          | 2,020          | 17,298                        | 1,211         | 1,211          |
| FOREST, WILDLIFE & ENVIRONMENT           | 1,006                         | 1,015          | 1,014          | 891                           | 824           | 823            |
| LAW & PROSECUTION                        | 496                           | 499            | 497            | 402                           | 432           | 431            |
| SUPREME APPELLATE COURT                  | 461                           | 438            | 438            | 365                           | 384           | 384            |
| CHIEF COURT GILGIT-BALTISTAN             | 957                           | 1,159          | 1,159          | 830                           | 1,068         | 1,067          |
| MINERALS, INDUSTRIES, COMMERCE & LABOUR  | 166                           | 171            | 171            | 137                           | 137           | 136            |
| TOURISM, SPORTS & CULTURE                | 332                           | 332            | 331            | 220                           | 248           | 248            |
| REVENUE, Z&U, E&T AND COOPERATIVES       | 306                           | 331            | 330            | 248                           | 270           | 270            |
| WATER & POWER DEPARTMENT                 | 4,176                         | 5,549          | 5,545          | 3,747                         | 4,809         | 4,805          |
| PUBLIC WORKS DEPARTMENT GILGIT-BALTISTAN | 5,575                         | 6,679          | 6,674          | 5,058                         | 6,344         | 6,330          |
| IMPLEMENTATION & COORDINATION            | 26                            | 30             | 30             | 25                            | 28            | 28             |
| FOOD DEPARTMENT GILGIT-BALTISTAN         | 425                           | 479            | 477            | 369                           | 372           | 372            |
| GILGIT-BALTISTAN DISASTER MANAGEMENT     | 215                           | 169            | 168            | 146                           | 169           | 169            |
| INFORMATION DEPARTMENT GILGIT-BALTISTAN  | 142                           | 147            | 146            | 42                            | 153           | 153            |
| SOCIAL WELFARE, POPULATION WELFARE, WOME | 470                           | 500            | 499            | 411                           | 409           | 408            |
| ANTI-CORRUPTION DEPARTMENT GB            | 45                            | 52             | 52             | 40                            | 41            | 41             |
| BOARD OF REVENUE GILGIT-BALTISTAN        | 71                            | 62             | 62             | 52                            | 48            | 48             |
| INFORMATION TECHNOLOGY DEPARTMENT        | 129                           | 68             | 68             | 223                           | 75            | 75             |
| WATER MANAGEMENT & IRRIGATION DEPTT      | 219                           | 288            | 288            | 35                            | 27            | 27             |
| HIGHER, TECHNICAL & SPECIAL EDUCATION    | 1,725                         | 1,562          | 1,560          | -                             | 10            | 10             |
| STATE TRADING                            | 13,700                        | 14,807         | 14,807         | 10,000                        | 10,177        | 10,160         |
| DEVELOPMENT                              | 28,450                        | 29,964         | 29,924         | 47,888                        | 22,288        | 22,271         |
| <b>Total Payments</b>                    | <b>116,150</b>                | <b>108,816</b> | <b>108,634</b> | <b>119,328</b>                | <b>86,318</b> | <b>86,193</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, 2024**

#### **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 Gilgit-Baltistan 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 Gilgit-Baltistan to the Auditor General of GB and describes Gilgit-Baltistan 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 Entities are Communication&Works, Power 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 government. New investments by the government in such entities are capitalized and any grants to the entities are classified as an expense of the government, 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 exit 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, 2024**

**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 2023-2024 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 2023-2024. (from 1 July, 2023 to 30 June 2024)

**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, 2024**

**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 Gilgit-Baltistan 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 Gilgit-Baltistan 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**  
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**for the Year Ended June 30, 2024**

**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, 2024**

| Notes   | 2023-2024<br>(Rupees in million) | 2022-2023<br>(Rupees in million) |
|---|----------------------------------|----------------------------------|
| <b>8 <u>TAXATION - GILGIT-BALTISTAN GOVERNMENT'S OWN COLLECTION</u></b> |                                  |                                  |
| <b><u>Direct Taxes</u></b>  |                                  |                                  |
| Land Revenue  | 2.68                             | 2.33                             |
| Property Tax  | 9.06                             | 10.27                            |
| Taxes on Income   | 1.01                             | 1.99                             |
|   | <b>12.76</b>                     | <b>14.59</b>                     |
| <b><u>Indirect Taxes</u></b>  |                                  |                                  |
| Receipts Under Motor Vehicles Act                                       | 222.58                           | 210.26                           |
| Stamp Duties  | 136.98                           | 123.05                           |
| Others  | 0.09                             | 0.05                             |
|   | <b>359.64</b>                    | <b>333.36</b>                    |
| <b>Total Tax Revenue</b>  | <b>372.40</b>                    | <b>347.95</b>                    |
| <b>9 <u>GENERAL ADMINISTRATION RECEIPTS</u></b>                         |                                  |                                  |
| Organs of State (Registrations, Land Revenue and others)                | 14.79                            | 54.13                            |
| Fiscal Administration (Pension Contribution)                            | 2.17                             | 1.78                             |
|   | <b>16.96</b>                     | <b>55.91</b>                     |
| <b>10. <u>ECONOMIC SERVICES RECEIPTS</u></b>                            |                                  |                                  |
| Food and Agriculture  | 90.41                            | 46.20                            |
| Fisheries and Animal Husbandry  | 47.86                            | 63.99                            |
| Forest Department   | 23.16                            | 23.38                            |
| Other Economic Service Receipts   | 29.28                            | 50.74                            |
|   | <b>190.72</b>                    | <b>184.31</b>                    |
| <b>11 <u>COMMUNITY SERVICE RECEIPTS (WORKS)</u></b>                     |                                  |                                  |
| Community Service Receipts  | 101.49                           | 304.50                           |
|   | <b>101.49</b>                    | <b>304.50</b>                    |
| <b>12 <u>LAW &amp; ORDERS</u></b>                                       |                                  |                                  |
| Law & Order Receipts  | 39.94                            | 35.10                            |
|   | <b>39.94</b>                     | <b>35.10</b>                     |
| <b>13 <u>SOCIAL SERVICES (EDUCATION &amp; HEALTH)</u></b>               |                                  |                                  |
| Social Services Receipts (Health, Education etc.)                       | 59.50                            | 40.96                            |
|   | <b>59.50</b>                     | <b>40.96</b>                     |
| <b>14 <u>PROFIT</u></b>   |                                  |                                  |
| Sale of Electricity   | 1,594.97                         | 1,077.01                         |
|   | <b>1,594.97</b>                  | <b>1,077.01</b>                  |
| <b>15 <u>INTEREST ON LOANS</u></b>                                      |                                  |                                  |
| Interest on Loan & Advances to Government Servants                      | 26.86                            | 21.91                            |
|   | <b>26.86</b>                     | <b>21.91</b>                     |
| <b>16 <u>STATE TRADING SCHEMES</u></b>                                  |                                  |                                  |
| Sale Proceeds of Wheat/Wheat Receipts-Others                            | 2,866.54                         | 1,669.02                         |
|   | <b>2,866.54</b>                  | <b>1,669.02</b>                  |

| Notes   | 2023-2024<br>(Rupees in million) | 2022-2023<br>(Rupees in million) |
|---|----------------------------------|----------------------------------|
| <b>17 <u>EXTRAORDINARY RECEIPTS</u></b>   |                                  |                                  |
| Sale of Land and other Government Assets  | 0.22                             | 0.25                             |
|   | <b>0.22</b>                      | <b>0.25</b>                      |
| <b>18 <u>DEVELOPMENT SURCHARGE AND ROYALTIES</u></b>                                |                                  |                                  |
| Minerals and Royalties  | 4.30                             | 5.81                             |
|   | <b>4.30</b>                      | <b>5.81</b>                      |
| <b>19 <u>OTHER RECEIPTS</u></b>   |                                  |                                  |
| Other Receipts (Licenses, Fees, Fines, Recoveries, Registrations, Stores and Misc.) | 542.44                           | 196.08                           |
|   | <b>542.44</b>                    | <b>196.08</b>                    |
| <b>20 <u>GRANTS</u></b>   |                                  |                                  |
| <b>(i) <u>Development</u></b>   |                                  |                                  |
| Annual Development Programme (ADP)  | 17,580.00                        | 15,057.15                        |
| PSDP  | 6,830.00                         | 3,359.17                         |
| Vertical Projects (EPI, Family Planning, MNCH etc.)                                 | 539.97                           | -                                |
|   | <b>24,949.97</b>                 | <b>18,416.32</b>                 |
| <b>(ii) <u>Non- Development</u></b>   |                                  |                                  |
| Regular Receipts  | 56,620.00                        | 47,036.00                        |
| Receipts from GB Council  | 400.00                           | 3,265.83                         |
| State Trading Receipts  | 16,568.00                        | 10,900.04                        |
|   | <b>73,588.00</b>                 | <b>61,201.87</b>                 |
| <b>(iii). <u>Foreign Grants/Aid</u></b>   |                                  |                                  |
| Development Grant (IFAD/AICS)   | 2,234.26                         | -                                |
|   | <b>2,234.26</b>                  | -                                |
| <b>(vi). <u>Third Party Receipts</u></b>  |                                  |                                  |
| Development Grant   | -                                | -                                |
|   | -                                | -                                |
| <b>Total Grants</b>   | <b>100,772.24</b>                | <b>79,618.19</b>                 |
| <b>Total Non Tax Revenue</b>  | <b>106,216.18</b>                | <b>83,209.03</b>                 |
| <b>21 <u>RECOVERY OF LOANS AND ADVANCES</u></b>                                     |                                  |                                  |
| House Building  | 380.97                           | 354.88                           |
| Motor Car   | 25.54                            | 25.79                            |
| Motor Cycle   | 24.53                            | 25.84                            |
| <b>Capital Receipts</b>   | <b>431.04</b>                    | <b>406.51</b>                    |
| <b>Grand Total</b>  | <b>107,019.62</b>                | <b>83,963.50</b>                 |
| <b>22 <u>SALARIES AND EMPLOYEES RETIREMENT BENEFITS</u></b>                         |                                  |                                  |
| Pay of Officers   | 4,886.64                         | 4,779.90                         |
| Pay of Other Staff  | 16,363.39                        | 15,759.78                        |
| Regular Allowances  | 26,098.27                        | 18,593.24                        |
| Other Allowances  | 1,635.39                         | 1,491.56                         |
| Employees Retirement Benefits   | 617.48                           | 431.00                           |
|   | <b>49,601.18</b>                 | <b>41,055.48</b>                 |
| <b>23 <u>OPERATING EXPENSES</u></b>   |                                  |                                  |
| Operating Expenses  | 9,739.33                         | 8,322.84                         |
|   | <b>9,739.33</b>                  | <b>8,322.84</b>                  |
| <b>24 <u>TRANSFERS, GRANTS, SUBSIDIES &amp; WRITE-OFF LOANS</u></b>                 |                                  |                                  |
| Grants, Subsidies and Write-off Loans   | 3,231.72                         | 2,644.48                         |
| Transfers   | 147.71                           | 121.38                           |
|   | <b>3,379.42</b>                  | <b>2,765.86</b>                  |

| Notes   | 2023-2024<br>(Rupees in million) | 2022-2023<br>(Rupees in million) |
|---|----------------------------------|----------------------------------|
| <b>25 <u>OTHER EXPENSES</u></b>   |                                  |                                  |
| <b>Loan &amp; Advances</b>  |                                  |                                  |
| Loan & Advances to Non Financial Institution  | 50.00                            | -                                |
|   | <b>50.00</b>                     | <b>-</b>                         |
| <b>Physical Assets</b>  |                                  |                                  |
| Hardware  | 4.84                             | 18.35                            |
| Software  | 3.48                             | 3.70                             |
| Others Assets   | 14,807.31                        | 10,159.62                        |
| Medical Stores  | 1.45                             | 0.25                             |
| News Print  | 0.30                             | 0.30                             |
| Medical Laboratory Equipments   | 1.64                             | 1.10                             |
| Generic Consumables   | 23.20                            | 93.93                            |
| General Utility Chemical  | 0.10                             | 0.20                             |
| Purchase of Transport   | 254.81                           | 332.51                           |
| Purchase of Plant and Machinery   | 3,279.24                         | 2,154.75                         |
| Purchase of Furniture and Fixture   | 324.61                           | 192.28                           |
| Purchase of Arms and Ammunitions  | -                                | 7.67                             |
| Purchase of livestock   | 2.94                             | 20.10                            |
| Land & Buildings  | 1,827.09                         | 1,523.47                         |
| Specific Consumables  | 14.52                            | -                                |
| Specific Utility Chemical   | 0.14                             | -                                |
| I.T. Equipment  | 410.26                           | 189.00                           |
| <b>Total Physical Assets</b>  | <b>20,955.95</b>                 | <b>14,697.22</b>                 |
| Civil Works   | 20,590.92                        | 14,650.97                        |
| Repairs and Maintenance   | 3,569.71                         | 3,998.37                         |
| Project Pre-Investment Analysis   | 349.43                           | 409.32                           |
| Investments   | 398.26                           | 293.10                           |
|   | <b>45,914.27</b>                 | <b>34,048.98</b>                 |
| <b>Third Party Payments</b>   |                                  |                                  |
| Operating Expenses  | -                                | -                                |
|   | <b>-</b>                         | <b>-</b>                         |
|   | <b>108,634.20</b>                | <b>86,193.16</b>                 |
| <b>26 <u>NET RECEIPTS/ (PAYMENTS) OF PUBLIC ACCOUNT</u></b>   |                                  |                                  |
| <b><u>Receipts</u></b>  |                                  |                                  |
| Trust and Other Public Accounts   | 3,168.49                         | 4,782.47                         |
| Special Deposits  | 60.61                            | 56.71                            |
| State Provident Fund  | 3,520.58                         | 2,871.44                         |
|   | <b>6,749.68</b>                  | <b>7,710.63</b>                  |
| <b><u>Payments</u></b>  |                                  |                                  |
| Trust and Other Public Accounts   | 2,137.50                         | 4,538.04                         |
| Special Deposits  | 165.56                           | 40.42                            |
| State Provident Fund  | 3,537.20                         | 2,792.07                         |
|   | <b>5,840.26</b>                  | <b>7,370.53</b>                  |
| <b>Net Public Account Payments/Receipts</b>   | <b>909.42</b>                    | <b>340.09</b>                    |
| <p>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 Legislative 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.</p> |                                  |                                  |
| <b>27 <u>ASSETS AND LIABILITIES</u></b>   |                                  |                                  |
| <b><u>Assets</u></b>  |                                  |                                  |
| Long Term Assets  | 102,352.85                       | 60,456.56                        |
| Loan & Advances   | 50.00                            | -                                |
| Investments   | 798.53                           | 400.28                           |
| Current Assets  | (4,405.00)                       | (3,526.83)                       |
| Cash and Bank   | 20,106.73                        | 20,811.89                        |
|   | <b>118,903.11</b>                | <b>78,141.90</b>                 |
| <b><u>Liabilities and Equity</u></b>  |                                  |                                  |
| Current Liabilities   | (0.27)                           | (0.26)                           |
| Deferred Liabilities  | 160.85                           | 177.48                           |
| Special Deposits and Trust Accounts   | 5721.08                          | 4795.03                          |
| Residual Equity   | 113021.45                        | 73169.65                         |
|   | <b>118,903.11</b>                | <b>78,141.90</b>                 |

**Notes**

**2023-2024**                      **2022-2023**  
**(Rupees in million)**      **(Rupees in million)**

**28 AUTHORIZATION FOR ISSUE**

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 Gilgit-Baltistan Assembly. These consolidated financial statements have been authorized for issue on \_\_\_\_\_.

**29 GENERAL**

**29.1 Level of Precision**

Figures in these Financial Statements have been rounded off to the nearest million rupees, unless otherwise stated.

**30 Third Party Payment**

No third party payments (Donor) have been made.

**Accountant General (Gilgit-Baltistan)**