

FINANCIAL STATEMENTS
of the
Federal Government
Financial Year 2019-2020

Government of Pakistan

Controller General of Accounts

CGA Complex

Sector G-5/2, Islamabad

Tel: (051) 9201322-25

Accountant General Pakistan Revenues

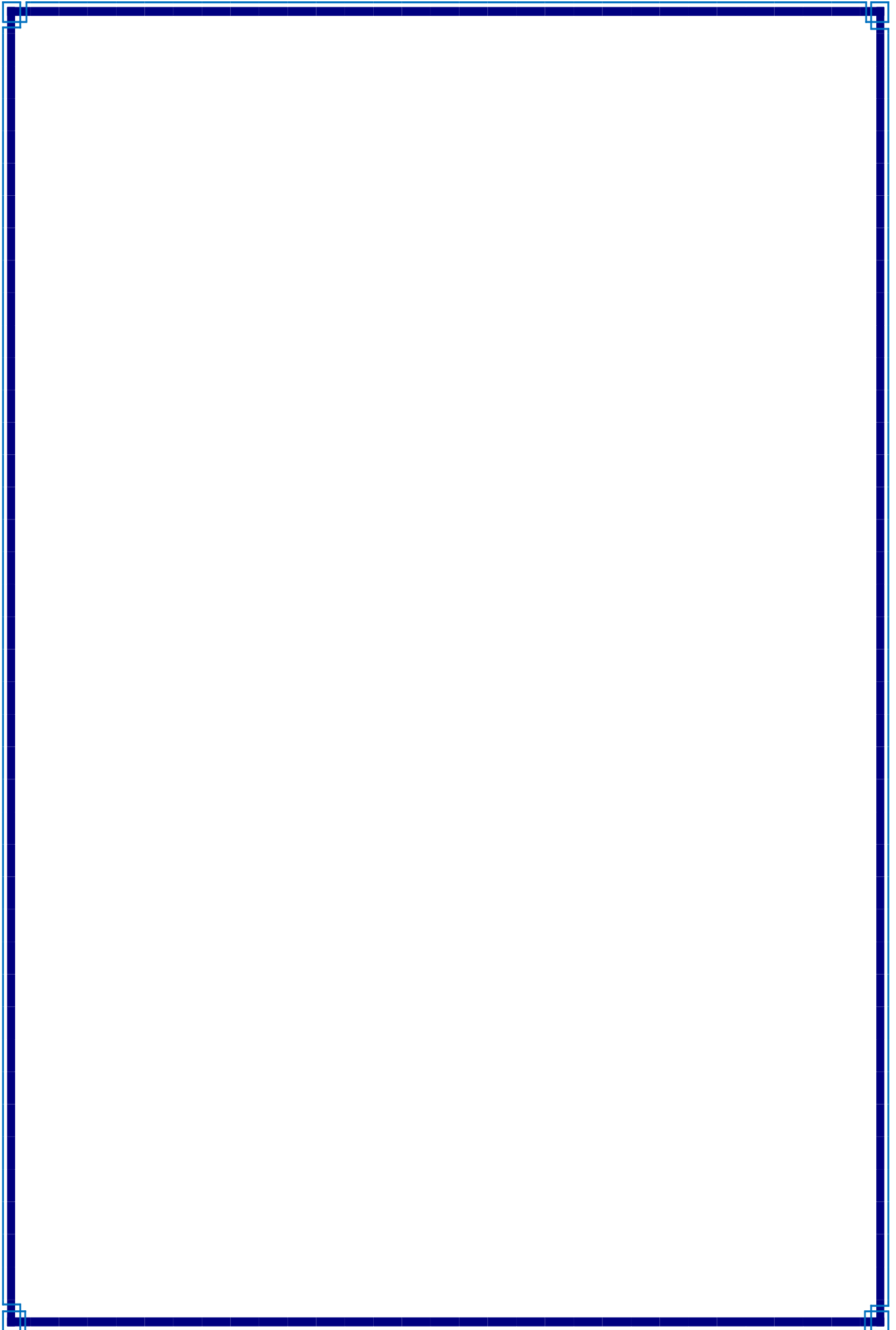
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PREFACE

I am pleased to present the Audited Financial Statements of the Federal Government for the year ended 30th June, 2020 together with the Auditors' Report thereon along with the management analysis report.

The Financial Statements of the Federal Government for the financial year 2019-20 have been prepared by the Accountant General Pakistan Revenues, Islamabad 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.

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 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, 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 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 Federal Consolidated Fund and Public Account for which Annual Budget Statement is authorized by the Parliament 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.



Controller General of Accounts

Islamabad, Pakistan

Date: **23 DEC 2020**

MANAGEMENT ANALYSIS

INTRODUCTION

The Financial Statements of the Federal Government provide a record of the Government's financial performance over the financial year 2019-20 in the statement of cash receipts and payments, its cash flows along with comparison with the revised budget approved by the Parliament in the statements of comparison of budget and actual amounts by function and actual expenditure by division.

The financial statements for the financial year 2019 - 20 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.

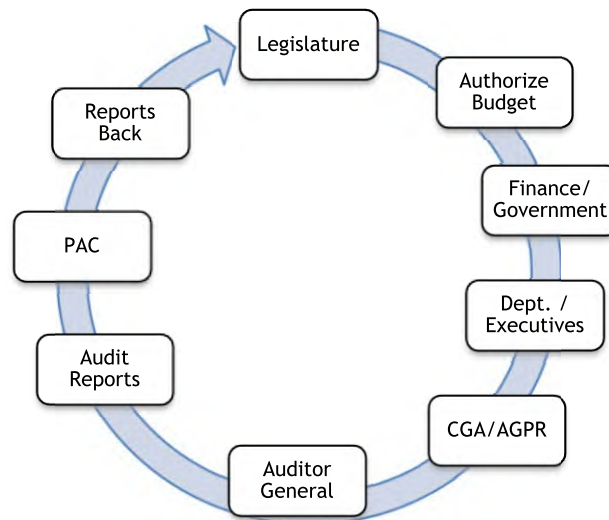
The financial statements have been prepared by the Accountant General Pakistan Revenues (AGPR) by consolidating the information relating to all Federal Government entities which it receives from AGPR sub offices and Self Accounting Entities.

FINANCIAL MANAGEMENT

The financial management cycle starts with the preparation of annual budget statement which is approved by the parliament. A detailed elaboration of the financial management cycle is as follows;

1. Each year Ministry of Finance receives budget estimates from the Government agencies.
2. The annual budget is prepared on the basis of the resources available and priorities of the Government.
3. Parliament approves the budget.
4. Principal Accounting Officer sanctions the expenditure.
5. Controller General of Accounts is responsible for the regulation of preparation of annual financial statements. This task is accomplished through Accountant General Pakistan Revenues (AGPR) who has the prime responsibility for disbursements, keeping a record of transactions and preparation of annual financial statements of the Federal Government whereas for self accounting entities this task is accomplished by the Principal Accounting Officer (PAO).
6. Each year Auditor-General of Pakistan certifies the financial statements of federal, provincial and district governments.
7. Audited Financial Statements and Audit Reports are laid before the National Assembly. These reports are then discussed in the Public Accounts Committee who then reports back to the National Assembly.

Financial Management Cycle



GOVERNANCE STRUCTURE

Pakistan is a federal republic to be known as Islamic Republic of Pakistan and the territories of Pakistan comprises of the provinces of Balochistan, Khyber Pakhtunkhwa, Punjab and Sindh, Islamabad Capital Territory.

As per the Constitution of the Islamic Republic of Pakistan, 1973, the President of Pakistan has the executive authority of the federation with a Cabinet of Ministers headed by the Prime Minister to aid and advise the President in the discharge of his duties and all executive actions of the federal government shall be expressed to be taken in the name of the President. The executive authority of the federation extends to the matters with respect to which Parliament has power to make law including exercise of rights, authority and jurisdiction in relation to areas outside Pakistan.

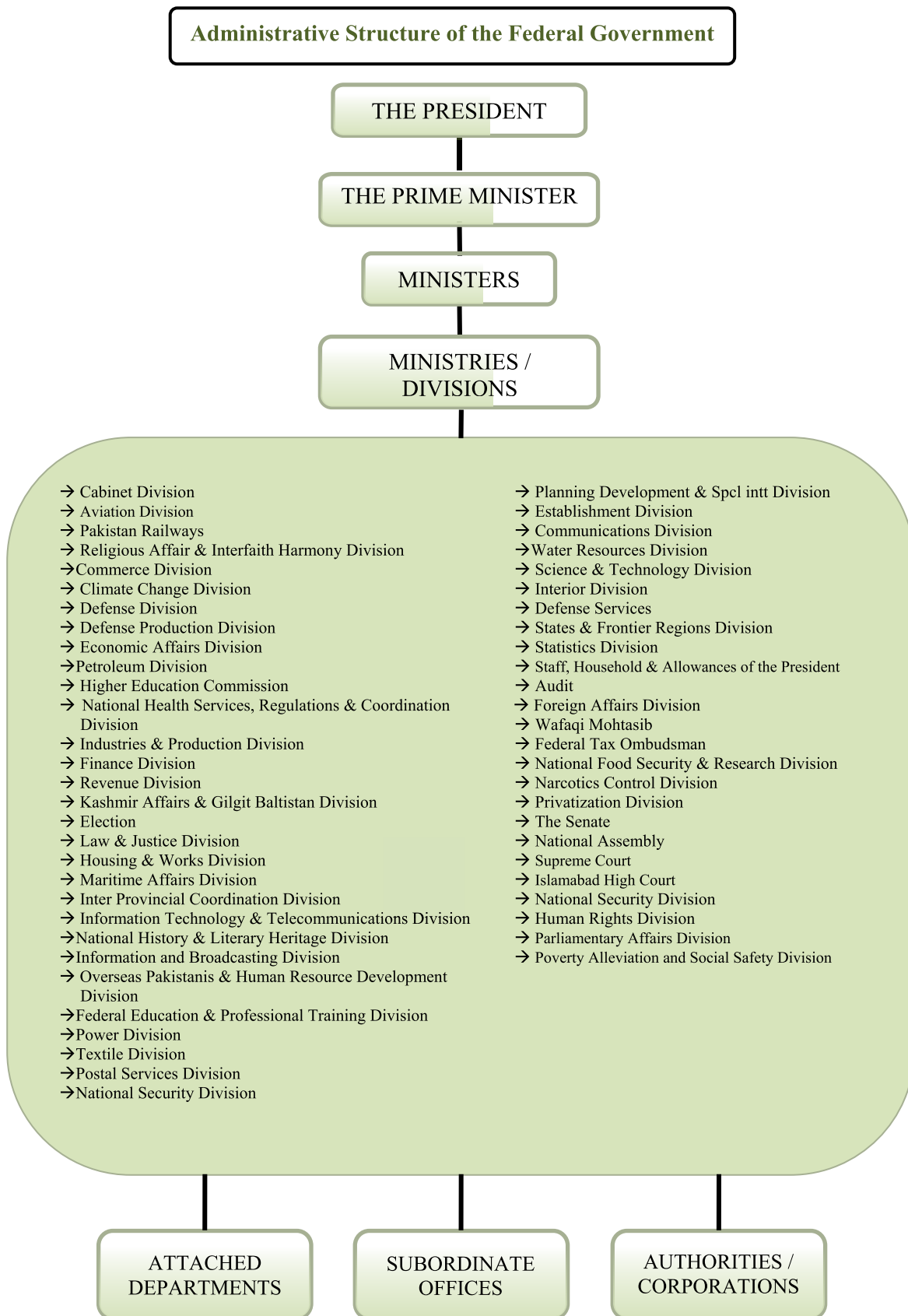
To perform the executive function and to carry out the functions and fulfill the responsibilities, the Constitution

requires the President of Pakistan to make rules for the allocation and transaction of the business of the Federal Government. Under the provision of Article 90 and 99 of the Constitution, Rules of Business 1973 were made which define the administrative structure, allocation and transaction of the business of the Federal Government.

A Division is the basic self contained unit for the conduct of the business of the Federal Government and a division or group of divisions can be constituted as a Ministry with a Minister-in-Charge under Rules of Business, 1973. Each ministry or division may have attached departments working directly under it to perform specific functions. In addition Federal Government includes subordinate offices, special purpose authorities and commercial enterprises which perform functions on behalf of the Federal Government. Prime Minister is responsible for important policy decisions and formulation of

ministries or divisions and allocation of

business amongst them.



FINANCIAL ACCOUNTING AND REPORTING FRAMEWORK

Public Sector Accounting practices in Pakistan are currently undergoing major reforms aimed at increasing transparency, streamlining accountability and improving overall financial management in line with international standards and practices, which mainly include;

- Implementation and Use of SAP
- Development and Implementation of New Accounting Model

The SAP solution being currently implemented on a nationwide basis covers all the District Accounts Offices (DAO) and Agency Sub-Offices at the lowest level. The solution covers all Accountant General (AG) Offices and Accountant General Pakistan Revenues (AGPR) sub-offices at the provincial level, the AGPR Head Office and the Controller General of Accounts (CGA) headquarters.

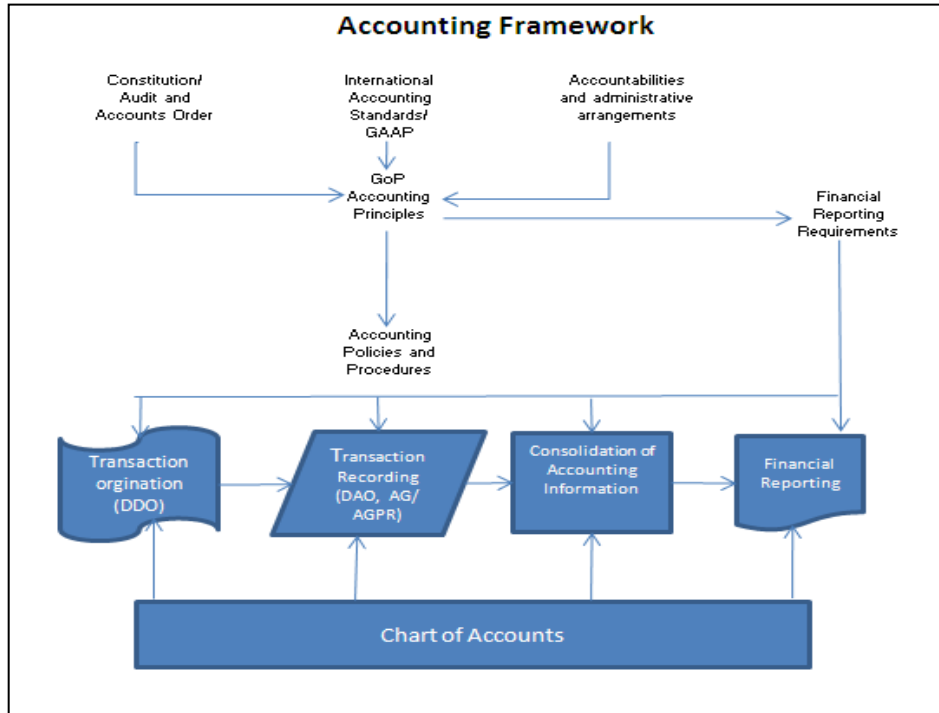
New Chart of Accounts was adopted from 1st July 2004. In December 2000, Auditor General of Pakistan prescribed NAM with the approval of the President of Pakistan under Article 170 of the Constitution of Islamic Republic of Pakistan. NAM is based on Modified Cash Basis of Accounting in which, though cash 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 under the cash basis of accounting that recognizes transactions and events only when cash is received or paid by the entity.

The accounting framework of the Federal Government focuses 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 Federal Consolidated Fund and Public Account and consists of accounting principles, policies and procedures. The framework prescribes a particular basis of accounting, which is relevant and applicable to Pakistan, but also adopts, where applicable, the accounting concepts laid down in Generally Accepted Accounting Principles (GAAP) and International Standards.

The accounting framework integrates the accounting principles with the financial reporting requirements, the chart of accounts and the detailed accounting procedures. These linkages are shown in the following diagram:



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.

The Financial Statements include;

- Statement of Cash Receipts and Payments
- Statement of Cash Flows
- Statement of Comparison of Budgeted and Actual Amounts by Function
- Statement of Comparison of Budget and Actual Expenditure by Division
- Statement of Appropriation of Grants by Object
- Notes to the Financial Statements

The statements of comparison of budget and actual amounts by function and actual expenditure by division are presented on a gross basis, whereas receipts and payments of floating debt in the Statement of Cash Receipts and Payments and Statement of Cash Flows have been netted off for which a reconciliation has been presented on a net basis as disclosed in the notes to the financial statements.

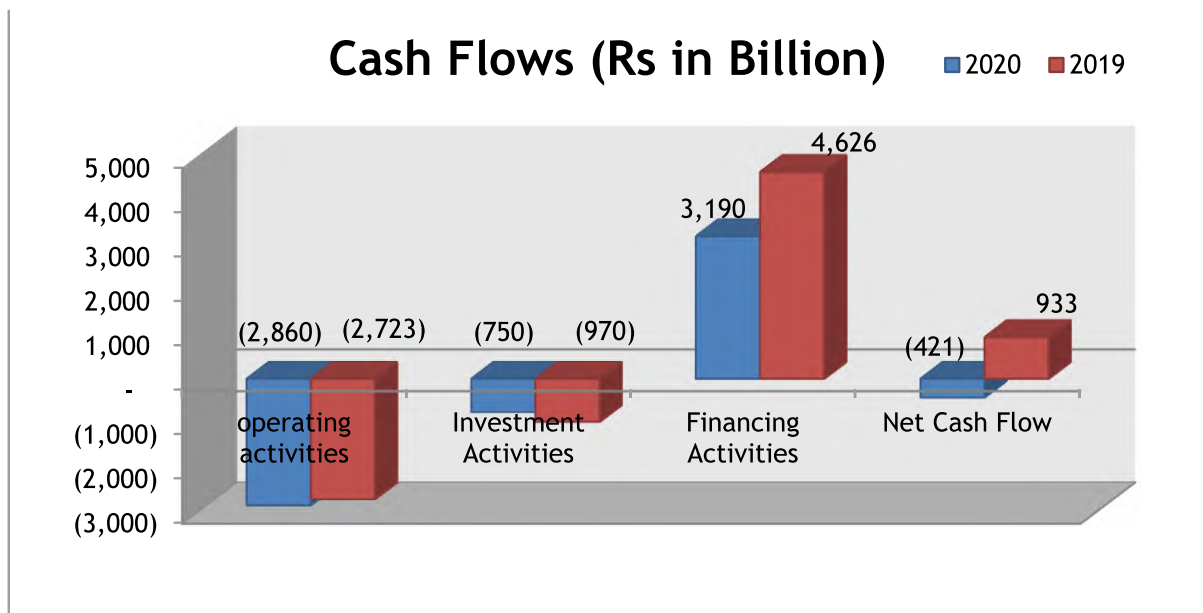
Assets and liabilities of the Federal Government are disclosed in the notes to the Financial Statements and are recorded on a historical cost basis and do not include accrued receipts and payments.

FINANCIAL REVIEW

CASH FLOWS

The net cash flows for the year have decreased by Rs. 420,932 million decreasing the balance of cash and cash equivalents at end of the year from Rs. 921,737 million last year to a balance of Rs.500,805 million. Cash used in operating activities increased by 5.03%.

The outflows from investing activities have decreased by 22.68%, and the cash flows from financing activities also decreased by 31.05% as compared to previous year's activities.



RECEIPTS AND PAYMENTS

RECEIPTS

Taxation

During the year under review tax receipts were Rs. 4,214,842 million as compared to Rs. 4,056,279 million for the previous financial year, which represents an increase of 3.91%. Out of total tax collections for the financial year 2019-2020, the Federal Government has transferred Rs. 2,428,151 million to the provinces. These transfers are made from all heads of taxes in accordance with the

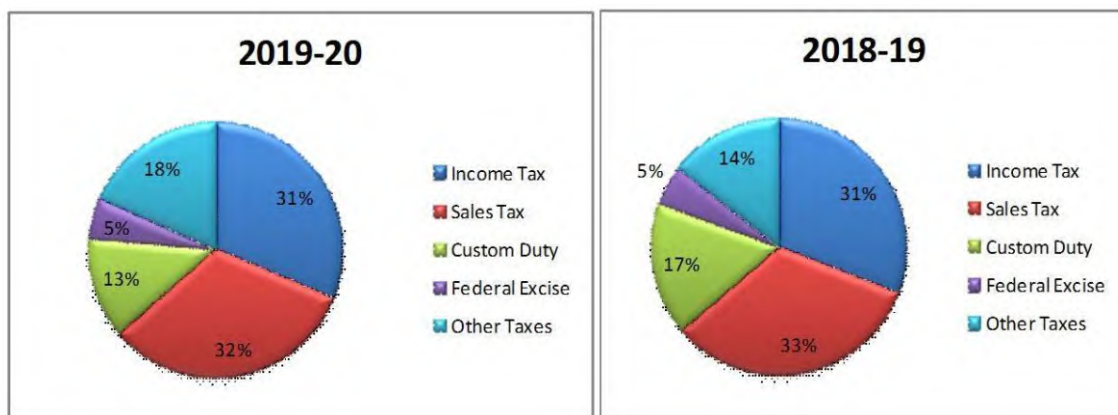
NFC award. The net tax reported after the transfers leaves the Federal Government with tax revenue of Rs 1,786,691 million against Rs. 1,737,211 million in comparison with the previous financial year.

The Federal Board of Revenue (FBR) introduced a wide-ranging tax and tariff reforms implemented under Tax Administration Reform Program (TARP). TARP was reportedly effectively implemented by widening the tax base by reducing exemptions, incentives and concessions, reducing multiplicity of rates, lowering tax rates, shifting the incidence of tax burden from production to consumption, moving away from the

excessive reliance on manufacturing and taxing all value additions including services, enhancing the neutrality between present and future consumption, enhancing the neutrality of the tax system to forms of business organizations and sources of finance, and re-engineering business process of the tax system to overcome the culture of tax avoidance and evasion.

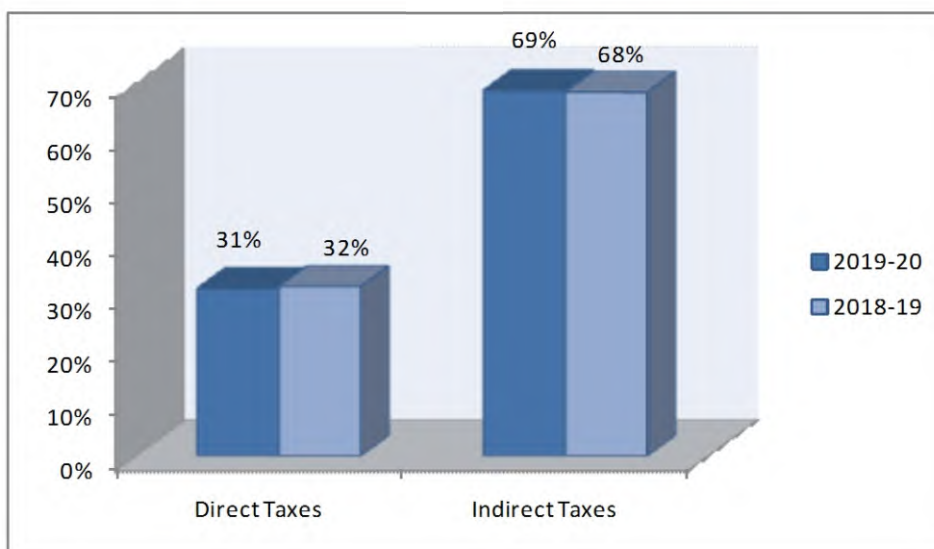
The basic philosophy of tax and tariff reform has been to move away from investment and production based taxes to income (direct taxes) and consumption (sales tax) based taxes. Pakistan has

succeeded in changing the composition of its taxes but much more effort will be needed to enhance the share of direct taxes in total taxes. A bird eye view of the net tax composition is presented below;



The composition of direct taxes and indirect taxes for the year under review has

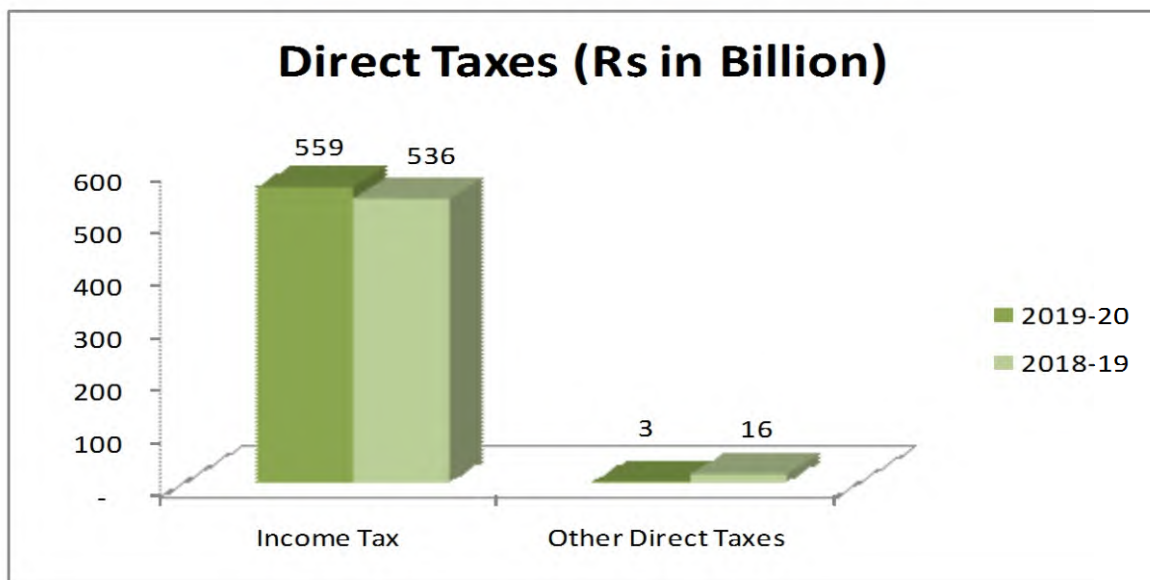
been; Direct taxes 31% and indirect taxes 69%, out of total taxes.



Direct Taxes

The direct taxes are a major source of federal tax revenues after sales tax. Direct tax consists of Income Tax, withholding tax, capital value tax, tax on profession, trade and callings and other miscellaneous taxes.

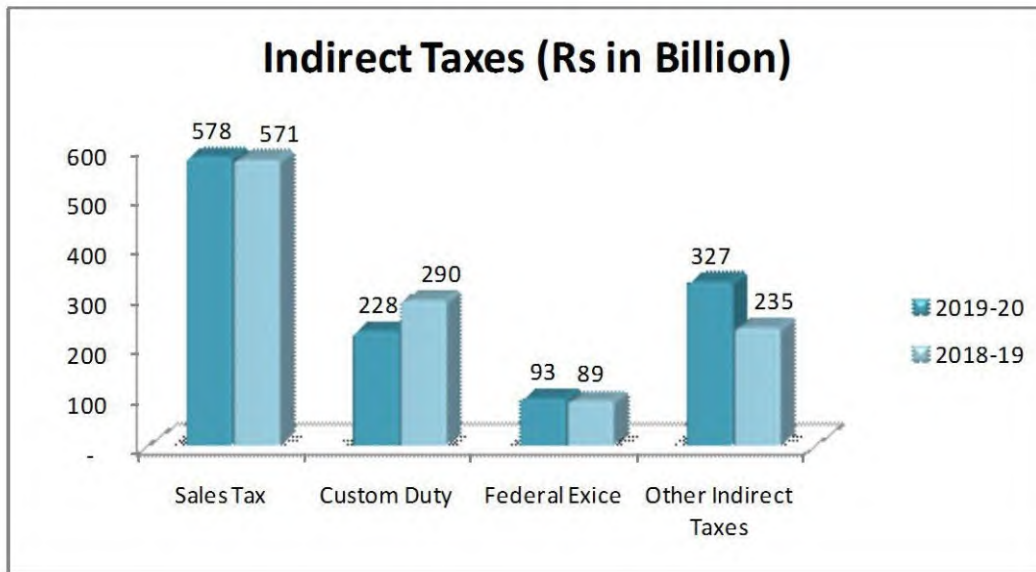
The net collection of direct taxes has increased by Rs 9 billion as compared to previous year. Composition of direct taxes for the financial years is depicted below.



Indirect Taxes

Indirect taxes are the largest contributor to federal tax revenues. Indirect taxes comprise of sales tax, customs duty and federal excise duty, petroleum development levy, gas infrastructure development cess. The total revenue from Indirect taxes for the current year amounted to Rs. 1,225 billion. Sales tax

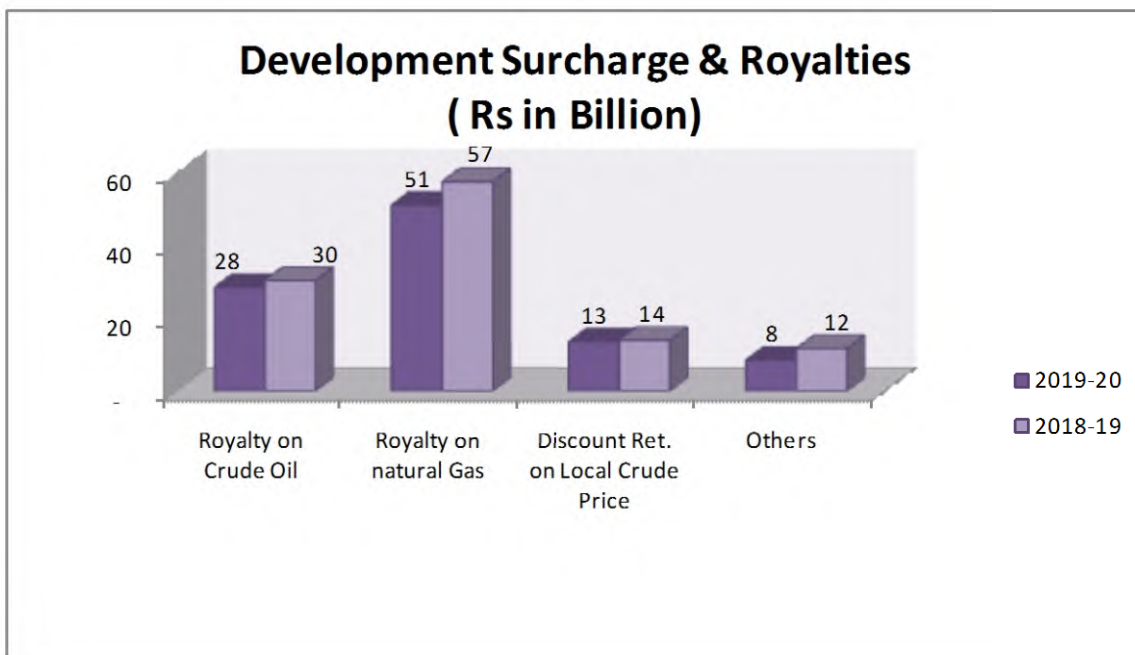
has emerged as the leading revenue source in recent years. Due to its buoyant nature, the share of sales tax has come to 47.14% of the total indirect tax collected, customs to 18.62% and Federal Excise 7.57% of the total indirect taxes.



Development Surcharge and Royalties

Items exhibiting major movements here are Royalty on crude oil showing 6.44% decrease from previous year, Royalty on

Natural Gas 11.24% decrease from last year.



Borrowings

1. Domestic Debt

During the year under review domestic debt receipts amounted to Rs. 3,226,350

million which consist of permanent debt and floating debt-net basis.

Permanent domestic debt raised during the current financial year was Rs. 3,052,969 million as compared to Rs. 8,580,419 million in the last financial year. The major sources were Pakistan Investment Bonds (Rs. 2,749,625 million), Sukuk (Rs. 198,241 million), and National Prize Bonds (Rs. 61,370 million).

2. Foreign Debt

In the year under review, the burden of foreign debt on the Federal Government has increased by Rs 581,241 million. Receipts of foreign debt recorded were Rs. 1,955,704 million this year as compared to Rs. 1,374,463 million last year which represents an increase of 42.3%. Amongst foreign lenders, Chinese sources loan amounted to Rs. 212,182 million during the year. Also Rs. 121,597 million was raised from IDB ST. Other major donors were IMF Rs. 456,652 million, ADB Rs. 448,628 million, IDA Rs. 424,475 million and Saudi Arabia Rs. 120,549 million.

Dividend and profit share

Dividend represents dividends received against the investments made by the Federal Government in financial and non-financial institutions. Non-financial institutions were the prime source of dividends received in the Federal

Recovery of loans and advances

This item has witnessed an upward movement in aggregate. Compared to previous year, an increase of 7.31% in recoveries has been recorded. As far as recoveries from provinces are concerned, figure of last year stood at Rs. 71,393

Consolidated Fund. A decrease of 32.06% in total dividend receipts was recorded in comparison to the previous financial year; the current year's receipt amounted to Rs. 40,904 million. Out of total dividend income, dividend from OGDCL was Rs. 22,650 million, Pak Arab Refinery Ltd. Rs. 5,160 million and from Government Holdings Private Ltd was Rs. 5,000 million.

Share of profits represents distributable profits from the State Bank of Pakistan and any other authority to the Federal Government against the appropriation of their net profits from their investment holdings. The profit share received from SBP during the year was Rs. 935,519 million. Profit share from PTA amounted to Rs. 123,377 million this year.

The surplus profit of the SBP, after making provision of reserve fund dividend payments, is transferred to the Federal Government.

million compared to Rs. 84,689 million this year.

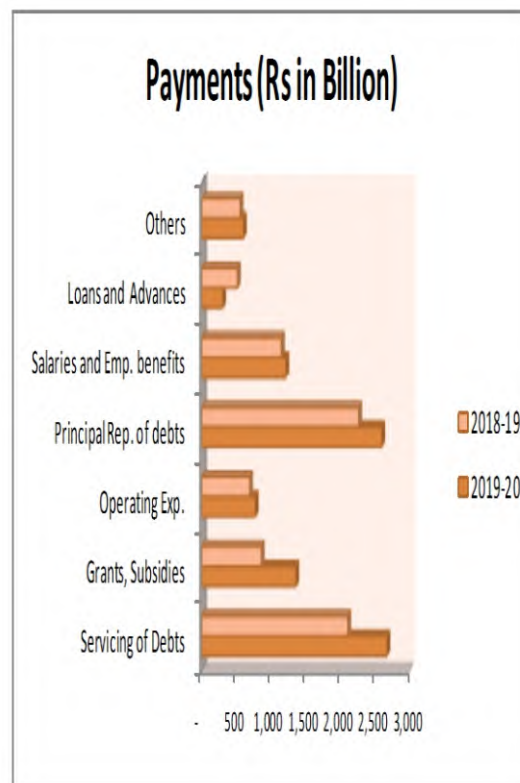
PAYMENTS

The Federal Government's plan of better fiscal transparency and improving expenditure management is still at the forefront of policy despite the impediments faced by the country during this fiscal year. Total payments made from Federal Consolidated Fund during the current year increased by Rs. 1,361 billion (16.8%) from the previous year. Total payments made during the year amounted to Rs. 9,465 billions as compared to Rs. 8,104 billion last year.

The major payments include salaries and employees benefits amounting to Rs. 1,206 billions, operating expenditure amounting to Rs. 767 billions, servicing of debt Rs. 2,661 billions, grants, subsidies and write-off of loans Rs. 1,351 billions and principal repayment of debts amounting to Rs. 2,585 billions. The Principal Repayment of Debt consisted of repayment of domestic debt of Rs. 1,229 billions and Rs. 1,356 billion for repayment of foreign debt. Out of total debt servicing payments of Rs. 2,661 billions, the domestic debt servicing cost

was Rs. 2,355 billions and foreign debt servicing cost was Rs. 306 billions.

The composition of payments made has been detailed below;



THE BUDGET 2019-2020

The budget is the principal document by which the Government sets out its financial plan for each financial year, namely how much the plan will cost (i.e. expenditure) and how much and in what way, money will be raised to finance the expenditure (i.e. revenue). It consists of the following documents;

- Annual Budget Statement (article 80 of constitution)

- Schedule of Authorized Expenditure - detailed estimates of Consolidated Fund - current expenditure and detailed estimates of Consolidated Fund - development expenditure (Article 83 of the constitution)
- Finance Act - the legal instrument through which the budget becomes an act of law.

Medium-Term Budgetary Framework (MTBF)

Previously the budget process was structured to provide only annual budget. This did not permit spending agencies to formulate their programs more than a year with uncertainty regarding the availability of resources beyond the annual budget. In order to allow these spending agencies to plan their programs in a consistent and coherent manner, the Government has initiated the process of putting in place a Medium - Term Budgetary Framework (MTBF). MTBF assists in improving the overall quality of planning and budgetary process and also enhancing the quality and effectiveness of public expenditure. It has introduced the concept of multi-year

Analysis of Budget - Comparison of Actual With Budget

Capital and Revenue are two major categories of receipts disclosed in the financial statements. An amount of Rs.

Budgeted Payments

The detail below depicts the allocation of original and revised budget of expenditure. This entails distribution of original and revised budget on different

budgeting. MTBF will enable ministries to prioritize their spending plan within the indicated envelop and will, to a great extent, reduce the uncertainties that impede effective planning.

The MTBF reforms initiated in 2003 comprise two major components – the strategic or "top-down" component implemented in the Ministry of Finance and the "bottom up" component which introduces strengthened budget preparation through output based budgeting, progressively across the Federal Ministries.

3,141,830 million was budgeted as revenue receipts against which actual receipts collected were Rs. 3,169,743 million. Capital receipts budgeted were Rs. 18,211,231 million and the actual receipts were of Rs. 19,534,130 million.

functions of the Government i.e. percentage of budget allocated originally and its subsequent revision in different functions.

FEDERAL GOVERNMENT
Statement of Comparison of Budgeted and Actual Amounts by Function
For the Year Ended 30 June 2020

RECEIPTS	Note	2020 (Rupees in million)			2019 (Rupees in million)		
		Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
		Original	Revised		Original	Revised	
RECEIPTS							
Revenue							
Taxation		2,642,441	1,885,454	1,786,691	2,350,854	2,007,818	1,737,211
Non-taxation		848,154	1,256,376	1,383,052	727,834	584,278	323,587
Total revenue receipts		3,490,595	3,141,830	3,169,743	3,078,688	2,592,096	2,060,798
Capital							
Domestic debt		39,755,301	15,846,020	17,353,559	21,535,843	35,360,883	46,262,769
Foreign debt		3,003,829	2,233,498	2,078,826	1,087,992	1,366,475	1,475,466
Recoveries of loans and advances		183,520	131,713	101,745	152,989	159,831	94,818
Total capital receipts	29	42,942,650	18,211,231	19,534,130	22,776,824	36,887,189	47,833,053
TOTAL RECEIPTS		46,433,244	21,353,061	22,703,873	25,855,512	39,479,285	49,893,851
PAYMENTS							
Revenue							
General public services		5,870,099	5,712,260	4,287,493	3,117,653	3,374,331	3,503,605
Defence affairs and services		1,154,306	1,229,088	1,233,075	1,103,220	1,139,355	1,186,614
Public order and safety affairs		156,969	156,684	180,665	136,600	136,068	174,822
Economic affairs		246,105	257,652	364,510	226,644	204,294	261,598
Environment protection		8,049	8,043	7,906	2,064	1,342	1,745
Housing and community amenities		5,110	3,902	6,291	17,101	3,936	2,600
Health affairs and services		23,729	20,157	25,184	43,896	18,248	27,347
Recreation, culture and religion		11,254	25,709	25,936	13,200	12,785	12,814
Education affairs and services		110,682	111,919	115,690	139,755	121,017	125,392
Social protection		191,350	245,546	292,045	3,555	3,227	4,351
Total revenue payments		7,777,653	7,770,960	6,538,795	4,803,687	5,014,603	5,300,888
Capital							
General public services		39,803,335	15,787,755	17,168,603	22,496,665	36,168,084	43,971,603
Economic affairs		34,182	27,953	9,858	18,641	26,278	4,383
Total capital payments		39,837,517	15,815,708	17,178,461	22,515,306	36,194,362	43,975,986
TOTAL PAYMENTS	29	47,615,170	23,586,668	23,717,256	27,318,994	41,208,965	49,276,874

The annexed notes 1 to 31 form an integral part of these financial statements.

FINANCIAL SYSTEM, CONTROLS AND LEGAL COMPLIANCE

Financial System and Control

The effectiveness and credibility of government policies is critically dependent on the availability of timely and accurate financial and management information, a framework of financial and accounting principles and procedures designed according to internationally accepted standards. The Government has made significant progress in its efforts to re-engineer its economic and financial management function to include as key elements of its strategy:

- Modern accounting system designed according to internationally recognized accounting principles and standards, and based on modern information technology to ensure ready availability

of relevant, Accurate and timely information required by economic managers as a decision support system.

- Implementation of the world most advanced Enterprise Resource Planning (ERP) system, SAP has been implemented at AG offices. Two modules namely Financial and Controlling (SAP-FICO) and Human Resources (SAP-HR) are currently in use. This system has contributed a lot in the preparation of financial statements. Additionally, procedures of Payroll and General Provident Fund have become more effective. Burden on the employees has been reduced and effectiveness ensured. Due to its advanced functionalities, tracking of each and every case of GP fund or

payroll has become very easy and full information can be retrieved even after a number of years.

- Increasing professionalization of the elements of its civil services which deal with financial and economic management, requiring key competencies in staff training and appropriate human resource management policies emphasizing performance, experience and knowledge; and,

The CGA has circulated the Principles for Internal Financial Control (PIFC) to Ministry of Finance and the Provincial Finance department as required under section 5(d) of the Controller General of Accounts Ordinance, 2001. These principles have been based on the Committee of Sponsoring Organizations (COSO) Framework that confirms to best practices of internal controls standards.

These PIFC principles are discussed in twenty high levels internal financial controls governed by five major components namely control environment, risk assessment, control activities, information and communications and monitoring.

These concepts apply to all aspects of an organization's operations. However, they do not intend to limit or interfere with duly granted authority related to developing legislation, rule making, or other discretionary policy making in an organization and focuses on ensuring reliability of financial information being generated, safeguarding of assets as well as compliance with laws and regulations affecting financial reporting, disbursements and financial control.

- Increasing partnership between the private and public sectors in their respective areas of comparative advantage.

The Government has implemented *New Accounting Model (NAM)* to improve expenditure management and fiscal transparency. NAM was approved subject to its implementation which is in process. Keeping in view the massive scale and complexity of government accounting significant progress has taken place. However, at present memorandum registers for assets and commitments do not exist and accounting of liabilities is still in the process of completion.

The role of Principal Accounting Officers (PAO) and Chief Finance and Account Officers (CFAO's) is to establish a control mechanism to exercise oversight responsibility relating to financial management including financial control and reporting and as an effective member of the audit committee established by the management.

Legal Compliance

All Federal Ministries, Self Accounting Entities and Government Departments are required to comply with a wide range of laws and regulations, including budgetary appropriations, employment, health and safety and others. The responsibility of compliance primarily rests with the Principal Accounting Officers and its compliance with relevant laws is conducted by the Auditor-General office as part of its financial statements audit.



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

Auditor's Report

I have audited the accompanying financial statements of the Federal Government, which comprise the statements of receipts and payments for the year ended 30th June 2020, statement of cash flows, statement of comparison of budget and actual amounts by function, statement of comparison of budget, actual expenditure by division 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 audit in accordance with the requirements of Article 169 & 170 (2) of the Constitution of the Islamic Republic of Pakistan read with Section 7 of the Auditor-General's (Functions, Powers and Terms & Conditions of Service) Ordinance, 2001. I conducted audit in accordance with the International Standards for 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 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 federal government as on 30th June, 2020 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 Pakistan.
- (b) The sums expended have been applied, in all material respects, for the purposes authorized by the Parliament 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 President of Pakistan under Article 171 of the Constitution of the Islamic Republic of Pakistan.

Islamabad, Pakistan
Dated: **23 DEC 2020**


(Javaid Jehangir)
Auditor General of Pakistan

FEDERAL GOVERNMENT
Statement of Cash Receipts and Payments
For the Year Ended 30 June 2020

		2020 (Rupees in Million)		2019 (Rupees in Million)	
	Note	Receipts / Payments Controlled by Federal Government	Payments by Third Parties	Receipts / Payments Controlled by Federal Government	Payments by Third Parties
FEDERAL CONSOLIDATED FUND					
RECEIPTS					
<i>Taxation</i>					
		558,667	-	536,323	-
		577,613	-	571,213	-
		228,170	-	289,851	-
		92,699	-	88,903	-
		329,542	-	250,921	-
	7	1,786,691	-	1,737,211	-
<i>Non-Tax Revenue and Other Receipts</i>					
	8	7,258	-	8,475	-
	9	1,739	-	2,013	-
	10	14,672	-	16,848	-
	11	25,406	-	34,670	-
		17,738	-	23,014	-
	12	130,967	-	71,855	-
	13	1,103,415	-	90,957	-
		54,266	-	45,111	-
		1,355,461	-	292,943	-
<i>Grants and Aid</i>					
	14	10,396	1,216	15,807	15,576
<i>Borrowings</i>					
	15	1,955,704	123,122	1,374,463	101,003
	16.1	3,052,969	-	8,580,419	-
	17	173,381	-	(3,389,087)	-
		5,182,054	123,122	6,565,795	101,003
<i>Capital Receipts</i>					
	18	101,745	-	94,818	-
	19	-	-	-	-
		-	-	-	-
		101,745	-	94,818	-
<i>Trading Activities</i>					
	20	15,979	-	14,837	-
TOTAL RECEIPTS		8,452,326	124,338	8,721,411	116,579

FEDERAL GOVERNMENT
Statement of Cash Receipts and Payments
For the Year Ended 30 June 2020

	Note	2020 (Rupees in Million)		2019 (Rupees in Million)	
		Receipts / Payments Controlled by Federal Government	Payments by Third Parties	Receipts / Payments Controlled by Federal Government	Payments by Third Parties
PAYMENTS					
<i>Operations</i>					
Salaries and employees benefits	21	1,206,158	-	1,142,725	-
Operating expenses		767,325	2,311	688,224	82,782
		1,973,483	2,311	1,830,949	82,782
<i>Transfers</i>					
Grants, subsidies and write-off of loans		1,351,213	7	856,885	-
Other transfer payments		42,979	-	12,045	-
		1,394,192	7	868,930	-
<i>Expenditures on</i>					
Physical assets		351,369	1,216	336,085	33,797
Civil works		180,248	-	169,202	-
Others		5,871	-	8,909	-
		537,488	1,216	514,196	33,797
<i>Debt and Interest Payments</i>					
Principal repayments of debts	22	2,584,936	-	2,255,237	-
Servicing of debts	23	2,661,084	-	2,099,758	-
		5,246,020	-	4,354,995	-
<i>Other Payments</i>					
Loans and advances	24	298,688	120,804	510,272	-
Investments	25	15,838	-	25,091	-
		314,526	120,804	535,363	-
TOTAL PAYMENTS		9,465,709	124,338	8,104,433	116,579
NET PAYMENT OF FEDERAL CONSOLIDATED FUND		(1,013,383)	-	616,977	-
NET RECEIPT OF PUBLIC ACCOUNT	26	592,451	-	315,557	-
INCREASE / (DECREASE) IN CASH		(420,932)	-	932,534	-
CASH AT THE BEGINNING OF THE YEAR		921,737	N/A*	(10,797)	N/A*
INCREASE / (DECREASE) IN CASH		(420,932)	N/A*	932,534	N/A*
CASH AT THE END OF THE YEAR	27	500,805	N/A*	921,737	N/A*

The annexed notes 1 to 31 form an integral part of these financial statements.
N / A* = Not Applicable



Accountant General Pakistan Revenues

FEDERAL GOVERNMENT
Statement of Cash Flows
For the Year Ended 30 June 2020

	Note	2020 Rupees in million	2019 Rupees in million
CASH FLOWS FROM OPERATING ACTIVITIES			
Tax receipts	7	1,786,691	1,737,211
Non-tax revenue & other receipts		1,355,461	292,943
Development grants	14	10,396	31,383
Trading activities	20	15,979	14,837
Operations payments		(1,973,483)	(1,830,949)
Servicing of debt	23	(2,661,084)	(2,099,758)
Transfers		(1,394,192)	(868,930)
<i>Cash used in Operating Activities</i>		(2,860,232)	(2,723,264)
CASH FLOWS FROM INVESTING ACTIVITIES			
Recoveries of loans and advances	18	101,745	94,818
Privatization Proceeds	19	-	-
Expenditure on physical assets, civil works & others		(537,488)	(529,772)
Investments	25	(15,838)	(25,091)
Payments of loans and advances	24	(298,688)	(510,272)
<i>Cash used in Investing Activities</i>		(750,269)	(970,317)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipt of domestic permanent debt	16	3,052,969	8,580,419
Receipt of foreign debt	15	1,955,704	1,374,463
Domestic floating debt-net	17	173,381	(3,389,087)
Principal repayments of debt	22	(2,584,936)	(2,255,237)
Net receipt of public account	26	592,451	315,557
<i>Cash from Financing Activities</i>		3,189,569	4,626,115
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS		(420,932)	932,534
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		921,737	(10,797)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	27	<u>500,805</u>	<u>921,737</u>

The annexed notes 1 to 31 form an integral part of these financial statements.



Accountant General Pakistan Revenues

FEDERAL GOVERNMENT
Statement of Comparison of Budgeted and Actual Amounts by Function
For the Year Ended 30 June 2020

Note	2020 (Rupees in million)			2019 (Rupees in million)		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Revised		Original	Revised	
RECEIPTS						
	Revenue					
	2,642,441	1,885,454	1,786,691	2,350,854	2,007,818	1,737,211
	848,154	1,256,376	1,383,052	727,834	584,278	323,587
	3,490,595	3,141,830	3,169,743	3,078,688	2,592,096	2,060,798
	Capital					
	39,755,301	15,846,020	17,353,559	21,535,843	35,360,883	46,262,769
	3,003,829	2,233,498	2,078,826	1,087,992	1,366,475	1,475,466
	183,520	131,713	101,745	152,989	159,831	94,818
29	42,942,650	18,211,231	19,534,130	22,776,824	36,887,189	47,833,053
	46,433,244	21,353,061	22,703,873	25,855,512	39,479,285	49,893,851
TOTAL RECEIPTS						
PAYMENTS						
	Revenue					
	5,870,099	5,712,260	4,287,493	3,117,653	3,374,331	3,503,605
	1,154,306	1,229,088	1,233,075	1,103,220	1,139,355	1,186,614
	156,969	156,684	180,665	136,600	136,068	174,822
	246,105	257,652	364,510	226,644	204,294	261,598
	8,049	8,043	7,906	2,064	1,342	1,745
	5,110	3,902	6,291	17,101	3,936	2,600
	23,729	20,157	25,184	43,896	18,248	27,347
	11,254	25,709	25,936	13,200	12,785	12,814
	110,682	111,919	115,690	139,755	121,017	125,392
	191,350	245,546	292,045	3,555	3,227	4,351
	7,777,653	7,770,960	6,538,795	4,803,687	5,014,603	5,300,888
	Capital					
	39,803,335	15,787,755	17,168,603	22,496,665	36,168,084	43,971,603
	34,182	27,953	9,858	18,641	26,278	4,383
	39,837,517	15,815,708	17,178,461	22,515,306	36,194,362	43,975,986
29	47,615,170	23,586,668	23,717,256	27,318,994	41,208,965	49,276,874

The annexed notes 1 to 31 form an integral part of these financial statements.



Accountant General Pakistan Revenues

FEDERAL GOVERNMENT
Statement of Comparison of Budgeted and Actual Expenditure by Division
For the Year Ended 30 June 2020

DIVISIONS	2020 (Rupees in million)			2019 (Rupees in million)		
	Budgeted Amounts		Actual Amounts	Budgeted Amounts		Actual Amounts
	Original	Revised		Original	Revised	
Aviation Division	1,379	605	454	12,284	9,862	10,160
Cabinet Division	106,007	104,072	125,858	72,659	84,549	183,447
Capital Administration and Development Division	-	-	-	35,200	-	134
Climate Change Division	8,081	8,075	7,930	1,417	412	943
Commerce Division	16,180	6,350	13,413	6,412	5,456	5,928
Communications Division	10,050	9,979	10,010	24,132	9,802	17,413
Defence Division	10,081	9,995	10,815	9,327	8,784	11,360
Defence Production Division	2,351	2,348	2,351	3,508	3,161	3,299
Defence Services	1,149,665	1,224,522	1,228,377	1,097,949	1,134,501	1,180,603
Economic Affairs Division	1,849,023	1,923,745	1,888,185	1,315,738	1,709,415	1,599,775
Establishment Division	7,320	7,144	10,487	4,896	4,728	6,607
Federal Education and Professional Training Division	18,506	13,752	18,685	5,813	16,269	19,435
Finance Division	43,404,326	19,006,937	19,107,513	24,189,821	37,750,827	45,658,122
Foreign Affairs Division	21,175	21,164	23,903	18,914	18,713	21,502
Higher Education Commission	59,100	64,100	64,100	-	-	-
Housing and Works Division	12,178	7,178	13,351	9,891	8,020	8,040
Human Rights Division	656	1,205	1,241	738	446	442
Industries and Production Division	10,701	44,070	45,674	3,048	6,658	6,286
Information Technology and Telecommunication Division	11,775	9,578	9,756	7,121	4,880	5,828
Information and Broadcasting Division	10,494	9,867	10,142	8,958	9,200	10,279
Interior Division	149,489	148,963	176,082	132,866	120,164	161,160
Inter Provincial Co-ordination Division	2,053	1,822	1,535	5,460	3,658	2,239
Kashmir Affairs and Gilgit Baltistan Division	18,448	17,742	15,673	18,979	15,630	16,385
Law and Justice Division	10,954	10,362	15,192	8,774	8,905	9,444
Narcotics Control Division	2,826	2,755	2,831	2,854	2,716	2,843
National Food Security and Research Division	31,879	19,438	26,403	5,850	4,666	5,372
National Health Services, Regulations and Co-ordination Division	21,945	19,892	24,833	27,038	13,661	21,311
National Security Division	51	66	47	51	51	39
National History and Literary Heritage Division	128	46	98	1,636	1,206	1,228
Overseas Pakistanis and Human Resource Development Division	1,541	1,542	1,395	1,341	1,385	3,813
Pakistan Railways	13,500	9,016	8,789	30,411	22,793	23,259
Parliamentary Affairs Division	410	410	406	395	382	332
Petroleum Division	25,627	23,873	64,850	1,907	27,262	11,806
Planning, Development and Special Initiatives Division	11,700	4,533	4,132	32,350	5,586	4,977
Postal Services Division	19,653	19,653	26,328	18,664	18,664	23,884
Power Division	226,766	226,766	270,061	245	432	650
Poverty Alleviation and Social Safety Division	188,103	242,323	254,420	-	-	-
Privatisation Division	161	161	186	166	174	169
Religious Affairs and Inter-Faith Harmony Division	2,104	17,368	17,346	1,116	1,849	2,885
Revenue Division	28,751	182,377	28,874	28,779	27,628	30,086
Science and Technology Division	15,597	9,929	9,387	12,043	8,744	8,823
States and Frontier Regions Division	2,534	2,534	2,715	65,012	92,044	107,973
Statistics Division	-	-	-	2,557	2,194	2,292
Textile Division	35,588	51,660	51,277	712	469	483
Water Resource Division	67,134	67,739	100,211	62,262	21,155	46,180
The Senate	3,226	2,841	2,778	2,995	2,995	2,831
National Assembly	4,605	4,605	3,833	4,155	4,155	3,503
Maritime Affairs Division	4,511	5,237	1,366	10,901	3,211	1,837
Audit	5,354	5,154	5,136	4,623	4,623	5,570
Election	6,849	8,539	4,403	2,531	2,455	21,675
Federal Tax Ombudsman	253	253	245	243	250	241
Islamabad High Court	579	579	584	527	527	526
Staff, Household and Allowances of The President	992	992	870	1,036	976	952
Supreme Court	2,095	2,095	2,015	1,964	1,964	1,806
Wafaqi Mohtesib	719	719	710	722	708	696
TOTAL PAYMENTS	47,615,170	23,586,668	23,717,256	27,318,994	41,208,965	49,276,874

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The annexed notes 1 to 31 form an integral part of these financial statements.



Accountant General Pakistan Revenues

FEDERAL GOVERNMENT
Statement of Appropriation of Grants by Object
For the Year Ended 30 June 2020

Grants Name	AM1 Employees Related Expenses	AM2 Project Pre- Investment Analysis	AM3 Operating Expenses	AM4 Employers' Retirement Benefits	AM5 Grants Subsidies and Write Off Loans	AM6 Transfers	AM7 Interest Payment	AM8 Loans and Advances	AM9 Physical Assets	AM10 Principal Repayments of Loans	AM11 Investment	AM12 Civil Works	AM13 Repairs and Maintenance	Grand Total
Current Expenditure:														
1 - Cabinet	131	-	59	-	-	-	-	-	-	-	-	-	-	190
2 - Cabinet Division	703	-	6,862	29	-	32	-	-	14	-	-	-	41	7,684
3 - Emergency Relief and Repatriation	-	-	160	-	-	-	-	-	32	-	-	-	217	409
4 - Other Expenditure of Cabinet Division	606	-	365	-	-	1,000	-	-	9	-	-	-	1	1,981
5 - Aviation Division	-	-	37	0	-	-	-	-	5	-	-	-	6	108
6 - Airports Security Force	6,313	-	809	57	-	81	-	-	220	-	-	-	71	7,560
7 - Meteorology	2,109	-	575	32	-	20	-	-	56	-	-	1	7	2,759
8 - Federal Science Commission	2,107	-	346	13	-	28	-	-	3	-	-	-	0	2,529
9 - Federal Science and Technology Commission	417	-	346	13	-	28	-	-	3	-	-	-	0	865
10 - Other Expenditure of Establishment Division	583	-	133	21	-	46	-	-	6	-	-	-	9	7,558
11 - National Security Division	33	-	7	5	-	-	-	-	-	-	-	-	0	47
12 - Poverty Alleviation and Social Safety Division	2,682	-	243,861	2	-	5,653	-	-	15	-	-	-	1	254,384
13 - Prime Minister's Office	713	-	8,127	25	-	13	-	-	6	-	-	-	16	35,162
14 - Board of Investment	181	-	73	1	-	7	-	-	1	-	-	-	-	266
15 - Prime Minister's Inspection Commission	48	-	9	1	-	10	-	-	0	-	-	-	0	69
16 - Atomic Energy	972	-	10,727	-	-	-	-	-	-	-	-	-	-	11,698
17 - Stationery and Printing	85	-	11	3	-	11	-	-	-	-	-	-	0	111
18 - Climate Change Division	2,227	0	153	8	-	6	-	-	3	-	-	-	0	402
19 - Commerce Division	1,908	-	1,741	72	-	4,608	0	-	38	-	-	-	45	8,413
20 - Textile Division	262	-	69	5	-	12	-	-	502	-	-	-	3	352
21 - Communications Division	6,097	-	1,111	14	-	831	-	-	15	-	-	-	128	8,698
22 - Other Expenditure of Communications Division	2,374	-	55	1	-	118	-	-	1	-	-	-	1	413
23 - Defence Division	1,150	-	585	2	-	125	0	-	57	-	-	-	372	2,291
24 - Stores of Pakistan	959	-	165	38	-	48	-	-	10	-	-	-	10	1,232
25 - Federal Government Educational Institutions in Cantonnments and Garrisons	6,548	-	316,339	4	-	28	-	-	305,206	-	-	139,220	45	7,096
26 - Defence Production Division	467,137	-	49	-	-	25	-	-	462	-	-	-	6	1,228,571
28 - Power Division	184	-	31	3	-	-	-	-	2	-	-	-	-	224
29 - Other Expenditure of Power Division	250	-	-	-	-	269,837	-	-	-	-	-	-	-	269,837
30 - Petroleum Division	427	-	68	10	-	1,887	-	-	2	-	-	-	9	2,220
31 - Geological Survey of Pakistan	520	-	109	15	-	-	-	-	2	-	-	-	0	569
32 - Other Expenditure of Petroleum Division	102	-	-	-	-	61,708	-	-	-	-	-	-	-	61,810
33 - Federal Education and Professional Training Division	11,573	17	2,463	137	-	245	-	-	29	-	-	-	80	14,617
34 - Finance Division	290	-	3,152	290	-	25	-	-	19	-	-	-	11	1,549
35 - Controller General of Accounts	4,702	-	1,076	246	-	309	-	-	37	-	-	-	24	6,395
36 - Pakistan Mint	189	-	189	2	-	27	-	-	12	-	-	-	9	593
37 - National Savings	1,771	-	1,551	8	-	102	-	-	69	-	-	-	21	3,520
38 - Other Expenditure of Finance Division	160	-	248	3	-	31,508	-	-	-	-	-	-	18	31,938
39 - Superannuation Allowances and Pensions	0	-	0	-	-	-	-	-	-	-	-	-	-	455,938
40 - Grants-In-Aid and Miscellaneous Adjustments between The Federal and Provincial Governments	-	-	-	-	-	-	-	-	-	-	-	-	-	166,116
41 - Subsidies and Miscellaneous Expenditure	-	-	347	-	-	430,453	-	-	-	-	-	-	-	430,800
42 - Higher Education Commission	-	-	11,878	-	-	52,722	-	-	-	-	-	-	-	64,600
43 - Economic Affairs Division	318	-	142	11	-	6,344	-	-	12	-	-	-	-	6,843
44 - Revenue Division	2,196	-	2,324	64	-	30	-	-	359	-	-	-	106	5,071
45 - Federal Board of Revenue	736	-	1,704	222	-	213	-	-	130	-	-	-	224	3,237
46 - Customs and Excise Division	10,000	-	2,240	288	-	292	-	-	310	-	-	-	363	13,306
47 - Inland Revenue	1,126	-	417	50	-	18	-	-	66	-	-	-	63	1,739
48 - Foreign Affairs Division	9,655	-	8,003	2	-	-	-	-	188	-	-	9	293	18,151
49 - Foreign Affairs	193	0	3,777	3	-	17	-	-	2	-	-	0	0	3,993
50 - Other Expenditure of Foreign Affairs Division	140	-	25	3	-	-	-	-	1	-	-	-	2	171
51 - Housing and Works Division	3,352	-	481	73	-	36	-	-	24	-	-	6	41	4,384
52 - Civil Works	136	-	21	4	-	-	-	-	8	-	-	-	4	176
53 - Estate Offices	103	-	1	2	-	-	-	-	-	-	-	-	-	106
54 - Federal Lodges	938	-	245	10	-	11	-	-	7	-	-	-	11	1,223
55 - Human Rights Division	206	-	508	11	-	5	-	-	11	-	-	-	2	742
56 - Industries and Production Division	2	-	-	-	-	-	-	-	-	-	-	-	-	0
57 - Department of Investment Promotion and Supplies	707	-	365	1	-	21,282	-	-	20,003	-	-	-	-	44,388
58 - Other Expenditure of Industries and Production Division	372	-	159	15	-	18	-	-	7	-	-	-	10	583
59 - Information and Broadcasting Division	173	-	220	13	-	3	-	-	2	-	-	-	13	310
60 - Directorate of Publications, Newsrels and Documentaries	454	-	20	1	-	-	-	-	1	-	-	-	-	456
61 - Press Information Department	434	-	220	13	-	3	-	-	2	-	-	-	11	686
62 - Information Services Abroad	5,168	-	1,271	-	-	23	-	-	6	-	-	-	0	6,417
63 - Other Expenditure of Information and Broadcasting Division	731	-	1,281	3	-	3	-	-	145	-	-	-	6	3,172
64 - National Library and Archives Division	3,172	-	1,281	3	-	3	-	-	145	-	-	-	6	4,417
65 - Information Technology and Telecommunication Division	555	-	195	22	-	47	-	-	3	-	-	53	350	5,005
66 - Interior Division	8,768	-	1,268	24	-	228	-	-	157	-	-	-	14	833
67 - Islamabad	1,017	-	1,896	4	-	6	-	-	39	-	-	0	12	2,975
68 - Passport Organisation	57,980	-	30,811	27	-	444	-	-	12,293	-	-	199	961	102,731
69 - Civil Armed Forces	-	-	-	-	-	-	-	-	-	-	-	-	-	-

FEDERAL GOVERNMENT
Statement of Appropriation of Grants by Object
For the Year Ended 30 June 2020

(Rs. In million)

Grants Name	AM1 Employees Related Expenses	AM2 Project Pre- Investment Analysis	AM3 Operating Expenses	AM4 Employees' Retirement Benefits	AM5 Grants Subsidies and Write Off Loans	AM6 Transfers	AM7 Interest Payment	AM8 Loans and Advances	AM9 Physical Assets	AM10 Principal Repayments of Loans	AM11 Investment	AM12 Civil Works	AM13 Repairs and Maintenance	Grand Total
70 - Frontier Constabulary	10,828	-	399	6	30	4	-	-	92	-	-	2	73	11,435
71 - Pakistan Coast Guards	1,815	-	409	11	5	-	-	-	409	-	-	-	76	2,300
72 - Pakistan Rangers	23,194	-	1,238	33	71	-	-	-	1,238	-	-	94	152	25,584
73 - Other Expenditure of Interior Division	4,628	-	2,386	42	4,628	30	-	-	2,715	-	-	-	47	9,918
74 - Inter Provincial Co-ordination Division	289	-	534	9	-	-	-	-	9	-	-	-	8	1,479
75 - Kashmir Affairs and Gilgit Baltistan Division	82	-	26	2	-	-	-	-	23	-	-	-	1	338
76 - Other Expenditure of Kashmir Affairs and Gilgit Baltistan Division	18	-	6	-	-	-	-	-	-	-	-	-	-	20
77 - Gilgit and Justice Division	447	-	172	10	630	-	-	-	630	-	-	-	-	1,109
78 - Law and Justice Division	447	-	172	10	630	-	-	-	630	-	-	-	-	1,109
79 - Other Expenditure of Law and Justice Division	3,219	-	109	47	-	1	-	-	49	-	-	-	66	4,112
80 - Council of Islamic Ideology	109	0	23	4	-	-	-	-	4	-	-	-	4	142
81 - District, Judiciary, Islamabad Capital Territory	469	-	38	3	-	-	-	-	38	-	-	-	6	523
82 - National Accountability Bureau	3,136	-	5,702	12	25	-	-	-	156	-	-	-	38	9,068
83 - Maritime Affairs Division	803	-	302	14	-	2	-	-	43	-	-	0	13	845
84 - Narcotics Control Division	1,854	-	1,444	17	1,811	221	-	-	28	-	-	-	49	2,767
85 - National Assembly	2,145	-	1,444	17	1,811	221	-	-	28	-	-	-	18	3,832
86 - The Senate	1,707	-	747	13	1,337	98	-	-	193	-	-	-	19	2,778
87 - National Food Security and Research Division	3,006	-	1,252	46	64	0	-	-	4	-	-	-	29	4,400
88 - National Health Services, Regulations and Co-ordination Division	6,921	-	3,221	102	68	638	-	-	104	-	-	-	225	11,279
89 - Overseas Pakistanis and Human Resource Development Division	826	-	526	7	7	0	-	-	10	-	-	-	14	1,395
90 - Parliamentary Affairs Division	271	-	129	3	-	-	-	-	1	-	-	-	-	406
91 - Planning, Development and Special Initiatives Division	2,449	-	601	106	-	-	-	-	6	-	-	-	21	3,290
91A - CPCC Authority	-	-	-	-	-	-	-	-	-	-	-	-	-	-
92 - Postal Services Division	-	-	-	-	-	-	-	-	-	-	-	-	-	-
93 - Pakistan Post Office Department	11,265	-	4,227	9,131	490	53	18	-	166	-	-	1	20	26,276
94 - Postal Services Division	130	-	44	1	4	3	-	-	2	-	-	-	2	186
95 - Postal Services Division	130	-	44	1	4	3	-	-	2	-	-	-	2	186
96 - Religious Affairs and Intra-Faith Harmony Division	200	-	136	9	63	34	-	-	7	-	-	-	4	453
97 - Other Expenditure of Religious Affairs and Intra-Faith Harmony Division	328	-	239	5	35	-	-	-	2	-	-	-	4	613
98 - Science and Technology Division	144	-	283	1	3	23	-	-	-	-	-	-	4	457
99 - Other Expenditure of Science and Technology Division	4,458	94	522	1,757	785	20	-	-	9	-	-	-	17	7,662
100 - States and Frontier Regions Division	87	-	20	4	-	1	-	-	0	-	-	-	113	2,098
101 - Frontier Regions	2,054	-	27	1	-	5	-	-	0	-	-	-	10	2,098
102 - Maintenance Allowances to Ex-Rulers	8	-	-	-	-	-	-	-	-	-	-	-	-	8
103 - Afghan Refugees	386	-	63	22	14	-	-	-	3	-	-	-	8	496
104 - Water Resources Division	228	-	52	3	-	2	-	-	9	-	-	-	5	298
105 - Federal Miscellaneous Investments	-	-	-	-	-	-	-	-	-	-	6,442	-	-	6,442
106 - Other Loans and Advances by The Federal Government	-	-	-	-	-	-	-	-	-	-	-	-	-	6,442
Total Current Expenditure	723,749	111	697,141	469,101	1,057,609	42,760	18	77,605	342,305	-	6,442	139,585	5,165	3,561,590
Development Expenditure														
107 - Development Expenditure of Cabinet Division	30	0	3,608	-	25,103	-	-	-	3	-	-	1,681	1	30,427
108 - Development Expenditure of Aviation Division	13	-	23	-	-	-	-	-	-	-	-	301	-	346
109 - Development Expenditure of Establishment Division	33	-	-	-	-	-	-	-	-	-	-	-	-	33
110 - Development Expenditure of Security, Alertness and Social Safety Division	83	-	284	-	-	-	-	-	2,556	-	-	726	-	3,649
111 - Development Expenditure of Science	17	-	7,511	-	-	-	-	-	-	-	-	-	-	7,528
112 - Development Expenditure of Climate Change Division	-	-	-	-	-	-	-	-	-	-	-	-	-	-
113 - Development Expenditure of Commerce Division	-	-	-	-	5,000	-	-	-	-	-	-	-	-	5,000
114 - Other Expenditure of Commerce Division	-	-	-	-	-	-	-	-	-	-	-	-	-	-
115 - Development Expenditure of Textile Division	10	-	4	-	-	-	-	-	-	-	-	-	-	14
116 - Other Expenditure of Textile Division	-	-	-	-	50,911	-	-	-	-	-	-	-	-	50,911
117 - Development Expenditure of Communication Division	5	77	36	-	745	-	-	-	-	-	-	71	-	899
118 - Development Expenditure of Defence Division	-	-	-	-	-	-	-	-	20	-	-	-	0	226
119 - Development Expenditure of Federal Government Educational Institutions in Cantonments and Garrisons	-	-	-	-	-	-	-	-	-	-	-	-	-	-
120 - Development Expenditure of Defence Production Division	-	-	-	-	-	-	-	-	-	-	-	-	-	-
121 - Development Expenditure of Federal Education and Professional Training Division	-	-	-	-	-	-	-	-	1,700	-	-	30	-	1,700
122 - Development Expenditure of Finance Division	2,246	-	624	-	-	155	-	-	134	-	-	894	15	4,068
123 - Other Development Expenditure	12	-	3	-	28,690	-	-	-	6	-	414	-	-	29,182
124 - Other Development Expenditure	0	-	0	-	57,146	-	-	-	-	-	-	-	-	57,147
125 - Development Expenditure of Controller General of Accounts	-	-	-	-	-	-	-	-	1,187	-	-	-	-	1,187
126 - Development Expenditure of Economic Affairs Division	6	-	2,813	-	2,791	-	-	-	-	-	-	-	-	5,604
127 - Development Expenditure of Economic Affairs Division	270	33	282	-	1,981	-	-	-	23	-	-	-	-	2,539
128 - Development Expenditure of Economic Affairs Division	20	-	694	-	140	-	-	-	-	-	-	955	0	1,815
129 - Development Expenditure of Human Rights Division	-	-	-	-	-	-	-	-	9	-	-	-	-	9
130 - Development Expenditure of Information and Broadcasting Division	-	-	-	-	-	-	-	-	-	-	-	-	-	-
131 - Development Expenditure of National History and Literary Heritage Division	-	-	-	-	-	-	-	-	-	-	-	-	-	-
132 - Development Expenditure of Information Technology and Telecommunication Division	1	1	75	-	-	-	-	-	22	-	-	-	-	98
	65	1	497	-	-	0	-	-	250	-	-	3,937	-	4,750

FEDERAL GOVERNMENT
Statement of Appropriation of Grants by Object
For the Year Ended 30 June 2020

Grants Name	A11 Employees Related Expenses	A12 Project Pre-Investment Analysis	A13 Operating Expenses	A14 Employees' Retirement Benefits	A15 Grants Subsidies and Write Off Loans	A16 Transfers	A17 Interest Payment	A18 Loans and Advances	A19 Physical Assets	A20 Principal Repayments of Loans	A21 Investment	A22 Civil Works	A23 Repairs and Maintenance	Grand Total
133 - Development Expenditure of Interior Division	891	-	996	-	48	1	-	-	559	-	-	7,149	31	9,675
134 - Development Expenditure of Inter Provincial Co-ordination Division	60	-	13,224	-	-	-	-	-	151	-	-	1,232	5	14,889
135 - Development Expenditure of Kashmir Affairs and Gilgit Baltistan Division	7	-	6	-	-	-	-	-	30	-	-	661	-	704
136 - Development Expenditure of Law and Justice Division	-	-	-	-	-	-	-	-	-	-	-	62	-	64
137 - Development Expenditure of Narcotics Control Division	146	-	1,652	-	4,606	-	-	-	74	-	-	16	-	6,500
138 - Development Expenditure of National Food Security and Research Division	-	-	-	-	15,200	-	-	-	-	-	-	-	-	15,200
139 - Development Expenditure of National Health Services, Regulations and Co-ordination Division	89	9	11,046	1	913	3	-	-	1,357	-	-	47	90	13,554
141 - Development Expenditure of Planning, Development and Special Initiatives Division	139	-	270	-	-	-	-	-	386	-	-	-	1	840
142 - Development Expenditure of Religious Affairs and Inter-Faith Harmony	70	108	146	-	-	39	-	-	665	-	-	16,280	-	16,280
143 - Development Expenditure of Science and Technology Division	-	-	-	-	99,913	-	-	-	-	-	-	238	-	1,268
144 - Development Expenditure of Water Resources Division	-	-	24,519	-	-	-	-	-	-	-	-	-	-	99,913
145 - Capital Outlay on Development of Atomic Energy	-	-	188	-	-	-	-	-	35	-	-	2	-	24,519
146 - Capital Outlay on Petroleum Division	4	-	-	-	-	-	-	-	-	-	-	-	-	251
147 - Capital Outlay on Federal Investments	-	-	-	-	-	-	-	-	-	-	193	-	-	193
148 - Development Loans and Advances by The Federal Government	-	-	-	-	-	-	-	122,709	-	-	-	-	-	122,709
149 - External Development Loans and Advances by The Federal Government	-	-	-	-	-	-	-	216,179	-	-	-	-	-	216,179
150 - Capital Outlay on Works of Foreign Affairs Division	-	-	92	-	-	-	-	-	8	-	-	11	-	20
151 - Capital Outlay on Civil Works	-	-	-	-	-	-	-	-	-	-	-	5,423	-	5,515
152 - Other Expenditure of Housing and Works Division	77	-	24	-	120	0	-	-	3,000	-	-	-	-	3,000
153 - Capital Outlay on Industrial Development	-	-	23	-	-	-	-	-	-	-	-	234	-	234
154 - Capital Outlay on Maritime Affairs Division	2	27	-	-	-	-	-	-	42	-	-	425	-	520
155 - Capital Outlay on Pakistan Railways	-	-	-	-	-	199	-	-	-	-	-	-	-	8,389
Total Development Expenditure	4,249	314	68,660	1	293,466	199	-	341,887	9,504	-	-	40,657	157	768,491
Expenditure Charged upon Federal Consolidated Fund														
--- Audit	3,533	-	1,313	166	67	2	-	-	17	-	-	-	-	5,136
--- Election	1,838	-	1,788	27	38	0	-	-	680	-	-	0	-	4,403
--- Federal Tax Ombudsman	154	-	84	0	-	-	-	-	4	-	-	-	-	245
--- Foreign Loans Repayment	-	-	-	-	-	-	-	-	-	1,222,614	-	-	-	1,222,614
--- Islamabad High Court	520	-	46	1	0	-	-	-	14	-	-	-	-	584
--- Repayment of Domestic Debt	-	-	-	-	-	-	-	-	15,355,814	-	-	-	-	15,355,814
--- Repayment of Short Term Foreign Credits	-	-	-	-	-	-	-	-	-	133,716	-	-	-	133,716
--- Servicing of Domestic Debt	-	-	-	-	-	-	-	-	2,354,777	-	-	-	-	2,354,777
--- Servicing of Foreign Debt	659	-	137	11	5	16	-	-	306,288	-	-	-	-	306,288
--- Staff, Household and Allowances of The President	1,693	-	209	48	6	3	-	-	37	-	-	6	-	2,015
--- Supreme Court	-	-	260	18	59	-	-	-	8	-	-	-	-	345
--- Waqaf Mobtash	8,788	-	3,835	270	145	21	2,661,066	-	776	16,712,145	-	6	123	19,871,175
Total Expenditure Charged upon Federal Consolidated Fund	736,786	425	769,636	469,372	1,351,220	42,979	2,661,084	419,492	352,585	16,712,145	15,838	180,248	5,446	23,712,556
Grand Total - 2019 (Note 29)	221,758	510	771,006	420,967	855,886	12,045	2,099,758	510,272	354,306	43,326,673	25,091	169,202	8,399	49,276,874

Accountant General Pakistan Revenues

FEDERAL GOVERNMENT

Notes to the Financial Statements

For the Year Ended 30 June 2020

1. REPORTING ENTITY

Federal Government – Islamic Republic of Pakistan (“the Government”) conducts its operations under the Rules of Business 1973. These rules were made pursuant to Article 90 and 99 of the Constitution of the Islamic Republic of Pakistan, 1973 (“the Constitution”) and envisages Federal Government as comprising of ministries, divisions and attached departments. Financial procedures of the Constitution describes the Government as Federal Consolidated Fund and Public Account for which Annual Budget Statement is authorized by the Parliament 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 federation 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 Federal Government as an accounting and reporting entity comprising of;

- a) Centralized Accounting Entities; for which the Accountant General Pakistan Revenues has the primary responsibility for accounting and reporting.
- b) Self Accounting Entities; for which the Principal Accounting Officer has the primary responsibility for accounting and reporting. The Self Accounting Entities are as under;
 1. Defence Services
 2. Pakistan Post Office Department
 3. Foreign Office
 4. Pakistan Public Works Department
 5. Central Directorate of National Savings
 6. Pakistan Mint
 7. Geological Survey of Pakistan
 8. Pakistan Railways
- 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. Financial statements of these entities are not included in the financial statements of the Federal Government. New investments by the Federal Government in such entities are capitalized and any grants to the entities are classified as an expense of the Federal Government 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.

These financial statements include all centralized and self accounting entities except for Pakistan Railways. Financial statements of Pakistan Railways are prepared on a basis other than cash.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the New Accounting Model (NAM) which comprises of seven volumes. 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. 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.

FEDERAL GOVERNMENT

Notes to the Financial Statements

For the Year Ended 30 June 2020

3. 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. The statement of receipts and payments, statement of cash flows, statements of comparison of budget and actual amounts by function, statements of comparison of budget and actual expenditure by division 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 Basis IPSAS.

The Financial Statements for the financial year 2019-20 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.

4. REPORTING AND BUDGET PERIOD

The reporting and budget period of these financial statements is the financial year 2019-20 (from 1 July, 2019 to 30 June, 2020).

5. REPORTING CURRENCY

The reporting currency of these financial statements is Pakistani Rupee.

6. SIGNIFICANT ACCOUNTING POLICIES

6.1. Recording of Receipts

Receipts are recorded on the date of receipt of money by the bank or clearance of cheque. These are recorded on a gross basis and any related costs are recorded separately. Receipt collected as a result of an overpayment made in the same financial year is adjusted against the relevant payment.

6.2. Recording of Payments

Payments are recorded 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 recording of payments are as follows;

a) Payments made through cheque

Payment is recorded on the date the cheque is issued.

b) Inter government transfers

Payment is recorded on the date the transfer is made by the transferor.

c) Payments directly in bank accounts

Payment is recorded on the date the payment is made by the bank.

FEDERAL GOVERNMENT

Notes to the Financial Statements

For the Year Ended 30 June 2020

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

Repayment of loans and other direct payments by the SBP, payment is recorded on the date State Bank of Pakistan advises the relevant accounting office.

e) Imprest payments

Payment is recorded when the required claim vouchers are submitted and imprest account is reimbursed.

6.3. Foreign currency transactions

Cash receipts and payments arising from transactions in foreign currencies are recorded in Pakistani Rupee by applying the exchange rate between the Pakistani Rupee and the foreign currency at the date of the receipts and payments.

6.4. Employee benefits

The government has following plans for its employees:

a) General Provident Fund

An employee is compulsory subscribed 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

It is 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 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.

6.5. Investments

Investments 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 Federal Consolidated Fund.

6.6. Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents comprise cash with State Bank of Pakistan and federal treasuries.

FEDERAL GOVERNMENT

Notes to the Financial Statements

For the Year Ended 30 June 2020

6.7. Reporting on net basis

Floating debt includes treasury bills auctioned by the government in which the turnover is quick, the amounts are large and maturities are short. These have been reported on a net basis in compliance with IPSAS Cash Basis. A reconciliation of gross and net amounts is presented in note 29 to the financial statements.

6.8. 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.

6.9. Public Debt

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

6.10. 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.

6.11. Loans and advances

Loans and advances include loans and advances due from provincial governments, autonomous bodies, financial and non-financial institutions, 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.

6.12. Payments by third parties

The payments made by the third parties do not constitute cash receipts or payments controlled by the Federal Government as defined in the Cash Basis IPSAS - Financial Reporting under the Cash Basis of Accounting, as the Federal 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 made by third parties are disclosed separately on face of the Statement of Cash Receipts and Payments.

FEDERAL GOVERNMENT
Notes to the Financial Statements
For the Year Ended 30 June 2020

7. TAXATION

	Note	2020 (Rupees in million)			2019 (Rupees in million)		
		Tax Collected	Transfers	Net Tax Collected	Tax Collected	Transfers	Net Tax Collected
Income Tax	7.1	1,482,170	(923,503)	558,667	1,413,036	(876,713)	536,323
Sales Tax	7.2	1,534,603	(956,990)	577,613	1,459,172	(887,959)	571,213
Customs	7.3	606,773	(378,603)	228,170	685,575	(395,724)	289,851
Federal Excise	7.4	250,474	(157,775)	92,699	238,232	(149,329)	88,903
Others	7.5	340,822	(11,280)	329,542	260,264	(9,343)	250,921
		4,214,842	(2,428,151)	1,786,691	4,056,279	(2,319,068)	1,737,211

- 7.1. The Federal levy on income (Income Tax), with effect from July 01, 2002, is governed by the Income Tax Ordinance, 2001 and Income Tax Rules, 2002. It is an annual charge on the taxable income for a tax year, if it exceeds the maximum amount that is not chargeable to tax. Tax rates and method of calculating taxable income varies with fiscal status of the tax payer. The broad categories of taxpayers include companies, non salaried individuals, association of persons, Hindu undivided families and salaried individuals.
- 7.2. Sales Tax is a tax on consumption, levied on manufacturers and retailers as well as on the importers, wholesalers, distributors, dealers and specified services ranging from @ 17% to 22%. However, all the exports and other goods/ items mentioned in the fifth schedule to Sales Tax Act, 1990 or in a notification issued under section 4 of the Act are chargeable to tax @ 0%.
- 7.3. Goods imported into Pakistan are liable to custom duties at the rates specified in the first schedule to the Customs Act, 1969 (IV of 1969).
- 7.4. The federal excise duty is leviable under the Federal Excise Act, 2005 on exercisable goods produced or manufactured in Pakistan or imported into Pakistan or such goods as the Federal Government may, by notification in the official Gazette, specify, as are produced or manufactured in the non-tariff areas and are brought to the tariff areas for sale or consumption therein; and services, provided or rendered in Pakistan.

7.5. TAXATION OTHERS

Direct Taxes

Land Revenue		
Tax on Profession, Trade and Callings		
Capital Value Tax		
Other Direct Taxes		

Note	2020 Rupees in million	2019 Rupees in million
	361	279
	181	50
	(327)	2,768
	2,515	13,014
	2,730	16,111
	292,093	206,280
	9,646	21,471
	5,256	4,319
	5,102	(1,545)
	909	777
	168	94
	13,638	3,414
	326,812	234,810
	329,542	250,921

Indirect Taxes

Petroleum Development Levy	
Gas Infrastructure Development Cess	
Receipts Under Motor Vehicles Act	
Development Surcharge on Gas	
Stamp Duties	
Provincial Excise	
Others Indirect Taxes	

8. GENERAL ADMINISTRATION RECEIPTS

Economic Regulations	1,635	1,540
Fiscal Administration	1,516	1,419
Law and Order	1,384	1,555
Social Services	1,130	1,365
Community Services	1,128	1,474
Organs of State	456	417
Statistics	9	705
	7,258	8,475

FEDERAL GOVERNMENT
Notes to the Financial Statements
For the Year Ended 30 June 2020

	Note	2020 Rupees in million	2019 Rupees in million
9. ECONOMIC SERVICES RECEIPTS			
Receipts under Oilfields and Mineral Development Act		547	573
Fisheries and Animal Husbandry		266	208
Food and Agriculture		210	454
Forest and Irrigation		31	23
Others		685	755
		<u>1,739</u>	<u>2,013</u>
10. DEFENCE SERVICES RECEIPTS			
Military Engineering Services		3,864	3,572
Air Force		2,251	2,342
Purchase and Sale of Stores, Equipment and Animals		1,682	2,677
Pakistan Navy		1,306	2,611
Defence Services Others		1,188	952
Administrative Services		1,014	1,127
Ordinance and Clothing Factories		944	869
Receipts on certain measures of Inter-Services Nature		908	1,306
Military Farms		791	845
Procurement, Research & Product Development		724	546
		<u>14,672</u>	<u>16,848</u>

10.1. Defence services receipts mainly represent receipts realized on account of service charges in accordance with the protocol agreements, dues from civil agencies, sale & auction of obsolete stores, charges realized on account of use of army aviation facilities and leave salary etc. of armed forces personnel on deputation abroad.

	Note	2020 Rupees in million	2019 Rupees in million
11. DEVELOPMENT SURCHARGE AND ROYALTIES			
Royalty on Crude Oil	11.1	28,393	30,348
Royalty on Natural Gas	11.1	50,981	57,434
Discount Retained on Local Crude Price	11.2	13,457	13,932
Windfall Levy on Crude Oil		5,175	7,793
Petroleum Levy On LPG		3,247	3,743
Mineral Royalties		4	114
		<u>101,257</u>	<u>113,364</u>
Less: Provincial Share		<u>(75,851)</u>	<u>(78,694)</u>
		<u>25,406</u>	<u>34,670</u>

11.1. Royalty on crude oil and natural gas is received under Pakistan Petroleum Production Rules, 1949 at the rate of 12.5% on the well head value of production.

11.2. Discount retained on local crude price is received from oil exploration companies selling petroleum products to refineries on the basis of prices prevailing at international markets. The profit margin available between sale price and cost of production is shared by exploration companies and Federal Government.

	Note	2020 Rupees in million	2019 Rupees in million
12. INTEREST ON LOANS AND ADVANCES			
Pakistan Investment Bonds		47,747	17,085
Provinces		26,111	22,935
Cash Loans		22,036	-
Azad Jammu & Kashmir		11,739	10,043
Non-Financial Institutions		4,751	1,343
Karachi Port Trust		1,261	1,802
Government Servants		202	217
Financial Institutions		7	2,771
Local & Autonomous bodies		2	-
National Highway Authority		-	8,072
Sukuk		-	5,461
Others		17,111	2,126
		<u>130,967</u>	<u>71,855</u>

FEDERAL GOVERNMENT
Notes to the Financial Statements
For the Year Ended 30 June 2020

	Note	2020 Rupees in million	2019 Rupees in million
13. DIVIDEND AND PROFIT SHARE			
Dividends Receipts	13.1	40,904	60,202
Profit share	13.2	1,062,511	30,755
		<u>1,103,415</u>	<u>90,957</u>

13.1. Dividends Receipts

Financial Institution

National Insurance Corporation	500	410
Pakistan Re-Insurance Corporation	269	269
Pak Oman Investment Company	215	215
Pak Brunei Investment Company	150	150
National Investment Trust	109	53
Pak Iran Joint Investment Company	75	-
Industrial Development Bank (IDB)	-	250
Others	23	-
	<u>1,341</u>	<u>1,347</u>

Non-Financial Institution

Oil and Gas Development Corporation	22,650	34,582
Pak Arab Refinery ltd	5,160	7,800
Govt Holding Pvt Ltd	5,000	5,000
Pakistan Petroleum Ltd	3,061	1,996
PTCL	1,586	4,757
State Life Insurance Corporation	714	549
Pakistan State Oil Co Ltd	440	806
Pakistan National Shipping Corporation	231	173
Trading Corporation of Pakistan	200	200
Pakistan Mineral Development Corporation (Pvt) Limited	100	88
National Fertilizer Corporation of Pakistan (Pvt) Limited	100	-
Fauji Fertilizer Co Limited	97	86
Mari Petroleum Company Limited	45	140
SNGPL	-	1,417
Others	179	1,261
	<u>39,563</u>	<u>58,855</u>
	<u>40,904</u>	<u>60,202</u>

13.2. Profit share

State Bank of Pakistan	13.2.1	935,519	12,520
Pakistan Telecommunication Authority		123,377	17,378
Others		3,615	857
		<u>1,062,511</u>	<u>30,755</u>

13.2.1. The share of profits from the State Bank of Pakistan represents distributable profits to the federal government against the appropriation of net profits of the bank.

	Note	2020 Rupees in million	2019 Rupees in million
14. DEVELOPMENT GRANTS			
Foreign Governments			
Saudi Arabia		1,213	4,619
Germany		166	69
United Kingdom		-	3,038
Korea		-	33
Canada		-	17
		<u>1,379</u>	<u>7,776</u>

FEDERAL GOVERNMENT
Notes to the Financial Statements
For the Year Ended 30 June 2020

	Note	2020 Rupees in million	2019 Rupees in million
Foreign Organisations		4,384	-
Department for International Development (DFID)		3,320	5,681
United States Agency for International Development (USAID)		1,703	-
European Commission		998	1,513
MDTF		5	-
IDB		-	41
SAARC		-	15,576
GAVI		(177)	620
Asian Development Bank (ADB)		-	176
Others		10,233	23,607
		11,612	31,383
15. FOREIGN DEBT - RECEIPTS			
IMF		456,652	-
Asian Development Bank (ADB)		448,628	71,955
International Development Association (IDA)		424,475	71,662
China Development Bank		142,086	313,614
Islamic Development Bank ST (IDB)		121,597	124,084
Saudi Arabia		120,549	-
Dubai Bank		88,294	23,140
Asian Infrastructure Investment Bank (AIIB)		84,765	2,796
China		70,096	294,762
Ajman Bank		36,526	38,801
SUISSEE (Banks)		32,194	67,569
CITI Bank		23,497	-
International Bank for Re-construction and Development (IBRD)		15,643	19,905
International Fund for Agricultural Development (IFAD)		6,653	2,807
France		3,202	11,748
Korea		2,163	-
Islamic Development Bank (IDB)		655	532
Japan		497	6,688
Germany		78	33
China Safe Deposit		-	257,007
Noor Bank		-	91,961
ICBC		-	42,024
Kuwait		-	379
Others		576	33,999
		2,078,826	1,475,466
16. DOMESTIC DEBT - RECEIPTS			
<i>Government Securities</i>			
Permanent Debt	16.1	3,052,969	8,580,419
Floating Debt-net	17	173,381	(3,389,087)
		3,226,350	5,191,332
16.1 Permanent Debt			
Pakistan Investment Bonds		2,749,625	8,239,463
Sukuk		198,241	177,825
National Prize Bonds		61,370	154,502
Bai Muajjal Ijara Sukuk		23,810	-
Premium Prize Bonds		14,274	4,221
Pakistan Banao Certificates		5,649	3,807
FADRA		-	601
		3,052,969	8,580,419

FEDERAL GOVERNMENT
Notes to the Financial Statements
For the Year Ended 30 June 2020

	Note	2020 Rupees in million	2019 Rupees in million
17. DOMESTIC FLOATING DEBT-NET			
Floating Debt Receipts			
6 Months Market Treasury Bills (Auction)		14,300,590	18,456,980
6 Months Market Treasury Bills purchased by SBP		-	19,225,370
		14,300,590	37,682,350
Floating Debt Payments			
6 Months Market Treasury Bills (Auction)		13,555,643	18,820,695
6 Months Market Treasury Bills purchased by SBP		569,824	22,250,040
Promissory Note		1,496	523
General Capital Increase		246	179
		14,127,209	41,071,437
		173,381	(3,389,087)
18. RECOVERY OF LOANS AND ADVANCES			
Provinces		84,689	71,393
Government Servants		7,353	7,304
Non-Financial Institution		2,673	10,705
Financial Institution		564	364
Others		6,466	5,052
		101,745	94,818
19. PRIVATIZATION PROCEEDS			
Privatization Commission		-	-
		-	-
20. TRADING ACTIVITIES			
Pakistan Post Office - Receipts		15,977	14,826
Others		2	11
		15,979	14,837
21. SALARIES AND EMPLOYEES BENEFITS			
Pay and Allowances		736,786	721,758
Retirement Benefits		469,372	420,967
		1,206,158	1,142,725
22. PRINCIPAL REPAYMENTS OF DEBT			
Foreign Debt			
Commercial Banks		714,067	367,150
Islamic Development Bank (IDB)		149,188	155,520
Asian Development Bank (ADB)		127,265	100,596
International Development Association (IDA)		72,125	49,768
China		56,080	42,651
Japan		29,175	41,423
International Bank for Re-construction and Development (IBRD)		13,356	15,446
France		10,371	16,292
Germany		5,347	9,689
Saudi Arabia		5,040	4,372
USAID		3,695	6,381
Korea		3,622	4,834
OPEC		1,512	1,286
Kuwait		1,303	1,606
International Fund for Agricultural Development (IFAD)		1,243	1,075
Sweden		906	1,498
Russia		719	1,188
Switzerland		605	1,014
Canada		526	870
US EXIM Bank		-	2,027

FEDERAL GOVERNMENT
Notes to the Financial Statements
For the Year Ended 30 June 2020

	Note	2020 Rupees in million	2019 Rupees in million
Euro Bond		155,437	141,495
U.A.E		1,013	807
Netherland		353	645
Austria		235	398
Turkey		213	195
Italian Credit		119	198
Dollar Bond N.C.C.		-	-
Others		2,815	5,578
		1,356,330	974,002
Domestic Debt-Permanent			
Pakistan Investment Bonds		920,333	850,586
National Prize Bonds		230,805	114,424
Sukuk		71,007	314,380
FADRA		3,229	-
Premium Prize Bonds		2,639	1,794
Pakistan Banao Certificates		443	4
Special U.S. Dollar Bonds		150	46
FEBC		-	1
		1,228,606	1,281,235
		2,584,936	2,255,237
23. SERVICING OF DEBT			
Domestic Debt		2,354,796	1,829,453
Foreign Debt		306,288	270,305
		2,661,084	2,099,758
24. LOANS AND ADVANCES			
Revenue Expenditure		-	-
Capital Expenditure			
Provincial Governments		128,701	125,528
Non-Financial Institutions		106,910	227,496
National Highway Authority		94,791	75,580
Private Sector		44,751	39,519
Pakistan International Airlines		27,080	17,599
Government Employees	24.1	13,553	11,784
Others		3,706	12,766
		419,492	510,272
		419,492	510,272
24.1 Government Employees			
House Building Advance		10,869	9,503
Motor Car Advance		2,220	1,792
Motor Cycle Advance		459	484
Cycle Advance		5	5
		13,553	11,784

24.2 Advances to government employees are provided according to Rule 252, 253, 256, 262 and 263 of the General Financial Rules as per their entitlements.

FEDERAL GOVERNMENT
Notes to the Financial Statements
For the Year Ended 30 June 2020

	2020	2019
Note	Rupees in million	Rupees in million
25. INVESTMENTS - PAYMENTS		
Pakistan Railways	8,789	23,259
Pakistan Mortgage Refinance Company Ltd.	4,642	-
Islamic Development Bank	1,300	933
Pak Libya Holding Company Ltd.	500	-
Pakistan Television Corporation	193	96
Others	414	803
	<u>15,838</u>	<u>25,091</u>

	2020	2019
Note	Rupees in million	Rupees in million
26. NET RECEIPT OF PUBLIC ACCOUNT		
Receipts		
National Saving Schemes	1,790,860	2,517,018
Deposits	638,988	523,512
State Provident Fund	81,348	87,567
Other Public Accounts	19,799,789	5,470,613
	<u>22,310,985</u>	<u>8,598,709</u>
Payments		
National Saving Schemes	(1,241,216)	(2,254,290)
Deposits	(563,651)	(470,251)
State Provident Fund	(44,264)	(43,191)
Other Public Accounts	(19,869,403)	(5,515,420)
	<u>(21,718,534)</u>	<u>(8,283,152)</u>
	<u>592,451</u>	<u>315,557</u>

26.1. 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 Parliament or Presidential order. The balances in the public account are carried forward at year end, to be used for the specific purpose for which they are established.

	2020	2019
Note	Rupees in million	Rupees in million
27. CASH AT BANK AND TREASURIES		
Cash with State Bank of Pakistan (SBP)	500,945	921,952
Cash Balance with Treasuries	(140)	(215)
	<u>500,805</u>	<u>921,737</u>

	2020	2019
28. ASSETS AND LIABILITIES		
Assets		
Long Term Assets	3,507,985	2,975,151
Investments	1,235,569	1,219,731
Loans and Advances	3,715,362	3,397,615
Current Assets	34,305	72,587
Cash at Bank and Treasuries	500,805	921,737
	<u>8,994,026</u>	<u>8,586,821</u>
Liabilities and Equity		
Public Debt	26,590,040	23,869,800
Special Deposits and Trust Accounts	3,951,599	3,405,332
Deferred liabilities	116,810	108,908
Capital Receipts	287,695	287,695
Residual Equity	(21,952,119)	(19,084,914)
	<u>8,994,026</u>	<u>8,586,821</u>

28.1 These financial statements have been prepared under cash basis of accounting, the information of asset and liability have been presented which are not mandatory but encouraged disclosures as per international standards.

FEDERAL GOVERNMENT
Notes to the Financial Statements
For the Year Ended 30 June 2020

29. COMPARISON OF BUDGET AND ACTUAL AMOUNTS

The approved budget is developed on the same accounting basis (cash basis), functional classification basis and for the same period as for the financial statements. It encompasses the same entities as the financial statements – as identified in note 1 above.

The statements of comparison of budgeted and actual amounts by function and by division are presented on a gross basis, whereas receipts and payments of floating debt in the Statement of Cash Receipts and Payments have been netted off as explained in note 6.7 for which a reconciliation is presented below.

	Note	2020 Rupees in Million	2019 Rupees in Million
Receipts			
Receipts in Statement of Comparison of Budget and Actual Amounts by Function		22,703,873	49,893,851
Add: Floating debt-net	17	173,381	(3,389,087)
Less : Floating debt receipts	17	14,300,590	37,682,350
Less : Third party payments		124,338	116,579
Add : Third party not Included in Budget		-	15,576
Actual receipts in Statement of Cash Receipts and Payments		<u>8,452,326</u>	<u>8,721,411</u>
Payments			
Payments in Statements of Comparison of Budget & Actual Amounts by Function and Actual Expenditure by Division		23,717,256	49,276,874
Less : Floating debt payments	17	14,127,209	41,071,437
Less : Third party payments		124,338	116,579
Add : Third party not Included in Budget		-	15,576
Actual payments in Statement of Cash Receipts and Payments		<u>9,465,709</u>	<u>8,104,434</u>

30. 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 federal government together with the audit reports on these financial statements to the President of the Islamic Republic of Pakistan who shall cause them to be laid before the National Assembly. These financial statements have been authorized for issue on **23 DEC 2020**.

31. GENERAL

31.1. Level of Precision

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

31.2. Corresponding Figures

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



Accountant General Pakistan Revenues